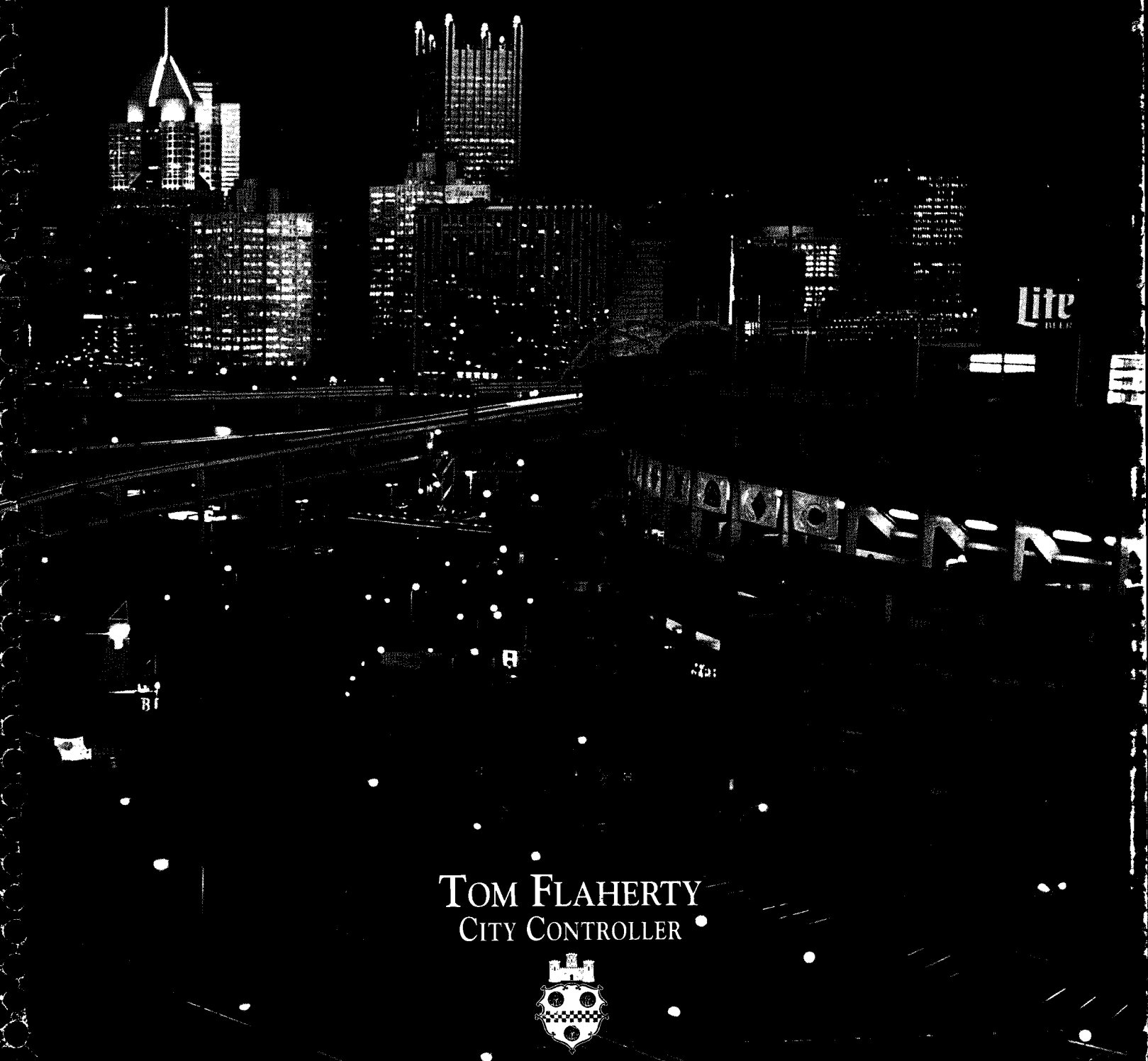
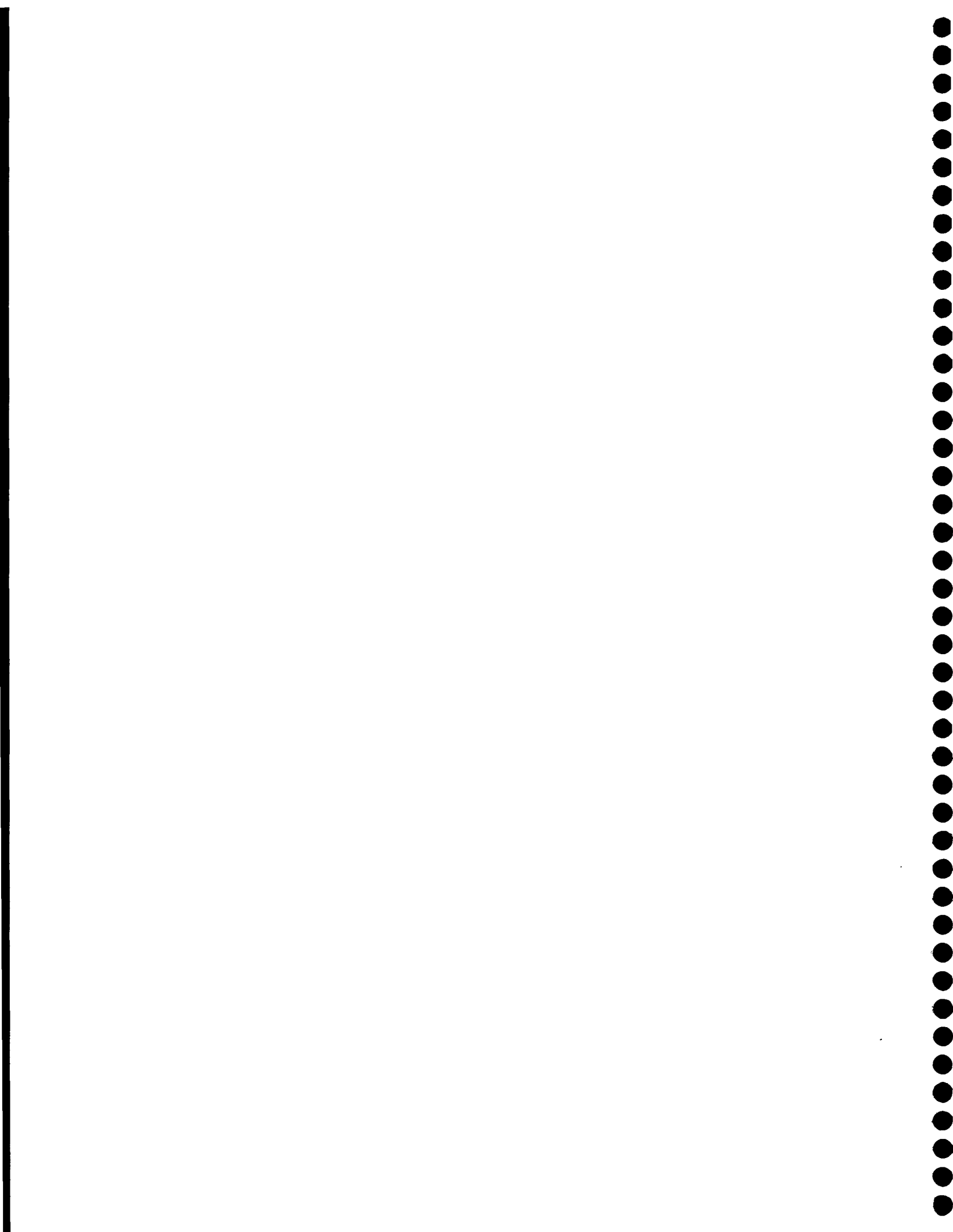


# CITY OF PITTSBURGH PENNSYLVANIA



TOM FLAHERTY  
CITY CONTROLLER

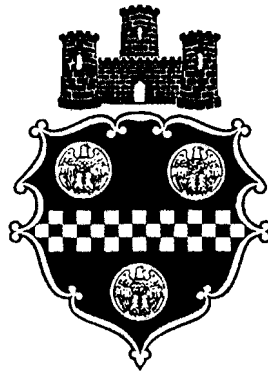




# CITY OF PITTSBURGH, PENNSYLVANIA

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## COMPREHENSIVE ANNUAL FINANCIAL REPORT

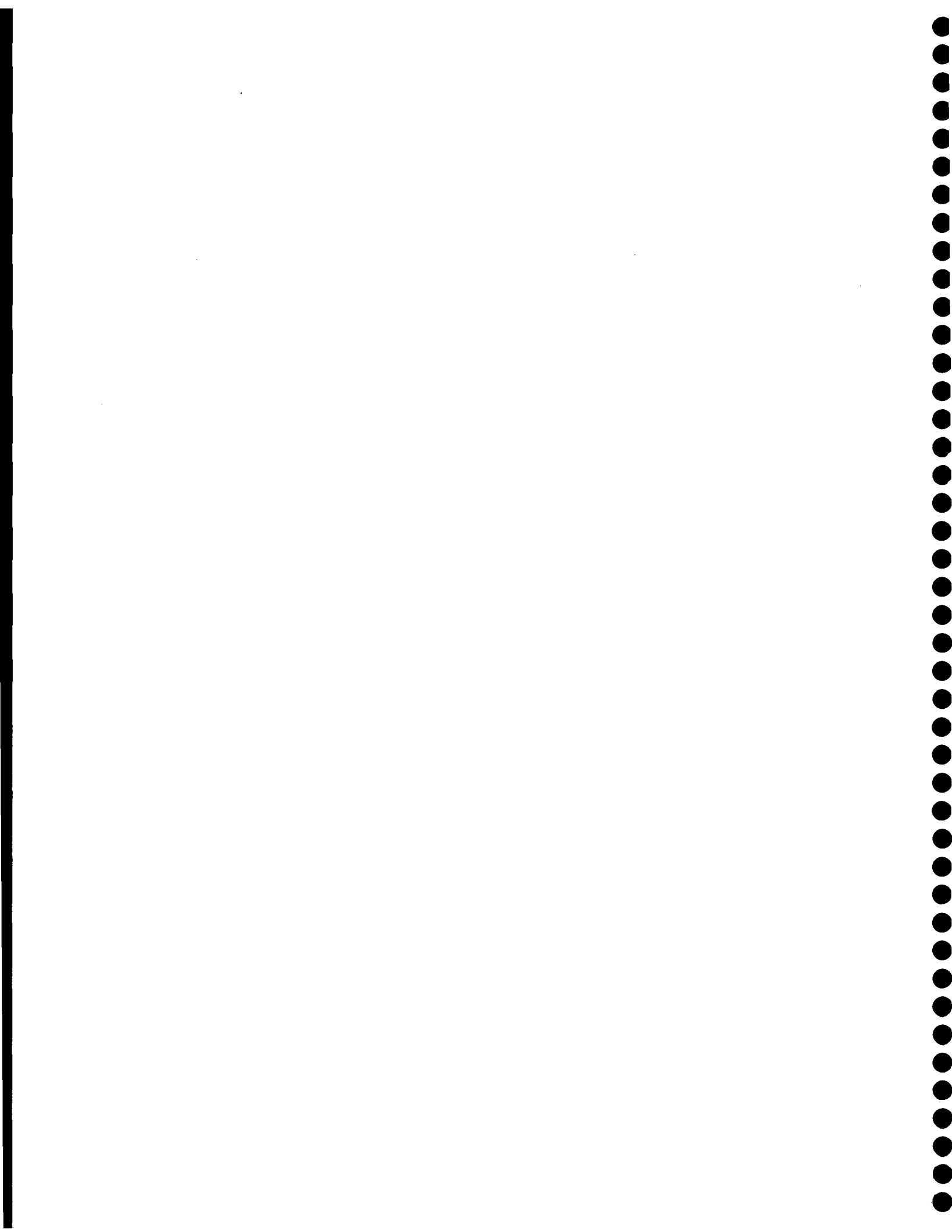


FOR THE FISCAL YEAR ENDED DECEMBER 31, 1998

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*Prepared by: Office of City Controller*

**TOM FLAHERTY, CONTROLLER**







**Tom Flaherty**  
**City Controller**

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA

Comprehensive Annual Financial Report

Year Ended December 31, 1998

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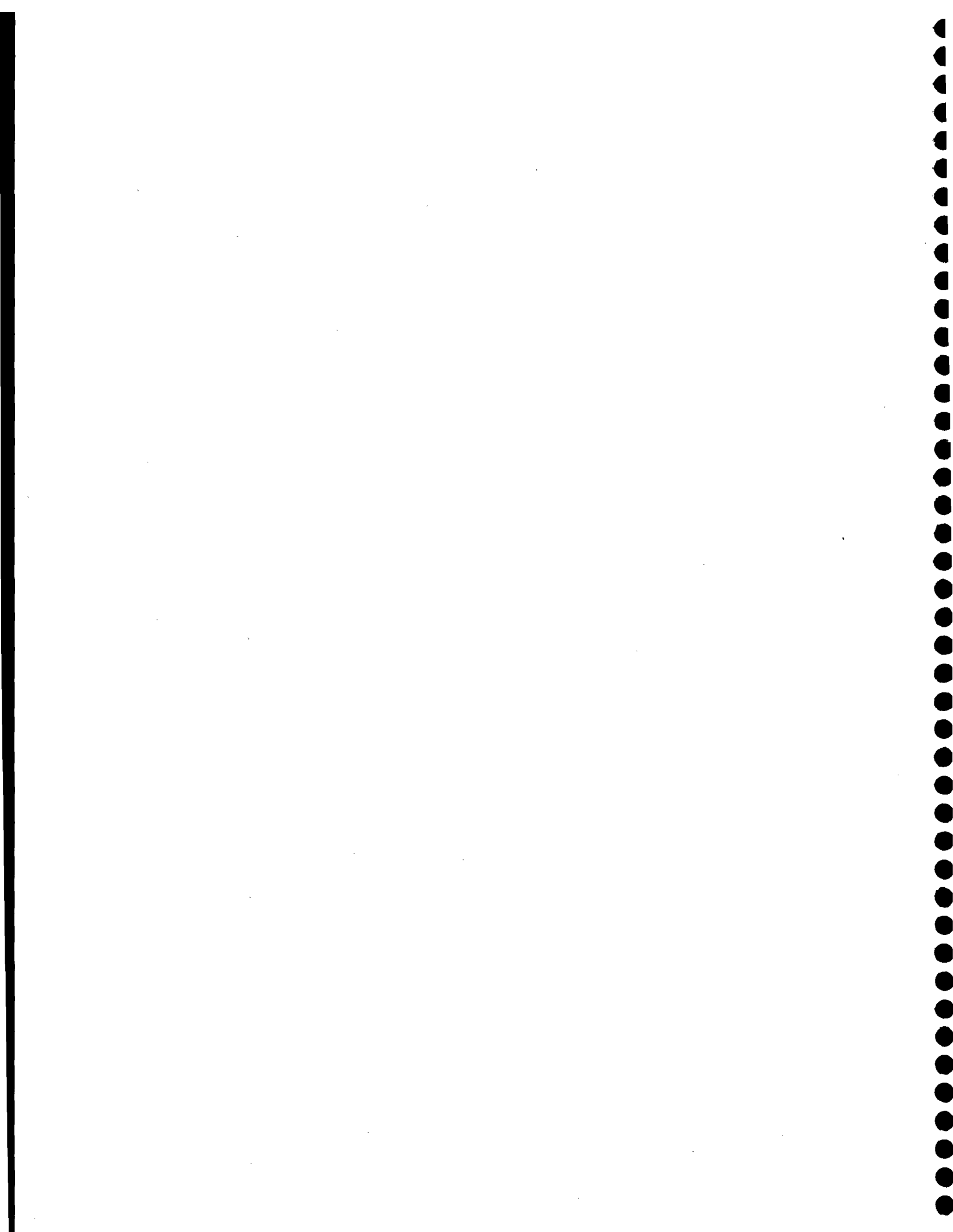




# **INTRODUCTORY SECTION**



**LETTER OF  
TRANSMITTAL**





# City of Pittsburgh



Pennsylvania

OFFICE OF THE CITY CONTROLLER  
TOM FLAHERTY, CONTROLLER

412-255-2055  
FAX 412-255-2958

July 26, 1999

The Honorable Mayor, Members of  
City Council, and the Citizens of  
the City of Pittsburgh, Pennsylvania :

I am pleased to submit an Annual Financial Report of the City of Pittsburgh for the year ended December 31, 1998.

We believe that the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. This statement will enable the reader to gain an understanding of the City's financial activities. Responsibility for both the accuracy of data, and the completeness and fairness of the presentation, rests with the management of the City. This report contains all the funds and account groups of the City. Also included in this report is the financial data of the component units that are considered part of the City's reporting entity.

## INTRODUCTION

This Comprehensive Annual Financial Report (CAFR) is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this letter, the City's organizational chart, and a list of principal officials. The Financial Section consists of the independent certified public accountants' report, the general-purpose financial statements, with the related notes, and the combining and individual fund and account group financial statements and schedules. The Statistical Section includes financial and other pertinent data, generally presented on a multi-year basis.

## ECONOMIC CONDITION AND OUTLOOK

The City of Pittsburgh is located at the confluence of the Ohio, Monongahela, and Allegheny Rivers and serves as the county seat for Allegheny County. Pittsburgh is also the largest of the County's 130

municipalities. Downtown Pittsburgh- commonly known as the Golden Triangle- is the regional center of Southwestern Pennsylvania, Eastern Ohio, and Northern West Virginia. According to the 1990 Census, the city's population is approximately 370,000.

### **Economic Background**

Pittsburgh has consistently been a leader in developing and capitalizing on new industries. In the mid-1800s, Pittsburgh gained notoriety for developing its glass, iron, and steel industries and emerged as the world's steel-producing capital by the end of the century. This continued until the steel industry's collapse in the early 1980s. In recent years, the City of Pittsburgh's economy underwent an incredible transformation. Though heavy manufacturing continues to play a role in the city's economic growth, it is no longer the region's sole driving force. Instead, Pittsburgh has reestablished itself as a leader in technological innovation. The same entrepreneurial spirit that forged Pittsburgh's growth in the past has been reborn, producing a diverse economy consisting of high technology, finance, healthcare, retail, law, and education sectors. Pittsburgh's economy is now fueled in great part by information technology and biotechnology firms that grew out of the region's strong universities.

### **Economic Condition and Outlook**

The City of Pittsburgh continues to build and strengthen its economy not only by expanding existing businesses, but also by working to attract new businesses and industries to the region. This initiative of improving business retention has been implemented through the Mayor's Office of Economic Development. The primary goal is to assist businesses both small and large in developing and enhancing working relationships between economic development practitioners throughout the state. By supporting the growth of the existing business core and marketing its competitive advantages to attract new businesses, the City of Pittsburgh has modernized its economy.

Initiatives such as *one-stop service providers* allow firms doing business in Pittsburgh to assign a project coordinator who will serve as a single point of contact throughout the development process. *Tax credits* granted by both the federal government and the Commonwealth of Pennsylvania provides financial incentives for companies to hire new employees. The city of Pittsburgh also contains three State Enterprise Zones, which enable businesses located within those designated areas to enjoy more favorable interest rates and additional tax incentives. Pittsburgh has come a long way in rebuilding an economy that was in extreme peril only a few short years ago.

Over the past couple of years Pittsburgh has focused on the revitalization of its downtown core, making aesthetic improvements to reestablish it as a regional destination point. With the formation of a Business Improvement District in 1996, the Pittsburgh Downtown Partnership spearheaded improvements in maintenance, safety, and marketing. The City has also worked hard to reassert downtown Pittsburgh as the region's retail hub. A Lazarus department store recently opened at the corner of Fifth Avenue and Wood Street. The Mellon Bank building at Smithfield Street is being renovated into a Lord and Taylor store, and the Fifth/Forbes Avenue retail corridor is being positioned to attract a row of specialty shops - putting Pittsburgh's downtown retail sector in line for future growth.

Pittsburgh is also working to make downtown the region's chief entertainment destination. The expansion of the convention center and the construction of two new sports facilities will attract visitors from the surrounding region and all over the world. The downtown office climate is also getting a boost because

long-time Pittsburgh companies- PNC Bank and Mellon Bank- are constructing new operations centers. Their investment in downtown- along with that of many other companies, including Highmark Blue Cross/Blue Shield, GNC, ALCOA, and Kvaerner Metals- is a sign of Pittsburgh's bright economic future.

The City of Pittsburgh has also implemented an aggressive strategy to reclaim the Cities' valuable riverfront property and reuse industrial sites left behind by the dismantling of the steel industry. Through the Urban Redevelopment Authority, the City of Pittsburgh has acquired land and prepared sites to lay the groundwork for economic development. Technology companies such as Aristech Chemical Corporation, Union Switch & Signal, Aerial Communications and Hyperion Communications have located their operations at the Pittsburgh Technology Center, where- appropriately enough- a steel mill previously existed. Through the Urban Redevelopment Authority, the City also purchased the 130-acre former LTV South Side Works site in late 1993. The site is currently being developed into a mixed-use development to include housing, office space, warehousing and light-industrial space. UPMC has finished building an 80,000-square-foot distribution center, and a 45,000-sq. ft. office and laboratory facility called the Pittsburgh Life Sciences Center is under construction. The Moncon Bridge that once carried molten steel has been renovated to allow cars and pedestrians to travel between the South Side Works and the Pittsburgh Technology Center. In addition, residential and commercial developments completed on Washington's Landing prove the strategy of land acquisition and site preparation can be used very effectively as an economic development strategy.

Pittsburgh is also strengthening and revitalizing its neighborhoods, encouraging new housing developments like Crawford Square and Allequippa Terrace, which are mixed-income-housing units in the Hill District. The idea is to provide both new and existing residents of the city with a higher quality of life. The city is also partnering with developers to attract new stores and restaurants back into the neighborhoods, such as a new Shop 'N Save at the Lawrenceville Shopping Center development and a TGI Friday's and Home Depot in East Liberty.

But the most dramatic development in Pittsburgh is probably its rebirth as a hub for the technology industry. The University of Pittsburgh and Carnegie Mellon University have lead the way in research of biotechnology, bioengineering, robotics, and information technology. Increases in university research and development (R & D) spending are a significant sign that the City's universities are working to commercialize technology developments. This R&D spending will spin off new companies, new jobs and new wealth. How is all this effort paying off so far? During the past 15 years, Pittsburgh has more than doubled its number of technology-driven firms, creating over 1,200 new enterprises. Today, nearly 2,400 high technology firms employ over 90,000 individuals, accounting for roughly nine percent of the total workforce in Greater Pittsburgh. In fact, the Pittsburgh region now ranks in the top ten in the nation in total employment of computer software professionals. Pittsburgh is also the third-largest environmental technology hub in the country. In aggregate, technology companies have produced over 30,000 new jobs since 1980, sharply offsetting job losses from other industries in the region. The overall outlook for Pittsburgh in the 21<sup>st</sup> century and beyond is very promising. Investments and initiatives the City has undertaken in the past several years are leading to more business development, increased residential construction, and a belief among leaders and residents that the Cities' next Renaissance is right around the corner.

## MAJOR INITIATIVES

The major initiatives of the City can be classified into four development objectives: Downtown Development, Industrial Site Re-use Development, Neighborhood Development and Riverfront Development.

<u>Development Objective</u>	<u>Investment</u>	<u>Jobs Created/Retained</u>
Downtown Development	\$1,494,773,700	7,166
Industrial Site Re-use Development	522,345,000	1,062
Neighborhood Development	796,880,000	1,796
Riverfront Development	<u>621,087,000</u>	<u>675</u>
 TOTAL INVESTMENT	 <u>\$3,435,085,700</u>	 <u>10,699</u>

The following is a summary of selected projects within each initiative.

### Downtown Development

**O'Reilly Theater** - The construction of a 650-seat theater in the 600 block of Penn Avenue for the new home of the Pittsburgh Public Theater.

*Total cost: \$18 million*

**David L Lawrence Convention Center** - The expansion of the convention center to 350,000-sq. ft. including additional meeting rooms and a 40,000-sq. ft. ballroom overlooking the Allegheny River.

*Total cost: \$267 million*

**PNC Bank Operations Center** - The construction of a 400,000-sq. ft bank operation center at the corner of Grant Street and First Avenue.

*Total cost: \$100 million*

**Mellon Bank Operations Center** - The construction of a 600,000-sq. ft. bank operation center and a 650-space parking garage at the corner of Ross Street and Sixth Avenue.

*Total cost: \$114 million*

**Gimbels Landmark** - Renovation of the Gimbels Department store into a 350,000-sq. ft. class A office building.

*Total cost: \$40 million*

### Industrial Site Re-use Development

**Pittsburgh Life Sciences Center** - The construction of a 45,000-sq. ft. multi-tenant biomedical, biotechnology, research and development business center.

*Total cost: \$6.5 million*

**Harbor Gardens** - The redevelopment of a 4.5-acre site, formerly the Chateau Shopping Center for the

headquarters of Mascaro Construction, Bidwell Training Center/Penn State University Garden Center and office space.

**Total cost: \$15 million**

**Hot Metal Bridge** - The conversion of the former "hot metal" bridge that connects Second Avenue to the South Side into a vehicle and pedestrian bridge.

**Total cost: \$7.5 million**

**OK Grocery Co.** - The construction of a 226,000-sq. ft. state-of-the-art produce and dairy distribution center.

**Total cost: \$23 million**

**Thirty-second Street Business Center** - The construction of two 48,000-sq. ft. flex warehouse buildings on the former site of the Lectromelt Corporation property located on the Allegheny River at 32<sup>nd</sup> Street and AVRR.

**Total cost: \$4 million**

#### **Neighborhood Development**

**The Home Depot** - The demolition of the Sears building located on Highland Avenue between East Liberty Boulevard and Penn Circle North for the construction of an 115,000-sq. ft. home and garden center.

**Total cost: \$11 million**

**Bedford Dwelling** - The conversion of the former Bedford Dwelling public housing community into a mixed-income development to contain 880 townhouses and apartments.

**Total cost: \$86 million**

**New Pennley Place** - The redevelopment of the Pennley Park public housing community into a mixed-income development to include the construction of 81 townhouses and the renovation of 197 apartments.

**Total cost: \$25 million**

**Stagnos Bakery** - The acquisition and expansion of property for a historical family-owned bakery.

**Total cost: \$3 million**

**Schenley Center** - The construction of a 176-room Residence Inn by Marriott, 156-room Brighten Garden assisted living center and a 273-space parking garage on Bigelow Boulevard.

**Total cost: \$42 million**

**Allequippa Terrace** - The conversion of the former Terrace Village public housing community into a mixed-income development to contain 1,227 townhouses and apartments.

**Total cost: \$109 million**

### **Riverfront Development**

**Fort Duquesne Riverfront Park** - The construction of a riverfront park along the Allegheny River from Stanwix Street to Tenth Street.

**Total cost: \$8 million**

**South Shore Place** - The construction by Signature Homes of 120 townhouses located on the Monongahela River between South 17<sup>th</sup> and South 19<sup>th</sup> Streets.

**Total cost: \$21.4 million**

**McKesson Automated Health Care** - The construction of a 53,000-sq. ft. headquarters for the relocation of a manufacturer of robotic pharmaceutical dispensing equipment.

**Total cost: \$4.6 million**

**Aristech Chemical Corporation** - The construction of an 87,000-sq. ft. research and development facility for Aristech's Polypropylene Technical Center.

**Total cost: \$16 million**

### **FINANCIAL INFORMATION**

*Internal Control* : Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting information is compiled to prepare financial statements in accordance with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management.

*Budget Control* : Budget control is maintained at the line item level on a departmental basis. Activities of the General Fund, Special Revenue (Community Development Fund only), and Capital Projects Fund are controlled by an annual legally appropriated budget. Capital Projects are also controlled on a multi-year basis.

### **REVENUES**

*Revenue Analysis* : Revenues for governmental fund types (General Fund, Special Revenue, Debt Service, and Capital Project Funds) totaled \$398.1 million in 1998, an increase of \$3 million, compared to revenues of \$395.1 million in 1997. Total revenues overall increased by less than 1%. The net increase of \$2.6 million was caused by a net impact of several funds. Capital Projects experienced a \$7 million decrease in Inter-governmental revenues, while the Special Revenue Funds had a \$4 million increase. The decrease is also offset by modest increases in the General Fund of \$5 million. Debt

Service interest earnings doubled from the prior year by \$2 million due to a healthy cash balance for the majority of 1998.

The General Fund, as well as all the General Governmental Fund types, experienced moderate increases in most revenue categories. The largest change was caused by increases in a variety of tax types, primarily Earned Income and Parking tax. The amount of revenues from various sources, the percent of total revenues, and the amount of increase (decrease) over 1997 have been summarized in Table-A below.

**Table - A**

<b>REVENUES</b> <i>(Governmental Funds)</i> <i>(amounts expressed in millions)</i>							
<u>SOURCE</u>		<u>1998</u> <u>ACTUAL</u>	<u>% OF</u> <u>TOTAL</u>	<u>1997</u> <u>ACTUAL</u>	<u>% OF</u> <u>TOTAL</u>	<u>Increase</u> <u>(Decrease)</u> <u>Over 1997</u>	<u>%</u> <u>Increase</u> <u>(Decrease)</u>
Taxes, penalty, & interest	\$	269.5	67.7%	\$ 263.8	66.8%	\$ 5.7	2.2%
Payment in lieu of taxes	\$	2.3	0.5%	2.2	0.5%	.1	4.5%
Interest earnings	\$	10.3	2.6%	8.4	2.1%	1.9	22.6%
State Pension Aid	\$	14.6	3.6%	14.2	3.6%	.4	2.8%
Fines & Forfeits	\$	8.0	2.0%	7.3	1.9%	0.7	9.6%
Licenses & fees	\$	7.0	1.8%	11.2	2.8%	(4.2)	(37.5%)
Intergovernmental	\$	62.4	15.7%	64.0	16.2%	(1.6)	(2.5%)
Charges for services	\$	21.0	5.3%	22.3	5.7%	(1.3)	(5.8%)
Miscellaneous	\$	3.0	0.8%	1.7	0.4%	1.3	76.5%
<b>TOTAL REVENUES</b>	\$	398.1	100.0%	\$ 395.1	100.0%	\$ 3.0	.8%

**Real Estate Tax** - Real property in the City is assessed by the Allegheny County Board of Property Assessment. Appeals and Review at a rate of 25% of its fair market value. The rates for 1998 remained constant at 32.0 mills on buildings and 184.5 mills on land. A mill is \$1 on each \$1,000 of assessed value. All real estate in the County is reassessed every three years. The 1998 total assessed valuation of \$2,085,013,000 increased by \$37.6 million from the 1997 valuation of \$2,047,441,000.

## GENERAL FUND - FUND BALANCE

The General Fund is reported upon using the modified accrual basis of accounting as required by generally accepted accounting principles (GAAP). For the year ended December 31, 1998, the general fund shows, for the third year in a row, a positive unreserved, undesignated fund balance. Fund balance is \$48.8 million. GAAP requires the City to reserve the portion of its fund balance for those items which are not available for expenditure. The required reservation of fund balance was \$ 3.3 million at December 31, 1998. This results in a total surplus of \$52.1 million. GAAP requires that a matching of revenues and expenditures be made in the year that such items occur.

## DEBT ADMINISTRATION

At December 31, 1998, the City's debt, as reported in the General Long Term Debt Account Group, was as follows:

Gross bonded debt	\$965,705,344
Less: Debt Service fund	<u>12,511,615</u>
Net bonded debt	<u>\$953,193,729</u>
Ratio of net bonded debt to assessed value	45.72%
Ratio of net bonded debt to market value	11.43%
Net bonded debt per capita	\$2,583

The gross bonded debt of the City consists of \$879,184,569 of general obligation bonds, \$12,860,000 of Public Auditorium revenue bonds, and \$73,660,775 of Urban Redevelopment Authority (URA) Taxable Revenue Bonds and self-supporting bonds. The City has assigned Regional Asset District revenue and incremental taxes derived from Tax Increment Financing (TIF) Districts to the URA to pay debt service on the self-supporting bonds. It is the policy of the City to obtain bond insurance on its debt issues to obtain the most favorable market rates and upgrade its bond ratings to the highest available ratings. Per the official statement on the City's December 1997, bond issue, the City's bond ratings were: Moody's Aaa, Standard & Poor's AAA, and Fitch AAA.

On March 1, 1998, the City issued \$255,865,000 of Taxable General Obligation Pension Bonds, Series 1998A, B & C with an average interest rate of 6.51%.

The net proceeds of the Series 1998A, B & C of \$253,519,607 (after underwriting fees and issuance costs) were deposited to the City of Pittsburgh Municipal Pension Fund to reduce the unfunded actuarial accrued pension liability.



On October 15, 1998 the City issued \$129,490,000 of General Obligation Refunding Bonds, Series 1998D and \$18,355,000 of Taxable General Obligation Refunding Bonds, Series 1998E with an average interest rate of 5.01% to advance refund various series of bonds with an average interest rate of 6.02%. The bonds consisted of serial bonds bearing various fixed rates ranging from 4.0% to 5.25% with maturities commencing on September 1, 1996 and continuing annually through September 2024.

The net proceeds of \$150,128,800 (after underwriting fees and issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, these bonds are considered to be defeased and the related liability for the bonds has been removed from the general long-term debt account group.

The City's advanced refunding decreased its total debt service payments over the next 25 years by \$8,138,025. The transaction resulted in an economic gain (difference between the present value of debt service on the old and new Bonds) of approximately \$8,261,000.

## **RISK MANAGEMENT**

The City is self-insured for purposes of workers' compensation benefits. Provisions are recorded in the general fund for benefits estimated to be payable from available spendable financial resources. Amounts not payable currently are reported in the general long-term debt account group; as non-current amounts mature, they are liquidated from general fund resources. In order to qualify for and maintain self-insurance status, the City must comply with certain Commonwealth of Pennsylvania requirements. The requirements for 1998 are as follows: (1) maintain an irrevocable trust fund (currently \$5,000,000); the City's contribution to the fund is determined annually in negotiations with the Commonwealth of Pennsylvania Department of Labor, (2) satisfy the financial responsibility requirements established by the Commonwealth; (3) establish liability reserves based upon expected future payments for all claims outstanding one year or more at the end of the fiscal year. The City complied with all of the above requirements during 1998. The irrevocable trust, which is recorded as an expendable trust fund, may only be used in the event of default by the City under the self-insurance regulations.

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The City covers all claim settlements and judgments, not covered by insurance, within its general and capital projects funds. Details of the types of insurance coverage maintained by the City can be found in the Schedule of Insurance in Force and Schedule of Salaries and Surety Bonds of Principal Officials found in the Other Information Appendix following the Statistical Section of this report.

## **AWARDS**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 1997. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of Pittsburgh has received a Certificate of Achievement for the last six consecutive years (fiscal years ended 1992-1997.) We believe that our current CAFR continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

#### **ACKNOWLEDGEMENTS**

The preparation of this report could not be possible without the concerted effort of the entire staff of the Controller's Office. The continued efforts of the accounting department are gratefully appreciated. I would like to thank the employees of the various departments and authorities of the City, for their assistance in providing the Controller's staff and the independent auditors with the necessary information to complete this report. Finally, I acknowledge the assistance of the independent certified public accounting firms of KPMG LLP, Terry and Stephenson P.C., and Maher Duessel in the preparation of this report and their professional conduct throughout the audit engagement.

Respectfully submitted,

  
Tom Flaherty  
City Controller

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pittsburgh,  
Pennsylvania

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 1997

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Douglas R. Ellaworth*  
President

*Jeffrey L. Esser*  
Executive Director

**CITY OF PITTSBURGH, PENNSYLVANIA**

**ELECTED CITY OFFICIALS**

**December 31, 1998**

**MAYOR**

**Tom Murphy**

**CONTROLLER**

**Tom Flaherty**

**MEMBERS OF COUNCIL**

**Robert O'Connor, President, District 5**

**Sala Udin, Finance/Budget Committee, District 6**

**Dan Onorato, District 1**

**Alan Hertzberg, District 2**

**Eugene Ricciardi, District 3**

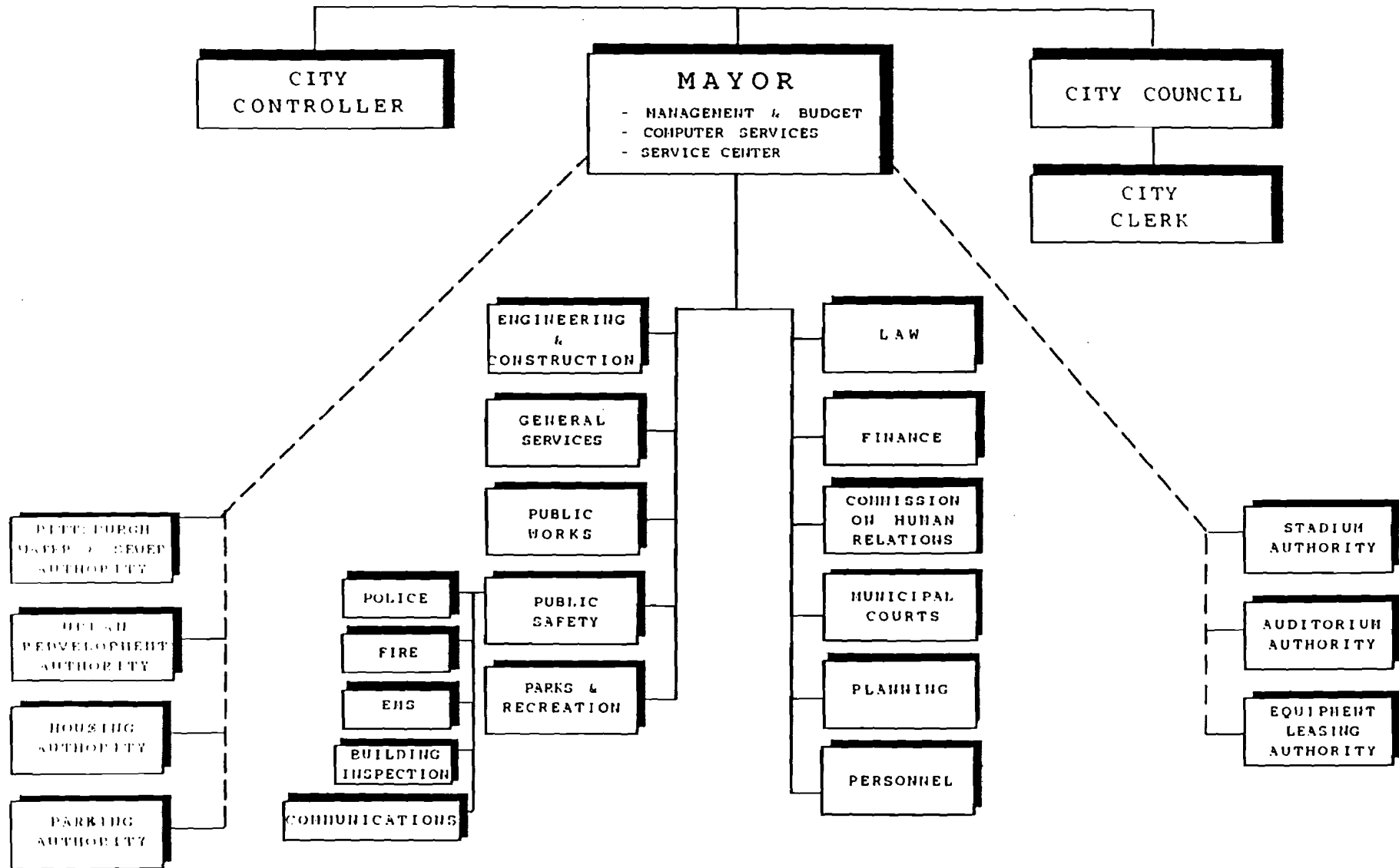
**Michael Diven, District 4**

**James Ferlo, District 7**

**Dan Cohen, District 8**

**Valerie McDonald, District 9**

# CITIZENS OF THE CITY OF PITTSBURGH





# **FINANCIAL SECTION**



To the Honorable Members of Council of the  
City of Pittsburgh, Pennsylvania

Page 2

As described in note 1, in 1998, the City implemented Governmental Accounting Standards Board (GASB) Statements No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans" and No. 27, "Accounting for Pension by State and Local Governmental Employees." Implementation increased beginning of year net assets of the combined pension trust funds and investments by \$23,501,329.

The year 2000 supplementary information on page 105 is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board and we did not audit and do not express an opinion on such information. Further, we were unable to apply to the information certain procedures prescribed by professional standards because of the nature of the subject matter underlying the disclosure requirements and because sufficiently specific criteria regarding the matters to be disclosed have not been established. In addition, we do not provide assurance that the City is or will become year 2000 compliant, that the City's year 2000 remediation efforts will be successful in whole or in part, or that parties with which the City does business are or will become year 2000 compliant.

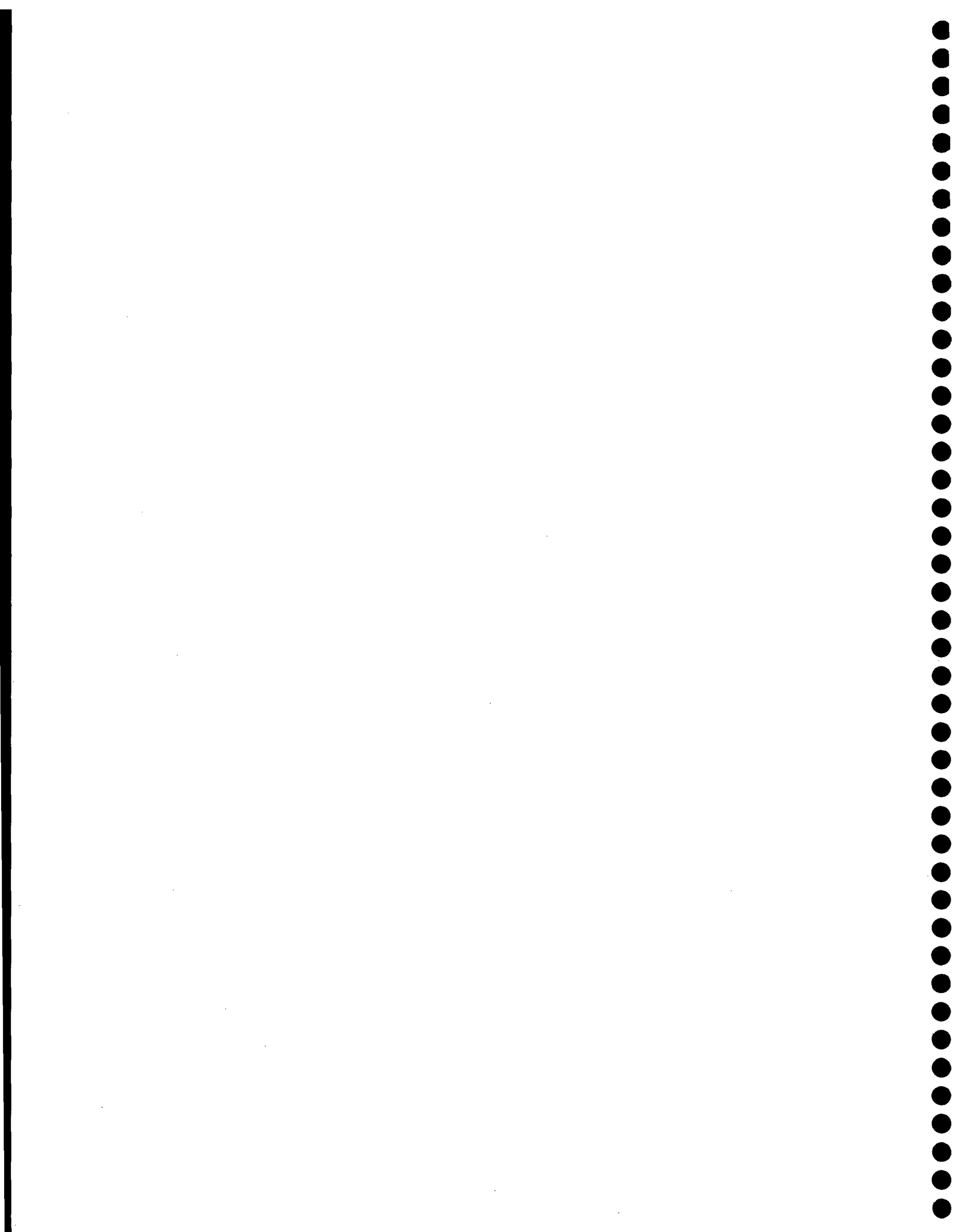
Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City of Pittsburgh, Pennsylvania. The current year's information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, based upon our audit and the reports of other auditors, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

The schedules of supplementary pension disclosures listed in the accompanying table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the supplementary information. However, we did not audit this information or other information in the introductory or statistical section as set forth in the table of contents and, therefore, express no opinion thereon.

KPMG LLP



**GENERAL PURPOSE  
FINANCIAL STATEMENTS**



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Balance Sheet -- All Fund Types, Account  
Groups and Discretely Presented Component Units

December 31, 1998

	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Assets and other debits:				
Assets:				
Cash and investments (note 3)	\$ 81,282,839	18,305,110	11,916,539	51,089,758
Other current assets	-	-	-	-
Receivables:				
Real estate tax (net of uncollectible accounts of \$3,305,000) (note 6)	6,901,917	-	-	-
Taxpayer -- assessed tax receivable	5,856,933	-	-	-
Other receivables	4,484,321	2,724,925	-	-
Accounts receivable (net of uncollectible accounts of \$2,200,000)	-	-	-	-
Accrued interest	340,144	81,539	862,876	-
Due from other funds (note 13)	6,182,975	1,122,298	-	6,446,152
Due from other governments (note 12)	3,664,979	4,255,252	-	598,172
Grant receivable -- Allegheny Regional Asset District	-	-	-	-
Grant receivable -- Urban Redevelopment Authority	-	-	-	-
Inventories, at cost	-	-	-	-
Assets held for sale	-	-	-	-
Trusteed and restricted funds (notes 3 and 5)	-	-	-	-
Property, plant and equipment (Component Units net of \$125,350,912 accumulated depreciation) (note 7)	-	-	-	-
Other noncurrent assets	-	-	-	-
Other debits:				
Amount available in debt service funds for retirement of bonds	-	-	-	-
Amount to be provided for retirement of bonds	-	-	-	-
Amount to be provided for other long-term obligations	-	-	-	-
Total assets	\$ <u>108,714,108</u>	<u>26,489,124</u>	<u>12,779,415</u>	<u>58,134,082</u>

Fudiciary Fund Type Trust and Agency	Account Group		Primary Government (Memorandum Only)	Discretely Presented Component Units	Reporting Entity (Memorandum Only)
	General Fixed Assets	General Long-term Debt			
527,946,810	-	-	690,541,056	338,942,135	1,029,483,191
-	-	-	-	627,941	627,941
-	-	-	6,901,917	-	6,901,917
-	-	-	5,856,933	-	5,856,933
26,736	-	-	7,235,982	-	7,235,982
-	-	-	-	197,056,127	197,056,127
3,009,483	-	-	4,294,042	972,071	5,266,113
531,362	-	-	14,282,787	14,871,743	29,154,530
-	-	-	8,518,403	5,709,808	14,228,211
-	-	-	-	7,312,000	7,312,000
-	-	-	-	3,060,000	3,060,000
-	-	-	-	1,479,000	1,479,000
-	-	-	-	25,985,568	25,985,568
-	-	-	-	132,776,305	132,776,305
-	179,442,892	-	179,442,892	533,596,916	713,039,808
-	-	-	-	20,710,694	20,710,694
-	-	12,511,615	12,511,615	-	12,511,615
-	-	953,193,729	953,193,729	1,555,000	954,748,729
-	-	126,300,000	126,300,000	457,407	126,757,407
<u>531,514,391</u>	<u>179,442,892</u>	<u>1,092,005,344</u>	<u>2,009,079,356</u>	<u>1,285,112,715</u>	<u>3,294,192,071</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Balance Sheet – All Fund Types, Account  
Groups and Discretely Presented Component Units, Continued

	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Liabilities, equity and other credits:				
Liabilities:				
Accounts payable	\$ 6,999,478	3,039,993	-	1,410,818
Retainage payable	-	80,048	-	1,290,098
Accrued interest payable	-	-	267,500	-
Accrued liabilities	6,988,856	1,180,237	-	211,409
Deferred compensation payable	-	-	-	-
Accounts payable - primary government	-	-	-	-
Due to other funds	543,190	4,728,203	-	2,726,451
Due to other governments (note 13)	3,853,062	740,979	-	-
Deposits held in trust	-	-	-	-
Due to individuals	-	-	-	-
Grants payable from the primary government	-	-	-	-
Bonds payable, net (note 10)	-	-	-	-
Deferred loan (note 10)	-	-	-	-
Accrued workers' compensation (notes 10 and 22)	16,087,000	-	-	-
Accrued compensated absences (note 10)	13,520,000	-	-	-
Accrued claims and judgments (notes 10 and 22)	2,172,000	-	-	-
Due to trustee	-	-	300	-
Deferred revenue (note 4)	<u>6,494,673</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	56,658,259	9,769,460	267,800	5,638,776
Equity and other credits:				
Contributed capital (note 15)	-	-	-	-
Investment in general fixed assets	-	-	-	-
Capital restricted for construction purposes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other credits	-	-	-	-
Retained earnings (accumulated deficit) (note 17)	-	-	-	-
Fund balances:				
Reserved for:				
Endowments	-	-	-	-
Encumbrances	3,260,000	888,919	-	13,398,492
Employee retirement system	-	-	-	-
Employees' pension benefits	-	-	-	-
Unreserved:				
Designated for debt service	-	-	12,511,615	-
Designated for subsequent years'				
Expenditures	-	731,530	-	-
Undesignated (note 17)	<u>48,795,849</u>	<u>15,099,215</u>	<u>-</u>	<u>39,096,814</u>
Total fund equity and other credits	<u>52,055,849</u>	<u>16,719,664</u>	<u>12,511,615</u>	<u>52,495,306</u>
Total liabilities, equity and credits	\$ <u>108,714,108</u>	<u>26,489,124</u>	<u>12,779,415</u>	<u>58,134,082</u>

See accompanying notes to financial statements.

Fudiciary Fund Type Trust and Agency	Account Group		Primary Government (Memorandum Only)	Discretely Presented Component Units	Reporting Entity (Memorandum Only)
	General Fixed Assets	General Long-term Debt			
-	-	-	11,450,289	38,091,217	49,541,506
-	-	-	1,370,146	-	1,370,146
-	-	-	267,500	8,776,224	9,043,724
1,991,920	-	-	10,372,422	4,003,260	14,375,682
62,692,703	-	-	62,692,703	-	62,692,703
-	-	-	-	645,711	645,711
6,284,943	-	-	14,282,787	14,871,743	29,154,530
47,588	-	-	4,641,629	10,868,477	15,510,106
1,405,733	-	-	1,405,733	-	1,405,733
302,524	-	-	302,524	-	302,524
-	-	-	-	22,775,168	22,775,168
-	-	965,705,344	965,705,344	859,470,499	1,825,175,843
-	-	3,834,000	3,834,000	-	3,834,000
-	-	99,862,000	115,949,000	-	115,949,000
-	-	14,454,000	27,974,000	457,407	28,431,407
-	-	8,150,000	10,322,000	-	10,322,000
-	-	-	300	-	300
-	-	-	6,494,673	114,879,528	121,374,201
72,725,411	-	1,092,005,344	1,237,065,050	1,074,839,234	2,311,904,284
-	-	-	-	17,659,548	17,659,548
-	179,442,892	-	179,442,892	8,186,785	187,629,677
-	-	-	-	26,458,290	26,458,290
-	179,442,892	-	179,442,892	52,304,623	231,747,515
-	-	-	-	117,225,093	117,225,093
59,023	-	-	59,023	-	59,023
-	-	-	17,547,411	24,419,187	41,966,598
1,451,097	-	-	1,451,097	-	1,451,097
436,613,690	-	-	436,613,690	-	436,613,690
-	-	-	12,511,615	-	12,511,615
20,522,605	-	-	21,254,135	12,285,293	33,539,428
142,565	-	-	103,134,443	4,039,285	107,173,728
458,788,980	179,442,892	-	772,014,306	210,273,481	982,287,787
<u>531,514,391</u>	<u>179,442,892</u>	<u>1,092,005,344</u>	<u>2,009,079,356</u>	<u>1,285,112,715</u>	<u>3,294,192,071</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances –  
 All Governmental Fund Types, Expendable Trust Funds and Discretely Presented Component Units

For the Year Ended December 31, 1998

	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Revenues:				
Taxes, including penalty and interest	\$ 269,472,160	-	-	-
Payment in lieu of taxes	2,313,477	-	-	-
Interest and dividends, net of amortization	5,769,931	350,975	4,200,460	-
Fines and forfeits	8,030,527	-	-	-
Employer contributions	-	-	-	-
Licenses and fees	6,995,376	-	-	-
Intergovernmental revenues	15,660,302	42,254,019	-	4,486,696
Charges for user services	-	20,382,262	-	642,682
Rental income	-	-	-	-
Donations and endowments	-	-	-	-
Loan repayments	-	-	-	-
Pension state aid	14,632,095	-	-	-
Miscellaneous	<u>2,820,500</u>	<u>142,283</u>	-	<u>24,000</u>
Total revenues	325,694,368	63,129,539	4,200,460	5,153,378
Expenditures:				
Current operating:				
General government	32,226,279	10,700,940	-	-
Public safety	117,631,829	21,935,839	-	-
Public works	17,963,583	11,937,481	-	-
Sanitation	9,980,867	-	-	-
Community, recreational and cultural	3,606,740	4,312,886	-	-
School services	-	-	-	-
Parks and recreation	-	-	-	-
Employee benefits	310,298,772	-	-	-
Claims and judgments	2,518,847	-	-	-
Urban development	-	-	-	-
Administrative	-	-	-	-
Miscellaneous	1,884,851	-	-	-
Intergovernmental programs	-	15,542,217	-	-
Capital projects	-	3,196,342	-	39,287,479
Debt service:				
Principal retirement and lease payments	-	-	25,159,737	-
Interest and fiscal charges	-	-	41,344,949	-
Bond issuance cost	1,526,878	-	857,671	-
Authorities debt subsidies	9,018,683	-	-	-
Fiscal agent charges	-	-	<u>22,141</u>	-
Total expenditures	<u>506,657,329</u>	<u>67,625,705</u>	<u>67,384,498</u>	<u>39,287,479</u>
Excess (deficiency) of revenues over (under) expenditures	(180,962,961)	(4,496,166)	(63,184,038)	(34,134,101)



Fiduciary Fund Type Expendable Trust	Primary Government Totals (Memorandum Only) 1998	Discretely Presented Component Units	Reporting Entity (Memorandum Only) Total
-	269,472,160	-	269,472,160
-	2,313,477	-	2,313,477
1,339,041	11,660,407	1,626,493	13,286,900
-	8,030,527	-	8,030,527
1,968,000	1,968,000	-	1,968,000
-	6,995,376	-	6,995,376
194,323	62,595,340	42,649,003	105,244,343
436,878	21,461,822	-	21,461,822
-	-	14,105,161	14,105,161
553,718	553,718	-	553,718
-	-	6,386,409	6,386,409
-	14,632,095	-	14,632,095
<u>310,945</u>	<u>3,297,728</u>	<u>5,883,582</u>	<u>9,181,310</u>
4,802,905	402,980,650	70,650,648	473,631,298
-	42,927,219	-	42,927,219
-	139,567,668	-	139,567,668
-	29,901,064	-	29,901,064
-	9,980,867	-	9,980,867
1,043,672	8,963,298	-	8,963,298
139,985	139,985	-	139,985
602,984	602,984	-	602,984
4,082,801	314,381,573	-	314,381,573
-	2,518,847	-	2,518,847
-	-	46,451,561	46,451,561
-	-	6,531,207	6,531,207
561,996	2,446,847	1,287,889	3,734,736
-	15,542,217	-	15,542,217
-	42,483,821	-	42,483,821
-	25,159,737	-	25,159,737
-	41,344,949	-	41,344,949
-	2,384,549	-	2,384,549
-	9,018,683	-	9,018,683
-	<u>22,141</u>	-	<u>22,141</u>
<u>6,431,438</u>	<u>687,386,449</u>	<u>54,270,657</u>	<u>741,657,106</u>
(1,628,533)	(284,405,799)	16,379,991	(268,025,808)

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances –  
All Governmental Fund Types, Expendable Trust Funds and Discretely Presented Component Units, Continued

	Governmental Fund Types			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
Excess (deficiency) of revenues over (under) expenditures brought forward	\$ (180,962,961)	(4,496,166)	(63,184,038)	(34,134,101)
Other financing sources (uses):				
Pension bond proceeds	255,081,756	-	-	-
Proceeds from refunding bonds	-	-	150,993,793	-
Proceeds from fixed asset disposition	-	237,287	-	-
Operating transfers from other funds	-	6,236,944	54,821,507	134,992
Operating transfers from discretely presented component units	-	-	3,260,000	-
Operating transfers to other funds	(65,317,151)	(529,000)	-	(3,120,231)
Payment to escrow agent for refunded debt	-	-	(150,128,802)	-
Total other financing sources (uses)	<u>189,764,605</u>	<u>5,945,231</u>	<u>58,946,498</u>	<u>(2,985,239)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	8,801,644	1,449,065	(4,237,540)	(37,119,340)
Fund balance at beginning of year	<u>43,254,205</u>	<u>15,270,599</u>	<u>16,749,155</u>	<u>89,614,646</u>
Fund balance at end of year	\$ <u>52,055,849</u>	<u>16,719,664</u>	<u>12,511,615</u>	<u>52,495,306</u>

See accompanying notes to financial statements.

Fiduciary Fund Type Expendable Trust	Primary Government Totals (Memorandum Only)  1998	Discretely Presented Component Units	Reporting Entity (Memorandum Only)  Total
(1,628,533)	(284,405,799)	16,379,991	(268,025,808)
-	255,081,756	-	255,081,756
-	150,993,793	-	150,993,793
-	237,287	-	237,287
7,772,939	68,966,382	9,523,054	78,489,436
-	3,260,000	-	3,260,000
-	(68,966,382)	(9,523,054)	(78,489,436)
-	(150,128,802)	-	(150,128,802)
<u>7,772,939</u>	<u>259,444,034</u>	<u>-</u>	<u>259,444,034</u>
6,144,406	(24,961,765)	16,379,991	(8,581,774)
<u>16,030,884</u>	<u>180,919,489</u>	<u>24,363,774</u>	<u>205,283,263</u>
<u>22,175,290</u>	<u>155,957,724</u>	<u>40,743,765</u>	<u>196,701,489</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances –  
Budget and Actual Data on the Budgetary Basis – General Fund,  
Special Revenue – Community Development and Capital Projects

For the Year Ended December 31, 1998  
(Amounts expressed in thousands)

	General Fund		Variance
	Budget as Amended	Actual	Favorable (Unfavorable)
Revenues:			
Taxes, including penalty and interest	\$ 263,535	265,900	2,365
Interest earnings	4,720	5,843	1,123
Fines and forfeits	6,460	7,853	1,393
Licenses and fees	5,077	5,318	241
Intergovernmental	19,410	16,504	(2,906)
Miscellaneous	532	133	(399)
Provision of services, break even and joint operations	<u>16,166</u>	<u>15,134</u>	<u>(1,032)</u>
Total revenues	315,900	316,685	785
Expenditures:			
Current operating:			
General government	27,547	24,346	3,201
Public safety	116,577	109,258	7,319
Public works	36,928	35,511	1,417
Community, recreational and cultural	4,618	3,977	641
Employee benefits	75,970	72,164	3,806
Claims and judgments	1,911	1,837	74
Citizens Review Board	286	220	66
Utilities	8,156	7,625	531
Miscellaneous	5,130	4,615	515
Intergovernmental programs	-	-	-
Capital projects	-	-	-
Debt service:			
Debt service	46,513	46,495	18
Debt service subsidy	2,826	2,819	7
Bond issuance costs	<u>1,562</u>	<u>1,527</u>	<u>35</u>
Total expenditures	<u>328,024</u>	<u>310,394</u>	<u>17,630</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>(12,124)</u>	6,291	<u>18,415</u>
Other financing sources (uses):			
Contribution to pension fund		(253,520)	
Bond proceeds		253,520	
Operating transfers in		-	
Transfer to pension fund		(14,046)	
Operating transfers out		-	
State Pension aid		<u>14,046</u>	
Net other financing sources		-	

Special Revenue Community Development			Capital Projects		
Budget as Amended	Actual	Variance Favorable (Unfavorable)	Budget as Amended	Actual	Variance Favorable (Unfavorable)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
53,903	20,123	(33,780)	8,485	6,107	(2,378)
-	-	-	-	-	-
<u>53,903</u>	<u>20,123</u>	<u>(33,780)</u>	<u>8,485</u>	<u>6,107</u>	<u>(2,378)</u>
13,350	4,878	8,472	-	-	-
850	674	176	-	-	-
12,767	7,419	5,348	-	-	-
2,571	937	1,634	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,365	6,287	18,078	-	-	-
-	-	-	81,295	43,707	37,588
-	-	-	-	-	-
-	-	-	-	-	-
<u>53,903</u>	<u>20,195</u>	<u>33,708</u>	<u>81,295</u>	<u>43,707</u>	<u>37,588</u>
-	(72)	(72)	(72,810)	(37,600)	35,210
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	335	335	-
-	-	(194)	-	-	-
<u>-</u>	<u>(194)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	(194)	(194)	335	335	-

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenditures and Changes in Fund Balances –  
Budget and Actual Data on the Budgetary Basis – General Fund,  
Special Revenue – Community Development and Capital Projects, Continued

	General Fund		Variance
	Budget <u>as Amended</u>	<u>Actual</u>	Favorable (Unfavorable)
Excess (deficiency) revenues and other financing sources (under) expenditures and other uses		6,291	
Fund balances – budgetary basis, beginning of year		<u>57,038</u>	
Fund balance – budgetary basis, end of year		63,329	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(13,784)	
Net effect of GAAP basis recognition of revenues		300	
Net effect of GAAP basis recognition of expenditures		2,211	
Net effect of GAAP basis recognition of other financing sources (uses)		<u>-</u>	
Fund balances – GAAP basis, end of year		\$ <u>52,056</u>	

See accompanying notes to financial statements.

Special Revenue Community Development			Capital Projects		
<u>Budget as Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget as Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
-	(266)	(266)	(72,475)	(37,265)	35,210
<u>-</u>	<u>2,075</u>	<u>2,075</u>	<u>72,475</u>	<u>83,558</u>	<u>11,083</u>
<u>-</u>	<u>1,809</u>	<u>1,809</u>	<u>-</u>	<u>46,293</u>	<u>46,293</u>

(1,991)	6,057
3,191	(1,154)
(2,968)	1,299
<u>44</u>	<u>-</u>
\$ <u>85</u>	<u>52,495</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenses and Changes in Retained Earnings –  
Discretely Presented Component Units

For the Year Ended December 31, 1998

	Discretely Presented Component <u>Units</u>
Operating revenues:	
Water and waste charges	\$ 54,438,000
Rentals	3,100,340
Concessions	794,537
Medallions	647,823
Parking receipts	22,064,681
Parking leases and rentals	540,374
Lounge boxes	1,154,865
Program interest income	9,076,064
Property management revenue	5,002,858
Sales of housing units	732,223
Miscellaneous	<u>1,050,435</u>
Total operating revenues	98,602,200
Operating expenses:	
Salaries and wages	3,060,417
Utilities	564,243
Interest expense	2,808,203
Depreciation and amortization	17,488,638
Cooperation agreement operating expenses	6,988,000
Payments to non-City water agencies	3,050,000
Repairs and maintenance	1,449,028
Insurance	471,445
Administrative and other operating	11,872,820
Parking tax expense	4,397,588
Direct operating expenses	15,859,000
Fair value discount/lender fee	864,105
Property management improvement	2,077,488
Cost of housing units sold	1,102,851
Miscellaneous	<u>1,088,302</u>
Total operating expenses	73,142,128
Operating income (carried forward)	25,460,072

(Continued)



# CITY OF PITTSBURGH, PENNSYLVANIA

## Combined Statement of Revenues, Expenses and Changes in Retained Earnings – Discretely Presented Component Units, Continued

	Discretely Presented Component <u>Units</u>
Operating income (brought forward)	\$ 25,460,072
Non-operating revenue (expense):	
Interest income	13,662,976
Interest expense	(39,193,570)
Amortization	(319,000)
Meter and wharf receipts	835,350
Other income	2,824
Meter and wharf expenses	(760,000)
Payment in lieu of taxes	(1,400,000)
Other expense	(287,966)
Earned government grants	15,181,473
Allegheny Regional Asset District grant	<u>10,000,000</u>
Total non-operating revenues (expenses)	<u>(2,277,913)</u>
Net income	23,182,159
Retained earnings, beginning of year, as previously reported	90,803,633
Change in accounting principle	<u>3,239,301</u>
Retained earnings, beginning of year, as restated	<u>94,042,934</u>
Retained earnings, fund balances at end of year	<u>117,225,093</u>

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Cash Flows – Discretely Presented Component Units

For the Year Ended December 31, 1998

	Component Units (Proprietary Fund Type)
Cash flows from operating activities:	
Operating income	\$ 25,460,072
Reconciliation of operating income to net cash provided by operating activities:	
Depreciation and amortization	17,844,267
Interest	<u>2,808,203</u>
	46,112,542
Changes in operating assets and liabilities:	
Accounts receivable	1,408,194
Prepaid expenses	(414,374)
Other current assets	6,919,932
Accounts payable and accrued expenses	768,435
Deferred revenue	(726,680)
Due to primary government	(930,000)
Change in accrued payroll and withholdings	(639,000)
Loans issued	(19,614,263)
Loan repayments	<u>23,204,159</u>
Net cash provided by operating activities	56,088,945
Cash flows from investing activities:	
Interest earnings	17,863,082
Purchase of investment securities	(565,745,481)
Proceeds from sale and maturities of investments	506,531,067
Deposits to repair reserve	(3,038)
Payments received on notes receivable	<u>137,207</u>
Net cash provided by investing activities	(41,217,163)

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Cash Flows – Discretely Presented Component Units, Continued

	Component Units (Proprietary Fund Type)
Cash flows from non-capital financing activities:	
Principal payment related to non-capital funds	\$ (29,736,689)
Interest payment related to non-capital funds	(17,551,643)
Payment in lieu of taxes	(1,400,000)
Meter and wharf receipts	835,350
Meter and wharf expenses	(677,478)
Other non-capital financing activities, net	14,993,326
Grants from the Allegheny Regional Asset District	10,000,000
Proceeds from borrowing	88,840,336
Cost of borrowing	(790,098)
Early redemption of bonds	(9,365,622)
Net cash provided by non-capital financing activities	55,147,482
Cash flows from capital and related financing activities:	
Principal payments related to capital funds	(11,493,846)
Interest payments related to capital funds	(23,268,424)
Additions to Stadium complex	(3,880,225)
Acquisition and construction of capital assets	(50,677,402)
Proceeds from sale of assets	629,736
Proceeds from issuance of revenue bonds related to capital funds	226,112,000
Transfer to escrow fund for defeasance of debt	(194,756,000)
Repayment - GNMA securities	10,110,240
Proceeds from note	4,000,000
Proceeds from capital grant	4,655,314
Purchase of property held for future use	(4,000,000)
Net cash used in capital and related financing activities	(42,568,607)
Net increase in cash	27,450,657
Cash and cash equivalents at beginning of year	85,400,390
Cash and cash equivalents at end of year	\$ <u>112,851,047</u>
Supplemental information:	
Cash and cash equivalents	338,895,818
Non-proprietary cash and cash equivalents	(71,427,267)
Trusteed and restricted funds	130,872,997
Long-term restricted investments	(283,665,312)
Restricted funds which are not cash or investments	(1,825,189)
Total cash and cash equivalents, end of year	\$ <u>112,851,047</u>

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Pension Trust Funds –  
Combined Statement of Changes in Plan Net Assets

Year Ended December 31, 1998

Additions:

Contributions:

Employer	\$ 260,413,414
Plan members	9,312,204
State	<u>14,632,095</u>
	284,357,713

Investment income:

Net appreciation in fair value of investments	17,985,777
Interest and dividends	<u>19,857,383</u>
	37,843,160

Less investment expenses	<u>(1,315,802)</u>
	36,527,358

Miscellaneous	<u>2,125</u>
Total additions	320,887,196

Deductions:

Benefit payments	55,427,384
Refunds of dues	1,132,834
Administrative expenses	<u>765,969</u>
Total deductions	<u>57,326,187</u>

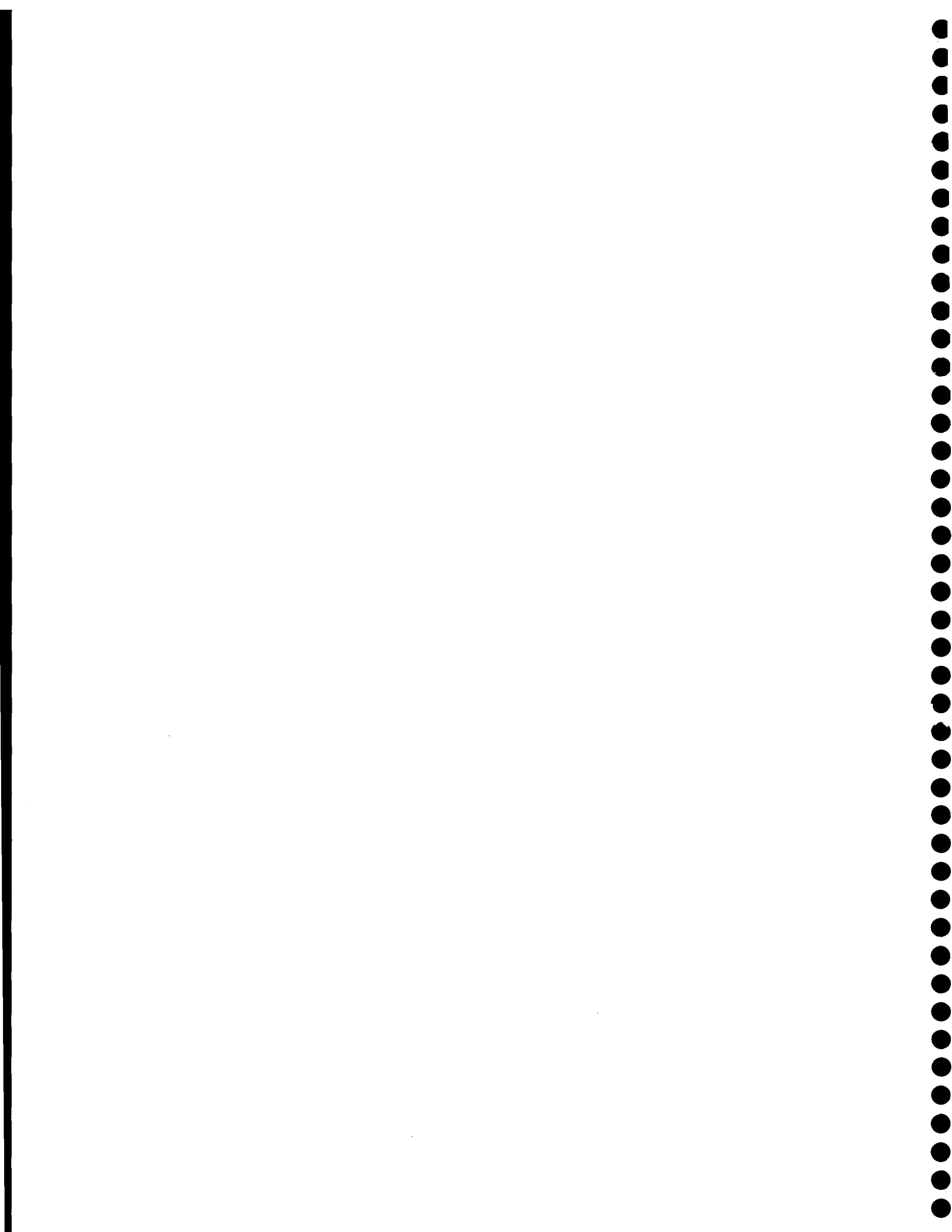
Net increase in plan net assets	263,561,009
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Plan net assets, beginning of year	149,551,352
Cumulative effect of a change in accounting principle	<u>23,501,329</u>
Plan net assets, end of year	\$ <u>436,613,690</u>

See accompanying notes to financial statements.



# **NOTES TO FINANCIAL STATEMENTS**



CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1998

PMW

(1) Organization and Summary of Significant Accounting Policies

Description of City

The City of Pittsburgh, Pennsylvania (the City) was incorporated on July 20, 1816, and chartered as a home-rule municipality on January 5, 1976. The City operates under a strong mayor form of government and provides the following services as authorized by its charter: public safety (police, fire and emergency medical services), sanitation, cultural and recreational, public improvements, planning and zoning and general administrative services.

The major accounting principles and practices followed by the City are presented below to assist the reader in evaluating the financial statements and the accompanying notes.

(A) The Financial Reporting Entity

Consistent with the guidance contained in Government Accounting Standards Board (GASB) No. 14, "The Financial Reporting Entity," the criteria used by the City to evaluate the possible inclusion of related entities (Authorities, Boards, Councils, etc.) within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the City reviews the applicability of the following criteria:

The City is financially accountable for:

1. Organizations that make up the legal City entity.
2. Legally separate organizations if City officials appoint a voting majority of the organization's governing body and the City is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.
  - a. Impose its Will - If the City can significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization.
  - b. Financial Benefit or Burden - Exists if the City (1) is entitled to the organization's resources or (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization or (3) is obligated in some manner for the debt of the organization.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

3. Organizations that are fiscally dependent on the City. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges or issue bonded debt without approval by the City.

Based on the foregoing criteria, the reporting entity has been defined to include all the fund types and account groups for which the City is financially accountable or for which there is a significant relationship. Specific information on the nature of the various potential component units and a description of how the aforementioned criteria have been considered in determining whether or not to include or exclude such units in the City's financial statements are provided in the following paragraphs. Audit reports of the component units are available for public inspection in the Controller's office.

#### (B) Individual Component Unit Disclosures

##### Blended Component Units

Some component units, despite being legally separate from the primary government, are so intertwined with the primary government that they are, in substance, the same as the primary government and are reported as part of the primary government. The component units reported in this way are the following:

City of Pittsburgh Equipment Leasing Authority  
Employee Pension Plans

##### City of Pittsburgh Equipment Leasing Authority (Equipment Leasing Authority)

The Equipment Leasing Authority (ELA) was incorporated in 1980 to serve as a financing vehicle for the acquisition of equipment. The Board consists of a Deputy Mayor, Directors of the Department of General Services and the Department of Finance, one member of City Council and one individual designated by City Council.

Although it is legally separate from the City, the ELA is reported as if it were part of the primary government, because its sole purpose is to finance the City equipment needs. Its operations are included with special revenue fund types, debt service fund types and the general long-term debt account group. It operates on a December 31 fiscal year.

(Continued)



CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Employee Pension Funds

The City has three defined benefit pension funds; the Municipal Pension Fund (Municipal), the Policemen's Relief and Pension Fund (Police) and the Firemen's Relief and Pension Fund (Fire), which together cover substantially all City employees. As required by Pennsylvania Law, a comprehensive board oversees funding and investing activities. This Board consists of seven members, four of whom are appointed by the Mayor.

Fund benefit matters are administered by separate boards which include, for all funds, the president of the City Council and the City Controller and, additionally, in the case of the Municipal and Fire plans, the Mayor.

The pension funds operate on a fiscal year ending December 31. Their operations are included as fiduciary fund types.

Discretely Presented Component Unit Disclosures

Component units which are not blended as part of the primary government are discretely presented by reporting component unit financial data in a column separate from the financial data of the primary government. The component units presented in this manner are the following:

Proprietary Type

Pittsburgh Water and Sewer Authority  
Stadium Authority of the City of Pittsburgh  
Public Parking Authority of Pittsburgh  
Urban Redevelopment Authority of Pittsburgh

Governmental Type

Urban Redevelopment Authority of Pittsburgh

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

#### Pittsburgh Water and Sewer Authority

The Pittsburgh Water and Sewer Authority (PWSA) was incorporated in February 1984 under the Municipality Authorities Act of 1945 to assume responsibility for the operation and improvement of the City's water distribution and waste water collection systems. In 1984, pursuant to a Lease and Management Agreement, the Authority leased the entire City water supply, distribution and waste water collection system (the System) from the City and assumed responsibility for establishing and collecting user fees and charges and for maintaining and improving the System. The Lease and Management Agreement provided for the City to operate and maintain the System for the Authority subject to the general supervision of the Authority.

The City and the Authority agreed to terminate the Lease and Management Agreement in July 1995 and concurrently entered into an Agreement and a Capital Lease Agreement (collectively referred to as the Agreements). The effect of these Agreements, as more fully described in note 4, was to substantially transfer financial and management responsibility for the System to the Authority.

The Authority is legally separate from the City and is reported as a component unit. The Board consists of one City Council member, the City Treasurer, the City Finance Director and four members chosen by the Mayor. The PWSA operates on a fiscal year ending December 31.

#### The Stadium Authority of the City of Pittsburgh (Stadium Authority)

The Stadium Authority was established to construct and operate Three Rivers Stadium. The Stadium Authority is administered by a five-member board, all of whom are appointed by the Mayor. The principal revenue sources are from rentals of the stadium and parking facilities and from service charges on event tickets. The City has guaranteed the subsidization of operating deficits and the debt service requirements of the outstanding debt of the Stadium Authority. The Stadium Authority operates on a fiscal year ending March 31.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

Under an agreement dated June 24, 1982, the Stadium Authority and the Three Rivers Management Corporation (Three Rivers), as well as the Pittsburgh Athletic Company, Inc. and the Pittsburgh Steelers Sports, Inc., amended a basic agreement, management lease, baseball lease and football lease (Stadium agreement) whereby the Stadium Authority assumed all the rights and responsibilities under the Stadium agreements effective January 1, 1982.

#### Public Parking Authority of Pittsburgh (Parking Authority)

The Parking Authority was created for the purpose of acquiring, developing and maintaining a coordinated system of public parking facilities. The Parking Authority is administered by a five-member board, all of whom are appointed by the Mayor. The Parking Authority obtains its revenue from user charges and from street parking meter revenues. Under an agreement between the Parking Authority and the City, street parking revenues are allocated 93.5% to the Parking Authority and 6.5% to the City. Accordingly, the City derives a financial benefit from the Parking Authority. The Parking Authority operates on a fiscal year ending September 30.

#### Urban Redevelopment Authority of Pittsburgh

The Urban Redevelopment Authority of Pittsburgh (the URA) was established in 1946 under the Pennsylvania Urban Redevelopment Law. The URA acquires and clears blighted property; initiates rebuilding with the private sector; negotiates with the federal, state, county and local governments for public funds and facilities; and works to maintain and improve Pittsburgh neighborhoods and business districts. Funding for the URA projects and programs is obtained primarily through intergovernmental grants. Additionally, the Authority has incurred note and bond indebtedness to finance specific programs.

The URA is considered to be a component unit of the City as the Mayor of Pittsburgh appoints the Board of Directors of the URA and a financial benefit/burden relationship exists between the City and the URA.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

The reporting entity of the URA includes the accounts of all URA operations as well as three entities which qualify as component units of the URA under the provisions of GASB Statement No. 14. The component units of the URA are the URA Housing Corporation, the Pittsburgh Economic and Industrial Development Corporation and the Pittsburgh Housing Development Corporation.

The URA and all component units operate on a fiscal year ending December 31. Separate financial statements for these component units can be obtained through the Finance Department of the URA.

Complete financial statements of the individual component units can be obtained from their respective administrative offices except for the Equipment Leasing Authority which does not issue financial statements.

#### Administrative Offices:

City of Pittsburgh  
Equipment Leasing Authority  
City-County Building, 5th Floor  
414 Grant Street  
Pittsburgh, PA 15219

Pittsburgh Water and Sewer Authority  
441 Smithfield Street  
Pittsburgh, PA 15222

City of Pittsburgh Finance Department  
Combined Pension Trust Funds  
City-County Building  
414 Grant Street  
Pittsburgh, PA 15219

Pittsburgh Parking Authority  
232 Boulevard of the Allies  
Pittsburgh, PA 15219

Stadium Authority of the City of Pittsburgh  
300 Stadium Circle  
Pittsburgh, PA 15212

Urban Redevelopment Authority of  
Pittsburgh  
200 Ross Street  
Pittsburgh, PA 15219

The following pages present condensed financial statements for the discretely presented component units.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

### Discretely Presented Component Unit Condensed Financial Statements (Amounts expressed in thousands)

	<u>PWSA</u> December 31, <u>1998</u>	<u>Stadium</u> <u>Authority</u> March 31, <u>1998</u>	<u>URA</u> December 31, <u>1998</u>	<u>Public</u> <u>Parking</u> <u>Authority</u> September 30, <u>1998</u>
<u>Condensed Balance Sheets</u>				
Current assets:				
Cash and investments	\$ 42,876	4,418	287,308	4,339
Other	13,238	14,629	226,862	2,346
Trusteed and restricted assets	113,001	392	1,903	17,480
Net fixed assets	314,584	39,228	111,135	68,650
Non-current assets	3,736	5,912	7,875	3,187
Other debits	-	-	2,012	-
Total assets	\$ <u>487,435</u>	<u>64,579</u>	<u>637,095</u>	<u>96,002</u>
Current liabilities:				
Current portion of long-term debt	-	4,178	-	2,586
Current maturities of long-term debt – City of Pittsburgh	-	1,400	-	-
Accounts payable – City of Pittsburgh	-	-	-	646
Other	6,901	3,442	51,035	3,608
Deferred revenue	-	1,767	104,171	-
Non-current liabilities:				
Grants from the City of Pittsburgh	-	22,775	-	-
Capital lease obligation and other liabilities	20,466	-	457	100
Long-term debt	456,418	15,825	308,484	50,455
Long-term payable to City of Pittsburgh	-	20,125	-	-
Fund equity:				
Contributed capital	5,277	-	6,674	5,708
Investment in general fixed assets	-	-	8,187	-
Restricted for construction purposes	-	26,458	-	-
Retained earnings (deficit)	(1,627)	(31,391)	117,344	32,899
Fund balance	-	-	40,743	-
Total liabilities and equity	\$ <u>487,435</u>	<u>64,579</u>	<u>637,095</u>	<u>96,002</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Discretely Presented Component Unit Condensed Financial Statements, continued  
(Amounts expressed in thousands)

Condensed Statements of Revenues, Expenses and Changes in Retained Earnings  
(Amounts expressed in thousands)

	<u>PWSA</u> December 31, 1998	<u>Stadium Authority</u> March 31, 1998	<u>URA</u> December 31, 1998	<u>Public Parking Authority</u> September 30, 1998
Operating revenues	\$ 54,836	6,132	15,010	22,624
Operating expenses:				
Depreciation and amortization	9,149	2,941	2,024	3,374
Other	<u>25,897</u>	<u>9,982</u>	<u>6,232</u>	<u>13,542</u>
Operating income (loss)	19,790	(6,791)	6,754	5,708
Non-operating revenues (expenses):				
Interest expense	(20,700)	-	(15,406)	(3,088)
Other	<u>2,482</u>	<u>10,000</u>	<u>24,636</u>	<u>(202)</u>
Net income (loss)	1,572	3,209	15,984	2,418
Retained earnings (deficit)/fund balance, beginning of year, as previously reported	(3,199)	(34,600)	98,121	30,481
Correction of an error	<u>-</u>	<u>-</u>	<u>3,239</u>	<u>-</u>
Retained earnings (deficit)/fund balance, beginning of year, as restated	<u>(3,199)</u>	<u>(34,600)</u>	<u>101,360</u>	<u>30,481</u>
Retained earnings (deficit)/fund balance, end of year	\$ <u>(1,627)</u>	<u>(31,391)</u>	<u>117,344</u>	<u>32,899</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

#### Joint Venture

##### The Public Auditorium Authority of Pittsburgh and Allegheny County (Auditorium Authority)

The City of Pittsburgh and the County of Allegheny (the County) jointly created the Auditorium Authority to build and operate the Pittsburgh Civic Arena. In 1989, the operation of the Civic Arena was turned over to a privately owned company under terms of a lease agreement with an initial term of 50 years. Annual rentals under the lease approximate the annual debt service requirements on outstanding Auditorium Authority bonds.

In addition, the Department of General Services of the Commonwealth of Pennsylvania has financed and constructed the David L. Lawrence Convention Center. The Convention Center has been leased to the Auditorium Authority for a term of 30 years at a nominal rent. The City and County have each agreed to pay one-half of any operating deficits. Furthermore, the City and County have executed support agreements for each of the Auditorium Authority's outstanding bond issues whereby the City and the County have equally pledged payment of the debt service. As of December 31, 1998, the City's portion of outstanding Auditorium Authority debt service was \$12,860,000 with certain restrictions.

While the City guarantees one-half the operating deficits and a portion of the Auditorium Authority's debt service, it does not have any equity interest in the Auditorium Authority's surpluses. For the year ended June 30, 1998, the Auditorium Authority's enterprise fund (operations of David L. Lawrence Convention Center) had a retained earnings of \$2,794,282 with net income of \$1,251,061.

Under a sublease agreement effective July 1, 1981, as amended, the Auditorium Authority leases the Civic Arena and surrounding parking areas to SMG Pittsburgh L.P. (SMG). SMG operates and is responsible for all expenses and maintenance of the Civic Arena.

The Auditorium Authority is administered by a five-member board. The City and County each appoint two board members. One member is appointed jointly.

The Auditorium Authority operates on a fiscal year ending June 30. Complete financial statements for the Auditorium Authority can be obtained from its administrative office at 1001 Penn Avenue, Pittsburgh, PA 15222.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

#### Related Organizations

##### Housing Authority of the City of Pittsburgh (Housing Authority)

The Housing Authority was established to acquire and maintain properties for the purpose of providing low-income housing for residents of the City. Rental charges and subsidies from Federal Housing and Urban Development grants are the principal revenue sources.

The Housing Authority is administered by a seven-member board, all of whom are appointed by the Mayor. City Council approves five of the seven appointments. The City does not subsidize the operations of the Housing Authority and does not guarantee its debt service.

The Housing Authority operates on a fiscal year ending December 31.

##### Jointly Governed Organization

The Allegheny County Sanitary Authority (ALCOSAN) was organized under the Municipality Authorities Act of 1945 to collect, transport and treat waste water for the City of Pittsburgh and seventy-seven (77) other Allegheny County municipalities. ALCOSAN'S board has seven members: three are appointed by the City, three are appointed by the County and one is appointed jointly by the County and City. The City has no ongoing financial interest or responsibility for ALCOSAN.

#### (C) Fund Accounting Structure

The City's accounting structure embraces "fund" accounting which is the standard for governmental accounting as fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities promulgated by the Governmental Accounting Standards Board.

(Continued)



## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or fund balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

The fund accounting structure for the City is as follows:

#### Governmental Fund Types:

General Fund - The general fund is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - The debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Fund - A capital projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

#### Fiduciary Fund Types:

Trust and Agency Funds - Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. These include expendable trust, pension trust and agency funds. Pension trust funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is the primary measurement focus. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Account Groups:

General Fixed Assets - This account group was established to present a summary of the fixed assets of the City.

General Long-Term Debt - This account group is used to account for all long-term obligations of the City, general obligation and other bonds, capital lease obligations, accrued unfunded pension expense, workers' compensation expense, claims and judgments, compensated absences and deferred loans.

(D) Measurement Focus

All governmental funds and expendable trusts funds are accounted for on a spending or "financial flow" measurement focus. Accordingly, only current assets and current liabilities are generally included on their balance sheets.

The reported fund balance (net current assets) is considered a measure of "available expendable resources." Governmental fund operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, these operating statements present a summary of sources and uses of "available expendable resources" during the year. Expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities.

Pension trust funds are accounted for on a "capital maintenance" measurement focus. Accordingly, all assets and all liabilities are included on their balance sheets, and reported fund equity provides an indication of the economic net worth of the fund. Operating statements for pension trust funds report increases (revenues) and decreases (expenses) in total economic net worth.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

(E) Basis of Accounting

Governmental fund types, expendable trust funds and agency funds use the modified accrual basis of accounting. Revenues are recorded when they become susceptible to accrual, that is, both measurable and available. Available means expected to be collected within the next two months for property taxes, tax liens sold and taxpayer assessed taxes and the next 12 months for other revenues, including payment in lieu of taxes. The City accounts for taxpayer-assessed revenues (primarily earned income and parking taxes) in accordance with Government Accounting Standards Board (GASB) Statement No. 22, "Accounting for Taxpayer-Assessed Tax Revenues in Governmental Funds," which establishes that revenues from taxpayer-assessed taxes, net of refunds, should be recognized in the period in which they become susceptible to accrual. Revenues not considered available are recorded as deferred revenues.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues.

In one, expenditures must be made for the specific purpose or project before any amounts will be paid to the City: therefore, revenues are recognized based upon the expenditures recorded. In the other, receipts are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of the receipt or earlier if the susceptible to accrual criteria are met.

Expenditures are recorded when the liability is incurred if it is expected to be paid within the next 12 months, except for interest and principal on general long-term obligations which are recorded when due. Liabilities expected to be paid after 12 months are recorded in the general long-term debt account group.

The financial statements of the pension trust funds are presented on the accrual basis of accounting. Under this method of accounting, all revenues are recorded when earned and expenses are recorded at the time liabilities are incurred without regard to receipt or payment of cash.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

#### (F) Adoption of New Pronouncements

For the year ended December 31, 1998, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans," and Statement No. 27, "Accounting for Pensions by State and Local Government Employers." These statements establish financial reporting standards for defined benefit pension plans and standards for the measurement, recognition, and display of pension expenditures/expense and related liabilities, assets, note disclosures, and, if applicable, required supplementary information in the financial reports of state and local government employers and stand-alone financial reports. These statements were intended to enhance the ability to understand and use pension information included in the financial statements of state and local government employers. This resulted in an increase in net assets of \$23,501,329 of the Combined Pension Trust Funds at January 1, 1999, due to the change from cost to fair value reporting for investments.

For the year ended December 31, 1998, the City also implemented GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." This statement establishes accounting and financial reporting standards for all governmental external investment pools, and establishes fair value standards for certain types of investments of governmental entities and certain investment transactions of defined benefit pension plans and Internal Revenue Code Section 457 deferred compensation plans. The purpose of the statement was to establish investment valuation standards.

#### (G) Budgetary Data

1. General Budget Policies - As required by the Home Rule Charter, the City follows these procedures in establishing the budgetary data reflected in the financial statements:
  - a. On the second Monday of November preceding the fiscal year, the Mayor presents to City Council an operating budget and a capital budget for the succeeding fiscal year.
  - b. Public hearings are conducted to obtain the advice of other officials and citizens as part of the preparation of both budgets.
  - c. Before the beginning of the fiscal year, City Council adopts, by resolution, both budgets.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

- d. The adoption of the operating and capital budgets constitutes an appropriation or setting apart of funds from general resources of the City for purposes set forth in the budgets.
- e. City Council may amend, by resolution, the operating budget within five weeks after the beginning of the fiscal year but not thereafter except with the approval of the Mayor. The capital budget may, by resolution, be amended by Council at any time.
- f. City Council at all times may, by resolution, transfer funds from one account to another if the total operating budget amount is not exceeded. No revision to the budget may be made without City Council approval. The operating budget shall, in any event, remain balanced at all times.
- g. The capital budget is generally based on a proposed six-year capital program which must be updated each year and submitted to City Council by the Mayor at least 30 days prior to the day the operating budget is submitted. The capital budget also includes appropriations for the Community Development Block Grant (CDBG). Budget and actual data for CDBG is reflected in the special revenue fund-community development. The remainder of the capital budget is reflected in the capital projects fund.
- h. Formal budgetary integration is employed as a management control device for the general fund, special revenue - community development fund (only) and the capital projects funds. Formal budgetary integration is not employed for the debt service funds since effective budgetary control is alternatively achieved through general obligation bond indenture provisions, nor for the other special revenue funds since control is achieved through grant provisions or legislative action. Budgets for special revenue - community development fund and the capital projects fund are prepared on a project basis. The general fund, special revenue - community development fund and capital project fund have legally adopted annual budgets.
- i. All budgets are prepared and controlled on a line item basis. For financial statement purposes, budgets have been summarized at a function level. Due to the voluminous number of projects, separately issued line item capital budget reports are available from the City Controller's Office. The general fund budget to actual comparison at the legal level of appropriation is located with the general fund combining statements.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

- j. Operating appropriations lapse at year end. City Council can, however, authorize, by resolution, the carryover of appropriations to the following year. Community development and capital projects appropriations carryover to subsequent years without formal reappropriation.
  - k. Operating budget figures are as amended by City Council with Mayoral approval. These budget amendments represent line item transfers between expenditure accounts. During 1998, there were no supplemental appropriations made to the operating budget.
2. Encumbrances - Encumbrances accounting, under which purchase orders, resolutions, contracts and other commitments for future expenditures are recorded in order to reserve that portion of the applicable appropriation, is employed in all governmental funds of the City. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.
3. Budget Basis of Accounting - The general fund budget is adopted on a cash basis. Encumbrances for purchase commitments are treated as restrictions of available cash and not as expenditures. Budgets in capital projects funds are also adopted on a cash basis, except that budgets for each project are adopted on a project basis which may encompass a period longer than one year. Accordingly, budget figures, as amended, for community development and capital projects reflect current year appropriations and unexpended prior year's appropriations.

#### (H) Cash and Cash Equivalents

For statement of cash flow purposes, cash and cash equivalents include all highly liquid investments, including trustee and restricted assets, with an original maturity of three months or less.

#### (I) Investments

Investments in all funds are carried at fair value. Investments consist of direct obligations of the U.S. government, money market funds, corporate and other obligations, guaranteed investments, money market trust funds and repurchase agreements.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

(J) Other Assets

Other assets consist primarily of receivables for rents, accrued interest, payments in lieu of taxes and emergency medical services.

(K) Fixed Assets

General fixed assets are not capitalized in the fund used to acquire or construct them. Instead, capital acquisitions and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All fixed assets are valued at historical cost or estimated historical cost if the actual historical cost is not available. Estimated historical costs were determined by using either (1) standard costing which is a known average installed cost for a like unit at the estimated acquisition date, (2) normal costing which is the present cost of reproducing new assets indexed by a reciprocal factor of the price increase from the estimated date acquired to the appraisal date or (3) public documents that indicate the City's cost. No depreciation is recorded in the general fixed assets account group on these assets.

Public domain (infrastructure) general fixed assets such as streets, sidewalks and bridges are not recorded as general fixed assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Interest costs incurred during the construction of fixed assets are not capitalized and no depreciation has been taken on general fixed assets.

Since 1992 was the first year that assets were recorded in the general fixed assets group, it is not practical to determine the source of investments in general fixed assets prior to December 31, 1991.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

The Stadium complex, the Water and Sewer assets, Parking Authority facilities and Urban Redevelopment Authority buildings and improvements are stated at cost and include all repairs that materially extend the life of the property. All ordinary maintenance and repairs are charged to current operations. The balance sheet does not include any value for land conveyed by the URA to the Stadium Authority. Depreciation has been provided over the estimated useful lives of the assets using the straight-line method as shown in the table below.

	Estimated Useful Life in Years			
	<u>PWSA</u>	<u>Stadium Authority</u>	<u>Parking Authority</u>	<u>URA</u>
Utility assets	30 - 40	-	-	-
Parking facilities	-	-	50	-
Equipment	10	5 - 10	10	-
Stadium complex	-	45	-	-
Buildings and improvements	-	-	-	30

### (L) Compensated Absences

Compensated absences are accounted for in accordance with Government Accounting Standards Board (GASB) Statement No. 16, "Accounting for Compensated Absences." The City provides for compensated absences in the following manner:

Fourteen sick days per year are accumulated up to a maximum of approximately 112 days, depending on the bargaining unit, for those employees not eligible for the insured sick leave plan or for those who have elected not to participate in the plan. The City accrues an amount for sick leave to the extent that it is probable that benefits will result in termination payments.

Personal days are accumulated for all employees, except firefighters. Under the plan, authorized time off, in the form of personal days, is accumulated in accordance with the criteria established in contracts with each of the City's nine bargaining units and the City's policy for its nonunion employees. Employees can accumulate up to nine days (twelve days for police and emergency medical services personnel) before the City reimburses them for the additional days. The City has accrued an amount for accumulated personal days, because the days vest as they are earned and the vested amount can be reasonably estimated.

(Continued)



## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

Vacation pay earned varies with job classification and years of service and is accrued as a current liability in the general fund to the extent that it will be liquidated with expendable available financial resources.

An additional amount for employer FICA that is directly associated with the payment of compensated absences is accrued.

#### (M) Pensions

Governmental Accounting Standards Board (GASB) Statement No. 27 requires determination and disclosure of annual pension cost on the accrual basis of accounting, which may vary from actual pension expenditures recognized and reported under the modified accrual basis. Because the City has had no prior excess contributions or contribution deficiencies, its annual pension cost on the accrual basis is equivalent to its actuarially determined annual required contributions (see note 8). Pension expenditures are recognized under the modified accrual basis in the general fund to the extent of City contributions.

#### (N) Deferred Compensation Plans

##### Primary Government

The City of Pittsburgh offers its employees a deferred compensation plan sponsored by the Allegheny League of Municipalities, created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights are solely the property and rights of the City, without being restricted to the provisions of benefits under the plan, subject only to the claims of the City's general creditors until paid or made available to the employee or other beneficiary. Participants' rights under the plan are equal to those of general creditors of the City in an amount equal to the fair market value of the deferred account for each participant.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

It is the opinion of the City's legal counsel that the City has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The City believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

The assets and liabilities of the deferred compensation plan are accounted for in the City's agency funds.

#### (O) Self-Insurance Arrangements

The City is self-insured for purposes of workers' compensation benefits. Provisions are recorded in the general fund for benefits estimated to be payable from expendable available financial resources. Amounts not payable currently are reported in the general long-term debt account group; as non-current amounts mature, they are liquidated from general fund resources.

In order to qualify for and maintain self-insurance status, the City must comply with certain Commonwealth of Pennsylvania requirements. The requirements for 1998 are as follows:

Maintain an irrevocable trust fund. The City's contribution to the fund is determined annually in negotiations with the Commonwealth of Pennsylvania Department of Labor.

Satisfy the financial responsibility requirements of the Commonwealth of Pennsylvania.

Establish liability reserves based upon expected future payments for all claims outstanding one year or more at the end of any fiscal year.

Presently, the irrevocable trust may be used by the State of Pennsylvania only in the event of default by the City under the self-insurance regulations. No risk financing activity is currently being recorded in this trust fund. All risk financing activity is recorded in the general fund. This fund is included with expendable trust funds since it was created by a legal trust indenture. Accordingly, the fund balance in the Expendable Trust has been reserved in the accompanying financial statements.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

In 1987, the Water and Sewer Authority elected to become self-insured for general liability coverage and established a Self-Insured Escrow Fund (general liability) to cover potential liability claims. Through December 31, 1998, \$133 in claims have been paid from this fund.

(P) GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting"

The proprietary funds of the City and its discretely presented component units follow all GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, APB Opinions and ARBs issued on or before November 30, 1989, and have elected not to apply the FASB Statements and Interpretations issued after November 30, 1989, to their financial statements.

(Q) Reclassification of Prior Year Statements

Certain previously reported items in the financial statements have been reclassified to conform to the current year's classification.

(R) Total Columns on Combined Statements

Total columns on the Combined Statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or cash flows in conformity with generally accepted accounting principles. Such data are not comparable to a consolidation since interfund eliminations have not been made in their aggregation.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

(2) Reconciliation of Generally Accepted Accounting Principles to Budgetary Basis

(A) General Fund

The budget of the City is prepared differently from generally accepted accounting principles. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Data on the Budgetary Basis - General Fund is reconciled below to the Combined Statement of Revenues, Expenditures and Changes in Fund Balances:

	<u>General Fund</u> (in thousands)
Excess of revenues and other sources over expenditures and other uses – GAAP basis	\$ 8,802
Revenues:	
Increase in revenues susceptible to accrual recorded when received in cash on the budgetary basis	(300)
Reimbursements budgeted as revenues and recognized as a reduction of expenditures on a GAAP basis	5,923
Pension state aid recorded as expenditure reimbursement	(14,632)
Operating transfers budgeted as revenues	-
Total	<u>(9,009)</u>
Expenditures:	
Decrease in expenditures recognized on a GAAP basis recorded when paid in cash on the budgetary basis	(2,211)
Reimbursements budgeted as revenues and recognized as a reduction of expenditures on a GAAP basis	(5,923)
Pension bond proceeds recorded as expenditures	255,082
Pension state aid recorded as expenditure reimbursement	14,632
Operating transfers budgeted as expenditures	<u>(65,317)</u>
Total	196,263
Other financing (sources) uses:	
Operating transfers budgeted as revenues and expenditures	65,317
Pension bond proceeds recorded as expenditures	<u>(255,082)</u>
Total	<u>(189,765)</u>
Excess of revenues and other sources over expenditures and other uses – budgetary basis	\$ <u>6,291</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

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(B) Special Revenue Community Development

The budget of the City is prepared differently from generally accepted accounting principles. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Data on the Budgetary Basis - Special Revenue - Community Development only - is reconciled below to the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Fund presented on a GAAP basis:

	<u>Special Revenue</u> (in thousands)
Excess of revenues and other sources over expenditures and other uses – GAAP basis – all Special Revenue Funds	\$ 1,449
Adjustment for non-budgeted Special Revenue Funds	(1,449)
Revenues:	
Increase of revenues susceptible to accrual recorded when received in cash on the budgetary basis	(267)
Revenues for non-budgeted Community Development Funds	<u>3,458</u>
Total	3,191
Expenditures:	
Decrease in expenditures recognized on a GAAP basis recorded when paid in cash on the budgetary basis	542
Expenditures for non-budgeted Community Development Funds	<u>(3,511)</u>
Total	(2,969)
Other financing (sources) uses:	
Decrease in operating transfers susceptible to accrual but not budgeted	<u>44</u>
Total	<u>44</u>
Excess of expenditures and other uses over revenues and other sources – budgetary basis	\$ <u>266</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

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(C) Capital Projects

The budget of the City is prepared differently from generally accepted accounting principles. The Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Data on the Budgetary Basis - Capital Projects is reconciled below to the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Capital Projects Fund presented on a GAAP basis:

	<u>Capital Projects</u> (in thousands)
Excess of expenditures and other uses over revenues and other sources – GAAP basis	\$ 37,119
Revenues:	
Revenue and reimbursements to trust funds	643
Decrease in revenues susceptible to accrual recorded when received in cash on the budgetary basis	<u>(1,597)</u>
Total	(954)
Expenditures:	
Trust fund expenditures	(965)
Decrease in expenditures recognized on a GAAP basis but recorded when paid in cash on the budgetary basis	<u>5,385</u>
Total	4,420
Other financing (sources) uses:	
Increase in operating transfers susceptible to accrual recorded when received in cash on a budgetary basis	<u>(3,320)</u>
Excess of expenditures and other uses over revenues and other sources – budgetary basis	\$ <u>37,265</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

(3) Cash and Investments

The City's cash and investments are subject to varying investment policies and custodial arrangements. Responsibility for cash and investments as of December 31, 1998, except the Stadium Authority, which is as of March 31, 1998, and the Public Parking Authority, which is as of September 30, 1998, is as follows:

	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
<u>Current Unrestricted</u>			
<u>Primary Government – Unrestricted</u>			
City Treasurer (most governmental, expendable trust and agency funds)	\$ 29,216,038	163,682,731	192,898,769
Equipment Leasing Authority (special revenue fund)	753,967	22,007	775,974
Pension Trust Funds	60,806,170	373,367,440	434,173,610
Deferred Compensation Plan	8,257	62,684,446	62,692,703
Total Primary Government – Unrestricted	90,784,432	599,756,624	690,541,056
<u>Component Units – Unrestricted</u>			
PWSA	42,876,000	-	42,876,000
Stadium Authority	158,001	4,259,988	4,417,989
Public Parking Authority	704,719	3,634,642	4,339,361
URA	67,921,953	219,386,832	287,308,785
Total Component Units – Unrestricted	111,660,673	227,281,462	338,942,135
Total Unrestricted	202,445,105	827,038,086	1,029,483,191
<u>Current Restricted</u>			
<u>Component Units – Restricted</u>			
PWSA	3,823,000	107,427,000	111,250,000
Stadium Authority	317,594	-	317,594
Public Parking Authority	-	17,480,214	17,480,214
URA	-	1,903,308	1,903,308
Total Component Units – Restricted	4,140,594	126,810,522	130,951,116
Total Unrestricted and Restricted	\$ 206,585,699	953,848,608	1,160,434,307

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## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

The bank balances of cash and cash equivalents of the City and its component units are classified into three categories to give an indication of the level of risk assumed at year end. Category 1 includes deposits insured or collateralized with securities held by a City entity or its agent in the City's name. Category 2 includes deposits collateralized with securities held by the counterparty's trust department or agent in the City's name. Category 3 deposits are those which are uncollateralized or which are collateralized with securities held by the counterparty or by the trust department or agent but not in the City's name. Deposits classified as Category 3 are secured by pooled collateral held by an agent of the City's banks in the bank's name as permitted by Act 72 of the Commonwealth of Pennsylvania, dated August 6, 1971 (Act 72).

Investments of the City and its component units are classified into three categories to give an indication of the level of risk assumed at year end. Category 1 includes investments insured or registered or securities held by a City entity or its agent in the City's name. Category 2 includes uninsured and unregistered investments with the securities held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments with the securities held by the counterparty or by its trust department or agent but not in the City's name.

#### (A) Governmental Funds, Expendable Trust Funds and Agency Funds

Cash balances available for investment by most City funds are maintained in pooled bank and investment accounts to improve investment opportunities. Income from investment of pooled cash is recorded in the general fund. Certain unrestricted and restricted cash and short-term investment balances in the accompanying combined balance sheet represent the undivided interest of each respective fund in the pooled accounts.

Under the Pittsburgh City Code, the Director of Finance is responsible for the overall management of the investment program. Policies established by the Director of Finance permit the City to invest in the following:

1. U.S. Treasury Securities (bills, notes, bonds).
2. Obligations of specific agencies of the federal government where principal and interest is guaranteed by the U.S. government.

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## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

3. Fully insured or collateralized certificates of deposit at commercial banks and savings and loan associations accepted as depository institutions under the Pittsburgh City Code.
4. Money market mutual funds authorized by City Council whose portfolio consists of government securities issued by the U.S. government and that are fully guaranteed as to principal and interest.
5. Local government investment pools and or trusts as approved by the state legislature or City Council from time to time.
6. Repurchase agreements collateralized by the U.S. Treasury securities and marked to market. In order to participate in the repurchase agreement market, a depository must execute a master repurchase agreement contract with the City.

To ensure adequate liquidity, at least 10% but no more than 40% of the portfolio shall be in overnight repurchase agreements, money market funds or other secure and liquid forms of acceptable investments. Unless specifically matched to a cash flow, at least 20% of the portfolio shall mature within 91 days with the maximum maturity of any investment to be no longer than one year from the date of purchase unless specifically approved in writing by the Director of Finance.

The carrying amount of all investments under the control of the City Treasurer at December 31, 1998, is presented in the accompanying table. Underlying balances are predominantly short-term investments.

Cost approximates market for all of the foregoing investments with the exception of pension investments where market exceeds cost.

The City maintains compensating balances with some of its depository banks to offset specific charges for check clearing and other services.

#### (B) Equipment Leasing Authority

Trust indentures authorize the Equipment Leasing Authority to invest in obligations of the U.S. government, repurchase agreements for government obligations and money market funds that invest solely in U.S. government obligations. Throughout the year ended December 31, 1998, the Equipment Leasing Authority invested its funds in one or more of the above authorized investments.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

The cost of all investments at December 31, 1998, for the funds of the Equipment Leasing Authority included in special revenue funds and debt service funds is presented in the accompanying table. Underlying balances are predominantly short-term investments.

#### (C) Pension Trust

The pension trust funds, whose deposits and investments are held separately from those of the City, are assigned to professional money managers that specialize in certain types of investments. The investment alternatives of these money managers are generally restricted to those in which they specialize.

The assets of the Comprehensive Fund are invested under the direction of the Board with the assistance of the Executive Director and an outside investment consultant. The investment consultant serves as a manager of the six to eight independent money managers of the fund.

The assets of the fund consist of two components: (1) the Operating Fund and (2) the Long-Term Assets Fund. The Operating Fund's purpose is to provide the general cash flow requirements of the fund and to fund the benefits/operating payments of the three plans. The Long-Term Assets Fund is designed to achieve growth in terms of both capital appreciation and income toward funding the unfunded pension liability.

Operating Fund investments are limited to U.S. Treasuries with maturities less than ten years; federal agencies, commercial paper, bank acceptances and certificates of deposit (CD) with maturities less than 270 days and approved by PNC Fixed-Income Research; repurchase agreements with maturities less than 91 days; asset backed securities rated "AAA" by Standard & Poor's or Moody's; collateralized mortgage obligations (CMO) backed by U.S. federal agencies with average life and prepayment restrictions; corporate and municipal bonds rated "AA" or better by Standard & Poor's or Moody's.

Except for issues guaranteed directly or indirectly by the U.S. government, the combined holdings of securities from one issuer may not constitute more than 10% of the Operating Fund at the time of purchase. Except for direct U.S. government treasury issues, a maximum of 30% of the market value of the holdings may be invested in any one government agency; also no more than 10% of the market value may be invested in any single bank issue at time of purchase.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

The Long-Term Assets Fund requires an asset mix of 45% large-capital domestic equities, 15% small-capital domestic equities and 40% domestic fixed income securities or other investments specifically authorized by the Board. Each class is to have a minimal cash reserve allocation. Acceptable investments include: equities - high quality common stocks or convertible securities; fixed income securities - including U.S. treasury and agency issues, U.S. corporate bonds, mortgage related securities, Yankee Notes/Bonds and cash equivalents - U.S. treasury bills and repurchase agreements, money market funds, commercial paper and CDs of the custodian bank.

Pension trust fund investments are assigned to professional money managers that specialize in certain types of investments. The investment alternatives of these money managers are generally restricted to those in which they specialize.

The Trust invests in asset-backed securities to maximize yields. Such securities market values may be affected by the cash flows from principal and/or interest payments received on the underlying assets. Thus the market values could be sensitive to prepayments, delinquencies and interest rate changes.

The following summarizes pension trust fund investments which individually are 5% or more of net assets available for benefits, at cost:

Hirtle Callaghan Trust International Equity	
Portfolio Fund #8	\$ 38,818,175
MAS Funds High Yield Portfolio Fund #2137	32,584,288
Temp Fund FD#24	47,957,223
Goldman Sachs Core Large Cap Growth Pooled Trust	38,818,175
Hirtle Callaghan Trust International Fixed Income	
Portfolio FD#009	38,420,594
MAS Funds Fixed Income Portfolio FD#2123	30,986,811

#### (D) Deferred Compensation Plan

The City participates in a deferred compensation plan sponsored by the Allegheny League of Municipalities. The associated assets, carried at market, are held in pooled accounts. The trust indentures authorize the Deferred Compensation Plan to invest in obligations of U.S. treasury and money market mutual funds.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

#### (E) Water and Sewer Authority

The Water and Sewer Authority (the Authority) is authorized to invest in obligations of the U.S. government and government-sponsored agencies and instrumentalities; fully insured or collateralized certificates of deposit; commercial paper of the highest rating; repurchase agreements collateralized by government obligations or securities and highly rated bank promissory notes or investment funds or trusts. Throughout the year ended December 31, 1998, the Authority invested its funds in such authorized investments.

#### (F) Stadium Authority

The trust indentures authorize the Stadium Authority to invest in obligations of the U.S. government, certificates of deposit and repurchase agreements. Throughout the year ended March 31, 1998, the Stadium Authority invested its funds in one or more of the above authorized investments.

#### (G) Public Parking Authority

The trust indentures authorize the Public Parking Authority of Pittsburgh to invest in obligations of the U.S. government, corporate notes, municipal bonds, money market funds and certificates of deposit. The majority of the investments are restricted by terms and agreements of the Authority.

#### (H) Urban Redevelopment Authority

Pennsylvania statutes and the trust indentures related to certain debt transactions provide for investment of URA funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, insured or collateralized time deposits and certificates of deposit, certain commercial paper and repurchase agreements and highly rated bank promissory notes or investment funds or trusts.

The deposit and investment practices of the URA and its component units adhere to statutory and contractually required and prudent business practice. Deposits of the governmental funds are either maintained in demand deposits or savings accounts and certificates of deposit. There were no deposit or investment transactions during the year that were in violation of either the state statutes or the trust indentures.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

The bank balances of cash and cash equivalents of the City and its component units are summarized by category as follows: primary government unrestricted category 1 – \$4,721,343, category 2 – \$60,165,360 and category 3 – \$25,897,729; component unit unrestricted category 1 – \$1,092,907 and category 3 – \$110,443,929; component unit restricted category 1 – \$100,000 and category 3 – \$4,040,594.

The carrying amount, market value and category of risk for investments is as follows:

	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Category</u>
<u>Primary Government – Unrestricted</u>			
(A) City Treasurer (most governmental, expendable trust and agency funds):			
Repurchase agreements	\$ 10,480,000	10,480,000	3
Money market mutual funds	110,581,832	110,581,832	N/A
Corporate obligations	20,520,899	20,520,899	3
U.S. government and agency obligations	<u>22,100,000</u>	<u>22,100,000</u>	3
Total	163,682,731	163,682,731	
(B) Equipment Leasing Authority:			
Money market mutual funds	22,007	22,007	N/A
(C) Pension Trust:			
Preferred and common stocks	104,910,970	104,910,970	2
U.S. government & agency obligations	29,446,910	29,446,910	2
Corporate and other obligations	<u>239,009,560</u>	<u>239,009,560</u>	2
Total	373,367,440	373,367,440	
(D) Deferred Compensation:			
Money market trust funds	<u>62,684,446</u>	<u>62,684,446</u>	N/A
Total Primary Government – Unrestricted	599,756,624	599,756,624	

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Category</u>
<u>Component Units – Unrestricted</u>			
(E) Stadium Authority:			
Money market pooled investments	\$ 4,259,988	4,259,988	N/A
(F) Pittsburgh Parking Authority:			
Local government securities	48,777	48,777	1
Money market mutual funds	<u>3,585,865</u>	<u>3,585,865</u>	N/A
Total	<u>3,634,642</u>	<u>3,634,642</u>	
(G) URA:			
U.S. government and agency obligations	106,739,912	106,739,912	1
U.S. government and agency obligations	4,082,888	4,082,888	3
Pooled Investment Fund	<u>108,564,032</u>	<u>108,564,032</u>	N/A
Total	<u>219,386,832</u>	<u>219,386,832</u>	
Total Component Units – Unrestricted	<u>227,281,462</u>	<u>227,281,462</u>	
Total Unrestricted	827,038,086	827,038,086	
<u>Component Units – Restricted</u>			
(H) PWSA:			
Repurchase agreements			
U.S. government and agency obligations	5,279,000	5,265,000	3
Guaranteed investment contracts	42,388,000	42,389,000	3
Local government securities	<u>59,760,000</u>	<u>59,760,000</u>	3
Total	<u>107,427,000</u>	<u>107,414,000</u>	
(I) Pittsburgh Parking Authority:			
Commercial paper	878,621	878,621	2
Corporate obligations	14,425,279	14,425,279	3
Money market mutual funds	1,885,952	1,885,952	N/A
U.S. government and agency obligations	<u>290,362</u>	<u>290,362</u>	3
Total	<u>17,480,214</u>	<u>17,480,214</u>	

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

	<u>Carrying Amount</u>	<u>Market Value</u>	<u>Category</u>
<u>Component Units – Restricted</u>			
(J) URA:			
Pooled investment funds	\$ <u>1,903,308</u>	<u>1,903,308</u>	N/A
Total	<u>1,903,308</u>	<u>1,903,308</u>	
Total Component Units – Restricted	<u>126,810,522</u>	<u>126,797,522</u>	
<i>pm</i> Grand Total	\$ <u>953,848,608</u>	<u>953,835,608</u>	

(4) Transactions With the Pittsburgh Water and Sewer Authority

In 1984, pursuant to a Lease and Management Agreement, the Authority leased the entire City water supply, distribution and wastewater collection system (the System) from the City and assumed responsibility for establishing and collecting user fees and charges and for maintaining and improving the System. The Lease and Management Agreement provided for the City to operate and maintain the System for the Authority subject to the general supervision of the Authority.

The City and the Authority agreed to terminate the Lease and Management Agreement in July 1995 and concurrently entered into a Cooperation Agreement and a Capital Lease Agreement (collectively referred to as the Agreements).

Cooperation Agreement

Although executed in its final form in July, the Cooperation Agreement was substantially effective January 1, 1995. On that date, City water department employees became employees of the Authority. The Authority assumed workers' compensation and compensated absence liabilities which had accrued during the era of the City's Water Department.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

Direct costs of the System's water operations are now generally paid directly by the Authority under the Cooperation Agreement. The City continues to provide the Authority with various services in accordance with the Cooperation Agreement and the Authority reimburses the City for direct and indirect costs attributed by the City to the operation and maintenance of the System.

Under the Agreements, the Authority will continue to provide up to 600,000,000 gallons of water annually for the City's use without charge. The Authority also continues to reimburse the City for the cost of subsidizing water service to those residents living in the City but beyond the Authority's service area so that those water users pay charges which are based upon the Authority's rates.

#### System Lease

The City and Authority entered into a Capital Lease Agreement (the Capital Lease), effective July 27, 1995, with a term of thirty years, commencing as of July 15, 1995 and ending on September 1, 2025. The Capital Lease stipulates minimum lease payments of approximately \$101,000,000, including interest, all of which have been satisfied. The Authority has the option to purchase the System in 2025 for \$1.

As of December 31, 1998, the City has retained the pension obligation for the Authority's employees who participate in the City's Municipal Pension Plan. The extent of the Authority's participation in such obligation with respect to these employees whose membership continued upon becoming employees of the Authority is determined by the shared interpretation of the City and the Authority of the intent of the Cooperation Agreement.

Uncertainty exists about the future obligation of the Authority and its employees to make contributions to the Plan. Such contributions are contingent upon the continuing eligibility of the Authority's employees to participate in the City's Plan. Eligibility for ongoing employee participation in the City's Plan could end if the Authority were to introduce another pension plan. At this time, the Authority and City have no definite plans to establish another pension plan for the Authority, other than an agreement in principle that the Authority should have its own plan in the future. Future obligations of the Authority to make contributions to the Plan may also be subject to other amendments of the existing arrangement agreed upon by the Authority and the City.

(Continued)



# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

PM

### (5) Trusteed and Restricted Funds

The following is a summary of trustee and restricted funds:

<u>Component Units</u>	<u>Cash and investments</u>	<u>Other</u>	<u>Total</u>
Pittsburgh Water and Sewer Authority (PWSA):			
Construction	\$ 3,176,000	58,000	3,234,000
Debt service	22,587,000	622,000	23,209,000
Operating reserve	5,887,000	107,000	5,994,000
Self-insured escrow	520,000	-	520,000
Capital projects	78,994,000	964,000	79,958,000
Clearing fund	86,000	-	86,000
Subtotal	111,250,000	1,751,000	113,001,000
Stadium Authority:			
Parking maintenance	317,594	74,189	391,783
Subtotal	317,594	74,189	391,783
Parking Authority:			
Operating reserve	2,369,959	-	2,369,959
Debt service	2,910,250	-	2,910,250
Debt service reserve	2,983,106	-	2,983,106
Debt service project fund	312,398	-	312,398
Capital improvement fund	899,132	-	899,132
Renewal and replacement	2,089,680	-	2,089,680
Revenue	4,516,616	-	4,516,616
City meter	227,281	-	227,281
City wharf	436,755	-	436,755
Excess coverage	735,037	-	735,037
Subtotal	17,480,214	-	17,480,214
Subtotal	129,047,808	1,825,189	130,872,997
Less PWSA accrued interest payable	(7,624,000)	-	(7,624,000)
URA investments, restricted	1,903,308	-	1,903,308
Total component units trustee and restricted funds	\$ 123,327,116	1,825,189	125,152,305

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

ME  
(6) Real Estate Taxes

The City has the power to levy and collect ad valorem taxes on all taxable real estate within its boundaries. Real estate is assessed by the Board of Property Assessment, Appeals and Review of the County of Allegheny pursuant to the terms of the General County Assessment Law and the Second Class County Assessment Law, which require property to be assessed at actual market value. In practice, property is assessed by the board at 20% - 25% of fair market value. All real property in the County is required to be reassessed every three years which is currently ongoing.

Two tax levies, based on separate rates for land and buildings, are made annually on January 1 and collected by the City. Taxes are payable annually or in three installments, at the taxpayers' option, due the last day of February, April 30 and July 31. A 2% discount is allowed on either the first installment or the full year tax payment, if paid by February 10. If no payment is received by the last day of February, the installment payment privilege is forfeited, and the entire tax for the year is considered delinquent. Penalty and interest at the rate of 1.5% per month is imposed on delinquent payments.

Delinquent taxes are liened every three years after the levy date. The City provides programs of tax abatement for new construction and rehabilitation of residential and commercial/industrial properties pursuant to Commonwealth legislative authority. The residential abatement program provides for the abatement of taxes for a period of three years on the increased assessment attributable to new construction or rehabilitation up to an annually indexed average housing construction cost ceiling. The City makes tax abatements available for commercial/industrial properties for the assessment increase attributable to new construction. *lead on to Subsequent Events*

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

### Tax Lien Sale

In April of 1998, the City received the second installment of approximately \$8 million on the tax lien sale initiated in 1996. During 1996, the City and the Pittsburgh School District consummated a sale of substantially all their property tax liens for the tax years 1988 through 1995. Liens for delinquent municipal sewage charges were also included in the portfolio. In conjunction with this sale, the City and PWSA reached an agreement whereby PWSA assumed all the City obligations and rights under an agreement with Allegheny County Sanitary Authority to purchase all delinquent sewage receivables over 90 days old. The City also agreed to transfer approximately \$3,000,000 from the proceeds to the PWSA. The liens totaling approximately \$51.2 million representing delinquencies of principal and interest were sold in two groups to a single purchaser, National Tax Funding, L.P., for approximately \$32,200,000 (group one \$18,200,000 and group two \$14,000,000) with the proceeds allocated as follows: City of Pittsburgh - \$16,000,000; School Board - \$11,200,000; Pittsburgh Water and Sewer - \$3,000,000 and \$2,000,000 to establish a tax lien repurchase fund. The liens were sold without recourse; however, the sale of the second group of liens was subject to certain conditions contained in the applicable agreements. National Tax Funding, L.P., has agreed to purchase the tax receivables for 1996, 1997 and 1998 on all the properties included in the original sale if they become liens. Subsequent tax lien sales have generated proceeds of approximately \$2 million received in December 1997 and approximately \$4 million received in May 1998.

### (7) Fixed Assets

The following is a summary of changes in the general fixed assets account group during 1998:

	Balance January 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	Balance December 31, <u>1998</u>
		(amounts in thousands)			
Land and buildings	\$ 113,489	-	-	1,047	114,536
Machinery and equipment	52,133	3,581	(2,582)	-	53,132
Capital leases	11,775	-	-	-	11,775
Construction-in-progress	-	<u>1,047</u>	-	<u>(1,047)</u>	-
Total general fixed assets	\$ <u>177,397</u>	<u>4,628</u>	<u>(2,582)</u>	<u>-</u>	<u>179,443</u>

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

A summary of discretely presented component units property, plant and equipment is as follows:

	<u>1998</u> (amounts in thousands)
Stadium complex	\$ 71,033
Land and parking facilities	99,133
Machinery and equipment	3,458
Utility plant	220,391
Nonutility plant	8,768
Capitalized system lease	102,166
Construction-in-progress	33,038
Property held for future use	4,166
URA land, building and improvement	24,695
URA development and related costs	91,520
URA property on lease	<u>580</u>
Total	658,948
Less accumulated depreciation	(125,351)
Net component unit property, plant and equipment	\$ <u>533,597</u>

*SAM*  
(8) Pension Plans

(A) Organization and Description of Plans

The City of Pittsburgh is responsible for the funding of retirement benefits for the three pension funds described below. Investments of the funds are held by the Comprehensive Municipal Pension Trust Fund, in accordance with the Municipal Pension Plan Funding Standard and Recovery Act of 1984 (Act 205) and are administered under the direction of that fund's Board.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

In accordance with Act 205 and the Acts under which the Municipal Pension Fund of the City of Pittsburgh, the Policemen's Relief and Pension Fund of the City of Pittsburgh and the Firemen's Relief and Pension Fund of the City of Pittsburgh, are included in a separate accounting for the activities of these three funds is maintained including the employees' contributions, allocation of state aid and the City's annual contribution and a calculation of each Fund's undivided interest in the investments held by the Comprehensive Board. Additionally, separate actuarial valuations are performed annually for each fund. However, the individual funds do not record the undivided interest in the investments in their individual funds since the assets of the Comprehensive Trust are available for the payments of benefits and expenses of any of the three pension funds without limitations. Therefore, in accordance with Government Accounting Standards, the City is considered to be administering a single plan for financial reporting purposes. The three pension trust funds plus the Comprehensive Trust constitute the City's Pension Plan.

The retirement funds issue a publicly available combined financial report that includes financial statements and required supplementary information. This report may be obtained by writing or calling the following:

City of Pittsburgh  
Combined Pension Trust Funds  
C/O Department of Finance  
City/County Building  
Pittsburgh, PA 15219

#### The Municipal Pension Fund

The Municipal Pension Fund of the City of Pittsburgh (the Fund) was established by Act 259 of May 28, 1915, P.L. 596. Every full-time employee of the City of Pittsburgh and the Pittsburgh Water and Sewer Authority (PWSA) who is not covered by the Policemen's Plan or the Firemen's Plan is required to join the Plan after serving a 90-day probation period. The Fund is a single employer defined benefit plan, and its purpose is to provide retirement, disability and other benefits to its members. The City of Pittsburgh and members of the Fund are required to make contributions to the Fund for the purpose of paying benefits and administrative expenses.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

Effective January 1, 1995, the City terminated employment of the 255 employees of its Water Department. As part of a Cooperation agreement with PWSA, the 255 terminated employees became employees of PWSA. The new PWSA employees' membership in the Municipal Plan continues with no break in service, as provided for by the Municipal Pension Act, because PWSA has no retirement plan. The City considers PWSA a part of the reporting entity and thus believes the plan continues to be a single employer plan. As of the date of these financial statements, no separate allocations of contributions to the Plan, Plan assets or Plan liabilities have been prepared for the employees of PWSA, nor have any actuarial determinations been made. PWSA reimburses the City's general fund for its portion of employer contributions in an amount which is not actuarially determined.

Retirement benefits are available at the employee's option upon attainment of age 60, and completion of 20 years of service, normal retirement. A plan member is eligible for early retirement upon attainment of age 50 and completion of eight years of service. For early retirees, benefit payments may be deferred until 60 years of age, or paid immediately at reduced amounts, as defined by the plan. Upon completion of eight years of service, and attainment of age 40, an employee may terminate and remain eligible to receive benefits by continuing to make contributions to age 50. An employee who was a member prior to January 1, 1975, may terminate at any age after 15 years of service and be vested by continuing contributions to age 50.

Employees who become permanently disabled during the performance of their duties and who are unable to continue to perform those duties are eligible to receive a disability pension. Employees who become otherwise disabled are eligible for a disability pension if eight years of service have been completed.

Retirement benefits for employees who were members of the Plan prior to January 1, 1975, equal 60% of three-years average pay, but no less than \$130 monthly if such pay is less than \$450; or 55% of the first \$650 of three-years average pay and 30% of the excess but not less than \$270 if such pay is greater than \$450. The benefit for employees who became members after January 1, 1975, is equal to 50% of three-years average pay, four-years average pay if hired after December 31, 1987, reduced at age 65 by 50% of the Social Security benefit. The aforementioned benefits are prorated for employees with less than 20 years of service. All members receive a service increment of 1% of three-year average pay, four-year average pay if hired after December 31, 1987, for each year of service in excess of 20, to a maximum of \$100 per month.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

A member who meets the disability requirements, but who is not eligible to retire, is entitled to a disability benefit based upon his earnings at the date of disability without proration for service less than 20 years. For eligible employees hired on or after January 1, 1988, the following rules apply:

- a. If an employee is age 60 or older with eight years of service, he will receive his normal retirement benefit.
- b. If an employee becomes disabled before attaining age 60, but with at least eight years of service, his benefit will be calculated as though he was age 60 with his service being the greater of 1) his service at disablement or 2) the lesser of 20 years and his completed service assuming he had continued to work until age 60.
- c. The above benefit will be reduced so that the combination of this benefit and the employee's monthly workers' compensation benefit shall not exceed the employee's regular salary level at the time of disablement.

A survivor benefit is available to the surviving spouse upon the death of an active member eligible for early retirement. The benefit amount is equal to 50% of the member's pension had the member retired at the date of death. A survivor benefit equal to the excess of the member's contributions over the retirement benefits paid is provided to the beneficiary of a member whose death occurs after the retirement date. The member's contributions are returned to the beneficiary of a member whose death occurs prior to eligibility for early retirement.

Upon termination, and prior to vesting, a member's contributions are refundable without interest to the member.

In May 1995, the City offered its employees who are covered by the Municipal Pension Fund and who had attained the age of 50 with a minimum of eight (8) years of service an Early Retirement Incentive Program (the Program). The Program became effective July 1, 1995, for those employees who elected to participate by June 30, 1995, and who had become members of the Fund prior to January 1, 1988.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

The retirement benefit for employees who became members of the Fund before January 1, 1975, is 55% of the first \$650 of average monthly compensation plus 30% of the amount in excess of \$650. Employees who became members after December 31, 1974, receive a retirement benefit of 50% of average monthly compensation, which is reduced by 50% of the employee's social security primary insurance amount upon attainment of age 65. Employees with 20 years of service receive an additional benefit of 1% of average monthly compensation for each complete year in excess of 20. The retirement benefit for employees with less than 20 years of service will be reduced by 5% for each year of service less than 20. In addition, for employees electing the program who have not attained the age of 60, the retirement benefit is reduced by 1/2% for each month that the payments commence prior to age 60, except for those hired before January 1, 1975, with 25 years of service. Average monthly compensation is defined as the average of salaries and wages during the highest 36 months of the final 60 months preceding retirement, excluding overtime.

Employee contributions to the Fund are 5% of pre-tax pay for employees hired prior to January 1, 1988, and 4% of pre-tax pay for those thereafter.

#### The Policemen's Relief and Pension Fund

The Policemen's Relief and Pension Fund of the City of Pittsburgh (the Fund) was established by Act 99 of May 25, 1935, P.L. 233. The Fund is a single employer defined benefit plan and its purpose is to provide retirement, disability and other benefits to its members. P.L. 233 requires the City of Pittsburgh and members of the Fund to make contributions to the Fund for the purpose of paying benefits and administrative expenses. All employees of the Bureau of Police, including substitute uniformed employees, are eligible for membership in the Fund.

Retirement benefits are available at the employee's option upon completion of 20 years of service and attainment of age 50. Employees who become permanently disabled in the line of duty, and who are unable to perform the duties of their position, are eligible to receive a disability pension. Employees who become permanently disabled other than in the line of duty become eligible to receive a disability pension if they have completed ten years of service.

(Continued)



CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

The regular pension benefit is equal to 50% of the highest 12 consecutive months' pay at the time of retirement. Employees hired after December 31, 1991, receive a pension benefit based on a 36-month average pay. An arbitration award dated March 30, 1992, changed the method used to calculate pension benefits for employees. Under the new method, pension benefits are determined on the basis of the last 36 months average pay instead of the last 48 months average pay for employees hired on or after January 1, 1992. Employees hired prior to January 1, 1992, receive pension benefits on the basis of the highest 12 consecutive months' pay at the time of retirement.

Service increments of \$20 per month for each year of service between 20 and 25 years and \$25 per month for each year in excess of 25 years are included in the retirement benefit. A death benefit is available for the survivors, as defined by the plan, of any member who dies in the performance of his duties. A surviving spouse benefit, which is applicable to deaths not in the line of duty, may also be elected by plan participants.

Effective January 1, 1989, regular pensioners receiving benefits prior to January 1, 1984, and disabled pensioners receiving benefits prior to January 1, 1985, received an increase in benefits based upon retirement years.

An employee who terminates employment after 20 years of service, and before age 50, is considered fully vested in the plan. The accrued benefit is payable at age 50 and is based on average pay at the time of termination. A terminated member may elect to continue making contributions to the plan, equal to the contribution rate in effect at the time of termination. In this event, the monthly benefit payable at age 50 will be based on the rate of pay which would have been in effect had the employee continued to work until age 50. If a member terminates employment before completing 20 years of service, accumulated employee contributions are refundable.

Employee contributions to the Fund are 6% of pay plus \$1 per month. Those electing the surviving spouse benefit contribute an additional 1/2% of pay.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

#### The Firemen's Relief and Pension Plan

The Firemen's Relief and Pension Fund of the City of Pittsburgh (the Fund) was established by Act of May 25, 1933, P.L. 1050. The Plan is a single employer defined benefit plan. Its purpose is to provide retirement, disability and other benefits to its members. P.L. 1050 requires the City of Pittsburgh and members of the Fund to make contributions to the Fund for the purpose of paying benefits and administrative expenses. All employees of the Bureau of Fire, including the commanding officer and chief of the bureau, are eligible for membership in the Fund.

Retirement benefits are available at the employee's option upon completion of 20 years of service for any participant employed before January 1, 1976, or for those years employed thereafter, completion of 20 years service and attainment of age 50. Employees who become permanently disabled in the line of duty and who are unable to perform the duties of their position are eligible to receive a disability pension. Employees who become permanently disabled other than in the line of duty become eligible to receive a disability pension if they have completed ten years of service.

The regular pension benefit is equal to 50% of the wages earned during any three calendar years of service or the last 36 months average pay immediately preceding retirement. A service increment of \$20 per month in 1991 and thereafter is paid each member for each year of service in excess of 20. A death benefit is available for the survivors, as defined by the plan, of any member who dies in the performance of his duties. A surviving spouse benefit may also be elected by plan participants which is applicable to deaths not in the line of duty. A lump-sum death benefit of \$1,200 is paid to the beneficiary of any deceased member.

Normal vesting occurs upon attainment of age 50 and 20 years of service. Upon termination of employment a member's contributions, without accumulation of interest, are refundable.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

Employee contributions to the Fund are 6% of pay plus \$1 per month. Those electing the surviving spouse benefit contribute an additional 1/2% of pay.

#### (B) Funding Status and Progress

In 1984, the Pennsylvania General Assembly passed the "Municipal Pension Plan Funding Standard and Recovery Act" (Recovery Act), which has significantly improved the administration and funding of all municipal pension plans. The Recovery Act made changes to the actuarial reporting requirements for municipalities, set forth minimum municipal pension contributions and established the framework for customized recovery programs for municipalities with large unfunded pension liabilities. Additionally, the Recovery Act changed the basis for distributing state pension aid, which has translated into a significant increase in the amount of state pension aid received by the City's plans.

In accordance with the Municipal Pension Plan Funding Standard and Recovery Act of 1984 (Act 205), the City established the Comprehensive Municipal Pension Trust Fund Board (Comprehensive Board) in August 1987. The Board's purpose is to oversee the activities of the City's pension plans and to receive and invest the City's pension assets.

The City has three defined benefit pension plans (Municipal, Policemen's and Firemen's), which are administered by the respective pension boards, the majority of whose members are elected by the employees. The Police and Fire Plans cover all employees of the Bureau of Police and the Bureau of Fire, respectively. Each full-time employee not covered under either the Policemen's or Firemen's Plan is required to join the Municipal Plan after serving a 90-day probationary period.

Commonwealth of Pennsylvania contributions are determined under Act 205. The City is eligible for the maximum remedies available under Act 205. To qualify, the City is required to fund an amount equal to normal cost and the amortization payment required to eliminate the unfunded liability over a 40-year period less any member contribution.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

Act 205 contains both mandatory and optional remedies for municipalities to design a program for dealing with unfunded pension liabilities. The mandatory remedies implemented by the City were the development and adoption of an administrative improvement plan for its pension plans, the establishment of lower cost pension plans for new hires and the aggregation of all the City's pension assets for investment purposes under the guidance of a new oversight board (the Comprehensive Municipal Pension Trust Fund Board). The Comprehensive Board, which is comprised of seven members, four appointed by the Mayor and approved by Council, and one elected from each plan, manages the investments of all pension assets and provides funds for each plan's monthly payment of benefits and administrative expenses.

The optional remedies initially selected by the City were: 40-year amortization of the unfunded liability, level percent amortization and a 15-year phase-in allowing the City to gradually increase its pension contributions.

In 1988, the City opted out of the 15-year phase-in optional remedy since its pension contributions were already exceeding the amount required by Act 205. In its place, the City adopted a planned schedule of pension contributions, which began in 1989 at a level of \$12 million and increases by \$500,000 every other year or the City can fund the actuarially determined minimum municipal obligation, as defined, whichever is less.

Act 189 of 1990 amended the provisions of Chapter 3 of Act 205. Amendments require (1) annual payroll used in the calculation of financial requirements to be that of the current year (of the calculation) plus projected payroll to the end of the year and (2) an estimated state aid amount not be deducted from the total financial requirements in determining the minimum municipal obligations. The revised definition of the Minimum Municipal Obligation (MMO) is effective for MMO's developed and adopted for budgeting purposes subsequent to 1991. Additionally, the provisions for payment of the MMO were revised to require any one of three alternative methods, more fully described in Act 189, and payment of the MMO is to occur by December 31 of each year.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

### Annual Pension Cost and Net Pension Obligation

The City's annual pension cost and net pension obligation for the current year were as follows:

	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>
Annual required contribution	\$ 3,749	9,726	6,391
Contributions made	(39,828)	(135,963)	(98,884)
Net pension obligation, beginning of year	-	-	-
Net pension obligation, end of year	-	-	-

Significant assumptions underlying the actuarial computations include mortality, termination, vesting, marital status and retirement estimates, as well as the following:

	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>
Valuation date	1/1/98	1/1/98	1/1/98
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage open	Level percentage open	Level percentage open
Remaining amortization period	40 years	40 years	40 years
Asset valuation method	Market related	Market related	Market related
Actuarial assumptions:			
Investment return	% 9.00	9.00	9.00
Projected salary increases	4.00	6.00	6.00
Cost-of-living adjustment	0.5	2.5	2.5
Postretirement benefit increases	6.5	-	-

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Three Year Trend Information

<u>Fiscal year ending</u>	<u>Pension plan</u>	<u>Pension cost (APC)</u>	<u>Total contributions as a percentage of annual required contributions</u>	<u>Net pension obligation</u>
12/31/96	Municipal	\$ 6,010	% 735.5	-
	Police	16,074	109.6	-
	Fire	<u>12,749</u>	101.2	-
	Total	34,833	214.5	-
12/31/97	Municipal	4,762	174.4	-
	Police	17,463	103.8	-
	Fire	<u>12,087</u>	107.2	-
	Total	34,312	114.6	-
12/31/98	Municipal	3,749	1,062.4	-
	Police	9,726	1,397.9	-
	Fire	<u>6,391</u>	1,547.2	-
	Total	19,866	1,382.6	-

At January 1, 1998, the membership of the three pension plans consisted of:

<u>Status</u>	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Retirees and beneficiaries of deceased retirees currently receiving benefits	1,841	1,589	1,028	4,458
Terminated employees – vested	<u>-</u>	<u>3</u>	<u>2</u>	<u>5</u>
Total	1,841	1,592	1,030	4,463
Active members:				
Vested	1,313	161	316	1,790
Nonvested	<u>973</u>	<u>974</u>	<u>550</u>	<u>2,497</u>
	<u>2,286</u>	<u>1,135</u>	<u>866</u>	<u>4,287</u>
Total membership	<u>4,127</u>	<u>2,727</u>	<u>1,896</u>	<u>8,750</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

ME

(9) Other Postemployment Benefits

In addition to the pension benefits, the City provides post-retirement healthcare and life insurance benefits to certain retired employees in accordance with applicable city statutes and labor agreements.

The City provides healthcare benefits to 1,122 retired nonunion municipal, fire and police employees. In 1993, the City added a new retiree medical plan that provides healthcare benefits to police and fire retirees and their spouses that are over age 65. Prior to 1993, only those municipal, fire and police retirees under age 65 received benefits. The benefit is funded by partial contributions from the retirees receiving coverage and the remainder by the City on a pay-as-you-go basis. During 1998, post-retirement healthcare benefits expense paid by the City was \$5,819,759.

In addition, in 1995, the City offered post-retirement healthcare benefits to all municipal employees that were age 50 or older with 20 years of service as a retirement incentive. Each retiree is to receive up to \$350 per month until age 65. There are 160 retirees in this group with a total cost to the City in 1998 of \$678,328.

The City also provides life insurance benefits to retired police and fire employees. The amount of life insurance coverage varies from \$4,000 to \$7,500 depending upon the bargaining unit and the year of retirement. This benefit is paid entirely by the City. Life insurance benefits for this group are paid on a pay-as-you-go basis from the general fund operating budget. There are 1,123 retirees in this group with a total cost during 1998 of \$167,400.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

ME

(10) Long-Term Debt

The maximum amount payable for future maturities of bonds and interest on general long-term debt at December 31, 1998, and changes in bond principal for the year then ended are summarized below:

	<u>Principal</u>	
	Outstanding at December 31, 1997	Bonds paid or defeased and discount amortized during 1998
Council and public election general obligation bonds:		
Fourteen general obligation bond issues with rates ranging from 4.10% to 7.0%. The bonds are payable from general revenues:		
1998	\$ 26,060,000	26,060,000
1999	29,590,000	7,105,000
2000	32,145,000	7,475,000
2001	33,515,000	7,835,000
2002	34,845,000	1,470,000
2003	36,300,000	1,565,000
2004 – 2008	209,085,000	28,060,000
2009 – 2013	192,745,000	41,720,000
2014 – 2018	67,760,000	29,860,000
2019 – 2023	12,130,000	12,130,000
2024	<u>2,985,000</u>	<u>2,985,000</u>
Subtotal	677,160,000	166,265,000
Less discount	(12,985,781)	(2,247,849)
Less bonds funded by Stadium Authority	<u>(26,406,569)</u>	<u>(1,724,070)</u>
Total	637,767,650	162,293,081



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Face value on bonds issued <u>during 1998</u>	Outstanding at <u>December 31, 1998</u>	<u>Interest</u>
-	-	-
2,750,000	25,235,000	43,585,498
9,105,000	33,775,000	43,513,980
9,500,000	35,180,000	42,110,360
3,310,000	36,685,000	46,379,516
3,430,000	38,165,000	45,010,311
43,140,000	224,165,000	190,643,348
72,980,000	224,005,000	124,740,447
101,125,000	139,025,000	72,527,408
127,555,000	127,555,000	31,751,130
<u>30,815,000</u>	<u>30,815,000</u>	<u>1,066,875</u>
403,710,000	914,605,000	641,328,873
-	(10,737,932)	-
<u>-</u>	<u>(24,682,499)</u>	<u>(17,507,446)</u>
403,710,000	879,184,569	623,821,427

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

	<u>Principal</u>	
	Outstanding at <u>December 31, 1997</u>	Bonds paid or defeased <u>during 1998</u>
<b>Public Auditorium Authority Revenue Bonds:</b>		
Four bond issues with interest rates ranging from 4.95% to 8.60%. The City's share of debt service on these bonds is payable from general revenues:		
1998	\$ 1,085,000	1,085,000
1999	1,135,000	-
2000	937,500	-
2001	977,500	-
2002	1,022,500	-
2003	1,072,500	-
2004 – 2008	4,597,500	-
2009 – 2013	1,515,000	-
2014 – 2018	1,397,500	-
2019	<u>205,000</u>	<u>-</u>
Total	13,945,000	1,085,000

<u>Bonds issued during 1998</u>	<u>Outstanding at December 31, 1998</u>	<u>Interest</u>
-	-	-
-	1,135,000	878,784
-	937,500	809,977
-	977,500	751,776
-	1,022,500	690,057
-	1,072,500	624,637
-	4,597,500	2,026,299
-	1,515,000	995,515
-	1,397,500	398,946
-	<u>205,000</u>	<u>17,630</u>
-	12,860,000	7,193,621

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

	<u>Principal</u>	
	<u>Outstanding at December 31, 1997</u>	<u>Bonds paid during 1998</u>
Urban Redevelopment Authority of Pittsburgh		
Taxable Bonds:		
One tax increment financing (TIF) bond issue with interest rates ranging from 5.5% to 7.2%. Terms of the TIF require repayments of principal and interest solely from tax increments generated in tax increment districts and related agreements:		
1998	\$ 73,808	73,808
1999	77,593	-
2000	83,270	-
2001	87,055	-
2002	92,733	-
2003	98,410	-
2004 – 2008	596,136	-
2009 – 2013	<u>836,485</u>	<u>-</u>
Total	1,945,490	73,808
Urban Redevelopment Authority of Pittsburgh Taxable Bonds:		
One Special Tax Development Bond issue with interest rates ranging from 8.24% to 9.07%. Bonds are payable solely from City's assignment to the URA of certain Allegheny Regional Asset District revenues:		
1998	950,000	950,000
1999	1,030,000	-
2000	1,120,000	-
2001	1,215,000	-
2002	1,325,000	-
2003	1,440,000	-
2004 – 2008	15,620,000	-
2009 – 2013	26,245,000	-
2014	<u>10,760,000</u>	<u>-</u>
Total	59,705,000	950,000

<u>Bonds issued during 1998</u>	<u>Outstanding at December 31, 1998</u>	<u>Interest</u>
-	-	-
-	77,593	126,638
-	83,270	122,370
-	87,055	117,582
-	92,733	112,446
-	98,410	106,743
-	596,136	430,287
-	<u>836,485</u>	<u>188,857</u>
-	1,871,682	1,204,923

-	-	-
-	1,030,000	5,209,490
-	1,120,000	5,124,618
-	1,215,000	5,031,658
-	1,325,000	4,929,842
-	1,440,000	4,817,878
-	15,620,000	21,252,160
-	26,245,000	12,425,194
-	<u>10,760,000</u>	<u>975,932</u>
-	58,755,000	59,766,772

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

	<u>Principal</u>	
	<u>Outstanding at December 31, 1997</u>	<u>Bonds paid during 1998</u>
Urban Redevelopment Authority of Pittsburgh Taxable Bonds:		
Two tax increment financing (TIF) bond issues with interest rates ranging from 5.125% to 6.25%. Terms of the TIF require repayment of principal and interest solely from tax increments generated in tax increment districts and related agreements:		
1998	\$ 121,120	121,120
1999	151,401	-
2000	187,358	-
2001	183,573	-
2002	196,821	-
2003	213,853	-
2004 – 2008	1,328,537	-
2009 – 2013	1,593,487	-
2014 – 2015	<u>461,770</u>	<u>-</u>
Total	4,437,920	121,120

<u>Bonds issued during 1998</u>	<u>Outstanding at December 31, 1998</u>	<u>Interest</u>
-	-	-
-	151,401	252,766
-	187,358	243,268
-	183,573	233,035
-	196,821	222,099
-	213,853	210,455
-	1,328,537	842,338
-	1,593,487	363,001
-	<u>461,770</u>	<u>34,538</u>
-	4,316,800	2,401,500

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

	<u>Principal</u>	
	<u>Outstanding at December 31, 1997</u>	<u>Bonds paid during 1998</u>
Urban Redevelopment Authority of Pittsburgh Taxable Bonds:		
One taxable revenue bond issue with interest rates ranging from 7.4% to 8.0%. The bond is payable from general resources of the General Fund:		
1998	\$ 720,000	720,000
1999	770,000	-
2000	830,000	-
2001	895,000	-
2002	965,000	-
2003	1,040,000	-
2004	<u>1,125,000</u>	<u>-</u>
Total	6,345,000	720,000
Urban Redevelopment Authority of Pittsburgh Taxable Revenue Bonds:		
One tax increment financing (TIF) bond with interest rates ranging from 6.5% to 8.01%. Terms of the TIF require repayments of principal and interest solely from tax increments generated in tax increment districts and related agreements:		
1998	86,894	86,894
1999	94,450	-
2000	102,006	-
2001	107,673	-
2002	117,118	-
2003	124,674	-
2004 – 2008	780,157	-
2009 – 2013	1,156,068	-
2014 – 2015	<u>610,147</u>	<u>-</u>
Total	<u>3,179,187</u>	<u>86,894</u>
General Long-Term Debt Account Group	\$ <u>727,325,247</u>	<u>165,329,903</u>



<u>Bonds issued during 1998</u>	<u>Outstanding at December 31, 1998</u>	<u>Interest</u>
-	-	-
-	770,000	441,100
-	830,000	384,120
-	895,000	320,210
-	965,000	250,400
-	1,040,000	173,200
-	<u>1,125,000</u>	<u>90,000</u>
-	5,625,000	1,659,030
-	-	-
-	94,450	233,929
-	102,006	227,447
-	107,673	220,368
-	117,118	212,586
-	124,674	204,000
-	780,157	861,987
-	1,156,068	490,544
-	<u>610,147</u>	<u>50,008</u>
-	<u>3,092,293</u>	<u>2,500,869</u>
<u>403,710,000</u>	<u>965,705,344</u>	<u>698,548,142</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Discretely Presented Component Units

Stadium Authority Revenue Bonds and Note

One revenue refunding bond issue with interest rates ranging from 4.05% to 5.0%, a note with variable interest rates based on the prime lending rate when yearly payments are due and a note bearing interest at 4.95%. The bonds and notes are payable from revenue from Stadium operations:

	<u>Principal</u>				
	Outstanding at March 31, <u>1997</u>	Bonds and notes paid during <u>1998</u>	Bonds and notes issued and discount amortized during <u>1998</u>	Outstanding at March 31, <u>1998</u>	<u>Interest</u>
1998	\$ 1,837,300	1,837,300	-	-	-
1999	1,892,300	-	2,285,714	4,178,014	773,444
2000	1,957,300	-	1,523,540	3,480,840	603,369
2001	2,022,300	-	-	2,022,300	509,030
2002	2,087,300	-	-	2,087,300	439,542
2003	2,167,300	-	-	2,167,300	364,743
2004 - 2005	<u>6,619,600</u>	<u>387,300</u>	<u>-</u>	<u>6,232,300</u>	<u>582,085</u>
Subtotal	18,583,400	2,224,600	3,809,254	20,168,054	3,272,213
Unamortized bond discount	<u>(187,019)</u>	<u>-</u>	<u>22,002</u>	<u>(165,017)</u>	<u>-</u>
	18,396,381	2,224,600	3,831,256	20,003,037	3,272,213
General obligation bonds funded by Authority	<u>22,810,000</u>	<u>1,285,000</u>	<u>-</u>	<u>21,525,000</u>	<u>-</u>
Total Stadium debt	\$ <u>41,206,381</u>	<u>3,509,600</u>	<u>3,831,256</u>	<u>41,528,037</u>	<u>3,272,213</u>

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

### Public Parking Authority Revenue Bonds and Notes

One revenue bond issue with interest rates ranging from 5.0% to 5.875%, and six notes, three with no interest and one with a variable interest rate based on 65% of the prime lending rate and two with fixed rates ranging from 5.75% to 6.0%. The bonds and notes are payable from revenue from Parking Authority operations with some of the notes being paid directly by parking facilities lessees:

	<u>Principal</u>				
	Outstanding at September 30, <u>1997</u>	Bonds and notes paid during <u>1998</u>	Bonds and notes issued during <u>1998</u>	Outstanding at September 30, <u>1998</u>	<u>Interest</u>
1998	\$ 2,454,472	2,454,472	-	-	-
1999	2,585,858	-	-	2,585,858	3,016,457
2000	2,743,395	-	-	2,743,395	2,881,770
2001	2,840,784	-	-	2,840,784	2,735,401
2002	4,497,793	-	-	4,497,793	2,490,580
2003	2,865,000	-	-	2,865,000	2,320,337
2004 - 2008	16,720,658	-	-	16,720,658	8,946,591
2009 - 2013	<u>21,907,250</u>	<u>-</u>	<u>-</u>	<u>21,907,250</u>	<u>3,364,170</u>
Subtotal	56,615,210	2,454,472	-	54,160,738	25,755,306
Less unamortized discount	<u>(1,199,854)</u>	<u>(79,990)</u>	<u>-</u>	<u>(1,119,864)</u>	<u>-</u>
Total Parking debt	\$ <u>55,415,356</u>	<u>2,374,482</u>	<u>-</u>	<u>53,040,874</u>	<u>25,755,306</u>

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

### Water and Sewer Authority Revenue Bonds

Four revenue bond issues with interest rates ranging from 5.0% to 5.31%, and one revenue refunding bond issue with interest rates ranging from 4.0% to 6.5%. The bonds are payable from revenue from Water and Sewer operations:

	Outstanding at December 31, <u>1997</u>	Bonds paid and premium amortized during <u>1998</u>	Principal Bonds issued, net and refunding loss amortized during <u>1998</u>	Outstanding at December 31, <u>1998</u>	Interest
1998	\$ 12,610,000	12,610,000	-	-	-
1999	12,990,000	4,105,000	-	8,885,000	22,871,616
2000	13,520,000	4,275,000	-	9,245,000	22,516,216
2001	14,520,000	4,885,000	-	9,635,000	22,123,303
2002	15,385,000	5,320,000	-	10,065,000	21,699,364
2003	16,070,000	5,565,000	-	10,505,000	21,246,439
2004 – 2008	90,330,000	29,855,000	-	60,475,000	98,330,037
2009 – 2013	102,720,000	25,075,000	-	77,645,000	81,155,105
2014 – 2018	93,815,000	32,795,000	40,845,000	101,865,000	59,872,214
2019 – 2023	51,205,000	43,135,000	119,320,000	127,390,000	39,484,479
2024 – 2028	29,190,000	29,190,000	154,850,000	154,850,000	84,985,110
2029 – 2030	-	-	46,415,000	46,415,000	37,570,538
Subtotal	452,355,000	196,810,000	361,430,000	616,975,000	511,854,421
Plus net bond premium	(1,781,000)	(81,000)	(1,655,000)	(3,355,000)	-
Less unamortized discount on 1998 zero coupon bonds	-	-	(128,050,930)	(128,050,930)	-
Less deferred series 1991 refunding loss	(25,606,000)	-	2,578,000	(23,028,000)	-
Less deferred series 1998 refunding loss	-	-	(6,123,000)	(6,123,000)	-
Total debt	\$ <u>424,968,000</u>	<u>196,729,000</u>	<u>228,179,070</u>	<u>456,418,070</u>	<u>511,854,421</u>

### (A) Council and Public Election General Obligation Bonds

#### General Obligation Taxable Pension Bonds - Series of 1998 Series A, B and C

On March 1, 1998, the City issued \$255,865,000 of Taxable General Obligation Pension Bonds, Series 1998A, B and C with an average interest rate of 6.51%. These bonds consisted of serial bonds bearing various fixed rates ranging from 5.6% to 7.0% with maturities commencing on March 1, 1999, and continuing annually through March 2022.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

The net proceeds of the Series 1998A, B and C of \$253,519,607 (after underwriting fees and issuance costs of \$2,310,152 and \$35,271 which was deposited into the trust and agency pension escrow fund) were deposited to the City of Pittsburgh Municipal Pension Fund to reduce the unfunded actuarial accrued pension liability.

### General Obligation Refunding Bonds – Series of 1998 D and E

On October 15, 1998, the City issued \$129,490,000 of General Obligation Refunding Bonds, Series 1998D and \$18,355,000 of Taxable General Obligation Refunding Bonds, Series 1998E with an average interest rate of 5.01% to advance refund various series of bonds with an average interest rate of 6.02%. The bonds consisted of serial bonds bearing various fixed rates ranging from 4.0% to 5.25% with maturities commencing on September 1, 1996, and continuing annually through September 2024.

The net proceeds of \$150,128,800 (less issuance cost of \$857,671, plus original issue premium of \$3,148,793) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for future debt service payments on the refunded bonds. As a result, these bonds are considered to be defeased and the related liability for the bonds has been removed from the general long-term debt account group.

Principal payments refunded were:

<u>Issue/series</u>		<u>Rate</u>	<u>Amount</u>
1991	%	5.75 – 6.25	\$ 38,780,000
1992 B		5.10 – 5.25	4,190,000
1992 C		6.05	2,260,000
1992 D		6.00 – 6.125	44,540,000
1994 A		4.70 – 6.00	27,440,000
1995 A		4.10 – 4.30	1,120,000
1996 B		7.10	15,115,000
1997 A		4.25 – 5.00	<u>6,760,000</u>
			\$ <u>140,205,000</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

The City's advanced refunding decreased its total debt service payments over the next 25 years by \$8,138,025. The transaction resulted in an economic gain (difference between the present value of debt service on the old and new bonds) of approximately \$8,261,000.

In 1985 and 1998, the City defeased certain general obligations and other bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, neither the assets held in trust nor the refunded bonds appear in the accompanying financial statements. At December 31, 1998, bonds outstanding of \$161,825,000 refunded by the above mentioned issues are considered defeased.

(B) Auditorium Authority

In September 1994, the Authority issued \$3,370,000 Auditorium Bonds, 1994 Series A and \$10,250,000 Taxable Auditorium Bonds, Series 1994B, at an average interest rate of 7.42%. Under the Supporting Agreement included with the Bonds, the City and County have each unconditionally agreed to pay one half of the principal and interest on the Bonds as they become due and payable. The Series A Bonds consist of \$1,820,000 of serial bonds bearing various fixed interest rates ranging from 4.1% to 6.0% and \$1,550,000 of term bonds bearing interest rates ranging from 6.0% to 6.125%. The Series B bonds consist of \$5,740,000 of serial bonds bearing various fixed rates ranging from 5.95% to 8.35% and \$4,510,000 of term bonds bearing interest rates ranging from 8.6% to 8.75%. The Series A and B Bonds commenced payment on September 1, 1995, and continue annually through September 1, 2019.

The proceeds of the Series A Bonds are being used for capital improvements to the Civic Arena and to pay costs of issuing the bonds, and the proceeds of the Series B Bonds were used to reimburse Hockey Associates for improvements previously made at the Civic Arena and to pay costs of issuing the bonds.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

The 1981 Series C Auditorium Bonds have not been included in the City's general long-term debt account group for the year ended December 31, 1997. The City does not fully subsidize the bond issue, but according to the supporting agreement, in event of default, the payment of bonds is guaranteed by the City and the County.

In November 1991, the Authority issued \$15,920,000 of Auditorium Bonds 1991 Series A and \$6,245,000 of Auditorium Bonds 1991 Series B. Under the supportive agreement included with the Bonds, the City and County have each unconditionally agreed to pay one-half of the principal and interest on the Bonds as they become due and payable. The Series A Bonds have fixed interest rates ranging from 4.3% to 6.5%. The Series B Bonds have fixed rates ranging from 5.9% to 6.5%.

#### (C) Stadium Authority

In October 1993, the Authority issued \$15,945,000 Guaranteed Stadium Refunding Bonds, Series 1993 at an average interest rate of 4.43%. These serial bonds still outstanding bear various fixed interest rates ranging from 4.05% to 5.0% and mature annually through October 1, 2005.

On January 19, 1994, the Authority entered into a contract with a vendor for the purchase of a new scoreboard for \$4,373,000. The Authority agreed to pay \$500,000 upon substantial completion of the installation and signed a promissory note for the remaining \$3,873,000. A principal payment of \$387,300 together with interest accruing at the highest prime rate published by the Wall Street Journal on the first business day of the month of a payment, is due each year on the anniversary date of the initial payment of \$500,000.

On February 13, 1998, the Authority entered into a loan agreement with a bank for \$4,000,000 in connection with the purchase of property which is being held for future use. Interest is payable at a rate of 4.95%. The obligation is secured by a mortgage on the property and funds held in the Pledge Fund, as defined in the agreement, which was established with the bank to hold the funds received from the URA grant.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

(D) Pittsburgh Water and Sewer Authority

To finance its initial capital improvement program, the Authority issued Daily Adjustable Demand Water and Wastewater System Revenue Bonds of \$93,600,000 in 1984 ("1984 Bonds"). In 1985, the Authority issued Water and Wastewater System Adjustable Rate Tender Revenue Bonds ("1985 Bonds") that accomplished an advance refunding which defeased the 1984 Bonds. In 1986, the Authority issued \$134,700,000 Water and Wastewater System Adjustable Rate Tender Revenue Bonds ("1986 Bonds") to finance the next phase of its capital improvement program. In July 1991, the Authority issued \$248,329,000 Water and Wastewater System Revenue Refunding Bonds, Series A of 1991 ("1991 Bonds") which currently refunded all outstanding 1985 and 1986 Bonds.

In November 1993, the Authority issued \$278,970,000, Series A Refunding Bonds, ("Series A-1993 Bonds") and \$10,785,000 Series B Revenue Bonds ("Series B-1993 Bonds") to finance additional capital improvements. Series A-1993 Bond proceeds of \$276,613,000 (net of \$3,402,000 in underwriting fees, FGIC insurance and other issuance costs) defeased the Authority's 1991 Bonds through an advance refunding. The principal of defeased 1991 Bonds still outstanding at December 31, 1998, was \$252,760,000.

The Series A-1993 and Series B-1993 Bonds still outstanding bear interest at fixed rates ranging from 4.0% to 6.5%, payable semiannually at March 1 and September 1. The average effective interest rate on the 1993 Bonds, including amortization of original issue premium and excluding the 1991 refunding loss was approximately 5.07% for 1998.

The bonds are insured under a Municipal Bond New Issue Insurance Policy issued by FGIC. A portion of the 1993 Bonds are subject to optional and mandatory redemption in various face amounts beginning September 1, 2003.

Fair value of the 1993 Bonds at December 31, 1998, based on quoted market prices, is approximately \$278,000,000.

(Continued)



CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

In July 1995, the Authority issued \$89,850,000, Series A Bonds ("1995 Series A Bonds"), the proceeds of which are dedicated to a capital improvement program for the System and \$103,020,000, Series B Bonds ("1995 Series B Bonds") to fund certain obligations of the Authority to the City under the Capital Lease Agreement for the System. The average effective interest rate on the 1995 Bonds, including amortization of original issue premium/discount was approximately 5.31% for 1998.

In March 1998, the Authority issued \$93,355,000 Series A First Lien Revenue Bonds ("1998 Series A Bonds"), the proceeds of which were used to defease through an advance refunding the entire balance of 1995 Series A Bonds outstanding (\$89,850,000), \$36,440,000 Series B First Lien Revenue Bond ("1998 Series B Bonds"), the proceeds of which are dedicated to a capital improvements program and \$101,970,000 Series C Subordinate Revenue Bonds ("1998 Series C Bonds"), the proceeds of which were used to defease through an advance refunding the entire balance of the 1995 Series B Bonds outstanding (\$98,410,000). In connection with the advance refunding, a portion of the proceeds of the 1998 Bonds was deposited into an irrevocable trust with an escrow agent to provide for the future debt payments. The advance refunding resulted in an economic gain to the Authority of approximately \$7,500,000 and an increase to the debt service payments of approximately \$66,000,000. The unamortized deferred refunding loss of \$6,123,000 on the transaction is shown as a reduction of long term debt and will be amortized through 2028. At December 31, 1998, the principal of the defeased 1995 Bonds outstanding was \$184,200,000.

Fair value of the 1998 Bond at December 31, 1998, based on quoted market prices, is approximately \$246,000,000.

The 1998 Series A Bonds and 1998 Series C Bonds bear interest at fixed rates remaining from 5.0% to 5.25%, payable semiannually at March 1 and September 1. The average effective interest rate on the 1998 Bonds, including amortization of original issue discount and excluding the amortization of the 1995 refunding loss is approximately 5.5%. The 1998 Series B Bonds are capital appreciation bonds with an original issuance amount of \$36,440,000. The 1998 Series B Bonds have maturity values of \$2,300,000 to \$31,800,000 from 2017 to 2030. The bonds were issued to yield rates from 5.18% to 5.3%. The 1998 Series B Bonds accrue and compound interest on a semiannual basis and are carried at cost plus accrued interest. Total maturity value of the 1998 Series B Bonds is \$166,100,000.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

A portion of the 1993 Bonds are subject to optional and mandatory redemption in various face amounts beginning September 1, 2003. A portion of the 1998 Bonds are subject to optional redemption in various face amounts beginning March 1, 2008.

(E) Urban Redevelopment Authority of Pittsburgh (URA)

Between 1994 and 1996, the following financings occurred in cooperation with the URA. These financings have been determined to be conduit debt obligations of the URA since they are limited obligations of the URA issued for the purpose of providing capital financing for third party projects.

The bond issuances discussed below in (1), (2), (3) and (5) are classified as self-supporting bonds payable in the general long-term debt account group as of December 31, 1996, since repayment of principal and interest is dependent solely from available tax increments or Allegheny Regional Asset District revenues. The bond issuances discussed in (2), (3) and (5) are not backed by the full faith and credit of the City.

(1) Urban Redevelopment Authority of Pittsburgh (URA) Guaranteed Tax Increment Financing Bonds - Series 1994A

In March 1994, the URA issued \$5,510,000 of Guaranteed Tax Increment Financing Bonds (TIF) 1994A with an average interest rate of 6.59%. The City's share of these bonds was \$2,085,535. The remaining bonds outstanding bear interest at rates ranging from 5.5% to 7.2%.

The net proceeds of \$5,443,164 were used to finance the construction of a parking facility at the Pittsburgh Technology Center - a high tech research park which is being redeveloped on a former steel mill site.

In February 1994, the City executed a guarantee agreement with the URA, whereby the City's full faith and credit were unilaterally pledged to guarantee the debt service payments related to the URA's \$5,510,000 TIF.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

Under separately executed agreements with the City, County and Pittsburgh School District, each entity has pledged its entire share of all new real estate taxes generated by the newly approved tax increment district. The bonds are considered to be self-supporting based upon the pledged incremental taxes, tenant lease agreements and other related agreements. Currently, agreements have been executed with Union Switch and Signal, which has built a multi-million dollar research facility on the site; and the other key participants: the University of Pittsburgh (Pitt) and Carnegie-Mellon University (CMU), both of which have signed municipal service agreements. Both Pitt and CMU have built research facilities on the site in the last few years. Union Switch and Signal has entered into separate agreements not to challenge the tax assessment on its new facility for as long as the bonds are outstanding.

The guarantee agreement calls for the City to make debt service payments in the event that current revenues generated under these agreements are insufficient to make required debt service payments. The bond agreement calls for a debt service reserve fund equal to the highest year's debt service to be maintained. Average annual debt service is approximately \$560,000.

#### (2) Special Tax Development Bonds, Taxable Series of 1995A

Effective March 1, 1995, the City entered into a Cooperation Agreement (the Agreement) which allocates a portion of the City's Allegheny Regional Asset District revenues to pay the debt service on the Authority's Special Tax Development Bonds, Taxable Series of 1995 (Bonds), the proceeds of which were used to fund the Pittsburgh Development Fund.

The Agreement irrevocably assigns to the URA the right to receive (a) the first \$6,200,000 of the City's allocation of Allegheny Regional Asset District revenues for each of the ten years beginning March 1, 1995, and (b) the first \$7,500,000 of the City's allocation of Regional Asset District revenues for each of the ten years beginning March 1, 2005.

These bonds are not guaranteed by the full faith and credit of the City. These bonds are all insured by a municipal bond insurer.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

### Notes to General Purpose Financial Statements, Continued

The proceeds of the Bonds, issued February 1, 1995, in the amount of \$61,390,000, were used to create the Pittsburgh Development Fund, along with satisfying certain bond issuance expenses. The Bonds, with maturities occurring in 1996 through 2014, are limited obligations of the URA and are payable solely from the City's portion of the Allegheny Regional Asset District tax revenues and irrevocably allocated to the URA. The Pittsburgh Development Fund is an economic development fund administered by the URA for targeted and strategic developments which meet the following broad development objectives: business attraction; expansion and retention; land procurement and development and loans to and investment in certain projects. The Pittsburgh Development Fund will also consider providing venture capital to promising upstart companies in order to encourage economic development within the City and will utilize the existing knowledge base of existing venture firms in the region.

(3) Urban Redevelopment Authority of Pittsburgh (URA) Redevelopment Bonds Series 1995 A and B (Center Triangle Tax Increment Financing District)

In December 1995, the URA issued \$7,545,000 of Redevelopment Bonds, Series A of 1995 and \$4,325,000 of Redevelopment Bonds, Series B of 1995 (collectively, the Bonds). The City's share of these bonds was \$2,855,787 and \$1,637,016, respectively. The Series A Bonds consist of serial bonds bearing various fixed interest rates ranging from 5.125% of 6% with maturities commencing on June 1, 2000, through December 1, 2011. The Series B Bonds consist of serial bonds bearing various fixed interest rates ranging from 5.75% and 6.25% with maturities on March 15, 2006, and March 15, 2015.

The Bonds' proceeds, together with other funds, will be used primarily to fund costs associated with the construction of a subsurface public parking garage to be located in an approximately twelve block area in the central business district of the City (the TIF District) and to pay bond issuance costs. Other public and private moneys will finance certain costs of significant redevelopment efforts within the TIF District, including renovation of a major downtown building from a department store to a mixed-use office/retail facility and the construction of a new four-story Lazarus department store to be built above the parking garage.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Under a Tax Increment Financing Cooperation Agreement (the TIF Agreement) with the City, County and the School District of Pittsburgh, each entity has agreed to assign its respective rights to the incremental taxes derived from the TIF District to the URA for the term of the bonds. The difference in the amount of real estate taxes attributable to certain property within the TIF District prior to and subsequent to the development constitutes the "increment" that will be available to pay debt service on the Bonds.

The Series A Bonds are limited obligations of the URA, payable solely from the revenues pledged under the Series A Bond Indenture, which include monies received (a) under the TIF Agreement, (b) from the developer under a Minimum Payment Agreement, (c) from the principal tenant of the Penn Avenue Place Building, (d) from payments made by PNC Bank under a Letter of Credit and (e) from funds and securities held by the Trustee under the Series A Bonds Indenture.

The Series B Bonds are limited obligations of the URA, payable solely from the revenues pledged under the Series B Bonds Indenture, which include monies received (a) under the TIF Agreement, (b) from the owner and operator of Lazarus, (c) pursuant to a Guaranty of Minimum Payment Agreement from Federated Department Stores, Inc., Lazarus' parent company, (d) from payments made by PNC Bank under a letter of credit, and (e) from funds and securities held by the Trustee under the Series B Bonds Indenture.

The bonds are not guaranteed by the full faith and credit of the City.

In the event that real estate tax revenues generated under the TIF Agreements are insufficient at any time to pay debt service on the bonds, the respective parties under the Minimum Payment Agreements have agreed to make payments sufficient to remedy such shortfalls. Amounts payable under the Minimum Payment Agreements correspond to debt service requirements on the respective Bonds. Pursuant to the Tenant Agreement, each tenant has agreed to guarantee the full and punctual payment when due of all obligations.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

(4) Urban Redevelopment Authority of Pittsburgh Taxable Guaranteed Revenue Bonds - Series 1994B

In June 1994, the URA issued \$8,245,000 of Taxable Guaranteed Revenue Bonds, Series 1994B with an average interest rate of 7.48%. The remaining bonds outstanding bear various fixed rates ranging from 7.4% to 8.0%.

The net bond proceeds of \$8,183,162 were used to fund the Business Reinvestment fund to provide a working capital loan to Pittsburgh Baseball, Inc. as the sole general partner of Pittsburgh Associates. The loan was given to them over a period of years. As of December 31, 1998, the full amount of the bond proceeds has been given to Pittsburgh Baseball Inc.

The URA, the City of Pittsburgh and the trustee have entered into a Cooperation and Guaranty Agreement under which the payment of the principal and interest on the Bonds is paid and guaranteed when due by the City. Pursuant to the Agreement, the full faith, credit and taxing power of the City is pledged for the payment of the principal and interest.

(5) Urban Redevelopment Authority of Pittsburgh (URA) Taxable Redevelopment Bonds (North Shore Tax Increment Financing District - ALCOA Project), Series of 1996

In May 1996, the URA issued \$8,415,000 of Redevelopment Bonds, Series of 1996 with an average interest rate of 7.63%. The City's share of these bonds was \$3,129,187. The remaining bonds outstanding bear various fixed interest rates ranging from 6.5% to 8.01% with maturities continuing annually through June 2015.

The proceeds from the sale of the bonds, along with other funds, will be used to fund costs associated with the construction of a new office building to house the corporate headquarters of the Aluminum Company of America, to finance certain other improvements in the TIF District, capitalize interest on the bonds and to pay certain costs of issuing the bonds.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

The bonds are limited obligations of the URA, payable solely from the revenues pledged under the Indenture, which include monies received (a) under the Tax Increment Financing Cooperation Agreement (the TIF Agreement), (b) under a Minimum Payment Agreement between the Aluminum Company of America and the URA and (c) from funds and securities held by the Trustee under the Indenture. The bonds are not obligations of the Commonwealth of Pennsylvania or any political subdivision of the Commonwealth including the City of Pittsburgh.

Under the TIF Agreement with the City, County of Allegheny and the School District of Pittsburgh, each entity has agreed to assign its respective rights to the incremental taxes derived from the TIF District to the URA for the term of the bonds. The difference in the amount of real estate taxes attributable to certain property within the TIF District prior to and subsequent to the development constitutes the "increment" that will be available to pay debt service on the bonds.

(F) Urban Redevelopment Authority of Pittsburgh (URA)

The Urban Redevelopment Authority of Pittsburgh (URA) has various bonds and loans which are the obligation of the URA and are not guaranteed or financed by the City of Pittsburgh. The proceeds of these bonds and notes are used to provide mortgages, loans or grants to individuals or companies within the City of Pittsburgh to be used for urban redevelopment. The bonds and loans are payable from repayment of mortgages and loans and from other revenue and grants received by the URA. Further description of the various bonds and loans can be found in the general purpose financial statements issued by the URA.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

(G) Other Long-Term Obligations

The following is a summary of transactions affecting all other long-term obligations to the City during 1998:

	<u>Deferred Loan</u>	<u>Accrued Pension Costs</u>	<u>Accrued Workers' Compensation</u>	<u>Accrued Compensated Absences</u>	<u>Accrued Claims and Judgments</u>
Balance, January 1, 1998	\$ 3,834,000	188,380,000	101,555,000	31,929,000	8,950,000
Additions	-	-	31,460,000	10,129,000	3,209,000
Reductions	-	(188,380,000)	(17,066,000)	(14,084,000)	(1,837,000)
Balance, December 31, 1998	3,834,000	-	115,949,000	27,974,000	10,322,000
Less amounts accrued currently in:					
General Fund	-	-	(16,087,000)	(13,520,000)	(2,172,000)
Capital Projects Fund	-	-	-	-	-
Long-term portion, December 31, 1998	\$ <u>3,834,000</u>	<u>-</u>	<u>99,862,000</u>	<u>14,454,000</u>	<u>8,150,000</u>

(11) Operating Leases

(A) The Stadium Authority has lease agreements with the Pittsburgh Associates (the "Associates"), Pittsburgh Steelers Sports, Inc. (the "Steelers"), the Allegheny Club and Alco Parking under terms of the Basic Agreement and various amendments to the agreement dated through February 14, 1996. Certain lease amendments were executed during fiscal year 1996.

The lease terms are for a 40-year period which began April 1, 1971, subject to certain termination provisions. Beginning April 30, 1997, based on certain provisions of the Steelers' lease agreement, the Steelers can terminate their lease with a two-year notice to the Authority. The leases contain provisions for fixed rentals and additional rentals based on various factors as specified in the lease agreements.

(Continued)



# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

Future minimum fixed rentals to be received by the Authority under the current terms of the leases including all amendments as of March 31, 1998, are as follows:

Year ending March 31,	
1999	\$ 1,853,733
2000	1,853,733
2001	1,853,733
2002	1,853,733
2003	1,853,733
Thereafter	14,829,864

Amounts above include \$401,500 per year and \$852,233 per year for fixed rent to be paid by the Associates and the Steelers under the terms of the baseball lease and football lease, respectively. Such leases can be terminated by the lessor upon the occurrence of certain events.

On March 23, 1989, the Authority entered into an agreement with the Commonwealth of Pennsylvania (the "Commonwealth") to lease certain property near the Stadium Complex to be used for public parking. The term of the lease is 21 years and is renewable for four additional ten-year periods. The Authority expensed \$93,600 and \$101,600 related to this agreement for the years ended March 31, 1998 and 1997, respectively.

### (12) Due From Other Governments

The City receives funds from various government agencies as reimbursements for their share of City projects and as grants for City programs. The following amounts, as described below, are due from other governments at December 31, 1998:

General fund:	
Commonwealth of Pennsylvania	\$ 498,837
Allegheny County Information Systems	74,068
Regional Asset District	<u>3,092,074</u>
	3,664,979
Special revenue:	
Commonwealth of Pennsylvania	336,712
Job Training Partnership Program	393,205
Housing and Urban Development	3,152,550
Allegheny County - Public Safety	<u>372,785</u>
	4,255,252

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Capital projects:

Commonwealth of Pennsylvania - Highway Funds	\$ 44,230
Federal Government - Highway Funds	443,354
Pittsburgh Water & Sewer Authority - design and inspection fees	<u>110,588</u>
	<u>598,172</u>

Total due from other governments \$ 8,518,403

(13) Interfund Receivable and Payable Balances

	<u>Receivables</u>	<u>Payables</u>
General fund	\$ 6,182,975	543,190
Special revenue funds:		
Equipment Leasing Authority	597,278	-
JTPA	307,192	1,329,815
Public safety	-	100,000
Community development	97,828	2,633,729
Civic and cultural	<u>120,000</u>	<u>664,659</u>
Total special revenue funds	1,122,298	4,728,203
Capital projects funds:		
Engineering and construction	4,992,040	129,173
Public works	918,029	-
Urban Redevelopment	-	2,000,000
Other	<u>536,083</u>	<u>597,278</u>
Total capital projects funds	6,446,152	2,726,451
Trust funds:		
Gifts and donations	86,000	154,764
Parks endowments	-	46,951
Workers' compensation	-	4,992,040
Pension:		
Comprehensive board	-	178,527
Agency funds:		
Payroll withholding	-	852,014
Deposits	-	200
Other	<u>445,362</u>	<u>60,447</u>
Total trust and agency funds	<u>531,362</u>	<u>6,284,943</u>
Total	\$ <u>14,282,787</u>	<u>14,282,787</u>

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

VICKI In addition, the Parking Authority has a \$645,711 payable to the general fund, with no corresponding receivable reported by the general fund. This difference is due to timing as the Parking Authority's fiscal year end is September 30, 1998.

### (14) Operating Transfers

Transfers between primary government funds:

	<u>Transfers in</u>	<u>Transfers out</u>
General fund	\$ -	65,317,151
Special revenue funds:		
Equipment leasing	3,549,231	-
JTPA	165,310	-
Public safety	1,420,053	379,000
Community development	-	150,000
Civic and cultural	<u>1,102,350</u>	<u>-</u>
Total special revenue funds	6,236,944	529,000
Debt service funds:		
General obligation	<u>54,821,507</u>	<u>-</u>
Total debt service funds	54,821,507	-
Capital projects funds:		
Engineering and construction	134,992	-
Other	<u>-</u>	<u>3,120,231</u>
Total capital projects	134,992	3,120,231
Trust funds:		
Gifts and donations	583,382	-
Worker's compensation	441,620	-
Pension escrow	<u>6,747,937</u>	<u>-</u>
Total trust funds	<u>7,772,939</u>	<u>-</u>
Total transfers between primary government funds	\$ <u>68,966,382</u>	<u>68,966,382</u>

Include Residual Equity Transfers (Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

Transfers between primary government and discretely presented component units:

	<u>Transfers in</u>	<u>Transfers out</u>
Debt service fund	\$ <u>3,260,000</u>	<u>      -</u>
Total transfers between primary government and discretely presented components units	\$ <u>3,260,000</u>	<u>      -</u>

\* Transfers out of \$3,260,000 shown as reduction in notes payable of the Stadium Authority.

(15) Contributed Capital

Contributed capital of \$5,277,000 in the Water and Sewer Authority represents the net accounts receivable balance transferred from the Water Fund on May 1, 1984, the inception of Water and Sewer Authority operations.

As of March 31, 1998, contributed capital for the Stadium Authority amounted to \$26,458,290. The beginning balance of capital contributions consisted of contributions in support of construction of additional seating, new lounge boxes, handicapped facilities and a pedestrian ramp walkway and a \$3,199,088 contribution from the City resulting from an agreement between the City and the Authority related to a restructuring of the Authority's Series of 1985 Bonds. Fiscal year additions were \$13,500,002 contributed by the URA related to Strategy 21 projects and \$127,314 of other contributions for additions to the Stadium complex.

As of December 31, 1998, the URA has contributed capital of \$6,674,112. Grants, entitlements or shared revenues received for the acquisition or construction of capital assets are recorded as contributed capital in the proprietary funds. Depreciation of capital assets financed by grants, entitlements or shared revenues is not recorded against contributed capital by the URA.

As of September 30, 1998, contributed capital for the Parking Authority amounted to \$5,708,436. This number consisted of capital grants received.

No change occurred in the contributed capital figures for the Water and Sewer Authority or the Parking Authority. The Stadium Authority and the URA had contributed capital increases of \$13,627,316 and \$4,602,339, respectively.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

*pm*

### (16) Segment Information

The City and its component units maintain Enterprise Funds which provide water services, operate the stadium complex and operate parking facilities and acquire, clear and rebuild blighted property. Segment information for their respective year ends are as follows:

	Discrete Component Units				
	PWSA	Stadium	URA	Parking	
	December 31,	Authority	December 31,	Authority	
	1998	March 31,	1998	September 30,	
		1998		1998	Total
		(in thousands)			
Operating revenues	\$ <u>54,836</u>	<u>6,132</u>	<u>15,010</u>	<u>22,624</u>	<u>98,602</u>
Depreciation and amortization	\$ <u>9,149</u>	<u>2,941</u>	<u>2,024</u>	<u>3,374</u>	<u>17,488</u>
Operating income (loss)	\$ <u>19,790</u>	<u>(6,791)</u>	<u>6,754</u>	<u>5,708</u>	<u>25,461</u>
Net income (loss)	\$ <u>1,572</u>	<u>3,209</u>	<u>15,983</u>	<u>2,418</u>	<u>23,182</u>
Property, plant and equipment additions	\$ <u>16,428</u>	<u>3,880</u>	<u>33,141</u>	<u>1,109</u>	<u>54,558</u>
Net working capital	\$ <u>49,213</u>	<u>8,260</u>	<u>358,964</u>	<u>(155)</u>	<u>416,282</u>
Total assets	\$ <u>487,435</u>	<u>64,579</u>	<u>637,095</u>	<u>96,002</u>	<u>1,285,111</u>
Bonds and other long-term liabilities, net	\$ <u>476,884</u>	<u>58,725</u>	<u>308,484</u>	<u>50,545</u>	<u>894,638</u>
Equity (deficit):					
Contributed capital	5,277	26,458	6,674	5,708	44,117
Retained earnings (deficit)	<u>(1,627)</u>	<u>(31,391)</u>	<u>117,344</u>	<u>32,899</u>	<u>117,225</u>
Total equity (deficit)	\$ <u>3,650</u>	<u>(4,933)</u>	<u>124,018</u>	<u>38,607</u>	<u>161,342</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

~~11/1/98~~ PMM  
(17) Fund Deficits

Stadium and Water and Sewer Authorities Deficits

ME  
The deficit of the Water and Sewer Authority is expected to be eliminated through the rate setting process. The operating deficit of the Stadium Authority will be subsidized through future general fund appropriations and revenues from the Regional Asset District. No other individual funds had deficits in 1998.

(18) Related Party Transactions

- (A) Under the terms of agreements dated July 1, 1965, December 1, 1985, and April 1, 1986, the City of Pittsburgh agreed to make annual grants to the Stadium Authority for the excess of the aggregate cost of operation and maintenance of the stadium complex and debt service on the stadium bonds over the total funds available to the Stadium Authority for those purposes. The Stadium Authority is required to repay these grants to the extent that its revenues are not required for operation and maintenance of the stadium complex and debt service on the stadium bonds.
- (B) The URA, acting as the City's agent under a 1981 cooperation agreement, made two loans from prior years' Urban Redevelopment Action Grant (UDAG) funds to a development company to assist in the construction of Parkway Center Mall in the City's West End, which was completed in November 1982. Neither of these loans are reflected as a receivable in the City's financial statements due to the contingent nature of repayments and unspecified terms when the loans were made.

The first loan of \$2,000,000 was made under an agreement dated October 30, 1981, as amended April 22, 1982, and April 2, 1984, the purpose of which was to assist in the construction costs of the mall; repayments are contingent upon positive cash flows and other factors. The loan, which has a 27-year term with varying interest rates, is to be repaid to the City by the URA at the City's discretion. The balance of the receivable from the URA, should the City continue to exercise its option, at December 31, 1998, was \$1,412,480.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

The second loan of \$6,819,972, was made under an agreement dated April 2, 1984, for the construction of highway ramps to connect the mall with I-279. This loan agreement was amended on July 13, 1992. Repayment of the loan was to commence on June 1, 1992. The term of the loan is 30 years with varying fixed interest rates. In 1998, the URA received payments of \$120,073. This left a balance including accrued interest of \$5,937,066 at December 31, 1998.

ME

### (19) Construction and Other Significant Commitments

As of December 31, 1998, the City had the following commitments with respect to unfinished capital projects:

<u>Capital project</u>	<u>Remaining construction commitment</u>	<u>Expected date of completion</u>
Fifth Avenue - Phase Two	\$ 614,877	April 1999
Schenley Park Bridge	3,988,902	September 1999
South 30 <sup>th</sup> Street	222,500	July 1999
Wendon Street Wall	144,887	March 1999
Wood Street	<u>3,401,472</u>	November 1999
Total	\$ <u>8,372,638</u>	

from

### (20) Regional Asset District Revenues

In December 1993, the Commonwealth of Pennsylvania legislature approved Act 77 of 1993 authorizing the creation of the Allegheny Regional Asset District (Regional Asset District) by Allegheny County. The Regional Asset District is a special purpose district whose primary purpose is to provide support and financing for regional community assets that were historically funded by the City, County or local municipalities. These community assets include regional parks of the City and County, Municipal Libraries, the Pittsburgh Zoo, the Pittsburgh Aviary, Phipps Conservatory, Three Rivers Stadium and community cultural facilities.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

PMM  
The City has irrevocably allocated/pledged a portion of its future Regional Asset District revenues to the Urban Redevelopment Authority of Pittsburgh for the establishment of the Pittsburgh Development Fund (Pittsburgh Development Fund). As further discussed in note 10, the Pittsburgh Development Fund is an economic development fund that will be used for making loans to and investments in certain projects located within the City. The amounts are pledged for the next twenty years with \$6,200,000 annually allocated for the first ten years and \$7,500,000 annually thereafter.

(21) Contingencies

The City has been named as a defendant in a number of lawsuits arising in the ordinary course of its operations against which the City is not insured. In the opinion of the City Solicitor, adequate accrual has been made in the financial statements for such lawsuits.

There are currently a number of real estate appeals in process for which the outcome and possible further reduction in the real estate tax levy cannot be determined at this time.

During 1996, a suit was brought against the City seeking a refund of personal property tax collected because the tax that had been collected is alleged to be unconstitutional. The City cannot determine the outcome of this claim or related claims at this time.

The City receives federal and state grants under a number of programs. The expenditures of the City under such programs are subject to audit and possible disallowance. Historically, such audits have not resulted in significant disallowances of program costs, and City management believes that audits of existing programs will not result in significant liability to the City.

(Continued)



# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

Consequently, no provision for losses has been recorded in the accompanying financial statements for the legal action discussed in the preceding paragraphs.

### (22) Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The risk of loss to which the City is exposed for the above mentioned items is handled through various insurance coverages. As of December 31, 1998, there were no settlements exceeding coverage for the past three years. The City also covers certain claim settlements and judgments from its General and Capital Projects Fund resources due to the prohibitive cost of carrying certain commercial insurance. The City currently reports all risk management activities out of its General and Capital Projects Funds. Claims liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Provisions are recorded in the General and Capital Projects Fund for amounts payable from available spendable financial resources. Amounts not payable currently are reported in the general long-term debt account group; as noncurrent amounts mature, they are liquidated from General Fund resources.

Changes in the accrued claims and judgments liability during the years ended December 31, 1998 and 1997, were as follows:

	<u>1998</u>	<u>1997</u>
Accrued claims and judgments, January 1	\$ 8,950,000	12,800,000
Current year claims and changes		
in estimates	3,209,000	52,209
Claim payments	(1,837,000)	(3,902,209)
Accrued claims and judgments, December 31	\$ <u>10,322,000</u>	<u>8,950,000</u>

These funds are subject to potential losses in excess of the amount recorded at year end; it is unlikely that the amount for such potential losses would be material.

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements, Continued

Also, the City is fully self-insured for purposes of workers' compensation benefits. These amounts were calculated by actuaries, based on industry standards and utilizing discount rates ranging between 5% and 6.3%. A self-insurance reserve is maintained, due to a legal requirement under self-insurance regulations of the State of Pennsylvania, in an expendable trust fund. However, no risk financing activity is recorded in this fund which can only be used by the State of Pennsylvania in the event of default by the City. All risk financing activity is recorded in the general fund.

Changes in the accrued workers' compensation liability during the years ended December 31, 1998 and 1997, are as follows:

	<u>1998</u>	<u>1997</u>
Accrued workers' compensation, January 1	\$ 101,555,000	99,880,000
Current year claims and changes in estimates	31,460,000	21,353,000
Claim payments	<u>(17,066,000)</u>	<u>(19,678,000)</u>
Accrued workers' compensation, December 31	\$ <u>115,949,000</u>	<u>101,555,000</u>

### (23) Subsequent Events

On May 1, 1999, the Auditorium Authority of Pittsburgh and Allegheny County issued \$176,625,000 of Regional Asset District Sales Tax Revenue Bonds, Series of 1999 and \$193,375,000 of Hotel Room Excise Tax Revenue Bonds, Series of 1999. The bonds are limited obligations of the Authority payable solely from the trust estate pledged under the indenture, including for the Regional Asset District Sales Tax Revenue Bonds that portion of the Regional Asset District sales tax revenues which, in accordance with the cooperation and intercept agreements, has been transferred and assigned by the Regional Asset District to the Authority and pledged by the Authority to the trustee, together with certain funds held under the indenture and earnings thereon and for the Hotel Room Excise Tax Revenue Bonds that portion of the Hotel Room excise tax revenues which, under and pursuant to the acknowledgement and support agreement, has been collected by the County and paid and distributed to the trustee, as assignee of the Authority, together with certain funds held under the indenture and earnings thereon. Neither the credit nor the taxing power of the County, City State or any political subdivision, agency or instrumentality thereof is pledged for the payment of the bonds. The proceeds of the bond will be used to provide funds for a portion of the cost of acquisition and construction of a new 38,000 seat stadium for the Pittsburgh Pirates baseball team and a 66,000 seat stadium for the Pittsburgh Steelers football team. The remainder of the cost will be funded from a variety of sources, including state and federal grants and private contributions.

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements, Continued

On May 6, 1999, a cooperation and support agreement by and among the Auditorium Authority, City, County, Stadium Authority and Allegheny Regional Asset District was made. The Auditorium Authority and the Stadium Authority shall continue to receive support from the Regional Asset District in the aggregate amounts of \$10,000,000 for the year 1999 (which is the same amount the Stadium Authority received in 1998) and \$13,400,000 yearly for years 2000 through 2030. The Stadium Authority will receive decreasing amounts of support through the year 2010 sufficient enough to payoff all bond obligations that they currently owe. The City will continue to receive their proportionate share of future RAD taxes.

1. Note \*25,000,000 - ME - interest rate
2. Real Taxes - Pest
3. Census -

## CITY OF PITTSBURGH, PENNSYLVANIA

## Required Supplementary Information

## Combined Pension Trust Funds

## Schedule of Funding Progress

(In Thousands)

SPM

Actuarial valuation date (January 1)	Pension plan	Actuarial value of plan assets	Actuarial accrued liability	Unfunded actuarial liability	Actuarial value of assets as a percentage of actuarial accrued liability	Annual covered payroll	Unfunded actuarial liability as a percentage of annual covered payroll
1996	Municipal	\$ 54,338	\$ 173,180	\$ 118,842	31.4	\$ 64,411	184.5
	Police	28,553	273,252	244,699	10.4	43,389	564.0
	Fire	<u>35,440</u>	<u>186,839</u>	<u>151,399</u>	19.0	<u>43,026</u>	351.9
	Total	\$ <u>118,331</u>	\$ <u>633,271</u>	\$ <u>514,940</u>	18.7	\$ <u>150,826</u>	341.4
1997	Municipal	\$ 72,083	\$ 175,776	\$ 103,693	41.0	\$ 65,600	158.1
	Police	37,880	277,346	239,466	13.7	45,690	524.1
	Fire	<u>47,012</u>	<u>196,773</u>	<u>149,761</u>	23.9	<u>43,977</u>	340.5
	Total	\$ <u>156,975</u>	\$ <u>649,895</u>	\$ <u>492,920</u>	24.2	\$ <u>155,267</u>	317.5
1998	Municipal	\$ 75,472	\$ 181,412	\$ 105,942	41.6	\$ 65,753	161.1
	Police	39,677	287,790	248,113	13.8	54,374	456.3
	Fire	<u>57,904</u>	<u>205,889</u>	<u>147,985</u>	28.1	<u>45,613</u>	324.4
	Total	\$ <u>173,053</u>	\$ <u>675,091</u>	\$ <u>502,040</u>	25.6	\$ <u>165,740</u>	302.9

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Pension Trust Funds

Note to Required Supplementary Information

For the Year Ended December 31, 1998

SAM

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>
Valuation date	1/1/98	1/1/98	1/1/98
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level percentage open	Level percentage open	Level percentage open
Remaining amortization period	40 years	40 years	40 years
Asset valuation method	Market related	Market related	Market related
Actuarial assumptions:			
Investment return	% 9.00	9.00	9.00
Projected salary increases	4.00	6.00	6.00
Cost-of-living adjustment	0.5	2.5	2.5

# CITY OF PITTSBURGH, PENNSYLVANIA

## GASB Required Year 2000 Supplemental Information

Year Ended December 31, 1999

### Year 2000 Issue

The Year 2000 issue is the result of shortcomings in many computerized applications that may adversely affect the City's operations in January 2000.

The City is attempting to ensure that its mission critical systems will be fully operational on and after January 1, 2000. Mission critical systems are defined as those that directly and substantially affect the health and safety of Pittsburgh citizens, threaten the delivery of essential City services, or significantly impact revenue-related matters.

The City has contacted each of its departments and authorities to identify applications critical to the operation of the City. The City has identified the following departments with computer applications requiring Year 2000 remediation.

<u>Department</u>	<u>Awareness</u>	<u>Assessment</u>	<u>Remediation</u>	<u>Validation/ testing</u>
BBI	Completed	Completed	In progress	In progress
City Clerk	Completed	Completed	In progress	In progress
City Council	Completed	Completed	In progress	In progress
City Information Systems	Completed	Completed	In progress	In progress
Civilian Police Review Board	Completed	Completed	In progress	In progress
Controller's Office	Completed	Completed	In progress	In progress
EMS	Completed	Completed	In progress	In progress
Engineering & Construction	Completed	Completed	In progress	In progress
EOC	Completed	Completed	In progress	In progress
Finance Department	Completed	Completed	In progress	In progress
Fire Bureau	Completed	Completed	In progress	In progress
General Services	Completed	Completed	In progress	In progress
Housing & Traffic Court	Completed	Completed	Completed	In progress
HRC	Completed	Completed	In progress	In progress
Law	Completed	Completed	Completed	In progress
Mayor's Office	Completed	Completed	In progress	In progress
Mayor's Service Center	Completed	Completed	In progress	In progress
OMI	Completed	Completed	Completed	In progress
OWMBE	Completed	Completed	In progress	In progress
Parks & Recreation	Completed	Completed	In progress	In progress
Pensions	Completed	Completed	In progress	In progress
Personnel/Civil Services	Completed	Completed	In progress	In progress

(Continued)

# CITY OF PITTSBURGH, PENNSYLVANIA

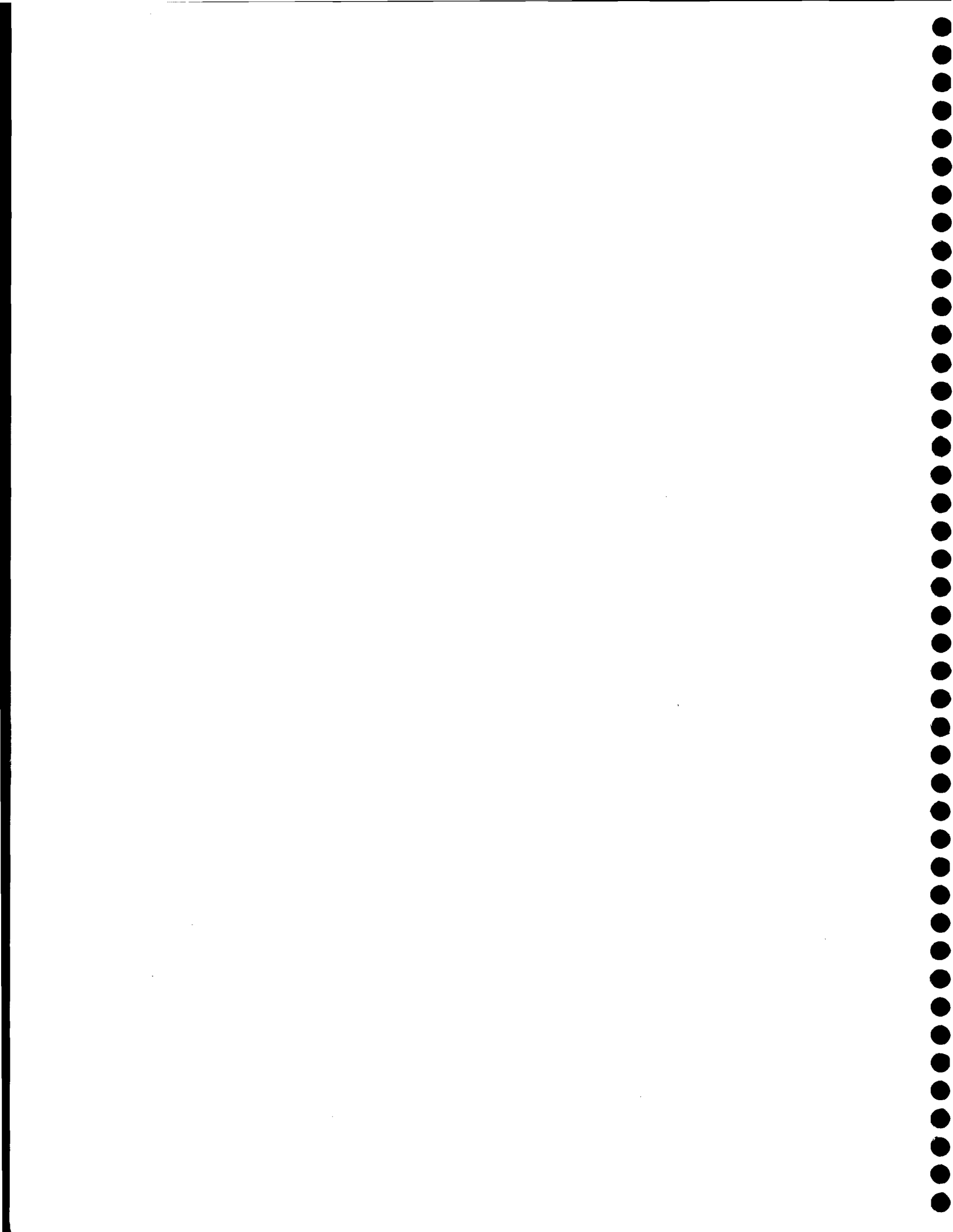
## GASB Required Year 2000 Supplemental Information, Continued

<u>Department</u>	<u>Awareness</u>	<u>Assessment</u>	<u>Remediation</u>	<u>Validation/ testing</u>
Planning	Completed	Completed	In progress	In progress
Police – Admin	Completed	Completed	In progress	In progress
Police – Auto Squad	Completed	Completed	Completed	In progress
Police – SDD	Completed	Completed	Completed	In progress
Police – Training Academy	Completed	Completed	Completed	In progress
Police – Warrant Office	Completed	Completed	Completed	In progress
Police – Zone 1	Completed	Completed	Completed	In progress
Police – Zone 2	Completed	Completed	Completed	In progress
Police – Zone 3	Completed	Completed	Completed	In progress
Police – Zone 4	Completed	Completed	Completed	In progress
Police – Zone 5	Completed	Completed	Completed	In progress
Police – Zone 6	Completed	Completed	Completed	In progress
Police – AAA Building	Completed	Completed	Completed	In progress
Public Works	Completed	Completed	In progress	In progress

Because of the unprecedented nature of the Year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the Year 2000 and thereafter. The City's management cannot assure that the City is Year 2000 ready, that remediation efforts will be successful in whole or in part or that parties with whom the City does business will be Year 2000 ready.

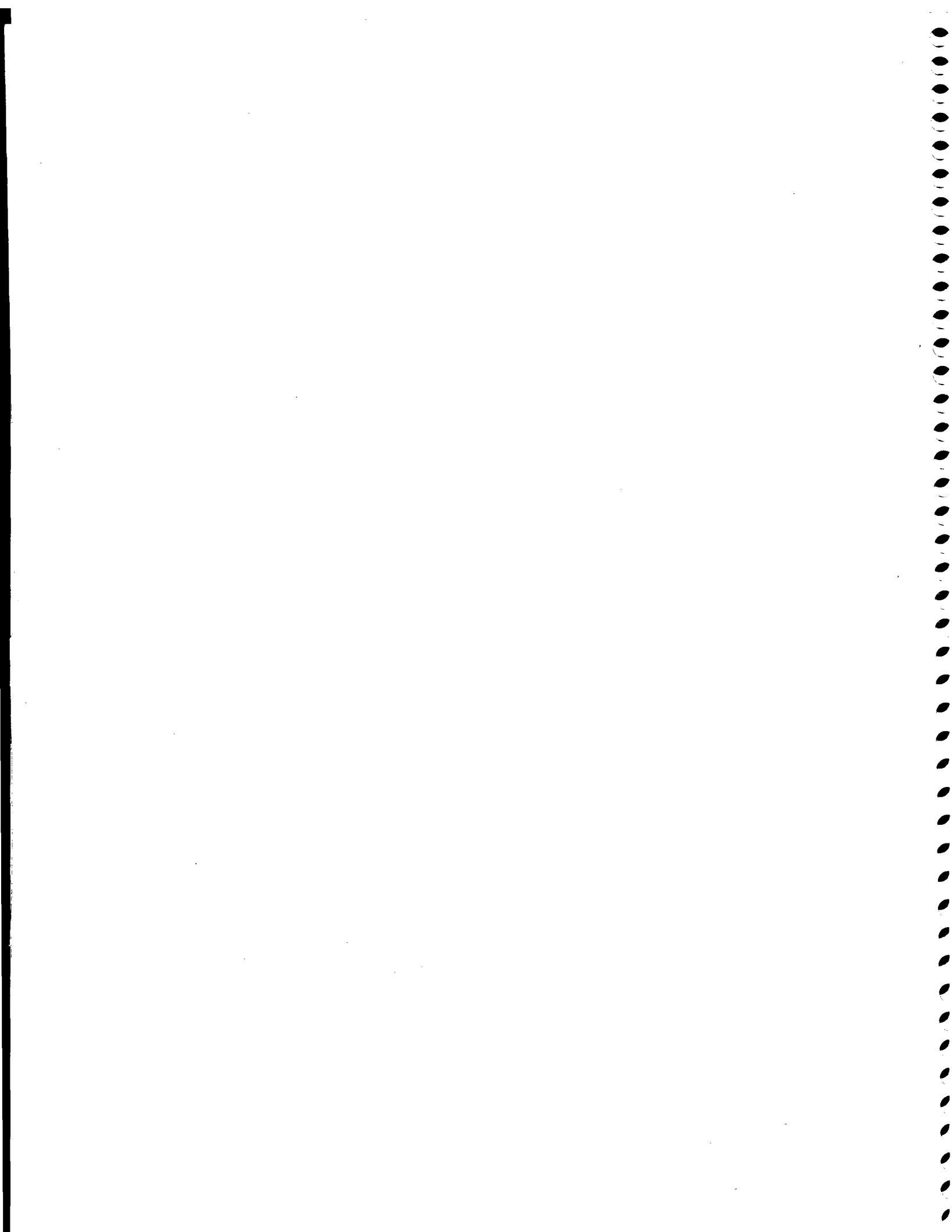
### Component Units – Year 2000 Issue

The authorities contacted by the City have informed the City that they have reviewed their Year 2000 critical applications and that they are focusing their efforts on their mission critical systems so they may be functional on and after January 1, 2000.





**COMBINING, INDIVIDUAL  
FUND AND INDIVIDUAL  
ACCOUNT GROUP  
FINANCIAL STATEMENTS**



## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 81,282,839	76,726,767
Receivables:		
Real estate taxes (net of allowance for uncollectible accounts of \$3,305,000 in 1998 and \$3,485,000 in 1997)	6,901,917	6,659,950
Taxpayer-assessed taxes receivable	5,856,933	5,737,383
Other (net of allowance for uncollectible accounts of \$-0- in 1998 and \$1,297,500 in 1997)	4,484,321	3,082,607
Receivable from PWSA	-	929,739
Accrued interest	340,144	406,709
Due from other funds	6,182,975	4,098,605
Due from other governments	<u>3,664,979</u>	<u>3,643,143</u>
Total assets	\$ <u>108,714,108</u>	<u>101,284,903</u>
<u>Liabilities and Fund Balance</u>		
Liabilities:		
Accounts payable	6,999,478	5,912,501
Accrued liabilities	6,988,856	6,637,976
Due to other funds	543,190	822,472
Due to other governments	3,853,062	6,872,249
Accrued workers' compensation	16,087,000	16,408,000
Accrued compensated absences	13,520,000	14,084,000
Accrued claims and judgments	2,172,000	1,550,000
Deferred revenue, principally real estate taxes	<u>6,494,673</u>	<u>5,743,500</u>
Total liabilities	56,658,259	58,030,698
Fund balance:		
Reserved:		
Encumbrances	3,260,000	1,776,972
Unreserved:		
Undesignated	<u>48,795,849</u>	<u>41,477,233</u>
Total fund balance	<u>52,055,849</u>	<u>43,254,205</u>
Total liabilities and fund balance	\$ <u>108,714,108</u>	<u>101,284,903</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Taxes, including penalty and interest	\$ 269,472,160	263,767,398
Payment in lieu of taxes	2,313,477	2,171,328
Interest and dividends	5,769,931	5,960,325
Fines and forfeits	8,030,527	7,350,459
Licenses and fees	6,995,376	11,171,146
Intergovernmental revenues	15,660,302	14,407,484
Pension state aid	14,632,095	14,159,321
Miscellaneous	<u>2,820,500</u>	<u>1,583,775</u>
Total revenues	325,694,368	320,571,236
Expenditures:		
Current operating:		
General government	32,226,279	33,603,963
Public safety	117,631,829	118,978,605
Public works	17,963,583	18,188,246
Sanitation	9,980,867	12,050,168
Community, recreational and cultural	3,606,740	4,632,616
Employee benefits	310,298,772	73,534,596
Claims and judgments	2,518,847	(3,254,607)
Miscellaneous	1,884,851	980,174
Debt service:		
Principal retirement of capital leases	-	1,047,770
Interest on capital leases	-	32,405
Bond issuance costs	1,526,878	-
Public Auditorium Authority subsidy	1,606,836	1,610,481
Urban Redevelopment Authority subsidy	<u>7,411,847</u>	<u>7,414,853</u>
Total expenditures	<u>506,657,329</u>	<u>268,819,270</u>
Excess of revenues over expenditures	(180,962,961)	51,751,966

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Comparative Statements of Revenues, Expenditures and Changes in Fund Balances, Continued

	<u>1998</u>	<u>1997</u>
Other financing sources (uses):		
Pension bond proceeds	\$ 255,081,756	-
Operating transfer from trust and agency	-	250,000
Operating transfer from special revenue	-	491,000
Operating transfer to special revenue	(2,687,713)	(3,286,905)
Operating transfer to debt service	(54,821,507)	(45,959,752)
Operating transfer to trust and agency	(7,672,939)	(520,718)
Operating transfer to capital projects	(134,992)	(4,174,656)
Capital lease proceeds – PWSA	-	<u>21,017,250</u>
Total other financing sources (uses)	<u>189,764,605</u>	<u>(32,183,781)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	8,801,644	19,568,185
Fund balance at beginning of year	<u>43,254,205</u>	<u>23,686,020</u>
Fund balance at end of year	\$ <u>52,055,849</u>	<u>43,254,205</u>

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances –  
Budget and Actual Data on the Budgetary Basis – General Fund

For the Fiscal Year Ended December 31, 1998

(Amounts Expressed in Thousands)

	1998		Variance
	Budget as	Actual	favorable
	amended		(unfavorable)
Revenues:			
Taxes, including penalty and interest	\$ 263,535	265,900	2,365
Interest earnings	4,720	5,843	1,123
Fines and forfeits	6,460	7,853	1,393
Licenses and fees	5,077	5,318	241
Intergovernmental	19,410	16,504	(2,906)
Miscellaneous	532	133	(399)
Provision of services, break even and joint operations	16,166	15,134	(1,032)
Total revenues	315,900	316,685	785
Expenditures:			
Current operating:			
General government	27,547	24,346	3,201
Public safety	116,577	109,258	7,319
Public works	36,928	35,511	1,417
Community, recreational and cultural	4,618	3,977	641
Employee benefits	75,970	72,164	3,806
Claims and judgments	1,911	1,837	74
Citizens Review Board	286	220	66
Utilities	8,156	7,625	531
Miscellaneous	5,130	4,615	515
Debt service:			
Debt service	46,513	46,495	18
Debt service subsidy	2,826	2,819	7
Bond issuance costs	1,562	1,527	35
Total expenditures	328,024	310,394	17,630
Excess (deficiency) of revenues over (under) expenditures	\$ (12,124)	6,291	18,415

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances –  
Budget and Actual Data on the Budgetary Basis – General Fund, Continued

	1998		Variance favorable (unfavorable)
	<u>Budget as amended</u>	<u>Actual</u>	
Excess (deficiency) of revenues over (under) expenditures	\$ <u>(12,124)</u>	6,291	<u>18,415</u>
Other financing sources (uses):			
Pension bond proceeds		253,520	
Contribution to pension fund		(253,520)	
Transfer to pension fund		(14,046)	
State pension aid		<u>14,046</u>	
Net other financing sources		<u>-</u>	
Excess of revenues and other financing sources over expenditures and other financing uses		6,291	
Fund balances – budgetary basis, beginning of year		<u>57,038</u>	
Fund balances – budgetary basis, end of year		63,329	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(13,784)	
Net effect of GAAP basis recognition of revenues		300	
Net effect of GAAP basis recognition of expenditures		2,211	
Net effect of GAAP basis recognition of other financing sources (uses)		<u>-</u>	
Fund balances – GAAP basis, end of year		\$ <u>52,056</u>	

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances –  
Budget and Actual Data on the Budgetary Basis – General Fund

For the Fiscal Year Ended December 31, 1997

(Amounts Expressed in Thousands)

	1997		Variance
	Budget as amended	Actual	favorable (unfavorable)
Revenues:			
Taxes, including penalty and interest	\$ 259,164	262,422	3,258
Interest earnings	3,500	5,790	2,290
Fines and forfeits	7,150	7,236	86
Licenses and fees	4,757	5,472	715
Intergovernmental	19,138	16,954	(2,184)
Miscellaneous	669	463	(206)
Provision of services, break even and joint operations	25,964	22,215	(3,749)
Total revenues	320,342	320,552	210
Expenditures:			
Current operating:			
General government	28,319	24,770	3,549
Public safety	114,870	109,254	5,616
Public works	41,427	38,222	3,205
Community, recreational and cultural	4,619	4,202	417
Employee benefits	76,111	76,028	83
Claims and judgments	1,901	1,329	572
Citizens Review Board	125	-	125
Utilities	7,752	7,743	9
Miscellaneous	4,553	3,902	651
Debt service:			
Debt service	45,679	45,649	30
Debt service subsidy	2,825	2,825	-
Transfers	4,175	4,175	-
Total expenditures	332,356	318,099	14,257

(Continued)



CITY OF PITTSBURGH, PENNSYLVANIA  
General Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances –  
Budget and Actual Data on the Budgetary Basis – General Fund, Continued

(Amounts Expressed in Thousands)

	<u>1997</u>		Variance
	<u>Budget as</u>	<u>Actual</u>	<u>favorable</u>
	<u>amended</u>		<u>(unfavorable)</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>(12,014)</u>	2,453	<u>14,467</u>
Other financing sources (uses):			
Capital lease obligation proceeds		14,006	
Transfer to pension fund		(14,159)	
State pension aid		<u>14,159</u>	
Net other financing sources		<u>14,006</u>	
Excess of revenues and other financing sources over expenditures and other financing uses		16,459	
Fund balances – budgetary basis, beginning of year		<u>40,579</u>	
Fund balances – budgetary basis, end of year		57,038	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(16,893)	
Net effect of GAAP basis recognition of revenues		2,947	
Net effect of GAAP basis recognition of expenditures		162	
Net effect of GAAP basis recognition of other financing sources (uses)		<u>-</u>	
Fund balances – GAAP basis, end of year		\$ <u>43,254</u>	

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Revenues Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1998

(Amounts Expressed in Thousands)

	<u>1998</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Taxes:			
Real estate	\$ 116,466	115,818	(648)
Non-profit payment for services	2,900	2,221	(679)
Mercantile	6,754	7,148	394
Amusement	6,758	5,823	(935)
Earned income	41,719	42,989	1,270
Deed transfer	6,319	7,979	1,660
Parking	28,372	28,408	36
Occupation privilege	3,128	3,203	75
Business privilege	36,237	35,904	(333)
Institution and service privilege	1,128	831	(297)
Public service	707	708	1
Penalties and interest	2,472	3,004	532
Act 77 – tax relief	<u>10,575</u>	<u>11,864</u>	<u>1,289</u>
Total taxes, including penalty and interest	263,535	265,900	2,365
Interest earnings	4,720	5,843	1,123
Fines and forfeits	6,460	7,853	1,393
Licenses and fees:			
Liquor and malt beverage	417	413	(4)
Business	55	63	8
General government	950	981	31
Rentals and charges	<u>3,655</u>	<u>3,861</u>	<u>206</u>
Total licenses and fees	5,077	5,318	241
Federal and state grants	7,119	4,598	(2,521)
Reimbursement, CDBG	1,595	1,242	(353)
Public Parking Authority	1,400	1,478	78
State Utility tax	3,200	3,090	(110)
Act 77 – operations	5,296	5,296	-
Act 77 – civic arena	800	800	-
Miscellaneous	532	133	(399)
Breakeven centers	6,970	4,760	(2,210)
Joint operations	183	100	(83)
Provision of services	<u>9,013</u>	<u>10,274</u>	<u>1,261</u>
Total revenues	\$ <u>315,900</u>	<u>316,685</u>	<u>785</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Revenues Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1997

(Amounts Expressed in Thousands)

		1997	
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Taxes:			
Real estate	\$ 122,875	123,423	548
Non-profit payment for services	3,200	2,246	(954)
Mercantile	6,672	6,789	117
Amusement	5,478	6,989	1,511
Earned income	38,893	39,242	349
Deed transfer	6,226	7,248	1,022
Parking	22,945	23,106	161
Occupation privilege	3,128	3,051	(77)
Business privilege	36,015	35,429	(586)
Institution and service privilege	875	1,097	222
Public service	688	703	15
Penalties and interest	2,472	2,380	(92)
Act 77 - tax relief	<u>9,697</u>	<u>10,719</u>	<u>1,022</u>
Total taxes, including penalty and interest	259,164	262,422	3,258
Interest earnings	3,500	5,790	2,290
Fines and forfeits	7,150	7,236	86
Licenses and fees:			
Liquor and malt beverage	435	416	(19)
Business	55	60	5
General government	1,134	925	(209)
Rentals and charges	<u>3,133</u>	<u>4,071</u>	<u>938</u>
Total licenses and fees	4,757	5,472	715
Federal and state grants	6,513	4,939	(1,574)
Reimbursement, CDBG	2,040	1,536	(504)
Public Parking Authority	1,400	1,400	-
State Utility tax	3,200	3,094	(106)
Act 77 - operations	5,185	5,185	-
Act 77 - civic arena	800	800	-
Miscellaneous	669	463	(206)
Breakeven centers	6,882	4,416	(2,466)
Joint operations	290	88	(202)
Provision of services	<u>18,792</u>	<u>17,711</u>	<u>(1,081)</u>
Total revenues	\$ <u>320,342</u>	<u>320,552</u>	<u>210</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1998

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating – General Government:			
City Council and City Clerk's Office:			
City Council:			
Salaries	\$ 1,205	1,147	58
Council service, supplies and equipment	16	14	2
Education and training	24	21	3
Miscellaneous services	<u>140</u>	<u>95</u>	<u>45</u>
Total City Council	1,385	1,277	108
City Clerk's Office:			
Salaries	546	475	71
Premium pay	5	1	4
Miscellaneous services	108	86	22
Supplies	11	10	1
Equipment	<u>10</u>	<u>5</u>	<u>5</u>
Total City Clerk's Office	<u>680</u>	<u>577</u>	<u>103</u>
Total City Council and City Clerk's Office	2,065	1,854	211
Mayor's Office:			
Office of the Mayor:			
Salaries	1,603	1,594	9
Premium pay	2	1	1
Miscellaneous services	40	39	1
Education and training	106	103	3
Supplies	31	28	3
Equipment	5	3	2
Rentals	<u>20</u>	<u>7</u>	<u>13</u>
Total Office of the Mayor	1,807	1,775	32

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating – General Government, continued:			
Mayor's Office, continued:			
City Information Systems:			
Salaries	\$ 1,980	1,878	102
Premium pay	36	25	11
Miscellaneous services	1,354	1,242	112
Education and travel expense	45	45	-
Supplies	252	248	4
Equipment	122	40	82
Rentals	777	777	-
Utilities	<u>819</u>	<u>814</u>	<u>5</u>
Total City Information Systems	<u>5,385</u>	<u>5,069</u>	<u>316</u>
Total Mayor's Office	7,192	6,844	348
Magistrates Court:			
Salaries	1,101	1,039	62
Premium pay	12	10	2
Miscellaneous services	18	11	7
Education and training	8	8	-
Supplies	11	7	4
Equipment	12	9	3
Rentals	<u>15</u>	<u>12</u>	<u>3</u>
Total Magistrates Court	1,177	1,096	81
Commission on Human Relations:			
Salaries	204	179	25
Premium pay	2	-	2
Miscellaneous services	51	20	31
Education and training	3	-	3
Equipment	<u>1</u>	<u>1</u>	<u>-</u>
Total Human Relations	261	200	61

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating – General Government, continued:			
Office of City Controller:			
Salaries	\$ 2,453	2,267	186
Premium pay	11	3	8
Miscellaneous services	131	102	29
Education and training	20	16	4
Supplies	16	13	3
Equipment	31	10	21
Rentals	13	-	13
Total Office of City Controller	2,675	2,411	264
Department of Finance:			
Salaries	2,288	2,072	216
Premium pay	36	34	2
Miscellaneous services	998	492	506
Education and training	45	32	13
Supplies	199	173	26
Materials	2	-	2
Equipment	17	13	4
Transfers	442	442	-
Repairs	2	1	1
Rentals	41	35	6
Total Department of Finance	4,070	3,294	776
Department of Law:			
Salaries	1,493	1,430	63
Premium pay	4	1	3
Miscellaneous services	1,200	609	591
Education and training	29	11	18
Supplies	32	14	18
Equipment	25	20	5
Rentals	28	-	28
Total Department of Law	2,811	2,085	726

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation <u>as amended</u>	<u>Expenditures</u>	Variance favorable <u>(unfavorable)</u>
Current Operating – General Government, continued:			
Department of Personnel and Civil			
Service Commission:			
Salaries	\$ 1,185	1,092	93
Premium pay	2	1	1
Miscellaneous services	461	134	327
Education and training	33	31	2
Supplies	32	19	13
Equipment	9	-	9
Rentals	39	18	21
Repairs and materials	<u>2</u>	<u>-</u>	<u>2</u>
Total Personnel and Civil			
Service Commission	1,763	1,295	468
Department of City Planning:			
Salaries	1,036	951	85
Premium pay	9	2	7
Miscellaneous services	70	68	2
Education and training	12	9	3
Supplies	26	19	7
Rentals	13	12	1
Repairs	1	1	-
Equipment	20	10	10
Grants	252	121	131
Utilities	<u>3</u>	<u>2</u>	<u>1</u>
Total Department of City			
Planning	1,442	1,195	247
Economic development – marketing	91	72	19
Support	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Total General Government	<u>27,547</u>	<u>24,346</u>	<u>3,201</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation <u>as amended</u>	<u>Expenditures</u>	Variance favorable <u>(unfavorable)</u>
Public Safety – Department of Public Safety:			
Bureau of Administration:			
Salaries and wages	\$ 558	526	32
Premium pay	6	5	1
Miscellaneous services	317	102	215
Education and training	7	3	4
Supplies and materials	12	1	11
Equipment	217	216	1
Repairs	1	1	-
Grants	46	20	26
Total Bureau of Administration	1,164	874	290
Bureau of Emergency Medical Services:			
Salaries	843	771	72
Premium pay	33	30	3
Miscellaneous services	92	21	71
Education and training	10	9	1
Transfers	1,162	800	362
Supplies and materials	239	196	43
Equipment	59	36	23
Repairs	48	43	5
Uniforms	73	60	13
Total Bureau of Emergency Medical Services	2,559	1,966	593
Bureau of Police:			
Salaries	54,903	51,996	2,907
Transfers	600	475	125
Premium pay	5,357	4,979	378
Miscellaneous services	435	286	149
Education and training	277	124	153
Supplies and materials	359	300	59
Equipment	304	74	230
Repairs	11	6	5
Rentals	282	149	133
Uniforms	1,093	1,049	44
Materials	3	-	3
Total Bureau of Police	63,624	59,438	4,186

(Continued)



## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Public Safety – Department of Public Safety, continued:			
Bureau of Fire:			
Salaries and wages	\$ 39,799	37,877	1,922
Premium pay	8,329	8,057	272
Miscellaneous services	82	70	12
Education and training	20	20	-
Supplies	169	162	7
Materials	15	-	15
Repairs	19	19	-
Equipment	49	32	17
Uniforms	745	743	2
Rentals	<u>3</u>	<u>-</u>	<u>3</u>
Total Bureau of Fire	<u>49,230</u>	<u>46,980</u>	<u>2,250</u>
Total Public Safety – Department of Public Safety	<u>116,577</u>	<u>109,258</u>	<u>7,319</u>
Department of General Services:			
Administration:			
Salaries	854	806	48
Premium pay	30	20	10
Miscellaneous services	203	349	(146)
Education and training	2	2	-
Supplies	24	20	4
Equipment	5	4	1
Repairs	2	2	-
Rentals	<u>425</u>	<u>454</u>	<u>(29)</u>
Total Administration	<u>1,545</u>	<u>1,657</u>	<u>(112)</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Department of General Services, continued			
Facilities Management:			
Salaries	\$ 2,180	2,070	110
Miscellaneous services	411	413	(2)
Supplies	24	25	(1)
Materials	126	102	24
Equipment	11	10	1
Uniforms	29	29	-
Repairs	13	13	-
Education and training	2	1	1
Premium pay	<u>67</u>	<u>41</u>	<u>26</u>
Total Facilities Management	2,863	2,704	159
Fleet Management:			
Salaries	2,652	2,522	130
Miscellaneous services	133	133	-
Education and training	2	2	-
Supplies	2,537	2,517	20
Materials	65	65	-
Equipment	412	390	22
Uniforms	47	47	-
Repairs	710	651	59
Rentals	13	13	-
Premium pay	197	181	16
Utilities	<u>-</u>	<u>24</u>	<u>(24)</u>
Total Fleet Management	<u>6,768</u>	<u>6,545</u>	<u>223</u>
Total General Services	<u>11,176</u>	<u>10,906</u>	<u>270</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation <u>as amended</u>	<u>Expenditures</u>	Variance favorable <u>(unfavorable)</u>
Public Works – Department of Public Works:			
Administration:			
Salaries	\$ 735	696	39
Premium pay	64	57	7
Miscellaneous services	905	894	11
Education and training	25	23	2
Supplies	14	13	1
Equipment	82	67	15
Rentals	24	19	5
Materials	2	-	2
Uniforms	<u>1</u>	<u>-</u>	<u>1</u>
Total Administration	1,852	1,769	83
Operations:			
Salaries	8,982	8,662	320
Miscellaneous services	438	433	5
Education and training	1	-	1
Supplies	102	99	3
Equipment	311	254	57
Uniforms	20	17	3
Materials	636	636	-
Repairs	481	440	41
Rentals	825	812	13
Premium pay	1,166	1,006	160
Utilities	<u>3</u>	<u>2</u>	<u>1</u>
Total Operations	12,965	12,361	604
Environmental Services:			
Salaries	6,891	6,502	389
Premium pay	627	569	58
Miscellaneous services	3,092	3,092	-
Supplies	97	93	4
Equipment	26	24	2
Uniforms	40	40	-
Materials	3	3	-
Rentals	<u>13</u>	<u>12</u>	<u>1</u>
Total Environmental Services	10,789	10,335	454

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Public Works -- Department of Public Works, continued:			
Department of Engineering and Construction:			
Supplies	\$ 9	5	4
Materials	1	-	1
Repairs	1	-	1
Transfers	<u>135</u>	<u>135</u>	<u>-</u>
Total Department of Engineering and Construction	<u>146</u>	<u>140</u>	<u>6</u>
Total Public Works	<u>25,752</u>	<u>24,605</u>	<u>1,147</u>
Community, Recreational and Cultural -- Department of Parks and Recreation:			
Administration:			
Salaries	1,974	1,877	97
Premium pay	72	62	10
Miscellaneous services	372	240	132
Education and training	15	5	10
Supplies	90	83	7
Utilities	81	80	1
Transfers	1,724	1,386	338
Repairs	8	6	2
Rentals	25	23	2
Equipment	41	38	3
Grants	<u>176</u>	<u>137</u>	<u>39</u>
Total Administration	<u>4,578</u>	<u>3,937</u>	<u>641</u>
Carnegie Library	<u>40</u>	<u>40</u>	<u>-</u>
Total Community, Recreational and Cultural -- Department of Parks and Recreation	<u>4,618</u>	<u>3,977</u>	<u>641</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1998		
	Budget appropriation <u>as amended</u>	<u>Expenditures</u>	Variance favorable <u>(unfavorable)</u>
Employee Benefits:			
Pensions	\$ 22,634	22,042	592
Fringe Benefits	<u>53,336</u>	<u>50,122</u>	<u>3,214</u>
Total Employee Benefits	<u>75,970</u>	<u>72,164</u>	<u>3,806</u>
Claims and Judgments	<u>1,911</u>	<u>1,837</u>	<u>74</u>
Citizens Review Board	<u>286</u>	<u>220</u>	<u>66</u>
Utilities	<u>8,156</u>	<u>7,625</u>	<u>531</u>
Miscellaneous (Postage/Refunds)	<u>5,130</u>	<u>4,615</u>	<u>515</u>
Debt Service:			
Debt service	46,513	46,495	18
Debt service subsidy	2,826	2,819	7
Bond issuance costs	<u>1,562</u>	<u>1,527</u>	<u>35</u>
Total Debt Service	<u>50,901</u>	<u>50,841</u>	<u>60</u>
Total General Fund Expenditures	\$ <u>328,024</u>	<u>310,394</u>	<u>17,630</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1997

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating – General Government:			
City Council and City Clerk's Office:			
City Council:			
Salaries	\$ 1,194	1,160	34
Council service, supplies and equipment	16	14	2
Education and training	20	19	1
Miscellaneous services	<u>143</u>	<u>137</u>	<u>6</u>
Total City Council	1,373	1,330	43
City Clerk's Office:			
Salaries	574	497	77
Premium pay	4	1	3
Miscellaneous services	122	104	18
Supplies	16	10	6
Grants	1	1	-
Equipment	<u>1</u>	<u>1</u>	<u>-</u>
Total City Clerk's Office	<u>718</u>	<u>614</u>	<u>104</u>
Total City Council and City Clerk's Office	2,091	1,944	147
Mayor's Office:			
Office of the Mayor:			
Salaries	1,674	1,598	76
Premium pay	3	1	2
Miscellaneous services	79	39	40
Education and training	135	108	27
Supplies	49	30	19
Equipment	9	2	7
Rentals	<u>28</u>	<u>20</u>	<u>8</u>
Total Office of the Mayor	1,977	1,798	179

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating – General Government, continued:			
Mayor's Office, continued:			
City Information Systems:			
Salaries	\$ 1,895	1,768	127
Premium pay	16	13	3
Miscellaneous services	811	644	167
Education and travel expense	13	12	1
Supplies	185	166	19
Equipment	617	540	77
Rentals	1,595	1,594	1
Utilities	<u>772</u>	<u>772</u>	<u>-</u>
Total City Information Systems	<u>5,904</u>	<u>5,509</u>	<u>395</u>
Total Mayor's Office	7,881	7,307	574
Magistrates Court:			
Salaries	1,017	995	22
Premium pay	12	11	1
Miscellaneous services	30	22	8
Education and training	7	4	3
Supplies	13	11	2
Equipment	2	-	2
Rentals	<u>14</u>	<u>14</u>	<u>-</u>
Total Magistrates Court	1,095	1,057	38
Commission on Human Relations:			
Salaries	206	185	21
Premium pay	2	-	2
Miscellaneous services	42	13	29
Education and training	3	2	1
Equipment	<u>1</u>	<u>1</u>	<u>-</u>
Total Commission on Human Relations	254	201	53

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating – General Government, continued:			
Office of City Controller:			
Salaries	\$ 2,488	2,369	119
Premium pay	17	12	5
Miscellaneous services	151	103	48
Education and training	22	21	1
Supplies	36	28	8
Equipment	38	13	25
Rentals	<u>20</u>	<u>11</u>	<u>9</u>
Total Office of City Controller	2,772	2,557	215
Department of Finance:			
Salaries	2,547	2,443	104
Premium pay	36	25	11
Miscellaneous services	1,042	647	395
Education and training	45	34	11
Supplies	266	249	17
Materials	2	1	1
Equipment	19	12	7
Rentals	<u>54</u>	<u>48</u>	<u>6</u>
Total Department of Finance	4,011	3,459	552
Department of Law:			
Salaries	1,487	1,308	179
Premium pay	41	11	30
Miscellaneous services	1,299	456	843
Education and training	41	16	25
Uniforms	3	-	3
Supplies	14	9	5
Equipment	40	30	10
Judgments	<u>120</u>	<u>117</u>	<u>3</u>
Total Department of Law	3,045	1,947	1,098

(Continued)



## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating – General Government, continued:			
Department of Personnel and Civil			
Service Commission:			
Salaries	\$ 888	748	140
Premium pay	2	1	1
Miscellaneous services	466	163	303
Education and training	60	29	31
Supplies	33	18	15
Equipment	2	-	2
Rentals	<u>28</u>	<u>9</u>	<u>19</u>
Total Personnel and Civil Service			
Commission	1,479	968	511
Department of City Planning:			
Salaries	1,115	1,039	76
Premium pay	2	1	1
Miscellaneous services	136	58	78
Education and training	17	9	8
Supplies	22	22	-
Materials	1	-	1
Rentals	16	17	(1)
Repairs	1	1	-
Equipment	19	10	9
Grants	<u>271</u>	<u>100</u>	<u>171</u>
Total Department of City			
Planning	1,600	1,257	343
Economic development – marketing	91	73	18
Support	<u>4,000</u>	<u>4,000</u>	<u>-</u>
Total General Government	<u>28,319</u>	<u>24,770</u>	<u>3,549</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Public Safety – Department of Public Safety:			
Bureau of Administration:			
Salaries and wages	\$ 567	415	152
Premium pay	29	3	26
Miscellaneous services	332	137	195
Education and training	11	6	5
Supplies and materials	28	18	10
Equipment	198	126	72
Repairs	1	-	1
Grants	160	113	47
Total Bureau of Administration	1,326	818	508
Bureau of Emergency Medical Services:			
Salaries	810	773	37
Premium pay	43	33	10
Miscellaneous services	102	91	11
Education and training	12	7	5
Transfers	1,362	1,362	-
Supplies and materials	158	110	48
Equipment	93	87	6
Repairs	48	46	2
Uniforms	173	160	13
Total Bureau of Emergency Medical Services	2,801	2,669	132
Bureau of Police:			
Salaries	53,034	50,562	2,472
Transfers	634	600	34
Premium pay	6,109	6,026	83
Miscellaneous services	469	343	126
Education and training	129	42	87
Supplies and materials	399	330	69
Equipment	320	32	288
Repairs	11	7	4
Rentals	98	74	24
Uniforms	1,015	949	66
Total Bureau of Police	62,218	58,965	3,253

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Public Safety – Department of Public Safety, continued:			
Bureau of Fire:			
Salaries and wages	\$ 37,575	36,286	1,289
Premium pay	9,922	9,598	324
Miscellaneous services	51	33	18
Education and training	21	13	8
Supplies	166	152	14
Materials	28	7	21
Repairs	14	12	2
Equipment	98	84	14
Uniforms	<u>650</u>	<u>617</u>	<u>33</u>
Total Bureau of Fire	<u>48,525</u>	<u>46,802</u>	<u>1,723</u>
Total Public Safety – Department of Public Safety			
	<u>114,870</u>	<u>109,254</u>	<u>5,616</u>
Public Works – Department of General Services:			
Administration:			
Salaries	812	720	92
Premium pay	294	235	59
Miscellaneous services	606	227	379
Education and training	6	1	5
Supplies	25	24	1
Materials	102	53	49
Equipment	201	34	167
Utilities	896	854	42
Repairs	2	-	2
Rentals	<u>484</u>	<u>422</u>	<u>62</u>
Total Administration	<u>3,428</u>	<u>2,570</u>	<u>858</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation <u>as amended</u>	<u>Expenditures</u>	Variance favorable <u>(unfavorable)</u>
Public Works – Department of General Services, continued			
Facilities Management:			
Salaries	\$ 2,234	2,062	172
Miscellaneous services	411	373	38
Supplies	97	94	3
Materials	53	49	4
Equipment	24	21	3
Uniforms	16	16	-
Repairs	13	13	-
Rentals	<u>5</u>	<u>-</u>	<u>5</u>
Total Facilities Management	2,853	2,628	225
Fleet Management:			
Salaries	2,652	2,566	86
Miscellaneous services	222	219	3
Education and training	1	-	1
Supplies	1,370	1,370	-
Materials	1,471	1,375	96
Equipment	438	433	5
Uniforms	27	27	-
Repairs	544	551	(7)
Rentals	1,119	1,119	-
Grants	23	22	1
Utilities	<u>124</u>	<u>58</u>	<u>66</u>
Total Facilities Management	7,991	7,740	251

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund

## Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation <u>as amended</u>	<u>Expenditures</u>	Variance favorable <u>(unfavorable)</u>
Public Works – Department of Public Works:			
Administration:			
Salaries	\$ 782	764	18
Premium pay	798	645	153
Miscellaneous services	917	916	1
Education and training	28	21	7
Supplies	14	12	2
Equipment	74	70	4
Rentals	24	18	6
Grants	18	18	-
Total Administration	2,655	2,464	191
Operations:			
Salaries	7,851	7,367	484
Miscellaneous services	1,202	1,112	90
Education and training	1	1	-
Supplies	132	132	-
Equipment	348	217	131
Uniforms	26	12	14
Materials	799	703	96
Repairs	519	517	2
Rentals	957	815	142
Total Operations	11,835	10,876	959
Environmental Services:			
Salaries	6,787	6,449	338
Premium pay	569	543	26
Miscellaneous services	3,228	3,199	29
Supplies	99	74	25
Equipment	56	19	37
Uniforms	40	40	-
Materials	16	6	10
Rentals	21	9	12
Total Environmental Services	10,816	10,339	477

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis), Continued

(Amounts Expressed in Thousands)

	1997		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Utilities	\$ <u>7,752</u>	<u>7,743</u>	<u>9</u>
Miscellaneous (Postage/Refunds)	<u>4,553</u>	<u>3,902</u>	<u>651</u>
Debt Service:			
Debt service	45,679	45,649	30
Debt service subsidy	2,825	2,825	-
Transfers	<u>4,175</u>	<u>4,175</u>	<u>-</u>
Total Debt Service	<u>52,679</u>	<u>52,649</u>	<u>30</u>
Total General Fund Expenditures	\$ <u>332,356</u>	<u>318,099</u>	<u>14,257</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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# **SPECIAL REVENUE FUNDS**

The Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or capital projects) that are legally restricted to expenditures for specified purposes.

The following funds are included in this fund type:

**Equipment Leasing Authority** - to account for the general fund activity of the Equipment Leasing Authority, a component unit of the City. The authority's principal function is the acquisition of City vehicles.

**Liquid Fuels Tax** - to account for the receipt and expenditure of the City's share of the proceeds from the State's Gasoline Tax.

**JTPA** - to account for revenue received and expenditures made under the Job Training and Partnership Act.

**Public Safety** - to account for the receipt and expenditures of funds from various sources for support services for various public safety programs.

**Community Development** - to account for the cost of neighborhood development and improvement projects. These programs are financed primarily by the U. S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant Program. A substantive portion of the funds received under the program have been allocated to the Urban Redevelopment Authority of Pittsburgh.

**Civic and Cultural Enrichment** - to account for civic and cultural programs which are financed by federal and state grants, private donations, and user charges.



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA

Special Revenue Funds

Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

<u>Assets</u>	<u>Equipment Leasing Authority</u>	<u>Liquid Fuel Tax</u>	<u>JTPA</u>
Cash and short-term investments, at cost which approximates market	\$ 775,974	2,639,073	1,595,864
Receivables:			
Other	-	-	-
Accrued interest	-	12,328	-
Due from general fund	-	-	-
Due from other special revenue funds	-	-	307,192
Due from capital projects funds	597,278	-	-
Due from other governments	-	336,712	393,205
Total assets	\$ <u>1,373,252</u>	<u>2,988,113</u>	<u>2,296,261</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payable	525	16,678	868,466
Retainage payable	-	-	-
Accrued liabilities	-	272,249	73,409
Due to general fund	-	-	1,329,815
Due to other special revenue funds	-	-	-
Due to capital projects funds	-	-	-
Due to trust and agency funds	-	-	-
Due to other governments	-	-	-
Deferred revenue	-	-	-
Total liabilities	<u>525</u>	<u>288,927</u>	<u>2,271,690</u>
Fund balances:			
Reserve for encumbrances	288,656	-	-
Unreserved:			
Designated for subsequent years' expenditures	-	-	-
Undesignated	<u>1,084,071</u>	<u>2,699,186</u>	<u>24,571</u>
Total fund balances	<u>1,372,727</u>	<u>2,699,186</u>	<u>24,571</u>
Total liabilities and fund balances	\$ <u>1,373,252</u>	<u>2,988,113</u>	<u>2,296,261</u>

<u>Public Safety</u>	<u>Community Development</u>	<u>Civic and Cultural</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
9,328,723	1,321,421	2,644,055	18,305,110	16,457,265
1,970,633	-	754,292	2,724,925	3,364,278
-	-	69,211	81,539	81,390
-	97,828	-	97,828	377,110
-	-	120,000	427,192	187,365
-	-	-	597,278	-
372,785	3,152,550	-	4,255,252	5,153,310
<u>11,672,141</u>	<u>4,571,799</u>	<u>3,587,558</u>	<u>26,489,124</u>	<u>25,620,718</u>
326,370	1,743,275	84,679	3,039,993	4,119,850
-	80,048	-	80,048	-
701,627	30,131	102,821	1,180,237	1,238,000
100,000	872,425	458,659	2,760,899	2,353,821
-	307,193	120,000	427,193	187,365
-	1,454,111	-	1,454,111	536,084
-	-	86,000	86,000	180,136
740,979	-	-	740,979	742,496
-	-	-	-	992,367
<u>1,868,976</u>	<u>4,487,183</u>	<u>852,159</u>	<u>9,769,460</u>	<u>10,350,119</u>
278,431	-	321,832	888,919	285,961
405,396	-	326,134	731,530	634,959
9,119,338	84,616	2,087,433	15,099,215	14,349,679
<u>9,803,165</u>	<u>84,616</u>	<u>2,735,399</u>	<u>16,719,664</u>	<u>15,270,599</u>
<u>11,672,141</u>	<u>4,571,799</u>	<u>3,587,558</u>	<u>26,489,124</u>	<u>25,620,718</u>

# CITY OF PITTSBURGH, PENNSYLVANIA

## Special Revenue Funds

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	Equipment Leasing Authority	Liquid Fuel Tax	JTPA
Revenues:			
Interest earnings	\$ 1,111	246,748	-
Intergovernmental revenues	-	5,577,271	7,252,412
Charges for user services	-	-	-
Miscellaneous revenue	<u>131,573</u>	<u>-</u>	<u>-</u>
Total revenues	132,684	5,824,019	7,252,412
Expenditures:			
General government	60,033	-	-
Public safety	-	-	-
Public works	-	5,199,890	-
Community, recreational and cultural	-	-	-
Intergovernmental programs	-	-	7,417,722
Capital projects	<u>3,196,342</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>3,256,375</u>	<u>5,199,890</u>	<u>7,417,722</u>
(Deficiency) excess of revenues (under) over expenditures	(3,123,691)	624,129	(165,310)
Other financing sources (uses):			
Proceeds from fixed asset disposition	237,287	-	-
Operating transfers from other funds	3,549,231	-	165,310
Operating transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>3,786,518</u>	<u>-</u>	<u>165,310</u>
(Deficiency) excess of revenues and other financing sources over (under) expenditures and other financing uses	662,827	624,129	-
Fund balances at beginning of year	<u>709,900</u>	<u>2,075,057</u>	<u>24,571</u>
Fund balances at end of year	\$ <u><u>1,372,727</u></u>	<u><u>2,699,186</u></u>	<u><u>24,571</u></u>

<u>Public Safety</u>	<u>Community Development</u>	<u>Civic and Cultural</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
33,895	-	69,221	350,975	335,192
4,972,549	23,313,689	1,138,098	42,254,019	38,103,378
16,105,367	-	4,276,895	20,382,262	21,288,725
-	-	10,710	142,283	137,671
<u>21,111,811</u>	<u>23,313,689</u>	<u>5,494,924</u>	<u>63,129,539</u>	<u>59,864,966</u>
530,532	6,965,161	3,145,214	10,700,940	9,759,919
21,267,937	667,902	-	21,935,839	18,883,060
-	6,672,875	64,716	11,937,481	8,978,707
-	733,256	3,579,630	4,312,886	3,774,018
-	8,124,495	-	15,542,217	18,228,564
-	-	-	3,196,342	5,141,631
<u>21,798,469</u>	<u>23,163,689</u>	<u>6,789,560</u>	<u>67,625,705</u>	<u>64,765,899</u>
(686,658)	150,000	(1,294,636)	(4,496,166)	(4,900,933)
-	-	-	237,287	627,811
1,420,053	-	1,102,350	6,236,944	7,460,305
(379,000)	(150,000)	-	(529,000)	(527,785)
<u>1,041,053</u>	<u>(150,000)</u>	<u>1,102,350</u>	<u>5,945,231</u>	<u>7,560,331</u>
354,395	-	(192,286)	1,449,065	2,659,398
<u>9,448,770</u>	<u>84,616</u>	<u>2,927,685</u>	<u>15,270,599</u>	<u>12,611,201</u>
<u>9,803,165</u>	<u>84,616</u>	<u>2,735,399</u>	<u>16,719,664</u>	<u>15,270,599</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Equipment Leasing Authority

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 775,974	713,191
Due from capital projects	<u>597,278</u>	<u>-</u>
Total assets	\$ <u>1,373,252</u>	<u>713,191</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	<u>525</u>	<u>3,291</u>
Total liabilities	525	3,291
Fund balances:		
Reserve for encumbrances	288,656	11,495
Unreserved	<u>1,084,071</u>	<u>698,405</u>
Total fund balances	<u>1,372,727</u>	<u>709,900</u>
Total liabilities and fund balances	\$ <u>1,373,252</u>	<u>713,191</u>



CITY OF PITTSBURGH, PENNSYLVANIA

Equipment Leasing Authority

Comparative Statements of Revenues, Expenditures and  
Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Interest earnings	\$ 1,111	10,520
Miscellaneous	<u>131,573</u>	<u>105,885</u>
Total revenues	132,684	116,405
Expenditures:		
General government	60,033	107,647
Capital projects	<u>3,196,342</u>	<u>5,141,631</u>
Total expenditures	<u>3,256,375</u>	<u>5,249,278</u>
Deficiency of revenues under expenditures	(3,123,691)	(5,132,873)
Other financing sources (uses):		
Proceeds from fixed asset disposition	237,287	627,811
Operating transfers from other funds	3,549,231	4,298,176
Operating transfers to other funds	<u>-</u>	<u>(5,292)</u>
Total other financing sources (uses)	<u>3,786,518</u>	<u>4,920,695</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	662,827	(212,178)
Fund balances at beginning of year	<u>709,900</u>	<u>922,078</u>
Fund balances at end of year	\$ <u>1,372,727</u>	<u>709,900</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Liquid Fuel Tax

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 2,639,073	2,677,206
Accrued interest receivable	12,328	11,799
Due from other governments	<u>336,712</u>	<u>-</u>
Total assets	\$ <u>2,988,113</u>	<u>2,689,005</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	16,678	204,170
Accrued liabilities	<u>272,249</u>	<u>409,778</u>
Total liabilities	288,927	613,948
Fund balances:		
Unreserved	<u>2,699,186</u>	<u>2,075,057</u>
Total fund balances	<u>2,699,186</u>	<u>2,075,057</u>
Total liabilities and fund balances	\$ <u>2,988,113</u>	<u>2,689,005</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Liquid Fuel Tax

Comparative Statements of Revenues, Expenditures and  
Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Interest earnings	\$ 246,748	217,971
Intergovernmental – state	<u>5,577,271</u>	<u>4,986,233</u>
Total revenues	5,824,019	5,204,204
Expenditures:		
Public works	<u>5,199,890</u>	<u>4,376,430</u>
Total expenditures	<u>5,199,890</u>	<u>4,376,430</u>
Excess of revenues over expenditures	624,129	827,774
Other financing sources (uses):		
Operating transfers to other funds	<u>-</u>	<u>(164,000)</u>
Total other financing sources	<u>-</u>	<u>(164,000)</u>
Excess of revenues and other financing sources over expenditures and other financing uses	624,129	663,774
Fund balances at beginning of year	<u>2,075,057</u>	<u>1,411,283</u>
Fund balances at end of year	\$ <u>2,699,186</u>	<u>2,075,057</u>

CITY OF PITTSBURGH, PENNSYLVANIA

JTPA

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 1,595,864	1,054,666
Due from community development	307,192	67,365
Due from other governments	<u>393,205</u>	<u>1,154,072</u>
Total assets	\$ <u>2,296,261</u>	<u>2,276,103</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	868,466	823,106
Accrued liabilities	73,409	67,871
Due to general fund	<u>1,329,815</u>	<u>1,360,555</u>
Total liabilities	2,271,690	2,251,532
Fund balances:		
Unreserved	<u>24,571</u>	<u>24,571</u>
Total fund balances	<u>24,571</u>	<u>24,571</u>
Total liabilities and fund balances	\$ <u>2,296,261</u>	<u>2,276,103</u>

CITY OF PITTSBURGH, PENNSYLVANIA

JTPA

Comparative Statements of Revenues, Expenditures and  
Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Intergovernmental – federal	\$ <u>7,252,412</u>	<u>7,878,963</u>
Total revenues	<u>7,252,412</u>	<u>7,878,963</u>
Expenditures:		
Intergovernmental programs	<u>7,417,722</u>	<u>8,037,284</u>
Total expenditures	<u>7,417,722</u>	<u>8,037,284</u>
Deficiency of revenues under expenditures	(165,310)	(158,321)
Other financing sources:		
Operating transfers from general fund	<u>165,310</u>	<u>158,321</u>
Total other financing sources	<u>165,310</u>	<u>158,321</u>
Excess of revenues and other financing sources over expenditures	-	-
Fund balances at beginning of year	<u>24,571</u>	<u>24,571</u>
Fund balances at end of year	\$ <u><u>24,571</u></u>	<u><u>24,571</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Public Safety

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 9,328,723	8,706,712
Other receivables	1,970,633	2,632,138
Due from general fund	-	377,110
Due from other governments	372,785	444,409
Total assets	\$ <u>11,672,141</u>	<u>12,160,369</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	326,370	215,803
Accrued liabilities	701,627	649,446
Due to general fund	100,000	111,487
Due to other government	740,979	742,496
Deferred revenue	-	992,367
Total liabilities	1,868,976	2,711,599
Fund balances:		
Reserved for encumbrances	278,431	82,754
Designated for subsequent years' expenditures	405,396	235,608
Unreserved	9,119,338	9,130,408
Total fund balances	<u>9,803,165</u>	<u>9,448,770</u>
Total liabilities and fund balances	\$ <u>11,672,141</u>	<u>12,160,369</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Public Safety

Comparative Statements of Revenues, Expenditures and  
Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Interest earnings	\$ 33,895	37,110
Intergovernmental:		
Federal	4,351,343	561,180
State	605,300	959,174
Local	15,906	120,217
Charges for user services	<u>16,105,367</u>	<u>17,346,314</u>
Total revenues	21,111,811	19,023,995
Expenditures:		
General government	530,532	373,823
Public safety	<u>21,267,937</u>	<u>18,370,230</u>
Total expenditures	<u>21,798,469</u>	<u>18,744,053</u>
Excess (deficiency) of revenues over (under) expenditures	(686,658)	279,942
Other financing sources (uses):		
Operating transfers from general fund	1,420,053	2,148,960
Operating transfers to URA	<u>(379,000)</u>	<u>(327,000)</u>
Total other financing sources	<u>1,041,053</u>	<u>1,821,960</u>
Excess of revenues and other financing sources over expenditures and other financing uses	354,395	2,101,902
Fund balances at beginning of year	<u>9,448,770</u>	<u>7,346,868</u>
Fund balances at end of year	\$ <u>9,803,165</u>	<u>9,448,770</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Community Development

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 1,321,421	784,465
Due from general fund	97,828	-
Due from other governments	<u>3,152,550</u>	<u>3,554,829</u>
Total assets	\$ <u>4,571,799</u>	<u>4,339,294</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	1,743,275	2,829,280
Retainage payable	80,048	-
Accrued liabilities	30,131	23,443
Due to general fund	872,425	704,370
Due to other special revenue funds	307,193	67,365
Due to capital projects	1,454,111	536,084
Due to trust and agency	-	<u>94,136</u>
Total liabilities	4,487,183	4,254,678
Fund balances:		
Unreserved	<u>84,616</u>	<u>84,616</u>
Total fund balances	<u>84,616</u>	<u>84,616</u>
Total liabilities and fund balances	\$ <u>4,571,799</u>	<u>4,339,294</u>



CITY OF PITTSBURGH, PENNSYLVANIA

Community Development

Comparative Statements of Revenues, Expenditures and  
Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Intergovernmental – federal	\$ <u>23,313,689</u>	<u>22,425,036</u>
Total revenues	23,313,689	22,425,036
Expenditures:		
General government:		
Council and City Clerk's office	1,850,824	1,312,194
Commission on Human Relations	68,436	28,779
Personnel and Civil Service	671,474	893,488
City Planning	4,333,548	4,172,464
Finance	12,651	37,349
General services	28,228	185,284
Public safety	667,902	512,830
Public works:		
Public works	3,563,605	1,944,896
Engineering and construction	3,109,270	2,599,554
Community, recreational and cultural:		
Parks and recreation	733,256	515,425
Intergovernmental programs	<u>8,124,495</u>	<u>10,191,280</u>
Total expenditures	<u>23,163,689</u>	<u>22,393,543</u>
Excess of revenues over expenditures	150,000	31,493
Other financing uses:		
Operating transfers to other funds	<u>(150,000)</u>	<u>(31,493)</u>
Total other financing uses	<u>(150,000)</u>	<u>(31,493)</u>
Excess of revenues over expenditures and other financing uses	-	-
Fund balances at beginning of year	<u>84,616</u>	<u>84,616</u>
Fund balances at end of year	\$ <u><u>84,616</u></u>	<u><u>84,616</u></u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Community Development

Schedule of Revenues, Expenditures and  
Changes in Fund Balances – Budget and Actual  
Data on the Budgetary Basis – Special Revenue

For the Year Ended December 31, 1998

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ <u>53,903,054</u>	<u>20,122,671</u>	(33,780,383)
Total revenues	<u>53,903,054</u>	<u>20,122,671</u>	(33,780,383)
Expenditures:			
General government:			
Council and City Clerk's office	5,159,802	1,796,190	3,363,612
Finance	75,302	25,302	50,000
Department of Personnel and Human Relations	1,567,659	667,569	900,090
Department of City Planning	6,449,662	2,353,659	4,096,003
General services	97,727	34,987	62,740
Public safety	850,280	674,232	176,048
Public works:			
Public works	6,244,189	4,049,059	2,195,130
Engineering and construction	6,523,286	3,369,822	3,153,464
Community, recreational and cultural programs	2,570,708	937,313	1,633,395
Intergovernmental programs	<u>24,364,439</u>	<u>6,286,881</u>	<u>18,077,558</u>
Total expenditures	<u>53,903,054</u>	<u>20,195,014</u>	<u>33,708,040</u>
Deficiency of revenue under expenditures	-	(72,343)	(72,343)
Other financing sources (uses)	-	(194,136)	(194,136)
Fund balances – budgetary basis, beginning of year	-	<u>2,075,635</u>	<u>2,075,635</u>
Fund balances – budgetary basis, end of year	\$ <u>-</u>	<u>1,809,156</u>	<u>2,003,292</u>
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(1,991,019)	
Net effect of GAAP basis recognition of revenues		3,191,018	
Net effect of GAAP basis recognition of expenditures		(2,968,675)	
Net effect of GAAP basis recognition of other financing sources/uses		44,136	
Fund balance - GAAP basis, end of year		\$ <u>84,616</u>	

CITY OF PITTSBURGH, PENNSYLVANIA

Community Development

Schedule of Revenues, Expenditures and  
Changes in Fund Balances – Budget and Actual  
Data on the Budgetary Basis – Special Revenue

For the Year Ended December 31, 1997

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental	\$ <u>54,598,558</u>	<u>22,961,002</u>	(31,637,556)
Total revenues	<u>54,598,558</u>	<u>22,961,002</u>	(31,637,556)
Expenditures:			
General government:			
Council and City Clerk's office	4,222,792	1,325,499	2,897,293
Finance	50,000	24,698	25,302
Department of Personnel and Civil Service	1,902,205	967,324	934,881
Department of City Planning	7,064,445	2,936,756	4,127,689
General services	226,651	178,524	48,127
Public safety	933,915	579,635	354,280
Public works:			
Public works	6,835,865	3,426,092	3,409,773
Engineering and construction	7,610,371	2,119,767	5,490,604
Community, recreational and cultural programs	2,261,019	794,132	1,466,887
Intergovernmental programs	<u>23,491,295</u>	<u>9,924,856</u>	<u>13,566,439</u>
Total expenditures	<u>54,598,558</u>	<u>22,277,283</u>	<u>32,321,275</u>
Excess of revenues over expenditures	-	683,719	683,719
Fund balances – budgetary basis, beginning of year	-	<u>1,391,916</u>	<u>1,391,916</u>
Fund balances – budgetary basis, end of year	\$ <u>-</u>	<u>2,075,635</u>	<u>2,075,635</u>
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(1,307,300)	
Net effect of GAAP basis recognition of revenues		(535,966)	
Net effect of GAAP basis recognition of expenditures		(116,260)	
Net effect of GAAP basis recognition of other financing sources/uses		<u>(31,493)</u>	
Fund balance – GAAP basis, end of year		\$ <u>84,616</u>	

CITY OF PITTSBURGH, PENNSYLVANIA

Civic and Cultural

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 2,644,055	2,521,025
Receivables:		
Accrued interest	69,211	69,591
Other	754,292	732,140
Due from other special revenue funds	<u>120,000</u>	<u>120,000</u>
Total assets	\$ <u>3,587,558</u>	<u>3,442,756</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payable	84,679	44,200
Accrued liabilities	102,821	87,462
Due to general fund	458,659	177,409
Due to other special revenue funds	120,000	120,000
Due to trust and agency funds	<u>86,000</u>	<u>86,000</u>
Total liabilities	852,159	515,071
Fund balances:		
Reserve for encumbrances	321,832	191,712
Reserve for subsequent years' expenditures	326,134	399,351
Unreserved	<u>2,087,433</u>	<u>2,336,622</u>
Total fund balances	<u>2,735,399</u>	<u>2,927,685</u>
Total liabilities and fund balances	\$ <u>3,587,558</u>	<u>3,442,756</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Civic and Cultural

Comparative Statements of Revenues, Expenditures and  
Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Interest earnings	\$ 69,221	69,591
Intergovernmental revenues:		
Federal	1,076,761	1,172,320
State	-	255
Local	61,337	-
Charges for user services	4,276,895	3,942,411
Miscellaneous	<u>10,710</u>	<u>31,786</u>
Total revenues	<u>5,494,924</u>	<u>5,216,363</u>
Expenditures:		
General government	3,145,214	2,648,891
Public works	64,716	57,827
Community, recreational and cultural	<u>3,579,630</u>	<u>3,258,593</u>
Total expenditures	<u>6,789,560</u>	<u>5,965,311</u>
Deficiency of revenues over expenditures	(1,294,636)	(748,948)
Other financing sources (uses):		
Operating transfers from other funds	<u>1,102,350</u>	<u>854,848</u>
Total other financing sources	<u>1,102,350</u>	<u>854,848</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(192,286)	105,900
Fund balances at beginning of year	<u>2,927,685</u>	<u>2,821,785</u>
Fund balances at end of year	\$ <u>2,735,399</u>	<u>2,927,685</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## **DEBT SERVICE FUNDS**

The Debt Service Funds are used to account for the payment of general long-term debt principal, interest, and related costs.

The following funds are included in this fund type:

**General Obligation** - to account for the payment of principal and interest on all long-term debt, except for that which is recorded in the Equipment Leasing Authority Debt Service Fund.

**Equipment Leasing Authority** - to account for the payment of principal and interest on long-term debt issued by the Equipment Leasing Authority, a component unit of the City.





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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA

Debt Service Funds

Comparative Balance Sheets

December 31, 1998

(With comparative totals for December 31, 1997)

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 11,916,539	16,728,737
Accrued interest receivable	<u>862,876</u>	<u>254,785</u>
Total assets	<u>12,779,415</u>	<u>16,983,522</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accrued interest and other payables	267,500	234,367
Due to trustee	<u>300</u>	<u>-</u>
Total liabilities	267,800	234,367
Fund balances:		
Designated for debt service	<u>12,511,615</u>	<u>16,749,155</u>
Total liabilities and fund balances	\$ <u>12,779,415</u>	<u>16,983,522</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Debt Service Funds

Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balances

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	<u>1998</u>	<u>1997</u>
Revenues:		
Interest earnings	\$ 4,200,460	2,136,728
Expenditures:		
Principal retirement	25,159,737	13,739,045
Interest expenditures	41,344,949	31,525,945
Bond issuance costs	857,671	-
Fiscal agent charges	<u>22,141</u>	<u>25,978</u>
Total expenditures	<u>67,384,498</u>	<u>45,290,968</u>
Deficiency of revenues under expenditures	(63,184,038)	(43,154,240)
Other financing sources (uses):		
Bond proceeds	150,993,793	-
Operating transfers from:		
General fund	54,821,507	45,959,752
Special revenue funds	-	5,291
Capital projects	-	422,876
Trust and agency	-	429,968
Component units	3,260,000	3,270,000
Operating transfers to:		
Special revenue funds	-	(3,007)
Trust and agency	-	(13,501,460)
Payment to escrow agent for refunded debt	(150,128,802)	-
Total other financing sources (uses)	<u>58,946,498</u>	<u>36,583,420</u>
Deficiency of revenues and other financing sources under expenditures and other financing uses	(4,237,540)	(6,570,820)
Fund balances at beginning of year	<u>16,749,155</u>	<u>23,319,975</u>
Fund balances at end of year	\$ <u>12,511,615</u>	<u>16,749,155</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## **CAPITAL PROJECTS FUNDS**

Capital Projects Funds account for the financial resources used for the acquisition and construction of major capital facilities other than those financed by Proprietary Funds and Trust Funds.

The following departments are included in this fund type:

**Engineering and Construction** - to account for street and bridge construction projects.

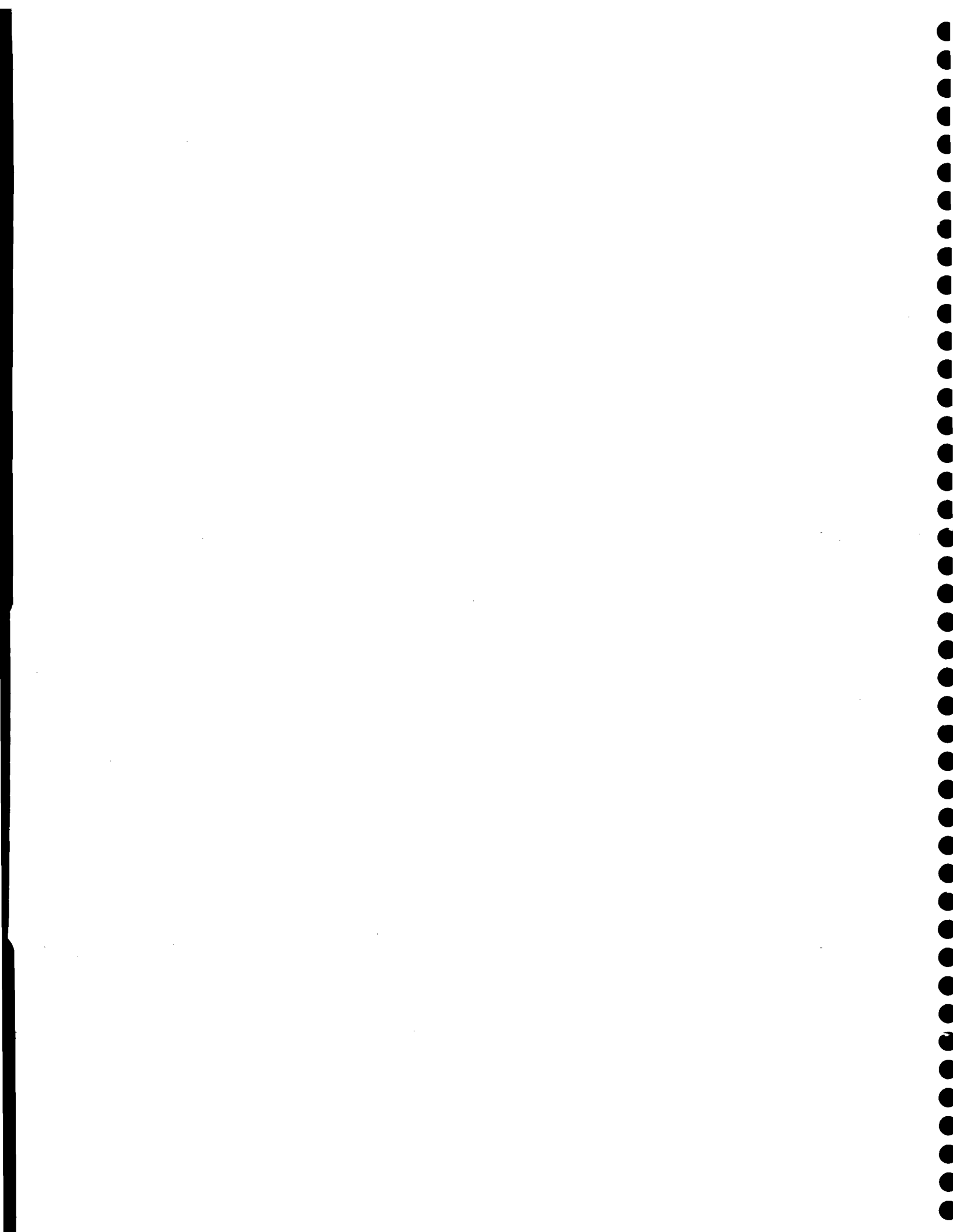
**Parks and Recreation** - to account for construction of community recreational facilities.

**Public Works** - to account for the reconstruction of streets.

**General Services** - to account for the purchase of equipment and fire vehicles.

**Urban Redevelopment** - to account for neighborhood housing programs and development projects.

**Other** - to account for miscellaneous projects not classified in other capital projects funds.



## CITY OF PITTSBURGH, PENNSYLVANIA

## Capital Projects Fund

## Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 51,089,758	87,101,308
Other receivables	-	24,850
Interfund receivable	-	828,790
Due from special revenue	1,454,112	536,084
Due from trust and agency	4,992,040	4,992,040
Due from other governments	<u>598,172</u>	<u>2,128,312</u>
Total assets	\$ <u>58,134,082</u>	<u>95,611,384</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts payables	1,410,818	3,658,735
Retainage payable	1,290,098	878,097
Accrued liabilities	211,409	129,695
Due to general fund	2,129,173	501,421
Due to special revenue	597,278	-
Interfund payable	<u>-</u>	<u>828,790</u>
Total liabilities	5,638,776	5,996,738
Fund balances:		
Reserved for encumbrances	13,398,492	7,253,442
Designated for subsequent years' expenditures	<u>39,096,814</u>	<u>82,361,204</u>
Total fund balances	<u>52,495,306</u>	<u>89,614,646</u>
Total liabilities and fund balances	\$ <u>58,134,082</u>	<u>95,611,384</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Capital Projects Fund

Combining Balance Sheet Schedule

December 31, 1998

(With comparative totals for December 31, 1997)

<u>Assets</u>	<u>Engineering and Construction</u>	<u>Parks and Recreation</u>	<u>Public Works</u>
Cash and short-term investments, at cost which approximates market	\$ 11,359,320	452,529	1,902,762
Other receivables	-	-	-
Due from special revenue	-	-	918,029
Due from trust and agency	4,992,040	-	-
Due from other governments	<u>598,172</u>	-	-
Total assets	\$ <u>16,949,532</u>	<u>452,529</u>	<u>2,820,791</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accounts payables	934,574	-	166,848
Retainage payable	1,256,017	-	-
Accrued liabilities	138,518	-	72,891
Due to general fund	129,173	-	-
Due to special revenue	-	-	-
Total liabilities	<u>2,458,282</u>	-	<u>239,739</u>
Fund balances:			
Reserved for encumbrances	10,256,569	12,108	1,133
Designated for subsequent years' expenditures	<u>4,234,681</u>	<u>440,421</u>	<u>2,579,919</u>
Total fund balances	<u>14,491,250</u>	<u>452,529</u>	<u>2,581,052</u>
Total liabilities and fund balances	\$ <u>16,949,532</u>	<u>452,529</u>	<u>2,820,791</u>



<u>General Services</u>	<u>Urban Redevelopment</u>	<u>Other</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
4,440,643	7,471,428	25,463,076	51,089,758	87,101,308
-	-	-	-	24,850
-	-	536,083	1,454,112	1,364,874
-	-	-	4,992,040	4,992,040
-	-	-	598,172	2,128,312
<u>4,440,643</u>	<u>7,471,428</u>	<u>25,999,159</u>	<u>58,134,082</u>	<u>95,611,384</u>
46,695	-	262,701	1,410,818	3,658,735
-	-	34,081	1,290,098	878,097
-	-	-	211,409	129,695
-	2,000,000	-	2,129,173	501,421
-	-	597,278	597,278	828,790
<u>46,695</u>	<u>2,000,000</u>	<u>894,060</u>	<u>5,638,776</u>	<u>5,996,738</u>
107,501	10,000	3,011,181	13,398,492	7,253,442
<u>4,286,447</u>	<u>5,461,428</u>	<u>22,093,918</u>	<u>39,096,814</u>	<u>82,361,204</u>
<u>4,393,948</u>	<u>5,471,428</u>	<u>25,105,099</u>	<u>52,495,306</u>	<u>89,614,646</u>
<u>4,440,643</u>	<u>7,471,428</u>	<u>25,999,159</u>	<u>58,134,082</u>	<u>95,611,384</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA

Capital Projects Fund

Statement of Revenues, Expenditures and  
Changes in Fund Balances

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	<u>1998</u>	<u>1997</u>
Revenues:		
Intergovernmental revenues	\$ 4,486,696	11,543,553
Charges for user services	642,682	990,338
Miscellaneous	<u>24,000</u>	<u>-</u>
Total revenues	5,153,378	12,533,891
Expenditures:		
Claims and judgments	-	(600,000)
Capital projects	39,287,479	36,297,691
Bond issuance costs	<u>-</u>	<u>600,581</u>
Total expenditures	<u>39,287,479</u>	<u>36,298,272</u>
Deficiency of revenues under Expenditures	(34,134,101)	(23,764,381)
Other financing sources (uses):		
Bond proceeds	-	69,997,888
Operating transfers from (to):		
General fund	134,992	4,174,656
Special revenue	(3,120,231)	(4,144,545)
Debt service	<u>-</u>	<u>(422,876)</u>
Total other financing sources (uses)	<u>(2,985,239)</u>	<u>69,605,123</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(37,119,340)	45,840,742
Fund balances at beginning of year	<u>89,614,646</u>	<u>43,773,904</u>
Fund balances at end of year	\$ <u>52,495,306</u>	<u>89,614,646</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Capital Projects Fund

Combining Schedule of Revenues, Expenditures and  
Changes in Fund Balances

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	Engineering and <u>Construction</u>	Parks and <u>Recreation</u>	Public <u>Works</u>
Revenues:			
Intergovernmental revenues	\$ 3,880,716	-	-
Charges for user services	-	-	642,682
Miscellaneous	<u>24,000</u>	-	-
Total revenues	3,904,716	-	642,682
Expenditures:			
Claims and judgments	-	-	-
Capital projects	16,683,062	-	5,933,462
Bond issuance costs	-	-	-
Total expenditures	<u>16,683,062</u>	-	<u>5,933,462</u>
Deficiency of revenues under Expenditures	(12,778,346)	-	(5,290,780)
Other financing sources (uses):			
Bond proceeds	-	-	-
Operating transfers (to) from:			
General fund	134,992	-	-
Special revenue	-	-	-
Debt service	-	-	-
Other capital projects fund	<u>9,523,250</u>	-	<u>5,561,200</u>
Total other financing sources (uses)	<u>9,658,242</u>	-	<u>5,561,200</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,120,104)	-	270,420
Fund balances at beginning of year	17,611,354	452,529	2,310,632
Fund balances at end of year	\$ <u>14,491,250</u>	<u>452,529</u>	<u>2,581,052</u>

<u>General Services</u>	<u>Urban Redevelopment</u>	<u>Other</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
-	-	605,980	4,486,696	11,543,553
-	-	-	642,682	990,338
-	-	-	24,000	-
-	-	605,980	5,153,378	12,533,891
-	-	-	-	(600,000)
194,046	11,550,000	4,926,909	39,287,479	36,297,691
-	-	-	-	600,581
<u>194,046</u>	<u>11,550,000</u>	<u>4,926,909</u>	<u>39,287,479</u>	<u>36,298,272</u>
(194,046)	(11,550,000)	(4,320,929)	(34,134,101)	(23,764,381)
-	-	-	-	69,997,888
-	-	(3,120,231)	(3,120,231)	(4,144,545)
-	-	-	-	(422,876)
4,470,000	12,775,000	(32,329,450)	-	-
-	-	-	134,992	4,174,656
<u>4,470,000</u>	<u>12,775,000</u>	<u>(35,449,681)</u>	<u>(2,985,239)</u>	<u>69,605,123</u>
4,275,954	1,225,000	(39,770,610)	(37,119,340)	45,840,742
117,994	4,246,428	64,875,709	89,614,646	43,773,904
<u>4,393,948</u>	<u>5,471,428</u>	<u>25,105,099</u>	<u>52,495,306</u>	<u>89,614,646</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Capital Projects Fund

Schedule of Revenues, Expenditures and  
Changes in Fund Balances – Budget and Actual  
Data on the Budgetary Basis – Capital Projects

For the Year Ended December 31, 1998

	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues:			
Intergovernmental	\$ 8,485,250	6,106,920	(2,378,330)
Total revenues	8,485,250	6,106,920	(2,378,330)
Expenditures:			
Capital projects:			
Engineering and construction	44,327,965	17,082,868	27,245,097
Parks and recreation	282,931	-	282,931
Public works	6,074,926	5,046,419	1,028,507
General services	556,057	166,761	389,296
Urban Redevelopment Authority	14,785,000	13,550,000	1,235,000
Other	15,208,340	7,843,559	7,364,781
Bond issuance costs	60,159	17,000	43,159
Total expenditures	81,295,378	43,706,607	37,588,771
Excess (deficiency) of revenues over (under) expenditures	(72,810,128)	(37,599,687)	35,210,441
Other financing sources (uses):			
Operating transfers in	335,314	335,314	-
Total other financing sources	335,314	335,314	-
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(72,474,814)	(37,264,373)	35,210,441
Fund balance – budgetary basis, beginning of year	72,474,814	83,557,838	11,083,024
Fund balance – budgetary basis, end of year	\$ -	46,293,465	46,293,465
Adjustments to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		6,056,808	
Net effect of GAAP basis recognition of revenues		(1,153,864)	
Net effect of GAAP basis recognition of expenditures		1,298,897	
Fund balance – GAAP basis, end of year		52,495,306	

## CITY OF PITTSBURGH, PENNSYLVANIA

## Capital Projects Fund

Schedule of Revenues, Expenditures and  
Changes in Fund Balances – Budget and Actual  
Data on the Budgetary Basis – Capital Projects

For the Year Ended December 31, 1997

	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues:			
Intergovernmental	\$ 2,970,000	10,301,181	7,331,181
Total revenues	2,970,000	10,301,181	7,331,181
Expenditures:			
Capital projects:			
Engineering and construction	41,231,611	14,712,377	26,519,234
Parks and recreation	289,791	6,860	282,931
Public works	4,530,344	3,637,417	892,927
General services	2,903,656	2,657,599	246,057
Urban Redevelopment Authority	6,535,000	5,025,000	1,510,000
Other	18,865,777	12,797,737	6,068,040
Bond issuance costs	643,741	583,582	60,159
Total expenditures	74,999,920	39,420,572	35,579,348
Excess (deficiency) of revenues over (under) expenditures	(72,029,920)	(29,119,391)	42,910,529
Other financing sources (uses):			
Bond proceeds	69,997,888	69,997,888	-
Operating transfers in	4,174,656	4,174,656	-
Operating transfers out	(4,567,421)	(4,567,421)	-
Total other financing sources	69,605,123	69,605,123	-
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2,424,797)	40,485,732	42,910,529
Fund balance – budgetary basis, beginning of year	2,424,797	43,072,106	40,647,309
Fund balance – budgetary basis, end of year	\$ -	83,557,838	83,557,838
Adjustments to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		701,798	
Net effect of GAAP basis recognition of revenues		2,232,709	
Net effect of GAAP basis recognition of expenditures		3,122,301	
Fund balance – GAAP basis, end of year		\$ 89,614,646	

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## **TRUST AND AGENCY FUNDS**

Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or funds.



## **PENSION TRUST :**

**Comprehensive Board** - to account for the investment and financing activities of the City's three pension plans.

**Municipal Plan** - to account for the activity in the pension plan for non-uniformed municipal employees. Each full-time employee not covered under the Police or Fire plans is required to participate in the Municipal Pension Plan after serving a 90 day probationary period. The plan is a contributory defined benefit pension plan.

**Police Plan** - to account for the activity in the Police pension plan. All Bureau of Police employees are required to participate in the plan. The plan is a contributory defined benefit pension plan.

**Fire Plan** - to account for the account for the activity in the Fire pension plan. All Bureau of Fire employees are required to participate in the plan. The plan is a contributory defined benefit pension plan.

**Retirees' Trust** - to account for the receipt and disbursement of City funds to permit health benefits reimbursements to City retirees.

## **EXPENDABLE TRUST :**

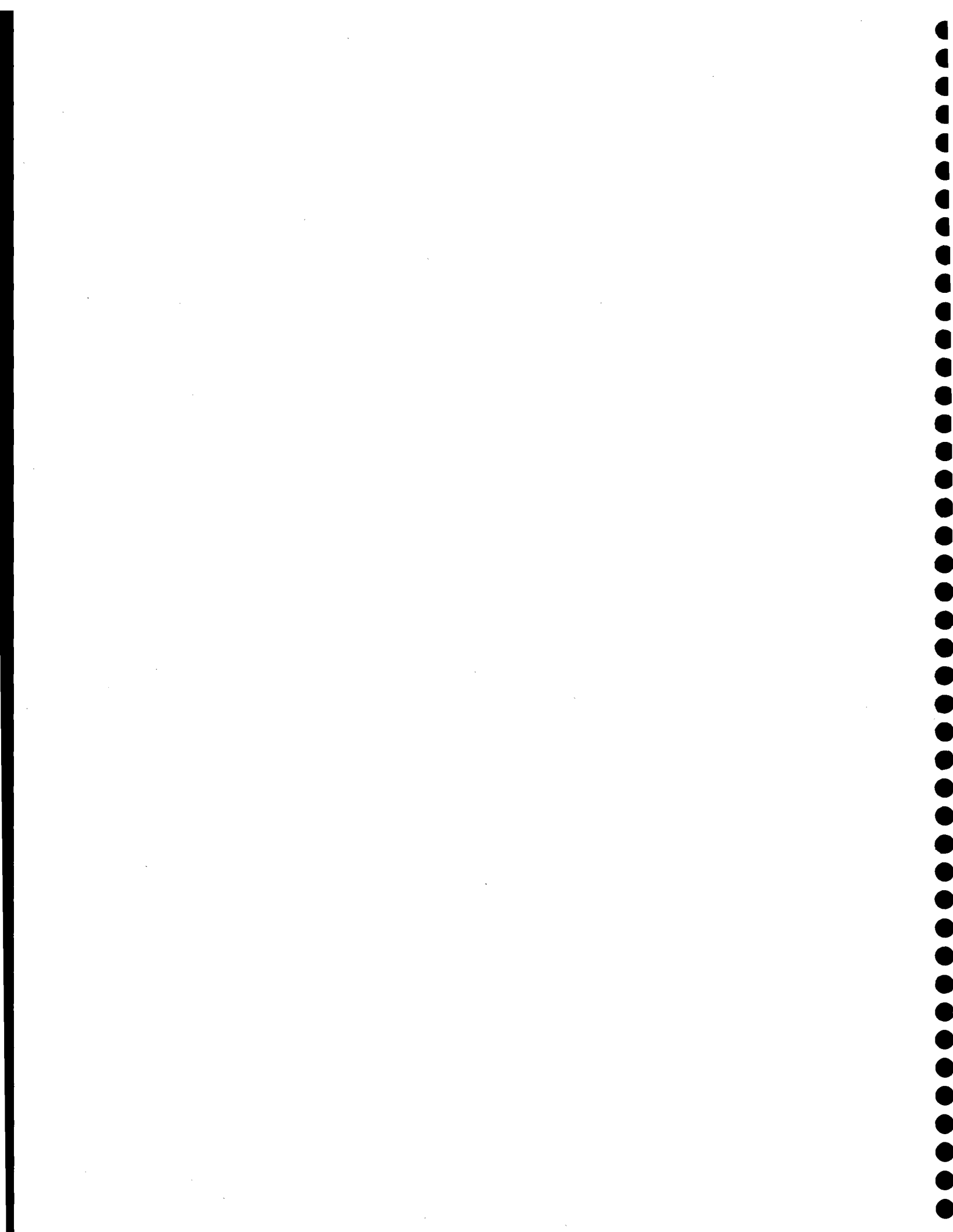
**Gifts and Donations** - to account for gifts received for the operation of various civic and cultural programs.

**Workers' Compensation** - to account for the irrevocable trust established by the City in accordance with the requirements of the Pennsylvania Department of Labor for self-insurance in regard to workers' compensation.

**Parks Endowments** - to account for the proceeds from endowments for the maintenance and operations of Frick Park and the Oliver Bath House.

**Unclaimed Liabilities** - to account for the City's liabilities for services rendered for which the City is unable to locate the payees. Liabilities unclaimed after seven years escheat to the Commonwealth.

**Pension Escrow Fund** - to account for both the reimbursement of excess contributions by the City to the Pension Plan as a result of the issuance of the 1996 Pension Bonds, and the deposit of savings generated by the refunding of the General Obligation Bonds, Series 1986B.



## **AGENCY FUNDS :**

**Employee Benefits** - to account for the collection and payment of various employee benefits programs, such as pensions, medical insurance, life insurance, social security and deferred compensation from and on behalf of City employees.

**Payroll Withholding** - to account for the collection and payment of various payroll taxes withheld from and on behalf of City employees.

**Deposits** - to account for refundable deposits, overpaid taxes and water charges, and monies confiscated which are returnable.

**Other** - to account for miscellaneous monies not classified in other agency funds.



## CITY OF PITTSBURGH, PENNSYLVANIA

## Trust and Agency Funds

## Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

	Pension trust funds	Expendable trusts	Agency funds	Totals 1998	Totals 1997
<u>Assets</u>					
Cash and short-term investments, at cost which approximates market	\$ 60,806,170	27,661,214	66,111,986	154,579,370	87,804,946
Investments	373,367,440	-	-	373,367,440	140,038,212
Other receivables	585	11,811	14,340	26,736	27,149
Accrued interest and dividends receivable	3,009,483	-	-	3,009,483	718,549
Due from other funds	-	86,000	445,362	531,362	625,498
Total assets	\$ <u>437,183,678</u>	<u>27,759,025</u>	<u>66,571,688</u>	<u>531,514,391</u>	<u>229,214,354</u>
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Accrued liabilities and other payables	391,461	63,334	1,537,125	1,991,920	2,115,895
Deferred compensation payable	-	-	62,692,703	62,692,703	54,114,527
Due to other funds	178,527	5,193,755	912,661	6,284,943	6,235,403
Due to other governments	-	24,122	23,466	47,588	53,361
Deposits held in trust	-	-	1,405,733	1,405,733	779,367
Due to individuals	-	302,524	-	302,524	333,565
Total liabilities	569,988	5,583,735	66,571,688	72,725,411	63,632,118
Fund balances:					
Reserved for endowments	-	59,023	-	59,023	89,719
Reserved for encumbrances	-	-	-	-	139,160
Reserved for employee benefits	-	1,451,097	-	1,451,097	765,837
Designated for subsequent years' expenditures	-	20,522,605	-	20,522,605	14,904,270
Undesignated	-	142,565	-	142,565	128,692
Net assets:					
Held in trust for pension benefits	436,613,690	-	-	436,613,690	149,554,558
Total fund balances/net assets	436,613,690	22,175,290	-	458,788,980	165,582,236
Total liabilities and fund balances/net assets	\$ <u>437,183,678</u>	<u>27,759,025</u>	<u>66,571,688</u>	<u>531,514,391</u>	<u>229,214,354</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Pension Trust Funds

Combining Statements of Plan Net Assets

December 31, 1998

(With comparative totals for December 31, 1997)

<u>Assets</u>	<u>Comprehensive trust</u>	<u>Municipal trust</u>	<u>Police trust</u>
Cash and short-term investments, at cost which approximates market	\$ 60,165,360	54,059	567,633
Investments	373,367,440	-	-
Accrued interest, dividends and other	3,009,483	-	-
Other receivables	-	585	-
Total assets	\$ <u>436,542,283</u>	<u>54,644</u>	<u>567,633</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accrued liabilities and other payables	150,373	14,222	226,478
Due to general fund	<u>150,000</u>	<u>17,668</u>	-
Total liabilities	300,373	31,890	226,478
Net assets:			
Net assets held in trust for pension benefits	<u>436,241,910</u>	<u>22,754</u>	<u>341,155</u>
Total liabilities and net assets	\$ <u>436,542,283</u>	<u>54,644</u>	<u>567,633</u>



<u>Fire trust</u>	<u>Totals</u>	
	<u>1998</u>	<u>1997</u>
19,118	60,806,170	9,341,222
-	373,367,440	163,539,541
-	3,009,483	718,549
-	585	12,809
<u>19,118</u>	<u>437,183,678</u>	<u>173,612,121</u>

388	391,461	397,825
<u>10,859</u>	<u>178,527</u>	<u>161,615</u>
11,247	569,988	559,440

<u>7,871</u>	<u>436,613,690</u>	<u>173,052,681</u>
<u>19,118</u>	<u>437,183,678</u>	<u>173,612,121</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Pension Trust Funds

Combining Statements of Changes in Plan Net Assets

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	Comprehensive <u>trust</u>	Municipal <u>trust</u>	Police <u>trust</u>
Additions:			
Contributions:			
Employer	\$ 260,042,597	-	370,817
Participants	9,304,306	-	-
State	<u>14,632,095</u>	-	-
Total contributions	283,978,998	-	370,817
Investment income:			
Net appreciation in fair value of investments	17,985,777	-	-
Interest and dividends	<u>19,823,370</u>	-	<u>30,145</u>
Total investment income	37,809,147	-	30,145
Less investment expenses	<u>(1,315,802)</u>	-	-
	36,493,345	-	30,145
Miscellaneous	<u>1,146</u>	-	-
Total additions	320,473,489	-	400,962
Deductions:			
Benefit payments	-	16,984,022	25,138,179
Refund of dues	-	826,901	139,862
Administrative expenses	<u>156,085</u>	<u>193,905</u>	<u>244,971</u>
Total deductions	<u>156,085</u>	<u>18,004,828</u>	<u>25,523,012</u>
Net increase (decrease) in plan net assets before operating transfers	320,317,404	(18,004,828)	(25,122,050)
Operating transfers to pension funds	<u>(56,867,961)</u>	<u>18,018,234</u>	<u>25,230,727</u>
Net increase (decrease) in plan net assets	263,449,443	13,406	108,677
Plan net assets at beginning of year	149,291,138	9,348	232,478
Cumulative effect of a change in accounting principle	<u>23,501,329</u>	-	-
Plan net assets at end of year	\$ <u>436,241,910</u>	<u>22,754</u>	<u>341,155</u>

<u>Fire trust</u>	<u>Totals</u>	
	<u>1998</u>	<u>1997</u>
-	260,413,414	8,765,173
7,898	9,312,204	27,173,861
<u>-</u>	<u>14,632,095</u>	<u>14,159,321</u>
7,898	284,357,713	50,098,355
-	17,985,777	8,022,803
<u>3,868</u>	<u>19,857,383</u>	<u>8,295,404</u>
3,868	37,843,160	16,318,207
<u>-</u>	<u>(1,315,802)</u>	<u>-</u>
3,868	36,527,358	16,318,207
<u>979</u>	<u>2,125</u>	<u>1,547</u>
12,745	320,887,196	66,418,109
13,305,183	55,427,384	57,635,041
166,071	1,132,834	1,085,453
<u>171,008</u>	<u>765,969</u>	<u>1,611,452</u>
<u>13,642,262</u>	<u>57,326,187</u>	<u>60,331,946</u>
(13,629,517)	263,561,009	6,086,163
<u>13,619,000</u>	<u>-</u>	<u>-</u>
(10,517)	263,561,009	6,086,163
18,388	149,551,352	143,465,189
<u>-</u>	<u>23,501,329</u>	<u>-</u>
<u>7,871</u>	<u>436,613,690</u>	<u>149,551,352</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Expendable Trust Funds

Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

	<u>Gifts and donations</u>	<u>Workers' compensation</u>	<u>Parks endowments</u>
<u>Assets</u>			
Cash and short-term investments, at cost which approximate market	\$ 208,918	6,428,120	112,200
Due from other funds	86,000	-	-
Other receivables	-	11,811	-
Total assets	\$ <u>294,918</u>	<u>6,439,931</u>	<u>112,200</u>
<u>Liabilities and Fund Balances</u>			
Liabilities:			
Accrued liabilities and other payables	57,108	-	6,226
Due to other funds	154,764	4,992,040	46,951
Due to other government	-	-	-
Due to individuals	-	-	-
Total liabilities	211,872	4,992,040	53,177
Fund balances:			
Reserved for endowments	-	-	59,023
Reserved for encumbrances	-	-	-
Reserved for employee benefits	-	1,447,891	-
Designated for subsequent years' expenditures	-	-	-
Undesignated	83,046	-	-
Total fund balances	<u>83,046</u>	<u>1,447,891</u>	<u>59,023</u>
Total liabilities and fund balances	\$ <u>294,918</u>	<u>6,439,931</u>	<u>112,200</u>

<u>Unclaimed liabilities</u>	<u>Pension escrow</u>	<u>Retirees' trust</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
386,165	20,522,605	3,206	27,661,214	21,475,919
-	-	-	86,000	180,136
-	-	-	11,811	-
<u>386,165</u>	<u>20,522,605</u>	<u>3,206</u>	<u>27,759,025</u>	<u>21,656,055</u>
-	-	-	63,334	91,869
-	-	-	5,193,755	5,172,510
24,122	-	-	24,122	27,227
<u>302,524</u>	-	-	<u>302,524</u>	<u>333,565</u>
326,646	-	-	5,583,735	5,625,171
-	-	-	59,023	89,719
-	-	-	-	139,160
-	-	3,206	1,451,097	769,043
-	20,522,605	-	20,522,605	14,904,270
<u>59,519</u>	-	-	<u>142,565</u>	<u>128,692</u>
<u>59,519</u>	<u>20,522,605</u>	<u>3,206</u>	<u>22,175,290</u>	<u>16,030,884</u>
<u>386,165</u>	<u>20,522,605</u>	<u>3,206</u>	<u>27,759,025</u>	<u>21,656,055</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Expendable Trust Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	<u>Gifts and donations</u>	<u>Workers' compensation</u>	<u>Parks endowments</u>
Revenues:			
Interest earnings	\$ -	325,609	-
Employer contributions	-	-	-
Intergovernmental revenues	-	194,323	-
Charges for user services	436,878	-	-
Donations and endowments	102,718	-	451,000
Other	-	254,265	56,680
Total revenues	<u>539,596</u>	<u>774,197</u>	<u>507,680</u>
Expenditures – current operating:			
Community, recreational and cultural:			
Community activities	1,043,672	-	-
School services	139,985	-	-
Parks and recreation	64,608	-	538,376
Pension	-	-	-
Miscellaneous	-	533,763	-
Total expenditures	<u>1,248,265</u>	<u>533,763</u>	<u>538,376</u>
Excess (deficiency) of revenues over (under) expenditures	(708,669)	240,434	(30,696)
Other financing sources (uses):			
Operating transfer from general fund	483,382	441,620	-
Operating transfer from special revenue	100,000	-	-
Operating transfer from debt service	-	-	-
Operating transfer to general fund	-	-	-
Operating transfer to special revenue	-	-	-
Operating transfer to debt service	-	-	-
Total other financing sources (uses)	<u>583,382</u>	<u>441,620</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(125,287)	682,054	(30,696)
Fund balances at beginning of year	<u>208,333</u>	<u>765,837</u>	<u>89,719</u>
Fund balances at end of year	\$ <u>83,046</u>	<u>1,447,891</u>	<u>59,023</u>

<u>Unclaimed liabilities</u>	<u>Pension escrow</u>	<u>Retirees' trust</u>	<u>Totals</u>	
			<u>1998</u>	<u>1997</u>
-	1,013,432	-	1,339,041	733,420
-	-	1,968,000	1,968,000	2,000,000
-	-	-	194,323	-
-	-	-	436,878	492,738
-	-	-	553,718	577,968
-	-	-	310,945	78,031
-	<u>1,013,432</u>	<u>1,968,000</u>	<u>4,802,905</u>	<u>3,882,157</u>
-	-	-	1,043,672	957,752
-	-	-	139,985	159,327
-	-	-	602,984	281,106
-	2,114,801	1,968,000	4,082,801	2,000,000
-	28,233	-	561,996	172,135
-	<u>2,143,034</u>	<u>1,968,000</u>	<u>6,431,438</u>	<u>3,570,320</u>
-	(1,129,602)	-	(1,628,533)	311,837
-	6,747,937	-	7,672,939	520,718
-	-	-	100,000	31,493
-	-	-	-	13,501,460
-	-	-	-	(250,000)
-	-	-	-	(25,847)
-	-	-	-	(429,968)
-	<u>6,747,937</u>	<u>-</u>	<u>7,772,939</u>	<u>13,347,856</u>
-	5,618,335	-	6,144,406	13,659,693
<u>59,519</u>	<u>14,904,270</u>	<u>3,206</u>	<u>16,030,884</u>	<u>2,371,191</u>
<u>59,519</u>	<u>20,522,605</u>	<u>3,206</u>	<u>22,175,290</u>	<u>16,030,884</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Gifts and Donations

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 208,918	258,877
Due from other funds	<u>86,000</u>	<u>180,136</u>
Total assets	\$ <u>294,918</u>	<u>439,013</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accrued liabilities	57,108	85,929
Due to general fund	<u>154,764</u>	<u>144,751</u>
Total liabilities	211,872	230,680
Fund balances:		
Reserved for encumbrances	-	139,160
Undesignated	<u>83,046</u>	<u>69,173</u>
Total fund balances	<u>83,046</u>	<u>208,333</u>
Total liabilities and fund balances	\$ <u>294,918</u>	<u>439,013</u>



CITY OF PITTSBURGH, PENNSYLVANIA

Gifts and Donations

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Charges for user services	\$ 436,878	492,738
Donations and endowments	<u>102,718</u>	<u>127,968</u>
Total revenues	539,596	620,706
Expenditures – current operating:		
Community, recreational and cultural:		
Community activities	1,043,672	957,752
School services	139,985	159,327
Parks and recreation	<u>64,608</u>	<u>74,818</u>
Total expenditures	<u>1,248,265</u>	<u>1,191,897</u>
Deficiency of revenues under expenditures	(708,669)	(571,191)
Other financing sources (uses):		
Operating transfer from general fund	483,382	520,718
Operating transfer from special revenue fund	100,000	31,493
Operating transfer to special revenue fund	<u>-</u>	<u>(25,847)</u>
Total other financing sources (uses)	<u>583,382</u>	<u>526,364</u>
Deficiency of revenues and other financing sources under expenditures and other financing uses	(125,287)	(44,827)
Fund balances at beginning of year	<u>208,333</u>	<u>253,160</u>
Fund balances at end of year	\$ <u>83,046</u>	<u>208,333</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Workers' Compensation Irrevocable Trust

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ 6,428,120	5,757,877
Other receivables	<u>11,811</u>	<u>-</u>
Total assets	\$ <u>6,439,931</u>	<u>5,757,877</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Due to other funds	<u>4,992,040</u>	<u>4,992,040</u>
Total liabilities	4,992,040	4,992,040
Fund balances:		
Reserved for employee benefits	<u>1,447,891</u>	<u>765,837</u>
Total fund balances	<u>1,447,891</u>	<u>765,837</u>
Total liabilities and fund balances	\$ <u>6,439,931</u>	<u>5,757,877</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Workers' Compensation Irrevocable Trust

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Interest earnings	\$ 325,609	315,441
Intergovernmental revenues	194,323	-
Realized gain (loss)	75,047	23,391
Miscellaneous	<u>179,218</u>	<u>-</u>
Total revenues	774,197	338,832
Expenditures – current operating:		
Trustee fee	<u>533,763</u>	<u>172,135</u>
Total expenditures	<u>533,763</u>	<u>172,135</u>
Excess of revenues over expenditures	240,434	166,697
Other financing sources:		
Operating transfer from general fund	<u>441,620</u>	<u>-</u>
Total other financing sources	<u>441,620</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures	682,054	166,697
Fund balances at beginning of year	<u>765,837</u>	<u>599,140</u>
Fund balances at end of year	\$ <u>1,447,891</u>	<u>765,837</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Parks Endowments

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ <u>112,200</u>	<u>131,378</u>
Total assets	\$ <u>112,200</u>	<u>131,378</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accrued liabilities	6,226	5,940
Due to other funds	<u>46,951</u>	<u>35,719</u>
Total liabilities	53,177	41,659
Fund balances:		
Reserved for endowments	<u>59,023</u>	<u>89,719</u>
Total fund balances	<u>59,023</u>	<u>89,719</u>
Total liabilities and fund balances	\$ <u>112,200</u>	<u>131,378</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Parks Endowments

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Donations and endowments	\$ 451,000	450,000
Other	<u>56,680</u>	<u>54,640</u>
Total revenues	507,680	504,640
Expenditures – current operating:		
Community, recreational and cultural:		
Parks and recreation	<u>538,376</u>	<u>206,288</u>
Total expenditures	<u>538,376</u>	<u>206,288</u>
Excess (deficiency) of revenues over (under) expenditures	(30,696)	298,352
Other financing sources (uses):		
Operating transfer to general fund	<u>-</u>	<u>(250,000)</u>
Total other financing uses	<u>-</u>	<u>(250,000)</u>
Excess (deficiency) of revenue and other financing sources over (under) expenditures and other financing uses	(30,696)	48,352
Fund balances at beginning of year	<u>89,719</u>	<u>41,367</u>
Fund balances at end of year	\$ <u><u>59,023</u></u>	<u><u>89,719</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Unclaimed Liabilities

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ <u>386,165</u>	<u>420,311</u>
Total assets	\$ <u>386,165</u>	<u>420,311</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Due to other governments	24,122	27,227
Due to individuals	<u>302,524</u>	<u>333,565</u>
Total liabilities	326,646	360,792
Fund balances:		
Undesignated	<u>59,519</u>	<u>59,519</u>
Total fund balances	<u>59,519</u>	<u>59,519</u>
Total liabilities and fund balances	\$ <u>386,165</u>	<u>420,311</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Unclaimed Liabilities

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Escheat revenues	\$ <u>      -</u>	<u>      -</u>
Total revenues	<u>      -</u>	<u>      -</u>
Expenditures	<u>      -</u>	<u>      -</u>
Excess of revenues over expenditures	<u>      -</u>	<u>      -</u>
Fund balances at beginning of year	<u>59,519</u>	<u>59,519</u>
Fund balances at end of year	\$ <u>59,519</u>	<u>59,519</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Pension Escrow

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ <u>20,522,605</u>	<u>14,904,270</u>
Total assets	\$ <u>20,522,605</u>	<u>14,904,270</u>
<u>Fund Balances</u>		
Fund balances:		
Designated for subsequent years' expenditures	<u>20,522,605</u>	<u>14,904,270</u>
Total fund balances	<u>20,522,605</u>	<u>14,904,270</u>
Total liabilities and fund balances	\$ <u>20,522,605</u>	<u>14,904,270</u>



CITY OF PITTSBURGH, PENNSYLVANIA

Pension Escrow

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Interest	\$ <u>1,013,432</u>	<u>417,979</u>
Total revenues	1,013,432	417,979
Expenditures:		
Pension	2,114,801	-
Miscellaneous	<u>28,233</u>	<u>-</u>
Total expenditures	<u>2,143,034</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,129,602)	-
Other financing sources (uses):		
Operating transfer from the general fund	6,747,937	-
Operating transfer from debt service	-	13,501,460
Operating transfer to debt service	<u>-</u>	<u>(429,968)</u>
Total other financing sources	<u>6,747,937</u>	<u>13,071,492</u>
Excess of revenues and other financing sources over expenditures and other financing uses	5,618,335	13,489,471
Fund balances at beginning of year	<u>14,904,270</u>	<u>1,414,799</u>
Fund balances at end of year	\$ <u>20,522,605</u>	<u>14,904,270</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Retirees' Trust

Comparative Balance Sheets

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
<u>Assets</u>		
Cash and short-term investments, at cost which approximates market	\$ <u>3,206</u>	<u>3,206</u>
Total assets	\$ <u>3,206</u>	<u>3,206</u>
<u>Fund Balances</u>		
Fund balances:		
Reserved for employee benefits	<u>3,206</u>	<u>3,206</u>
Total fund balances	<u>3,206</u>	<u>3,206</u>
Total liabilities and fund balances	\$ <u>3,206</u>	<u>3,206</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Retirees' Trust

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
Revenues:		
Employer contributions	\$ <u>1,968,000</u>	<u>2,000,000</u>
Total revenues	1,968,000	2,000,000
Expenditures:		
Pension	<u>1,968,000</u>	<u>2,000,000</u>
Total expenditures	<u>1,968,000</u>	<u>2,000,000</u>
Excess of revenues over expenditures	-	-
Fund balances at beginning of year	<u>3,206</u>	<u>3,206</u>
Fund balances at end of year	\$ <u><u>3,206</u></u>	<u><u>3,206</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Agency

Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

	Employee <u>benefits</u>	Payroll <u>withholding</u>	<u>Deposit</u>
<u>Assets</u>			
Cash and short-term investments, at cost which approximates market	\$ 62,934,951	1,514,644	698,645
Due from general fund	-	-	-
Other receivables	-	-	-
Total assets	\$ <u>62,934,951</u>	<u>1,514,644</u>	<u>698,645</u>
<u>Liabilities</u>			
Accrued liabilities	242,248	662,630	257,938
Deferred compensation payable	62,692,703	-	-
Due to general fund	-	852,014	200
Due to other governments	-	-	-
Deposits held in trust	-	-	440,507
Total liabilities	\$ <u>62,934,951</u>	<u>1,514,644</u>	<u>698,645</u>

<u>Other</u>	<u>Totals</u>	
	<u>1998</u>	<u>1997</u>
963,746	66,111,986	56,987,805
445,362	445,362	445,362
<u>14,340</u>	<u>14,340</u>	<u>14,340</u>
<u>1,423,448</u>	<u>66,571,688</u>	<u>57,447,507</u>

374,309	1,537,125	1,626,201
-	62,692,703	54,114,527
60,447	912,661	901,278
23,466	23,466	26,134
<u>965,226</u>	<u>1,405,733</u>	<u>779,367</u>
<u>1,423,448</u>	<u>66,571,688</u>	<u>57,447,507</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Employee Benefits

## Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1998

	Balance January 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>1998</u>
<u>Assets</u>				
Cash and short-term investments, at cost which approximates market	\$ <u>54,370,016</u>	<u>10,920,529</u>	<u>(2,355,594)</u>	<u>62,934,951</u>
Total assets	\$ <u>54,370,016</u>	<u>10,920,529</u>	<u>(2,355,594)</u>	<u>62,934,951</u>
<u>Liabilities</u>				
Accrued liabilities	255,489	318,265	(331,506)	242,248
Deferred compensation payable	<u>54,114,527</u>	<u>10,602,264</u>	<u>(2,024,088)</u>	<u>62,692,703</u>
Total liabilities	\$ <u>54,370,016</u>	<u>10,920,529</u>	<u>(2,355,594)</u>	<u>62,934,951</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Payroll Withholding

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1998

	Balance January 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>1998</u>
<u>Assets</u>				
Cash and short-term investments, at cost which approximates market	\$ <u>1,485,171</u>	<u>10,185,923</u>	( <u>10,156,450</u> )	<u>1,514,644</u>
Total assets	\$ <u>1,485,171</u>	<u>10,185,923</u>	( <u>10,156,450</u> )	<u>1,514,644</u>
<u>Liabilities</u>				
Accrued liabilities	643,269	9,633,909	(9,614,548)	662,630
Due to general fund	<u>841,902</u>	<u>552,014</u>	( <u>541,902</u> )	<u>852,014</u>
Total liabilities	\$ <u>1,485,171</u>	<u>10,185,923</u>	( <u>10,156,450</u> )	<u>1,514,644</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Deposits

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1998

	Balance January 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>1998</u>
<u>Assets</u>				
Cash and short-term investments, at cost which approximates market	\$ <u>726,597</u>	<u>3,650,457</u>	<u>(3,678,409)</u>	<u>698,645</u>
Total assets	\$ <u>726,597</u>	<u>3,650,457</u>	<u>(3,678,409)</u>	<u>698,645</u>
<u>Liabilities</u>				
Accrued liabilities	296,365	2,458,094	(2,496,521)	257,938
Due to general fund	200	-	-	200
Deposits held in trust	<u>430,032</u>	<u>1,192,363</u>	<u>(1,181,888)</u>	<u>440,507</u>
Total liabilities	\$ <u>726,597</u>	<u>3,650,457</u>	<u>(3,678,409)</u>	<u>698,645</u>



## CITY OF PITTSBURGH, PENNSYLVANIA

## Other

## Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1998

	Balance January 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>1998</u>
<u>Assets</u>				
Cash and short-term investments, at cost				
which approximates market	\$ 406,021	2,983,965	(2,426,240)	963,746
Due from general fund	445,362	-	-	445,362
Other receivables	<u>14,340</u>	<u>-</u>	<u>-</u>	<u>14,340</u>
Total assets	\$ <u>865,723</u>	<u>2,983,965</u>	<u>(2,426,240)</u>	<u>1,423,448</u>
<u>Liabilities</u>				
Accrued liabilities	431,078	1,434,380	(1,491,149)	374,309
Due to other governments	26,134	-	(2,668)	23,466
Due to general fund	59,176	52,947	(51,676)	60,447
Deposits held in trust	<u>349,335</u>	<u>1,496,638</u>	<u>(880,747)</u>	<u>965,226</u>
Total liabilities	\$ <u>865,723</u>	<u>2,983,965</u>	<u>(2,426,240)</u>	<u>1,423,448</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Total Agency Funds

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1998

	Balance January 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	Balance December 31, <u>1998</u>
<u>Assets</u>				
Cash and short-term investments, at cost				
which approximates market	\$ 56,987,805	27,740,874	(18,616,693)	66,111,986
Due from general fund	445,362	-	-	445,362
Other receivables	14,340	-	-	14,340
Total assets	\$ <u>57,447,507</u>	<u>27,740,874</u>	<u>(18,616,693)</u>	<u>66,571,688</u>
<u>Liabilities</u>				
Accrued liabilities	1,626,201	13,844,648	(13,933,724)	1,537,125
Deferred compensation payable	54,114,527	10,602,264	(2,024,088)	62,692,703
Due to other governments	26,134	-	(2,668)	23,466
Due to general fund	901,278	604,961	(593,578)	912,661
Deposits held in trust	779,367	2,689,001	(2,062,635)	1,405,733
Total liabilities	\$ <u>57,447,507</u>	<u>27,740,874</u>	<u>(18,616,693)</u>	<u>66,571,688</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

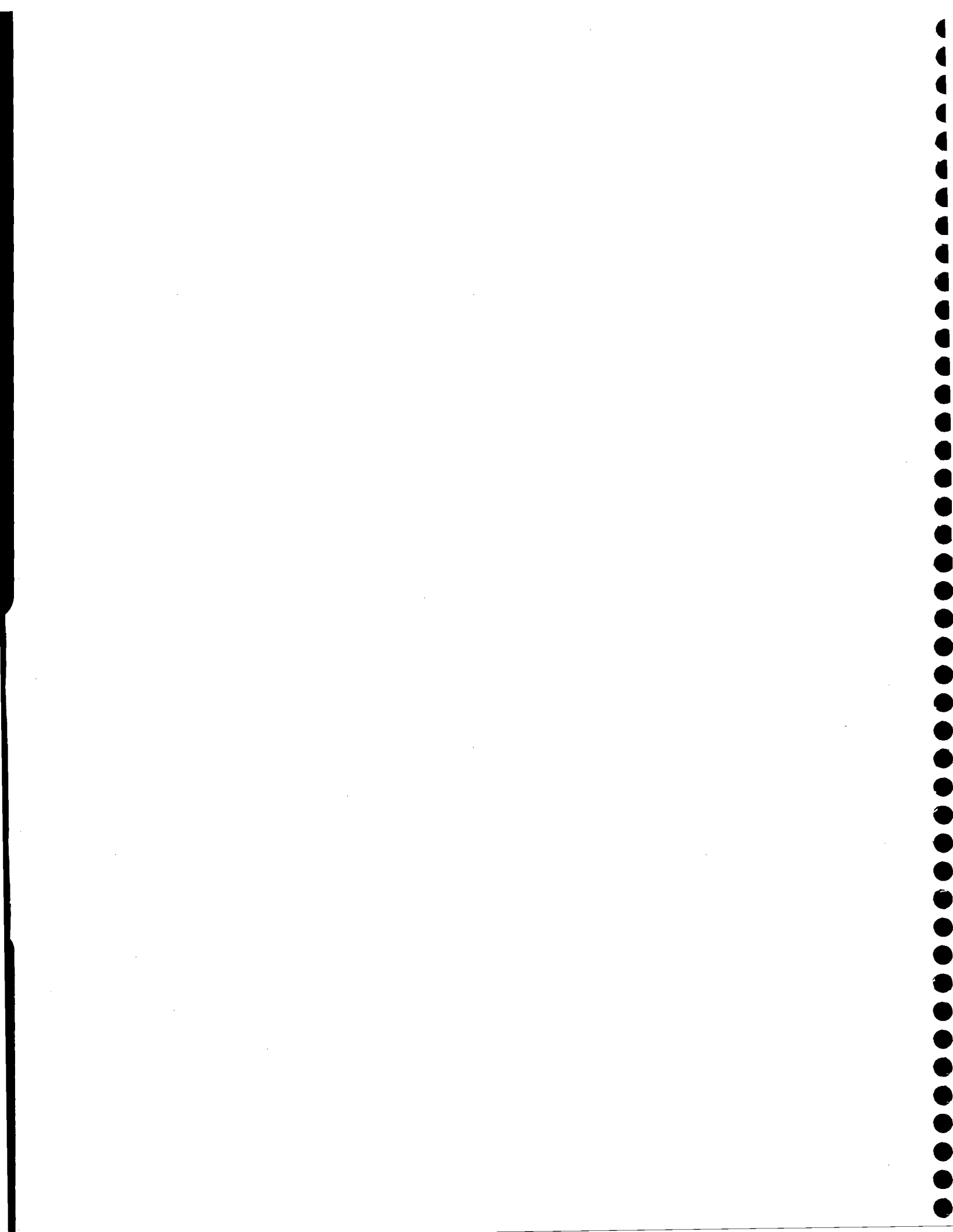
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CITY OF PITTSBURGH,  
PENNSYLVANIA

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**GENERAL FIXED ASSETS  
ACCOUNT GROUP**



CITY OF PITTSBURGH, PENNSYLVANIA

Comparative Schedule of General Fixed Assets by Source

December 31, 1998 and 1997

	<u>1998</u>	<u>1997</u>
General fixed assets:		
Land and buildings	\$ 114,536,261	113,489,141
Machinery and equipment	53,132,039	52,133,534
Capital leases	<u>11,774,592</u>	<u>11,774,592</u>
Total general fixed assets	\$ <u>179,442,892</u>	<u>177,397,267</u>
Investment in general fixed assets by source:		
General fund	2,529,965	2,299,435
Special revenue	18,016,209	17,473,612
Capital projects	23,138,316	22,091,196
Trust funds	546,828	321,450
Capital leases	2,195,767	2,195,767
Acquired prior to January 1, 1992	<u>133,015,807</u>	<u>133,015,807</u>
Total investment in general fixed assets	\$ <u>179,442,892</u>	<u>177,397,267</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of General Fixed Assets  
by Function and Activity

December 31, 1998

	<u>Land and buildings</u>	<u>Machinery and equipment</u>	<u>Capital leases</u>	<u>Total</u>
Function and activity:				
General government:				
Mayor's office	\$ -	5,008,991	11,774,592	16,783,583
Civilian review board	-	8,150	-	8,150
Human relations	-	14,259	-	14,259
Council	-	82,217	-	82,217
Controller	-	106,889	-	106,889
Finance	-	165,665	-	165,665
Law	-	66,244	-	66,244
Personnel and civil service	-	40,567	-	40,567
City planning	-	311,386	-	311,386
General services	<u>29,803,939</u>	<u>35,547,737</u>	<u>-</u>	<u>65,351,676</u>
Total general government	29,803,939	41,352,105	11,774,592	82,930,636
Public safety	23,609,515	2,163,528	-	25,773,043
Public works	6,716,794	8,534,296	-	15,251,090
Recreational and cultural	54,406,013	882,705	-	55,288,718
Engineering and construction	-	199,405	-	199,405
Total general fixed assets	\$ <u>114,536,261</u>	<u>53,132,039</u>	<u>11,774,592</u>	<u>179,442,892</u>



CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Changes in General Fixed  
Assets by Function and Activity

For the Year Ended December 31, 1998

	General fixed assets, January 1, <u>1998</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	General fixed assets, December 31, <u>1998</u>
Function and activity:					
General government:					
Mayor's office	\$ 16,476,067	307,516	-	-	16,783,583
Civilian review board	-	8,150	-	-	8,150
Human relations	6,969	7,290	-	-	14,259
Council	78,988	3,229	-	-	82,217
Controller	106,889	-	-	-	106,889
Finance	164,467	1,198	-	-	165,665
Law	66,244	-	-	-	66,244
Personnel and civil service	40,567	-	-	-	40,567
City planning	294,709	16,677	-	-	311,386
General services	<u>64,777,320</u>	<u>3,156,104</u>	<u>(2,581,748)</u>	-	<u>65,351,676</u>
Total general government	82,012,220	3,500,164	(2,581,748)	-	82,930,636
Public safety	25,724,337	49,806	(1,100)	-	25,773,043
Public works	15,223,526	27,564	-	-	15,251,090
Recreational and cultural	54,237,779	3,819	-	1,047,120	55,288,718
Engineering and construction	199,405	-	-	-	199,405
Construction-in-progress	-	<u>1,047,120</u>	-	<u>(1,047,120)</u>	-
Total general fixed assets	\$ <u>177,397,267</u>	<u>4,628,473</u>	<u>(2,582,848)</u>	-	<u>179,442,892</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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# **GENERAL LONG-TERM DEBT ACCOUNT GROUP**

The General Long-Term Debt Account Group accounts for long-term liabilities expected to be financed from governmental funds in a time frame that exceeds one current operating period.



CITY OF PITTSBURGH, PENNSYLVANIA

General Long-Term Debt Account Group

Statements of General Long-Term Debt

December 31, 1998 and 1997

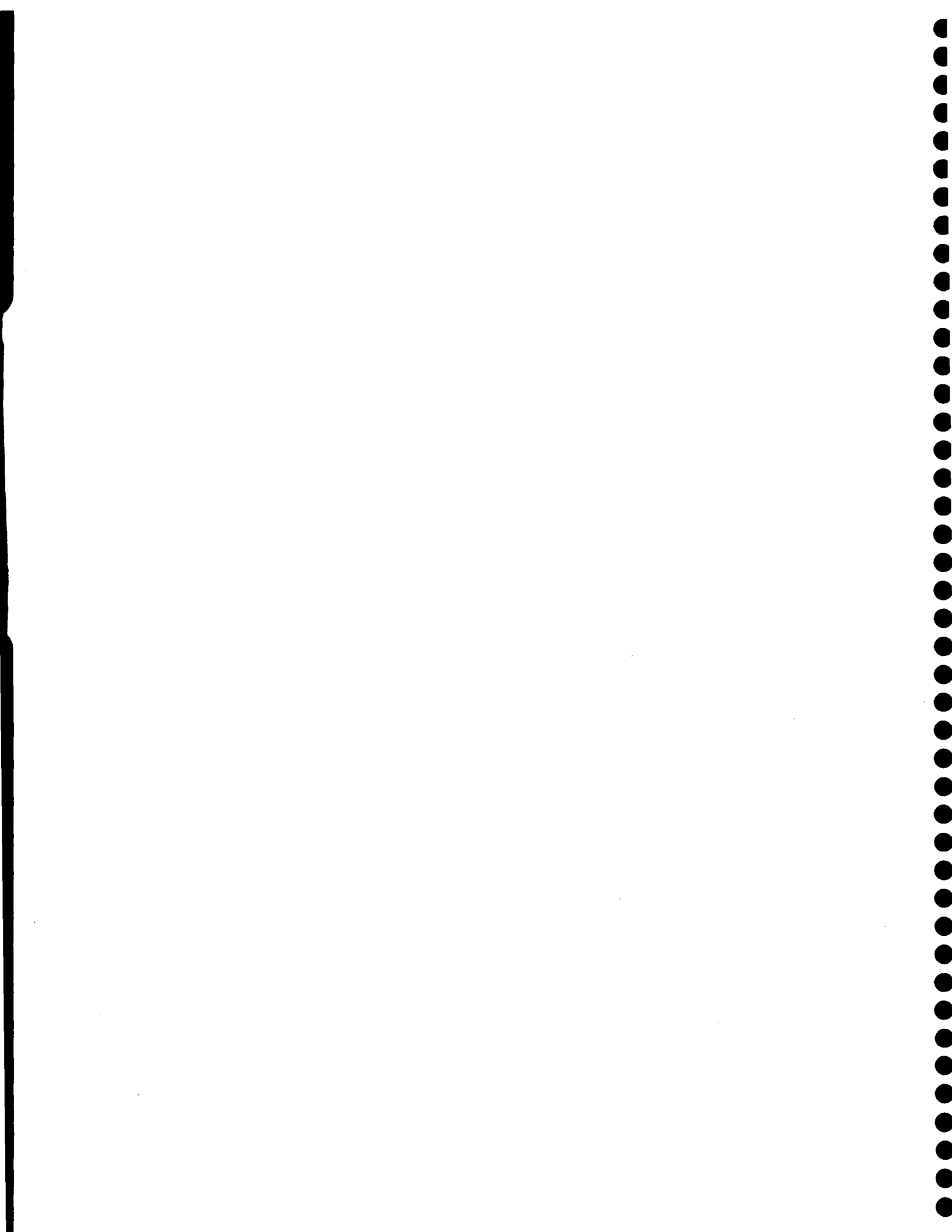
	<u>1998</u>	<u>1997</u>
Amount available and to be provided for the payment of general long-term debt:		
Amount available in debt service funds for retirement of bonds	\$ 12,511,615	16,749,155
Amount to be provided for the retirement of bonds	953,193,729	710,576,092
Amount to be provided for deferred loan	3,834,000	3,834,000
Amount to be provided for accrued pension costs	-	188,380,000
Amount to be provided for accrued workers' compensation	99,862,000	85,147,000
Amount to be provided for accrued compensated absences	14,454,000	17,845,000
Amount to be provided for accrued claims and judgments	<u>8,150,000</u>	<u>7,400,000</u>
Total available and to be provided	\$ <u>1,092,005,344</u>	<u>1,029,931,247</u>
General long-term debt payable:		
General obligation bonds payable, at face	914,605,000	677,160,000
Less unamortized discount on zero coupon bonds	(10,737,932)	(12,985,781)
Less general obligation bonds funded by Stadium Authority	<u>(24,682,499)</u>	<u>(26,406,569)</u>
General obligation bonds payable	879,184,569	637,767,650
Revenue bonds payable	12,860,000	13,945,000
Taxable revenue bonds payable	5,625,000	6,345,000
Self-supporting bonds payable	<u>68,035,775</u>	<u>69,267,597</u>
Total bonds payable	965,705,344	727,325,247
Deferred loan	3,834,000	3,834,000
Accrued pension costs	-	188,380,000
Accrued workers' compensation	99,862,000	85,147,000
Accrued compensated absences	14,454,000	17,845,000
Accrued claims and judgments	<u>8,150,000</u>	<u>7,400,000</u>
Total long-term debt payable	\$ <u>1,092,005,344</u>	<u>1,029,931,247</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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**COMPONENT UNITS  
DISCRETE**





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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Balance Sheet

December 31, 1998

(With comparative totals for December 31, 1997)

	<u>PWSA</u>	<u>Stadium Authority</u>
<u>Assets</u>		
Current assets:		
Cash and investments	\$ 42,876,000	4,417,989
Other current assets	-	627,941
Accounts receivable	11,759,000	3,629,280
Accrued interest receivable and other	-	-
Due from other funds	-	-
Due from other governments	-	-
Grant receivable – Allegheny Regional Asset District	-	7,312,000
Grant receivable – Urban Redevelopment Authority	-	3,060,000
Inventory	1,479,000	-
Assets held for sale	-	-
Total current assets	<u>56,114,000</u>	<u>19,047,210</u>
Trusteed and restricted funds:		
Cash and investments	111,250,000	317,594
Accounts receivable	<u>1,751,000</u>	<u>74,189</u>
Total trustee and restricted assets	<u>113,001,000</u>	<u>391,783</u>
Property, plant and equipment:		
Stadium complex	-	71,032,602
Land, building and improvements	-	-
Furniture and fixtures	-	-
Development costs	-	-
Land and parking facilities	-	-
Machinery and equipment	-	-
Utility plant	220,391,000	-
Property on lease	-	-
Non-utility plant	8,768,000	-
Capitalized system lease	102,166,000	-
Construction-in-progress	32,595,000	-
Property held for future use	-	4,165,742
Less accumulated depreciation	<u>(49,336,000)</u>	<u>(35,970,316)</u>
Net property, plant and equipment	<u>314,584,000</u>	<u>39,228,028</u>
Non-current assets:		
Grant receivable – Urban Redevelopment Authority	-	5,850,002
Bond issuance costs, net of amortization	3,736,000	-
Deferred bond and financing expense	-	62,500
Accounts and notes receivable	-	-
Other non-current assets	-	-
Total non-current assets	<u>3,736,000</u>	<u>5,912,502</u>

<u>URA</u>	<u>Public Parking Authority</u>	<u>Totals</u>	
		<u>1998</u>	<u>1997</u>
287,308,785	4,339,361	338,942,135	237,966,699
-	-	627,941	213,567
180,294,329	1,373,518	197,056,127	213,572,639
-	972,071	972,071	356,571
14,871,743	-	14,871,743	7,596,110
5,709,808	-	5,709,808	1,605,055
-	-	7,312,000	7,354,420
-	-	3,060,000	-
-	-	1,479,000	1,999,000
<u>25,985,568</u>	-	<u>25,985,568</u>	<u>26,377,354</u>
514,170,233	6,684,950	596,016,393	497,041,415
1,903,308	17,480,214	130,951,116	114,452,408
-	-	1,825,189	2,020,708
<u>1,903,308</u>	<u>17,480,214</u>	<u>132,776,305</u>	<u>116,473,116</u>
-	-	71,032,602	67,032,820
24,695,358	-	24,695,358	18,688,075
460,994	-	460,994	346,570
580,496	-	580,496	40,442,578
-	99,132,991	99,132,991	97,767,106
-	2,997,477	2,997,477	2,885,680
-	-	220,391,000	201,347,000
91,519,639	-	91,519,639	24,170,339
-	-	8,768,000	7,772,000
-	-	102,166,000	102,166,000
-	442,529	33,037,529	35,521,938
-	-	4,165,742	-
<u>(6,121,627)</u>	<u>(33,922,969)</u>	<u>(125,350,912)</u>	<u>(108,152,799)</u>
<u>111,134,860</u>	<u>68,650,028</u>	<u>533,596,916</u>	<u>489,987,307</u>
-	-	5,850,002	-
-	1,152,160	4,888,160	6,046,270
-	-	62,500	70,834
-	2,035,269	2,035,269	2,172,476
<u>7,874,763</u>	-	<u>7,874,763</u>	<u>7,405,242</u>
<u>7,874,763</u>	<u>3,187,429</u>	<u>20,710,694</u>	<u>15,694,822</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
Discrete Component Units  
Combining Balance Sheet  
December 31, 1998  
(With comparative totals for December 31, 1997)

<u>Assets</u>	<u>PWSA</u>	<u>Stadium Authority</u>
Other debits:		
Amount to be provided for retirement of bonds	\$ -	-
Amount to be provided for other long-term obligations	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
 Total assets	 \$ <u>487,435,000</u>	 <u>64,579,523</u>

<u>URA</u>	<u>Public Parking Authority</u>	<u>Totals</u>	
		<u>1998</u>	<u>1997</u>
1,555,000	-	1,555,000	1,555,000
<u>457,407</u>	<u>-</u>	<u>457,407</u>	<u>435,704</u>
<u>2,012,407</u>	<u>-</u>	<u>2,012,407</u>	<u>1,990,704</u>
<u>637,095,571</u>	<u>96,002,621</u>	<u>1,285,112,715</u>	<u>1,121,187,364</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Discrete Component Units

## Combining Balance Sheet, Continued

	<u>PWSA</u>	<u>Stadium Authority</u>
<u>Liabilities and Equity (Deficit)</u>		
Current liabilities:		
Accounts payable and other accrued expenses	5,526,000	3,272,686
Accounts payable – primary government	-	-
Accrued payroll and related obligations	1,375,000	-
Accrued interest payable	-	169,167
Due to other funds	-	-
Deferred compensation payable	-	-
Due to other governments	-	-
Current maturities of long-term debt	-	4,178,014
Current maturities of long-term debt – primary government	-	1,400,000
Deferred revenue	-	<u>1,767,053</u>
Total current liabilities	<u>6,901,000</u>	10,786,920
Accounts payable from trustee funds	1,373,000	-
Accrued interest payable from trustee funds	7,624,000	-
Other accrued expenses	-	-
Grants payable from the primary government	-	22,775,168
Payroll related obligations	2,528,000	-
Deferred revenue	8,941,000	-
Accrued compensated absences	-	-
Long-term debt, net of current portion	456,418,000	15,825,023
Long-term payable to the primary government, net of current portion	-	<u>20,125,000</u>
Total liabilities	<u>483,785,000</u>	69,512,111
Fund equity:		
Contributed capital:		
Contributed capital	5,277,000	-
Restricted for construction purposes	-	26,458,290
Investments in general fixed assets	-	-
Retained earnings	-	-
Accumulated deficit	(1,627,000)	(31,390,878)
Fund balance:		
Reserved for encumbrances	-	-
Unreserved:		
Designated for subsequent years' expenditures	-	-
Undesignated	-	-
Total fund equity	<u>3,650,000</u>	<u>(4,932,588)</u>
Total liabilities and fund equity	<u>487,435,000</u>	<u>64,579,523</u>

<u>URA</u>	<u>Public Parking Authority</u>	<u>Totals</u>	
		<u>1998</u>	<u>1997</u>
25,294,697	2,624,834	36,718,217	25,873,239
-	645,711	645,711	563,189
-	-	1,375,000	1,395,000
-	983,057	1,152,224	1,785,235
14,871,743	-	14,871,743	7,596,110
-	-	-	1,354,959
10,868,477	-	10,868,477	7,095,569
-	2,585,858	6,763,872	4,291,772
-	-	1,400,000	1,285,000
<u>104,171,475</u>	<u>-</u>	<u>105,938,528</u>	<u>102,837,928</u>
155,206,392	6,839,460	179,733,772	154,078,001
-	-	1,373,000	1,116,000
-	-	7,624,000	7,766,000
-	100,260	100,260	-
-	-	22,775,168	22,775,168
-	-	2,528,000	3,147,000
-	-	8,941,000	9,597,000
457,407	-	457,407	435,704
-	50,455,016	522,698,039	494,519,483
<u>308,483,588</u>	<u>-</u>	<u>328,608,588</u>	<u>275,034,030</u>
464,147,387	57,394,736	1,074,839,234	968,468,386
6,674,112	5,708,436	17,659,548	13,057,209
-	-	26,458,290	12,830,974
8,186,785	-	8,186,785	11,599,574
117,343,522	32,899,449	150,242,971	128,819,542
-	-	(33,017,878)	(37,952,095)
24,419,187	-	24,419,187	7,961,536
12,285,293	-	12,285,293	10,783,148
<u>4,039,285</u>	<u>-</u>	<u>4,039,285</u>	<u>5,619,090</u>
<u>172,948,184</u>	<u>38,607,885</u>	<u>210,273,481</u>	<u>152,718,978</u>
<u>637,095,571</u>	<u>96,002,621</u>	<u>1,285,112,715</u>	<u>1,121,187,364</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA

Urban Redevelopment Authority of Pittsburgh

Combined Statement of Revenues, Expenditures and Changes in Fund Balances – Discrete Component Units  
All Governmental Fund Types

Year Ended December 31, 1998

	<u>Governmental fund types</u>		<u>Totals</u>
	<u>General</u>	<u>Special Revenue</u>	<u>(Memorandum Only)</u>
Revenues:			
Interest	446,197	1,180,296	1,626,493
Intergovernmental	\$ 2,742,661	39,906,342	42,649,003
Rental income	1,617,937	12,487,224	14,105,161
Loan repayments	-	6,386,409	6,386,409
Other	<u>1,709,403</u>	<u>4,174,179</u>	<u>5,883,582</u>
Total revenues	6,516,198	64,134,450	70,650,648
Expenditures:			
Current:			
Urban development	2,281,127	44,170,434	46,451,561
Administrative	2,665,843	3,865,364	6,531,207
Other	<u>45,874</u>	<u>1,242,015</u>	<u>1,287,889</u>
Total expenditures	<u>4,992,844</u>	<u>49,277,813</u>	<u>54,270,657</u>
Excess of revenues over expenditures	1,523,354	14,856,637	16,379,991
Other financing sources (uses):			
Transfers in	-	9,523,054	9,523,054
Transfers out	<u>-</u>	<u>(9,523,054)</u>	<u>(9,523,054)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues and other sources over expenditures and other uses	1,523,354	14,856,637	16,379,991
Fund balance:			
Beginning of year	<u>13,586,090</u>	<u>10,777,684</u>	<u>24,363,774</u>
End of year	\$ <u>15,109,444</u>	<u>25,634,321</u>	<u>40,743,765</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Discrete Component Units

## Combining Statement of Revenues, Expenses and Changes in Retained Earnings

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	<u>PWSA</u>	<u>Stadium Authority</u>
Operating revenues:		
Water and waste charges	\$ 54,438,000	-
Rentals	-	3,100,340
Concessions	-	794,537
Medallions	-	647,823
Parking receipts	-	-
Parking leases and rentals	-	-
Lounge boxes	-	1,154,865
Program interest income	-	-
Property management revenue	-	-
Sales of housing units	-	-
Miscellaneous	<u>398,000</u>	<u>434,317</u>
Total operating revenues	<u>54,836,000</u>	<u>6,131,882</u>
Operating expenses:		
Salaries and wages	-	3,060,417
Utilities	-	564,243
Interest expense	-	2,808,203
Depreciation and amortization	9,149,000	2,941,545
Cooperation agreement operating expenses	6,988,000	-
Payments to non-City water agencies	3,050,000	-
Repairs and maintenance	-	1,449,028
Insurance	-	471,445
Administrative and other operating expenses	-	1,628,189
Parking taxes	-	-
Direct operating expenses	15,859,000	-
Fair value discount/lender service fees	-	-
Property management and improvement	-	-
Cost of housing units sold	-	-
Miscellaneous	<u>-</u>	<u>-</u>
Total operating expenses	<u>35,046,000</u>	<u>12,923,070</u>
Operating income (loss)	19,790,000	(6,791,188)

<u>URA</u>	<u>Public Parking Authority</u>	<u>Totals</u>	
		<u>1998</u>	<u>1997</u>
-	-	54,438,000	53,014,000
-	-	3,100,340	2,743,352
-	-	794,537	720,698
-	-	647,823	605,046
-	22,064,681	22,064,681	15,625,138
-	540,374	540,374	5,250,510
-	-	1,154,865	1,217,429
9,076,064	-	9,076,064	9,124,352
5,002,858	-	5,002,858	2,457,311
732,223	-	732,223	1,407,384
<u>199,181</u>	<u>18,937</u>	<u>1050,435</u>	<u>1,553,579</u>
15,010,326	22,623,992	98,602,200	93,718,799
-	-	3,060,417	3,223,051
-	-	564,243	589,477
-	-	2,808,203	3,110,029
2,023,727	3,374,366	17,488,638	15,091,407
-	-	6,988,000	7,980,000
-	-	3,050,000	2,260,000
-	-	1,449,028	1,324,058
-	-	471,445	516,865
1,100,056	9,144,575	11,872,820	11,420,753
-	4,397,588	4,397,588	3,600,347
-	-	15,859,000	15,985,638
864,105	-	864,105	834,751
2,077,488	-	2,077,488	1,410,772
1,102,851	-	1,102,851	1,787,019
<u>1,088,302</u>	<u>-</u>	<u>1,088,302</u>	<u>813,307</u>
<u>8,256,529</u>	<u>16,916,529</u>	<u>73,142,128</u>	<u>69,947,474</u>
6,753,797	5,707,463	25,460,072	23,771,325

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Discrete Component Units

## Combining Statement of Revenues, Expenses and Changes in Retained Earnings, Continued

	<u>PWSA</u>	<u>Stadium Authority</u>
Nonoperating revenue (expense):		
Interest income	\$ 2,801,000	-
Interest expense	(20,700,000)	-
Amortization	(319,000)	-
Meter and wharf receipts	-	-
Other income	-	-
Meter and wharf expenses	-	-
Payment in lieu of taxes	-	-
Other expense	-	-
Earned government grants	-	-
Allegheny Regional Asset District grant	-	<u>10,000,000</u>
Total nonoperating revenues (expenses)	<u>(18,218,000)</u>	<u>10,000,000</u>
Net income	1,572,000	3,208,812
Retained earnings (accumulated deficit), beginning of year as previously reported	(3,199,000)	(34,599,690)
Change in accounting principle	-	-
Retained earnings (accumulated deficit), beginning of year as restated	<u>(3,199,000)</u>	<u>(34,599,690)</u>
Retained earnings (accumulated deficit), end of year	\$ <u>(1,627,000)</u>	<u>(31,390,878)</u>

<u>URA</u>	<u>Public Parking Authority</u>	<u>Totals</u>	
		<u>1998</u>	<u>1997</u>
9,664,091	1,197,885	13,662,976	12,254,926
(15,405,933)	(3,087,637)	(39,193,570)	(37,687,217)
-	-	(319,000)	(341,000)
-	835,350	835,350	706,255
-	2,824	2,824	27,633
-	(760,000)	(760,000)	(594,359)
-	(1,400,000)	(1,400,000)	(1,369,666)
(210,179)	(77,787)	(287,966)	(421,838)
15,181,473	-	15,181,473	12,323,088
-	-	<u>10,000,000</u>	<u>10,000,000</u>
<u>9,229,452</u>	<u>(3,289,365)</u>	<u>(2,277,913)</u>	<u>(5,102,178)</u>
15,983,249	2,418,098	23,182,159	18,669,147
98,120,972	30,481,351	90,803,633	72,198,300
<u>3,239,301</u>	<u>-</u>	<u>3,239,301</u>	<u>-</u>
<u>101,360,273</u>	<u>30,481,351</u>	<u>94,042,934</u>	<u>72,198,300</u>
<u>117,343,522</u>	<u>32,899,449</u>	<u>117,225,093</u>	<u>90,867,447</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Discrete Component Units

## Combining Statement of Cash Flows

For the Year Ended December 31, 1998  
(With comparative totals for December 31, 1997)

	<u>PWSA</u>	<u>Stadium Authority</u>
Cash flows from operating activities:		
Operating income	\$ 19,790,000	(6,791,188)
Reconciliation of operating income to net cash provided by (used by) operating activities:		
Depreciation and amortization	9,149,000	2,941,545
Interest	-	<u>2,808,203</u>
	<u>28,939,000</u>	<u>(1,041,440)</u>
Changes in operating assets and liabilities:		
Accounts receivable	3,034,000	(215,560)
Prepaid expenses	-	(414,374)
Other current assets	520,000	-
Accounts payable and accrued expenses	1,184,000	(1,851,473)
Deferred revenue	(504,000)	176,773
Due to primary government	(930,000)	-
Change in accrued payroll and withholdings	(639,000)	-
Loans issued	-	-
Loan repayments	-	-
Net cash provided by (used by) operating activities	<u>31,604,000</u>	<u>(3,346,074)</u>
Cash flows from investing activities:		
Interest earnings	7,319,000	-
Purchase of investment securities	(406,058,000)	-
Proceeds from sale and maturities of investments	389,869,000	-
Deposits to repair reserve	-	-
Change in restricted cash and investments	-	-
Payment received on notes receivable	-	-
Equity conveyed to affiliated entity	-	-
Contributed capital	-	-
Net cash provided by (used by) investing activities	<u>(8,870,000)</u>	<u>-</u>

<u>URA</u>	<u>Public Parking Authority</u>	<u>Totals</u>	
		<u>1998</u>	<u>1997</u>
6,753,797	5,707,463	25,460,072	23,771,325
2,379,356	3,374,366	17,844,267	15,412,508
<u>-</u>	<u>-</u>	<u>2,808,203</u>	<u>3,110,029</u>
9,133,153	9,081,829	46,112,542	42,293,862
(1,441,205)	30,959	1,408,194	6,463,804
-	-	(414,374)	(29,229)
7,045,326	(645,394)	6,919,932	(897,668)
1,955,318	(519,410)	768,435	4,250,358
(399,453)	-	(726,680)	5,607,971
-	-	(930,000)	2,428,460
-	-	(639,000)	(570,000)
(19,614,263)	-	(19,614,263)	(20,247,899)
<u>23,204,159</u>	<u>-</u>	<u>23,204,159</u>	<u>38,650,768</u>
19,883,035	7,947,984	56,088,945	77,950,427
9,316,303	1,227,779	17,863,082	19,256,791
(159,687,481)	-	(565,745,481)	(217,962,763)
116,662,067	-	506,531,067	218,181,974
(3,038)	-	(3,038)	-
-	-	-	3,992,937
-	137,207	137,207	189,584
-	-	-	(17,806,025)
<u>-</u>	<u>-</u>	<u>-</u>	<u>17,806,025</u>
(33,712,149)	1,364,986	(41,217,163)	23,658,523

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Statement of Cash Flows, Continued

	<u>PWSA</u>	<u>Stadium Authority</u>
Cash flows from noncapital financing activities:		
Principal payment related to noncapital funds	\$ (684,000)	(72,500)
Interest payment related to noncapital funds	(1,460,000)	(50,427)
Payment in lieu of taxes	-	-
Meter and wharf receipts	-	-
Meter and wharf expenses	-	-
Other noncapital financing activities, net	-	-
Grants from the Allegheny Regional Asset District	-	10,000,000
Proceeds from borrowing	-	-
Costs	-	-
Early redemption of bonds	-	-
Net cash provided by (used by) noncapital financing activities	(2,144,000)	9,877,073
Cash flows from capital and related financing activities:		
Development grant from City of Pittsburgh	-	-
Principal payment related to capital funds	(7,866,000)	(3,627,846)
Interest payment related to capital funds	(16,790,000)	(3,358,875)
Additions to Stadium complex	-	(3,880,225)
Property conveyed to affiliated entity	-	-
Acquisition and construction of capital assets	(16,428,000)	-
Proceeds from sale of assets	-	-
Principal paid on capital lease obligation	-	-
Proceeds from issuance of revenue bonds related to capital funds	226,112,000	-
Bond issuance costs	-	-
Transfer to escrow fund for defeasance of debt	(194,756,000)	-
Repayment - GNMA securities	-	-
Proceeds from note	-	4,000,000
Proceeds from capital grants	-	4,655,314
Purchase of property held for future use	-	(4,000,000)
Net cash provided by (used by) capital and related financing activities	(9,728,000)	(6,211,632)
Net increase (decrease) in cash and cash equivalents	10,862,000	319,367
Cash and cash equivalents at beginning of year	<u>35,837,000</u>	<u>4,416,216</u>
Cash and cash equivalents at end of year	\$ <u>46,699,000</u>	<u>4,735,583</u>
Supplemental information:		
Cash and cash equivalents	42,876,000	4,417,989
Non-proprietary cash and cash equivalents	-	-
Trusted and restricted funds	113,001,000	391,783
Long-term restricted investments	(107,427,000)	-
Restricted funds which are not cash or investments	(1,751,000)	(74,189)
Total cash and cash equivalents at the end of the year	\$ <u>46,699,000</u>	<u>4,735,583</u>



<u>URA</u>	<u>Public Parking Authority</u>	<u>Totals</u>	
		<u>1998</u>	<u>1997</u>
(26,525,717)	(2,454,472)	(29,736,689)	(11,408,047)
(16,041,216)	-	(17,551,643)	(16,023,099)
-	(1,400,000)	(1,400,000)	(1,369,666)
-	835,350	835,350	706,255
-	(677,478)	(677,478)	(594,359)
15,034,811	(41,485)	14,993,326	12,172,700
-	-	10,000,000	10,000,000
88,840,336	-	88,840,336	50,375,216
(790,098)	-	(790,098)	(549,782)
<u>(9,365,622)</u>	<u>-</u>	<u>(9,365,622)</u>	<u>(8,603,282)</u>
51,152,494	(3,738,085)	55,147,482	34,705,936
-	-	-	2,600,000
-	-	(11,493,846)	(11,559,050)
-	(3,119,549)	(23,268,424)	(28,126,793)
-	-	(3,880,225)	(1,989,172)
-	-	-	30,376,732
(33,140,510)	(1,108,892)	(50,677,402)	(81,735,863)
629,736	-	629,736	8,930
-	-	-	(21,017,000)
-	-	226,112,000	800,000
-	-	-	-
-	-	(194,756,000)	(30,977)
10,110,240	-	10,110,240	3,192,575
-	-	4,000,000	-
-	-	4,655,314	-
<u>-</u>	<u>-</u>	<u>(4,000,000)</u>	<u>-</u>
<u>(22,400,534)</u>	<u>(4,228,441)</u>	<u>(42,568,607)</u>	<u>(107,480,618)</u>
14,922,846	1,346,444	27,450,657	28,834,268
<u>24,674,043</u>	<u>20,473,131</u>	<u>85,400,390</u>	<u>56,643,987</u>
<u>39,596,889</u>	<u>21,819,575</u>	<u>112,851,047</u>	<u>85,478,255</u>
287,262,468	4,339,361	338,895,818	237,966,699
(71,427,267)	-	(71,427,267)	(46,545,512)
-	17,480,214	130,872,997	114,454,216
(176,238,312)	-	(283,665,312)	(218,376,440)
<u>-</u>	<u>-</u>	<u>(1,825,189)</u>	<u>(2,020,708)</u>
<u>39,596,889</u>	<u>21,819,575</u>	<u>112,851,047</u>	<u>85,478,255</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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# **STATISTICAL SECTION**



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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Table 1  
CITY OF PITTSBURGH, PENNSYLVANIA

General Governmental Revenues (1)

Last Ten Years  
(GAAP Basis)

(Amounts in Thousands)

	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994 (3)</u>
Taxes (2)	\$ 269,472	263,767	269,213	253,528	248,829
Payment in lieu of taxes	2,313	2,171	3,583	4,981	4,644
Interest earnings	10,321	8,432	8,942	5,263	3,673
Fines and forfeits	8,031	7,351	6,861	5,782	6,471
Licenses and fees	6,995	11,171	8,323	7,447	9,511
Pittsburgh Zoo receipts	-	-	-	-	-
Intergovernmental	62,401	64,055	59,152	52,478	46,663
Charges for user services	21,025	22,279	18,457	17,922	17,071
Pension state aid	14,632	-	-	-	-
Miscellaneous	<u>2,987</u>	<u>1,722</u>	<u>1,141</u>	<u>2,095</u>	<u>2,379</u>
Total	\$ <u>398,177</u>	<u>380,948</u>	<u>375,672</u>	<u>349,496</u>	<u>339,241</u>

(1) Includes general, special revenue, debt service and capital projects funds.

(2) Includes penalty and interest.

(3) Restated for GASB No. 22 implementation.

<u>1993</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>
239,500	239,325	234,205	235,257	220,733
4,646	5,128	3,873	-	-
3,722	3,758	6,645	9,531	10,265
5,234	4,696	5,179	5,412	4,393
8,155	10,321	12,766	13,046	11,562
-	1,945	1,958	1,470	1,479
45,666	44,408	49,454	43,977	54,741
17,706	11,903	2,581	2,430	2,131
3,713	4,888	3,780	1,941	1,284
<u>328,342</u>	<u>326,372</u>	<u>320,441</u>	<u>313,064</u>	<u>306,588</u>

Table 1A  
CITY OF PITTSBURGH, PENNSYLVANIA  
General Fund Tax Revenues by Source  
Last Ten Years  
(Amounts in Thousands)

	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
Real estate tax	\$ 112,434	123,993	120,136	112,752	113,306
Mercantile tax	7,038	6,773	6,966	6,489	6,580
Amusement tax	7,813	5,744	6,415	5,789	8,692
Personal property tax	-	-	-	8	4,079
Earned income tax	42,941	36,901	39,146	34,793	39,675
Deed transfer tax	9,317	7,537	6,711	7,281	5,756
Sewage charges (3)	-	-	1,474	1,441	1,486
Parking tax	28,728	23,461	22,757	21,937	21,261
Occupation privilege tax	3,142	2,670	2,890	3,145	3,289
Business privilege tax	35,269	35,465	36,210	35,337	33,252
Institution/service tax	802	1,098	909	822	696
Penalties and interest	2,045	2,380	3,730	4,078	4,299
Public service privilege	641	703	399	450	400
Cable indirect cost	1,175	-	343	-	-
Non-profit/payments and services (2)	-	-	-	-	-
Regional Asset District	<u>18,127</u>	<u>17,042</u>	<u>21,127</u>	<u>19,206</u>	<u>6,058</u>
Total tax revenues	\$ <u>269,472</u>	<u>263,767</u>	<u>269,213</u>	<u>253,528</u>	<u>248,829</u>

- (1) Presented on a cash basis; all other years are displayed on a GAAP basis.
- (2) Moved to a new nontax revenue category in 1991, "in lieu of taxes."
- (3) Sewage amount is in a nontax revenue category for years 1986 through 1988.
- (4) Restated for GASB No. 22 implementation.



<u>1993 (4)</u>	<u>1992</u>	<u>1991</u>	<u>1990 (1)</u>	<u>1989 (1)</u>
113,675	115,421	113,795	118,494	96,130
6,739	6,457	6,826	6,694	6,502
11,085	11,052	10,987	8,982	7,564
3,737	3,125	2,737	2,627	2,340
37,151	37,337	36,675	40,113	54,067
5,932	5,280	4,716	5,857	6,272
1,267	1,023	1,201	1,500	964
20,448	19,683	17,696	17,325	14,210
3,090	3,097	3,346	3,196	3,072
31,325	31,156	31,115	28,206	25,285
455	642	656	341	216
4,123	4,532	4,148	4,412	3,549
473	520	307	220	214
-	-	-	364	352
-	-	-	1,685	1,101
-	-	-	-	-
<u>239,500</u>	<u>239,325</u>	<u>234,205</u>	<u>240,016</u>	<u>221,838</u>

Table 2  
CITY OF PITTSBURGH, PENNSYLVANIA

General Governmental Expenditures (1)

Last Ten Years

(Amounts in Thousands)

	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
General government	\$ 42,927	51,401	31,691	29,880	27,603
Public safety	139,567	137,815	134,602	131,838	129,879
Public works	29,901	27,167	36,487	39,558	38,246
Sanitation	9,981	12,050	12,770	12,035	11,966
Community, recreational and cultural	7,920	8,407	8,557	8,147	14,657
Employee benefits, etc.	310,299	73,535	89,521	52,109	60,129
Claims and judgments	2,519	(3,854)	4,436	2,519	1,165
Miscellaneous	1,885	980	1,192	2,581	3,076
Intergovernmental programs	15,542	10,191	23,560	22,652	17,899
Capital projects	42,484	45,630	46,117	39,108	37,029
Bond issue costs	2,385	601	1,651	1,138	376
Debt service/authorities	<u>75,545</u>	<u>55,396</u>	<u>52,218</u>	<u>66,392</u>	<u>59,806</u>
Total	\$ <u>680,955</u>	<u>419,319</u>	<u>442,802</u>	<u>407,957</u>	<u>401,831</u>

(1) Includes general, special revenue, debt service and capital projects funds.

(2) Restated for GASB No. 16 implementation.

<u>1993 (2)</u>	<u>1992</u>	<u>1991</u>	<u>1990</u>	<u>1989</u>
25,296	25,132	31,666	25,619	23,431
127,607	118,159	115,647	109,198	102,271
40,024	36,850	36,196	35,941	34,565
15,366	15,453	15,421	15,070	14,187
18,434	22,687	23,533	24,848	22,281
51,920	49,902	49,932	45,003	42,567
1,778	1,291	1,004	656	647
2,719	2,885	2,854	2,991	2,378
18,173	16,666	12,546	14,572	20,025
39,905	42,295	52,710	41,541	58,461
492	1,127	778	-	1,496
<u>59,188</u>	<u>57,833</u>	<u>54,441</u>	<u>56,299</u>	<u>43,339</u>
<u>400,902</u>	<u>390,280</u>	<u>396,728</u>	<u>371,738</u>	<u>365,648</u>

Table 3

## CITY OF PITTSBURGH, PENNSYLVANIA

## Assessed Value, Tax Rate, Levy and Collections

## Last Ten Years

(Amounts in Thousands)

<u>Fiscal year</u>	<u>Assessed valuation of land and buildings</u>	<u>Land millage</u>	<u>Building millage</u>	<u>Original net levy</u>	<u>Adjusted net levy (1)</u>	<u>Budget</u>
1989	\$ 1,978,453	151.5	27.00	\$ 99,033	\$ 98,262	\$ 94,000
1990	2,071,085	184.5	32.00	122,927	120,327	114,500
1991	2,085,143	184.5	32.00	125,345	119,606	114,500
1992	2,120,326	184.5	32.00	124,187	118,775	113,000
1993	2,055,751	184.5	32.00	121,026	117,662	113,200
1994	2,070,364	184.5	32.00	121,269	119,694	111,500
1995	2,047,583	184.5	32.00	121,976	117,959	112,117
1996	2,036,489	184.5	32.00	118,952	115,898	109,720
1997	2,047,441	184.5	32.00	119,741	111,066	109,180
1998	2,085,013	184.5	32.00	121,674	105,822	110,715

(1) Represents net levy as of December 31 of the tax year (i.e., net of exonerations, discounts and additions granted in that year).

<u>Receipts</u>	<u>Year of original levy</u>			<u>Delinquent taxes</u>		
	<u>Percent of original net levy collected</u>	<u>Percent of adjusted net levy collected</u>	<u>Percent of budget collected</u>	<u>Collection</u>		<u>Percent of budget collected</u>
				<u>Budget</u>	<u>Receipts</u>	
\$ 91,447	% 92.3	% 93.1	% 97.3	\$ 4,500	\$ 4,501	% 100.1
112,330	91.4	93.4	98.1	4,600	5,989	130.2
111,267	88.8	93.0	97.2	5,400	5,281	97.8
112,971	91.0	95.2	99.9	4,750	4,942	104.0
112,390	92.9	95.5	99.3	5,800	4,932	85.0
110,463	91.1	92.3	99.1	4,850	4,371	90.1
110,166	90.3	93.4	98.3	4,938	4,733	95.8
110,276	92.7	95.1	100.5	8,773	12,130	138.3
113,251	94.6	101.9	103.7	13,675	13,018	95.2
112,562	92.5	99.3	101.6	5,521	6,644	120.3

Table 4

## CITY OF PITTSBURGH, PENNSYLVANIA

## Assessed and Estimated Actual Value of Property

## Last Ten Years

(Amounts in Thousands)

Fiscal year	<u>Real property</u>		<u>Personal property</u>		<u>Total</u>		Ratio of total assessed value to total estimated actual value
	<u>Assessed value</u>	<u>Estimated actual value</u>	<u>Assessed value</u>	<u>Estimated actual value</u>	<u>Assessed value</u>	<u>Estimated actual value</u>	
1989	\$ 1,978,453	\$ 7,913,813	\$ 588,816	\$ 588,816	\$ 2,567,269	\$ 8,502,629	30.19
1990	2,071,085	8,284,342	665,791	665,791	2,736,876	8,950,133	30.58
1991	2,085,143	8,340,572	706,476	706,476	2,791,619	9,047,048	30.86
1992	2,120,326	8,481,305	812,808	812,808	2,933,134	9,294,113	31.56
1993	2,055,751	8,223,005	1,052,933	1,052,933	3,108,684	9,275,938	33.51
1994	2,070,364	8,281,456	934,944	934,944	3,005,308	9,216,400	32.61
1995	2,047,583	8,190,332	(1)	(1)	2,047,583	8,190,332	25.00
1996	2,036,489	8,145,956	(1)	(1)	2,036,489	8,145,956	25.00
1997	2,047,441	8,189,764	(1)	(1)	2,047,441	8,189,764	25.00
1998	2,085,013	8,340,054	(1)	(1)	2,085,013	8,340,054	25.00

(1) In 1995, as part of the Regional Asset District (RAD) Tax, the personal property tax was repealed.

Table 5

## CITY OF PITTSBURGH, PENNSYLVANIA

Property Tax Rates -  
Direct and Overlapping Governments

## Last Ten Years

Fiscal year	City of Pittsburgh			School district millage	County millage (2)	Total millage
	Land millage	Building millage	Average (1)			
1989	151.500	27.000	50.086	46.000	35.000	131.086
1990	184.500	32.000	59.070	46.000	36.500	141.570
1991	184.500	32.000	58.995	46.000	36.500	141.495
1992	184.500	32.000	58.626	59.700	36.500	154.826
1993	184.500	32.000	58.870	59.700	36.500	155.070
1994	184.500	32.000	58.573	59.700	36.500	154.773
1995	184.500	32.000	58.421	59.700	31.500	154.621
1996	184.500	32.000	58.414	59.700	25.200	143.314
1997	184.500	32.000	58.483	59.700	25.200	143.383
1998	184.500	32.000	58.483	59.700	25.200	143.383

- (1) Determined by multiplying the respective assessed valuation by the millage rate and dividing by the total assessed valuation
- (2) As of January 1, 1998, the Institution District was dissolved and its 3.5 tax rate (millage) was included in County millage.

The basis for the property tax rates is per each \$1,000 of assessed valuation.

Table 6

## CITY OF PITTSBURGH, PENNSYLVANIA

## Principal Real Estate Taxpayers

December 31, 1998

(Amounts in Thousands)

<u>Taxpayer</u>	<u>Principal type of business</u>	<u>1998 assessed valuation</u>	<u>Percentage of total assessed value</u>
500 Grant Street Associates (One Mellon Bank Center)	Real Estate	\$ 52,000	2.49
Market View Incorporated (Subsidiary of PPG Industries)	Real Estate	46,250	2.22
Pittsburgh National Corporation	Commercial banking	46,238	2.22
600 Grant Street Associates (USX Building)	Real Estate	42,500	2.04
Oxford Development	Real Estate	26,480	1.27
Grant Liberty Development Group	Real Estate	18,750	.90
Gateway Trizec, Inc. (previously known as Equitable Life Assurance Society of the United States)	Real Estate	17,831	.86
Mellon Bank, N.A.	Commercial banking	17,672	.85
Urban Redevelopment Authority	Redevelopment	14,409	.69
Harrah's Forest City Associates	Real Estate	13,596	.65

Source: City of Pittsburgh – Department of Finance

Note: The City has a bifurcated tax system wherein land is taxed at a higher rate than buildings. Percentages of total tax levied reflect the dual tax rate.

Total assessed value (in thousands) \$2,085,013.



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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Table 7

## CITY OF PITTSBURGH, PENNSYLVANIA

Net Debt and Remaining Debt Incurring Margin  
in Accordance With Act No. 52, Approved April 28, 1978

"Local Government Unit Debt Act"

December 31, 1998

	Nonelectoral <u>debt</u>	Lease rental <u>debt</u>
Gross debt (1):		
Principal amount of bonds issued and outstanding:		
General obligation	\$ 879,184,569	-
Auditorium Authority:		
Served by the City	-	12,860,000
Served by others	-	3,492,500
Stadium Authority	-	40,672,539
Urban Redevelopment Authority	-	73,660,775
Total gross debt	\$ <u>879,184,569</u>	<u>130,685,814</u>
Items deductible from gross debt:		
Cash and legal investments held in sinking fund for payment of bonds and notes	11,916,539	-
Cash in bond fund applicable to debt	38,116,778	-
Delinquent real estate taxes and sewage collections	294,536	-
Self-liquidating and subsidized debt:		
Auditorium Authority:		
Served by the City	-	4,307,500
Served by others	-	2,194,500
Urban Redevelopment Authority	-	1,871,682
Taxable General Obligation Pension Bond, 1996B	36,500,000	-
Taxable General Obligation Pension Bond, 1998ABC	<u>253,519,607</u>	-
Total deductions	<u>340,347,460</u>	<u>8,373,682</u>
Net debt	\$ <u>538,837,109</u>	<u>122,312,132</u>

- (1) Direct obligations of the Pittsburgh Water and Sewer Authority in the amount of \$456,418,070 are not considered debt of the City for purpose of this calculation.

(Continued)

Table 7, Continued

CITY OF PITTSBURGH, PENNSYLVANIA

Net Debt and Remaining Debt Incurring Margin  
in Accordance With Act No. 52, Approved April 28, 1978, Continued

Allocation of Total Net Debt

Net nonelectoral debt	\$ 538,837,109
Net lease rental debt	<u>122,312,132</u>
Net nonelectoral and lease rental debt	\$ <u>661,149,241</u>

Debt Incurring Margin

	<u>1996</u>	<u>1997</u>	<u>1998</u>
Total net revenue of the City	327,151,967	336,311,523	<u>338,770,822</u>
Borrowing base (arithmetic average of total net revenue for said three fiscal years)			\$ <u>334,078,104</u>

	Net nonelectoral debt (borrowing base x 250%)	Net nonelectoral and lease rental debt (borrowing base x 350%)
Debt limitations	\$ 835,195,260	1,169,273,364
Less existing net debt	<u>(538,837,109)</u>	<u>(661,149,241)</u>
Remaining debt incurring margin	\$ <u>296,358,151</u>	<u>508,124,123</u>

Table 8

## CITY OF PITTSBURGH, PENNSYLVANIA

Ratio of Net General Obligation Bonded Debt to Assessed Value  
and Net General Obligation Bonded Debt Per Capita

Last Ten Years

(Amounts in Thousands)

<u>Fiscal year</u>	<u>Population</u>	<u>Assessed value</u>	<u>Gross bonded debt</u>	<u>Less debt service funds</u>
1989	424	\$ 1,978,453	\$ 395,125	\$ 1,339
1990	370	2,071,085	382,445	1,090
1991	370	2,085,143	413,425	903
1992	370	2,120,326	484,838	491
1993	370	2,055,751	485,591	530
1994	370	2,070,364	472,642	635
1995	370	2,047,583	548,004	7,311
1996	370	2,036,489	579,210	21,747
1997	370	2,047,441	637,768	16,749
1998	370	2,085,013	879,185	12,512

Net general bonded <u>debt</u>	Ratio of net general bonded debt to assessed <u>value</u>	Net general bonded debt per <u>capita</u>
\$ 393,786	% 19.90	\$ 929
381,355	18.41	1,031
412,522	19.78	1,115
484,347	22.84	1,309
485,061	23.60	1,311
472,007	22.80	1,276
540,693	26.41	1,461
557,463	27.37	1,507
621,019	30.33	1,678
866,673	41.57	2,342

Table 9

## CITY OF PITTSBURGH, PENNSYLVANIA

Ratio of Annual Debt Service Expenditures for General  
Obligation Bonded Debt (1) to Total General  
Governmental Expenditures

Last Ten Years

<u>Fiscal year</u>	<u>Principal</u>	<u>Interest (2)</u>	<u>Total debt service</u>	<u>Total general governmental expenditures (3)</u>	<u>Ratio of debt to general governmental expenditures</u>
1989	\$ 13,130	\$ 23,679	\$ 36,809	\$ 365,648	% 10.07
1990	22,555	26,815	49,370	371,738	13.28
1991	19,630	27,005	46,635	396,728	11.75
1992	22,205	28,778	50,983	390,280	13.06
1993	20,675	30,826	51,501	400,902	12.84
1994	24,103	30,385	54,488	401,831	13.56
1995	25,040	29,947	54,987	407,957	13.48
1996	17,021	24,286	41,307	442,802	9.33
1997	13,739	31,526	45,265	419,319	10.79
1998	25,160	41,345	66,505	680,955	9.77

(1) City of Pittsburgh and Equipment Leasing Authority bonds only

(2) Excludes bond issuance and other costs

(3) Includes general, special revenue, capital projects and debt service funds

Table 10

## CITY OF PITTSBURGH, PENNSYLVANIA

## Computation of Direct and Overlapping Debt

December 31, 1998

(Amounts in Thousands)

<u>Jurisdiction</u>	<u>Net debt outstanding</u>	<u>Percentage applicable to City</u>	<u>Amount applicable to City</u>
Direct debt:			
City of Pittsburgh:			
General obligation	\$ 866,673	% 100	866,673
Equipment Leasing Authority	-	-	-
Stadium Authority	40,673	100	40,673
Auditorium Authority	<u>25,720</u>	50	<u>12,860</u>
Total direct debt	933,066		920,206
Overlapping debt:			
Auditorium Authority	6,985	50	3,492
Pittsburgh Water and Sewer Authority	456,418	-	-
The School District of Pittsburgh	213,136	100	213,136
Allegheny County	<u>546,646</u>	28	<u>153,061</u>
Total overlapping debt	<u>1,223,185</u>		<u>369,689</u>
Total direct and overlapping debt	\$ <u>2,156,251</u>		<u>1,289,885</u>

Table 11

## CITY OF PITTSBURGH, PENNSYLVANIA

Revenue Bond Coverage -  
Pittsburgh Water and Sewer Authority

Last Ten Years

(Amounts in Thousands)

Fiscal year	Gross revenues	(1) operating expenses	Net revenue available for debt service	Debt service requirements			Coverage
				Principal	Interest	Total	
1989	\$ 46,630	\$ 28,741	\$ 17,889	\$ 800	\$ 32,157	\$ 32,957	0.54
1990	52,825	47,838	4,987	900	32,111	33,011	0.15
1991	51,728	34,651	17,077	5,400	27,569	32,969	0.52
1992	47,231	35,260	11,971	-	16,793	16,793	0.71
1993	51,165	37,990	13,175	4,445	13,866	18,311	0.72
1994	53,865	34,958	18,907	8,495	12,536	21,031	0.90
1995	59,254	31,045	28,209	4,355	13,908	18,263	1.54
1996	59,497	27,137	32,360	7,980	25,248	33,228	.97
1997	53,244	25,790	27,454	9,440	23,657	33,097	.83
1998	54,836	25,897	28,939	8,550	18,269	26,819	1.08

(1) Total operating expenses exclusive of depreciation and amortization



Table 11A

## CITY OF PITTSBURGH, PENNSYLVANIA

Revenue Bond Coverage –  
The Stadium Authority of the City of Pittsburgh (1)

Last Ten Years

(Amounts in Thousands)

Fiscal year	Gross revenues (2)	Operating expenses (3)	Net revenue available for debt service	Debt service requirements (4)			Coverage (5)
				Principal	Interest	Total	
1989	\$ 6,984	\$ 4,119	\$ 1,865	\$ 1,305	\$ 4,087	\$ 5,392	0.53
1990	6,770	4,490	2,280	1,340	4,086	5,426	0.42
1991	7,936	4,969	2,967	1,430	4,000	5,430	0.55
1992	8,064	5,364	2,700	1,515	3,907	5,422	0.50
1993	7,857	5,644	2,213	1,620	3,805	5,425	0.41
1994	7,661	4,849	2,812	2,452	3,490	5,942	0.47
1995	8,661	5,411	3,250	2,829	4,007	6,836	0.48
1996	7,577	5,494	2,083	2,546	3,243	5,789	0.36
1997	5,772	7,210	(1,438)	2,547	3,889	6,436	-
1998	6,132	7,173	(1,041)	3,700	3,409	7,109	-

(1) Figures presented are for the fiscal year end of March 31

(2) Total revenues including interest

(3) Total operating expenses exclusive of depreciation, interest, baseball lease credit adjustments and loss on disposal of turf.

(4) Debt service payments on notes are excluded

(5) The City guarantees the payment of Stadium Authority debt service and/or operating losses

Table 12  
CITY OF PITTSBURGH, PENNSYLVANIA  
Demographic Statistics  
Last Ten Years

Fiscal year	(1) <u>Population</u>	(2) Per capita <u>income</u>	(2) Median <u>age</u>	(3) School <u>enrollment</u>	(4) Unemployment rate <u>percentage</u>
1989	423,938	\$ 17,849	36.62	39,308	4.6
1990	369,879	18,737	37.08	39,661	4.8
1991	369,879	20,087	37.41	40,137	6.0
1992	369,879	21,437	37.74	39,343	6.8
1993	369,879	22,786	38.08	40,167	6.0
1994	369,879	24,136	38.42	39,728	5.9
1995	369,879	23,361*	38.24	39,761	5.5
1996	369,879	20,747*	34.60	39,955	4.5
1997	369,879	22,550	34.60	40,181	4.6
1998	369,879	29,328	38.70	39,603	4.5

Data Sources

- (1) Census Bureau
- (2) U.S. Market Forecasts - 1997
- (3) School District of Pittsburgh
- (4) PNC Bank, Regional Economic Update, Spring 1998

\* Change in method of calculations

Table 13

## CITY OF PITTSBURGH, PENNSYLVANIA

## Property Value, Construction and Bank Deposits

Last Ten Years

(Amounts in Thousands)

<u>Fiscal year</u>	<u>Property value (1)</u>	<u>Construction (2)</u>		<u>Bank deposits (3)</u>
		<u>Number of permits issued</u>	<u>Dollar value</u>	
1989	\$ 1,978,453	3,233	\$ 338,507	\$ 14,661,606
1990	2,071,085	3,099	140,749	16,199,328
1991	2,085,143	3,500	146,969	17,913,895
1992	2,120,326	3,368	213,314	17,919,571
1993	2,055,751	3,363	212,452	30,113,033
1994	2,070,364	3,148	201,982	30,529,054
1995	2,047,489	3,019	158,575	37,372,876
1996	2,036,489	2,793	250,315	72,833,745
1997	2,047,441	2,490	193,471	76,412,827
1998	2,085,013	2,405	388,570	80,400,721

(1) Assessed value from Table 4

## Data sources

(2) Bureau of Building Inspection, City of Pittsburgh

(3) Federal Reserve Bank, Cleveland branch

Table 14

## CITY OF PITTSBURGH, PENNSYLVANIA

## Miscellaneous Statistics

December 31, 1998

Date of incorporation	1816
Form of government	Mayor/Council
Number of employees (excluding police and fire)	2,304
Area in square miles	55.5
Name of government facilities and services:	
Miles of streets	1,035
Number of bridges	117
Number of street lighting units	43,000
Culture and recreation:	
Recreation centers	27
Senior centers	19
Parks	36
Parklets	71
Park acreage	2,581
Swimming pools	32
Tennis court sites	124
Ballfields	126
Basketball courts	150
Play areas	154
Ice rinks	1
Zoo	1
Fire protection:	
Number of stations	35
Number of fire personnel and officers	894
Number of calls answered	30,000
Number of building inspections	95,300
Police protection:	
Number of stations	6
Number of police officers	1,179
Number of law violations:	
Physical arrests	18,369
Traffic violations	32,000
Emergency medical protection:	
Number of units	17
Number of personnel	189
Number of calls answered	64,500
Facilities and services not included in the reporting entity:	
Water System:	
Miles of water mains	1,200
Daily average consumption in gallons	70,000,000
Maximum daily capacity of plant in gallons	117,000,000
Education:	
Number of elementary schools	58
Number of elementary school instructors	941
Number of adult education centers	3
Number of adult education teachers	19
Number of secondary schools and special education centers	17
Number of secondary schools and special education instructors	593
Number of middle schools	15
Number of middle school instructors	450
Number of community colleges	1
Number of universities	7
Hospitals:	
Number of hospitals	10
Number of patient beds	6,218

Table 15

## CITY OF PITTSBURGH, PENNSYLVANIA

## City Employment

## Last Ten Years

<u>Fiscal year</u>	<u>Regular budgeted positions</u>	<u>Actual January payroll</u>
1989	5,257	\$ 4,896
1990	5,225	4,933
1991	5,094	4,886
1992	4,960	4,734
1993	5,019	4,698
1994	4,984	4,961
1995	4,451	4,430
1996	4,319	4,217
1997	4,304	4,131
1998	4,285	4,044

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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OTHER  
INFORMATION

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Insurance in Force

For the Year Ended December 31, 1998

<u>Type of insurance/ name of company</u>	<u>Coverage</u>	<u>Policy period</u>	<u>Liability limits</u>	<u>Annual premium</u>
Boiler insurance – Reliance Insurance	General services blanket	04/30/98 – 04/30/99	\$5,000 per accident \$50,000 business interruption per occurrence	\$ 7,945
Errors and omissions insurance – Western World Insurance Co.	Public safety E.M.S.	07/01/98 – 06/30/99	\$500,000 per endorsement \$2,500 deductible	21,372
Property insurance – Reliance Insurance	General services blanket	04/30/98 – 04/30/99	All risk and extended coverage \$2,500 deductible	32,264
Point Park police – General Star	Public safety police	09/17/97 – 09/17/99	\$500,000 each \$1,000,000 aggregate \$2,500 deductible each claim	3,980
Crime, general – St. Paul	General services blanket	04/30/98 – 04/30/99	Various	3,105
General liability – St. Paul	General services blanket	04/30/98 – 04/30/99	\$500,000 per occurrence \$500,000 aggregate	615



CITY OF PITTSBURGH, PENNSYLVANIA  
Salaries and Surety Bonds of Principal Officials  
For the Year Ended December 31, 1998

<u>Official</u>	<u>Budget annual salary</u>	<u>Amount of surety bond</u>
Mayor	\$ 81,222	\$ 10,000
Director of Finance	79,608	200,000
Controller	51,299	10,000
Members of City Council (9)	46,312 each	-

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable

December 31, 1998

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
General Obligation Bonds, 1992, Series A (zero coupon bonds)	06/01/92	\$ 29,894,645	24,682,499
General Obligation Bonds, 1992, Series C (zero coupon bonds)	10/15/92	4,440,559	4,509,569
General Obligation Bonds, 1993, Series A	04/01/93	60,745,000	54,060,000
Carried forward			<u>83,252,068</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$3,265,000 in 1999	% 5.80	\$ 1,057,061	2,207,939
\$3,260,000 in 2000	6.00		
\$3,250,000 in 2001	6.10		
\$3,250,000 in 2002	6.20		
\$3,240,000 in 2003	6.30		
\$2,535,000 in 2004	6.40		
\$2,525,000 in 2005	6.50		
\$2,530,000 in 2006	6.55		
\$2,530,000 in 2007	6.60		
\$2,530,000 in 2008	6.65		
\$2,535,000 in 2009	6.70		
\$2,530,000 in 2010	6.75		
(\$9,297,501) Unamortized Bond Discount			
\$2,260,000 in 2002	6.15	-	-
\$2,260,000 in 2003	6.25		
\$1,430,000 in 2004	6.35		
(\$1,440,431) Unamortized Bond Discount			
\$2,295,000 in 1999	4.38	2,822,501	2,295,000
\$2,395,000 in 2000	4.50		
\$2,500,000 in 2001	4.70		
\$2,620,000 in 2002	4.80		
\$2,745,000 in 2003	4.90		
\$2,880,000 in 2004	5.00		
\$3,020,000 in 2005	5.10		
\$3,175,000 in 2006	5.20		
\$3,345,000 in 2007	5.30		
\$3,525,000 in 2008	5.40		
\$3,710,000 in 2009	5.50		
\$3,915,000 in 2010	5.50		
\$4,130,000 in 2011	5.50		
\$4,360,000 in 2012	5.50		
\$4,595,000 in 2013	5.50		
\$4,850,000 in 2014	5.50		
		<u>3,879,562</u>	<u>4,502,939</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 83,252,068
General Obligation Bonds, 1994, Series A	08/01/94	\$ 37,000,000	4,820,000
General Obligation Bonds, 1995, Series A	12/01/95	75,000,000	73,880,000
General Obligation Bonds, 1995 Series B	12/01/95	104,705,000	104,695,000
General Obligation Bonds, 1996, Series A	12/15/96	162,535,000	148,050,000
Carried forward			<u>414,697,068</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 3,879,562	4,502,939
\$ 1,525,000 in 2002	% 5.10	250,805	-
\$ 1,605,000 in 2003	5.20		
\$ 1,690,000 in 2004	5.30		
\$ 405,000 in 2002	4.40	3,844,785	-
\$ 425,000 in 2003	4.50		
\$ 445,000 in 2004	4.60		
\$ 465,000 in 2005	4.70		
\$ 485,000 in 2006	4.88		
\$ 510,000 in 2007	5.00		
\$ 530,000 in 2008	5.10		
\$ 1,325,000 in 2009	5.13		
\$32,580,000 in 2010	5.20		
\$34,295,000 in 2011	5.25		
\$ 2,415,000 in 2012	5.25		
\$ 1,180,000 in 1999	4.10	5,072,919	1,180,000
\$ 3,830,000 in 2000	4.20		
\$ 4,005,000 in 2001	4.30		
\$ 4,165,000 in 2002	4.40		
\$ 4,385,000 in 2003	4.50		
\$ 4,610,000 in 2004	4.60		
\$ 4,885,000 in 2005	4.70		
\$ 6,380,000 in 2006	4.80		
\$12,645,000 in 2007	4.90		
\$28,955,000 in 2008	5.00		
\$29,655,000 in 2009	5.13		
\$15,185,000 in 1999	5.00	7,461,475	15,185,000
\$14,595,000 in 2000	5.00		
\$15,295,000 in 2001	5.00		
\$16,025,000 in 2002	5.00		
\$16,780,000 in 2003	5.00		
\$17,540,000 in 2004	4.50		
\$18,425,000 in 2005	6.00		
\$19,485,000 in 2006	6.00		
\$14,720,000 in 2007	6.00		
		<u>20,509,546</u>	<u>20,867,939</u>

(Continued)

## Schedule of Bonds and Notes Payable, Continued

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<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 20,509,546	20,867,939
\$ 560,000 in 1999	% 5.80	1,460,740	560,000
\$ 590,000 in 2000	6.00		
\$ 630,000 in 2001	6.10		
\$ 670,000 in 2002	6.20		
\$ 715,000 in 2003	6.30		
\$ 760,000 in 2004	6.40		
\$ 810,000 in 2005	6.50		
\$ 865,000 in 2006	6.55		
\$ 925,000 in 2007	6.55		
\$ 985,000 in 2008	6.60		
\$1,055,000 in 2009	6.60		
\$1,125,000 in 2010	6.60		
\$1,200,000 in 2011	6.60		
\$1,285,000 in 2012	6.60		
\$1,375,000 in 2013	7.00		
\$1,475,000 in 2014	7.00		
\$1,580,000 in 2015	7.00		
\$1,695,000 in 2016	7.00		
\$1,820,000 in 2017	7.00		
\$1,950,000 in 2018	7.00		
\$2,455,000 in 2002	5.00	663,550	-
\$2,580,000 in 2003	4.75		
\$2,700,000 in 2004	4.75		
\$2,830,000 in 2005	5.00		
\$2,970,000 in 2006	5.00		
\$3,120,000 in 2007	4.60	1,533,780	-
\$3,265,000 in 2008	4.90		
\$3,425,000 in 2009	5.00		
\$3,595,000 in 2010	5.00		
\$3,775,000 in 2011	5.00		
\$3,965,000 in 2012	5.50		
\$4,180,000 in 2013	5.50		
\$4,410,000 in 2014	5.50		
		<u>24,167,616</u>	<u>21,427,939</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 480,037,068
General Obligation Bonds, 1997, Series B	12/01/97	\$ 20,120,000	20,120,000
General Obligation Bonds, 1998, Series A,B,C	03/01/98	255,865,000	255,865,000
Carried forward			<u>756,022,068</u>



<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 24,167,616	21,427,939
\$ 4,655,000 in 2015	% 5.12	1,050,481	-
\$ 4,895,000 in 2016	5.25		
\$ 5,150,000 in 2017	5.25		
\$ 5,420,000 in 2018	5.25		
\$ 1,000,000 in 1999	5.65	16,624,229	1,000,000
\$ 1,000,000 in 2000	5.60		
\$ 1,000,000 in 2001	5.71		
\$ 1,000,000 in 2002	5.81		
\$ 1,000,000 in 2003	5.80		
\$ 1,000,000 in 2004	5.93		
\$ 2,505,000 in 2005	6.00		
\$ 2,320,000 in 2006	6.05		
\$ 2,460,000 in 2007	6.10		
\$ 2,565,000 in 2008	6.13		
\$ 2,770,000 in 2009	7.00		
\$ 3,010,000 in 2010	6.25		
\$ 3,230,000 in 2011	6.25		
\$ 7,890,000 in 2012	6.30		
\$10,985,000 in 2013	6.35		
\$11,690,000 in 2014	6.50		
\$12,715,000 in 2015	6.50		
\$13,560,000 in 2016	6.50		
\$18,245,000 in 2017	6.50		
\$13,235,000 in 2018	6.50		
\$20,030,000 in 2019	6.60		
\$21,400,000 in 2020	6.60		
\$22,860,000 in 2021	6.60		
\$24,425,000 in 2022	6.60		
\$26,095,000 in 2023	6.60		
\$27,875,000 in 2024	6.60		
		<u>41,842,326</u>	<u>22,427,939</u>

(Continued)

## Schedule of Bonds and Notes Payable, Continued

[illegible]

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 41,842,326	22,427,939
\$ 2,310,000 in 2002	5.00	5,670,370	-
\$ 2,430,000 in 2003	4.50		
\$ 2,365,000 in 2004	4.00		
\$ 6,705,000 in 2005	5.00		
\$ 7,050,000 in 2006	5.00		
\$ 7,400,000 in 2007	5.00		
\$ 7,770,000 in 2008	5.25		
\$ 8,195,000 in 2009	4.35		
\$ 8,545,000 in 2010	5.00		
\$ 8,985,000 in 2011	5.25		
\$ 9,470,000 in 2012	4.60		
\$ 9,900,000 in 2013	5.25		
\$10,435,000 in 2014	5.13		
\$ 7,795,000 in 2015	5.13		
\$ 8,195,000 in 2016	5.25		
\$ 4,980,000 in 2017	5.25		
\$ 275,000 in 2018	5.00		
\$ 2,305,000 in 2019	5.00		
\$ 2,425,000 in 2020	5.00		
\$ 2,545,000 in 2021	5.00		
\$ 2,670,000 in 2022	5.00		
\$ 2,800,000 in 2023	5.00		
\$ 2,940,000 in 2024	5.00		
\$ 1,750,000 in 1999	5.05	831,942	1,750,000
\$ 8,105,000 in 2000	5.15		
\$ 8,500,000 in 2001	5.20		
		<u>48,344,638</u>	<u>24,177,939</u>
		<u>(1,057,061)</u>	<u>(2,207,939)</u>
		<u>47,287,577</u>	<u>21,970,000</u>

(Continued)

## Schedule of Bonds and Notes Payable, Continued

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<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$875,000 in 1999	% 5.80	\$ 239,790	875,000
\$362,500 in 2000	5.90		
\$382,500 in 2001	6.00		
\$405,000 in 2002	6.10		
\$430,000 in 2003	6.20		
\$457,500 in 2004	6.30		
\$485,000 in 2005	6.40		
\$515,000 in 2006	6.50		
\$315,000 in 2000	5.90	195,657	-
\$332,500 in 2001	6.00		
\$352,500 in 2002	6.10		
\$375,000 in 2003	6.20		
\$397,500 in 2004	6.30		
\$422,500 in 2005	6.40		
\$450,000 in 2006	6.50		
\$477,500 in 2007	6.50		
		<u>435,447</u>	<u>875,000</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

[illegible]

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 435,447	875,000
\$ 52,500 in 1999	% 4.95	87,886	52,500
\$ 55,000 in 2000	5.00		
\$ 57,500 in 2001	5.10		
\$ 60,000 in 2002	5.20		
\$ 62,500 in 2003	5.30		
\$ 65,000 in 2004	5.40		
\$ 70,000 in 2005	5.50		
\$ 72,500 in 2006	5.65		
\$ 77,500 in 2007	5.80		
\$ 82,500 in 2008	5.90		
\$ 87,500 in 2009	6.00		
\$ 92,500 in 2010	6.00		
\$ 97,500 in 2011	6.00		
\$102,500 in 2012	6.00		
\$110,000 in 2013	6.13		
\$117,500 in 2014	6.13		
\$122,500 in 2015	6.13		
\$132,500 in 2016	6.13		
\$207,500 in 1999	7.45	355,451	207,500
\$205,000 in 2000	7.55		
\$205,000 in 2001	7.75		
\$205,000 in 2002	7.85		
\$205,000 in 2003	7.95		
\$205,000 in 2004	7.95		
\$205,000 in 2005	8.00		
\$205,000 in 2006	8.15		
\$205,000 in 2007	8.30		
\$205,000 in 2008	8.35		
\$205,000 in 2009	8.50		
\$205,000 in 2010	8.50		
\$205,000 in 2011	8.50		
\$205,000 in 2012	8.50		
\$205,000 in 2013	8.50		
\$205,000 in 2014	8.50		
\$205,000 in 2015	8.60		
\$205,000 in 2016	8.60		
\$205,000 in 2017	8.60		
\$205,000 in 2018	8.60		
\$205,000 in 2019	8.60		
		<u>878,784</u>	<u>1,135,000</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Urban Redevelopment Authority of Pittsburgh</u>			
<u>Taxable Revenue Bonds</u>			
Urban Redevelopment Authority of Pittsburgh Guaranteed Tax Increment Financing Bonds, 1994, Series A	02/02/94	\$ 2,085,535	1,871,682
Urban Redevelopment Authority of Pittsburgh Taxable Revenue Bonds, 1994, Series B	06/15/94	8,245,000	5,625,000
Carried forward			<u>7,496,682</u>



<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$ 77,593 in 1999	% 5.50	\$ 126,638	77,593
\$ 83,270 in 2000	5.75		
\$ 87,055 in 2001	5.90		
\$ 92,733 in 2002	6.15		
\$ 98,410 in 2003	6.25		
\$ 104,088 in 2004	6.35		
\$ 111,657 in 2005	6.45		
\$ 119,228 in 2006	6.50		
\$ 126,798 in 2007	7.20		
\$ 134,365 in 2008	7.20		
\$ 145,723 in 2009	7.20		
\$ 155,185 in 2010	7.20		
\$ 166,540 in 2011	7.20		
\$ 177,895 in 2012	7.20		
\$ 191,142 in 2013	7.20		
\$ 770,000 in 1999	7.40	441,100	770,000
\$ 830,000 in 2000	7.70		
\$ 895,000 in 2001	7.80		
\$ 965,000 in 2002	8.00		
\$1,040,000 in 2003	8.00		
\$1,125,000 in 2004	8.00		
		<u>567,738</u>	<u>847,593</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 7,496,682
Urban Redevelopment Authority of Pittsburgh Special Tax Development Bonds, Taxable Series of 1995	02/01/95	\$ 61,390,000	58,755,000
Urban Redevelopment Authority of Pittsburgh Redevelopment Bonds, 1995 Series A	12/01/95	2,855,787	2,679,784
Carried forward			<u>68,931,466</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 567,738	847,593
\$ 1,030,000 in 1999	% 8.24	5,209,490	1,030,000
\$ 1,120,000 in 2000	8.30		
\$ 1,215,000 in 2001	8.38		
\$ 1,325,000 in 2002	8.45		
\$ 1,440,000 in 2003	8.50		
\$ 1,570,000 in 2004	8.55		
\$ 3,070,000 in 2005	8.60		
\$ 3,345,000 in 2006	8.65		
\$ 3,650,000 in 2007	8.70		
\$ 3,985,000 in 2008	8.80		
\$ 4,350,000 in 2009	8.85		
\$ 4,755,000 in 2010	8.92		
\$ 5,205,000 in 2011	9.07		
\$ 5,695,000 in 2012	9.07		
\$ 6,240,000 in 2013	9.07		
\$10,760,000 in 2014	9.07		
\$ 130,583 in 1999	5.13	152,695	130,583
\$ 138,153 in 2000	5.13		
\$ 132,475 in 2001	5.75		
\$ 141,938 in 2002	5.75		
\$ 153,293 in 2003	5.75		
\$ 164,648 in 2004	5.75		
\$ 176,003 in 2005	5.75		
\$ 189,250 in 2006	5.75		
\$ 200,605 in 2007	6.00		
\$ 215,745 in 2008	6.00		
\$ 232,778 in 2009	6.00		
\$ 247,918 in 2010	6.00		
\$ 556,395 in 2011	6.00		
		<u>5,929,923</u>	<u>2,008,176</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 68,931,466
Urban Redevelopment Authority of Pittsburgh Redevelopment Bonds, 1995, Series B	12/01/95	\$ 1,637,016	1,637,016
Urban Redevelopment Authority of Pittsburgh, Taxable Redevelopment Bonds, 1996 Series	05/15/96	3,179,187	3,092,293
Total Urban Redevelopment Authority Bonds			<u>73,660,775</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 5,929,923	2,008,176
\$ 20,818 in 1999	% 5.75	100,071	20,818
\$ 49,205 in 2000	5.75		
\$ 51,098 in 2001	5.75		
\$ 54,883 in 2002	5.75		
\$ 60,560 in 2003	5.75		
\$ 64,345 in 2004	5.75		
\$ 68,130 in 2005	5.75		
\$ 79,485 in 2006	5.75		
\$ 81,378 in 2007	6.25		
\$ 88,948 in 2008	6.25		
\$ 94,625 in 2009	6.25		
\$102,195 in 2010	6.25		
\$111,658 in 2011	6.25		
\$119,228 in 2012	6.25		
\$128,690 in 2013	6.25		
\$140,045 in 2014	6.25		
\$321,725 in 2015	6.25		
\$ 94,450 in 1999	6.50	233,929	94,450
\$102,006 in 2000	6.69		
\$107,673 in 2001	6.81		
\$117,118 in 2002	7.03		
\$124,674 in 2003	7.17		
\$132,230 in 2004	7.31		
\$145,453 in 2005	7.42		
\$154,898 in 2006	7.43		
\$168,121 in 2007	7.48		
\$179,455 in 2008	7.53		
\$196,456 in 2009	8.01		
\$211,568 in 2010	8.01		
\$230,458 in 2011	8.01		
\$247,459 in 2012	8.01		
\$270,127 in 2013	8.01		
\$290,906 in 2014	8.01		
\$319,241 in 2015	8.01		
		<u>6,263,923</u>	<u>2,123,444</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Stadium Authority Revenue Bonds</u>			
Guaranteed Refunding Bonds, Series 1993	08/15/93	\$ 15,945,000	14,035,000
Note payable (Scoreboard), 1994 Series	01/19/94	4,373,000	2,323,800
Note payable (Land Acquisition), 1998 Series	02/13/98	4,000,000	3,809,254
Subtotal			<u>20,168,054</u>
Less unamortized bond discount			(165,017)
Plus General Obligation Bonds funded by Stadium Authority			<u>21,525,000</u>
Net Stadium Authority Bonds and			
Notes Payable			<u>41,528,037</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$1,505,000 in 1998	% 4.05	\$ 635,138	1,505,000
\$1,570,000 in 1999	4.15		
\$1,635,000 in 2000	4.25		
\$1,700,000 in 2001	4.40		
\$1,780,000 in 2002	4.55		
\$1,860,000 in 2003	4.70		
\$1,945,000 in 2004	4.85		
\$2,040,000 in 2005	5.00		
\$ 387,300 annually through 2004	Variable based on prime rate	-	387,300
\$2,285,714 in 1998	4.95	138,306	2,285,714
\$3,809,254 in 1999	4.95	<u>773,444</u>	<u>4,178,014</u>
		<u>588,669</u>	<u>2,681,331</u>
		<u>1,362,113</u>	<u>6,859,345</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Public Parking Authority of Pittsburgh</u>			
Parking Systems Revenue Bonds' Series 1992A	08/15/92	\$ 60,960,000	49,855,136
Registered Notes (neighborhood business districts)	Various	Unknown	2,250
Kaufmann's Note	1986	1,600,000	635,658
Urban Redevelopment Authority of Pittsburgh Note	1994	128,293	34,653
PNC Bank Secured Note	1996	2,000,000	1,751,560
PNC Bank Secured Note	1997	800,000	761,617
Total Public Parking Authority Bonds and Notes Payable			<u>53,040,874</u>



<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$ 2,270,000 in 1999	% 5.00	\$ 2,854,899	2,270,000
\$ 2,385,000 in 2000	5.20		
\$ 2,505,000 in 2001	5.38		
\$ 2,640,000 in 2002	5.40		
\$ 2,785,000 in 2003	5.50		
\$ 2,940,000 in 2004	5.75		
\$ 3,105,000 in 2005	5.75		
\$ 3,285,000 in 2006	5.75		
\$ 3,475,000 in 2007	5.88		
\$ 3,680,000 in 2008	5.88		
\$ 3,895,000 in 2009	5.88		
\$ 4,125,000 in 2010	5.88		
\$ 4,365,000 in 2011	5.88		
\$ 4,625,000 in 2012	5.88		
\$ 4,895,000 in 2013	5.88		
\$(1,119,864) unamortized bond discount			
\$ 2,250 after 2000	No interest	-	-
\$ 80,000 annually through 2005	No interest	-	80,000
\$ 75,658 in 2006			
\$ 19,380 annually through 1999	No interest	-	19,380
\$ 15,273 in 2000			
\$ 161,097 in 1999	6.00	119,283	161,097
\$ 172,925 in 2000	6.00		
\$ 185,622 in 2001	6.00		
\$ 1,231,916 in 2002	6.00		
\$ 55,381 in 1999	5.75	42,275	55,381
\$ 90,197 in 2000	5.75		
\$ 70,162 in 2001	5.75		
\$ 545,877 in 2002	5.75		
		<u>3,016,457</u>	<u>2,585,858</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Pittsburgh Water and Sewer Authority Bonds</u>			
Revenue Refunding Bonds, 1993 Series A	10/15/93	\$ 278,970,000	244,760,000
Revenue Bonds, 1993 Series B	10/15/93	10,785,000	10,785,000
Carried forward			<u>255,545,000</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$ 8,885,000 in 1999	% 4.00	\$ 12,489,329	8,885,000
\$ 9,245,000 in 2000	4.25		
\$ 9,635,000 in 2001	4.40		
\$10,065,000 in 2002	4.50		
\$10,505,000 in 2003	4.60		
\$11,000,000 in 2004	4.70		
\$11,515,000 in 2005	4.75		
\$12,060,000 in 2006	4.80		
\$12,640,000 in 2007	4.90		
\$13,260,000 in 2008	5.00		
\$13,920,000 in 2009	5.00		
\$14,620,000 in 2010	5.00		
\$15,350,000 in 2011	6.50		
\$16,345,000 in 2012	6.50		
\$17,410,000 in 2013	6.50		
\$18,540,000 in 2014	4.75		
\$19,425,000 in 2015	4.75		
\$20,340,000 in 2016	4.75		
\$ 1,325,000 in 2017	5.00	471,844	-
\$ 1,390,000 in 2018	5.00		
\$ 1,460,000 in 2019	5.00		
\$ 1,535,000 in 2020	5.00		
\$ 1,610,000 in 2021	5.00		
\$ 1,690,000 in 2022	5.00		
\$ 1,775,000 in 2023	5.00		
		<u>12,961,173</u>	<u>8,885,000</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 255,545,000
First Lien Revenue Bonds, 1998 Series A	03/01/98	\$ 93,355,000	93,355,000
First Lien Revenue Bonds, 1998 Series B	03/01/98	36,440,070	38,054,070
Carried forward			<u>386,954,070</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 12,961,173	8,885,000
\$ 8,455,000 in 2017	% 5.00	4,725,117	-
\$ 8,880,000 in 2018	5.00		
\$ 9,325,000 in 2019	5.00		
\$ 9,790,000 in 2020	5.00		
\$10,280,000 in 2021	5.00		
\$10,790,000 in 2022	5.10		
\$11,345,000 in 2023	5.25		
\$11,940,000 in 2024	5.10		
\$12,550,000 in 2025	5.05		
\$ 2,300,000 in 2017	5.18	-	-
\$ 2,300,000 in 2018	5.21		
\$ 2,300,000 in 2019	5.22		
\$ 2,300,000 in 2020	5.22		
\$ 2,300,000 in 2021	5.26		
\$ 2,305,000 in 2022	5.26		
\$ 2,300,000 in 2023	5.26		
\$ 4,160,000 in 2024	5.27		
\$ 4,160,000 in 2025	5.27		
\$31,755,000 in 2026	5.26		
\$31,755,000 in 2027	5.31		
\$31,755,000 in 2028	5.28		
\$31,755,000 in 2029	5.30		
\$14,660,000 in 2026	5.23		
(\$128,050,930) Unamortized Bond Discount		<u>17,686,290</u>	<u>8,885,000</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable, Continued

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 386,954,070
Subordinate Revenue Bonds, 1998 Series C	03/01/98	\$ 101,970,000	101,970,000
Gross Pittsburgh Water and Sewer Authority Revenue Bonds			<u>488,924,070</u>
Plus net bond discount			(3,355,000)
Less deferred Series 1991 refunding loss			(23,028,000)
Less deferred Series 1998 refunding loss			<u>(6,123,000)</u>
Net Pittsburgh Water and Sewer Authority Revenue Bonds			<u>456,418,070</u>
Total Bonds and Notes Payable			\$ <u>1,516,692,325</u>

<u>Maturity information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1999 Maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 17,686,290	8,885,000
\$ 9,225,000 in 2017	% 5.00	5,185,326	-
\$ 9,685,000 in 2018	5.00		
\$10,170,000 in 2019	5.00		
\$10,680,000 in 2020	5.10		
\$11,225,000 in 2021	5.10		
\$11,795,000 in 2022	5.25		
\$12,415,000 in 2023	5.13		
\$13,055,000 in 2024	5.10		
\$13,720,000 in 2025	5.05		
		<hr/>	<hr/>
		22,871,616	8,885,000
		-	-
		-	-
		<hr/>	<hr/>
		<u>22,871,616</u>	<u>8,885,000</u>
		<u>81,680,470</u>	<u>43,558,647</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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