

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2023 This Form is Open to Public Inspection
--	---	---

Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 07/01/2023 and ending 06/30/2024	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan PHILADELPHIA WORKS, INC. 401(K) PLAN
1b	Three-digit plan number (PN) ▶ 003
1c	Effective date of plan 02/01/2003
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) PHILADELPHIA WORKS, INC. 1617 JFK BLVD 13TH FLOOR PHILADELPHIA, PA 19103
2b	Employer Identification Number (EIN) 23-3048942
2c	Plan Sponsor's telephone number 215-557-2821
2d	Business code (see instructions) 624100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/15/2025	ZACHARIAH HUGHES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	04/15/2025	ZACHARIAH HUGHES
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 164
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1) 101 6a(2) 85 6b 0 6c 63 6d 148 6e 0 6f 148 6g(1) 124 6g(2) 127 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 3D 2G 2J 2K 2F 2T

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached _____
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 07/01/2023 and ending 06/30/2024		
A Name of plan PHILADELPHIA WORKS, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 PHILADELPHIA WORKS, INC.	D Employer Identification Number (EIN) 23-3048942	

Part I	Service Provider Information (see instructions)
--------	---

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
THE VANGUARD GROUP, INC.
23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

AXA ADVISORS, LLC

13-4071393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	NONE	41999	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

THE VANGUARD GROUP, INC.

23-1945930

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99 37 64 50 15 52 68	NONE	14202	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration		DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.		OMB No. 1210-0110 2023 This Form is Open to Public Inspection.	
For calendar plan year 2023 or fiscal plan year beginning 07/01/2023 and ending 06/30/2024					
A Name of plan PHILADELPHIA WORKS, INC. 401(K) PLAN				B Three-digit plan number (PN) ▶ 003	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 PHILADELPHIA WORKS, INC.				D Employer Identification Number (EIN) 23-3048942	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: GG CIT III FOR METLIFE GAC 25554 J					
b Name of sponsor of entity listed in (a): GREAT GRAY TRUST					
c EIN-PN 26-0142858-094		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 913320	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs, other than DCGs)

(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 07/01/2023 and ending 06/30/2024		
A Name of plan PHILADELPHIA WORKS, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 PHILADELPHIA WORKS, INC.	D Employer Identification Number (EIN) 23-3048942	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	6929	8532
(2) Participant contributions	1b(2)	11320	12834
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred.....	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred.....	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	153654	154723
(9) Value of interest in common/collective trusts	1c(9)	829766	913320
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	9355288	10307602
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	10356957	11397011
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	10356957	11397011

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	184965	
(B) Participants	2a(1)(B)	284977	
(C) Others (including rollovers)	2a(1)(C)	27728	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		497670
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	8432	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		8432
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	248323	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		248323
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		20183
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		993580
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		1768188

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	671934	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		671934
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)	14201	
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees	2i(5)	41999	
(6) Bank or trust company trustee/custodial fees	2i(6)		
(7) Actuarial fees	2i(7)		
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		56200
j Total expenses. Add all expense amounts in column (b) and enter total	2j		728134

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1040054
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MITCHELL TITUS

(2) EIN: 13-2781641

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		☒	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
For calendar plan year 2023 or fiscal plan year beginning 07/01/2023 and ending 06/30/2024		
A Name of plan PHILADELPHIA WORKS, INC. 401(K) PLAN		B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 PHILADELPHIA WORKS, INC.		D Employer Identification Number (EIN) 23-3048942
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 45-0404698		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2023 v. 230707		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for: a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment) b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment) c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14a 14b 14c	
15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to: a The corresponding number for the plan year immediately preceding the current plan year b The corresponding number for the second preceding plan year	15a 15b	
16 Information with respect to any employers who withdrew from the plan during the preceding plan year: a Enter the number of employers who withdrew during the preceding plan year b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16a 16b	
17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐	
19 If the total number of participants is 1,000 or more, complete lines (a) and (b): a Enter the percentage of plan assets held as: Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____% High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____% b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets: ☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more	
20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation: _____	

Part VII	IRS Compliance Questions
-----------------	---------------------------------

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No 21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2). ☒ Design-based safe harbor method ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A	
22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter <u>06 / 30 / 2020</u> (MM/DD/YYYY) and the Opinion Letter serial number <u>Q703678A</u> .	

PHILADELPHIA WORKS, INC. 401(k) PLAN

**Financial Statements and Supplemental Schedule
For the Years Ended June 30, 2024 and 2023
With Independent Auditor's Report**



MITCHELL TITUS
ACHIEVING EXCELLENCE TOGETHER

PHILADELPHIA WORKS, INC. 401(k) PLAN
For the Years Ended June 30, 2024 and 2023

TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT	1–3
MANAGEMENT’S DISCUSSION AND ANALYSIS	4–7
FINANCIAL STATEMENTS	
Statements of Fiduciary Net Position as of June 30, 2024 and 2023	8
Statements of Changes in Fiduciary Net Position for the Years Ended June 30, 2024 and 2023	9
Notes to Financial Statements	10–15
SUPPLEMENTAL SCHEDULE	
Schedule H, Part IV, Line 4(i)*—Schedule of Assets (Held at End of Year) as of June 30, 2024	16

*Refers to item numbers in Form 5500 (Annual Return/Report of Employee Benefit Plan) for the year ended June 30, 2024.



INDEPENDENT AUDITOR'S REPORT

To the 401(k) Plan Administrative Committee
Philadelphia Works, Inc.

Opinion

We have audited the financial statements of the Philadelphia Works, Inc. 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of fiduciary net position as of June 30, 2024 and 2023, the related statements of changes in fiduciary net position 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 fiduciary net position of the Philadelphia Works, Inc. 401(k) Plan as of June 30, 2024 and 2023, and the changes in its fiduciary net position 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 Philadelphia Works, Inc. 401(k) Plan 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 Philadelphia Works, Inc. 401(k) Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

2000 Market Street
Philadelphia, PA 19103
T +1 215 561 7300
F +1 215 569 8709
mitchelltitus.com



Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

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 audit.
- 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 audit 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 Philadelphia Works, Inc. 401(k) Plan'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 Philadelphia Works, Inc. 401(k) Plan'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.



Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental Schedule H, Part IV, Line 4(i)—Schedule of Assets (held at end of year) as of June 30, 2024, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including the form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 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 GAAS, 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 audits 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.

Mitchell Titus, LLP

April 15, 2025

PHILADELPHIA WORKS, INC. 401(k) PLAN
Management's Discussion and Analysis
June 30, 2024 and 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following presents our discussion and analysis for the financial performance of the Philadelphia Works, Inc. 401(k) Plan (the Plan) for the years ended June 30, 2024 and 2023. This discussion and analysis should be read in conjunction with the financial statements and disclosures.

The Plan is a defined contribution plan covering all full-time employees of Philadelphia Works, Inc. (the Company and Plan Sponsor) who complete three full consecutive calendar months of employment and are aged 21 or older. The Plan Sponsor makes a contribution of 100% of participant deferrals, up to 4% of a participant's compensation. This contribution will be fully vested at all times and cannot be forfeited.

The Plan's financial statements consist of two financial statements: (a) Statement of Fiduciary Net Position and (b) Statement of Changes in Fiduciary Net Position.

- The Statement of Fiduciary Net Position presents the Plan's assets, liabilities, and net position available for participant benefits.
- The Statement of Changes in Fiduciary Net Position presents the additions and deductions to the Plan's net position.

2024 Financial Highlights

- Investments increased by 10.17%, or \$1,035,868
- Notes receivable from participants increased by 0.70%, or \$1,069
- Net investment income was \$1,270,518, an increase of 40.84% or \$368,433 over the prior year
- Total Plan contributions decreased by 21.68%, or \$137,756
- Benefits paid to participants Increased by 4.66%, or \$29,906

2023 Financial Highlights

- Investments increased by 8.43%, or \$791,614
- Notes receivable from participants increased by 49.44%, or \$50,834
- Net investment income was \$902,085, an increase of 177.79% or \$2,061,734 over the prior year
- Total Plan contributions increased by 37.15%, or \$172,103
- Benefits paid to participants decreased by 50.01%, or \$642,356

PHILADELPHIA WORKS, INC. 401(k) PLAN
Management's Discussion and Analysis (*continued*)
June 30, 2024 and 2023

Financial Analysis

Table 1 – Statements of Fiduciary Net Position as of June 30, 2024, 2023, and 2022

	2024	2023	2022	2024 - 2023		2023 - 2022	
				Variance	%	Variance	%
ASSETS							
Investments	\$ 11,220,922	\$ 10,185,054	\$ 9,393,440	\$ 1,035,868	10.17 %	\$ 791,614	8.43 %
Notes receivable from participants	154,723	153,654	102,820	1,069	0.70 %	50,834	49.44 %
Employer receivable	8,532	6,929	6,518	1,603	23.13 %	411	6.31 %
Employee receivable	12,834	11,320	11,475	1,514	13.37 %	(155)	(1.35)%
Net position restricted for Plan benefits	\$ 11,397,011	\$ 10,356,957	\$ 9,514,253	\$ 1,040,054	10.04 %	\$ 842,704	8.86 %

Fiscal Year 2024

The Plan's investments increased in value by \$1,035,868, or 10.17%, to \$11,220,922 at June 30, 2024, primarily due to distributions during the current year being less than net contributions received and the net appreciation in fair value of investments. Similar to fiscal year 2023, the majority of the Plan's investments were in mutual funds, which comprised 91.86% of the Plan's total investments at June 30, 2024.

Fiscal Year 2023

The Plan's investments decreased in value by \$791,614, or 8.43%, to \$10,185,054 at June 30, 2023, primarily due to distributions during the fiscal year 2023 being less than net contributions received and the net appreciation in fair value of investments. Similar to fiscal year 2022, the majority of the Plan's investments were in mutual funds, which comprised 84% of the Plan's total investments at June 30, 2023.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Management's Discussion and Analysis (*continued*)
June 30, 2024 and 2023

Table 2 – Statements of Changes in Fiduciary Net Position for Fiscal Years Ended June 30, 2024, 2023, and 2022

	2024 - 2023				2023 - 2022		
	2024	2023	2022	Variance	% Variance	Variance	% Variance
ADDITIONS							
Net investment income (loss)	\$ 1,270,518	\$ 902,085	\$ (1,159,649)	\$ 368,433	(40.84)%	\$ 2,061,734	(177.79)%
Plan contributions	497,670	635,426	463,323	(137,756)	(21.68)%	172,103	37.15 %
Total additions	1,768,188	1,537,511	(696,326)	230,677	(15.00)%	2,233,837	(320.80)%
DEDUCTIONS							
Benefits paid to participants	671,934	642,028	1,284,384	29,906	4.66 %	(642,356)	(50.01)%
Loan discharge	-	-	-	-	0.00 %	-	100.00 %
Administrative fees	56,200	52,779	58,937	3,421	6.48 %	(6,158)	(10.45)%
Total deductions	728,134	694,807	1,343,321	33,327	4.80 %	(648,514)	(48.28)%
Net increase (decrease)	1,040,054	842,704	(2,039,647)	197,350	(23.42)%	2,882,351	(141.32)%
Net position restricted for Plan benefits, beginning of year	10,356,957	9,514,253	11,553,900	842,704		(2,039,647)	
Net position restricted for Plan benefits, end of year	\$ 11,397,011	\$ 10,356,957	\$ 9,514,253	\$ 1,040,054		\$ 842,704	

Fiscal Year 2024

The Plan's contributions in fiscal year 2024 decreased by \$137,756, or 21.68%.

The Plan's net investment income was \$1,270,518 in fiscal year 2024, an increase of \$368,433. The change to net investment income was due to the performance of the market. The change was attributed to the net appreciation in fair value of investments in fiscal year 2024.

Benefits paid to participants increased by \$29,906. The total number of participants terminated from the Plan was greater in fiscal year 2024 than terminations in fiscal year 2023; and the average distribution amount was lesser based on the participants who took distributions in 2024.

Fiscal Year 2023

The Plan's contributions in fiscal year 2023 increased by \$172,103, or 37.15%.

The Plan's net investment income was \$902,085 in fiscal year 2023, an increase of \$2,061,734. The change to net investment income was due to the performance of the market. The change was attributed to the net appreciation in fair value of investments in fiscal year 2023.

Benefits paid to participants decreased by \$642,356. The total number of participants terminated from the Plan was greater in fiscal year 2023 than terminations in fiscal year 2022; and the average distribution amount was lesser based on the participants who took distributions in 2023.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Management's Discussion and Analysis (*continued*)
June 30, 2024 and 2023

Contact Information

The above discussion and analysis are presented to provide additional information regarding the activities of the Plan and also to meet the disclosure requirements of Government Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. If you have any questions about the report or need additional financial information, contact Philadelphia Works, Inc.

FINANCIAL STATEMENTS

PHILADELPHIA WORKS, INC. 401(k) PLAN
Statements of Fiduciary Net Position
As of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Investments, at fair value	\$ 11,220,922	\$ 10,185,054
Notes receivable from participants	154,723	153,654
Employer receivable	8,532	6,929
Employee receivable	<u>12,834</u>	<u>11,320</u>
Net position restricted for Plan benefits	<u>\$ 11,397,011</u>	<u>\$ 10,356,957</u>

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ADDITIONS		
<i>Investment income</i>		
Net appreciation in fair value		
of investments	\$ 1,013,763	\$ 696,483
Interest and dividends	248,323	199,940
Interest income on notes receivable from participants	8,432	5,662
Total investment income	<u>1,270,518</u>	<u>902,085</u>
<i>Contributions</i>		
Employer	184,965	176,199
Employee	312,705	459,227
Total contributions	<u>497,670</u>	<u>635,426</u>
Total additions	<u>1,768,188</u>	<u>1,537,511</u>
DEDUCTIONS		
Distributions to participants and other	671,934	642,028
Administrative fees	56,200	52,779
Total deductions	<u>728,134</u>	<u>694,807</u>
Net increase in fiduciary net position	1,040,054	842,704
Net position restricted for Plan benefits, beginning of year	<u>10,356,957</u>	<u>9,514,253</u>
Net position restricted for Plan benefits, end of year	<u><u>\$ 11,397,011</u></u>	<u><u>\$ 10,356,957</u></u>

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 1 DESCRIPTION OF PLAN

The following brief description of the Philadelphia Works, Inc. (PWI, or the Company) 401(k) Plan (the Plan) is provided strictly for general information purposes. Participants should refer to the Plan document for more complete information.

General

The Plan is a defined contribution plan covering all Company full-time employees who complete three full consecutive calendar months of employment and are aged 21 or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Philadelphia Works, Inc., the Plan administrator, is responsible for adopting the Plan's administration rules and regulations, investment policies, and overseeing the duties of the Plan's Trustee, Ascensus Trust Company (ATC), and the Plan's recordkeeper, Ascensus, Inc. (Ascensus). As the Trustee, ATC has custody of the Plan's assets. Ascensus is responsible for the recordkeeping and reporting of the Plan. PWI may amend the Plan at any time.

Contributions

Each year, participants may contribute from 1% to 100% of their pretax annual compensation, as defined in the Plan document, limited to the Internal Revenue Service (IRS) annual limitation of \$19,500. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. The Company makes discretionary matching contributions as determined annually by its Board of Directors. The Company's matching contributions are within Safe Harbor limits and the amounts equal to 100% of participant deferrals, up to 4% of a participant's compensation. This contribution will be fully vested at all times and cannot be forfeited.

For the years ended June 30, 2024 and 2023, the Company's matching contributions did not exceed 4% of participants' compensation for the Plan year.

Participant Accounts

Each participant's account is credited with their contribution, the Company's contribution, and an allocation of Plan earnings. Allocations are based on participant account balances, as defined in the Plan document. The benefit to which a participant is entitled is the amount from the participant's vested account. At June 30, 2024 and 2023, the Plan had 127 and 124 participants, respectively.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 1 DESCRIPTION OF PLAN *(continued)*

Participant Accounts *(continued)*

Upon attaining normal retirement age, death, becoming disabled, or in the event of termination of employment or the Plan for any reason, a participant shall be eligible to receive a distribution of the vested amount credited to their account. A participant's account may be distributed to the participant in cash or in the form actually held in the fund or in any combination of the two. The Company reserves the right to terminate the Plan at any time, subject to Plan provisions.

Benefit Payments

Benefit payments are recorded as deductions when due for payment.

Hardship Distributions

With the approval of the Plan's administrator, a participant may receive a distribution prior to retirement or other separation from service in the event of a financial hardship. The Plan's administrator will allow a hardship distribution only to enable a participant to meet immediate and material financial needs resulting from the hardship, which cannot be readily met from the participant's other financial resources. The Plan's Administrative Committee will only authorize a distribution for the amount needed to meet the financial hardship and each decision is based on the participant's facts.

Loans

A participant is allowed to borrow the lesser of 50% of the present value of his or her vested account balance, or \$50,000, and must demonstrate an immediate financial need. Personal loans have terms of up to five years. Principal residence loans must be repaid within a reasonable length of time for similar loans, determined at the time the loan is approved. The interest rate on the loans is based on the prevailing prime rate at the time the loan is made. A participant may not have more than one loan outstanding at the same time.

Vesting

A participant's vested interest in his or her participant account will be determined according to the following provisions:

- 1) 100% vesting of all amounts in a participant's account upon retirement, death, or disability prior to employment termination.
- 2) 100% vesting of a participant's elective deferral account.
- 3) 100% vesting of a participant's matching contribution account.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 1 DESCRIPTION OF PLAN *(continued)*

Vesting *(continued)*

- 4) A participant's vested interest in his or her non-elective profit-sharing contribution account will be determined by the vesting schedule as follows:

<u>Years of Service</u>	<u>Vested Interest</u>
1	0%
2	0%
3	100%

Investment Options

In 2024 and 2023, the Plan provided a participant-directed investment program that allowed participants to choose mutual funds among the ATC funds managed by ATC. As a result, the Plan's investments do not expose it to custodial credit risk.

Plan Termination

Although it has not expressed any such intent, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Plan's financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. GASB No. 34 requires two basic financial statements: the statement of fiduciary net position and the statement of changes in fiduciary net position. For financial reporting purposes, the Plan is considered a pension trust fund.

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. Contributions are recognized by the Plan when the payments become due from the Plan sponsor. Investment income is recognized when earned. Deductions are recognized when due in accordance with the terms of the Plan.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments

The Plan consists of separate investment funds with different investment objectives. The degree and concentration of credit risk varies by fund, depending upon the type and diversity of the investment.

Investments in all of the funds have a fair value Level of 1, since they are represented by shares that have been valued at their respective fund's net asset value, which are quoted market prices from an open market.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. The statement of changes in fiduciary net position presents the Plan's net appreciation (depreciation) in the fair value of its investments, which consists of both the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

Administrative Expenses

Administrative expenses are paid by the Company. However, certain administrative costs related to administering participant loans are paid by those participants.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to net position during the reporting period. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when incurred. No allowance for credit losses has been recorded as of June 30, 2024 or 2023. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced, and a benefit payment is recorded.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 3 INVESTMENTS

At June 30, 2024 and 2023, the Plan was invested primarily in mutual funds, which do not expose the Company to custodial credit risk.

Interest rate risk exists for the Plan's bond funds. Changes in interest rates will adversely affect the fair value of such investments. However, the Plan manages its exposure to declines in fair values caused by interest rate increases by not holding investments that have excessive average maturities. Investment credit quality ratings are not available for the Plan's mutual funds.

NOTE 4 FAIR VALUE MEASUREMENTS

The following tables set forth the Plan's financial assets measured at fair value on a recurring basis at June 30, 2024 and 2023. See Note 2 for the valuation methodology used to measure the fair value of these investments. There have been no changes to the methodologies used to measure the fair value of each asset from June 30, 2024 to 2023. These assets have been categorized according to the three-level fair value hierarchy established by GASB No. 72, *Fair Value Measurement and Application*, which prioritize the inputs used in measuring fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs reflecting the Plan's own assumptions about the assumptions that market participants would use in pricing the asset. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

	Level 1	Level 2	Level 3	Total
At June 30, 2024				
Registered investment companies	\$ 10,307,602	\$ -	\$ -	\$ 10,307,602
Stable Value Fund	913,320	-	-	913,320
Total	\$ 11,220,922	\$ -	\$ -	\$ 11,220,922
	Level 1	Level 2	Level 3	Total
At June 30, 2023				
Registered investment companies	\$ 9,355,288	\$ -	\$ -	\$ 9,355,288
Stable Value Fund	829,766	-	-	829,766
Total	\$ 10,185,054	\$ -	\$ -	\$ 10,185,054

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 5 INCOME TAX STATUS

The underlying non-standardized prototype plan has received an opinion letter from the IRS dated March 31, 2014, stating that the written form of the underlying prototype document is qualified under the Internal Revenue Code (the Code). Any employer adopting this form of the plan will be considered to have a plan qualified under Section 401 of the Code and, therefore, the related trust is tax exempt. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The Plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes the Plan is qualified and the related trust is tax exempt.

U.S. GAAP requires the evaluation of uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more-likely-than-not, based on the technical merits, to be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and concluded that as of June 30, 2024, there are no uncertain tax positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2019.

NOTE 6 SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through April 15, 2025, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

PHILADELPHIA WORKS, INC. 401(k) PLAN

Schedule H, Part IV, Line 4(i)—Schedule of Assets (Held at End of Year)

As of June 30, 2024

(a) Party-in-Interest	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment	(e) Current Value
Investment funds			
*	DFA U.S. Core Equity I	Mutual Fund	\$ 1,054,879
*	Vanguard Value Index Adm	Mutual Fund	52,641
*	DFA Global Equity Portfolio 1	Mutual Fund	585
*	DFA Intl Core Equity Portfolio Instl	Mutual Fund	471,121
*	DFA Inflation-Protected Sec Port I	Mutual Fund	58,963
*	DFA Emerging Markets Core Equity I	Mutual Fund	280,906
*	DFA U.S. Targeted Value Portfolio	Mutual Fund	339,545
*	DFA U.S. Large Cap Value Portfolio	Mutual Fund	538,488
*	WTRISC CIT III for MetLife GAC 25554 J	Stable Value Fund	913,320
*	Vanguard Target Retirement 2020 Inv	Mutual Fund	349,185
*	Vanguard Target Retirement 2025 Inv	Mutual Fund	389,821
*	Vanguard Target Retirement 2030 Inv	Mutual Fund	1,364,818
*	Vanguard Target Retirement 2035 Inv	Mutual Fund	403,723
*	Vanguard Target Retirement 2040 Inv	Mutual Fund	719,949
*	Vanguard Target Retirement 2045 Inv	Mutual Fund	554,743
*	Vanguard Target Retirement 2050 Inv	Mutual Fund	318,958
*	Vanguard Target Retirement 2055 Inv	Mutual Fund	99,487
*	Vanguard Target Retirement 2060 Inv	Mutual Fund	48,133
*	Vanguard Target Retirement 2065 Inv	Mutual Fund	8,320
*	Vanguard Instl Target Retirement Income	Mutual Fund	386,319
*	Vanguard Total Stock Mkt Index Adm	Mutual Fund	504,830
*	Vanguard LifeStrategy Income Inv	Mutual Fund	12,268
*	Vanguard Total Intl Stock Index Adm	Mutual Fund	167,512
*	Vanguard LifeStrategy Conserv Growth Inv	Mutual Fund	663
*	Vanguard LifeStrategy Moderate Growth Inv	Mutual Fund	3,859
*	Vanguard Total Bond Market Index Adm	Mutual Fund	654,256
*	Vanguard Small Cap Index Adm	Mutual Fund	5,432
*	Vanguard Small-Cap Growth Index Adm	Mutual Fund	2,175
*	Vanguard Small-Cap Value Index Adm	Mutual Fund	26,097
*	Vanguard Dividend Apprec Idx Adm	Mutual Fund	370,110
*	Vanguard Total Intl Bond Index Adm	Mutual Fund	472,019
*	Vanguard Mid-Cap Growth Index Adm	Mutual Fund	15,568
*	Vanguard Mid-Cap Value Index Adm	Mutual Fund	21,327
*	Vanguard Mid Cap Index Adm	Mutual Fund	29,876
*	Vanguard Large Cap Index Adm	Mutual Fund	54,054
*	Vanguard Real Estate Index Adm	Mutual Fund	377,715
*	Vanguard Growth Index Adm	Mutual Fund	149,257
			<u>11,220,922</u>
*	Participant loans	Interest rates range from 3.25% to 8.50%	<u>154,723</u>
	Total assets held, at year end		<u>\$ 11,375,645</u>

*Represents party-in-interest.

"Cost" is not applicable for participant-directed investments.





PHILADELPHIA WORKS, INC.

**Financial Statements, Supplemental Reports,
and Supplementary Information
For the Years Ended June 30, 2024 and 2023
With Independent Auditor's Report**



MITCHELL TITUS
ACHIEVING EXCELLENCE TOGETHER

PHILADELPHIA WORKS, INC.

For the Years Ended June 30, 2024 and 2023

TABLE OF CONTENTS

	<u>Page(s)</u>
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1–4
MANAGEMENT’S DISCUSSION AND ANALYSIS	5–8
BASIC FINANCIAL STATEMENTS	
Statement of Net Position and Governmental Fund Balance Sheet as of June 30, 2024	9
Statement of Net Position and Governmental Fund Balance Sheet as of June 30, 2023	10
Statement of Activities and Governmental Fund Revenue, Expenditures, and Changes in Fund Balance for the Year Ended June 30, 2024	11
Statement of Activities and Governmental Fund Revenue, Expenditures, and Changes in Fund Balance for the Year Ended June 30, 2023	12
Statements of Fiduciary Net Position as of June 30, 2024 and 2023	13
Statements of Changes in Fiduciary Net Position for the Years Ended June 30, 2024 and 2023	14
Notes to Financial Statements	15–31
SUPPLEMENTARY INFORMATION	
Statement of Functional Expenses for the Year Ended June 30, 2024	32
Statement of Functional Expenses for the Year Ended June 30, 2023	33
Schedule of Governmental Expenditures by Program Identifier and Cost Category for the Year Ended June 30, 2024	34–36
EARN-TANF Schedule of Revenue, Expenses and Comparison with Budget for the Year Ended June 30, 2024	37
EARN-TANF Schedule of Revenue, Expenses and Comparison with Budget for the Year Ended June 30, 2023	38

PHILADELPHIA WORKS, INC.

For the Years Ended June 30, 2024 and 2023

TABLE OF CONTENTS*(continued)*

	<u>Page(s)</u>
SINGLE AUDIT SECTION	
Schedule of Expenditures of Federal and State Awards for the Year Ended June 30, 2024	39–40
Notes to Schedule of Expenditures of Federal and State Awards	41
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 <i>Government Auditing Standards</i>	42–43
Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance	44–46
Schedule of Findings and Questioned Costs	47–48
Independent Accountants’ Report on Applying Agreed-Upon Procedures	49–50
Pennsylvania Department of Human Services’ Supplemental Reconciliation Schedule	51



INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Philadelphia Works, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Philadelphia Works, Inc. (Philadelphia Works) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise Philadelphia Works' basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the major fund, and the aggregate remaining fund information of Philadelphia Works, as of June 30, 2024 and 2023, and the respective changes in its financial position 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Philadelphia Works, 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 opinions.

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.

2000 Market Street
Philadelphia, PA 19103
T +1 215 561 7300
F +1 215 569 8709
mitchelltitus.com



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 Philadelphia Works' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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 opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- 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 audit 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 Philadelphia Works' 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 Philadelphia Works' 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.



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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 GAAS, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Philadelphia Works' basic financial statements. The Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the statements of functional expenses, the schedule of governmental expenditures by program identifier and cost category, and the schedule of revenue, expenses and comparison with budget for EARN-TANF (the "Supplementary Information") are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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. The information has been subjected to the auditing procedures applied in the audits 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025, on our consideration of Philadelphia Works' 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 Works' 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 Works' internal control over financial reporting and compliance.

Mitchell Titus, LLP

March 31, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

The following discussion and analysis of Philadelphia Works, Inc.'s (Philadelphia Works) financial performance is presented to provide an overview of Philadelphia Works' financial activities for the fiscal years ended June 30, 2024 and 2023. This discussion has been prepared by management and should be read in conjunction with Philadelphia Works' financial statements, which follow this section.

BACKGROUND INFORMATION ON PHILADELPHIA WORKS

Philadelphia Works is a non-profit corporation established on July 1, 2012, as a result of the merger between Philadelphia Workforce Development Corporation and Philadelphia Workforce Investment Board, Inc. Philadelphia Works contributes to the growth of a strong regional economy by providing employers with a well-trained workforce. This mission is accomplished by promoting opportunities for job seekers and employers and by actively leading, advocating for, and implementing quality workforce development activities.

Philadelphia Works is funded primarily by the U.S. Department of Health and Human Services, the Commonwealth of Pennsylvania and the U.S. Department of Labor. The members of the Board of Directors were appointed by the Mayor of the City of Philadelphia (the City).

USING THIS ANNUAL REPORT

This annual report consists of a financial section and a Single Audit section. The financial section consists of management's discussion and analysis, the basic financial statements (including notes to the financial statements) and supplementary information. The Single Audit section provides information on funding from the Federal government and the Commonwealth of Pennsylvania as required by applicable laws and regulations.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The basic financial statements present two different views of Philadelphia Works through the use of government-wide statements and fund financial statements. The government-wide financial statements (*i.e.*, the statements of net position and statements of activities) provide information about Philadelphia Works' overall financial status. The remaining basic financial statements are the governmental fund financial statements (*i.e.*, the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balance), which explain operations in the short term, and the fiduciary fund financial statements, which reflect activities involving resources that are held by Philadelphia Works as a trustee for parties outside the government. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support Philadelphia Works' programs.

The basic financial statements also include notes to the financial statements that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS *(continued)*

The statement of net position includes all of Philadelphia Works' assets and liabilities, except fiduciary funds, with the difference between the two reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. The statement of activities focuses on how Philadelphia Works' net position changed during the year. All changes in net position are reported using the accrual method of accounting, which requires that revenue be reported when earned and expenses be reported when the goods and/or services are received, regardless of when cash is received or paid. Over time, increases or decreases in the Philadelphia Works' net position are one indicator of whether Philadelphia Works' financial position is improving or deteriorating.

Governmental fund statements provide a detailed short-term view that helps determine the financial resources available in the near future to finance Philadelphia Works' programs. Because this information does not encompass the additional long-term focus of the government-wide statements, an adjustments column provides information that explains the differences between the fund and government-wide financial statements.

Philadelphia Works is the trustee, or fiduciary, for its employees' benefit plan. Philadelphia Works is responsible for ensuring that the assets reported in the fund are used for their intended purpose. All of Philadelphia Works' fiduciary asset and liability balances are reported in the statement of fiduciary net position. A statement of changes in fiduciary net position is also presented. All fiduciary activities are excluded from Philadelphia Works' government-wide financial statements because Philadelphia Works cannot use these assets for its operations.

Lease Accounting

GASB Statement No. 87, *Leases* (the Statement), establishes new guidance for lease accounting for lessees and lessors and eliminates the classification of leases into operating or capital leases. This Statement establishes a single model for lease accounting based on the principle that leases are financings of the right-to-use an underlying asset. Lessees will recognize a lease liability and an intangible right-to-use an underlying asset. Lessors will recognize a lease receivable and a deferred inflow of resources. See Note 7 to the financial statements for additional information.

Statements of Activities and Change in Net Position

	Year Ended June 30, 2024	Year Ended June 30, 2023	Year Ended June 30, 2022
Revenue	\$ 74,416,567	\$ 67,250,614	\$ 61,066,342
Expenses	(73,901,760)	(67,201,082)	(61,253,270)
Change in net position	\$ 514,807	\$ 49,532	\$ (186,928)

PHILADELPHIA WORKS, INC.
Management's Discussion and Analysis
June 30, 2024 and 2023

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS *(continued)*

Statements of Activities and Change in Net Position *(continued)*

Philadelphia Works is essentially a pass-through organization, as funding received from governmental entities is passed through to subrecipients to perform job training initiatives. The primary grants comprising revenues are from the Temporary Assistance for Needy Families (TANF) and Workforce Innovation and Opportunity Act (WIOA) programs, which are funded by the Federal government, passed through to the Commonwealth of Pennsylvania. Expenses primarily include funding passed through to subrecipients who provide training services and management and general expenses that are expended by Philadelphia Works to administer and monitor the funding. Comparing changes for years ended June 30, 2024 and 2023, governmentally funded subrecipient services increased by approximately \$3 million and increased by \$5 million, respectively, due to changes in funding and services.

Statements of Net Position

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Current and other assets	\$ 24,899,959	\$ 20,792,098	\$ 21,747,495
Capital assets, net	11,402,084	14,081,747	17,229,602
Total assets	<u>36,302,043</u>	<u>34,873,845</u>	<u>38,977,097</u>
Current liabilities	27,458,495	23,305,961	24,101,424
Other liabilities	7,626,646	10,865,791	14,223,110
Total liabilities	<u>\$ 35,085,141</u>	<u>\$ 34,171,752</u>	<u>\$ 38,324,534</u>
<i>Net position</i>			
Invested in capital assets	\$ 891,634	\$ 346,514	\$ 412,825
Unrestricted	325,268	355,581	239,738
Total net position	<u>\$ 1,216,902</u>	<u>\$ 702,095</u>	<u>\$ 652,563</u>

The majority of assets and liabilities represents payables and receivables resulting from subrecipient billings to Philadelphia Works for expenditures not paid by Philadelphia Works until the subsequent fiscal year and the related amounts due to Philadelphia Works from its funding sources for these subrecipient expenditures.

PHILADELPHIA WORKS, INC.
Management's Discussion and Analysis
June 30, 2024 and 2023

CAPITAL ASSETS

Philadelphia Works had net capital assets of \$11,402,084, \$14,081,747 and \$17,229,602 at June 30, 2024, 2023 and 2022, respectively, as follows:

	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Furniture and equipment	\$ 782,957	\$ 358,486	\$ 358,486
Computer equipment	425,806	425,806	425,807
Leasehold improvements	2,773,935	2,773,935	2,773,935
Lease assets	19,469,536	19,291,798	19,114,062
Less: Accumulated depreciation	(3,202,370)	(2,790,218)	(2,442,812)
Less: Accumulated amortization	<u>(8,847,780)</u>	<u>(5,978,060)</u>	<u>(2,999,876)</u>
Total	<u>\$ 11,402,084</u>	<u>\$ 14,081,747</u>	<u>\$ 17,229,602</u>

A decrease in capital assets due to amortization of lease assets.

ECONOMIC FACTORS AND NEXT YEAR'S OUTLOOK

Economic factors affecting Philadelphia Works have remained relatively unchanged, and as a result, operations for fiscal 2025 are expected to be consistent with 2024.

CONTACTING PHILADELPHIA WORKS' FINANCIAL MANAGEMENT

This financial report is designed to provide readers of the financial statements information about Philadelphia Works' finances and demonstrate accountability for the money it receives. If you have questions about this report or need additional financial information, contact Philadelphia Works.

BASIC FINANCIAL STATEMENTS

PHILADELPHIA WORKS, INC.

Statement of Net Position and Governmental Fund Balance Sheet

As of June 30, 2024

	Governmental Fund Balance Sheet (General Fund)	Adjustments (Note 3)	Government- wide Statement of Net Position
ASSETS			
<i>Current assets</i>			
Cash	\$ 2,532,902	\$ -	\$ 2,532,902
Accounts receivable—grants and contracts	21,804,993	-	21,804,993
Other current assets	108,718	-	108,718
Total current assets	24,446,613	-	24,446,613
<i>Capital assets</i>			
Furniture and equipment	-	782,957	782,957
Computer equipment	-	425,806	425,806
Leasehold improvements	-	2,773,935	2,773,935
Lease assets	-	19,469,536	19,469,536
	-	23,452,234	23,452,234
Less: Accumulated depreciation	-	(3,202,370)	(3,202,370)
Less: Accumulated amortization	-	(8,847,780)	(8,847,780)
Net capital assets	-	11,402,084	11,402,084
<i>Other assets</i>			
Security and other deposits	-	453,346	453,346
Total assets	\$ 24,446,613	\$ 11,855,430	\$ 36,302,043
LIABILITIES			
<i>Current liabilities</i>			
Due to subrecipients	\$ 17,665,898	\$ -	\$ 17,665,898
Accounts payable and accrued expenses	506,908	-	506,908
Other current liabilities	3,779,473	-	3,779,473
Due to Commonwealth of Pennsylvania	2,169,066	-	2,169,066
Lease liability	-	3,337,150	3,337,150
Total current liabilities	24,121,345	3,337,150	27,458,495
<i>Other liabilities</i>			
Due to Commonwealth of Pennsylvania	-	453,345	453,345
Lease liability	-	7,173,301	7,173,301
Total liabilities	24,121,345	10,963,796	35,085,141
FUND BALANCE/NET POSITION			
<i>Fund balance</i>			
Unreserved	325,268	(325,268)	-
Total liabilities and fund balance	\$ 24,446,613		
<i>Net position</i>			
Net investment in capital assets		891,634	891,634
Unrestricted		325,268	325,268
Total net position		\$ 1,216,902	\$ 1,216,902

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC.

Statement of Net Position and Governmental Fund Balance Sheet

As of June 30, 2023

	Governmental Fund Balance Sheet (General Fund)	Adjustments (Note 3)	Government- wide Statement of Net Position
ASSETS			
<i>Current assets</i>			
Cash	\$ 3,088,907	\$ -	\$ 3,088,907
Accounts receivable—grants and contracts	17,055,922	-	17,055,922
Other current assets	179,563	-	179,563
Total current assets	20,324,392	-	20,324,392
<i>Capital assets</i>			
Furniture and equipment	-	358,486	358,486
Computer equipment	-	425,806	425,806
Leasehold improvements	-	2,773,935	2,773,935
Lease assets	-	19,291,798	19,291,798
	-	22,850,025	22,850,025
Less: Accumulated depreciation	-	(2,790,218)	(2,790,218)
Less: Accumulated amortization	-	(5,978,060)	(5,978,060)
Net capital assets	-	14,081,747	14,081,747
<i>Other assets</i>			
Security and other deposits	-	467,706	467,706
Total assets	\$ 20,324,392	\$ 14,549,453	\$ 34,873,845
LIABILITIES			
<i>Current liabilities</i>			
Due to subrecipients	\$ 15,741,880	\$ -	\$ 15,741,880
Accounts payable and accrued expenses	229,087	-	229,087
Other current liabilities	1,829,959	-	1,829,959
Due to Commonwealth of Pennsylvania	2,167,885	-	2,167,885
Lease liability	-	3,337,150	3,337,150
Total current liabilities	19,968,811	3,337,150	23,305,961
<i>Other liabilities</i>			
Due to Commonwealth of Pennsylvania	-	467,706	467,706
Lease liability	-	10,398,085	10,398,085
Total liabilities	19,968,811	14,202,941	34,171,752
FUND BALANCE/NET POSITION			
<i>Fund balance</i>			
Unreserved	355,581	(355,581)	-
Total liabilities and fund balance	\$ 20,324,392		
<i>Net position</i>			
Invested in capital assets		346,514	346,514
Unrestricted		355,581	355,581
Total net position		\$ 702,095	\$ 702,095

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC.

Statement of Activities and Governmental Fund Revenue,
Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2024

	Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balance (General Fund)	Adjustments (Note 3)	Government- wide Statement of Activities
REVENUE			
<i>Temporary Assistance for Needy Families (TANF) grant</i>			
Cost reimbursement	\$ 45,141,997	\$ -	\$ 45,141,997
Workforce Innovation and Opportunity Act (WIOA) grant	21,633,819	-	21,633,819
Other	7,640,751	-	7,640,751
Total revenue	<u>74,416,567</u>	<u>-</u>	<u>74,416,567</u>
EXPENDITURES/EXPENSES			
<i>Current</i>			
Training program services	67,219,623	(209,725)	67,009,898
Management and general	6,802,784	89,078	6,891,862
Capital outlay	424,470	(424,470)	-
Total expenditures/expenses	<u>74,446,877</u>	<u>(545,117)</u>	<u>73,901,760</u>
Excess of expenditures over revenue	(30,310)	30,310	-
Change in net position	-	514,807	514,807
FUND BALANCE/NET POSITION			
Beginning of year	<u>355,581</u>	<u>346,514</u>	<u>702,095</u>
End of year	<u><u>\$ 325,271</u></u>	<u><u>\$ 891,631</u></u>	<u><u>\$ 1,216,902</u></u>

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC.

Statement of Activities and Governmental Fund Revenue,
Expenditures, and Changes in Fund Balance
For the Year Ended June 30, 2023

	Governmental Fund Statement of Revenue, Expenditures, and Changes in Fund Balance (General Fund)	Adjustments (Note 3)	Government- wide Statement of Activities
REVENUE			
<i>Temporary Assistance for Needy Families (TANF) grant</i>			
Cost reimbursement	\$ 42,488,196	\$ -	\$ 42,488,196
Workforce Innovation and Opportunity Act (WIOA) grant	21,474,365	-	21,474,365
Other	3,288,053	-	3,288,053
Total revenue	67,250,614	-	67,250,614
EXPENDITURES/EXPENSES			
<i>Current</i>			
Training program services	60,954,142	1,837	60,955,979
Management and general	6,180,629	64,474	6,245,103
Capital outlay	-	-	-
Total expenditures/expenses	67,134,771	66,311	67,201,082
Excess of expenditures over revenue	115,843	(115,843)	-
Change in net position	-	49,532	49,532
FUND BALANCE/NET POSITION			
Beginning of year	239,738	412,825	652,563
End of year	\$ 355,581	\$ 346,514	\$ 702,095

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC.
Statements of Fiduciary Net Position
As of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Investments, at fair value	\$ 11,220,922	\$ 10,185,054
Notes receivable from participants	154,723	153,654
Employer receivable	8,532	6,929
Employee receivable	<u>12,834</u>	<u>11,320</u>
Net position held in trust for Plan benefits	<u><u>\$ 11,397,011</u></u>	<u><u>\$ 10,356,957</u></u>

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC.Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2024 and 2023

	2024	2023
ADDITIONS		
<i>Investment income</i>		
Net appreciation in fair value of investments	\$ 1,013,763	\$ 696,483
Interest and dividends	248,323	199,940
Interest income on notes receivable from participants	8,432	5,662
Total investment income	<u>1,270,518</u>	<u>902,085</u>
<i>Contributions</i>		
Employer	184,965	176,199
Employee	312,705	459,227
Total contributions	<u>497,670</u>	<u>635,426</u>
Total additions	<u>1,768,188</u>	<u>1,537,511</u>
DEDUCTIONS		
Distributions to participants and other	671,934	642,028
Administrative fees	56,200	52,779
Total deductions	<u>728,134</u>	<u>694,807</u>
Change in net position	1,040,054	842,704
Net position held in trust for Plan benefits, beginning of year	<u>10,356,957</u>	<u>9,514,253</u>
Net position held in trust for Plan benefits, end of year	<u><u>\$ 11,397,011</u></u>	<u><u>\$ 10,356,957</u></u>

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC.

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

NOTE 1 BACKGROUND

Philadelphia Works, Inc. (Philadelphia Works) is a non-profit corporation established on July 1, 2012, as a result of the merger between Philadelphia Workforce Development Corporation (PWDC) and Philadelphia Workforce Investment Board, Inc. (PWIB). Philadelphia Works contributes to the growth of a strong regional economy by providing employers with a well-trained workforce. This mission is accomplished by promoting opportunities for job seekers and employers and by actively leading, advocating for, and implementing quality workforce development activities.

Philadelphia Works is funded primarily by the U.S. Department of Health and Human Services, the Commonwealth of Pennsylvania and the U.S. Department of Labor. The members of the Board of Directors are appointed by the Mayor of the City of Philadelphia (the City).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting

Philadelphia Works' financial statements are presented in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is accepted as the standard-setting body for establishing governmental accounting and financial reporting principles.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The basic financial statements include both government-wide financial statements, which are based on Philadelphia Works as a whole, and fund financial statements.

The government-wide financial statements (statements of net position and statements of activities) report information on all of the non-fiduciary activities of Philadelphia Works. The focus of the government-wide financial statements is on the sustainability of Philadelphia Works as an entity and the change in aggregate financial position resulting from activities of the fiscal period. The government-wide statements are presented using the economic resources measurement focus and the accrual basis of accounting, which incorporates long-term assets as well as long-term liabilities.

The governmental fund financial statements (balance sheet and statement of revenues, expenditures and changes in fund balance) are presented using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recorded when susceptible to accrual: both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

Philadelphia Works' fiduciary fund includes assets held for the benefit of a third party (benefit plan participants) and cannot be used to satisfy obligations of Philadelphia Works; therefore, these funds are not incorporated into the government-wide financial statements. The fiduciary fund is presented on the accrual basis of accounting and economic resources measurement focus. This fund is used to account for the accumulation of resources for benefit payments to qualified employees under a single-employer, contributory defined contribution pension benefit plan covering substantially all employees.

Accounts Receivable, Payables, Grants, and Contracts

Philadelphia Works administers various grants and contracts. At June 30, 2024 and 2023, Philadelphia Works was due certain amounts from funding sources for expenditures incurred in excess of payments received. In addition, at June 30, 2024 and 2023, Philadelphia Works owed amounts to certain funding sources for payments received in excess of expenditures incurred. However, the majority of these payables and receivables at June 30, 2024 and 2023, resulted from subrecipient billings to Philadelphia Works for fiscal 2024 and 2023 expenditures not paid by Philadelphia Works until fiscal 2025 and 2024, respectively, and the related amounts due to Philadelphia Works from its funding sources for these subrecipient expenditures.

Revenue, Expenses and Net Position

Contract and grant revenue are accounted for as exchange transactions. Revenue is recognized to the extent that expenses have been incurred for the purposes specified by the grantor during the period. Unexpended contract funds or over-draws of funds are recorded as grant or contract payables to the granting entity.

The component of net position invested in capital assets consists of capital assets.

Unrestricted net position represents amounts for which the use is not externally restricted.

Due to Commonwealth of Pennsylvania

The Commonwealth of Pennsylvania administers a job placement program, whereby certain payments are made by the Commonwealth of Pennsylvania to Philadelphia Works before the applicable subrecipients are owed reimbursements. Funds received by Philadelphia Works in these instances are recorded as advances. As of June 30, 2024 and 2023, advances represent foundational cash received prior to incurring expenses.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital Assets

Capital assets are stated at cost in the statements of net position. Depreciation/amortization is provided over the estimated useful lives of the assets by the straight-line method as follows:

Furniture and equipment	5 years
Computer equipment	3 years
Leasehold improvements	Life of lease
Lease assets	Life of lease

Maintenance and repairs are charged to expense as incurred.

Lease Assets

Lease assets are initially recorded as the sum of 1) the amount of the initial measurement of the lease liability, 2) lease payments made at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, 3) initial direct costs that are ancillary charges necessary to place the asset into service. Lease assets are amortized on a straight-line basis over the shorter of the lease term or useful life of the underlying assets, ranging from one year to seven years.

Lease Liability

Philadelphia Works, as a lessee, recognizes a lease liability at the present value of the payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain financial amounts and disclosures. Accordingly, actual results may differ from those estimates.

Fiduciary Investments

Investments are recorded at fair value and represented by shares that have been valued at net asset value. Quoted market prices are used to value these investments.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. The statements of changes in fiduciary net position present the retirement benefit plan's net appreciation (depreciation) in the fair value of its investments, which consists of both the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Adopted Accounting Standard

- Governmental Accounting Standards Board (GASB) Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. Philadelphia Works has implemented this Statement in the fiscal year 2024, with no material impact on the financial statements.
- GASB Statement No. 100, *Accounting Changes and Error Corrections*. Philadelphia Works has implemented this Statement in the fiscal year 2024, with no material impact on the financial statements.

Accounting Standards Issued but not yet Adopted

The GASB issued the following statements that will become effective in future reporting periods. Management is evaluating the potential impact on the financial statements; however, none are expected to have a material effect when adopted:

- GASB Statement No. 101, *Compensated Absences*, effective for fiscal years beginning after December 15, 2023, or fiscal year beginning on July 1, 2024 for Philadelphia Works.
- GASB Statement No. 102, *Certain Risk Disclosures*, effective for fiscal years beginning after June 15, 2024, or fiscal year beginning on July 1, 2024 for Philadelphia Works.
- GASB Statement No. 103, *Financial Reporting Model Improvements*, effective for fiscal years beginning after June 15, 2025, or fiscal year beginning on July 1, 2025 for Philadelphia Works. Earlier application is encouraged.
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, effective for fiscal years beginning after June 15, 2025, or fiscal year beginning on July 1, 2025 for Philadelphia Works. Earlier application is encouraged.

NOTE 3 DIFFERENCES BETWEEN THE GENERAL FUND FINANCIAL STATEMENTS AND THE STATEMENTS OF NET POSITION AND ACTIVITIES

At June 30, 2024 and 2023, the net position in the statements of financial position is different from the fund balance of the General Fund by \$891,632 and \$346,5145, respectively, because capital assets are not current financial resources. Therefore, they are not reported in the General Fund. Other long-term assets and liabilities of equal amounts are also excluded from the General Fund.

PHILADELPHIA WORKS, INC.

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

NOTE 3 DIFFERENCES BETWEEN THE GENERAL FUND FINANCIAL STATEMENTS AND THE STATEMENTS OF NET POSITION AND ACTIVITIES *(continued)*

For the years ended June 30, 2024 and 2023, the change in net position in the statements of activities was different from the excess of expenditures over revenue in the statements of governmental fund revenue, expenditures and changes in fund balance primarily because assets are capitalized, including leased assets (with corresponding liabilities recorded), in the statements of activities and the costs are allocated over their estimated useful lives and recorded as depreciation/amortization expense. The General Fund reports capital outlays as expenditures and records lease costs when paid. Capital outlay and rent exceeds depreciation/amortization for the year ended June 30, 2024. This is the impact of capital expenditures charged in year ended June 30, 2023 and amortized in fiscal year 2024, when equipment was delivered and put into service.

NOTE 4 INCOME TAXES

Philadelphia Works is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC).

Philadelphia Works did not record any tax provision during the years ended June 30, 2024 and 2023, and there was no interest or penalty accrued as of June 30, 2024 and 2023. However, management's conclusions regarding tax positions taken may be subject to review and adjustment at a later date based on factors, including, but not limited to, examination by tax authorities, and ongoing analysis of and changes to tax laws and related regulations and interpretations. During fiscal years 2024 and 2023, Philadelphia Works did not incur any interest or penalties. Management believes that Philadelphia Works is no longer subject to tax examination for years prior to 2020.

NOTE 5 ACCOUNTS RECEIVABLES AND PAYABLES, GRANTS, AND CONTRACTS

The following table details the accounts receivable related to grants and contracts as of June 30, 2024 and 2023:

	2024	2023
Joint Jobs Initiative/TANF	\$ 10,830,961	\$ 7,514,782
TANF Youth	3,392,127	2,530,121
WIOA (Adult/Dislocated Worker/Rapid Response)	1,977,867	2,467,949
WIOA Statewide Activities	643,055	1,170,251
Youth	3,001,054	1,462,573
Other	1,959,929	1,910,246
Total	\$ 21,804,993	\$ 17,055,922

PHILADELPHIA WORKS, INC.

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

NOTE 5 ACCOUNTS RECEIVABLES AND PAYABLES, GRANTS, AND CONTRACTS
(continued)

The following list reflects the amounts due to subrecipients as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
199 Hunting Park Corp	\$ -	\$ 29
AAA School of Trucking	62,755	5,955
African Family Health Organization	-	25,000
Ameriscend, LLC	6,188	781
Belmont Charter School	9,254	10,375
Beyond Literacy (Center for Literacy & Community Learning Center)	-	25,000
Big Picture Philadelphia	57,882	160,291
Breakthrough Performance Group, LLC	7,330	-
Cambodian Association of Greater Phila (CAGP)	-	7,612
Canon Financial Services	11,802	-
CareBridge Academy	7,211	3,228
CDP Construction	-	1,432
CDW Direct LLC	-	12,316
Center For Employment Opportunities	113,428	122,796
Chamber of Commerce of Greater Philadelphia	80,619	102,198
Children's Hospital of Philadelphia	76,207	32,266
Ceisler Media & Issue Advocacy, LLC	12,478	-
Clarfi	48,068	46,631
Cogent Communications, Inc	950	950
Collegiate Consortium	5,665	19,241
Commonwealth of PA	24,095	19,753
Community Integrated Services	82,126	142,955
Communities in Schools of Philadelphia, Inc.	139,276	117,974
Community College of Philadelphia	35,208	179,834
Community Support Center-PHL	-	19,992
Congresso de Latinos Unidos	926,775	638,925
Connection Training Services	102,540	134,095
Contract Callers, Inc.	5,329	27,904
City of Bucks-Workforce & Economic Development	55,885	-
Cyrenity Sips, LLC.	1,680	-
Deval Lifecycle Support	1,376	-
Deaf-Hearing Communication Centre (DHCC)	4,946	339
Delaware County Community College	33,548	(13,998)
Delaware County Workforce Development	34,633	30,574
Delaware Valley Industrial Resource Center	6,800	-
Dell Marketing	-	44,175
Dimple for Dayz, Inc.	58,510	34,278
District 1199C	146,396	129,875
Drexel University	16,299	32,366
Drexel University - Center for Nonviolence and Social Justice	88,694	93,916
Drexel University Solutions Institute	-	54,000
Driven2Drive Premier Driving School	7,230	11,575
Eckerd Connects	1,246,513	1,057,344
Eccovia Solutions	-	8,000
Eastern Center for Arts & Technology	2,836	2,500

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 5 ACCOUNTS RECEIVABLES AND PAYABLES, GRANTS, AND CONTRACTS
(continued)

The following list reflects the amounts due to subrecipients as of June 30, 2024 and 2023: *(continued)*

	<u>2024</u>	<u>2023</u>
Eastern North Philadelphia	\$ 1,765,299	\$ 1,147,410
Educational Data System	2,166,374	1,949,932
Education Works	-	33,591
EF Precision, Inc.	1,345	-
ElectroSoft	3,975	1,600
Empire Abrasive Equipment	425	720
Energy Coordinating Agency	-	42,769
Famous 4th Street Cookie Co.	414	-
Fast Signs	-	329
Federation of Neighborhood Centers	63,458	171,459
Finishing Trades Institute of the Mid Atlantic Region	10,719	7,962
Foundations, Inc.	469,923	-
Freire Charter School	-	16,000
Full Circle Computing	44,254	41,612
Gelest, Inc.	18,869	13,518
Generations on the Line	-	25,000
Global CDL Driver Training School	23,825	-
Global Emergency Response Action	-	9,532
Goodwill of Delaware & Delaware City	-	14,321
Goodwill Industries of South Jersey	-	10,865
Home Care Associates	4,494	-
Harpoon Pest Solutions	1,980	540
IHM Center for Literacy and GED Program	-	20,900
HIAS Pennsylvania	93,971	25,000
Hope Partnership for Education	-	25,000
Industrial Training & Testing Inst.	21,450	3,575
Jack Edmondson, Inc. Plumbing and Heating	-	1,748
Impact Services Corporation	1,385,044	1,114,018
Include Information Management, Inc.	34,200	-
Innovageous, LLC	56,270	6,012
Innovative Treatment Alternatives, Inc.	-	-
Inquiry Charter School	4,000	930
Insectarium And Butterfly Pavilion, Inc.	-	7,142
Jani-Icon Inc.	4,050	3,350
JEVS	3,231,210	1,515,906
JobWorks Education & Training	143,930	138,401
Julie Oatway	713	-
Just It's Electric, LLC	-	1,453
Justified Coding & Billing	-	1,190
Kaylynn Hamilton	1,875	-
KIPP Administrative Services Corporation	27,500	39,000
Lackawanna College	-	3,705
Legacy Atelier	1,200	960
Liberty Coca-Cola Beverages, LLC.	47,500	-
Leonardo Helicopters	-	8,670
Liguori Institute	59,683	103,124
Lutheran Settlement	-	24,993

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 5 ACCOUNTS RECEIVABLES AND PAYABLES, GRANTS, AND CONTRACTS
(continued)

The following list reflects the amounts due to subrecipients as of June 30, 2024 and 2023: *(continued)*

	<u>2024</u>	<u>2023</u>
Magnolia Impact Solutions	\$ 49,250	\$ -
Mastery Charter Schools	20,000	98,505
Masjid-Al-Wasatiyah	-	25,000
Mathematica Policy Research	34,885	-
MedCerts	27,150	6,000
Media Copy	-	958
Merit Training Institute	7,397	-
Metro Metrics, LLC	4,110	-
Microsoft	-	20,148
Mobile Outfitters, LLC	563	-
Montco Works	37,680	37,585
Mural Arts Guild	66,825	46,195
Mustang Expediting, Inc.	9,924	31,952
Nationalities Service Center	53,059	60,260
New Options More Opportunities	84,366	236,253
Northeast Learning Center	56	(2,547)
Nuthpaths, LLC	27,801	108,555
One Penn Associates L.P.	401	41
Orleans Technical College	37,061	7,147
Oxford Circle Christian CDC	-	14,680
PacPro, Inc.	-	1,368
Peirce College	11,420	72,320
Penn Asian Senior Services	14,706	17,350
Penn Power Group, LLC	-	1,423
Pennsylvania Hospital of the University of Pennsylvania Health System	5,293	11,466
PeopleShare, LLC	10,343	2,147
Peritex Solutions, LLC	1,375	10,893
P&P Sunnyside Academy, LLC	3,900	-
PECO Energy Company	5,863	-
Philadelphia Council AFL-CIO	-	50,000
Philadelphia Energy Authority	2,144	50,351
Philadelphia Academies	54,710	-
Philadelphia Electrical and Technology Charter High School	4,000	-
Philadelphia Charter School For Arts & Sciences	16,000	-
Philadelphia Gas Works	64	30
Philadelphia OIC	71,122	30,475
Philadelphia Youth Network	1,896,047	1,777,017
Philadelphia Performing Arts: A String Theory Charter School	16,000	-
Philly Office Retail, LLC	1,115	-
Philly Shipyard, Inc.	48,143	13,860
Polysciences	6,435	3,565
Powerling, Inc.	-	616
PowerCorpsPHL	208,482	-
ProgressWorx, LLC	-	585
Propel America	38,977	-
Reading Allowed	-	24,897
Remark Glass, LTD	-	330

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 5 ACCOUNTS RECEIVABLES AND PAYABLES, GRANTS, AND CONTRACTS
(continued)

The following list reflects the amounts due to subrecipients as of June 30, 2024 and 2023: *(continued)*

	<u>2024</u>	<u>2023</u>
Republic Services	\$ -	\$ 423
Rhoades Industries	-	51,791
Rittenhouse Communications Group	3,142	1,302,390
Royalty Majestic Cleaning Services, LLC	-	600
Shoemaker MFG Solutions, Inc.	8,320	-
Smith & Solomon	29,823	-
The Cooper Health System	5,110	-
Strada Collaborative, Inc. d/b/a Roadtrip Nation	198,228	196,952
Temple- Information Technology Services	1,283	-
Temple University - Center for Comm. Partnerships	184,182	129,742
Temple University - COE	67,957	86,286
The Garces Foundation	-	23,906
The Pennsylvania State University	13,916	33,380
The School District of Philadelphia	240,000	236,000
Thomas Jefferson University (JMC)	-	6,161
Thomas P. Miller & Associates	25,189	10,667
The Wistar Institute	66,563	23,176
Tiger Electrical Academy	12,000	-
Toben Real Estate	-	2,603
Tranquility and Allegiance Academy	3,600	-
Turning the Tide	-	24,060
Unique System Skills, LLC	5,145	2,740
University City District	58,333	78,445
Universal Education Companies	52,000	-
University Plaza Associates	1,423	49,598
Urban Affairs Coalition	101,417	93,167
Utility Emergency Services Fund	28,054	12,365
Valley Youth House Committee	60,102	58,739
Verizon	36	-
Visitation Community Outreach Foundation	-	8,415
Weber Display and Packaging	868	-
Welcoming Center	112,540	161,757
Yeah Inc.	91,820	124,539
YouthBuild Philadelphia Charter School	209,698	368,554
YWCA Tri-County Area	-	21,288
Total	<u>\$ 17,665,898</u>	<u>\$ 15,741,880</u>

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 6 CAPITAL ASSETS

The roll forward of capital of assets for the year ended June 30, 2024 is as follows:

	Beginning Balance	Increases (Decreases)	Ending Balance
Furniture and equipment	\$ 358,486	\$ 424,471	\$ 782,957
Computer equipment	425,806	-	425,806
Leasehold improvements	2,773,935	-	2,773,935
Lease assets	19,291,798	177,738	19,469,536
Total capital assets	<u>22,850,025</u>	<u>602,209</u>	<u>23,452,234</u>
<i>Less: Accumulated depreciation and amortization for</i>			
Furniture and equipment	(245,831)	(50,944)	(296,775)
Computer equipment	(373,976)	(137,773)	(511,749)
Leasehold improvements	(2,170,410)	(223,436)	(2,393,846)
Lease assets	<u>(5,978,061)</u>	<u>(2,869,719)</u>	<u>(8,847,780)</u>
Total accumulated depreciation and amortization	<u>(8,768,278)</u>	<u>(3,281,872)</u>	<u>(12,050,150)</u>
Capital assets, net	<u>\$ 14,081,747</u>	<u>\$ (2,679,663)</u>	<u>\$ 11,402,084</u>

The roll forward of capital of assets for the year ended June 30, 2023 is as follows:

	Beginning Balance	Increases (Decreases)	Ending Balance
Furniture and equipment	\$ 358,486	\$ -	\$ 358,486
Computer equipment	425,806	-	425,806
Leasehold improvements	2,773,935	-	2,773,935
Lease assets	19,114,062	177,736	19,291,798
Total capital assets	<u>22,672,289</u>	<u>177,736</u>	<u>22,850,025</u>
<i>Less: Accumulated depreciation and amortization for</i>			
Furniture and equipment	(176,635)	(69,196)	(245,831)
Computer equipment	(319,201)	(54,775)	(373,976)
Leasehold improvements	(1,946,975)	(223,435)	(2,170,410)
Lease assets	<u>(2,999,876)</u>	<u>(2,978,185)</u>	<u>(5,978,061)</u>
Total accumulated depreciation and amortization	<u>(5,442,687)</u>	<u>(3,325,591)</u>	<u>(8,768,278)</u>
Capital assets, net	<u>\$ 17,229,602</u>	<u>\$ (3,147,855)</u>	<u>\$ 14,081,747</u>

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 6 CAPITAL ASSETS *(continued)*

The total depreciation/amortization expense was allocated between the following functions/programs for the fiscal years ended June 30, 2024 and 2023:

2024

Training program services	\$ 3,015,058
Management and general	<u>266,814</u>
Total depreciation/amortization	<u>\$ 3,281,872</u>

2023

Training program services	\$ 3,083,379
Management and general	<u>242,211</u>
Total depreciation/amortization	<u>\$ 3,325,590</u>

NOTE 7 LEASES

Philadelphia Works has leases at several facilities used for office space, classrooms, career resource rooms, computer labs, and for other purposes related to employment, security and job training, and career development programs.

A lease is defined as a contractual agreement that conveys control of the right to use another entity's nonfinancial assets, for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction. Philadelphia Works leases nonfinancial assets such as buildings and equipment. The related obligations are presented in the amounts equal to the present value of lease payments, payable during the remaining lease term. As the lessee, a lease liability and the associated lease asset are recognized on the government-wide statement of net position.

At the commencement of a lease, Philadelphia Works initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how Philadelphia Works determines the (1) discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments, such as:

- Philadelphia Works uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, Philadelphia Works generally uses its estimated incremental borrowing rate as the discount rate for leases. Philadelphia Works used the discount rate of 8.50%, and 5.75% for 2024, and 2023, respectively.

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 7 LEASES *(continued)*

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that Philadelphia Works is reasonably certain to exercise.

Philadelphia Works monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Philadelphia Works has different fixed payment clauses each year, within its lease arrangements, for certain leases, which are included in the measurement of the lease liability presented in the table below. Philadelphia Works did not incur expenses related to its leasing activities associated with residual value guarantees, lease termination penalties or losses due to impairment. As a lessee, there are currently no agreements that include sale-leaseback and lease-leaseback transactions.

A summary of lease asset activity for the years ended June 30, 2024, and 2023, is summarized in the table in Note 6, and in the table below.

	2024			Ending Balance
	Beginning Balance	Additions	Reductions	
Lease assets being depreciated	\$ 19,291,798	\$ 177,738	\$ -	\$ 19,469,536
Less: Accumulated depreciation for lease assets	5,978,061	2,869,719	-	8,847,780
	<u>\$ 13,313,737</u>	<u>\$ (2,691,981)</u>	<u>\$ -</u>	<u>\$ 10,621,756</u>
	2023			Ending Balance
	Beginning Balance	Additions	Reductions	
Lease assets being depreciated	\$ 19,114,062	\$ 177,736	\$ -	\$ 19,291,798
Less: Accumulated depreciation for lease assets	2,999,876	2,978,184	-	5,978,060
	<u>\$ 16,114,186</u>	<u>\$ (2,800,448)</u>	<u>\$ -</u>	<u>\$ 13,313,738</u>

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 7 LEASES *(continued)*

During the years ended June 30, 2024 and 2023, the following changes occurred in lease liabilities:

2024			
Beginning Balance	Additions	Reductions	Ending Balance
<u>\$ 13,735,235</u>	<u>\$ -</u>	<u>\$ 3,224,784</u>	<u>\$ 10,510,451</u>
2023			
Beginning Balance	Additions	Reductions	Ending Balance
<u>\$ 16,816,777</u>	<u>\$ -</u>	<u>\$ 3,081,542</u>	<u>\$ 13,735,235</u>

As of June 30, 2024, Philadelphia Works had minimum principal and interest payment requirements for its leasing activities, with a remaining term of more than one year for its governmental activities as reflected in the table below. The lease liability as of June 30, 2024, and 2023, was \$10,510,451, and \$13,735,235, respectively.

Year	Principal	Interest
2025	\$ 3,337,150	\$ 517,780
2026	2,263,598	337,719
2027	940,447	257,962
2028	1,022,315	201,755
2029	1,109,610	140,699
2030 - 2031	1,837,331	85,160
Total	<u>\$ 10,510,451</u>	<u>\$ 1,541,075</u>

Lease Details

In January 2014, Philadelphia Works entered into an operating/building lease agreement with One Penn Associates for space at 1617 Blvd., Philadelphia, PA. The lease is effective through December 2030.

In February 2018, Philadelphia Works entered into an operating/building lease agreement with JFK Investment Associates for space at 1800 JFK Blvd., Philadelphia, PA. The lease was effective through April 2023.

In September 2015, Philadelphia Works entered into an operating/building lease agreement with Germantown Revitalization for space at 5847 Germantown, Philadelphia, PA. The lease is effective through September 2025.

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 7 LEASES *(continued)*

Lease Details *(continued)*

In April 2016, Philadelphia Works entered into an operating/building lease agreement with 199 Hunting Park for space at 4261 North 5th Street, Philadelphia, PA. The lease is effective through March 2026.

In May 2016, Philadelphia Works entered into an operating/building lease agreement with University Plaza Associates for space at 3901 Market Street, Philadelphia, PA. The lease is effective through April 2026.

Philadelphia Works entered into six different operating/IT lease agreements with Canon Solution America. The leases have various expiration dates between December 2023 through June 2028.

NOTE 8 DUE TO COMMONWEALTH OF PENNSYLVANIA

Philadelphia Works had security deposits amounting to \$278,847 at June 30, 2024 and 2023, respectively. Philadelphia Works also had deposits of \$174,498 and \$188,859 at June 30, 2024 and 2023, respectively, for unemployment compensation. Philadelphia Works reports the deposits as expenditures to the Commonwealth of Pennsylvania when paid. When Philadelphia Works receives back the deposits, they are re-paid to the Commonwealth of Pennsylvania or offset future grant proceeds. Other amounts included in due to Commonwealth of Pennsylvania totaling \$2,169,066 represent funds received from the Commonwealth of Pennsylvania for subrecipients who have not yet incurred the related expenses.

NOTE 9 RETIREMENT BENEFIT PLAN

Philadelphia Works' employees are covered under a defined contribution retirement benefit plan, the Philadelphia Works, Inc. 401(k) Plan (the Plan), qualifying under Section 401(k) of the IRC. Employees become eligible at 21 years of age and after completing three consecutive calendar months of employment. Employees can contribute up to \$19,500 of their salary, with Philadelphia Works fully matching up to 4% of eligible employees' current salaries to fund the 401(k) plan. Contributions recorded under this plan for the years ended June 30, 2024 and 2023, were \$185,776 and \$176,199, respectively. Philadelphia Works may amend the plan at any time. A separately issued financial report is filed with the U.S. Department of Labor.

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 10 CASH AND INVESTMENTS

At June 30, 2024 and 2023, the carrying amount of cash was \$2,532,902 and \$3,088,907, respectively, while the bank balance was \$2,616,384 and \$5,307,808, respectively. Of the total cash balances, \$250,000 is insured by the Federal Deposit Insurance Corporation (FDIC). The remaining amount is not insured but collateralized in accordance with Act 72 of the Commonwealth of Pennsylvania by securities held by the pledging financial institution's trust department or agent, but not in Philadelphia Works' name.

At June 30, 2024 and 2023, Philadelphia Works' retirement benefit plan's (the Plan) investments were invested primarily in mutual funds, which do not expose Philadelphia Works to custodial credit risk.

During 2024 and 2023, the Plan's mutual fund investments appreciated in value by \$1,013,763 and \$696,483, respectively.

Interest rate risk exists for the Plan's bond funds. Changes in interest rates will adversely affect the fair value of such investments. However, the Plan manages its exposure to declines in fair values caused by interest rate increases by not holding investments that have excessive average maturities. Investment credit quality ratings are not available for the Plan's funds.

Philadelphia Works does not have a formal policy on custodial credit risk, interest rate risk or credit risk.

The following tables set forth the Plan's financial assets measured at fair value on a recurring basis at June 30, 2024 and 2023. See Note 2 for the valuation methodology used to measure the fair value of these investments. There have been no changes to the methodologies used to measure the fair value of each asset from June 30, 2023 to 2024. These assets have been categorized according to the three-level fair value hierarchy established by GASB Statement No. 72, *Fair Value Measurement and Application*, which prioritize the inputs used in measuring fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs reflecting the Plan's own assumptions about the assumptions that market participants would use in pricing the asset. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 10 CASH AND INVESTMENTS *(continued)*

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
At June 30, 2024				
Mutual funds	\$ 11,220,922	\$ -	\$ -	\$ 11,220,922
Total	<u>\$ 11,220,922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,220,922</u>
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
At June 30, 2023				
Mutual funds	\$ 10,185,054	\$ -	\$ -	\$ 10,185,054
Total	<u>\$ 10,185,054</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,185,054</u>

NOTE 11 LINE OF CREDIT

Philadelphia Works had a line of credit for working capital purposes, which was secured by certain of Philadelphia Works' assets and expiring July 2025. Interest under the line of credit was payable at the bank's prime rate. As of June 30, 2024 and 2023, the outstanding balance on the line of credit was zero.

NOTE 12 CONCENTRATIONS

For the years ended June 30, 2024 and 2023, 90%, and 95% of total revenue was received directly or indirectly from the Commonwealth of Pennsylvania.

Philadelphia Works maintains its cash balances primarily in one financial institution in the City of Philadelphia. At June 30, 2024 and 2023, and frequently throughout each year, cash balances exceed the FDIC insurance limit.

NOTE 13 RISK MANAGEMENT

Philadelphia Works purchases commercial insurance to cover the risk of losses related to general liabilities, torts, theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The commercial insurance is considered sufficient to satisfy any loss claims.

NOTE 14 CONTINGENCIES

Litigation

During the normal course of business, Philadelphia Works is subject to litigation. In management's opinion, which is supported by legal counsel, the impact of any such matters, if adversely determined, would not have a material adverse effect on Philadelphia Works' financial statements or operations.

PHILADELPHIA WORKS, INC.
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 14 CONTINGENCIES *(continued)*

Grants and Contracts

Certain grants and contracts received are subject to audit and adjustment by grantor agencies. Any disallowed disbursements or expenditures, including amounts already collected, may result in a liability for Philadelphia Works. Estimates of potential disallowed amounts, if any, cannot be determined at this time.

Funding for capital assets was provided under cost reimbursement contracts with various funding agencies. As a result, these agencies retain a reversionary interest in the capital assets until the end of the contract terms or upon request by the funding agency.

SUPPLEMENTARY INFORMATION

PHILADELPHIA WORKS, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2024

	Training Program Services	Management and General	Total
Salaries	\$ 2,790,534	\$ 4,193,866	\$ 6,984,400
Fringe benefits	732,878	997,521	1,730,399
Total salaries and fringe benefits	3,523,412	5,191,387	8,714,799
Subrecipient services	57,724,188	-	57,724,188
Professional and consulting services	491,087	445,300	936,387
Facility costs	678,457	235,536	913,993
Depreciation/amortization	3,015,058	266,814	3,281,872
Maintenance and system support	141,013	92,421	233,434
Cloud services	11,584	14,531	26,115
Disaster recovery	29,565	18,120	47,685
Equipment and software purchases	67,605	41,827	109,432
Outreach/marketing	101,348	79,912	181,260
Meetings, conferences, and travel	141,257	134,405	275,662
Office supplies and printing	6,293	3,547	9,840
Telecommunications	22,039	13,509	35,548
Temporary help	15,062	79,586	94,648
Employee development	6,857	38,963	45,820
Office expense	328,943	236,004	564,947
Interest expense	706,130	-	706,130
Total expenses	\$ 67,009,898	\$ 6,891,862	\$ 73,901,760

PHILADELPHIA WORKS, INC.

Statement of Functional Expenses

For the Year Ended June 30, 2023

	Training Program Services	Management and General	Total
Salaries	\$ 2,646,526	\$ 3,606,024	\$ 6,252,550
Fringe benefits	716,648	890,091	1,606,739
Total salaries and fringe benefits	3,363,174	4,496,115	7,859,289
Subrecipient services	51,875,524	-	51,875,524
Professional and consulting services	211,775	359,097	570,872
Facility costs	640,496	214,927	855,423
Depreciation/amortization	3,083,379	242,211	3,325,590
Maintenance and system support	180,736	74,567	255,303
Cloud services	6,351	1,140	7,491
Disaster recovery	31,620	19,380	51,000
Equipment and software purchases	92,465	104,946	197,411
Outreach/marketing	221,458	60,907	282,365
Meetings, conferences, and travel	81,271	142,221	223,492
Office supplies and printing	15,731	10,795	26,526
Telecommunications	25,536	15,651	41,187
Temporary help	-	206,536	206,536
Employee development	119	90,302	90,421
Office expense	239,841	206,309	446,150
Interest expense	886,502	-	886,502
Total expenses	\$ 60,955,978	\$ 6,245,104	\$ 67,201,082

PHILADELPHIA WORKS, INC.

Schedule of Governmental Expenditures by Program Identifier and Cost Category For the Year Ended June 30, 2024

Title	Contract Number	NOO Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed Costs	(Over-)/ Underbudget	Fiscal 2024 Costs	Prior-Year Cumulative Costs
EARN TANF Federal	4100077412	N/A	7/1/2023-6/30/2024	Administration Training/Program Services Contract total	\$ 3,227,155 28,443,675 \$ 31,670,830	\$ 3,167,083 28,441,555 \$ 31,608,638	\$ 60,072 2,120 \$ 62,192	\$ 3,167,083 28,441,555 \$ 31,608,638	\$ - - \$ -
Supplemental Nutrition Assistance Program	4100077412	N/A	7/1/2023-6/30/2024	Administration Training/Program Services Contract total	\$ - 600,717 \$ 600,717	\$ - 600,717 \$ 600,717	\$ - - \$ -	\$ - 600,717 \$ 600,717	\$ - - \$ -
TANF Youth	090233361	090-23-004	7/1/2023-6/30/2025	Administration Training/Program Services Contract total	\$ 1,133,619 10,202,571 \$ 11,336,189	\$ 96,249 11,239,941 \$ 11,336,189	\$ 1,037,370 (1,037,370) \$ -	\$ 96,249 11,239,941 \$ 11,336,189	\$ - - \$ -
TANF Youth	090223361	090-22-002	7/1/2022-6/30/2024	Administration Training/Program Services Contract total	\$ 1,178,389 10,605,497 \$ 11,783,885	\$ 1,178,389 10,605,497 \$ 11,783,885	\$ - - \$ -	\$ 1,056,174 540,278 \$ 1,596,452	\$ 122,215 10,065,218 \$ 10,187,433
Title I Adult PY23 1st Increment	90233001	090-23-002	7/1/23-6/30/2025	Administration Training/Program Services Contract total	\$ 141,917 1,277,251 \$ 1,419,168	\$ 105,248 1,277,251 \$ 1,382,499	\$ 36,669 - \$ 36,669	\$ 105,248 1,277,251 \$ 1,382,499	\$ - - \$ -
Title I Adult PY21 2nd Increment	090233011	090-23-005	10/1/21-6/30/23	Administration Training/Program Services Contract total	\$ 583,697 5,253,269 \$ 5,836,966	\$ 29,254 5,253,269 \$ 5,282,523	\$ 554,443 - \$ 554,443	\$ 29,254 5,253,269 \$ 5,282,523	\$ - - \$ -
Title I DW PY22 Transfer In (Transfer From DLW to Adult)	090223013	090-22-011	10/1/2022-6/30/2024	Administration Training/Program Services Contract total	\$ 111,120 1,621,444 \$ 1,732,564	\$ 111,120 1,621,444 \$ 1,732,564	\$ - - \$ -	\$ 111,120 1,621,444 \$ 1,732,564	\$ - - \$ -
Title I Adult PY22 1st Increment	090223001	090-22-004	7/1/2022-6/30/2024	Administration Training/Program Services Contract total	\$ 112,763 1,014,868 \$ 1,127,632	\$ 112,763 1,014,868 \$ 1,127,632	\$ - - \$ -	\$ 84,739 - \$ 84,739	\$ 28,025 1,014,868 \$ 1,042,893
Title I Adult PY22 2nd Increment	090223011	090-22-005	10/1/2022-6/30/2024	Administration Training/Program Services Contract total	\$ 503,920 4,535,278 \$ 5,039,198	\$ 503,920 4,535,278 \$ 5,039,198	\$ - - \$ -	\$ 503,920 31,466 \$ 535,386	\$ - 4,503,812 \$ 4,503,812
Title I DW PY23 Transfer In (Transfer From DLW to Adult)	090233013	090-23-009	10/1/2023-6/30/2025	Administration Training/Program Services Contract total	\$ 111,120 1,000,080 \$ 1,111,200	\$ 111,120 30,645 \$ 141,765	\$ - 969,435 \$ 969,435	\$ 111,120 30,645 \$ 141,765	\$ - - \$ -
Title I DW - PY23 2nd Increment	090234011	090-23-006	10/1/2021-6/30/2025	Administration Training/Program Services Contract total	\$ 287,232 2,585,090 \$ 2,872,323	\$ 19,059 2,585,091 \$ 2,604,150	\$ 268,173 - \$ 268,173	\$ 19,059 2,585,091 \$ 2,604,150	\$ - - \$ -
Title I DW - PY23 1st Increment	090234001	090-23-003	7/1/2022-6/30/2024	Administration Training/Program Services Contract total	\$ 109,527 985,745 \$ 1,095,272	\$ 109,527 985,745 \$ 1,095,272	\$ - - \$ -	\$ 109,527 985,745 \$ 1,095,272	\$ - - \$ -
Title I DW - PY22 2nd Increment	090224011	090-22-006	10/1/2022-6/30/2024	Administration Training/Program Services Contract total	\$ 252,564 2,273,073 \$ 2,525,637	\$ 252,564 2,273,073 \$ 2,525,637	\$ - - \$ -	\$ 227,289 17,078 \$ 244,366	\$ 25,275 2,255,995 \$ 2,281,270

PHILADELPHIA WORKS, INC.

Schedule of Governmental Expenditures by Program Identifier and Cost Category *(continued)*

For the Year Ended June 30, 2024

Title	Contract Number	NOO Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed Costs	(Over-)/ Underbudget	Fiscal 2024 Costs	Prior-Year Cumulative Costs
Title I DW -PY22 Youth-BEP	09014132	090-22-022	6/1/2023-62/30/2025	Administration Training/Program Services	\$ - 150,000	\$ - 104,300	\$ - 45,700	\$ - 53,356	\$ - 50,944
				Contract total	\$ 150,000	\$ 104,300	\$ 45,700	\$ 53,356	\$ 50,944
Title I DW -PY21 Youth-BEP	09024132	090-21-007	2/1/2022-12/31/2023	Administration Training/Program Services	\$ - 150,000	\$ - 116,473	\$ - 33,527	\$ - 116,473	\$ - -
				Contract total	\$ 150,000	\$ 116,473	\$ 33,527	\$ 116,473	\$ -
Title I WIOA Youth - PY22	090223301	090-22-001	4/1/2022-6/30/2024	Administration Training/Program Services	\$ 656,425 5,907,827	\$ 656,425 5,907,827	\$ - -	\$ 542,201 695,024	\$ 114,224 5,212,803
				Contract total	\$ 6,564,253	\$ 6,564,253	\$ -	\$ 1,237,225	\$ 5,327,028
Title I WIOA Youth - PY23	090233301	090-23-001	4/1/2023-6/30/2025	Administration Youth Program Services	\$ 759,646 6,836,817	\$ - -	\$ 759,646 6,836,817	\$ 363,225 6,760,276	\$ - -
				Contract total	\$ 7,596,464	\$ -	\$ 7,596,464	\$ 7,123,501	\$ -
PA Clean Energy	090211035	090-21-009	6/30/2022-6/30/2024	Administration Youth Program Services	\$ - 500,000	\$ - 159,053	\$ - 340,947	\$ - 110,267	\$ - 48,786
				Contract total	\$ 500,000	\$ 159,053	\$ 340,947	\$ 110,267	\$ 48,786
DOL Career Dislocated Worker Grants	DW36860	N/A	9/12/2021-9/12/2025	Administration Training/Program Services	\$ 236,100 2,763,900	\$ 206,993 2,110,988	\$ 29,107 652,912	\$ 47,714 1,717,716	\$ 159,279 393,272
				Contract total	\$ 3,000,000	\$ 2,317,981	\$ 682,019	\$ 1,765,430	\$ 552,551
U.S. HUD Jobs-Plus-Pilot- Initiative Pass-Through PHA	004755	N/A	7/1/2020-12/31/2025	Administration Training/Program Services	\$ - 113,608	\$ - 113,608	\$ - -	\$ - 113,608	\$ - -
				Contract total	\$ 113,608	\$ 113,608	\$ -	\$ 113,608	\$ -
PA Educate PHL IP Reemployment Services PA Community-Based	090221036	090-22-009	12/8/2022-6/30/2025	Administration Training/Program Services	\$ - 250,000	\$ - 224,828	\$ - 25,172	\$ - 224,828	\$ - -
				Contract total	\$ 250,000	\$ 224,828	\$ 25,172	\$ 224,828	\$ -
PA Smart PY20 Reemployment Services PA Community-Based	090208891	090-20-013	1/1/2022-6/30/2023	Administration Training/Program Services	\$ - 200,000	\$ - 148,257	\$ - 51,743	\$ - 133,102	\$ - 15,155.67
				Contract total	\$ 200,000	\$ 148,257	\$ 51,743	\$ 133,102	\$ 15,156
Industry Partnership	090236232	090-23-008	2/1/2020-6/30/2023	Administration Training/Program Services	\$ - 250,000	\$ - 353	\$ - 249,647	\$ - 353	\$ - -
				Contract total	\$ 250,000	\$ 353	\$ 249,647	\$ 353	\$ -
Industry Partnership	090206233	090-20-012	1/1/2021-6/30/2024	Administration Training/Program Services	\$ - 200,000	\$ - 185,693	\$ - 14,307	\$ - 131,792	\$ - 53,901
				Contract total	\$ 200,000	\$ 185,693	\$ 14,307	\$ 131,792	\$ 53,901
Industry Partnership	090236231	090-23-007	1/1/2021-6/30/2025	Administration Training/Program Services	\$ - 250,000	\$ - 37,991	\$ - 212,009	\$ - 37,991	\$ - -
				Contract total	\$ 250,000	\$ 37,991	\$ 212,009	\$ 37,991	\$ -
Industry Partnership	090186235	090-18-029	1/1/2021-6/30/2023	Administration Training/Program Services	\$ - 124,107	\$ - 124,107	\$ - -	\$ - 1,275	\$ - 122,832
				Contract total	\$ 124,107	\$ 124,107	\$ -	\$ 1,275	\$ 122,832

PHILADELPHIA WORKS, INC.

Schedule of Governmental Expenditures by Program Identifier and Cost Category *(continued)*

For the Year Ended June 30, 2024

Title	Contract Number	NOO Number	Contract Period	Cost Category	Authorized Budget	Cumulative Claimed Costs	(Over-)/ Underbudget	Fiscal 2024 Costs	Prior-Year Cumulative Costs
Industry Partnership	090196238	090-19-028	1/1/2021-6/30/2024	Administration	\$ -	\$ -	\$ -	\$ -	\$ -
				Training/Program Services	200,000	199,938	62	6,800	193,138
				Contract total	<u>\$ 200,000</u>	<u>\$ 199,938</u>	<u>\$ 62</u>	<u>\$ 6,800</u>	<u>\$ 193,138</u>
Industry Partnership	090221035	090-22-010	12/8/2022-6/30/2024	Administration	\$ -	\$ -	\$ -	\$ -	\$ -
				Training/Program Services	250,000	250,000	-	217,211	32,789
				Contract total	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 217,211</u>	<u>\$ 32,789</u>
Apprenticeship Building America	AP38898	N/A	7/1/2022-6/30/2026	Administration	\$ 123,591	\$ 29,455	\$ 94,135	\$ 25,567	\$ 3,888
				Training/Program Services	4,580,720	666,759	3,913,961	620,452	46,308
				Contract total	<u>\$ 4,704,311</u>	<u>\$ 696,215</u>	<u>\$ 4,008,096</u>	<u>\$ 646,019</u>	<u>\$ 50,196</u>
American Rescue Plan Act Good Jobs Challenge Development	ED22HDQ3070127	N/A	9/1/2022-9/30/2026	Administration	\$ 1,102,922	\$ 25,000	\$ 1,077,922	\$ 18,182	\$ 6,818
				Training/Program Services	21,673,439	4,091,203	17,582,236	3,161,367	929,837
				Contract total	<u>\$ 22,776,361</u>	<u>\$ 4,116,203</u>	<u>\$ 18,660,158</u>	<u>\$ 3,179,549</u>	<u>\$ 936,655</u>
Community Projects/Congressionally Directed Spending	CP000032	N/A	4/1/2023-3/31/2025	Administration	\$ 11,363	\$ 2,500	\$ 8,863	\$ 1,385	\$ 1,115
				Training/Program Services	988,637	432,471	556,166	343,766	88,704
				Contract total	<u>\$ 1,000,000</u>	<u>\$ 434,971</u>	<u>\$ 565,029</u>	<u>\$ 345,151</u>	<u>\$ 89,820</u>
Total								<u>\$ 73,689,190</u>	

PHILADELPHIA WORKS, INC**EARN-TANF****CONTRACT NUMBER 4100077412**

Schedule of Revenue, Expenses and Comparison with Budget

Year Ended June 30, 2024

	Budget	Actual	(Over)/Under Actual
REVENUE			
Pennsylvania Department of Human Services	\$ 32,271,547	\$ 32,271,547	\$ -
Total revenue	32,271,547	32,271,547	-
ADMINISTRATION COSTS			
<i>Personnel</i>			
Staff salaries	2,034,035	2,034,035	-
Staff fringe benefits	465,594	465,594	-
Total salaries/fringe benefits	2,499,629	2,499,629	-
Equipment and supplies	14,676	14,676	-
Operating expenses	652,777	652,777	-
Total administration costs	3,167,083	3,167,083	-
DIRECT TRAINING COSTS			
<i>Personnel</i>			
Staff salaries	1,337,873	1,337,873	-
Staff fringe benefits	363,433	363,433	-
Total personnel	1,701,306	1,701,306	-
Equipment and supplies	37,454	37,454	-
Operating expenses	1,035,875	1,035,875	-
Total direct training costs	2,774,635	2,774,635	-
Total subcontracted expenses (cost reimbursement)	26,329,829	26,267,637	62,192
Total expenses	\$ 32,271,547 **	\$ 32,209,355 *	\$ 62,192 *
EARN-TANF (Advances)			
REVENUE			
Pennsylvania Department of Human Services			
Total revenue	\$ -	\$ - *	\$ -
DIRECT TRAINING COSTS			
Operating expenses	\$ -	\$ - *	\$ -

*\$32,209,355 represents the total FY2024 amount spent from the TANF Cost Reimbursement Grant during FY2024.

**\$32,271,547 represents the cost reimbursement portion of the budget.

PHILADELPHIA WORKS, INC.**EARN-TANF****CONTRACT NUMBER 4100077412**

Schedule of Revenue, Expenses and Comparison with Budget

Year Ended June 30, 2023

	Budget	Actual	(Over)/Under Actual
REVENUE			
Pennsylvania Department of Human Services	\$ 32,271,547	\$ 28,690,639	\$ 3,580,908
Total revenue	32,271,547	28,690,639	3,580,908
ADMINISTRATION COSTS			
<i>Personnel</i>			
Staff salaries	1,943,283	1,718,729	224,554.00
Staff fringe benefits	443,606	443,606	-
Total salaries/fringe benefits	2,386,889	2,162,335	224,554.00
Equipment and supplies	54,671	54,671	-
Operating expenses	785,595	785,595	-
Total administration costs	3,227,155	3,002,601	224,554.00
DIRECT TRAINING COSTS			
<i>Personnel</i>			
Staff salaries	935,834	935,834	-
Staff fringe benefits	341,588	341,588	-
Total personnel	1,277,422	1,277,422	-
Equipment and supplies	46,844	46,844	-
Operating expenses	780,388	780,388	-
Total direct training costs	2,104,654	2,104,654	-
Total subcontracted expenses (cost reimbursement)	26,939,738	23,583,384	3,356,354
Total expenses	\$ 32,271,547 **	\$ 28,690,639 *	\$ 3,580,908 *
EARN-TANF (Advances)			
REVENUE			
Pennsylvania Department of Human Services			
Total revenue	\$ -	\$ - *	\$ -
DIRECT TRAINING COSTS			
Operating expenses	\$ -	\$ - *	\$ -

*\$28,690,639 represents the total FY2023 amount spent from the TANF Cost Reimbursement Grant during FY2023.

**\$32,271,547 represents the cost reimbursement portion of the budget.

SINGLE AUDIT

PHILADELPHIA WORKS, INC.

Schedule of Expenditures of Federal and State Awards

For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Grant/NOO Period		Subrecipient Expenditures	Total Federal Expenditures
U.S. Department of Human Services						
Pass-Through Commonwealth of Pennsylvania - Department of Human Services						
Temporary Assistance for Needy Families	93.558	4100077412	7/1/2023	6/30/2024	\$ 25,666,920	\$ 31,608,638
U.S. Department of Human Services						
Pass-Through Commonwealth of Pennsylvania - Department of Human Services						
Supplemental Nutrition Assistance Program	10.561	4100077412	7/1/2023	6/30/2024	600,717	600,717
Pass-Through Commonwealth of Pennsylvania - Department of Labor and Industry						
Temporary Assistance for Needy Families - Youth						
Temporary Assistance for Needy Families - Youth	93.558	090-23-3361	7/1/2023	6/30/2024	10,589,843	11,336,189
Temporary Assistance for Needy Families - Youth	93.558	090-22-3361	7/1/2022	6/30/2024	504,917	1,596,452
Total Temporary Assistance for Needy Families - Youth					11,094,760	12,932,641
Total TANF Cluster-93.558					37,362,397	45,141,996
WIOA Cluster						
WIOA Adult Program	17.258	090-23-3013	10/1/2023	6/30/2025	30,645	141,765
WIOA Adult Program	17.258	090-23-3001	7/1/2023	6/30/2025	1,171,653	1,382,499
WIOA Adult Program	17.258	090-23-3011	7/1/2023	6/30/2025	4,912,897	5,282,523
WIOA Adult Program	17.258	090-22-3001	7/1/2022	6/30/2024	-	84,739
WIOA Adult Program	17.258	090-22-3011	7/1/2022	6/30/2024	6,014	535,386
WIOA Adult Program	17.258	090-22-3013	10/1/2022	6/30/2024	1,571,878	1,732,564
WIOA Adult Program	17.258				-	-
Subtotal-CFDA No. 17.258					7,693,087	9,159,476
WIOA Dislocated Worker Formula Grants	17.278	090-23-4011	10/1/2023	6/30/2025	2,408,243	2,604,150
WIOA Dislocated Worker Formula Grants	17.278	090-23-4001	7/1/2023	6/30/2025	904,482	1,095,272
WIOA Dislocated Worker Formula Grants	17.278	090-22-4011	7/1/2022	6/30/2024	17,078	244,366
WIOA Dislocated Worker Formula Grants	17.278	090-22-4132	6/1/2023	6/30/2025	116,473	116,473
WIOA Dislocated Worker Formula Grants	17.278	090-21-4132	2/1/2022	6/30/2024	51,793	53,356
Subtotal-CFDA No. 17.278					3,498,069	4,113,617
WIOA Youth Activities	17.259	090-23-3301	7/1/2023	6/30/2025	6,582,752	7,123,501
WIOA Youth Activities	17.259	090-22-3301	7/1/2021	6/30/2024	577,783	1,237,225
Subtotal-CFDA No. 17.259					7,160,535	8,360,726
Total WIOA Cluster					18,351,691	21,633,819

The accompanying notes are an integral part of this schedule.

PHILADELPHIA WORKS, INC.

Schedule of Expenditures of Federal and State Awards *(continued)*

For the Year Ended June 30, 2024

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Grant/NOO Period		Subrecipient Expenditures	Total Federal Expenditures
Pass-Through Commonwealth of Pennsylvania - Department of Labor and Industry <i>(continued)</i>						
WIOA DIS WKRS NATRES-EMERGENCY (ADVANCE)	17.277	DW36860	9/13/2021	9/12/2024	\$ 1,717,716	\$ 1,765,430
Subtotal-CFDA No. 17.277					1,717,716	1,765,430
Total Pass-Through Commonwealth of Pennsylvania - Department of Labor and Industry					31,164,167	36,331,890
U.S. Department of Commerce - Economic Development Authority						
American Rescue Plan Act Good Jobs Challenge	11.307	ED22HDQ3070127	09/01/22	09/30/25	2,904,456	3,179,549
Total U.S. Department of Commerce					2,904,456	3,179,549
U.S. Department of Labor - Employment and Training Administration (DOL- ETA)						
Apprenticeship Building America	17.285	AP 38898	07/01/22	06/30/26	472,205	646,019
Community Projects/Congressionally Directed Spending	17.289	CP000032	04/01/23	03/31/25	343,766	345,151
Total U.S. Department of Labor (DOL-ETA)					815,971	991,170
U.S. Department of Housing and Urban Development						
Jobs-Plus-Pilot Initiative	14.895	004755	7/1/2020	12/31/2025	113,608	113,608
Total U.S. Department of Housing and Urban Development					113,608	113,608
Total expenditures of federal awards					61,265,839	72,825,572
Department of Labor and Industry						
Reemployment Services	N/A	090-22-1035	12/08/22	6/30/2024	160,223	217,211
Reemployment Services	N/A	090-21-1035	12/08/22	6/30/2025	2,144	110,267
Reemployment Services	N/A	090-20-8891	1/1/2022	6/30/2025	-	133,102
Reemployment Services	N/A	090-20-6233	01/01/21	6/30/2025	116,792	131,792
Reemployment Services	N/A	090-19-6238	1/1/2021	6/30/2024	6,800	6,800
Reemployment Services	N/A	090-18-6235	1/1/2021	6/30/2024	828	1,275
Reemployment Services	N/A	090-23-6231	1/1/2024	6/30/2025	37,991	37,991
Reemployment Services	N/A	090-23-6232	1/1/2024	6/30/2025	-	353
Reemployment Services	N/A	090-21-1036	12/8/2022	6/30/2025	224,828	224,828
Total Department of Labor and Industry					549,606	863,618
Total state award programs					549,606	863,618
Total expenditures of federal and state awards					\$ 61,815,445	\$ 73,689,190

The accompanying notes are an integral part of this schedule.

PHILADELPHIA WORKS, INC.

Notes to Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes the federal and state grants' activity of Philadelphia Works. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Philadelphia Works, it is not intended to and does not present the financial position and changes in net position of the Philadelphia Works.

Philadelphia Works records expenses that can be identified with a specific program directly to that program. Expenses that are common to several programs are allocated on the basis of several methodologies, such as direct costs, space occupied by departments, etc.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are 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. Philadelphia Works has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**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**

The Board of Directors
Philadelphia Works, Inc.

We have audited, 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, the financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of Philadelphia Works, Inc. (Philadelphia Works) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Philadelphia Works' basic financial statements, and have issued our report thereon dated March 31, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Philadelphia Works' internal control over financial reporting (internal control) as a basis for designing 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 Philadelphia Works' internal control. Accordingly, we do not express an opinion on the effectiveness of Philadelphia Works' 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 over financial reporting 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 financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

2000 Market Street
Philadelphia, PA 19103
T +1 215 561 7300
F +1 215 569 8709
mitchelltitus.com



Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Philadelphia Works' 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.

Mitchell Titus, LLP

March 31, 2025



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

The Board of Directors
Philadelphia Works, Inc.

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Philadelphia Works, Inc.'s (Philadelphia Works) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on Philadelphia Works' major federal program for the year ended June 30, 2024. Philadelphia Works' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Philadelphia Works complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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* (the Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Philadelphia Works and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Philadelphia Works' compliance with the compliance requirements referred to above.

2000 Market Street
Philadelphia, PA 19103
T +1 215 561 7300
F +1 215 569 8709
mitchelltitus.com

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Philadelphia Works' federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Philadelphia Works' compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Philadelphia Works' compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Philadelphia Works' compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Philadelphia Works' internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 Philadelphia Works' internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Mitchell Titus, LLP

March 31, 2025

PHILADELPHIA WORKS, INC.
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

SECTION I—SUMMARY OF AUDITOR RESULTS

Financial Statements Section

Type of auditor report issued:

Unmodified

Internal control over financial reporting:

- Material weaknesses identified?
- Significant deficiencies identified?

<u> </u> Yes	<u> X </u> No
<u> </u> Yes	<u> X </u> None reported

Noncompliance material to financial statements noted?

<u> </u> Yes	<u> X </u> No
-----------------------	-------------------------

Federal Awards Section

Internal control over major programs:

- Material weaknesses identified?
- Significant deficiencies identified?

<u> </u> Yes	<u> X </u> No
<u> </u> Yes	<u> X </u> None reported

Type of auditor 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)?

<u> </u> Yes	<u> X </u> No
-----------------------	-------------------------

Identification of major program:

Federal Assistance Listing Number

Name of Federal Program

17.258, 17.278, 17.259
11.307

WIOA Cluster
Economic Development Cluster

Dollar threshold used to distinguish between type A and type B programs

\$ 2,184,767

Auditee qualified as low-risk auditee?

<u> X </u> Yes	<u> </u> No
--------------------------	----------------------

PHILADELPHIA WORKS, INC.

Schedule of Findings and Questioned Costs (*continued*)

For the Year Ended June 30, 2024

SECTION II—FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III—FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.



INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

The Board of Directors
Philadelphia Works, Inc.

We have performed the procedures enumerated below, which were agreed to by the Commonwealth of Pennsylvania, Department of Human Services (DHS), and Philadelphia Works, Inc. (Philadelphia Works), solely to assist you in complying with the supplemental financial reporting requirements of the DHS *Single Audit Supplement* to present the accompanying supplemental reconciliation schedule (the Schedule) for the year ended June 30, 2024. Philadelphia Works' management is responsible for complying with those requirements and the Schedule required by the DHS *Single Audit Supplement*.

Philadelphia Works has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assist you in complying with the supplemental financial reporting requirements of the DHS *Single Audit Supplement* to present the accompanying Schedule for the year ended June 30, 2024. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and the associated findings are as follows:

- a) We agreed the expenditures amount listed on the Schedule under the "Federal Expenditures per the SEFA" column C to the audited Schedule of Expenditures of Federal Awards.
- b) We agreed the receipt amount listed on the Schedule under the "Federal Awards Received per the Audit Confirmation Reply from Pennsylvania" column D to the subrecipient Federal amount that was reflected in the audit confirmation reply from the Office of Budget, Comptroller Operations.
- c) We recalculated the amounts listed under the "Difference" column E and the "% Difference" column F on the Schedule.
- d) We agreed the amount listed under the "Difference" column E on the Schedule to the audited books and records of Philadelphia Works.
- e) We reviewed for reasonableness the "Detailed Explanation of the Differences" presented on the Schedule.

2000 Market Street
Philadelphia, PA 19103
T +1 215 561 7300
F +1 215 569 8709
mitchelltitus.com



Findings:

The procedures detailed in paragraphs (a) through (e) above, disclosed no exceptions or other findings, were applicable.

We were engaged by Philadelphia Works to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Schedule required by the DHS *Single Audit Supplement*. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Philadelphia Works and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the Board of Directors and management of Philadelphia Works, the Commonwealth of Pennsylvania, and the DHS and is not intended to be, and should not be, used by anyone other than these specified parties.

Mitchell Titus, LLP

March 31, 2025

PHILADELPHIA WORKS, INC.
Supplemental Reconciliation Schedule
Year Ended June 30, 2024

RECONCILIATION

Federal Awards Passed through the Pennsylvania Department of Human Services
Expenditures per the SEFA to Revenue Received per the Pennsylvania Audit Confirmation Reply

(A)	(B)	(C)	(D)	(E)	(F)	(G)
CFDA Name	CFDA Number	Federal Expenditures per the SEFA	Federal Awards Received per the Audit Confirmation Reply from Pennsylvania	Difference (C-D)	% Difference (E/D)	Detailed Explanation of the Differences
EARN - TANF	93.558	\$ 31,608,638	\$ 28,354,651	\$ 3,253,987	11.48%	Philadelphia Works' expenses are recorded on an accrual basis, the Commonwealth of PA confirmation is on a cash basis. All FY24 expenses and payments are reconciled in CWDS's State reporting system.
EARN - TANF	10.561	\$ 600,717	\$ 600,717	\$ -	0.00%	Philadelphia Works' expenses are recorded on an accrual basis, the Commonwealth of PA confirmation is on a cash basis. All FY24 expenses and payments are reconciled in CWDS's State reporting system.
Temporary Assistance for Needy Families - Youth	93.558	\$ 12,932,641	\$ 11,360,682	\$ 1,571,959	13.84%	Philadelphia Works' expenses are recorded on an accrual basis, the Commonwealth of PA confirmation is on a cash basis. All FY24 expenses and payments are reconciled in CWDS's State reporting system.



PHILADELPHIA WORKS, INC. 401(k) PLAN

**Financial Statements and Supplemental Schedule
For the Years Ended June 30, 2024 and 2023
With Independent Auditor's Report**



MITCHELL TITUS
ACHIEVING EXCELLENCE TOGETHER

PHILADELPHIA WORKS, INC. 401(k) PLAN
For the Years Ended June 30, 2024 and 2023

TABLE OF CONTENTS

	<u>Page(s)</u>
INDEPENDENT AUDITOR’S REPORT	1–3
MANAGEMENT’S DISCUSSION AND ANALYSIS	4–7
FINANCIAL STATEMENTS	
Statements of Fiduciary Net Position as of June 30, 2024 and 2023	8
Statements of Changes in Fiduciary Net Position for the Years Ended June 30, 2024 and 2023	9
Notes to Financial Statements	10–15
SUPPLEMENTAL SCHEDULE	
Schedule H, Part IV, Line 4(i)*—Schedule of Assets (Held at End of Year) as of June 30, 2024	16

*Refers to item numbers in Form 5500 (Annual Return/Report of Employee Benefit Plan) for the year ended June 30, 2024.



INDEPENDENT AUDITOR'S REPORT

To the 401(k) Plan Administrative Committee
Philadelphia Works, Inc.

Opinion

We have audited the financial statements of the Philadelphia Works, Inc. 401(k) Plan, an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of fiduciary net position as of June 30, 2024 and 2023, the related statements of changes in fiduciary net position 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 fiduciary net position of the Philadelphia Works, Inc. 401(k) Plan as of June 30, 2024 and 2023, and the changes in its fiduciary net position 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 Philadelphia Works, Inc. 401(k) Plan 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 Philadelphia Works, Inc. 401(k) Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

2000 Market Street
Philadelphia, PA 19103
T +1 215 561 7300
F +1 215 569 8709
mitchelltitus.com



Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

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 audit.
- 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 audit 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 Philadelphia Works, Inc. 401(k) Plan'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 Philadelphia Works, Inc. 401(k) Plan'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.



Supplemental Schedule Required by ERISA

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental Schedule H, Part IV, Line 4(i)—Schedule of Assets (held at end of year) as of June 30, 2024, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including the form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 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 GAAS, 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 audits 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.

Mitchell Titus, LLP

April 15, 2025

PHILADELPHIA WORKS, INC. 401(k) PLAN

Management's Discussion and Analysis

June 30, 2024 and 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following presents our discussion and analysis for the financial performance of the Philadelphia Works, Inc. 401(k) Plan (the Plan) for the years ended June 30, 2024 and 2023. This discussion and analysis should be read in conjunction with the financial statements and disclosures.

The Plan is a defined contribution plan covering all full-time employees of Philadelphia Works, Inc. (the Company and Plan Sponsor) who complete three full consecutive calendar months of employment and are aged 21 or older. The Plan Sponsor makes a contribution of 100% of participant deferrals, up to 4% of a participant's compensation. This contribution will be fully vested at all times and cannot be forfeited.

The Plan's financial statements consist of two financial statements: (a) Statement of Fiduciary Net Position and (b) Statement of Changes in Fiduciary Net Position.

- The Statement of Fiduciary Net Position presents the Plan's assets, liabilities, and net position available for participant benefits.
- The Statement of Changes in Fiduciary Net Position presents the additions and deductions to the Plan's net position.

2024 Financial Highlights

- Investments increased by 10.17%, or \$1,035,868
- Notes receivable from participants increased by 0.70%, or \$1,069
- Net investment income was \$1,270,518, an increase of 40.84% or \$368,433 over the prior year
- Total Plan contributions decreased by 21.68%, or \$137,756
- Benefits paid to participants Increased by 4.66%, or \$29,906

2023 Financial Highlights

- Investments increased by 8.43%, or \$791,614
- Notes receivable from participants increased by 49.44%, or \$50,834
- Net investment income was \$902,085, an increase of 177.79% or \$2,061,734 over the prior year
- Total Plan contributions increased by 37.15%, or \$172,103
- Benefits paid to participants decreased by 50.01%, or \$642,356

PHILADELPHIA WORKS, INC. 401(k) PLAN
Management's Discussion and Analysis (*continued*)
June 30, 2024 and 2023

Financial Analysis

Table 1 – Statements of Fiduciary Net Position as of June 30, 2024, 2023, and 2022

	2024	2023	2022	2024 - 2023		2023 - 2022	
				Variance	%	Variance	%
ASSETS							
Investments	\$ 11,220,922	\$ 10,185,054	\$ 9,393,440	\$ 1,035,868	10.17 %	\$ 791,614	8.43 %
Notes receivable from participants	154,723	153,654	102,820	1,069	0.70 %	50,834	49.44 %
Employer receivable	8,532	6,929	6,518	1,603	23.13 %	411	6.31 %
Employee receivable	12,834	11,320	11,475	1,514	13.37 %	(155)	(1.35)%
Net position restricted for Plan benefits	<u>\$ 11,397,011</u>	<u>\$ 10,356,957</u>	<u>\$ 9,514,253</u>	<u>\$ 1,040,054</u>	10.04 %	<u>\$ 842,704</u>	8.86 %

Fiscal Year 2024

The Plan's investments increased in value by \$1,035,868, or 10.17%, to \$11,220,922 at June 30, 2024, primarily due to distributions during the current year being less than net contributions received and the net appreciation in fair value of investments. Similar to fiscal year 2023, the majority of the Plan's investments were in mutual funds, which comprised 91.86% of the Plan's total investments at June 30, 2024.

Fiscal Year 2023

The Plan's investments decreased in value by \$791,614, or 8.43%, to \$10,185,054 at June 30, 2023, primarily due to distributions during the fiscal year 2023 being less than net contributions received and the net appreciation in fair value of investments. Similar to fiscal year 2022, the majority of the Plan's investments were in mutual funds, which comprised 84% of the Plan's total investments at June 30, 2023.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Management's Discussion and Analysis (*continued*)
June 30, 2024 and 2023

Table 2 – Statements of Changes in Fiduciary Net Position for Fiscal Years Ended June 30, 2024, 2023, and 2022

	2024	2023	2022	2024 - 2023		2023 - 2022	
				Variance	%	Variance	%
ADDITIONS							
Net investment income (loss)	\$ 1,270,518	\$ 902,085	\$ (1,159,649)	\$ 368,433	(40.84)%	\$ 2,061,734	(177.79)%
Plan contributions	497,670	635,426	463,323	(137,756)	(21.68)%	172,103	37.15 %
Total additions	1,768,188	1,537,511	(696,326)	230,677	(15.00)%	2,233,837	(320.80)%
DEDUCTIONS							
Benefits paid to participants	671,934	642,028	1,284,384	29,906	4.66 %	(642,356)	(50.01)%
Loan discharge	-	-	-	-	0.00 %	-	100.00 %
Administrative fees	56,200	52,779	58,937	3,421	6.48 %	(6,158)	(10.45)%
Total deductions	728,134	694,807	1,343,321	33,327	4.80 %	(648,514)	(48.28)%
Net increase (decrease)	1,040,054	842,704	(2,039,647)	197,350	(23.42)%	2,882,351	(141.32)%
Net position restricted for Plan benefits, beginning of year	10,356,957	9,514,253	11,553,900	842,704		(2,039,647)	
Net position restricted for Plan benefits, end of year	\$ 11,397,011	\$ 10,356,957	\$ 9,514,253	\$ 1,040,054		\$ 842,704	

Fiscal Year 2024

The Plan's contributions in fiscal year 2024 decreased by \$137,756, or 21.68%.

The Plan's net investment income was \$1,270,518 in fiscal year 2024, an increase of \$368,433. The change to net investment income was due to the performance of the market. The change was attributed to the net appreciation in fair value of investments in fiscal year 2024.

Benefits paid to participants increased by \$29,906. The total number of participants terminated from the Plan was greater in fiscal year 2024 than terminations in fiscal year 2023; and the average distribution amount was lesser based on the participants who took distributions in 2024.

Fiscal Year 2023

The Plan's contributions in fiscal year 2023 increased by \$172,103, or 37.15%.

The Plan's net investment income was \$902,085 in fiscal year 2023, an increase of \$2,061,734. The change to net investment income was due to the performance of the market. The change was attributed to the net appreciation in fair value of investments in fiscal year 2023.

Benefits paid to participants decreased by \$642,356. The total number of participants terminated from the Plan was greater in fiscal year 2023 than terminations in fiscal year 2022; and the average distribution amount was lesser based on the participants who took distributions in 2023.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Management's Discussion and Analysis (*continued*)
June 30, 2024 and 2023

Contact Information

The above discussion and analysis are presented to provide additional information regarding the activities of the Plan and also to meet the disclosure requirements of Government Accounting Standards Board Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*. If you have any questions about the report or need additional financial information, contact Philadelphia Works, Inc.

FINANCIAL STATEMENTS

PHILADELPHIA WORKS, INC. 401(k) PLAN
Statements of Fiduciary Net Position
As of June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Investments, at fair value	\$ 11,220,922	\$ 10,185,054
Notes receivable from participants	154,723	153,654
Employer receivable	8,532	6,929
Employee receivable	<u>12,834</u>	<u>11,320</u>
Net position restricted for Plan benefits	<u>\$ 11,397,011</u>	<u>\$ 10,356,957</u>

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Statements of Changes in Fiduciary Net Position
For the Years Ended June 30, 2024 and 2023

	2024	2023
ADDITIONS		
<i>Investment income</i>		
Net appreciation in fair value		
of investments	\$ 1,013,763	\$ 696,483
Interest and dividends	248,323	199,940
Interest income on notes receivable from participants	8,432	5,662
Total investment income	<u>1,270,518</u>	<u>902,085</u>
<i>Contributions</i>		
Employer	184,965	176,199
Employee	312,705	459,227
Total contributions	<u>497,670</u>	<u>635,426</u>
Total additions	<u>1,768,188</u>	<u>1,537,511</u>
DEDUCTIONS		
Distributions to participants and other	671,934	642,028
Administrative fees	56,200	52,779
Total deductions	<u>728,134</u>	<u>694,807</u>
Net increase in fiduciary net position	1,040,054	842,704
Net position restricted for Plan benefits, beginning of year	<u>10,356,957</u>	<u>9,514,253</u>
Net position restricted for Plan benefits, end of year	<u><u>\$ 11,397,011</u></u>	<u><u>\$ 10,356,957</u></u>

The accompanying notes are an integral part of these financial statements.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 1 DESCRIPTION OF PLAN

The following brief description of the Philadelphia Works, Inc. (PWI, or the Company) 401(k) Plan (the Plan) is provided strictly for general information purposes. Participants should refer to the Plan document for more complete information.

General

The Plan is a defined contribution plan covering all Company full-time employees who complete three full consecutive calendar months of employment and are aged 21 or older. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Philadelphia Works, Inc., the Plan administrator, is responsible for adopting the Plan's administration rules and regulations, investment policies, and overseeing the duties of the Plan's Trustee, Ascensus Trust Company (ATC), and the Plan's recordkeeper, Ascensus, Inc. (Ascensus). As the Trustee, ATC has custody of the Plan's assets. Ascensus is responsible for the recordkeeping and reporting of the Plan. PWI may amend the Plan at any time.

Contributions

Each year, participants may contribute from 1% to 100% of their pretax annual compensation, as defined in the Plan document, limited to the Internal Revenue Service (IRS) annual limitation of \$19,500. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. The Company makes discretionary matching contributions as determined annually by its Board of Directors. The Company's matching contributions are within Safe Harbor limits and the amounts equal to 100% of participant deferrals, up to 4% of a participant's compensation. This contribution will be fully vested at all times and cannot be forfeited.

For the years ended June 30, 2024 and 2023, the Company's matching contributions did not exceed 4% of participants' compensation for the Plan year.

Participant Accounts

Each participant's account is credited with their contribution, the Company's contribution, and an allocation of Plan earnings. Allocations are based on participant account balances, as defined in the Plan document. The benefit to which a participant is entitled is the amount from the participant's vested account. At June 30, 2024 and 2023, the Plan had 127 and 124 participants, respectively.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 1 DESCRIPTION OF PLAN *(continued)*

Participant Accounts *(continued)*

Upon attaining normal retirement age, death, becoming disabled, or in the event of termination of employment or the Plan for any reason, a participant shall be eligible to receive a distribution of the vested amount credited to their account. A participant's account may be distributed to the participant in cash or in the form actually held in the fund or in any combination of the two. The Company reserves the right to terminate the Plan at any time, subject to Plan provisions.

Benefit Payments

Benefit payments are recorded as deductions when due for payment.

Hardship Distributions

With the approval of the Plan's administrator, a participant may receive a distribution prior to retirement or other separation from service in the event of a financial hardship. The Plan's administrator will allow a hardship distribution only to enable a participant to meet immediate and material financial needs resulting from the hardship, which cannot be readily met from the participant's other financial resources. The Plan's Administrative Committee will only authorize a distribution for the amount needed to meet the financial hardship and each decision is based on the participant's facts.

Loans

A participant is allowed to borrow the lesser of 50% of the present value of his or her vested account balance, or \$50,000, and must demonstrate an immediate financial need. Personal loans have terms of up to five years. Principal residence loans must be repaid within a reasonable length of time for similar loans, determined at the time the loan is approved. The interest rate on the loans is based on the prevailing prime rate at the time the loan is made. A participant may not have more than one loan outstanding at the same time.

Vesting

A participant's vested interest in his or her participant account will be determined according to the following provisions:

- 1) 100% vesting of all amounts in a participant's account upon retirement, death, or disability prior to employment termination.
- 2) 100% vesting of a participant's elective deferral account.
- 3) 100% vesting of a participant's matching contribution account.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 1 DESCRIPTION OF PLAN *(continued)*

Vesting *(continued)*

- 4) A participant's vested interest in his or her non-elective profit-sharing contribution account will be determined by the vesting schedule as follows:

<u>Years of Service</u>	<u>Vested Interest</u>
1	0%
2	0%
3	100%

Investment Options

In 2024 and 2023, the Plan provided a participant-directed investment program that allowed participants to choose mutual funds among the ATC funds managed by ATC. As a result, the Plan's investments do not expose it to custodial credit risk.

Plan Termination

Although it has not expressed any such intent, the Company has the right under the Plan to discontinue its contributions at any time and terminate the Plan, subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Plan's financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. GASB No. 34 requires two basic financial statements: the statement of fiduciary net position and the statement of changes in fiduciary net position. For financial reporting purposes, the Plan is considered a pension trust fund.

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting. Contributions are recognized by the Plan when the payments become due from the Plan sponsor. Investment income is recognized when earned. Deductions are recognized when due in accordance with the terms of the Plan.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Investments

The Plan consists of separate investment funds with different investment objectives. The degree and concentration of credit risk varies by fund, depending upon the type and diversity of the investment.

Investments in all of the funds have a fair value Level of 1, since they are represented by shares that have been valued at their respective fund's net asset value, which are quoted market prices from an open market.

Purchases and sales of investments are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. The statement of changes in fiduciary net position presents the Plan's net appreciation (depreciation) in the fair value of its investments, which consists of both the realized gains or losses and the unrealized appreciation (depreciation) on those investments.

Administrative Expenses

Administrative expenses are paid by the Company. However, certain administrative costs related to administering participant loans are paid by those participants.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions to net position during the reporting period. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when incurred. No allowance for credit losses has been recorded as of June 30, 2024 or 2023. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced, and a benefit payment is recorded.

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 3 INVESTMENTS

At June 30, 2024 and 2023, the Plan was invested primarily in mutual funds, which do not expose the Company to custodial credit risk.

Interest rate risk exists for the Plan's bond funds. Changes in interest rates will adversely affect the fair value of such investments. However, the Plan manages its exposure to declines in fair values caused by interest rate increases by not holding investments that have excessive average maturities. Investment credit quality ratings are not available for the Plan's mutual funds.

NOTE 4 FAIR VALUE MEASUREMENTS

The following tables set forth the Plan's financial assets measured at fair value on a recurring basis at June 30, 2024 and 2023. See Note 2 for the valuation methodology used to measure the fair value of these investments. There have been no changes to the methodologies used to measure the fair value of each asset from June 30, 2024 to 2023. These assets have been categorized according to the three-level fair value hierarchy established by GASB No. 72, *Fair Value Measurement and Application*, which prioritize the inputs used in measuring fair value. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs reflecting the Plan's own assumptions about the assumptions that market participants would use in pricing the asset. The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

	Level 1	Level 2	Level 3	Total
At June 30, 2024				
Registered investment companies	\$ 10,307,602	\$ -	\$ -	\$ 10,307,602
Stable Value Fund	913,320	-	-	913,320
Total	\$ 11,220,922	\$ -	\$ -	\$ 11,220,922
	Level 1	Level 2	Level 3	Total
At June 30, 2023				
Registered investment companies	\$ 9,355,288	\$ -	\$ -	\$ 9,355,288
Stable Value Fund	829,766	-	-	829,766
Total	\$ 10,185,054	\$ -	\$ -	\$ 10,185,054

PHILADELPHIA WORKS, INC. 401(k) PLAN
Notes to Financial Statements
For the Years Ended June 30, 2024 and 2023

NOTE 5 INCOME TAX STATUS

The underlying non-standardized prototype plan has received an opinion letter from the IRS dated March 31, 2014, stating that the written form of the underlying prototype document is qualified under the Internal Revenue Code (the Code). Any employer adopting this form of the plan will be considered to have a plan qualified under Section 401 of the Code and, therefore, the related trust is tax exempt. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualified status. The Plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the Code and, therefore, believes the Plan is qualified and the related trust is tax exempt.

U.S. GAAP requires the evaluation of uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more-likely-than-not, based on the technical merits, to be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and concluded that as of June 30, 2024, there are no uncertain tax positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2019.

NOTE 6 SUBSEQUENT EVENTS

The Plan has evaluated subsequent events through April 15, 2025, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

PHILADELPHIA WORKS, INC. 401(k) PLAN

Schedule H, Part IV, Line 4(i)—Schedule of Assets (Held at End of Year)

As of June 30, 2024

(a) Party-in-Interest	(b) Identity of Issuer, Borrower, Lessor, or Similar Party	(c) Description of Investment	(e) Current Value
Investment funds			
*	DFA U.S. Core Equity I	Mutual Fund	\$ 1,054,879
*	Vanguard Value Index Adm	Mutual Fund	52,641
*	DFA Global Equity Portfolio 1	Mutual Fund	585
*	DFA Intl Core Equity Portfolio Instl	Mutual Fund	471,121
*	DFA Inflation-Protected Sec Port I	Mutual Fund	58,963
*	DFA Emerging Markets Core Equity I	Mutual Fund	280,906
*	DFA U.S. Targeted Value Portfolio	Mutual Fund	339,545
*	DFA U.S. Large Cap Value Portfolio	Mutual Fund	538,488
*	WTRISC CIT III for MetLife GAC 25554 J	Stable Value Fund	913,320
*	Vanguard Target Retirement 2020 Inv	Mutual Fund	349,185
*	Vanguard Target Retirement 2025 Inv	Mutual Fund	389,821
*	Vanguard Target Retirement 2030 Inv	Mutual Fund	1,364,818
*	Vanguard Target Retirement 2035 Inv	Mutual Fund	403,723
*	Vanguard Target Retirement 2040 Inv	Mutual Fund	719,949
*	Vanguard Target Retirement 2045 Inv	Mutual Fund	554,743
*	Vanguard Target Retirement 2050 Inv	Mutual Fund	318,958
*	Vanguard Target Retirement 2055 Inv	Mutual Fund	99,487
*	Vanguard Target Retirement 2060 Inv	Mutual Fund	48,133
*	Vanguard Target Retirement 2065 Inv	Mutual Fund	8,320
*	Vanguard Instl Target Retirement Income	Mutual Fund	386,319
*	Vanguard Total Stock Mkt Index Adm	Mutual Fund	504,830
*	Vanguard LifeStrategy Income Inv	Mutual Fund	12,268
*	Vanguard Total Intl Stock Index Adm	Mutual Fund	167,512
*	Vanguard LifeStrategy Conserv Growth Inv	Mutual Fund	663
*	Vanguard LifeStrategy Moderate Growth Inv	Mutual Fund	3,859
*	Vanguard Total Bond Market Index Adm	Mutual Fund	654,256
*	Vanguard Small Cap Index Adm	Mutual Fund	5,432
*	Vanguard Small-Cap Growth Index Adm	Mutual Fund	2,175
*	Vanguard Small-Cap Value Index Adm	Mutual Fund	26,097
*	Vanguard Dividend Apprec Idx Adm	Mutual Fund	370,110
*	Vanguard Total Intl Bond Index Adm	Mutual Fund	472,019
*	Vanguard Mid-Cap Growth Index Adm	Mutual Fund	15,568
*	Vanguard Mid-Cap Value Index Adm	Mutual Fund	21,327
*	Vanguard Mid Cap Index Adm	Mutual Fund	29,876
*	Vanguard Large Cap Index Adm	Mutual Fund	54,054
*	Vanguard Real Estate Index Adm	Mutual Fund	377,715
*	Vanguard Growth Index Adm	Mutual Fund	149,257
			<u>11,220,922</u>
*	Participant loans	Interest rates range from 3.25% to 8.50%	<u>154,723</u>
	Total assets held, at year end		<u>\$ 11,375,645</u>

*Represents party-in-interest.

"Cost" is not applicable for participant-directed investments.



SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
--	---	--

For calendar plan year 2023 or fiscal plan year beginning		and ending	
A Name of plan	B Three-digit plan number (PN)		
C Plan sponsor's name as shown on line 2a of Form 5500	D Employer Identification Number (EIN)		

Part I	Asset and Liability Statement
--------	-------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f		

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l		
---	-----------	--	--

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)		
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Salaries and allowances.....	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Recordkeeping fees	2i(3)		
(4) IQPA audit fees.....	2i(4)		
(5) Investment advisory and investment management fees.....	2i(5)		
(6) Bank or trust company trustee/custodial fees.....	2i(6)		
(7) Actuarial fees.....	2i(7)		
(8) Legal fees.....	2i(8)		
(9) Valuation/appraisal fees.....	2i(9)		
(10) Other trustee fees and expenses.....	2i(10)		
(11) Other expenses.....	2i(11)		
(12) Total administrative expenses. Add lines 2i(1) through (11).....	2i(12)		
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name:

(2) EIN:

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions.)

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a			
4b			
4c			
4d			
4e			
4f			
4g			
4h			
4i			
4j			
4k			
4l			
4m			
4n			

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)

d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)

e Was this plan covered by a fidelity bond?

f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?

g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?

h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?

i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)

j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)

k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?

l Has the plan failed to provide any benefit when due under the plan?

m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)

n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

Attachment to 2023 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PHILADELPHIA WORKS, INC. 401(K) PLAN

EIN: 23-3048942

Plan Sponsor's Name PHILADELPHIA WORKS, INC.

PN: 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	DFA	DFA Inflation-Protected Sec Port I	0	58,963
	DFA	DFA U.S. Core Equity I I	0	1,054,879
	DFA	DFA U.S. Large Cap Value Portfolio I	0	538,488
	DFA	DFA U.S. Targeted Value Portfolio I	0	339,545
	DFA	DFA Intl Core Equity Portfolio Instl	0	471,121
	DFA	DFA Emerging Markets Core Equity I	0	280,906
	GG CIT III	GG CIT III for Metlife GAC 25554 J	0	913,320

Attachment to 2023 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PHILADELPHIA WORKS, INC. 401(K) PLAN

EIN: 23-3048942

Plan Sponsor's Name PHILADELPHIA WORKS, INC.

PN: 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Real Estate Index Adm	0	377,715
	Vanguard	Vanguard Mid Cap Index Adm	0	29,876
	Vanguard	Vanguard Large Cap Index Adm	0	54,054
	Vanguard	Vanguard Value Index Adm	0	52,641
	Vanguard	Vanguard Growth Index Adm	0	149,257
	Vanguard	Vanguard Total Intl Stock Index Adm	0	167,512
	Vanguard	Vanguard Total Bond Market Index Adm	0	654,256

Attachment to 2023 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PHILADELPHIA WORKS, INC. 401(K) PLAN

EIN: 23-3048942

Plan Sponsor's Name PHILADELPHIA WORKS, INC.

PN: 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Total Stock Market Index Adm	0	504,830
	Vanguard	Vanguard Small-Cap Index Adm	0	5,432
	Vanguard	Vanguard Dividend Apprec Index Adm	0	370,110
	Vanguard	Vanguard Total Intl Bond Index Adm	0	472,019
	Vanguard	Vanguard Mid-Cap Growth Index Adm	0	15,568
	Vanguard	Vanguard Mid-Cap Value Index Adm	0	21,327
	Vanguard	Vanguard Small-Cap Growth Index Adm	0	2,175

Attachment to 2023 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PHILADELPHIA WORKS, INC. 401(K) PLAN

EIN: 23-3048942

Plan Sponsor's Name PHILADELPHIA WORKS, INC.

PN: 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Small-Cap Value Index Adm	0	26,097
	Vanguard	Vanguard LifeStrategy Moderate Gr Inv	0	3,859
	Vanguard	Vanguard LifeStrategy Conserv Growth Inv	0	663
	Vanguard	Vanguard LifeStrategy Income Inv	0	12,268
	DFA	DFA Global Equity Portfolio I	0	585
	Vanguard	Vanguard Target Retirement 2065 Fund	0	8,320
	Vanguard	Vanguard Target Retirement 2060 Fund	0	48,133

Attachment to 2023 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PHILADELPHIA WORKS, INC. 401(K) PLAN

EIN: 23-3048942

Plan Sponsor's Name PHILADELPHIA WORKS, INC.

PN: 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Target Retirement 2055 Fund	0	99,487
	Vanguard	Vanguard Target Retirement 2050 Fund	0	318,958
	Vanguard	Vanguard Target Retirement 2045 Fund	0	554,743
	Vanguard	Vanguard Target Retirement 2040 Fund	0	719,949
	Vanguard	Vanguard Target Retirement 2035 Fund	0	403,723
	Vanguard	Vanguard Target Retirement 2030 Fund	0	1,364,818
	Vanguard	Vanguard Target Retirement 2025 Fund	0	389,821

Attachment to 2023 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name PHILADELPHIA WORKS, INC. 401(K) PLAN

EIN: 23-3048942

Plan Sponsor's Name PHILADELPHIA WORKS, INC.

PN: 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	Vanguard	Vanguard Target Retirement 2020 Fund	0	349,185
	Vanguard	Vanguard Target Retirement Income Fund	0	386,319
	Participant's Loan Account	Various Rates and Maturities	0	154,723