

CITY OF PITTSBURGH PENNSYLVANIA

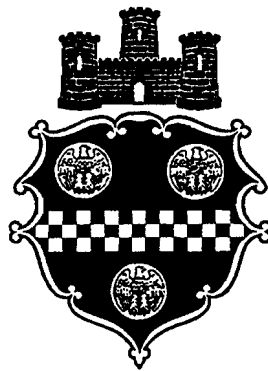
Comprehensive Annual
Financial Report
for the year ended
December 31, 1999



TOM FLAHERTY
CITY CONTROLLER

CITY OF PITTSBURGH, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED DECEMBER 31,1999

Prepared by: Office of City Controller

TOM FLAHERTY, CONTROLLER





TOM FLAHERTY
CITY CONTROLLER

CITY OF PITTSBURGH,
PENNSYLVANIA

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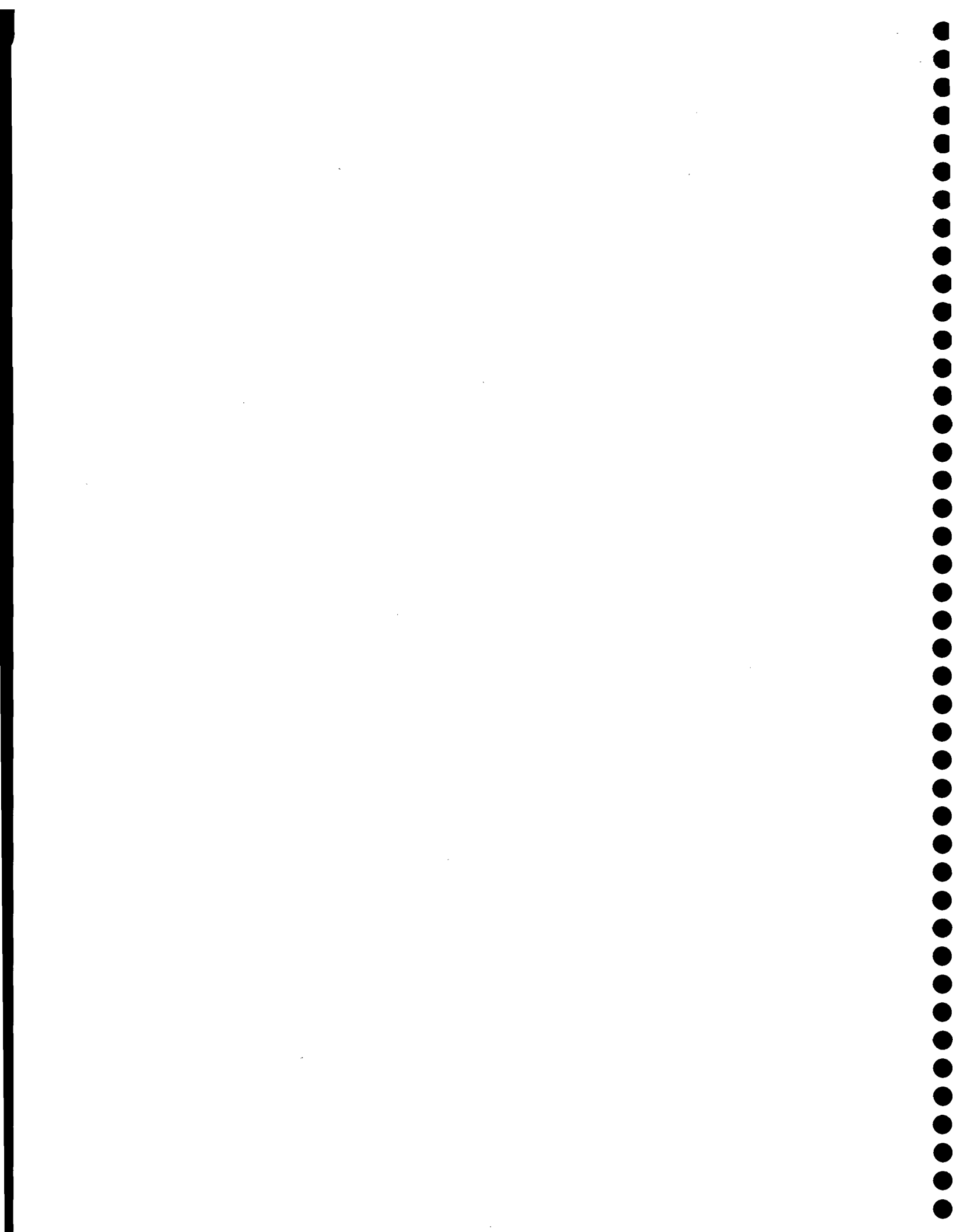
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INTRODUCTORY SECTION



**LETTER OF
TRANSMITTAL**



City of Pittsburgh



Pennsylvania

OFFICE OF THE CITY CONTROLLER
TOM FLAHERTY, CONTROLLER

412-255-2055
FAX 412-255-2958

June 30, 2000

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, 1999.

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 seat for Allegheny County and the City of Pittsburgh. 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 Outlook

The City is using its resources to capitalize on the world's leading growth industries – from computer software development and digital chip technology to biomedical research and development. Largely through its strong universities, Pittsburgh has recaptured the entrepreneurial spirit that originally sparked its growth. We now live in a City where nearly every week a student or professor at the University of Pittsburgh or Carnegie Mellon University jumps into the marketplace of ideas, starting up a new technology company in the hopes of becoming the City's next Free Markets, which enjoyed an explosive IPO this past year at the New York Stock Exchange, or Hell's Kitchen, a four-person software concern that sold for the incredible sum of \$90 million as the new millennium dawned.

During the past 15 years, Pittsburgh has more than doubled its number of technology-driven firms, creating over 1,200 new enterprises. Today, the City's 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. Most recently, local asset management software vendor Janus Technologies is to be acquired by Intraware of California. The President and CEO of Intraware said plans are for the 60 person Janus office in Pittsburgh to be doubled in size, "we feel there is more talent available in Pittsburgh than there is in Silicon Valley right now." In aggregate, technology companies have produced over 30,000 new jobs since 1980, sharply offsetting job losses from other industries in the region.

The City of Pittsburgh has adapted to the new, fast-paced economy in part through the formation of the Mayor's Office of Economic Development. Begun by Mayor Tom Murphy in 1996, the Office works to both attract and retain businesses. As a one-stop service provider, the Office prides itself on overseeing development projects from stem to stern, serving as guides to businesses and developers trying to navigate their way through the ocean of financial, real estate, and community concerns that are always there to challenge both new and existing businesses.

In addition to the Office of Economic Development, the City has also been aggressive in its pursuit of tax credits granted by both the federal government and the Commonwealth of Pennsylvania to companies. Such credits provide financial incentives for companies to hire new employees. The City of Pittsburgh also contains three State Enterprise Zones, which enable businesses located within these designated areas to enjoy favorable interest rates and additional tax incentives. Because of aggressive financing mechanisms like these, Pittsburgh has come a long way in rebuilding an economy that was in extreme peril only a few short years ago.

Pittsburgh is also revitalizing its downtown core. With the formation of a Business Improvement District in 1996, the Pittsburgh Downtown Partnership spearheaded improvements in maintenance, safety, and marketing. The City is striving to reassert downtown as the Southwestern Pennsylvania region's retail hub. A Lazarus department store opened a year ago at the corner of Fifth Avenue and Wood Street, and the Mellon Bank building at Smithfield Street is being renovated into a Lord and Taylor store. But these are just the opening salvos in an on-going battle for retail shoppers the City thinks it can win by establishing a row of specialty shops along the Fifth & Forbes Avenue retail corridor. The project, known as Marketplace at Fifth & Forbes, is expected to go to City Council for approval some time in the summer of 2000.

Bolstering the City's downtown retail section is a more urgent need than ever, as the City seeks to capitalize on the expansion of the convention center and the construction of two new sports facilities that will attract visitors from the surrounding region and all over the world, as well as the City's strong, current business climate.

There can be no better signal of the City's overall good health than the decisions of Pittsburgh's two major financial institutions, PNC Bank and Mellon Bank, to construct new operations centers right in the heart of downtown Pittsburgh. In an age when more and more of their competitors are seeking to attract employees and clients alike with rural, campus-like environments, their decision to build in the City, assisted with Tax Increment Financing, will likely anchor the two banks' presence in Pittsburgh's future. Highmark Blue Cross/Blue Shield, GNC, ALCOA, Kvaerner Metals and Free Markets have all also invested heavily in downtown office space. Finally, Pittsburgh is exploring development along its long-neglected rivers.

Just outside of the City of Pittsburgh, in Homestead, a significant Waterfront development has been substantially completed, including Loews theater, Lowes hardware, Giant Eagle, Target, Dick's, Barnes and Noble, American Eagle, Ann Taylor, TGI Fridays, Steel City Diner and other retail commercial development, as well as corporate offices for Eat 'n Park; this development is right on the site of the historic Homestead steelworks, further illustrating Pittsburgh's break from its past.

Through the Urban Redevelopment Authority, the City of Pittsburgh has laid the groundwork for economic development by purchasing land and performing the site preparation necessary to attract business. Technology companies such as Aristech Chemical Corporation, Union Switch & Signal, Aerial Communications and Hyperion Communications have based their operations at the Pittsburgh Technology Center, which is located by the Monongahela river on the site of a former steel mill.

The City and URA also purchased the 130-acre former LTV South Side Works site in late 1993 to develop 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. The hot metal bridges that once carried molten steel have been renovated to allow cars and pedestrians to travel between the South Side Works and the Pittsburgh Technology Center.

Further residential and commercial developments completed on Washington's Landing and underway in Squirrel Hill at Nine Mile Run prove the strategy of land acquisition and site preparation is sound. These developments took largely ugly, contaminated, useless land – Washington's Landing was home to an animal rendering plant, Nine Mile Run was a 238-acre, nine-story tall slag heap – and reclaimed them each anew. The result is an appealing mix of commercial, entertainment, and residential development at Washington's Landing and, soon, 713 new apartment and single-family homes at Nine Mile Run. Both developments improve the area's overall quality of life not only by giving residents more options of where to live or work, but by also turning environmentally hazardous eyesores into safe, aesthetically pleasing additions to the City.

Pittsburgh is also strengthening and revitalizing its neighborhoods, encouraging new, mixed-income housing developments like Crawford Square and Allequippa Terrace in the Hill District. 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, Home Depot, and KMart in East Liberty.

With each passing year, Pittsburgh's economic outlook grows brighter. Unemployment rates are at a 30-year low locally, 3.7% in the six county metro area and 3.4% in Pittsburgh as of April 2000, and the City has positioned itself nicely to capitalize on the major trends in American City life. With a booming high-tech industry, loads of entertainment and dining options and good, affordable housing, Pittsburgh is a tremendous place to live, work, and play – a City with good reason to feel optimistic about what the future brings.

MAJOR INITIATIVES

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

Development objective	Investment
Downtown Development	\$ 1,494,773,700
Industrial Site Re-use Development	196,000,000
Neighborhood Development	436,400,000
Riverfront Development	632,600,000
Total investment	\$ 2,759,773,700

The following is a summary of selected projects within each initiative

Downtown Development

Mamaux Building – Conversion of the former Mamaux Awning Company building into a 14,240 sq. ft. office building.

Total Cost: **\$1.2 million**

Fulton Building – Acquisition and renovation of the former Fulton Building into a 320-room Renaissance Inn by Marriott.

Total Cost: **\$43 million**

Katz Plaza – Construction of a 23,000 sq. ft. park in the Cultural District featuring the work of world- class artists.

Total Cost: **\$4 million**

Free Markets, Inc. – Expansion of a company that creates custom, interactive electronic markets for large purchasing organizations.

Total Cost: **\$240,000.**

900 Penn Avenue – Conversion of a former printing factory into 25 luxury loft-style apartments.

Total Cost: **\$2.8 million**

Lord & Taylor – Conversion of the historic Four Mellon Bank building into a 115,000 sq. ft. department store.

Total Cost: **\$36 million**

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 Firstside – The construction of a 620,000-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

National Robotics Engineering Consortium – Conversion of an 88,000 sq. ft. foundry in Lawrenceville into a center for robotics research and development.

Total Cost: **\$26 million**

GalvTech, Inc. – Renovation of the 180,000 sq. ft. former Hays ammunition plant into a steel galvanizing facility.

Total Cost: **\$39 million**

Summerset at Frick Park – Redevelopment of a 238-acre former industrial site into a traditional neighborhood.

Total Cost: **\$56.8 million**

South Side Works – Redevelopment of the 130-acre former LTV Steel property, located on the Monongahela River at South 25th and East Carson Streets, into a mixed-use development.

Total Cost: **\$14.5 million**

Adelphia Business Solutions – Construction of a 35,000 sq. ft. building at the Pittsburgh Technology Center for administrative office and mixed-use development.

Total Cost: **\$4.3 million**

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 32nd 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**

The Bathhouse – The acquisition and renovation of the historic bathhouse and stable in Lawrenceville into an office and mixed-use facility.

Total Cost: **\$2.5 million**

Foodland Fresh – Expansion and renovation of a Food grocery store in Mt. Washington.

Total cost: **\$3.6 million**

River Park Commons – Renovation of the former Gimbels warehouse on the South Side into a mixed-use facility.

Total Cost: **\$6 million**

Oak Hill – Conversion of the former Terrace Village public housing community into a mixed-income development containing 1,227 townhouses and apartments.

Total Cost: **\$109 million**

Williams Square – Construction of a 15,000 sq. ft. multi-tenant office building located in the Hill District.

Total Cost: **\$13.7 million**

Fineview Crest II – Construction and rehabilitation of 10 single-family houses in the neighborhood of Fineview.

Total Cost: **\$1.6 million**

Atlantic Baking Group - Acquisition of the former Nabisco Biscuit Company building and equipment for a new bakery.

Total Cost: **\$24 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 17th and South 19th 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**

Steelers' Football Stadium – Construction of a 66,000-seat football stadium located beside the Carnegie Science Center on the North Shore.

Total Cost: **\$233 million**

PNC Park – Construction of a 38,000-seat baseball park on the north shore of the Allegheny River.

Total Cost: **\$228 million**

Allegheny Riverfront Walk – Construction of the lower level of a riverside walk park which connects Point State Park to the Ninth Street Bridge.

Total Cost: **\$8 million**

Hot Metal Bridge – Conversion of the former “hot metal” bridge, which connects the South Side Works to Second Avenue, into a vehicular and pedestrian bridge.
Total Cost: **\$7.5 million**

H.J. Heinz Co. – Construction of a new 70,000 sq. ft. warehouse and distribution center next to its food-processing plant on the North Side.
Total Cost: **\$37 million**

Lincoln at the North Shore – Construction of 232 upscale apartments on the north shore of the Allegheny River.
Total Cost: **\$21.6 million**

ALCOA – Construction of a 236,000 sq. ft. office building on the North Shore for the world headquarters of the Aluminum Company of American (ALCOA).
Total Cost: **\$47 million**

Riverfront Trails – Conversion of former railroad rights-of-way into trails for biking, walking, running, and rollerblading.
Total Cost: **\$548,0000**

General Economic Outlook

Inflation estimates for the year 2000 are at 3.1% and for the year 2001, 2.7%. Inflation adjusted growth for the year 2000 is estimated to be 4.9% gross domestic product. The national unemployment rate was at a 30-year low, 3.9%, as of April 2000. For April 2000, the six county unemployment rate stood at 3.7%, also a 30 year low. This is down from a 4% December 1999 six county unemployment rate and a 4.2% rate for December 1998. The national May 2000 unemployment rate was up to 4.1% and may indicate that the Federal Reserve's recent tightening of credit by raising interest rates is having effect, and should help keep inflation under control. A 32.4% increase in gasoline costs in 1999 and a tight labor market have fueled inflation. The state Department of Labor and Industry 1999 estimate of jobs expanded by 12,200 or by 1.1% compared to a 15,800 increase in 1998. For the year of 1999, gross domestic product rose 4.1% compared with a 4.3% rise in 1998. Productivity in the non-farm business sector rose 2.9% in 1999 compared to 2.8% in 1998; the 1999 increase was the largest since a 4.1% gain in 1991, which occurred in the initial stages of the recovery from a recession.

The Pennsylvania Department of Labor recorded 58 strikes in Pennsylvania in 1999, including 40 private sector and 18 government employees strikes. That compares to 63 in 1998 and is only eight more than the all time low of 50 strikes in 1996. These statistics compare to 674 strikes in 1971, the first year the department began keeping the statistics. The most strikes in a year occurred in 1974 and 1976 when 721 were recorded. There were 449 strikes in 1980, 204 in 1985, 123 in 1990, and 73 in 1995.

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 judgments 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 the General Fund totaled \$336.0 million in 1999, an increase of \$10.3 million, compared to revenues of \$325.7 million in 1998. Total revenues overall increased by 3.2%. The net increase of \$10.3 million in the General Fund revenues was primarily due to three factors: first, an increase in the Real Estate Tax revenue caused by the sale in 1999 of tax liens for \$4.97 million; second, the annual effect of the 2% across the board increase in tax assessments mandated in April 1997 by Judge Stanton Wettick, Jr., Court of Common Pleas. Third, licenses and fees increased by \$9.1 million, mainly due to the EMS trust fund amount of \$6.4 million. The amount of revenues from various sources, the percent of total revenues, and the amount of increase (decrease) over 1998 have been summarized in Table A below.

Revenues
(General Fund)
(amounts expressed in millions)

Source	1999 Actual	% of Total	1998 Actual	% of Total	Increase (decrease) over 1998	% Increase (decrease)
Taxes, penalty and interest	\$ 275.3	% 81.9	\$ 269.5	% 82.7	\$ 5.5	% 2.0
Payment in lieu of taxes	1.8	0.5	2.3	0.7	(0.5)	(21.7)
Interest earnings	6.4	1.9	5.8	1.8	0.6	10.3
Fines and forfeits	7.3	2.2	8.0	2.5	(0.7)	(8.8)
Licenses and fees	16.0	4.8	7.0	2.1	9.0	128.6
Intergovernmental	13.6	4.0	15.7	4.8	(2.1)	(13.4)
Pension state aid	13.3	4.0	14.6	4.5	(1.3)	(8.9)
Miscellaneous	2.3	0.7	2.8	0.9	(0.5)	(17.9)
Total revenues	<u>\$ 336.0</u>	<u>% 100.0</u>	<u>\$ 325.7</u>	<u>% 100.0</u>	<u>\$ 10.3</u>	<u>% 3.2</u>

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 1999 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 1999 total assessed valuation of \$2,125,768,000 increased by \$40.8 million from the 1998 valuation of \$2,085,013,000.

Earned Income Tax – This tax is levied at the rate of 1% on the wages or net profits earned by residents of the City.

Business Privilege Tax – The City taxes the gross receipts from operating or conducting a service business, trade or profession in, or attributable to, the City at a rate of 6 mills.

Parking Tax - A tax equal to 31% of the consideration paid for each parking transaction is levied on the patrons of non-residential parking places in the City.

Amusement Tax - This tax is levied at a rate of 5% on the admission price paid by patrons of all manner and forms of amusement within the City.

Mercantile Tax - A tax of 1 mill is levied on the gross receipts of wholesale dealers of goods, wares, and merchandise. A 2 mill tax is levied on retail vendors of goods, wares, and merchandise.

Occupation Privilege Tax - A \$10 annual tax is levied upon each individual whose principal place of employment is located in the City.

Deed Transfer Tax - A tax of 1.5% of the consideration paid for real property transfers is levied upon the transfer of an interest in real property situated in the City.

Personal Property Tax - A levy of 4 mills had been made upon certain classes of personal property based upon assessments made by the County. This tax was eliminated in 1995 as required by the Regional Assets Legislation.

Institution Service Privilege Tax - Certain receipts of non-profit, non-charitable organizations conducting or operating a service or service institution in the City are taxed at a rate of 6 mills.

Tax Payments : Real estate taxes are payable in three installments, but a 2% discount is granted if paid by February 10th. If an installment payment is not made on time, a penalty of 1/2% per month and interest at the rate of 1% per month is imposed on the balance of the tax due for the year. All non-real estate taxes, except the Deed Transfer Tax, which is payable at the time of transfer, and the Personal Property Tax, which is due August 31, are payable annually by April 15 or are payable quarterly or monthly.

EXPENDITURES AND USES

Expenditures and uses for the General Fund in 1999 increased to \$343.9 million, compared to \$316.9 million in 1998 representing an increase of 8.5% or \$27.1 million overall. The largest dollar increase of \$14.1 million occurred in Public Safety, where the EMS Trust fund expenditures were included in the General fund for the first time, and due to increased worker's compensation reserves to settle longstanding cases, and lastly due to increases in Public Safety overtime. The second largest dollar increase in expenditures was a \$13.2 million increase in Debt Service and URA subsidies, a 20.6% increase over 1998 to \$77.0 million annually. *This illustrates the magnitude of the City of Pittsburgh's annual debt service, constituting one out of every 4.5 dollars spent out of the General Fund.* The most significant unusual expenditure effecting the General Fund was a one-time charge related to an eleven-year-old lawsuit that had a net \$5.3 million negative effect on the fund balance, which arose after release of the May 1, 2000 internally audited CAFR but before the June 28, 1999 externally audited CAFR.

The comparative data for each functional area of expenditure is presented in Table B below.

Expenditures and Other Financing Uses
(General Fund)
(amounts expressed in millions)

Source	1999 Actual	% of Total	1998 Actual	% of Total	Increase (decrease) over 1998	% Increase (decrease)
General government	\$ 32.4	% 9.4	\$ 32.2	% 10.2	\$ 0.2	% 0.6
Public safety	133.2	38.7	117.6	37.1	15.6	13.3
Public works	15.7	4.6	18.0	5.7	(2.3)	(12.8)
Sanitation	9.9	2.9	10.0	3.1	(0.1)	(1.0)
Cultural and recreation	4.0	1.2	3.6	1.1	0.4	11.1
Employee benefits	58.6	17.0	55.2	17.4	3.4	6.2
Claims and judgments	10.4	3.0	2.5	0.8	7.9	316.0
Miscellaneous	0.6	0.2	1.9	0.6	(1.3)	(68.4)
Pension plan funding	0.0	0.0	255.1	80.5	(255.1)	(100.0)
Bond pension proceeds	0.0	0.0	(255.1)	(80.5)	255.1	100.0
Other operating transfers	2.1	0.6	10.5	3.3	(8.4)	(80.0)
Bond issuance costs	0.0	0.0	1.5	0.5	(1.5)	(100.0)
Debt service and subsidies	<u>77.0</u>	<u>22.4</u>	<u>63.9</u>	<u>20.1</u>	<u>13.1</u>	<u>20.5</u>
Total expenditures and other financing uses	\$ <u>343.9</u>	% <u>100.0</u>	\$ <u>316.9</u>	% <u>99.9</u>	\$ <u>27.0</u>	% <u>8.5</u>

Fiscal Year 1999 was the second year with no Pittsburgh Water and Sewer Authority lease payment. The final payment was received in 1997. The City is required to report the State Pension Aid, which had previously been recorded directly to the Pension Fund, as a receipt and disbursement of the General Fund. In 1999, \$13.3 million of pension state aid is reported as an Other Financing Source, and the expenditure is included as a pension cost within the Employee Benefit category.

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, 1999, the general fund shows, for the fourth year in a row, a positive unreserved, undesignated fund balance. Undesignated fund balance is \$40.4 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 \$3.8 million at December 31, 1999. This results in a total fund balance of \$44.2 million. GAAP requires that a matching of revenues and expenditures be made in the year that such items occur. On an annual basis, the fund balance decreased in 1999 by \$7.9 million, reflecting higher expenditures and uses than revenues for the year.

DEBT ADMINISTRATION

At December 31, 1999, the City's debt, as reported in the General Long Term Debt Account Group, was as follows:

Gross bonded debt	\$ 997,902,325
Less debt service fund	<u>15,704,741</u>
Net bonded fund	<u>\$ 982,197,584</u>
Ratio of net bonded debt to assessed value	% <u>46.20</u>
Ratio of net bonded debt to market value	% <u>11.43</u>
Net bonded debt per capita	<u>\$ 2,655</u>

The gross bonded debt of the City consists of \$914,639,994 of general obligation bonds, \$11,725,000 of Public Auditorium revenue bonds, and \$71,537,331 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 1999, bond issue, the City's bond ratings were: Moody's AAA and Standard & Poor's AAA.

On December 15, 1999, the City issued \$57,140,000 of General Obligation Bonds, Series 1999A with an average interest rate of 5.68%.

The net proceeds of the Series 1999A of \$54,728,641 (after underwriting fees, issuance costs and a transfer of \$1,070,416 of capitalized interest to the Debt Service Fund) were used to provide funds for capital projects.

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 1999 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 1999. 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, 1998. 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 seven consecutive years (fiscal years ended 1992-1998). 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,

A handwritten signature in cursive script, reading "Tom Flaherty".

Tom Flaherty
City Controller

Certificate of Achievement for Excellence in Financial Reporting


Presented to

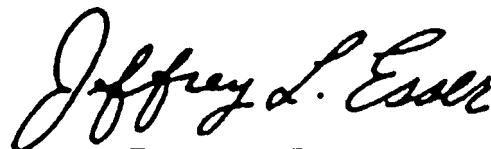
City of Pittsburgh,
Pennsylvania

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 1998

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.




President


Executive Director

CITY OF PITTSBURGH, PENNSYLVANIA

ELECTED CITY OFFICIALS

December 31, 1999

MAYOR

Tom Murphy

CONTROLLER

Tom Flaherty

MEMBERS OF COUNCIL

Bob O'Connor, President, District 5

Valerie McDonald, Finance/Budget Committee, District 9

Barbara Burns, District 1

Alan Hertzberg, District 2

Eugene Ricciardi, District 3

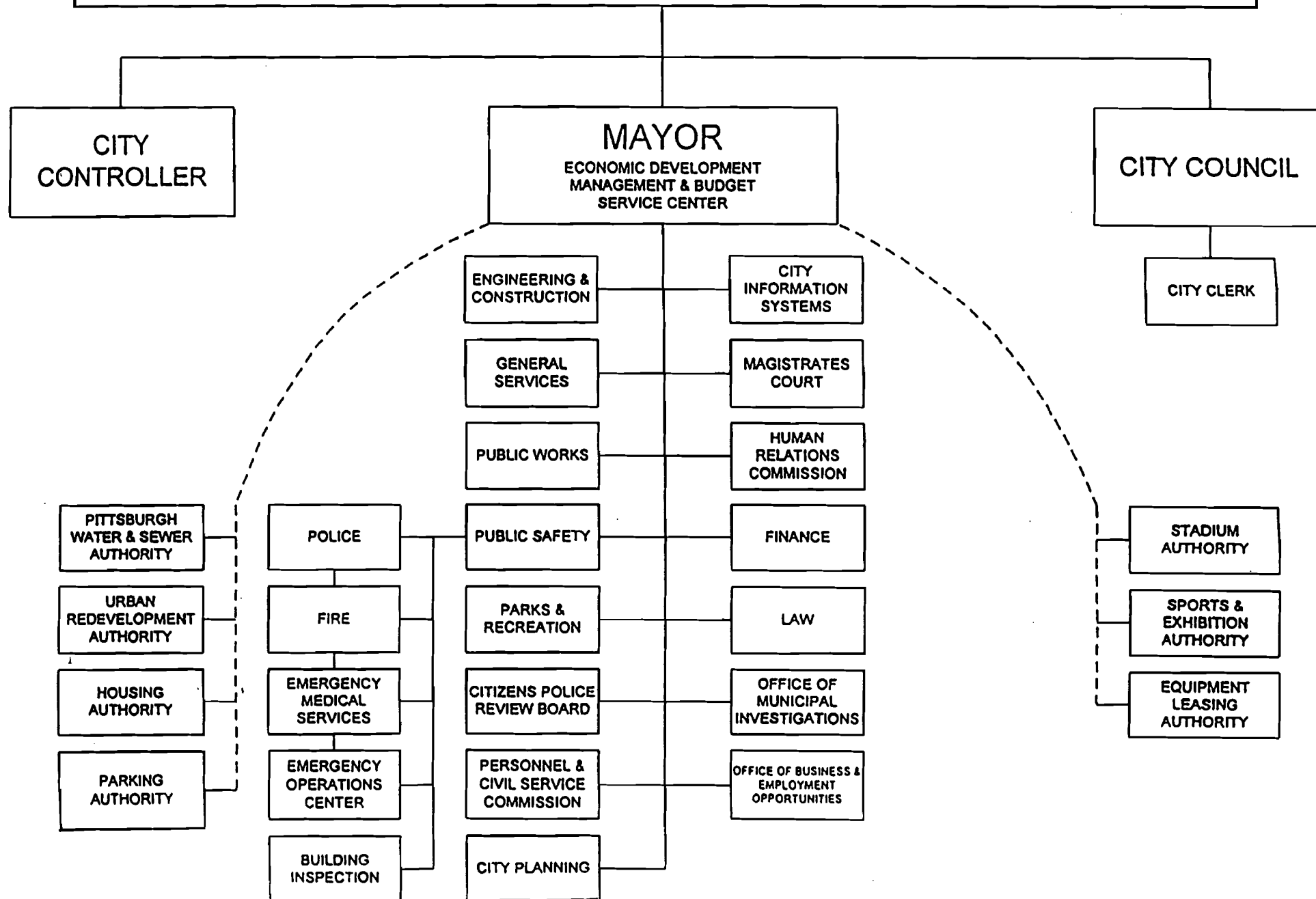
Michael Diven, District 4

Sala Udin, District 6

James Ferlo, District 7

Dan Cohen, District 8

CITIZENS OF THE CITY OF PITTSBURGH



CITY OF PITTSBURGH,
PENNSYLVANIA

FINANCIAL SECTION



One Mellon Bank Center
Pittsburgh, PA 15219

Telephone 412 391 9710
Fax 412 391 8963

Independent Auditors' Report

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

We have audited the general purpose financial statements of the City of Pittsburgh, Pennsylvania, as of and for the year ended December 31, 1999, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. We did not audit the financial statements of the Urban Redevelopment Authority of Pittsburgh, the Public Parking Authority of Pittsburgh, the Stadium Authority of the City of Pittsburgh and the Pittsburgh Water and Sewer Authority, which statements reflect total assets and operating revenues comprising 100 percent of the discretely presented component units. We did not audit the financial statements of the following City of Pittsburgh Pension Trust Funds: Comprehensive board, Municipal Plan, Police Plan and Fire Plan, which statements reflect total assets comprising 94 percent of the related Fiduciary Fund totals and the additions to the assets of the Combined Pension Trust Funds – Combined Statement of Changes in Plan Net Assets. The financial statements mentioned in the preceding sentences were audited by other auditors whose reports thereon have been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included for them, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of other auditors, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Pittsburgh, Pennsylvania, as of December 31, 1999, and the results of its operations and the cash flows of its discretely present component units for the year then ended in conformity with generally accepted accounting principles.





To the Honorable Members of Council of the
City of Pittsburgh, Pennsylvania
Page 2

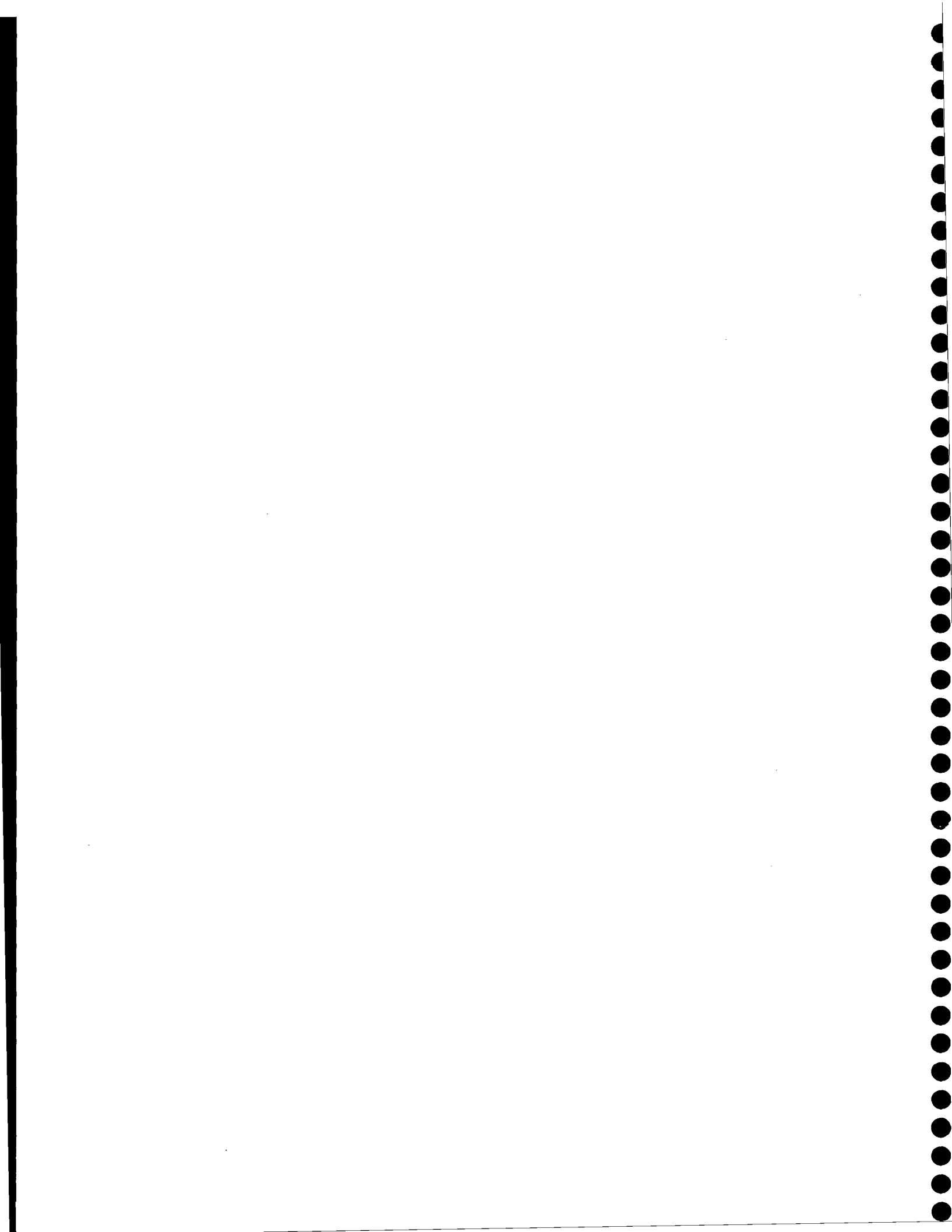
Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund and individual account group financial statements and schedules listed in the accompanying table of contents are presented for purposes of additional analysis 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

Pittsburgh, Pennsylvania
June 28, 2000

**GENERAL PURPOSE
FINANCIAL STATEMENTS**



CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

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

December 31, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets and other debits:				
Assets:				
Cash and investments	\$ 86,668,746	17,447,828	15,117,311	75,779,588
Receivables:				
Real estate tax (net of uncollectible accounts of \$2,925,000)	4,354,173	—	—	—
Other taxes receivable	5,119,255	—	—	—
Other	2,659,843	2,537,987	—	—
Accounts receivable (net of uncollectible accounts of \$4,800,000)	—	—	—	—
Accrued interest	356,768	64,168	587,430	—
Due from other funds	6,170,881	1,617,997	—	6,764,609
Due from other governments	5,325,829	5,893,376	—	1,341,154
Grant receivable - Allegheny Regional Asset District	—	—	—	—
Grant receivable - Urban Redevelopment Authority	—	—	—	—
Construction receivable	—	—	—	—
Inventories at cost	—	—	—	—
Trusted and restricted funds	—	—	—	—
Property, plant and equipment (Component Units net of \$140,074,229 accumulated depreciation)	—	—	—	—
Assets held for sale	—	—	—	—
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	\$ 110,655,495	27,561,356	15,704,741	83,885,351

Fiduciary Fund Type Trust and Agency	Account Group		Primary Government (Memorandum Only) Total	Discretely Presented Component Units	Reporting Entity (Memorandum Only) Total
	General Fixed Assets	General Long-term Debt			
494,055,243	—	—	689,068,716	337,356,543	1,026,425,259
—	—	—	4,354,173	—	4,354,173
—	—	—	5,119,255	—	5,119,255
72,431	—	—	5,270,261	141,218	5,411,479
—	—	—	—	211,101,574	211,101,574
1,433,242	—	—	2,441,608	984,943	3,426,551
449,414	—	—	15,002,901	22,394,238	37,397,139
—	—	—	12,560,359	1,587,453	14,147,812
—	—	—	—	7,250,000	7,250,000
—	—	—	—	155,544	155,544
—	—	—	—	20,228,302	20,228,302
—	—	—	—	1,489,000	1,489,000
—	—	—	—	118,960,418	118,960,418
—	180,210,997	—	180,210,997	510,013,654	690,224,651
—	—	—	—	23,865,868	23,865,868
—	—	—	—	17,652,545	17,652,545
—	—	15,704,741	15,704,741	1,555,000	17,259,741
—	—	982,197,584	982,197,584	—	982,197,584
—	—	99,527,975	99,527,975	516,394	100,044,369
<u>496,010,330</u>	<u>180,210,997</u>	<u>1,097,430,300</u>	<u>2,011,458,570</u>	<u>1,275,252,694</u>	<u>3,286,711,264</u>

CITY OF PITTSBURGH, PENNSYLVANIA

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

December 31, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities, equity and other credits:				
Liabilities:				
Accounts payable	\$ 5,978,042	3,980,078	—	3,074,563
Retainage payable	—	95,612	—	805,385
Accrued interest payable	—	—	—	—
Accrued liabilities	7,661,130	1,039,967	—	226,224
Accounts payable - primary government	—	—	—	—
Due to other funds	743,789	5,119,803	—	3,236,922
Due to other governments	5,386,150	739,307	—	—
Due to individuals	—	—	—	—
Current maturities of long-term debt	—	—	—	—
Deposits held in trust	—	—	—	—
Grants payable from the primary government	—	—	—	—
Bonds payable, net	—	—	—	—
Deferred loan	—	—	—	—
Accrued workers' compensation	17,500,000	—	—	—
Accrued compensated absences	15,193,918	—	—	—
Accrued claims and judgments	10,691,650	—	—	4,840,000
Deferred revenue	3,331,878	—	—	—
Total liabilities	66,486,557	10,974,767	—	12,183,094
Equity and other credits:				
Contributed capital	—	—	—	—
Investment in general fixed assets	—	—	—	—
Retained earnings (accumulated deficit)	—	—	—	—
Fund balances:				
Reserved for:				
Endowments	—	—	—	—
Encumbrances	3,805,546	1,757,746	—	7,136,040
Employee post-retirement	—	—	—	—
Employees' pension benefits	—	—	—	—
Unreserved:				
Designated for debt service	—	—	15,704,741	—
Designated for subsequent years' expenditures	—	818,717	—	64,566,217
Undesignated	40,363,392	14,010,126	—	—
Total fund equity and other credits	44,168,938	16,586,589	15,704,741	71,702,257
Total liabilities, equity and credits	\$ 110,655,495	27,561,356	15,704,741	83,885,351

See accompanying notes to financial statements.

Fiduciary 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	Total		Total
—	—	—	13,032,683	41,194,169	54,226,852
—	—	—	900,997	—	900,997
—	—	—	—	8,600,004	8,600,004
2,038,270	—	—	10,965,591	3,910,498	14,876,089
—	—	—	—	673,371	673,371
5,902,387	—	—	15,002,901	22,394,238	37,397,139
44,377	—	—	6,169,834	4,775,564	10,945,398
281,614	—	—	281,614	—	281,614
—	—	—	—	11,095,211	11,095,211
1,545,248	—	—	1,545,248	—	1,545,248
—	—	—	—	22,775,168	22,775,168
—	—	997,902,325	997,902,325	832,426,707	1,830,329,032
—	—	3,834,000	3,834,000	—	3,834,000
—	—	80,969,975	98,469,975	—	98,469,975
—	—	14,074,000	29,267,918	516,394	29,784,312
—	—	650,000	16,181,650	—	16,181,650
—	—	—	3,331,878	128,933,921	132,265,799
9,811,896	—	1,097,430,300	1,196,886,614	1,077,295,245	2,274,181,859
—	—	—	—	52,118,673	52,118,673
—	180,210,997	—	180,210,997	8,227,541	188,438,538
—	—	—	—	94,316,167	94,316,167
84,081	—	—	84,081	—	84,081
80,154	—	—	12,779,486	28,457,426	41,236,912
1,714,446	—	—	1,714,446	—	1,714,446
467,608,629	—	—	467,608,629	—	467,608,629
—	—	—	15,704,741	—	15,704,741
16,571,783	—	—	81,956,717	12,493,166	94,449,883
139,341	—	—	54,512,859	2,344,476	56,857,335
486,198,434	180,210,997	—	814,571,956	197,957,449	1,012,529,405
496,010,330	180,210,997	1,097,430,300	2,011,458,570	1,275,252,694	3,286,711,264

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, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Revenues:				
Taxes, including penalty and interest	\$ 275,290,553	—	—	—
Payment in lieu of taxes	1,821,429	—	—	—
Interest and dividends	6,351,769	293,877	2,521,016	—
Employer contributions	—	—	—	—
Fines and forfeits	7,327,654	1,236,806	—	—
Licenses and fees	16,049,561	—	—	—
Pension State Aid	13,257,846	—	—	—
Intergovernmental revenues	13,583,087	44,320,140	—	8,313,772
Charges for user services	—	14,635,295	—	1,054,996
Miscellaneous	2,378,696	483,184	—	218,363
Total revenues	336,060,595	60,969,302	2,521,016	9,587,131
Expenditures:				
Current operating:				
General government	32,442,156	10,562,251	—	—
Public safety	133,218,736	10,659,587	—	—
Public works	15,696,109	12,433,233	—	—
Sanitation	9,936,729	124,972	—	—
Community, recreational and cultural	3,961,308	4,441,567	—	—
School services	—	—	—	—
Parks and recreation	—	—	—	—
Employee benefits	58,582,884	—	—	—
Claims and judgments	10,408,739	—	—	—
Intergovernmental	—	—	—	—
Miscellaneous	632,907	—	—	—
Intergovernmental programs - JTPA	—	9,369,158	—	—
Intergovernmental programs - Community Development	—	11,807,319	—	—
Capital projects	—	4,602,723	—	43,845,344
Bond issuance cost	—	—	—	594,350
Debt service:				
Principal retirement and lease payments	—	—	24,177,939	—
Interest and fiscal charges	—	—	48,100,453	—
Authorities debt subsidies	11,735,236	—	—	—
Total expenditures	276,614,804	64,000,810	72,278,392	44,439,694
Excess (deficiency) of revenues over expenditures	59,445,791	(3,031,508)	(69,757,376)	(34,852,563)

Fiduciary Fund Type Expendable Trust	Primary Government Totals (Memorandum Only) 1999	Discretely Presented Component Units	Reporting Entity (Memorandum Only) Total
—	275,290,553	—	275,290,553
—	1,821,429	—	1,821,429
1,525,051	10,691,713	—	10,691,713
1,672,030	1,672,030	—	1,672,030
—	8,564,460	—	8,564,460
—	16,049,561	—	16,049,561
—	13,257,846	—	13,257,846
257,261	66,474,260	130,185,629	196,659,889
510,800	16,201,091	—	16,201,091
814,398	3,894,641	—	3,894,641
4,779,540	413,917,584	130,185,629	544,103,213
—	43,004,407	—	43,004,407
—	143,878,323	—	143,878,323
—	28,129,342	—	28,129,342
—	10,061,701	—	10,061,701
967,655	9,370,530	—	9,370,530
75,560	75,560	—	75,560
442,483	442,483	—	442,483
3,435,084	62,017,968	—	62,017,968
—	10,408,739	—	10,408,739
—	—	125,155,097	125,155,097
526,905	1,159,812	—	1,159,812
—	9,369,158	—	9,369,158
—	11,807,319	—	11,807,319
—	48,448,067	—	48,448,067
—	594,350	—	594,350
—	24,177,939	—	24,177,939
—	48,100,453	—	48,100,453
—	11,735,236	—	11,735,236
5,447,687	462,781,387	125,155,097	587,936,484
(668,147)	(48,863,803)	5,030,532	(43,833,271)

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, 1999

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Excess (deficiency) of revenues over expenditures brought forward	\$ 59,445,791	(3,031,508)	(69,757,376)	(34,852,563)
Other financing sources (uses):				
Bond proceeds	—	—	—	56,393,409
Operating transfers from other funds	2,925,264	5,727,697	69,685,502	2,225,000
Operating transfers from discretely presented component units	—	—	3,265,000	—
Operating transfers to other funds	(70,257,966)	(2,829,264)	—	(4,558,895)
Total other financing sources (uses)	(67,332,702)	2,898,433	72,950,502	54,059,514
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses before extraordinary loss	(7,886,911)	(133,075)	3,193,126	19,206,951
Extraordinary loss on impairment of stadium complex	—	—	—	—
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses and extraordinary loss	(7,886,911)	(133,075)	3,193,126	19,206,951
Fund balance at beginning of year	52,055,849	16,719,664	12,511,615	52,495,306
Fund balance at end of year	\$ 44,168,938	16,586,589	15,704,741	71,702,257

See accompanying notes to financial statements.

Fiduciary Fund Type Expendable Trust	Primary Government Totals (Memorandum Only)	Discretely Presented Component Units	Reporting Entity (Memorandum Only)
	1999		Total
(668,147)	(48,863,803)	5,030,532	(43,833,271)
—	56,393,409	—	56,393,409
622,688	81,186,151	—	81,186,151
—	3,265,000	—	3,265,000
(3,540,026)	(81,186,151)	—	(81,186,151)
(2,917,338)	59,658,409	—	59,658,409
(3,585,485)	10,794,606	5,030,532	15,825,138
—	—	(25,700,000)	(25,700,000)
(3,585,485)	10,794,606	(20,669,468)	(9,874,862)
22,175,290	155,957,724	114,985,635	270,943,359
18,589,805	166,752,330	94,316,167	261,068,497

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, 1999
(Amounts expressed in thousands)

	General Fund		
	Budget as Amended	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes, including penalty and interest	\$ 269,766	277,364	7,598
Interest earnings	5,400	6,335	935
Fines and forfeits	6,880	6,890	10
Licenses and fees	5,398	5,998	600
Intergovernmental	25,337	19,822	(5,515)
Miscellaneous	1,357	2,153	796
Provision of services, breakeven and joint operations	18,193	19,073	880
Total revenues	332,331	337,635	5,304
Expenditures:			
Current operating:			
General government	28,078	26,337	1,741
Public safety	129,171	120,061	9,110
Public works and general services	36,459	34,878	1,581
Community, recreational and cultural	4,501	4,042	459
Employee benefits	62,659	61,607	1,052
Claims and judgments	2,700	1,674	1,026
Citizens Review Board	431	407	24
Computer system	251	251	—
Utilities	8,082	6,651	1,431
Miscellaneous	5,073	4,726	347
Intergovernmental programs	—	—	—
Capital projects	—	—	—
Debt service:			
Debt service	65,275	65,275	—
Debt service subsidy	2,824	2,824	—
Total expenditures	345,504	328,733	16,771
Excess (deficiency) of revenues over expenditures	\$ (13,173)	8,902	22,075
Other financing sources (uses):			
Contribution to pension fund		—	
Bond proceeds		—	
Operating transfers in		—	
Transfer to pension fund		(13,258)	
Operating transfers out		—	
State Pension aid		13,258	
Net other financing sources		—	

Special Revenue Community Development			Capital Projects		
Budget as Amended	Actual	Variance Favorable (Unfavorable)	Budget as Amended	Actual	Variance Favorable (Unfavorable)
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
54,175	21,875	(32,300)	15,530	11,749	(3,781)
—	—	—	—	—	—
—	—	—	—	—	—
54,175	21,875	(32,300)	15,530	11,749	(3,781)
14,194	6,033	8,161	—	—	—
626	293	333	—	—	—
10,158	6,008	4,150	—	—	—
2,468	939	1,529	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
26,729	8,623	18,106	—	—	—
—	—	—	94,061	40,241	53,820
—	—	—	—	—	—
—	—	—	—	—	—
54,175	21,896	32,279	94,061	40,241	53,820
—	(21)	(21)	(78,531)	(28,492)	50,039
—	—	—	—	—	—
—	—	—	56,393	56,393	—
—	—	—	2,000	2,000	—
—	—	—	—	—	—
—	—	—	(1,070)	(1,070)	—
—	—	—	—	—	—
—	—	—	57,323	57,323	—

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, 1999
(Amounts expressed in thousands)

	General Fund		
	<u>Budget as Amended</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Excess (deficiency) revenues and other financing sources (under) expenditures and other uses		8,902	
Other financing sources (uses)		—	
Fund balances - budgetary basis, beginning of year		<u>63,329</u>	
Fund balance - budgetary basis, end of year		72,231	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(11,273)	
Net effect of GAAP basis recognition of revenues		(1,574)	
Net effect of GAAP basis recognition of expenditures		(15,215)	
Net effect of GAAP basis recognition of other financing sources (uses)		<u>—</u>	
Fund balances - GAAP basis, end of year		<u>\$ 44,169</u>	
See accompanying notes to financial statements.			

Special Revenue Community Development			Capital Projects		
Budget as Amended	Actual	Variance Favorable (Unfavorable)	Budget as Amended	Actual	Variance Favorable (Unfavorable)
—	(21)	(21)	(21,209)	28,831	50,040
—	—	—	—	—	—
—	1,809	1,809	21,209	46,293	25,084
—	1,788	1,788	—	75,124	75,124
	(1,725)			6,202	
	(328)			(866)	
	519			(8,758)	
	(169)			—	
	85			71,702	

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/ Fund Balances - Discretely Presented Component Units

For the Year Ended December 31, 1999

	<u>Discretely Presented Component Units</u>
Operating revenues:	
Water and waste charges	\$ 58,209,000
Rentals	3,092,882
Concessions	208,725
Medallions	561,754
Parking receipts	23,968,748
Program interest income	12,678,865
Property management revenue	7,631,208
Sales of housing units	889,213
Miscellaneous	2,400,459
Parking leases and rentals	569,480
Lounge boxes	339,800
	<hr/>
Total operating revenues	110,550,134
Operating expenses:	
Salaries and wages	3,164,017
Utilities	707,709
Interest expense	2,834,601
Depreciation and amortization	19,234,412
Cooperation agreement operating expenses	9,043,000
Payments to non-City water agencies	3,070,000
Repairs and maintenance	1,573,831
Insurance	365,143
Administrative and other operating	12,497,241
Parking tax expense	4,708,565
Direct operating expenses	16,615,000
Fair value discount/lender fee	506,782
Property management improvement	2,442,376
Cost of housing units sold	1,130,477
Miscellaneous	1,918,381
	<hr/>
Total operating expenses	79,811,535
Operating income (carried forward)	30,738,599

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenses and Changes in Retained Earnings/ Fund Balances - Discretely Presented Component Units

For the Year Ended December 31, 1999

	Discretely Presented Component Units
Operating income (brought forward)	\$ 30,738,599
Non-operating revenue (expense):	
Interest income	4,500,093
Interest expense	(40,882,845)
Amortization	(291,000)
Meter and wharf receipts	868,706
Other income	66,669
Meter and wharf expenses	(766,571)
Payment in lieu of taxes	(1,400,000)
Other expense	(1,229,959)
Earned government grants	4,200,027
Loss of transfer of facilities to URA	(773,187)
Allegheny Regional Asset District Grant	10,000,000
Total non-operating revenues (expenses)	<u>(25,708,067)</u>
Income before extraordinary item	5,030,532
Extraordinary loss on impairment of stadium complex	<u>(25,700,000)</u>
Net income (loss)	(20,669,468)
Retained earnings, fund balances at beginning of year	<u>114,985,635</u>
Retained earnings, fund balances at end of year	<u>\$ 94,316,167</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, 1999

	Component Units (Proprietary Fund Type)
Cash flows from operating activities:	
Operating income	\$ 30,738,599
Reconciliation of operating income to net cash provided by operating activities:	
Depreciation and amortization	19,729,103
	<u>50,467,702</u>
Changes in operating assets and liabilities:	
Accounts receivable	(23,345,674)
Prepaid expenses	477,893
Other current assets	846,947
Accounts payable and accrued expenses	(2,759,290)
Deferred revenue	490,235
Change in accrued payroll and withholdings	435,000
Interest payable	2,834,601
Loans issued	(9,030,802)
Loan repayments	21,127,850
	<u>41,544,462</u>
Net cash provided by operating activities	
Cash flows from investing activities:	
Interest earnings	15,423,340
Purchase of investment securities	(378,296,617)
Proceeds from sale and maturities of investments	400,390,254
Deposits to repair reserves	(36,450)
Payments received on notes receivable	148,139
Disbursement for loan made	(1,600,000)
	<u>36,028,666</u>
Net cash provided by investing activities	
Cash flows from non-capital financing activities:	
Principal payment related to non-capital funds	(75,602,948)
Interest payment related to non-capital funds	(19,869,911)
Payment in lieu of taxes	(1,400,000)
Meter and wharf receipts	868,706
Meter and wharf expenses	(737,258)
Other non-capital financing activities, net	2,950,283
Grants from the Allegheny Regional Asset District	10,000,000
Proceeds from borrowing	66,438,546
Cost of borrowing	(406,529)
Early redemption of bonds	(3,030,000)
Transfer (to) from other funds	(510,143)
	<u>(21,299,254)</u>
Net cash provided by non-capital financing activities	

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Cash Flows - Discretely Presented Component Units

For the Year Ended December 31, 1999

	Component Units (Proprietary Fund Type)
Cash flows from capital and related financing activities:	
Principal payment related to capital funds	\$ (15,275,554)
Interest payment related to capital funds	(26,971,079)
Additions to Stadium complex	(608,506)
Acquisition and construction of capital assets	(16,604,649)
Proceeds from note	5,000,000
Proceeds from capital grants	16,816,223
Purchase of property held for future use	(2,910,204)
Payments in connection with new stadium complexes	(18,851,190)
	<u>(59,404,959)</u>
Net cash used in capital and related financing activities	(59,404,959)
Net decrease in cash and cash equivalents	(3,131,085)
Cash and cash equivalents at beginning of year	<u>112,851,047</u>
Cash and cash equivalents at end of year	\$ <u><u>109,719,962</u></u>
Supplemental information:	
Cash and cash equivalents	337,356,543
Non-proprietary cash and cash equivalents	(87,893,007)
Trusted and restricted funds	116,950,891
Long-term restricted investments	(255,235,263)
Restricted funds which are not cash or investments	(1,459,202)
	<u>(1,459,202)</u>
Total cash and cash equivalents, end of year	\$ <u><u>109,719,962</u></u>

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Pension Trust Funds

Combined Statements of Changes in Plan Net Assets

Years Ended December 31, 1999

Additions:

Contributions:

Employer	\$ 7,703,374
Plan members	12,061,190
State	<u>13,257,846</u>
	33,022,410

Investment income:

Net appreciation in fair value of investments	39,378,288
Interest and dividends	<u>17,598,899</u>
	56,977,187

Less investment expenses

<u>1,601,975</u>
55,375,212

Miscellaneous

<u>7,912</u>

Total additions

88,405,534

Deductions:

Benefit payments	55,466,966
Refunds of employee contributions for terminated employees	1,152,474
Administrative expenses	<u>791,155</u>

Total deductions

<u>57,410,595</u>

Net increase in plan net assets

30,994,939

Plan net assets, beginning of year

<u>436,613,690</u>

Plan net assets, end of year

<u>\$ 467,608,629</u>

**NOTES TO FINANCIAL
STATEMENTS**

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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.
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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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. It operates on a December 31 fiscal year.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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

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

	<u>PWSA</u> <u>December 31,</u> <u>1999</u>	<u>Stadium</u> <u>Authority</u> <u>March 31,</u> <u>1999</u>	<u>URA</u> <u>December 31,</u> <u>1999</u>	<u>Public</u> <u>Parking</u> <u>Authority</u> <u>September 30,</u> <u>1999</u>
Current assets:				
Cash and investments	\$ 46,571	6,136	279,547	5,102
Loans and other	19,497	35,388	231,753	2,561
Trusteed and restricted assets	97,230	398	2,010	19,322
Net fixed assets	324,630	11,022	110,471	63,891
Non-current assets	3,445	54	7,842	6,311
Other debits	—	—	2,071	—
Total assets	<u>\$ 491,373</u>	<u>52,998</u>	<u>633,694</u>	<u>97,187</u>
Current liabilities:				
Current portion of long-term debt	—	6,957	—	2,618
Current maturities of long-term debt – City of Pittsburgh	—	1,520	—	—
Accounts payable – City of Pittsburgh	10,553	—	—	673
Other	—	7,445	43,949	3,567
Deferred revenue	—	4,136	117,483	—
Non-current liabilities:				
Grants from the City of Pittsburgh	—	22,775	—	—
Capital lease obligation and other liabilities	22,233	—	516	443
Long-term debt	452,297	12,366	301,829	47,330
Long-term payable to City of Pittsburgh	—	18,605	—	—
Fund equity:				
Contributed capital	5,277	—	6,675	5,708
Investment in general fixed assets	—	—	8,228	—
Restricted for construction purposes	—	34,458	—	—
Retained earnings (deficit)	1,013	(55,264)	111,719	36,848
Fund balance	—	—	43,295	—
Total liabilities and equity	<u>\$ 491,373</u>	<u>52,998</u>	<u>633,694</u>	<u>97,187</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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

	PSWA December 31, 1999	Stadium Authority March 31, 1999	URA December 31, 1999	Public Parking Authority September 30, 1999
Operating revenues	\$ 59,319	5,326	21,352	24,553
Operating expenses:				
Depreciation and amortization	9,466	3,242	3,233	3,293
Other	28,728	10,320	7,427	14,102
Operating income (loss)	21,125	(8,236)	10,692	7,158
Non-operating revenues (expenses):				
Interest expense	(21,324)	—	(16,599)	(2,961)
Other	2,839	10,063	2,522	(248)
Extraordinary loss on impairment of stadium complex	—	(25,700)	—	—
Net income (loss)	2,640	(23,873)	(3,385)	3,949
Retained earnings (deficit)/fund balance, beginning of year, as previously reported	(1,627)	(31,391)	117,344	32,899
Correction of an error	—	—	(2,240)	—
Retained earnings (deficit)/fund balance, beginning of year, as restated	(1,627)	(31,391)	115,104	32,899
Retained earnings (deficit)/fund balance, end of year	\$ 1,013	(55,264)	111,719	36,848

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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, 1999, the City's portion of outstanding Auditorium Authority debt service was \$11,725,000 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, 1999, the Auditorium Authority's enterprise fund (operations of David L. Lawrence Convention Center) had a retained earnings of \$2,935,524 with net income of \$22,602.

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.

The Public Auditorium Authority is now known as the Sports & Exhibition Authority.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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 "flow of financial resources" measurement focus. This determines financial position and changes in financial position (sources, uses and balances).

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.

The proprietary funds (discrete component units only) and the 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 net total assets.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(E) Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Governmental fund types, expendable trust funds and agency funds use the modified accrual basis of accounting. Revenues are recognized 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(F) 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.
 - 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

- 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.
 - 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 and carryover of appropriations from the previous year. The original approved budget included budgeted revenues and expenditures of \$334.7 million. The budgetary revenues included a carryforward budgetary fund balance of \$2.4 million. The budgetary expenditures, as amended, include carryover appropriations approved by City Council during 1999. During 1999, 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

(G) 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.

(H) 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.

(I) Other Assets

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

(J) 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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			
	PWSA	Stadium Authority	Parking Authority	URA
Utility assets	30 – 40	—	—	—
Parking facilities	—	—	50	—
Equipment	5 – 10	5 – 10	10	—
Stadium complex	—	2	—	—
Buildings and improvements	—	—	—	30

(K) *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 150 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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.

(L) 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.

(M) 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 1999 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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. For the year ended December 31, 1999, \$151,000 in claims were paid from this fund.

(N) *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.

(O) *Reclassification of Prior Year Statements*

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

(P) *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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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> <u>(in thousands)</u>
Excess of expenditures and other uses over revenues and other sources – GAAP basis	\$ (7,887)
Revenues:	
Decrease in revenues susceptible to accrual recorded when received in cash on the budgetary basis	1,574
Reimbursements budgeted as revenues and recognized as a reduction of expenditures on a GAAP basis	5,650
Operating transfers budgeted as revenues	<u>(13,258)</u>
Total	(6,034)
Expenditures:	
Increase in expenditures recognized on a GAAP basis recorded when paid in cash on the budgetary basis	15,215
Reimbursements budgeted as revenues and recognized as a reduction of expenditures on a GAAP basis	(5,650)
Pension state aid recorded as expenditure reimbursement	13,258
Operating transfers budgeted as expenditures	<u>(67,333)</u>
Total	(44,510)
Other financing (sources) uses:	
Operating transfers budgeted as revenues and expenditures	<u>67,333</u>
Total	<u>67,333</u>
Excess of revenues and other sources over expenditures and other uses – budgetary basis	\$ <u><u>8,902</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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> <u>(in thousands)</u>
Excess of expenditures and other uses over revenues and other sources – GAAP basis – all Special Revenue Funds	\$ (133)
Adjustment for non-budgeted Special Revenue Funds	133
Revenues:	
Decrease of revenues susceptible to accrual recorded when received in cash on the budgetary basis	(4,564)
Revenues for non-budgeted Community Development Funds	<u>4,235</u>
Total	(329)
Expenditures:	
Decrease in expenditures recognized on a GAAP basis recorded when paid in cash on the budgetary basis	4,558
Expenditures for non-budgeted Community Development Funds	<u>(4,039)</u>
Total	519
Other financing (sources) uses:	
Decrease in operating transfers susceptible to accrual but not budgeted	<u>(169)</u>
Total	<u>(169)</u>
Excess of expenditures and other uses over revenues and other sources – budgetary basis	\$ <u><u>21</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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> <u>(in thousands)</u>
Excess of revenues and other sources over expenditures and other uses – GAAP basis	\$ 19,207
Revenues:	
Revenue and reimbursements to trust funds	(1,055)
Decrease in revenues susceptible to accrual recorded when received in cash on the budgetary basis	(79)
Transfers in	<u>2,000</u>
Total	866
Expenditures:	
Trust fund expenditures	625
Decrease in expenditures recognized on a GAAP basis but recorded when paid in cash on the budgetary basis	9,203
Transfers out	<u>(1,070)</u>
Total	<u>8,758</u>
Excess of expenditures and other uses over revenues and other sources – budgetary basis	\$ <u><u>28,831</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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, 1999, except the Stadium Authority, which is as of March 31, 1999, and the Public Parking Authority, which is as of September 30, 1999, is as follows:

<u>Current Unrestricted</u>	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
Primary Government – Unrestricted			
City Treasurer (most governmental, expendable trust and agency funds)	\$ 30,763,306	190,479,448	221,242,754
Equipment Leasing Authority (special revenue and debt revenue fund)	1,083,796	—	1,083,796
Pension Trust Funds	605,315	466,136,851	466,742,166
Total Primary Government – Unrestricted	32,452,417	656,616,299	689,068,716
Component Units – Unrestricted			
PWSA	46,571,000	—	46,571,000
Stadium Authority	108,706	6,027,569	6,136,275
Public Parking Authority	1,331,368	3,770,671	5,102,039
URA	46,460,726	233,086,503	279,547,229
Total Component Units – Unrestricted	94,471,800	242,884,743	337,356,543
Total Unrestricted	126,924,217	899,501,042	1,026,425,259
<u>Current Restricted</u>			
Component Units – Restricted			
PWSA	5,123,000	90,726,000	95,849,000
Stadium Authority	320,289	—	320,289
Public Parking Authority	—	19,322,400	19,322,400
URA	—	2,009,527	2,009,527
Total Component Units – Restricted	5,443,289	112,057,927	117,501,216
Total Unrestricted and Restricted	\$ 132,367,506	1,011,558,969	1,143,926,475

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.
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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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, 1999, 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, 1999, the Equipment Leasing Authority invested its funds in one or more of the above authorized investments.

The cost of all investments at December 31, 1999, 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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

Hirtle Callaghan Trust International Equity Portfolio Fund #8	\$ 67,891,513
MAS Funds High Yield Portfolio Fund #2137	35,000,129
Goldman Sachs Core Large Cap Growth Pooled Trust	58,301,774
Hirtle Callaghan Trust International Fixed Income Portfolio FD#009	37,581,839
MAS Funds Fixed Income Portfolio FD#2123	29,652,437

(D) 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, 1999, the Authority invested its funds in such authorized investments.

(E) 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, 1999, the Stadium Authority invested its funds in one or more of the above authorized investments.

(F) 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.

(G) 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.

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For the Year Ended December 31, 1999

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.

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 – \$3,721,988, category 2 – \$-0- and category 3 – \$24,119,405; component unit unrestricted category 1 – \$1,475,400 and category 3 – \$48,266,347; component unit restricted category 1 – \$100,000 and category 3 – \$409,000.

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

<u>Primary Government – Unrestricted</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Category</u>
(A) City Treasurer (most governmental, expendable trust and agency funds):			
Repurchase agreements	\$ 17,200,000	17,200,000	3
Money market mutual funds	143,221,458	143,221,458	N/A
Corporate obligations (pension)	16,057,990	16,057,990	3
U.S. government and agency obligations	<u>14,000,000</u>	<u>14,000,000</u>	3
Total	190,479,448	190,479,448	
(B) Pension Trust:			
Preferred and common stocks	159,004,270	159,004,270	2
U.S. government & agency obligations	38,028,475	38,028,475	2
Corporate and other obligations	262,647,975	262,647,975	2
Short-Term Institutional Funds	<u>6,456,131</u>	<u>6,456,131</u>	2
Total	<u>466,136,851</u>	<u>466,136,851</u>	
Total Primary Government – Unrestricted	656,616,299	656,616,299	

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

<u>Component Units – Unrestricted</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Category</u>
(C) Stadium Authority:			
Money market pooled investments	\$ 6,027,569	6,027,569	N/A
(D) Pittsburgh Parking Authority:			
Local government securities	44,189	44,189	1
Money market mutual funds	<u>3,726,482</u>	<u>3,726,482</u>	N/A
Total	3,770,671	3,770,671	
(E) URA:			
U.S. government and agency obligations	135,796,617	135,796,617	1
U.S. government and agency obligations	2,837,140	2,837,140	3
Pooled Investment Fund	<u>94,452,746</u>	<u>94,452,746</u>	N/A
Total	233,086,503	233,086,503	
Total Component Units – Unrestricted	<u>242,884,743</u>	<u>242,844,743</u>	
Total Unrestricted	899,501,042	899,501,042	
<u>Components – Restricted</u>			
(F) PWSA:			
U.S. government and agency obligations	5,253,000	5,247,000	3
Guaranteed investment contracts	30,576,000	30,576,000	3
Local government securities	<u>54,897,000</u>	<u>54,897,000</u>	3
Total	90,726,000	90,720,000	
(G) Pittsburgh Parking Authority:			
Commercial paper	349,333	349,333	1
Corporate obligations	14,068,414	14,068,414	3
Money market mutual funds	<u>4,904,653</u>	<u>4,904,653</u>	N/A
Total	19,322,400	19,322,400	

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

<u>Primary Government – Restricted</u>	<u>Carrying Amount</u>	<u>Fair Value</u>	<u>Category</u>
(H) URA:			
Pooled investment funds	\$ <u>2,009,527</u>	<u>2,009,527</u>	N/A
Total	2,009,527	2,009,527	
Total Component Units – Restricted	<u>112,057,927</u>	<u>112,051,927</u>	
Grand Total	\$ <u>1,011,558,969</u>	<u>1,011,552,969</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).

(A) 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.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

(B) *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, 1999, 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(5) Trusteed and Restricted Funds

The following is a summary of trusteed and restricted funds:

Component Units	Cash and investments	Other	Total
Pittsburgh Water and Sewer Authority (PWSA):			
Construction	\$ 2,712,000	11,000	2,723,000
Debt service	20,885,000	520,000	21,405,000
Operating reserve	6,269,000	27,000	6,296,000
Self-insured escrow	503,000	—	503,000
Capital projects	65,391,000	823,000	66,214,000
Clearing fund	89,000	—	89,000
Subtotal	95,849,000	1,381,000	97,230,000
Stadium Authority:			
Parking maintenance	320,289	78,202	398,491
Subtotal	320,289	78,202	398,491
Parking Authority:			
Operating reserve	2,393,020	—	2,393,020
Debt service	2,975,831	—	2,975,831
Debt service reserve	3,000,725	—	3,000,725
Debt service project fund	96,673	—	96,673
Capital improvement fund	378,577	—	378,577
Renewal and replacement	2,032,002	—	2,032,002
Revenue	7,018,968	—	7,018,968
City meter	228,931	—	228,931
City wharf	462,635	—	462,635
Excess coverage	735,038	—	735,038
Subtotal	19,322,400	—	19,322,400
Subtotal	115,491,689	1,459,202	116,950,891
URA investments, restricted	2,009,527	—	2,009,527
Total component units trusteed and restricted funds	\$ 117,501,216	1,459,202	118,960,418

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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 an average of 19.8% 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.

(A) Tax Lien Sale

In 1999, the City sold tax liens for \$4,974,789, including penalty and interest, and received the proceeds. In April of 1998, the City received the final 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(7) Fixed Assets

The following is a summary of changes in the general fixed assets account group during 1999:

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
		(amounts in thousands)		
Land and buildings	\$ 114,536	643	2,712	112,467
Machinery and equipment	53,132	3,877	1,040	55,969
Capital leases	11,775	—	—	11,775
Total general fixed assets	\$ 179,443	4,520	3,752	180,211

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

	1999 (in thousands)
Stadium complex	\$ 71,356
Land and parking facilities	90,922
Machinery and equipment	3,333
Utility plant	232,150
Nonutility plant	9,024
Capitalized system lease	102,166
Construction-in-progress	42,464
Property held for future use	4,548
URA land, building and improvement	24,695
URA furniture and fixtures	502
URA development and related costs	1,928
URA property on lease	92,700
Total	675,788
Less accumulated depreciation	165,774
Net component unit property, plant and equipment	\$ 510,014

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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.

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 Trust. 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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 allocated to 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.

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:

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

- 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.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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 year.

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For the Year Ended December 31, 1999

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.

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.

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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.

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 Trust) 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.

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 Trust, 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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	\$ 3,082	10,402	6,194
Contributions made	(4,842)	(9,838)	(6,281)

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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	1/1/99	1/1/99	1/1/99
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	Market	Market
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	—	—

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

Three Year Trend Information

Fiscal year ending	Pension plan	Pension cost (APC)	Total contributions as a percentage of annual required contributions
12/31/97	Municipal	\$ 4,762	% 174.4%
	Police	17,463	103.8
	Fire	12,087	107.2
	Total	34,312	114.6
12/31/98	Municipal	3,749	1,062.4
	Police	9,726	1,397.9
	Fire	6,391	1,547.2
	Total	19,866	1,382.6
12/31/99	Municipal	6,253	157.1
	Police	13,565	94.6
	Fire	9,018	101.4
	Total	28,836	106.5

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

At January 1, 1999, 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	1,750	1,571	1,016	4,337
Terminated employees – vested	—	3	2	5
Total	1,750	1,574	1,018	4,342
Active members	2,293	1,098	844	4,235
Total membership	<u>4,043</u>	<u>2,672</u>	<u>1,862</u>	<u>8,577</u>

(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 1,146 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 1999, post-retirement healthcare benefits expense paid by the City was \$6,404,672.

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 6 retirees in this group with a total cost to the City in 1999 of \$4,045.

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 1,820 retirees in this group with a total cost during 1999 of \$180,282.

CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(10) Long-Term Debt

The maximum amount payable for future maturities of bonds and interest on general long-term debt at December 31, 1999, and changes in bond principal for the year then ended are summarized below:

	<u>Principal</u>	
	<u>Outstanding at December 31, 1998</u>	<u>Bonds paid or defeased and discount amortized during 1999</u>
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:		
1999	\$ 25,235,000	25,235,000
2000	33,775,000	—
2001	35,180,000	—
2002	36,685,000	—
2003	38,165,000	—
2004	38,955,000	—
2005 – 2009	237,880,000	—
2010 – 2014	204,195,000	—
2015 – 2019	128,500,000	—
2020 – 2024	136,035,000	—
Subtotal	914,605,000	25,235,000
Less discount	(10,737,932)	(1,727,496)
Less bonds funded by Stadium Authority	(24,682,499)	(1,822,929)
Total	879,184,569	21,684,575

<u>Face value on bonds issued during 1999</u>	<u>Outstanding at December 31, 1999</u>	<u>Interest</u>
—	—	—
—	33,775,000	50,580,797
—	35,180,000	50,114,672
255,000	36,940,000	49,624,687
255,000	38,420,000	48,244,645
255,000	39,210,000	46,037,939
1,275,000	239,155,000	194,775,412
7,775,000	211,970,000	127,066,722
22,710,000	151,210,000	74,993,286
24,615,000	160,650,000	27,562,148
57,140,000	946,510,000	669,000,308
—	(9,010,436)	—
—	(22,859,570)	(16,450,385)
57,140,000	914,639,994	652,549,923

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

	Principal	
	Outstanding at December 31, 1998	Bonds paid or defeased and discount amortized during 1999
Public Auditorium Authority Revenue Bonds:		
Four bond issues with interest rates ranging from 5.0% to 8.60%. The City's share of debt service on these bonds is payable from general revenues:		
1999	\$ 1,135,000	1,135,000
2000	937,500	—
2001	977,500	—
2002	1,022,500	—
2003	1,072,500	—
2004	1,125,000	—
2005 – 2009	3,765,000	—
2010 – 2014	1,545,000	—
2015 – 2019	1,280,000	—
Total	12,860,000	1,135,000
Urban Redevelopment Authority of Pittsburgh Taxable Bonds:		
One tax increment financing (TIF) bond issue with interest rates ranging from 5.75% 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:		
1999	77,593	77,593
2000	83,270	—
2001	87,055	—
2002	92,733	—
2003	98,410	—
2004	104,088	—
2005 – 2009	637,771	—
2010 – 2013	690,762	—
Total	1,871,682	77,593

<u>Face value on bonds issued during 1999</u>	<u>Outstanding at December 31, 1999</u>	<u>Interest</u>
—	—	—
—	937,500	809,977
—	977,500	751,776
—	1,022,500	690,057
—	1,072,500	624,637
—	1,125,000	555,117
—	3,765,000	1,716,235
—	1,545,000	878,853
—	1,280,000	288,185
—	11,725,000	6,314,837
—	—	—
—	83,270	122,370
—	87,055	117,582
—	92,733	112,446
—	98,410	106,743
—	104,088	100,592
—	637,771	389,922
—	690,762	128,630
—	1,794,089	1,078,285

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

	<u>Principal</u>	
	<u>Outstanding at December 31, 1998</u>	<u>Bonds paid or defeased and discount amortized during 1999</u>
Urban Redevelopment Authority of Pittsburgh		
Taxable Bonds:		
One Special Tax Development Bond issue with interest rates ranging from 8.3% to 9.07%. Bonds are payable solely from City's assignment to the URA of certain Allegheny Regional Asset District revenues:		
1999	\$ 1,030,000	1,030,000
2000	1,120,000	—
2001	1,215,000	—
2002	1,325,000	—
2003	1,440,000	—
2004	1,570,000	—
2005 – 2009	18,400,000	—
2010 – 2014	32,655,000	—
	<hr/>	<hr/>
Total	58,755,000	1,030,000
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:		
1999	151,401	151,401
2000	187,358	—
2001	183,573	—
2002	196,821	—
2003	213,853	—
2004	228,993	—
2005 – 2009	1,426,947	—
2010 – 2014	1,406,129	—
2015	321,725	—
	<hr/>	<hr/>
Total	4,316,800	151,401

<u>Face value on bonds issued during 1999</u>	<u>Outstanding at December 31, 1999</u>	<u>Interest</u>
—	—	—
—	1,120,000	5,124,618
—	1,215,000	5,031,658
—	1,325,000	4,929,842
—	1,440,000	4,817,878
—	1,570,000	4,695,478
—	18,400,000	19,896,334
—	32,655,000	10,061,474
—	57,725,000	54,557,282
—	—	—
—	187,358	243,268
—	183,573	233,035
—	196,821	222,099
—	213,853	210,455
—	228,993	197,887
—	1,426,947	761,790
—	1,406,129	270,146
—	321,725	10,054
—	4,165,399	2,148,734

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

		Principal	
		Outstanding at December 31, 1998	Bonds paid or defeased and discount amortized during 1999
Urban Redevelopment Authority of Pittsburgh			
Taxable Bonds:			
One taxable revenue bond issue with interest rates ranging from 7.7% to 8.0%. The bond is payable from general resources of the General Fund:			
1999	\$	770,000	770,000
2000		830,000	—
2001		895,000	—
2002		965,000	—
2003		1,040,000	—
2004		1,125,000	—
Total		5,625,000	770,000
Urban Redevelopment Authority of Pittsburgh			
Taxable Revenue Bonds:			
One tax increment financing (TIF) bond with interest rates ranging from 6.69% 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:			
1999		94,450	94,450
2000		102,006	—
2001		107,673	—
2002		117,118	—
2003		124,674	—
2004		132,230	—
2005 – 2009		844,383	—
2010 – 2014		1,250,518	—
2015		319,241	—
Total		3,092,293	94,450
General Long-Term Debt Account Group	\$	965,705,344	24,943,019

<u>Face value on bonds issued during 1999</u>	<u>Outstanding at December 31, 1999</u>	<u>Interest</u>
—	—	—
—	830,000	384,120
—	895,000	320,210
—	965,000	250,400
—	1,040,000	173,200
—	1,125,000	90,000
—	4,855,000	1,217,930
—	—	—
—	102,006	227,447
—	107,673	220,368
—	117,118	212,586
—	124,674	204,000
—	132,230	194,697
—	844,383	800,896
—	1,250,518	394,160
—	319,241	12,786
—	2,997,843	2,266,940
<u>57,140,000</u>	<u>997,902,325</u>	<u>720,133,931</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

Discretely Presented Component Units

Stadium Authority Revenue Bonds and Note

One revenue refunding bond issue with interest rates ranging from 4.15% to 5.0% and two notes with variable interest rates based on the prime lending rate when yearly payments are due. The bonds and notes are payable from revenue from the Allegheny Regional Asset District:

	Outstanding at March 31, 1998	Bonds and notes paid during 1999	Bonds and notes issued and discount amortized during 1999	Outstanding at March 31, 1999	Interest
1999	\$ 4,178,014	4,178,014	—	—	—
2000	3,480,840	1,523,540	5,000,000	6,957,300	574,185
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	2,247,300	—	—	2,247,300	283,752
2005 - 2006	3,985,000	—	—	3,985,000	298,333
Subtotal	20,168,054	5,701,554	5,000,000	19,466,500	2,469,585
Unamortized bond discount	(165,017)	—	22,003	(143,014)	—
	20,003,037	5,701,554	5,022,003	19,323,486	2,469,585
General obligation bonds funded by Public Auditorium Authority	21,525,000	1,400,000	—	20,125,000	—
Total Stadium debt	<u>41,528,037</u>	<u>7,101,554</u>	<u>5,022,003</u>	<u>39,448,486</u>	<u>2,469,585</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

Public Parking Authority Revenue Bonds and Notes

One revenue bond issue with interest rates ranging from 5.2% to 5.875%, and four notes, two with no interest 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:

	Principal				
	Outstanding at September 30, 1998	Bonds and notes paid during 1999	Bonds and notes issued during 1999	Outstanding at September 30, 1999	Interest
1999	\$ 2,585,858	2,585,858	—	—	—
2000	2,617,911	—	—	2,617,911	2,890,861
2001	2,773,405	—	—	2,773,405	2,743,970
2002	4,419,234	—	—	4,419,234	2,490,580
2003	2,785,000	—	—	2,785,000	2,320,337
2004	2,940,000	—	—	2,940,000	2,159,225
2005 – 2009	17,440,000	—	—	17,440,000	7,959,869
2010 – 2013	18,012,250	—	—	18,012,250	2,191,667
Subtotal	53,573,658	2,585,858	—	50,987,800	22,756,509
Less unamortized discount	1,119,864	52,813	—	1,039,873	—
Total Parking debt	\$ <u>52,453,794</u>	<u>2,533,045</u>	<u>—</u>	<u>49,947,927</u>	<u>22,756,509</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

Water and Sewer Authority Revenue Bonds

Four revenue bond issues with interest rates ranging from 5.0% to 5.3125%, and one revenue refunding bond issue with interest rates ranging from 4.25% to 6.5%. The bonds are payable from revenue from Water and Sewer operations:

		Principal Bonds issued, net and refunding loss amortized			
	Outstanding at December 31, 1998	Bonds paid and premium amortized during 1999	during 1999	Outstanding at December 31, 1999	Interest
1999	\$ 8,885,000	8,885,000	—	—	—
2000	9,245,000	—	—	9,245,000	22,516,216
2001	9,635,000	—	—	9,635,000	22,123,303
2002	10,065,000	—	—	10,065,000	21,699,364
2003	10,505,000	—	—	10,505,000	21,246,439
2004	11,000,000	—	—	11,000,000	20,763,209
2005 – 2009	63,395,000	—	—	63,395,000	95,404,833
2010 – 2014	82,265,000	—	—	82,265,000	76,536,282
2015 – 2019	106,580,000	—	—	106,580,000	56,695,611
2020 – 2024	133,290,000	—	—	133,290,000	35,153,712
2025 – 2029	157,450,000	—	—	157,450,000	104,922,764
2030	14,660,000	—	—	14,660,000	11,921,072
Subtotal	616,975,000	8,885,000	—	608,090,000	488,982,805
Plus net bond premium	(3,355,000)	—	204,000	(3,151,000)	—
Less unamortized discount on 1998 zero coupon bonds	(128,050,930)	—	2,034,930	(126,016,000)	—
Less deferred series 1991 refunding loss	(23,028,000)	—	1,790,000	(21,238,000)	—
Less deferred series 1998 refunding loss	(6,123,000)	—	735,000	(5,388,000)	—
Total PWSA debt	\$ <u>456,418,070</u>	<u>8,885,000</u>	<u>4,763,930</u>	<u>452,297,000</u>	<u>488,982,805</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(A) Council and Public Election General Obligation Bonds

General Obligation Taxable Pension Bonds - Series of 1998 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.

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	7.1	15,115,000
1997 A	4.25 - 5.00	6,760,000
		<u>\$ 140,205,000</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

General Obligation Bonds – Series A of 1999

On December 15, 1999, the City issued \$57,140,000 of General Obligation Bonds, Series 1999A with an average interest rate of 5.68%. These bonds consisted of serial bonds bearing various fixed rates ranging from 4.25% to 6.0% with maturities commencing on September 1, 2002, and continuing annually through September 1, 2024. The net proceeds of the Series 1999A of \$54,728,641 (after underwriting fees, issuance cost and a transfer of \$1,070,416 of capitalized interest to the Debt Service Fund) were used to provide funds for capital projects.

In 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, 1999, bonds outstanding of \$133,100,000 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.

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, 1999. 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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 the 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.

Subsequent to March 31, 1999, the Authority entered into a loan agreement with a bank for \$5,000,000 to be used for construction cost the Authority had incurred in connection with the construction of the two new stadiums. Interest was payable at the Euro rate plus 1.5%. The note was repaid from the proceeds of the Public Auditorium of Pittsburgh and Allegheny County 1999 RAD bonds issued on May 26, 1999.

(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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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, 1999, was \$242,685,000.

The Series A-1993 and Series B-1993 Bonds still outstanding bear interest at fixed rates ranging from 4.25% 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 5.11% for 1999.

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, 1999, based on quoted market prices, is approximately \$250,000,000.

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.

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, 1999, the principal of the defeased 1995 Bonds outstanding was \$180,095,000.

Fair value of the 1998 Bond at December 31, 1999, based on quoted market prices, is approximately \$127,000,000.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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 5.1%. 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.

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, 1999, 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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, were 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 were used to 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 built above the parking garage.

Under a Tax Increment Financing Cooperation Agreement (the TIF Agreement) with the City, County and the School District of Pittsburgh, each entity 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 is available to pay debt service on the Bonds.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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) 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.

(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, 1999, 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(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, were 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.

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 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 is 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(G) Other Long-Term Obligations

The following is a summary of transactions affecting all other long-term obligations to the City during 1999:

	<u>Deferred Loan</u>	<u>Accrued Workers' Compensation</u>	<u>Accrued Compensated Absences</u>	<u>Accrued Claims and Judgments</u>
Balance, January 1, 1999	\$ 3,834,000	115,949,000	27,974,000	10,322,000
Additions	—	89,585	14,813,918	7,533,593
Reductions	<u>—</u>	<u>(17,568,610)</u>	<u>(13,520,000)</u>	<u>(1,673,943)</u>
Balance, December 31, 1999	3,834,000	98,469,975	29,267,918	16,181,650
Less amounts accrued currently in:				
General Fund	—	(17,500,000)	(15,193,918)	(10,691,650)
Capital Projects	<u>—</u>	<u>—</u>	<u>—</u>	<u>(4,840,000)</u>
Long-term portion, December 31, 1999	\$ <u><u>3,834,000</u></u>	<u><u>80,969,975</u></u>	<u><u>14,074,000</u></u>	<u><u>650,000</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(11) 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, 1999:

General fund:

Commonwealth of Pennsylvania	\$ 561,841
Allegheny County Information Systems	111,101
Urban Redevelopment Authority	1,096,849
Regional Asset District	<u>3,556,038</u>
	5,325,829

Special revenue:

Commonwealth of Pennsylvania	680,158
Job Training Partnership Program	1,520,589
Housing and Urban Development	3,309,235
Allegheny County - Public Safety	<u>383,394</u>
	5,893,376

Capital projects:

Commonwealth of Pennsylvania - Highway Funds	239,614
Federal Government - Highway Funds	541,941
Pittsburgh Water & Sewer Authority - design and inspection fees	13,816
Department of Environmental Resources	421,783
Regional Asset District	<u>124,000</u>
	<u>1,341,154</u>

Total due from other governments	<u><u>\$ 12,560,359</u></u>
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CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(12) Interfund Receivable and Payable Balances

	<u>Receivables</u>	<u>Payables</u>
General fund	\$ 6,170,881	743,789
Special revenue funds:		
Equipment Leasing Authority	1,097,383	—
JTPA	282,034	1,331,396
Public safety	—	503,888
Housing	—	2,377,936
Civic and cultural	238,580	906,583
Total special revenue funds	1,617,997	5,119,803
Capital projects funds:		
Engineering and construction	5,286,416	139,539
Public works	942,110	—
Urban Redevelopment	—	2,000,000
Other	536,083	1,097,383
Total capital projects funds	6,764,609	3,236,922
Trust funds:		
Parks endowments	—	41,386
Workers' compensation	—	4,992,040
Pension:		
Comprehensive board	—	359,815
Agency funds:		
Payroll withholding	—	482,762
Deposits	—	200
Other	449,414	26,184
Total trust and agency funds	449,414	5,902,387
Total	\$ <u>15,002,901</u>	<u>15,002,901</u>

In addition, the Parking Authority has a \$673,371 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, 1999.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(13) Operating Transfers

Transfers between primary government funds:

	<u>Transfers in</u>	<u>Transfers out</u>
General fund	\$ 2,925,264	70,257,966
Special revenue funds:		
Equipment leasing	3,488,478	—
JTPA	294,987	—
Public safety	901,000	2,655,844
Housing	—	169,420
Civic and cultural	1,043,232	4,000
Total special revenue funds	5,727,697	2,829,264
Debt service funds:		
General obligation	69,685,502	—
Total debt service funds	69,685,502	—
Capital projects funds:		
Public works	2,000,000	—
Other	225,000	4,558,895
Total capital projects	2,225,000	4,558,895
Trust funds:		
Gifts and donations	622,688	—
Park endowments	—	200,000
Pension escrow	—	3,340,026
Total trust funds	622,688	3,540,026
Total transfers between primary government funds	\$ <u>81,186,151</u>	<u>81,186,151</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

Transfers between primary government and discretely presented component units:

	<u>Transfers in</u>	<u>Transfers out</u>
Debt service fund	\$ 3,265,000	—
Total transfers between primary government and discretely presented components units	<u>\$ 3,265,000</u>	<u>—</u>

* Transfers out of \$3,265,000 shown as reduction in notes payable of the Stadium Authority.

(14) 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, 1999, contributed capital for the Stadium Authority amounted to \$34,458,055. 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 \$7,931,500 contributed by the Commonwealth of Pennsylvania and the Public Auditorium Authority related to the construction of two stadiums and \$68,265 of other contributions for additions to the Stadium complex.

As of December 31, 1999, the URA has contributed capital of \$6,675,182. 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, 1999, 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 \$7,999,765 and \$1,070, respectively.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(15) 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				Total
	PWSA December 31, 1999	Stadium Authority March 31, 1999	URA December 31, 1999 (in thousands)	Parking Authority September 30, 1999	
Operating revenues	\$ 59,319	5,326	21,352	24,553	110,550
Depreciation and amortization	\$ 9,466	3,242	3,233	3,293	19,234
Operating income (loss)	\$ 21,125	(8,236)	10,692	7,158	30,739
Net income (loss)	\$ 2,640	(23,873)	(3,385)	3,949	(20,669)
Property, plant and equipment additions	\$ 14,016	609	2,528	2,589	19,742
Net working capital	\$ 55,515	21,466	349,868	805	427,654
Total assets	\$ 491,373	52,998	633,694	97,187	1,275,252
Bonds and other long-term liabilities, net	\$ 474,530	53,746	302,345	47,773	878,394
Equity (deficit):					
Contributed capital	5,277	34,458	6,675	5,708	52,118
Retained earnings (deficit)	1,013	(55,264)	163,242	36,848	145,839
Total equity (deficit)	\$ 6,290	(20,806)	169,917	42,556	197,957

(16) Fund Deficits

(A) Stadium Authority Deficit

The deficit of the Stadium Authority will be subsidized through future revenues from the Regional Asset District. The Stadium Authority will receive decreasing amounts of support through the year 2010 sufficient enough to pay off all bond obligations that they currently owe. (See note 22 for further discussion.)

The deficit of the Capital Projects – Urban Redevelopment Fund will be subsidized through transfers from other capital projects funds. No other individual funds had deficits in 1999.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(17) 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. The Stadium Authority has this reflected as a long-term liability grants from the City of Pittsburgh. The City, however, does not have a corresponding receivable recorded due to the unlikelihood of collection.

On June 17, 1992, the City and the Stadium Authority entered into an agreement to restructure the Stadium Authority's Series 1985 Bonds. Under the agreement, the City issued bonds and certain of these bond proceeds were escrowed for repayment of the Authority's Series 1985 Bonds. Funds provided by the City were used to fully redeem the Series 1985 Bonds during the fiscal year ended March 31, 1994. The funds provided are reflected by the Stadium Authority as long-term payable to the City of Pittsburgh. The City, however, does not have a corresponding receivable recorded due to the unlikelihood of collection.

- (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, 1999, was \$1,345,446.

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 \$135,608. This left a balance including accrued interest of \$5,801,458 at December 31, 1999.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(18) Construction and Other Significant Commitments

As of December 31, 1999, 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>
Handicap Ramps	\$ 489,663	September 2000
Schenley Park Bridge	808,028	July 2000
Homewood Senior Citizen Center	464,624	June 2000
City-County Building Freight Elevator	248,193	September 2000
Wood Street Construction	978,619	July 2000
Total	<u>\$ 2,989,127</u>	

(19) 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. The City does not include the Regional Asset District within its reporting entity since the City is not financially accountable for the Regional Asset District's operations. 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.

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.

(20) 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

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.

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.

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

During June of 2000, a final verdict and settlement was awarded in a legal case that has been outstanding since 1989. The final award was for \$13.9 million, however, the City had already paid \$2.0 million in 1997. The award of \$13.9 million includes approximately \$6.8 million related to the acquisition of land and approximately \$7.1 million in claims and judgments. The 1999 financial statements include a claims and judgment expense and a corresponding liability of \$7.1 million within the general fund and a capital projects expense and a corresponding liability of \$4.8 million (net of \$2.0 million paid in 1997) within the capital projects fund. Since this case was accrued for within the general long-term debt group in prior years, the general long-term debt obligation related to this case was eliminated in 1999. Actual payment of the \$11.9 million is expected to occur in late June or early July 2000.

(21) 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, 1999, 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 Fund. 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 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.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

Changes in the accrued claims and judgments liability during the years ended December 31, 1999 and 1998, were as follows:

	<u>1999</u>	<u>1998</u>
Accrued claims and judgments, January 1	\$ 10,322,000	8,950,000
Current year claims and changes in estimates	7,533,593	3,209,000
Claim payments	<u>(1,673,943)</u>	<u>(1,837,000)</u>
Accrued claims and judgments, December 31	<u>\$ 16,181,650</u>	<u>10,322,000</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.

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, 1999 and 1998, are as follows:

	<u>1999</u>	<u>1998</u>
Accrued workers' compensation, January 1	\$ 115,949,000	101,555,000
Current year claims and changes in estimates	89,585	31,460,000
Claim payments	<u>(17,568,610)</u>	<u>(17,066,000)</u>
Accrued workers' compensation, December 31	<u>\$ 98,469,975</u>	<u>115,949,000</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to General Purpose Financial Statements

For the Year Ended December 31, 1999

(22) Impairment of Stadium Complex – Stadium Authority

The City, in cooperation with the County of Allegheny, through the use of the Public Auditorium Authority of Pittsburgh and Allegheny County (PAA) have begun construction of two new stadiums in the City for football and baseball. In connection with the construction of these new stadiums, the existing stadium complex will be razed after the final Pittsburgh Steelers game in the year 2000 season. In addition, certain parcels of land will be retained by the Authority, and other parcels will be conveyed to the PAA. The estimated useful life of the existing stadium complex has been reduced to 2 years. In connection with this change, the existing stadium complex has been adjusted for an impairment in value with the remaining net book value representing two years of depreciation based on the Stadium's original cost basis and original expected useful life. This write-down has been reflected as an extraordinary item within the statement of operations as the transaction is considered infrequent and unusual.

CITY OF PITTSBURGH, PENNSYLVANIA

Pension Trust Funds

Schedule of Funding Progress

(In Thousands)

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
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
1999	Municipal	\$ 133,566	\$ 184,293	\$ 50,727	72.5	\$ 66,957	75.8
	Police	160,108	292,681	132,573	54.7	54,496	243.3
	Fire	<u>142,940</u>	<u>208,274</u>	<u>65,334</u>	68.6	<u>46,869</u>	139.4
	Total	<u>\$ 436,614</u>	<u>\$ 685,248</u>	<u>\$ 248,634</u>	63.7	<u>\$ 168,322</u>	147.7

CITY OF PITTSBURGH, PENNSYLVANIA

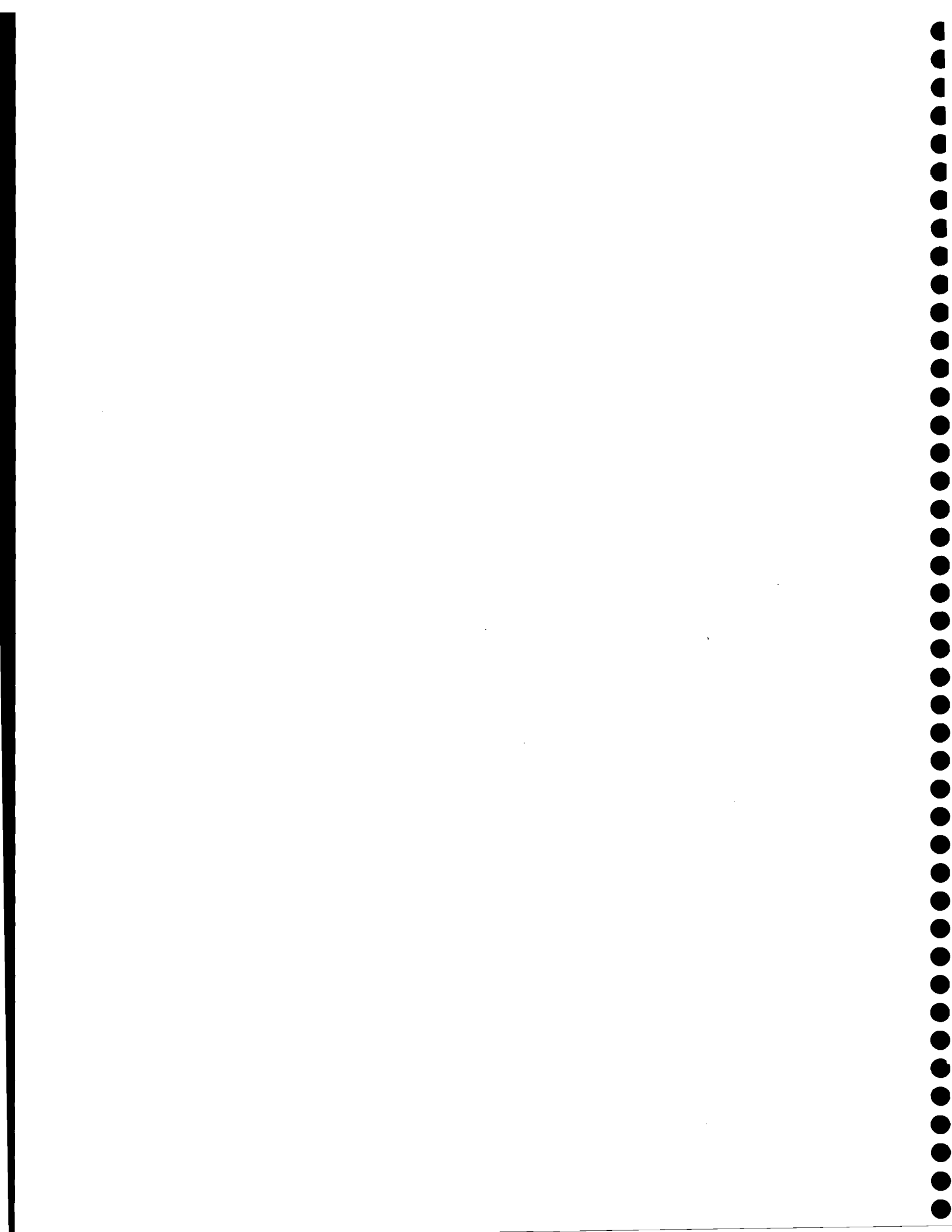
Notes to Required Supplementary Information

For the Year Ended December 31, 1999

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	1/1/99	1/1/99	1/1/99
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	2.50	2.50
Postretirement benefit increases	6.5	—	—

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

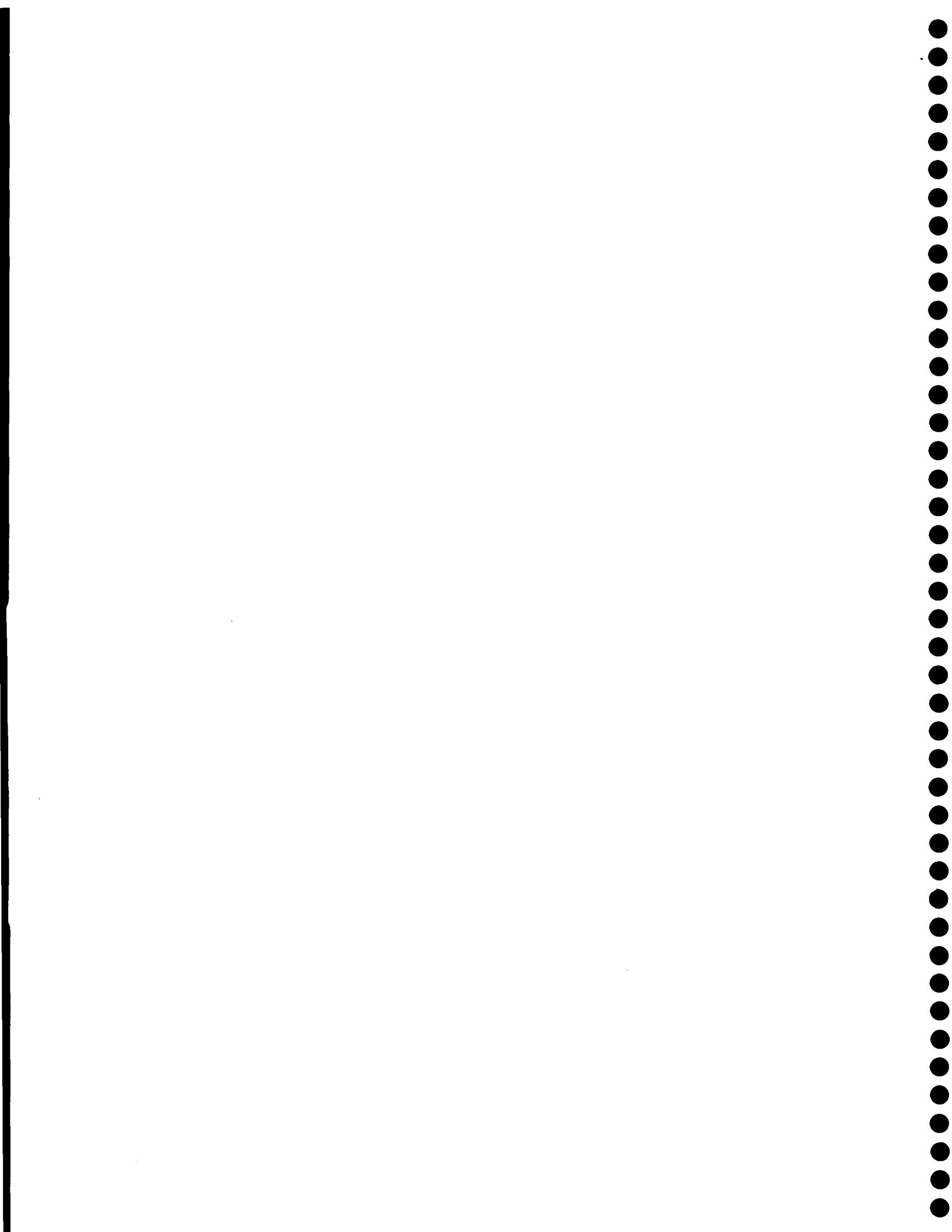


GENERAL FUND

The General Fund accounts for the financial operations of the City which are not accounted for in any other fund.

Principal sources of revenue are real estate, property, earned income, and other taxes. In addition, the General Fund receives revenue from fines, licenses, permits, and other miscellaneous sources.

General Fund expenditures are for the general operation of the City. The most significant expenditures in the General Fund are for Public Safety : Police, Fire and Emergency Services.



CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 86,668,746	81,282,839
Receivables:		
Real estate taxes (net of allowance for uncollectible accounts of \$2,925,000 and \$3,305,000 in 1999 and 1998, respectively)	4,354,173	6,901,917
Taxpayer-assessed taxes receivable	5,119,255	5,856,933
Other receivables	2,659,843	4,484,321
Accrued interest	356,768	340,144
Due from other governments	5,325,829	3,664,979
Due from other funds	6,170,881	6,182,975
Total assets	\$ 110,655,495	108,714,108
Liabilities and Fund Balance		
Liabilities:		
Accounts payable	5,978,042	6,999,538
Accrued liabilities	7,661,130	6,988,796
Due to other funds	743,789	543,190
Due to other governments	5,386,150	3,853,062
Accrued workers' compensation	17,500,000	16,087,000
Accrued compensated absences	15,193,918	13,520,000
Accrued claims and judgments	10,691,650	2,172,000
Deferred revenue, principally real estate taxes	3,331,878	6,494,673
Total liabilities	66,486,557	56,658,259
Fund balance:		
Reserved:		
Encumbrances	3,805,546	3,260,000
Unreserved:		
Undesignated	40,363,392	48,795,849
Total fund balance	44,168,938	52,055,849
Total liabilities and fund balance	\$ 110,655,495	108,714,108

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Taxes, including penalty and interest	\$ 275,290,553	269,472,160
Payment in lieu of taxes	1,821,429	2,313,477
Interest and dividends	6,351,769	5,769,931
Fines and forfeits	7,327,654	8,030,527
Licenses and fees	16,049,561	6,995,376
Intergovernmental revenues	13,583,087	15,660,302
Pension State Aid	13,257,846	14,632,095
Miscellaneous	<u>2,378,696</u>	<u>2,820,500</u>
Total revenues	336,060,595	325,694,368
Expenditures:		
Current operating:		
General government	32,442,156	32,226,279
Public safety	133,218,736	117,631,829
Public works	15,696,109	17,963,583
Sanitation	9,936,729	9,980,867
Community, recreational and cultural	3,961,308	3,606,740
Employee benefits	58,582,884	310,298,772
Claims and judgments	10,408,739	2,518,847
Miscellaneous	632,907	1,884,851
Debt service:		
Bond issuance costs	—	1,526,878
Public Auditorium Authority subsidy	1,613,333	1,606,836
Urban Redevelopment Authority subsidy	<u>10,121,903</u>	<u>7,411,847</u>
Total expenditures	<u>276,614,804</u>	<u>506,657,329</u>
Excess of revenues over expenditures	59,445,791	(180,962,961)

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Other financing sources (uses):		
Operating transfer from trust and agency	\$ 200,000	—
Operating transfer from special revenue	2,725,264	—
Operating transfer to special revenue	(2,239,219)	(2,687,713)
Operating transfer to debt service	(65,275,060)	(54,821,507)
Operating transfer to trust and agency	(518,687)	(7,672,939)
Operating transfers to capital projects	(2,225,000)	(134,992)
Pension bond proceeds	—	255,081,756
Total other financing sources (uses)	<u>(67,332,702)</u>	<u>189,764,605</u>
Excess of revenues and other financing sources over expenditures and other financing uses	(7,886,911)	8,801,644
Fund balance at beginning of year	<u>52,055,849</u>	<u>43,254,205</u>
Fund balance at end of year	\$ <u><u>44,168,938</u></u>	<u><u>52,055,849</u></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, 1999

(Amounts Expressed in Thousands)

	1999		
	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues:			
Taxes, including penalty and interest	\$ 269,766	277,364	7,598
Interest earnings	5,400	6,335	935
Fines and forfeits	6,880	6,890	10
Licenses and fees	5,398	5,998	600
Intergovernmental	25,337	19,822	(5,515)
Miscellaneous	1,357	2,153	796
Provision of services, breakeven and joint operations	18,193	19,073	880
Total revenues	332,331	337,635	5,304
Expenditures:			
Current operating:			
General government	28,078	26,337	1,741
Public safety	129,171	120,061	9,110
Public works and general services	36,459	34,878	1,581
Community, recreational and cultural	4,501	4,042	459
Employee benefits	62,659	61,607	1,052
Claims and judgments	2,700	1,674	1,026
Citizens Review Board	431	407	24
Computer system	251	251	—
Utilities	8,082	6,651	1,431
Miscellaneous	5,073	4,726	347
Debt service:			
Debt service	65,275	65,275	—
Debt service subsidy	2,824	2,824	—
Total expenditures	345,504	328,733	16,771
Excess (deficiency) of revenues over expenditures	\$ (13,173)	8,902	22,075

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, 1999

(Amounts Expressed in Thousands)

	1999		Variance
	Budget as amended	Actual	favorable (unfavorable)
Excess (deficiency) of revenues over (under) expenditures	\$ <u>(13,173)</u>	8,902	<u>22,075</u>
Other financing sources (uses):			
Pension bond proceeds		—	
Contribution to pension fund		—	
Transfer to pension fund		(13,258)	
State pension aid		<u>13,258</u>	
Net other financing sources		<u>—</u>	
Excess of revenues and other financing sources over expenditures and other financing uses		8,902	
Fund balances - budgetary basis, beginning of year		<u>63,329</u>	
Fund balances - budgetary basis, end of year		72,231	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(11,273)	
Net effect of GAAP basis recognition of revenues		(1,574)	
Net effect of GAAP basis recognition of expenditures		(15,215)	
Net effect of GAAP basis recognition of other financing sources (uses)		<u>—</u>	
Fund balances - GAAP basis, end of year	\$	<u>44,169</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 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	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 and general services	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

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 favorable (unfavorable)	
	Budget as amended	Actual		
Excess (deficiency) of revenues over (under) expenditures	\$ (12,124)	6,291	18,415	
Other financing sources (uses):				
Pension bond proceeds		253,520		
Contribution to pension fund		(253,520)		
Transfer to pension fund		(14,046)		
State pension aid		14,046		
Net other financing sources		—		
Excess of revenues and other financing sources over expenditures and other financing uses		6,291		
Fund balances – budgetary basis, beginning of year		57,038		
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)		—		
Fund balances – GAAP basis, end of year	\$	52,056		

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Revenues Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

		1999	
	Budget	Actual	Variance
Taxes:			
Real estate	\$ 119,206	117,256	(1,950)
Non-profit payment for services	3,050	2,904	(146)
Mercantile	7,130	7,101	(29)
Amusement	6,500	7,882	1,382
Earned income	42,550	43,286	736
Deed transfer	7,200	12,141	4,941
Parking	28,927	29,059	132
Occupation privilege	3,195	3,236	41
Business privilege	36,325	37,315	990
Institution and service privilege	845	592	(253)
Public service	653	680	27
Penalties and interest	2,215	3,745	1,530
Act 77 - tax relief	11,970	12,167	197
Total taxes, including penalty and interest	269,766	277,364	7,598
Interest earnings	5,400	6,335	935
Fines and forfeits	6,880	6,890	10
Licenses and fees:			
Liquor and malt beverage	415	410	(5)
Business	60	54	(6)
General government	1,120	885	(235)
Rentals and charges	3,803	4,649	846
Total licenses and fees	5,398	5,998	600
Federal and state grants	7,670	3,834	(3,836)
Reimbursement, CDBG	1,177	996	(181)
Public Parking Authority	1,900	1,900	—
PWSA reimbursement	5,300	3,975	(1,325)
State utility tax	3,080	2,545	(535)
Act 77 - operations	5,410	5,704	294
Act 77 - Civic Arena	800	868	68
Miscellaneous	1,357	2,153	796
Breakeven centers	11,263	11,313	50
Joint operations	123	64	(59)
Provision of services	6,557	7,622	1,065
Sale of public property	250	74	(176)
Total revenues	\$ 332,331	337,635	5,304

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Revenues Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1998

		1998	
	Budget	Actual	Variance
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	10,575	11,864	1,289
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	3,655	3,861	206
Total licenses and fees	5,077	5,318	241
Breakeven centers	6,970	4,760	(2,210)
Joint operations	183	100	(83)
Federal and state grants	7,119	4,598	(2,521)
Provision of services	9,013	10,274	1,261
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)
Total revenues	\$ 315,900	316,685	785

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Current Operating - General Government:			
City Council and City Clerk's Office:			
City Council:			
Salaries	\$ 1,235	1,171	64
Council service, supplies and equipment	16	13	3
Education and training	23	23	—
Miscellaneous services	133	113	20
Total City Council	1,407	1,320	87
City Clerk's Office:			
Salaries	590	476	114
Premium pay	5	1	4
Miscellaneous services	178	123	55
Supplies	11	7	4
Equipment	10	3	7
Total City Clerk's Office	794	610	184
Total City Council and City Clerk's Office	2,201	1,930	271
Mayor's Office:			
Office of the Mayor:			
Salaries	1,440	1,340	100
Premium pay	2	1	1
Miscellaneous services	43	35	8
Education and training	110	92	18
Supplies	31	26	5
Equipment	5	1	4
Rentals	23	4	19
Total Office of the Mayor	1,654	1,499	155

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Current Operating - General Government, continued:			
Mayor's Office, continued:			
City Information Systems:			
Salaries	\$ 2,306	2,077	229
Premium pay	47	42	5
Miscellaneous services	1,119	1,009	110
Education and travel expense	25	23	2
Supplies	253	228	25
Equipment	122	109	13
Rentals	1,037	1,037	—
Utilities	700	705	(5)
Total City Information Systems	<u>5,609</u>	<u>5,230</u>	<u>379</u>
Total Mayor's Office	7,263	6,729	534
Magistrates Court:			
Salaries	1,137	1,058	79
Premium pay	11	7	4
Miscellaneous services	20	16	4
Education and training	3	1	2
Supplies	14	11	3
Equipment	7	4	3
Rentals	13	3	10
Total Magistrates Court	<u>1,205</u>	<u>1,100</u>	<u>105</u>
Commission on Human Relations:			
Salaries	184	176	8
Premium pay	2	—	2
Miscellaneous services	51	31	20
Education and training	2	1	1
Equipment	1	—	1
Total Human Relations	<u>240</u>	<u>208</u>	<u>32</u>

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Current Operating - General Government, continued:			
Office of City Controller:			
Salaries	\$ 2,505	2,266	239
Premium pay	11	3	8
Miscellaneous services	121	109	12
Education and training	25	21	4
Supplies	19	13	6
Equipment	31	9	22
Rentals	15	12	3
Total Office of City Controller	2,727	2,433	294
Department of Finance:			
Salaries	2,418	2,323	95
Premium pay	32	28	4
Miscellaneous services	920	447	473
Education and training	45	15	30
Supplies	245	215	30
Materials	3	—	3
Equipment	24	16	8
Repairs	3	3	—
Rentals	39	24	15
Total Department of Finance	3,729	3,071	658
Department of Law:			
Salaries	1,801	1,601	200
Premium pay	2	—	2
Miscellaneous services	1,316	642	674
Education and training	28	23	5
Supplies	30	16	14
Equipment	23	14	9
Rentals	4	3	1
Total Department of Law	3,204	2,299	905

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating - General Government, continued:			
Department of Personnel and Civil			
Service Commission:			
Salaries	\$ 1,269	1,102	167
Premium pay	7	2	5
Miscellaneous services	488	166	322
Education and training	24	19	5
Supplies	31	15	16
Equipment	1	1	—
Rentals	46	12	34
Repairs and materials	1	1	—
	<hr/>	<hr/>	<hr/>
Total Personnel and Civil Service Commission	1,867	1,318	549
Department of City Planning:			
Salaries	1,116	1,061	55
Premium pay	4	—	4
Miscellaneous services	67	27	40
Education and training	12	5	7
Supplies	26	22	4
Rentals	14	8	6
Repairs	2	2	—
Equipment	25	16	9
Grants	242	81	161
Utilities	3	3	—
	<hr/>	<hr/>	<hr/>
Total Department of City Planning	1,511	1,225	286
Economic development - marketing	91	(16)	107
Support	4,040	4,040	—
Transfers to special revenue for City-wide resurfacing	<hr/>	2,000	(2,000)
Total General Government	<hr/>	<hr/>	<hr/>

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Public Safety - Department of Public Safety:			
Bureau of Administration:			
Salaries and wages	\$ 508	423	85
Premium pay	6	4	2
Miscellaneous services	346	211	135
Education and training	5	2	3
Supplies and materials	15	11	4
Equipment	1	1	—
Repairs	2	—	2
Grants	46	—	46
Total Bureau of Administration	929	652	277
Bureau of Emergency Medical Services:			
Salaries	6,978	6,509	469
Premium pay	1,944	1,699	245
Miscellaneous services	102	140	(38)
Education and training	9	7	2
Transfers	—	—	—
Supplies and materials	394	294	100
Equipment	250	113	137
Repairs	64	58	6
Uniforms	119	85	34
Total Bureau of Emergency Medical Services	9,860	8,905	955
Bureau of Police:			
Salaries	56,289	53,081	3,208
Transfers	800	600	200
Premium pay	5,915	5,587	328
Miscellaneous services	484	336	148
Education and training	277	119	158
Supplies and materials	361	331	30
Equipment	406	38	368
Repairs	11	3	8
Rentals	279	116	163
Uniforms	1,377	1,073	304
Materials	3	—	3
Total Bureau of Police	66,202	61,284	4,918

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Public Safety - Department of Public Safety, continued:			
Bureau of Fire:			
Salaries and wages	\$ 41,238	39,313	1,925
Premium pay	9,376	8,439	937
Miscellaneous services	86	70	16
Education and training	20	9	11
Supplies	173	171	2
Materials	16	—	16
Repairs	20	20	—
Equipment	50	36	14
Uniforms	1,201	1,162	39
Total Bureau of Fire	<u>52,180</u>	<u>49,220</u>	<u>2,960</u>
Total Public Safety - Department of Public Safety	<u>129,171</u>	<u>120,061</u>	<u>9,110</u>
Department of General Services:			
Administration:			
Salaries	984	857	127
Premium pay	21	14	7
Miscellaneous services	167	216	(49)
Education and training	12	10	2
Supplies	24	23	1
Equipment	5	4	1
Repairs	2	1	1
Rentals	362	364	(2)
Transfers	134	134	—
Total Administration	<u>1,711</u>	<u>1,623</u>	<u>88</u>

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Department of General Services, continued:			
Facilities Management:			
Salaries	\$ 2,182	1,995	187
Miscellaneous services	423	419	4
Supplies	24	22	2
Materials	126	135	(9)
Equipment	11	11	—
Uniforms	29	29	—
Repairs	13	13	—
Education and training	1	1	—
Premium pay	69	53	16
Total Facilities Management	2,878	2,678	200
Fleet Management:			
Salaries	2,606	2,467	139
Miscellaneous services	86	86	—
Education and training	12	4	8
Supplies	2,580	2,572	8
Materials	37	37	—
Equipment	379	367	12
Uniforms	47	46	1
Repairs	935	933	2
Rentals	12	12	—
Premium pay	277	247	30
Total Fleet Management	6,971	6,771	200
Total General Services	11,560	11,072	488

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Public Works - Department of Public Works:			
Administration:			
Salaries	\$ 809	666	143
Premium pay	50	28	22
Miscellaneous services	429	420	9
Education and training	25	25	—
Supplies	14	11	3
Equipment	58	49	9
Rentals	24	12	12
Materials	2	—	2
Uniforms	1	—	1
Total Administration	1,412	1,211	201
Operations:			
Salaries	8,938	8,774	164
Miscellaneous services	375	375	—
Education and training	1	1	—
Supplies	102	93	9
Equipment	251	254	(3)
Uniforms	20	19	1
Materials	951	930	21
Repairs	512	511	1
Rentals	733	714	19
Premium pay	1,049	985	64
Utilities	2	2	—
Total Operations	12,934	12,658	276
Environmental Services:			
Salaries	6,837	6,258	579
Premium pay	675	668	7
Miscellaneous services	2,837	2,830	7
Supplies	111	109	2
Equipment	26	26	—
Uniforms	40	40	—
Materials	3	2	1
Rentals	13	4	9
Total Environmental Services	10,542	9,937	605

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

	1999		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Public Works - Department of Public Works, continued:			
Department of Engineering and Construction:			
Supplies	\$ 9	—	9
Materials	1	—	1
Repairs	1	—	1
	<u>11</u>	<u>—</u>	<u>11</u>
Total Department of Engineering and Construction	<u>11</u>	<u>—</u>	<u>11</u>
Total Public Works	<u>24,899</u>	<u>23,806</u>	<u>1,093</u>
Community, Recreational and Cultural - Department of Parks and Recreation:			
Administration:			
Salaries	2,008	1,778	230
Premium pay	114	70	44
Miscellaneous services	374	253	121
Education and training	15	4	11
Supplies	98	83	15
Utilities	81	80	1
Transfers	1,550	1,550	—
Repairs	8	8	—
Rentals	27	27	—
Equipment	38	33	5
Grants	188	156	32
	<u>4,501</u>	<u>4,042</u>	<u>459</u>
Total Administration	<u>4,501</u>	<u>4,042</u>	<u>459</u>
Total Community, Recreational and Cultural - Department of Parks and Recreation	<u>4,501</u>	<u>4,042</u>	<u>459</u>

CITY OF PITTSBURGH, PENNSYLVANIA

General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

For the Year Ended December 31, 1999

(Amounts Expressed in Thousands)

		1999	
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Employee Benefits:			
Pensions	\$ 9,607	9,566	41
Fringe Benefits	53,052	52,041	1,011
Total Employee Benefits	62,659	61,607	1,052
Claims and Judgments	2,700	1,674	1,026
Citizens Review Board	431	407	24
Computer system	251	251	—
Utilities	8,082	6,651	1,431
Miscellaneous (Postage/Refunds)	5,073	4,726	347
Debt Service:			
Debt service	65,275	65,275	—
Debt service subsidy	2,824	2,824	—
Total Debt Service	68,099	68,099	—
Total General Fund Expenditures	\$ 345,504	328,733	16,771

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		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
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	140	95	45
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	10	5	5
Total City Clerk's Office	680	577	103
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	20	7	13
Total Office of the Mayor	1,807	1,775	32

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, 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	819	814	5
Total City Information Systems	5,385	5,069	316
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	15	12	3
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	1	1	—
Total Human Relations	261	200	61

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		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
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

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		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (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	2	—	2
	<hr/>	<hr/>	<hr/>
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	3	2	1
	<hr/>	<hr/>	<hr/>
Total Department of City			
Planning	1,442	1,195	247
Economic development - marketing	91	72	19
Support	4,000	4,000	—
	<hr/>	<hr/>	<hr/>
Total General Government	27,547	24,346	3,201
	<hr/>	<hr/>	<hr/>

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		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (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

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)
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	3	—	3
	<hr/>	<hr/>	<hr/>
Total Bureau of Fire	49,230	46,980	2,250
	<hr/>	<hr/>	<hr/>
Total Public Safety - Department of Public Safety	116,577	109,258	7,319
	<hr/>	<hr/>	<hr/>
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	425	454	(29)
	<hr/>	<hr/>	<hr/>
Total Administration	1,545	1,657	(112)

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		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
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	67	41	26
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	—	24	(24)
Total Fleet Management	6,768	6,545	223
Total General Services	11,176	10,906	270

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		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (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	1	—	1
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	3	2	1
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	13	12	1
Total Environmental Services	10,789	10,335	454

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		
	<u>Budget appropriation as amended</u>	<u>Expenditures</u>	<u>Variance favorable (unfavorable)</u>
Public Works - Department of Public Works, continued:			
Department of Engineering and Construction:			
Supplies	\$ 9	5	4
Materials	1	—	1
Repairs	1	—	1
Transfers	135	135	—
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	176	137	39
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>

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)
Employee Benefits:			
Pensions	22,634	22,042	592
Fringe Benefits	53,336	50,122	3,214
Total 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 (Postage/Refunds)	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 Debt Service	50,901	50,841	60
Total General Fund Expenditures	\$ 328,024	310,394	17,630

CITY OF PITTSBURGH,
PENNSYLVANIA

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.

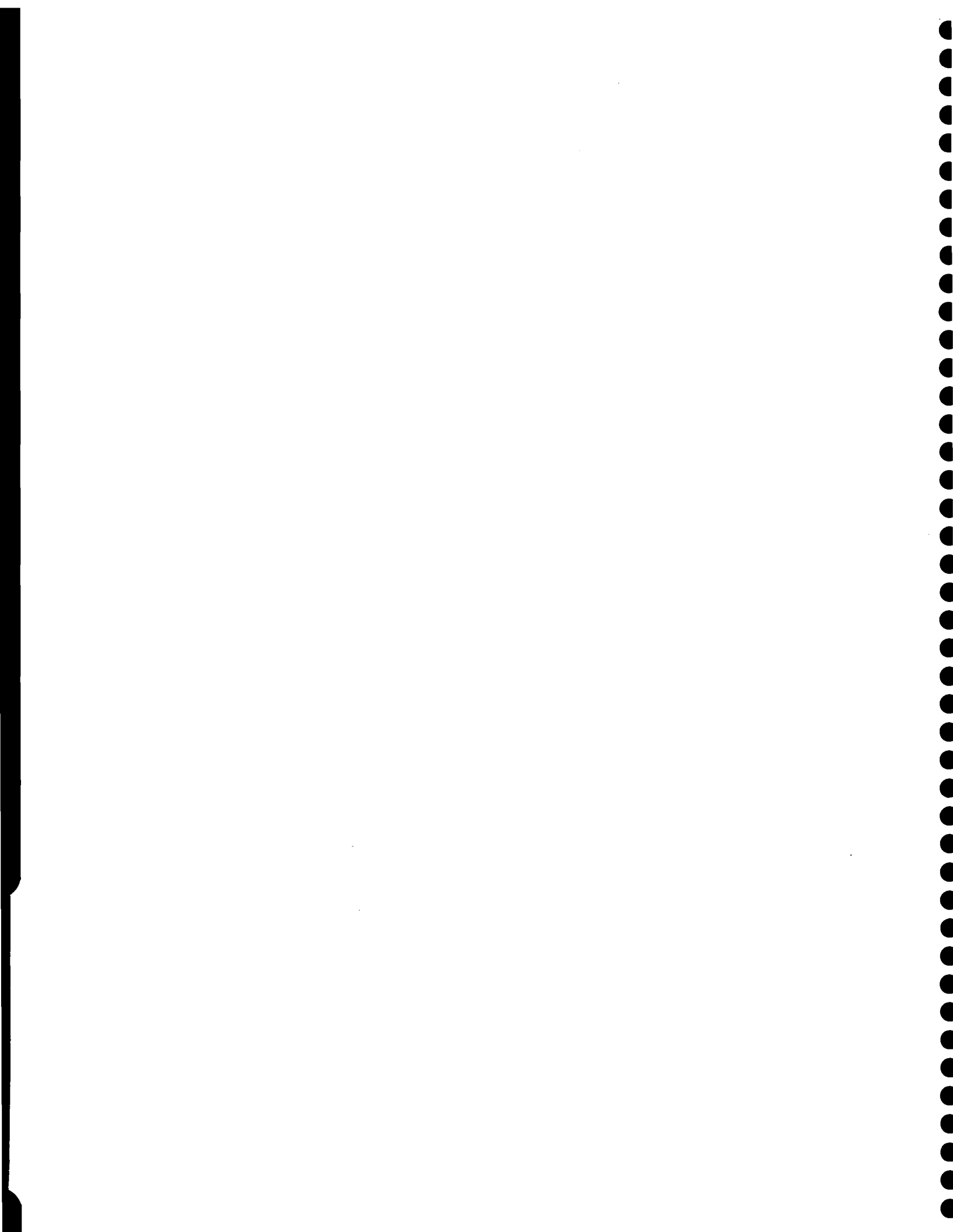
Liquid Fuels Tax – to account for the receipt and expenditure of the City's share of the proceeds from the State's Gasoline Tax.

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.



CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

Special Revenue Funds

Combining Balance Sheet

December 31, 1999

(With comparative totals for December 31, 1998)

Assets	Equipment Leasing Authority	Liquid Fuel Tax	JTPA
Cash and short-term investments, at cost which approximates market	\$ 1,083,796	2,097,198	857,085
Receivables:			
Accrued interest	—	10,518	—
Other	—	—	—
Due from general fund	—	—	—
Due from other special revenue funds	—	—	282,034
Due from capital projects funds	1,097,383	—	—
Due from other governments	—	680,158	1,520,589
Total assets	\$ 2,181,179	2,787,874	2,659,708
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	5,771	232,877	1,209,302
Retainage payable	—	—	—
Accrued liabilities	—	448,123	94,439
Due to general fund	—	—	1,331,396
Due to other special revenue funds	—	—	—
Due to capital projects funds	—	—	—
Due to trust and agency funds	—	—	—
Due to other governments	—	—	—
Total liabilities	5,771	681,000	2,635,137
Fund balances:			
Reserved for encumbrances	917,314	200,000	—
Unreserved:			
Designated for subsequent years' expenditures	—	—	—
Undesignated	1,258,094	1,906,874	24,571
Total fund balances	2,175,408	2,106,874	24,571
Total liabilities and fund balances	\$ 2,181,179	2,787,874	2,659,708

Public Safety	Community Development	Civic and Cultural	Totals	
			1999	1998
8,578,738	1,517,040	3,313,971	17,447,828	18,305,110
—	—	53,650	64,168	81,539
1,755,738	—	782,249	2,537,987	2,724,925
—	—	—	—	97,828
—	—	238,580	520,614	427,192
—	—	—	1,097,383	597,278
383,394	3,309,235	—	5,893,376	4,255,252
<u>10,717,870</u>	<u>4,826,275</u>	<u>4,388,450</u>	<u>27,561,356</u>	<u>26,489,124</u>
264,936	2,233,718	33,474	3,980,078	3,039,993
—	95,612	—	95,612	80,048
344,212	34,393	118,800	1,039,967	1,180,237
503,887	499,129	786,584	3,120,996	2,760,899
—	400,614	120,000	520,614	427,193
—	1,478,193	—	1,478,193	1,454,111
—	—	—	—	86,000
739,307	—	—	739,307	740,979
<u>1,852,342</u>	<u>4,741,659</u>	<u>1,058,858</u>	<u>10,974,767</u>	<u>9,769,460</u>
267,028	—	373,404	1,757,746	888,919
517,732	—	300,985	818,717	731,530
8,080,768	84,616	2,655,203	14,010,126	15,099,215
<u>8,865,528</u>	<u>84,616</u>	<u>3,329,592</u>	<u>16,586,589</u>	<u>16,719,664</u>
<u>10,717,870</u>	<u>4,826,275</u>	<u>4,388,450</u>	<u>27,561,356</u>	<u>26,489,124</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>Equipment Leasing Authority</u>	<u>Liquid Fuel Tax</u>	<u>JTPA</u>
Revenues:			
Interest earnings	\$ 1,088	195,896	—
Fines and forfeits	—	—	—
Intergovernmental revenues	—	5,753,026	9,074,171
Charges for user services	—	—	—
Miscellaneous revenue	<u>462,690</u>	<u>—</u>	<u>—</u>
Total revenues	463,778	5,948,922	9,074,171
Expenditures:			
General government	40,048	—	—
Public safety	—	—	—
Public works	—	6,541,234	—
Sanitation	—	—	—
Community, recreational and cultural	—	—	—
Intergovernmental programs	—	—	9,369,158
Capital projects	<u>4,602,723</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>4,642,771</u>	<u>6,541,234</u>	<u>9,369,158</u>
(Deficiency) excess of revenues over expenditures	(4,178,993)	(592,312)	(294,987)
Other financing sources (uses):			
Proceeds from fixed asset disposition	—	—	—
Operating transfers from other funds	3,488,478	—	294,987
Operating transfers between special revenue funds	1,493,196	—	—
Operating transfers to other funds	<u>—</u>	<u>—</u>	<u>—</u>
Total other financing sources	<u>4,981,674</u>	<u>—</u>	<u>294,987</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	802,681	(592,312)	—
Fund balances at beginning of year	<u>1,372,727</u>	<u>2,699,186</u>	<u>24,571</u>
Fund balances at end of year	<u>\$ 2,175,408</u>	<u>2,106,874</u>	<u>24,571</u>

Public Safety	Community Development	Civic and Cultural	Totals	
			1999	1998
43,243	—	53,650	293,877	350,975
1,236,806	—	—	1,236,806	—
1,960,690	26,440,629	1,091,624	44,320,140	42,254,019
9,494,594	—	5,140,701	14,635,295	20,382,262
—	—	20,494	483,184	142,283
12,735,333	26,440,629	6,306,469	60,969,302	63,129,539
432,570	6,790,431	3,299,202	10,562,251	10,700,940
10,206,456	453,131	—	10,659,587	21,935,839
—	5,891,999	—	12,433,233	11,937,481
—	—	124,972	124,972	32,836
—	1,144,233	3,297,334	4,441,567	4,312,886
—	11,807,319	—	21,176,477	15,509,381
—	—	—	4,602,723	3,196,342
10,639,026	26,087,113	6,721,508	64,000,810	67,625,705
2,096,307	353,516	(415,039)	(3,031,508)	(4,496,166)
—	—	—	—	237,287
901,000	—	1,043,232	5,727,697	6,236,944
(1,279,100)	(184,096)	(30,000)	—	—
(2,655,844)	(169,420)	(4,000)	(2,829,264)	(529,000)
(3,033,944)	(353,516)	1,009,232	2,898,433	5,945,231
(937,637)	—	594,193	(133,075)	1,449,065
9,803,165	84,616	2,735,399	16,719,664	15,270,599
8,865,528	84,616	3,329,592	16,586,589	16,719,664

CITY OF PITTSBURGH, PENNSYLVANIA

Equipment Leasing Authority

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 1,083,796	775,974
Due from capital projects	1,097,383	597,278
Total assets	<u>2,181,179</u>	<u>1,373,252</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	<u>5,771</u>	<u>525</u>
Total liabilities	5,771	525
Fund balances:		
Reserve for encumbrances	917,314	288,656
Unreserved	<u>1,258,094</u>	<u>1,084,071</u>
Total fund balances	<u>2,175,408</u>	<u>1,372,727</u>
Total liabilities and fund balances	<u>\$ 2,181,179</u>	<u>1,373,252</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Equipment Leasing Authority

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Interest earnings	\$ 1,088	1,111
Miscellaneous	<u>462,690</u>	<u>131,573</u>
Total revenues	463,778	132,684
Expenditures:		
General government	40,048	60,033
Capital projects	<u>4,602,723</u>	<u>3,196,342</u>
Total expenditures	<u>4,642,771</u>	<u>3,256,375</u>
Deficiency of revenues under expenditures	(4,178,993)	(3,123,691)
Other financing sources (uses):		
Proceeds from fixed asset disposition	—	237,287
Operating transfers from other funds	3,488,478	3,120,231
Operating transfers between special revenue funds	<u>1,493,196</u>	<u>429,000</u>
Total other financing sources (uses)	<u>4,981,674</u>	<u>3,786,518</u>
Deficiency of revenues and other financing sources under expenditures and other financing uses	802,681	662,827
Fund balances at beginning of year	<u>1,372,727</u>	<u>709,900</u>
Fund balances at end of year	<u>\$ 2,175,408</u>	<u>1,372,727</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Liquid Fuel Tax

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 2,097,198	2,639,073
Accrued interest receivable	10,518	12,328
Other receivables	680,158	336,712
Total assets	\$ 2,787,874	2,988,113
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	232,877	16,678
Accrued liabilities	448,123	272,249
Total liabilities	681,000	288,927
Fund balances:		
Reserved	200,000	—
Unreserved	1,906,874	2,699,186
Total fund balances	2,106,874	2,699,186
Total liabilities and fund balances	\$ 2,787,874	2,988,113

CITY OF PITTSBURGH, PENNSYLVANIA

Liquid Fuel Tax

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Interest earnings	\$ 195,896	246,748
Intergovernmental - state	<u>5,753,026</u>	<u>5,577,271</u>
Total revenues	5,948,922	5,824,019
Expenditures:		
Public works	<u>6,541,234</u>	<u>5,199,890</u>
Total expenditures	<u>6,541,234</u>	<u>5,199,890</u>
Excess of revenues over expenditures	(592,312)	624,129
Fund balances at beginning of year	<u>2,699,186</u>	<u>2,075,057</u>
Fund balances at end of year	<u>\$ 2,106,874</u>	<u>2,699,186</u>

CITY OF PITTSBURGH, PENNSYLVANIA

JTPA

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 857,085	1,595,864
Due from community development	282,034	307,192
Due from other governments	1,520,589	393,205
Total assets	\$ 2,659,708	2,296,261
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	1,209,302	868,466
Accrued liabilities	94,439	73,409
Due to general fund	1,331,396	1,329,815
Total liabilities	2,635,137	2,271,690
Fund balances:		
Unreserved	24,571	24,571
Total fund balances	24,571	24,571
Total liabilities and fund balances	\$ 2,659,708	2,296,261

CITY OF PITTSBURGH, PENNSYLVANIA

JTPA

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

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Intergovernmental - federal	\$ 9,074,171	7,252,412
Total revenues	9,074,171	7,252,412
Expenditures:		
Intergovernmental programs	9,369,158	7,417,722
Total expenditures	9,369,158	7,417,722
Deficiency of revenues over expenditures	(294,987)	(165,310)
Other financing sources:		
Operating transfers from general fund	294,987	165,310
Total other financing sources	294,987	165,310
Excess of revenues and other financing sources over expenditures	—	—
Fund balances at beginning of year	24,571	24,571
Fund balances at end of year	\$ <u>24,571</u>	<u>24,571</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Public Safety

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 8,578,738	9,328,723
Other receivables	1,755,738	1,970,633
Due from other governments	383,394	372,785
Total assets	\$ 10,717,870	11,672,141
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	264,936	326,370
Accrued liabilities	344,212	701,627
Due to general fund	503,887	100,000
Due to other governments	739,307	740,979
Total liabilities	1,852,342	1,868,976
Fund balances:		
Reserved for encumbrances	267,028	278,431
Designated for subsequent years' expenditures	517,732	405,396
Unreserved	8,080,768	9,119,338
Total fund balances	8,865,528	9,803,165
Total liabilities and fund balances	\$ 10,717,870	11,672,141

CITY OF PITTSBURGH, PENNSYLVANIA

Public Safety

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Interest earnings	\$ 43,243	33,895
Fines and forfeits	1,236,806	1,471,638
Intergovernmental:		
Federal	1,411,376	4,351,343
State	531,669	605,300
Local	17,645	15,906
Charges for user services	9,494,594	14,633,729
Total revenues	<u>12,735,333</u>	<u>21,111,811</u>
Expenditures:		
General government	432,570	530,532
Public safety	10,206,456	21,267,937
Total expenditures	<u>10,639,026</u>	<u>21,798,469</u>
Excess (deficiency) of revenues over expenditures	2,096,307	(686,658)
Other financing sources (uses):		
Operating transfers from general fund	901,000	1,420,053
Operating transfers between special revenue funds	(1,279,100)	(379,000)
Operating transfers to general fund	(2,655,844)	—
Total other financing sources	<u>(3,033,944)</u>	<u>1,041,053</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(937,637)	354,395
Fund balances at beginning of year	<u>9,803,165</u>	<u>9,448,770</u>
Fund balances at end of year	<u>\$ 8,865,528</u>	<u>9,803,165</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Community Development

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 1,517,040	1,321,421
Due from general fund	—	97,828
Due from other governments	3,309,235	3,151,017
Other receivables	—	1,533
Total assets	\$ 4,826,275	4,571,799
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	2,233,718	1,743,275
Retainage payable	95,612	80,048
Accrued liabilities	34,393	30,131
Due to general fund	499,129	872,425
Due to other special revenue funds	400,614	307,193
Due to capital projects	1,478,193	1,454,111
Total liabilities	4,741,659	4,487,183
Fund balances:		
Unreserved	84,616	84,616
Total fund balances	84,616	84,616
Total liabilities and fund balances	\$ 4,826,275	4,571,799

CITY OF PITTSBURGH, PENNSYLVANIA

Community Development

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

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Intergovernmental - federal	\$ 26,440,629	23,313,689
Total revenues	26,440,629	23,313,689
Expenditures:		
General government	6,790,431	6,936,933
Public safety	453,131	667,902
Public works	5,891,999	6,701,103
Community, recreational and cultural:		
Parks and recreation	1,144,233	733,256
Intergovernmental programs	11,807,319	8,124,495
Total expenditures	26,087,113	23,163,689
Excess of revenues over expenditures	353,516	150,000
Other financing sources (uses):		
Operating transfers to other funds	(169,420)	(100,000)
Operating transfers between special revenue funds	(184,096)	(50,000)
Total other financing sources (uses)	(353,516)	(150,000)
Excess of revenues and other financing sources over expenditures and other financing uses	—	—
Fund balances at beginning of year	84,616	84,616
Fund balances at end of year	\$ 84,616	84,616

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, 1999

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$ 54,175,207	21,875,396	(32,299,811)
Total revenues	54,175,207	21,875,396	(32,299,811)
Expenditures:			
General government:			
Council and City Clerk's office	5,516,186	2,302,591	3,213,595
Finance	100,000	47,520	52,480
Department of Personnel and Civil Service	1,700,091	782,889	917,202
Department of City Planning	6,714,731	2,825,448	3,889,283
General services	162,739	74,461	88,278
Public safety	626,047	293,116	332,931
Public works:			
Public works	5,336,733	3,989,106	1,347,627
Engineering and construction	4,821,465	2,018,781	2,802,684
Community, recreational and cultural programs	2,468,395	939,629	1,528,766
Intergovernmental programs	26,728,820	8,622,863	18,105,957
Total expenditures	54,175,207	21,896,404	32,278,803
Excess (deficiency) of revenues over expenditures	—	(21,008)	(21,008)
Fund balances - budgetary basis, beginning of year		1,809,156	1,809,156
Fund balances - budgetary basis, end of year	\$ —	1,788,148	1,788,148
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(1,724,540)	
Net effect of GAAP basis recognition of revenues		(328,503)	
Net effect of GAAP basis recognition of expenditures		518,930	
Net effect of GAAP basis recognition of other financing sources/uses		(169,419)	
Fund balance - GAAP basis, end of year		\$ 84,616	

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>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental	\$ 53,903,054	20,122,671	(33,780,383)
Total revenues	53,903,054	20,122,671	(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 Civil Service	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	24,364,439	6,286,881	18,077,558
Total expenditures	53,903,054	20,195,014	33,708,040
Deficiency of revenues over expenditures	—	(72,343)	(72,343)
Other financing sources (uses)	—	(194,136)	(194,136)
Fund balances - budgetary basis, beginning of year	—	2,075,635	2,075,635
Fund balances - budgetary basis, end of year	\$ —	1,809,156	1,809,156
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		\$ 84,616	

CITY OF PITTSBURGH, PENNSYLVANIA

Civic and Cultural

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	<u>1999</u>	<u>1998</u>
Cash and short-term investments, at cost which approximates market	\$ 3,313,971	2,644,055
Receivables:		
Accrued interest	53,650	69,211
Other	782,249	754,292
Due from other special revenue funds	<u>238,580</u>	<u>120,000</u>
Total assets	\$ <u>4,388,450</u>	<u>3,587,558</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	33,474	84,679
Accrued liabilities	118,800	102,821
Due to general fund	786,584	458,659
Due to trust and agency	—	86,000
Due to other special revenue funds	<u>120,000</u>	<u>120,000</u>
Total liabilities	1,058,858	852,159
Fund balances:		
Reserved for encumbrances	373,404	321,832
Designated for subsequent years' expenditures	300,985	326,134
Unreserved	<u>2,655,203</u>	<u>2,087,433</u>
Total fund balances	<u>3,329,592</u>	<u>2,735,399</u>
Total liabilities and fund balances	\$ <u>4,388,450</u>	<u>3,587,558</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Civic and Cultural

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

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Interest earnings	\$ 53,650	69,221
Intergovernmental revenues:		
Federal	1,091,624	1,076,761
Local	—	61,337
Charges for user services	5,140,701	4,276,895
Miscellaneous	<u>20,494</u>	<u>10,710</u>
Total revenues	6,306,469	5,494,924
Expenditures:		
General government	3,299,202	3,145,214
Public works	124,972	64,716
Community, recreational and cultural	<u>3,297,334</u>	<u>3,579,630</u>
Total expenditures	6,721,508	6,789,560
Deficiency of revenues over expenditures	(415,039)	(1,294,636)
Other financing sources (uses):		
Operating transfers from other funds	1,043,232	1,502,350
Operating transfers between special revenue funds	(30,000)	—
Operating transfers to other funds	<u>(4,000)</u>	<u>(400,000)</u>
Total other financing sources	1,009,232	1,102,350
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	594,193	(192,286)
Fund balances at beginning of year	<u>2,735,399</u>	<u>2,927,685</u>
Fund balances at end of year	<u>\$ 3,329,592</u>	<u>2,735,399</u>

CITY OF PITTSBURGH,
PENNSYLVANIA

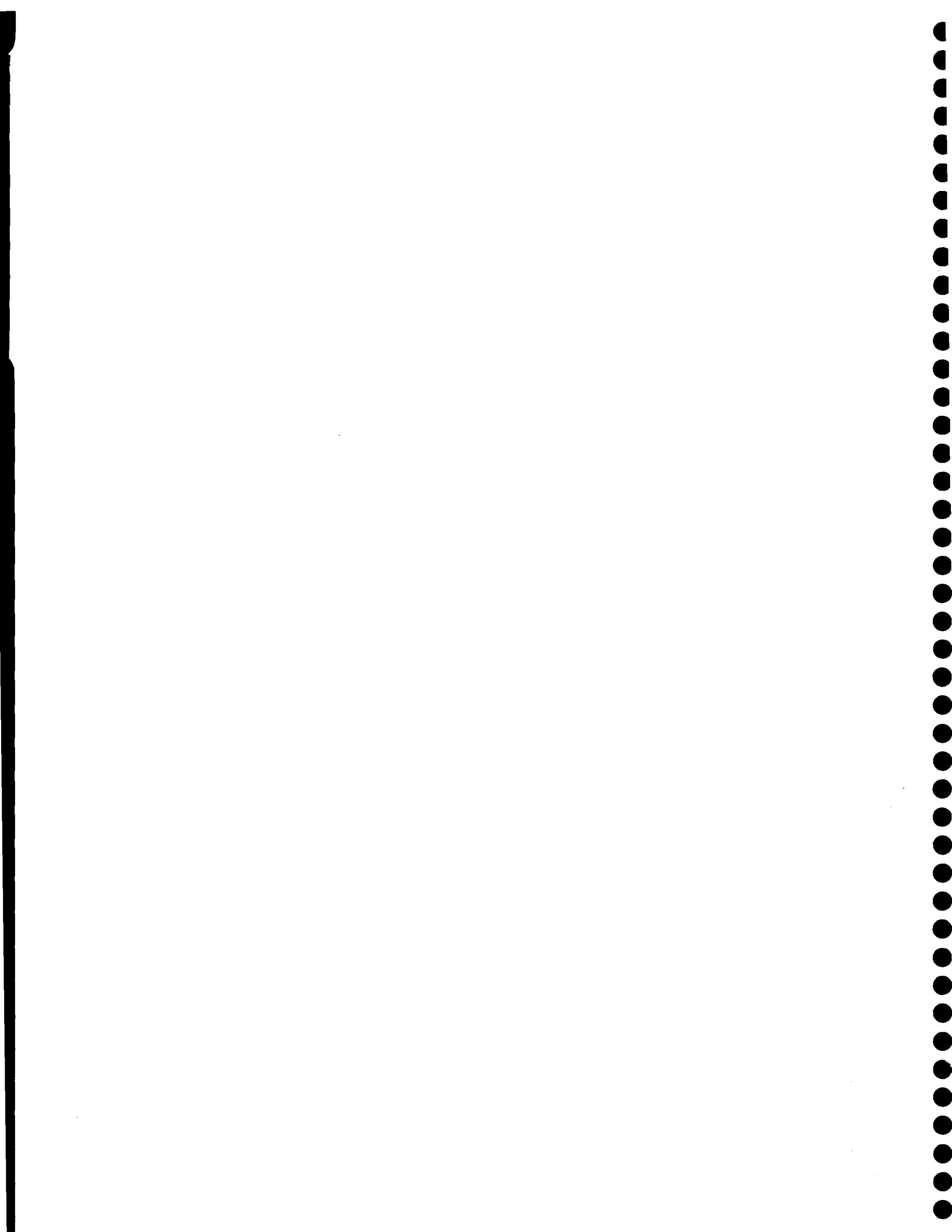
DEBT SERVICE FUNDS

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.



CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

Debt Service Funds

Combining Balance Sheet

December 31, 1999

(With comparative totals for December 31, 1998)

	General Obligation	Totals	
		1999	1998
Cash and short-term investments, at cost which approximates market	\$ 15,117,311	15,117,311	11,916,539
Accrued interest receivable	587,430	587,430	862,876
Total assets	\$ 15,704,741	15,704,741	12,779,415
Liabilities and Fund Balances			
Liabilities:			
Accrued interest and other payables	—	—	267,500
Due to trustee	—	—	300
Total liabilities	—	—	267,800
Fund balances:			
Designated for debt service	15,704,741	15,704,741	12,511,615
Total liabilities and fund balances	\$ 15,704,741	15,704,741	12,779,415

CITY OF PITTSBURGH, PENNSYLVANIA

Debt Service Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>General Obligation</u>	<u>Totals</u>	
		<u>1999</u>	<u>1998</u>
Revenues:			
Interest earnings	\$ 2,521,016	2,521,016	4,200,460
Expenditures:			
Principal retirement	24,177,939	24,177,939	25,159,737
Interest expenditures	48,077,138	48,077,138	41,344,949
Bond issuance costs	—	—	857,671
Fiscal agent charges	23,315	23,315	22,141
Total expenditures	<u>72,278,392</u>	<u>72,278,392</u>	<u>67,384,498</u>
Deficiency of revenues under expenditures	(69,757,376)	(69,757,376)	(63,184,038)
Other financing sources (uses):			
Bond proceeds	—	—	150,993,793
Operating transfers from:			
General fund	65,275,060	65,275,060	54,821,507
Capital projects	1,070,416	1,070,416	—
Trust and agency	3,340,026	3,340,026	—
Component units	3,265,000	3,265,000	3,260,000
Payment to escrow agent for refunded debt	—	—	(150,128,802)
Total other financing sources	<u>72,950,502</u>	<u>72,950,502</u>	<u>58,946,498</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,193,126	3,193,126	(4,237,540)
Fund balances at beginning of year	<u>12,511,615</u>	<u>12,511,615</u>	<u>16,749,155</u>
Fund balances at end of year	<u>\$ 15,704,741</u>	<u>15,704,741</u>	<u>12,511,615</u>

CITY OF PITTSBURGH,
PENNSYLVANIA

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.

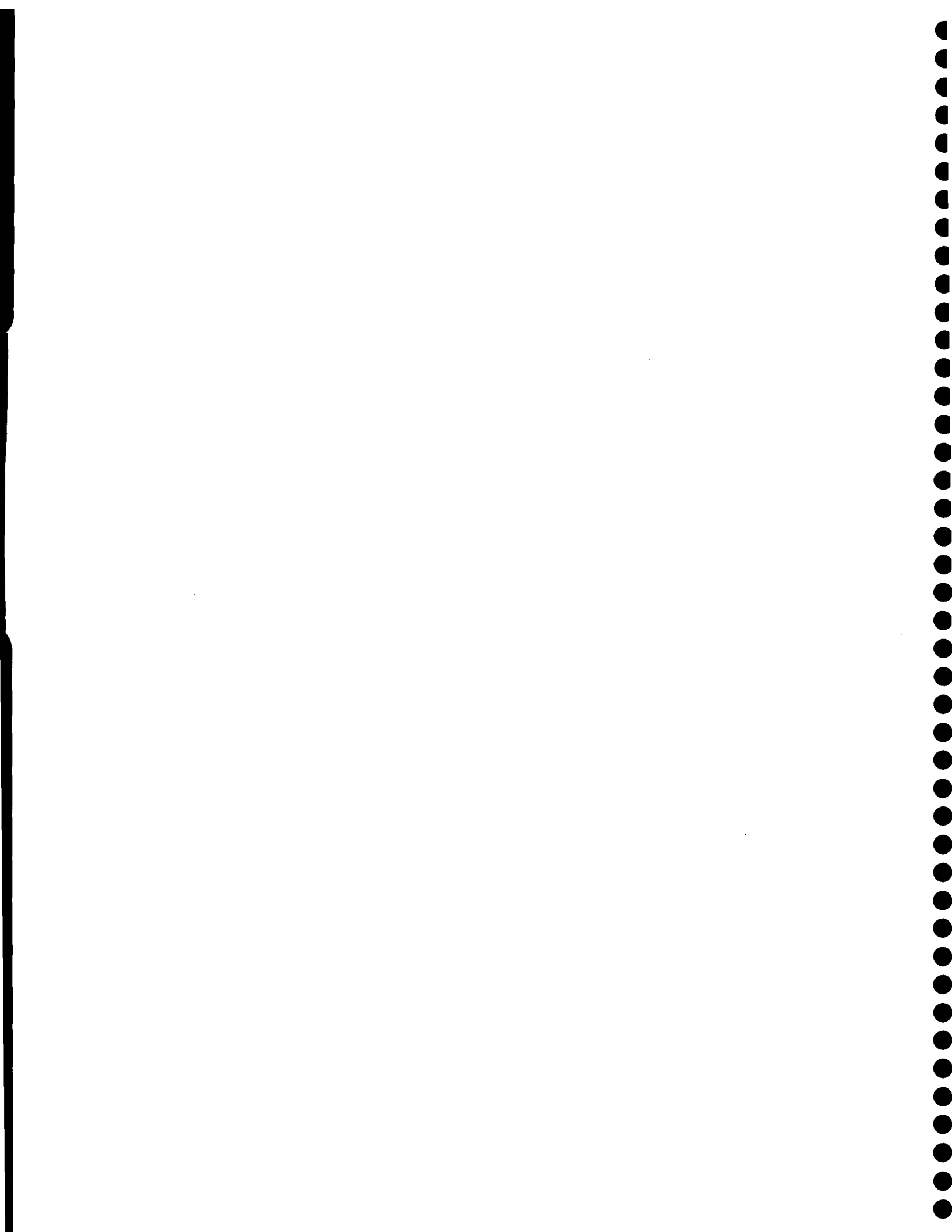
Parks and Recreation – to account for the construction of community recreational facilities.

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, 1999

(With comparative totals for December 31, 1998)

Assets	<u>1999</u>	<u>1998</u>
Cash and short-term investments, at cost which approximates market	\$ 75,779,588	51,089,758
Interfund receivable	—	—
Due from general fund	294,376	—
Due from special revenue	1,478,193	1,454,112
Due from trust and agency	4,992,040	4,992,040
Due from other governments	1,341,154	598,172
Total assets	\$ 83,885,351	58,134,082
Liabilities and Fund Balances		
Liabilities:		
Accounts payables	3,074,563	1,410,818
Retainage payable	805,385	1,290,098
Accrued liabilities	226,224	211,409
Accrued claims and judgments	4,840,000	—
Due to general fund	2,139,539	2,129,173
Due to special revenue	1,097,383	597,278
Total liabilities	12,183,094	5,638,776
Fund balances:		
Reserved for encumbrances	7,136,040	13,398,492
Designated for subsequent years' expenditures	64,566,217	39,096,814
Total fund balances	71,702,257	52,495,306
Total liabilities and fund balances	\$ 83,885,351	58,134,082

CITY OF PITTSBURGH, PENNSYLVANIA

Capital Projects Fund

Combining Balance Sheet Schedule

December 31, 1999

(With comparative totals for December 31, 1998)

Assets	Engineering and Construction	Parks and Recreation	Public Works
Cash and short-term investments, at cost which approximates market	\$ 13,950,443	404,283	1,124,325
Due from general fund	294,376	—	—
Due from special revenue	—	—	942,110
Due from trust and agency	4,992,040	—	—
Due from other governments	1,341,154	—	—
Total assets	\$ 20,578,013	404,283	2,066,435
Liabilities and Fund Balances			
Liabilities:			
Accounts payable	1,790,023	14,032	841,337
Retainage payable	758,935	—	—
Accrued liabilities	141,374	—	84,850
Accrued claims and judgments	—	—	—
Due to general fund	139,539	—	—
Due to special revenue	—	—	—
Total liabilities	2,829,871	14,032	926,187
Fund balances:			
Reserved for encumbrances	5,170,650	32,228	23,709
Designated for subsequent years' expenditures	12,577,492	358,023	1,116,539
Total fund balances	17,748,142	390,251	1,140,248
Total liabilities and fund balances	\$ 20,578,013	404,283	2,066,435

General Services	Urban Redevelopment	Other	Totals	
			1999	1998
4,240,213	5,359,328	50,700,996	75,779,588	51,089,758
—	—	—	294,376	—
—	—	536,083	1,478,193	1,454,112
—	—	—	4,992,040	4,992,040
—	—	—	1,341,154	598,172
<u>4,240,213</u>	<u>5,359,328</u>	<u>51,237,079</u>	<u>83,885,351</u>	<u>58,134,082</u>
47,931	—	381,240	3,074,563	1,410,818
12,369	—	34,081	805,385	1,290,098
—	—	—	226,224	211,409
—	4,840,000	—	4,840,000	—
—	2,000,000	—	2,139,539	2,129,173
—	—	1,097,383	1,097,383	597,278
<u>60,300</u>	<u>6,840,000</u>	<u>1,512,704</u>	<u>12,183,094</u>	<u>5,638,776</u>
149,120	—	1,760,333	7,136,040	13,398,492
4,030,793	(1,480,672)	47,964,042	64,566,217	39,096,814
<u>4,179,913</u>	<u>(1,480,672)</u>	<u>49,724,375</u>	<u>71,702,257</u>	<u>52,495,306</u>
<u>4,240,213</u>	<u>5,359,328</u>	<u>51,237,079</u>	<u>83,885,351</u>	<u>58,134,082</u>

CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

Capital Projects Fund

**Statement of Revenues, Expenditures and
Changes in Fund Balances**

**For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)**

	<u>1999</u>	<u>1998</u>
Revenues:		
Intergovernmental revenues	\$ 8,313,772	4,486,696
Charges for user services	1,054,996	642,682
Miscellaneous	218,363	24,000
	<hr/>	<hr/>
Total revenues	9,587,131	5,153,378
Expenditures:		
Capital projects	43,845,344	39,287,479
Bond issuance costs	594,350	—
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Total expenditures	44,439,694	39,287,479
	<hr/>	<hr/>
Deficiency of revenues over expenditures	(34,852,563)	(34,134,101)
Other financing sources (uses):		
Bond proceeds	56,393,409	—
Operating transfers (to) from:		
General fund	2,225,000	134,992
Special revenue	(3,488,478)	(3,120,231)
Debt service	(1,070,417)	—
	<hr/>	<hr/>
Total other financing sources (uses)	54,059,514	(2,985,239)
	<hr/>	<hr/>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	19,206,951	(37,119,340)
Fund balances at beginning of year	<u>52,495,306</u>	<u>89,614,646</u>
Fund balances at end of year	<u>\$ 71,702,257</u>	<u>52,495,306</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Capital Projects Fund

**Combining Schedule of Revenues, Expenditures and
Changes in Fund Balances**

**For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)**

	<u>Engineering and Construction</u>	<u>Parks and Recreation</u>	<u>Public Works</u>
Revenues:			
Intergovernmental revenues	\$ 7,757,276	—	—
Charges for user services	—	—	1,054,996
Miscellaneous	<u>52,928</u>	<u>—</u>	<u>—</u>
Total revenues	7,810,204	—	1,054,996
Expenditures:			
Capital projects	15,657,562	62,278	9,500,800
Bond issuance costs	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>15,657,562</u>	<u>62,278</u>	<u>9,500,800</u>
Deficiency of revenues under expenditures	(7,847,358)	(62,278)	(8,445,804)
Other financing sources (uses):			
Bond proceeds	—	—	—
Operating transfers (to) from:			
General fund	—	—	2,000,000
Special revenue	—	—	—
Debt service	—	—	—
Other capital projects fund	<u>11,104,250</u>	<u>—</u>	<u>5,005,000</u>
Total other financing sources (uses)	<u>11,104,250</u>	<u>—</u>	<u>7,005,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,256,892	(62,278)	(1,440,804)
Fund balances at beginning of year	<u>14,491,250</u>	<u>452,529</u>	<u>2,581,052</u>
Fund balances at end of year	\$ <u><u>17,748,142</u></u>	<u><u>390,251</u></u>	<u><u>1,140,248</u></u>

General Services	Urban Redevelopment	Other	Totals	
			1999	1998
—	—	556,496	8,313,772	4,486,696
—	—	—	1,054,996	642,682
—	—	165,435	218,363	24,000
—	—	721,931	9,587,131	5,153,378
1,044,035	12,572,100	5,008,569	43,845,344	39,287,479
—	—	594,350	594,350	—
1,044,035	12,572,100	5,602,919	44,439,694	39,287,479
(1,044,035)	(12,572,100)	(4,880,988)	(34,852,563)	(34,134,101)
—	—	56,393,409	56,393,409	—
—	—	225,000	2,225,000	134,992
—	—	(3,488,478)	(3,488,478)	(3,120,231)
—	—	(1,070,417)	(1,070,417)	—
830,000	5,620,000	(22,559,250)	—	—
830,000	5,620,000	29,500,264	54,059,514	(2,985,239)
(214,035)	(6,952,100)	24,619,276	19,206,951	(37,119,340)
4,393,948	5,471,428	25,105,099	52,495,306	89,614,646
4,179,913	(1,480,672)	49,724,375	71,702,257	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, 1999

	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues:			
Intergovernmental	\$ 15,529,500	11,748,545	(3,780,955)
Total revenues	15,529,500	11,748,545	(3,780,955)
Expenditures:			
Capital projects:			
Engineering and construction	57,976,613	15,286,034	42,690,579
Parks and recreation	182,930	48,246	134,684
Public works	9,930,575	8,301,367	1,629,208
General services	1,508,166	1,030,430	477,736
Urban Redevelopment Authority	8,082,100	7,732,100	350,000
Other	15,718,285	7,626,085	8,092,200
Bond issuance costs	662,337	216,239	446,098
Total expenditures	94,061,006	40,240,501	53,820,505
Excess (deficiency) of revenues over (under) expenditures	(78,531,506)	(28,491,956)	50,039,550
Other financing sources (uses):			
Operating transfers out	(1,070,416)	(1,070,416)	—
Operating transfers in	2,000,000	2,000,000	—
Bond proceeds	56,393,408	56,393,408	—
Total other financing sources	57,322,992	57,322,992	—
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(21,208,514)	28,831,036	50,039,550
Fund balance - budgetary basis, beginning of year	21,208,514	46,293,465	25,084,951
Fund balance - budgetary basis, end of year	\$ —	75,124,501	75,124,501
Adjustments to generally accepted accounting principles (GAAP) basis (note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		6,201,841	
Net effect of GAAP basis recognition of revenues		(865,998)	
Net effect of GAAP basis recognition of expenditures		(8,758,087)	
Fund balance - GAAP basis, end of year		\$ 71,702,257	

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

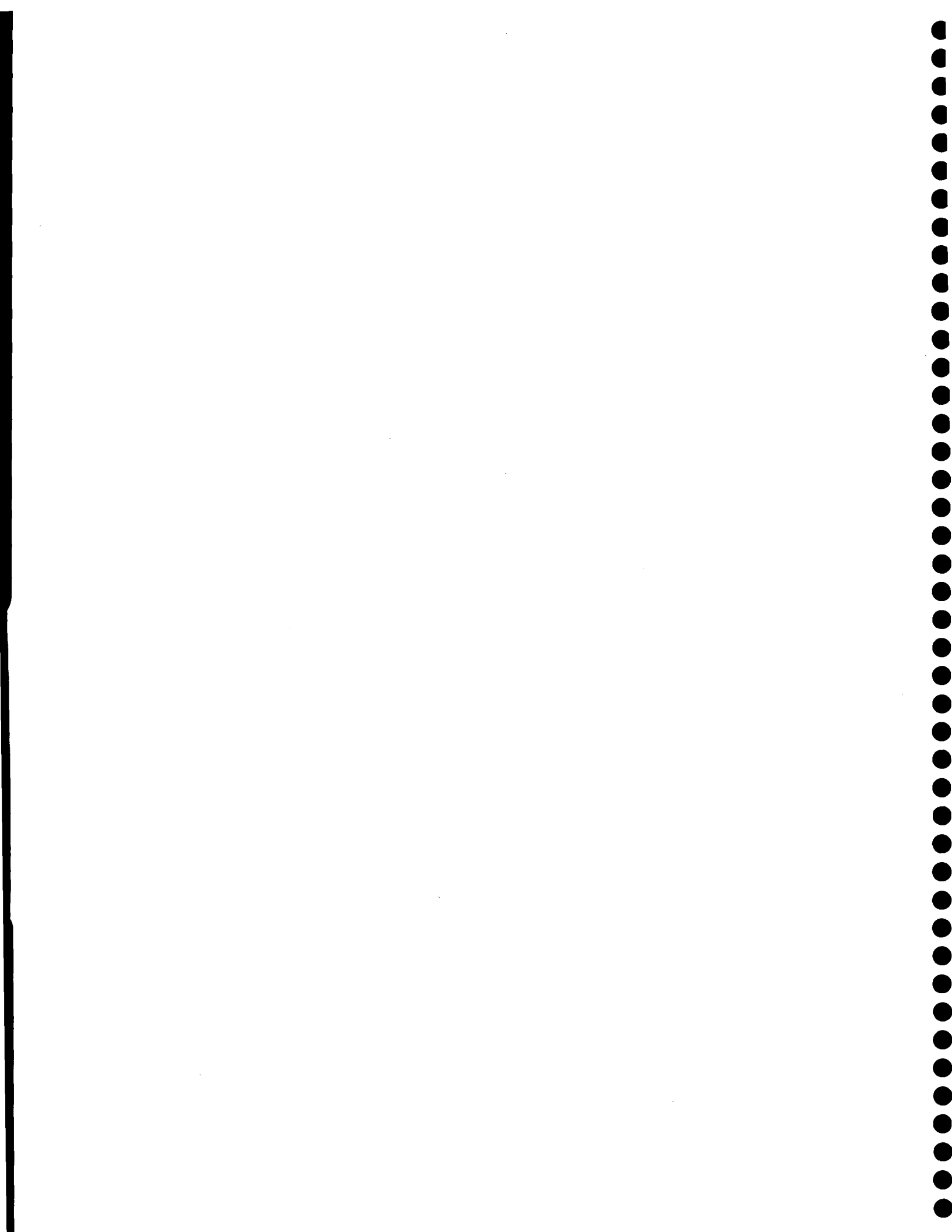
For the Year Ended December 31, 1998

	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	—
Bond proceeds	—	—	—
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

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 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:

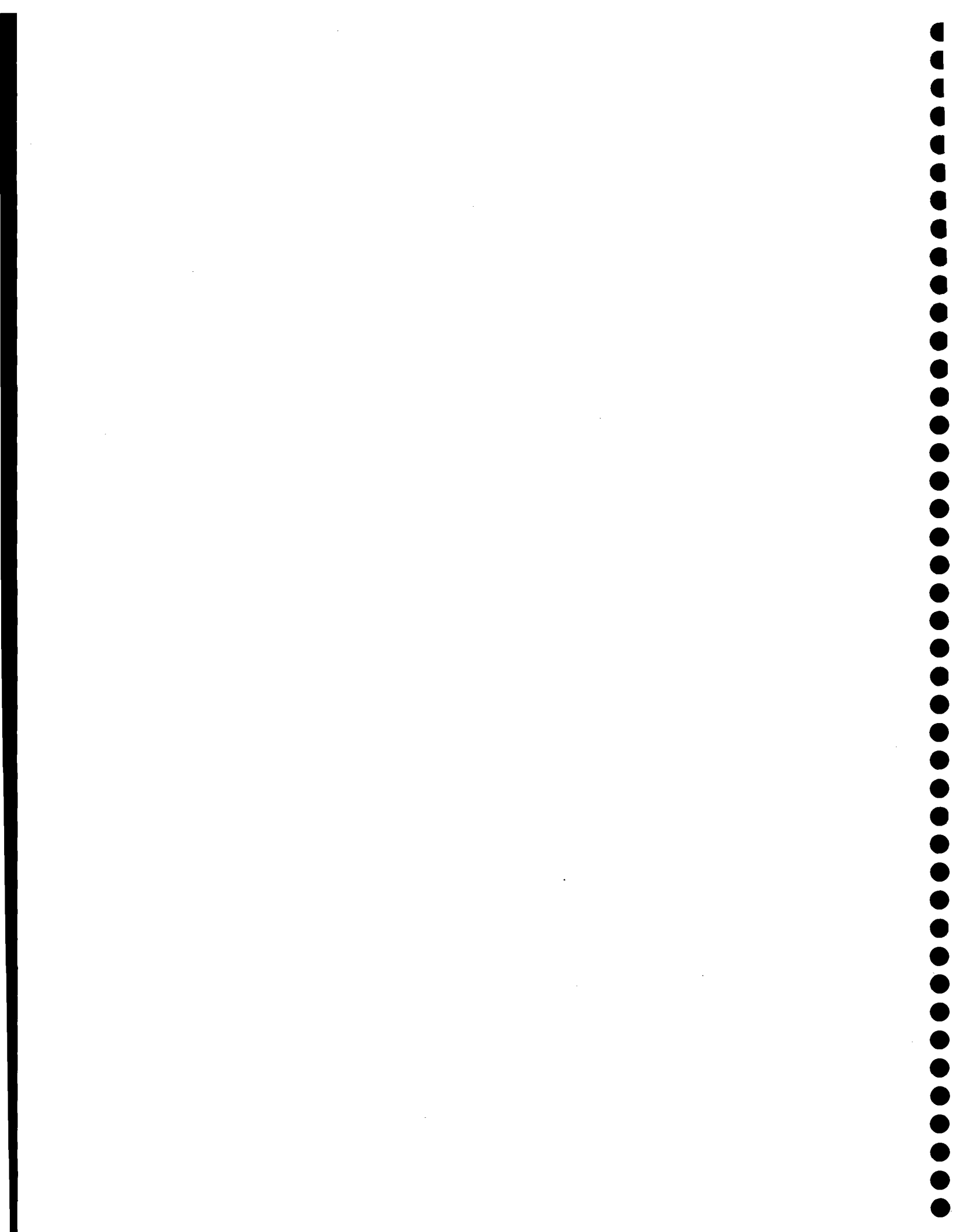
Gifts and Donations – to account for gifts received for the operation of various civic and cultural programs.

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, 1999

(With comparative totals for December 31, 1998)

Assets	Pension trust funds	Expendable trusts	Agency funds	Totals 1999	Totals 1998
Cash and short-term investments, at cost which approximates market	\$ 7,061,446	23,927,797	3,385,280	34,374,523	154,579,370
Investments	459,680,720	—	—	459,680,720	373,367,440
Other receivables	4,965	53,126	14,340	72,431	26,736
Accrued interest and dividends receivable	1,433,242	—	—	1,433,242	3,009,483
Due from other funds	—	—	449,414	449,414	531,362
Total assets	\$ 468,180,373	23,980,923	3,849,034	496,010,330	531,514,391
Liabilities and Fund Balances					
Liabilities:					
Accrued liabilities and other payables	211,929	55,167	1,771,174	2,038,270	1,991,920
Deferred compensation payable	—	—	—	—	62,692,703
Due to general fund	359,815	—	—	359,815	—
Due to other funds	—	5,033,426	509,146	5,542,572	6,284,943
Due to other governments	—	20,911	23,466	44,377	47,588
Deposits held in trust	—	—	1,545,248	1,545,248	1,405,733
Due to individuals	—	281,614	—	281,614	302,524
Total liabilities	571,744	5,391,118	3,849,034	9,811,896	72,725,411
Fund balances:					
Reserved for encumbrances	—	80,154	—	80,154	—
Reserved for endowments	—	84,081	—	84,081	59,023
Reserved for employee benefits	—	1,714,446	—	1,714,446	1,451,097
Designated for subsequent years' expenditures	—	16,571,783	—	16,571,783	20,522,605
Undesignated	—	139,341	—	139,341	142,565
Net assets:					
Held in trust for pension benefits	467,608,629	—	—	467,608,629	436,613,690
Total fund balances	467,608,629	18,589,805	—	486,198,434	458,788,980
Total liabilities and fund balances	\$ 468,180,373	23,980,923	3,849,034	496,010,330	531,514,391

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Pension Trust Funds

Combining Statements of Plan Net Assets

December 31, 1999

(With comparative totals for December 31, 1998)

Assets	Comprehensive trust	Municipal trust	Police trust
Cash and short-term investments, at cost which approximates market	\$ 6,456,131	54,365	532,283
Investments	459,680,720	—	—
Accrued interest, dividends and other	1,433,242	—	—
Other receivables	—	4,965	—
Total assets	\$ 467,570,093	59,330	532,283
Liabilities and Fund Balances			
Liabilities:			
Accrued liabilities and other payables	200,750	10,362	646
Due to general fund	312,871	17,236	19,055
Total liabilities	513,621	27,598	19,701
Fund balances:			
Net assets held in trust for pension benefits	467,056,472	31,732	512,582
Total liabilities and fund balances	\$ 467,570,093	59,330	532,283

Fire trust	Totals	
	1999	1998
18,667	7,061,446	60,806,170
—	459,680,720	373,367,440
—	1,433,242	3,009,483
—	4,965	585
18,667	468,180,373	437,183,678
171	211,929	391,461
10,653	359,815	178,527
10,824	571,744	569,988
7,843	467,608,629	436,613,690
18,667	468,180,373	437,183,678

CITY OF PITTSBURGH, PENNSYLVANIA

Combined Pension Trust Funds

Combining Statement of Changes in Plan Net Assets

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>Comprehensive trust</u>	<u>Municipal trust</u>	<u>Police trust</u>
Operating revenues:			
Contributions:			
Participants	\$ 12,053,422	—	—
Employer	7,300,974	—	402,400
State	13,257,846	—	—
Total contributions	32,612,242	—	402,400
Investment income:			
Net appreciation in fair value of investments	39,378,288	—	—
Interest and dividends	17,549,888	—	44,566
Total investment income	56,928,176	—	44,566
Less investment expenses	1,601,975	—	—
	55,326,201	—	44,566
Miscellaneous	7,912	—	—
Total additions	87,946,355	—	446,966
Operating expenses:			
Benefit payments	—	16,569,582	25,337,849
Refunds of employee contributions for terminated employees	—	755,463	349,633
Administrative expenses	211,330	178,680	243,817
Total deductions	211,330	17,503,725	25,931,299
Net increase (decrease) in plan net assets before operating transfers	87,735,025	(17,503,725)	(25,484,333)
Operating transfers to pension funds	(56,920,463)	17,512,703	25,655,760
Net increase (decrease) in plan net assets	30,814,562	8,978	171,427
Fund balances at beginning of year	436,241,910	22,754	341,155
Cumulative effect of a change in accounting principle	—	—	—
Fund balances at end of year	\$ 467,056,472	31,732	512,582

Fire trust	Totals	
	1999	1998
7,768	12,061,190	260,413,414
—	7,703,374	9,312,204
—	13,257,846	14,632,095
7,768	33,022,410	284,357,713
—	39,378,288	17,985,777
4,445	17,598,899	19,857,383
4,445	56,977,187	37,843,160
—	1,601,975	1,315,802
4,445	55,375,212	36,527,358
—	7,912	2,125
12,213	88,405,534	320,887,196
13,559,535	55,466,966	55,427,384
47,378	1,152,474	1,132,834
157,328	791,155	765,969
13,764,241	57,410,595	57,326,187
(13,752,028)	30,994,939	263,561,009
13,752,000	—	—
(28)	30,994,939	263,561,009
7,871	436,613,690	149,551,352
—	—	23,501,329
7,843	467,608,629	436,613,690

CITY OF PITTSBURGH, PENNSYLVANIA

Expendable Trust Funds

Combining Balance Sheet

December 31, 1999

(With comparative totals for December 31, 1998)

Assets	<u>Gifts and donations</u>	<u>Workers' compensation</u>	<u>Parks endowments</u>
Cash and short-term investments, at cost which approximate market	\$ 133,230	6,730,023	136,304
Due from other funds	—	—	—
Other receivables	—	44,333	—
Total assets	\$ 133,230	6,774,356	136,304
Liabilities and Fund Balances			
Liabilities:			
Accrued liabilities and other payables	35,972	13,637	5,558
Due to other funds	—	4,992,040	41,386
Due to other governments	—	—	—
Due to individuals	—	—	—
Total liabilities	35,972	5,005,677	46,944
Fund balances:			
Reserved for encumbrances	17,436	57,439	5,279
Reserved for endowments	—	—	84,081
Reserved for employee benefits	—	1,711,240	—
Designated for subsequent years' expenditures	—	—	—
Undesignated	79,822	—	—
Total fund balances	97,258	1,768,679	89,360
Total liabilities and fund balances	\$ 133,230	6,774,356	136,304

Unclaimed liabilities	Pension escrow	Retirees' trust	Totals	
			1999	1998
362,044	16,562,990	3,206	23,927,797	27,661,214
—	—	—	—	86,000
—	8,793	—	53,126	11,811
<u>362,044</u>	<u>16,571,783</u>	<u>3,206</u>	<u>23,980,923</u>	<u>27,759,025</u>
—	—	—	55,167	63,334
—	—	—	5,033,426	5,193,755
20,911	—	—	20,911	24,122
281,614	—	—	281,614	302,524
<u>302,525</u>	<u>—</u>	<u>—</u>	<u>5,391,118</u>	<u>5,583,735</u>
—	—	—	80,154	—
—	—	—	84,081	59,023
—	—	3,206	1,714,446	1,451,097
—	16,571,783	—	16,571,783	20,522,605
59,519	—	—	139,341	142,565
<u>59,519</u>	<u>16,571,783</u>	<u>3,206</u>	<u>18,589,805</u>	<u>22,175,290</u>
<u>362,044</u>	<u>16,571,783</u>	<u>3,206</u>	<u>23,980,923</u>	<u>27,759,025</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Expendable Trust Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>Gifts and donations</u>	<u>Workers' compensation</u>	<u>Parks endowments</u>
Revenues:			
Interest earnings	\$ —	372,793	—
Employer contributions	—	—	—
Intergovernmental revenues	—	257,261	—
Charges for user services	510,800	—	—
Donations and endowments	87,651	—	450,000
Other	—	217,639	59,108
	<hr/>	<hr/>	<hr/>
Total revenues	598,451	847,693	509,108
Expenditures - current operating:			
Community, recreational and cultural:			
Community activities	967,655	—	—
School services	75,560	—	—
Parks and recreation	163,712	—	278,771
Pension	—	—	—
Miscellaneous	—	526,905	—
	<hr/>	<hr/>	<hr/>
Total expenditures	1,206,927	526,905	278,771
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over expenditures	(608,476)	320,788	230,337
Other financing sources (uses):			
Operating transfer from general fund	518,688	—	—
Operating transfer from special revenue fund	104,000	—	—
Operating transfer to general fund	—	—	(200,000)
Operating transfer to debt service	—	—	—
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	622,688	—	(200,000)
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	14,212	320,788	30,337
Fund balances at beginning of year	<hr/>	<hr/>	<hr/>
	83,046	1,447,891	59,023
Fund balances at end of year	<hr/>	<hr/>	<hr/>
	\$ 97,258	1,768,679	89,360

Unclaimed liabilities	Pension escrow	Retirees' trust	Totals	
			1999	1998
—	1,152,258	—	1,525,051	1,339,041
—	—	1,672,030	1,672,030	1,968,000
—	—	—	257,261	436,878
—	—	—	510,800	553,718
—	—	—	537,651	194,323
—	—	—	276,747	310,945
—	1,152,258	1,672,030	4,779,540	4,802,905
—	—	—	967,655	1,043,672
—	—	—	75,560	139,985
—	—	—	442,483	602,984
—	1,763,054	1,672,030	3,435,084	4,082,801
—	—	—	526,905	561,996
—	1,763,054	1,672,030	5,447,687	6,431,438
—	(610,796)	—	(668,147)	(1,628,533)
—	—	—	518,688	7,672,939
—	—	—	104,000	100,000
—	—	—	(200,000)	—
—	(3,340,026)	—	(3,340,026)	—
—	(3,340,026)	—	(2,917,338)	7,772,939
—	(3,950,822)	—	(3,585,485)	6,144,406
59,519	20,522,605	3,206	22,175,290	16,030,884
59,519	16,571,783	3,206	18,589,805	22,175,290

CITY OF PITTSBURGH, PENNSYLVANIA

Gifts and Donations

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 133,230	208,918
Due from other funds	—	86,000
Total assets	\$ 133,230	294,918
Liabilities and Fund Balances		
Liabilities:		
Accrued liabilities	35,972	57,108
Due to general fund	—	154,764
Total liabilities	35,972	211,872
Fund balances:		
Reserved for encumbrances	17,436	—
Undesignated	79,822	83,046
Total fund balances	97,258	83,046
Total liabilities and fund balances	\$ 133,230	294,918

CITY OF PITTSBURGH, PENNSYLVANIA

Gifts and Donations Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Charges for user services	\$ 510,800	436,878
Donations and endowments	<u>87,651</u>	<u>102,718</u>
Total revenues	598,451	539,596
Expenditures - current operating:		
Community, recreational and cultural:		
Community activities	967,655	1,043,672
School services	75,560	139,985
Parks and recreation	<u>163,712</u>	<u>64,608</u>
Total expenditures	<u>1,206,927</u>	<u>1,248,265</u>
Deficiency of revenues over expenditures	(608,476)	(708,669)
Other financing sources (uses):		
Operating transfer from general fund	518,688	483,382
Operating transfer from special revenue fund	<u>104,000</u>	<u>100,000</u>
Total other financing sources	<u>622,688</u>	<u>583,382</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	14,212	(125,287)
Fund balances at beginning of year	<u>83,046</u>	<u>208,333</u>
Fund balances at end of year	<u>\$ 97,258</u>	<u>83,046</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Workers' Compensation Irrevocable Trust

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 6,730,023	6,428,120
Other receivables	44,333	11,811
Total assets	\$ 6,774,356	6,439,931
Liabilities and Fund Balances		
Liabilities:		
Accrued liabilities	13,637	—
Due to other funds	4,992,040	4,992,040
Total liabilities	5,005,677	4,992,040
Fund balances:		
Reserved for employee benefits	1,711,240	1,447,891
Reserved for encumbrances	57,439	—
Total fund balances	1,768,679	1,447,891
Total liabilities and fund balances	\$ 6,774,356	6,439,931

CITY OF PITTSBURGH, PENNSYLVANIA

Workers' Compensation Irrevocable Trust

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Interest earnings	\$ 372,793	325,609
Realized gain (loss)	13,117	75,047
Intergovernmental revenues	257,261	194,323
Miscellaneous	<u>204,522</u>	<u>179,218</u>
Total revenues	847,693	774,197
Expenditures - current operating:		
Trustee fee	<u>526,905</u>	<u>533,763</u>
Total expenditures	<u>526,905</u>	<u>533,763</u>
Excess of revenues over expenditures	320,788	240,434
Other financing sources:		
Operating transfer from general fund	<u>—</u>	<u>441,620</u>
Total other financing sources	<u>—</u>	<u>441,620</u>
Excess of revenues and other financing sources over expenditures	320,788	682,054
Fund balances at beginning of year	<u>1,447,891</u>	<u>765,837</u>
Fund balances at end of year	\$ <u><u>1,768,679</u></u>	<u><u>1,447,891</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Parks Endowments

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 136,304	112,200
Total assets	\$ 136,304	112,200
Liabilities and Fund Balances		
Liabilities:		
Accrued liabilities	5,558	6,226
Due to other funds	41,386	46,951
Total liabilities	46,944	53,177
Fund balances:		
Reserved for endowments	84,081	59,023
Reserved for encumbrances	5,279	—
Total fund balances	89,360	59,023
Total liabilities and fund balances	\$ 136,304	112,200

CITY OF PITTSBURGH, PENNSYLVANIA

Parks Endowments

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Donations and endowments	\$ 450,000	451,000
Other	<u>59,108</u>	<u>56,680</u>
Total revenues	509,108	507,680
Expenditures - current operating:		
Community, recreational and cultural:		
Parks and recreation	<u>278,771</u>	<u>538,376</u>
Total expenditures	<u>278,771</u>	<u>538,376</u>
Excess (deficiency) of revenues over expenditures	230,337	(30,696)
Other financing sources (uses):		
Operating transfer to general fund	<u>(200,000)</u>	<u>—</u>
Total other financing uses	<u>(200,000)</u>	<u>—</u>
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses	30,337	(30,696)
Fund balances at beginning of year	<u>59,023</u>	<u>89,719</u>
Fund balances at end of year	<u>\$ 89,360</u>	<u>59,023</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Unclaimed Liabilities

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 362,044	386,165
Total assets	\$ 362,044	386,165
Liabilities and Fund Balances		
Liabilities:		
Due to other governments	20,911	24,122
Due to individuals	281,614	302,524
Total liabilities	302,525	326,646
Fund balances:		
Undesignated	59,519	59,519
Total fund balances	59,519	59,519
Total liabilities and fund balances	\$ 362,044	386,165

CITY OF PITTSBURGH, PENNSYLVANIA

Unclaimed Liabilities

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</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><u>59,519</u></u>	<u><u>59,519</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Pension Escrow

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ 16,562,990	20,522,605
Other receivables	8,793	—
Total assets	<u>\$ 16,571,783</u>	<u>20,522,605</u>
Fund Balances		
Fund balances:		
Designated for subsequent years' expenditures	<u>16,571,783</u>	<u>20,522,605</u>
Total fund balances	<u>16,571,783</u>	<u>20,522,605</u>
Total liabilities and fund balances	<u>\$ 16,571,783</u>	<u>20,522,605</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Pension Escrow

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Interest	\$ 1,152,258	1,013,432
Total revenues	1,152,258	1,013,432
Expenditures:		
Pension	1,763,054	2,114,801
Miscellaneous	—	28,233
Total expenditures	<u>1,763,054</u>	<u>2,143,034</u>
Deficiency of revenues over expenditures	(610,796)	(1,129,602)
Other financing sources (uses):		
Operating transfer from general fund	—	6,747,937
Operating transfer to debt service	<u>(3,340,026)</u>	<u>—</u>
Total other financing sources	<u>(3,340,026)</u>	<u>6,747,937</u>
(Deficiency) excess of revenues and other financing sources over expenditures and other financing uses	(3,950,822)	5,618,335
Fund balances at beginning of year	<u>20,522,605</u>	<u>14,904,270</u>
Fund balances at end of year	\$ <u><u>16,571,783</u></u>	<u><u>20,522,605</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Retirees' Trust

Comparative Balance Sheets

December 31, 1999 and 1998

Assets	1999	1998
Cash and short-term investments, at cost which approximates market	\$ <u>3,206</u>	<u>3,206</u>
Total assets	\$ <u><u>3,206</u></u>	<u><u>3,206</u></u>
Fund Balances		
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><u>3,206</u></u>	<u><u>3,206</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA

Retirees' Trust

Comparative Statements of Revenues, Expenditures and Changes in Fund Balances

For the Years Ended December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
Revenues:		
Employer contributions	\$ <u>1,672,030</u>	<u>1,968,000</u>
Total revenues	<u>1,672,030</u>	<u>1,968,000</u>
Expenditures:		
Pension	<u>1,672,030</u>	<u>1,968,000</u>
Total expenditures	<u>1,672,030</u>	<u>1,968,000</u>
Excess (deficiency) of revenues over expenditures	<u>—</u>	<u>—</u>
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, 1999

(With comparative totals for December 31, 1998)

Assets	Employee benefits	Payroll withholding	Deposit
Cash and short-term investments, at cost which approximates market	\$ 230,973	1,203,209	1,043,125
Due from general fund	—	—	—
Other receivables	—	—	—
Total assets	<u>230,973</u>	<u>1,203,209</u>	<u>1,043,125</u>
Liabilities			
Accrued liabilities	230,973	720,447	362,477
Deferred compensation payable	—	—	—
Due to other governments	—	—	—
Due to general fund	—	482,762	200
Deposits held in trust	—	—	680,448
Total liabilities	<u>\$ 230,973</u>	<u>1,203,209</u>	<u>1,043,125</u>

Other	Totals	
	1999	1998
907,973	3,385,280	66,111,986
449,414	449,414	445,362
14,340	14,340	14,340
<u>1,371,727</u>	<u>3,849,034</u>	<u>66,571,688</u>
457,277	1,771,174	1,537,125
—	—	62,692,703
23,466	23,466	23,466
26,184	509,146	912,661
864,800	1,545,248	1,405,733
<u>1,371,727</u>	<u>3,849,034</u>	<u>66,571,688</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Employee Benefits

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1999

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
Assets				
Cash and short-term investments, at cost which approximates market	\$ 62,934,951	318,185	(63,022,163)	230,973
Total assets	\$ 62,934,951	318,185	(63,022,163)	230,973
Liabilities				
Accrued liabilities	242,248	318,185	(329,460)	230,973
Deferred compensation payable	62,692,703	—	(62,692,703)	—
Total liabilities	\$ 62,934,951	318,185	(63,022,163)	230,973

CITY OF PITTSBURGH, PENNSYLVANIA

Payroll Withholding

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1999

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
Assets				
Cash and short-term investments, at cost which approximates market	\$ 1,514,644	10,485,994	(10,797,429)	1,203,209
Total assets	\$ 1,514,644	10,485,994	(10,797,429)	1,203,209
Liabilities				
Accrued liabilities	662,630	10,303,232	(10,245,415)	720,447
Due to general fund	852,014	182,762	(552,014)	482,762
Total liabilities	\$ 1,514,644	10,485,994	(10,797,429)	1,203,209

CITY OF PITTSBURGH, PENNSYLVANIA

Deposits

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1999

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
Assets				
Cash and short-term investments, at cost which approximates market	\$ 698,645	4,284,390	(3,939,910)	1,043,125
Total assets	\$ <u>698,645</u>	<u>4,284,390</u>	<u>(3,939,910)</u>	<u>1,043,125</u>
Liabilities				
Accrued liabilities	257,938	2,989,700	(2,885,161)	362,477
Due to general fund	200	—	—	200
Deposits held in trust	<u>440,507</u>	<u>1,294,690</u>	<u>(1,054,749)</u>	<u>680,448</u>
Total liabilities	\$ <u>698,645</u>	<u>4,284,390</u>	<u>(3,939,910)</u>	<u>1,043,125</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Other

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1999

	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
Assets				
Cash and short-term investments, at cost which approximates market	\$ 963,746	2,474,026	(2,529,799)	907,973
Due from general fund	445,362	4,052	—	449,414
Other receivables	<u>14,340</u>	<u>—</u>	<u>—</u>	<u>14,340</u>
Total assets	\$ <u>1,423,448</u>	<u>2,478,078</u>	<u>(2,529,799)</u>	<u>1,371,727</u>
Liabilities				
Accrued liabilities	374,309	1,250,419	(1,167,451)	457,277
Due to other governments	23,466	—	—	23,466
Due to general fund	60,447	18,684	(52,947)	26,184
Deposits held in trust	<u>965,226</u>	<u>1,208,975</u>	<u>(1,309,401)</u>	<u>864,800</u>
Total liabilities	\$ <u>1,423,448</u>	<u>2,478,078</u>	<u>(2,529,799)</u>	<u>1,371,727</u>

CITY OF PITTSBURGH, PENNSYLVANIA

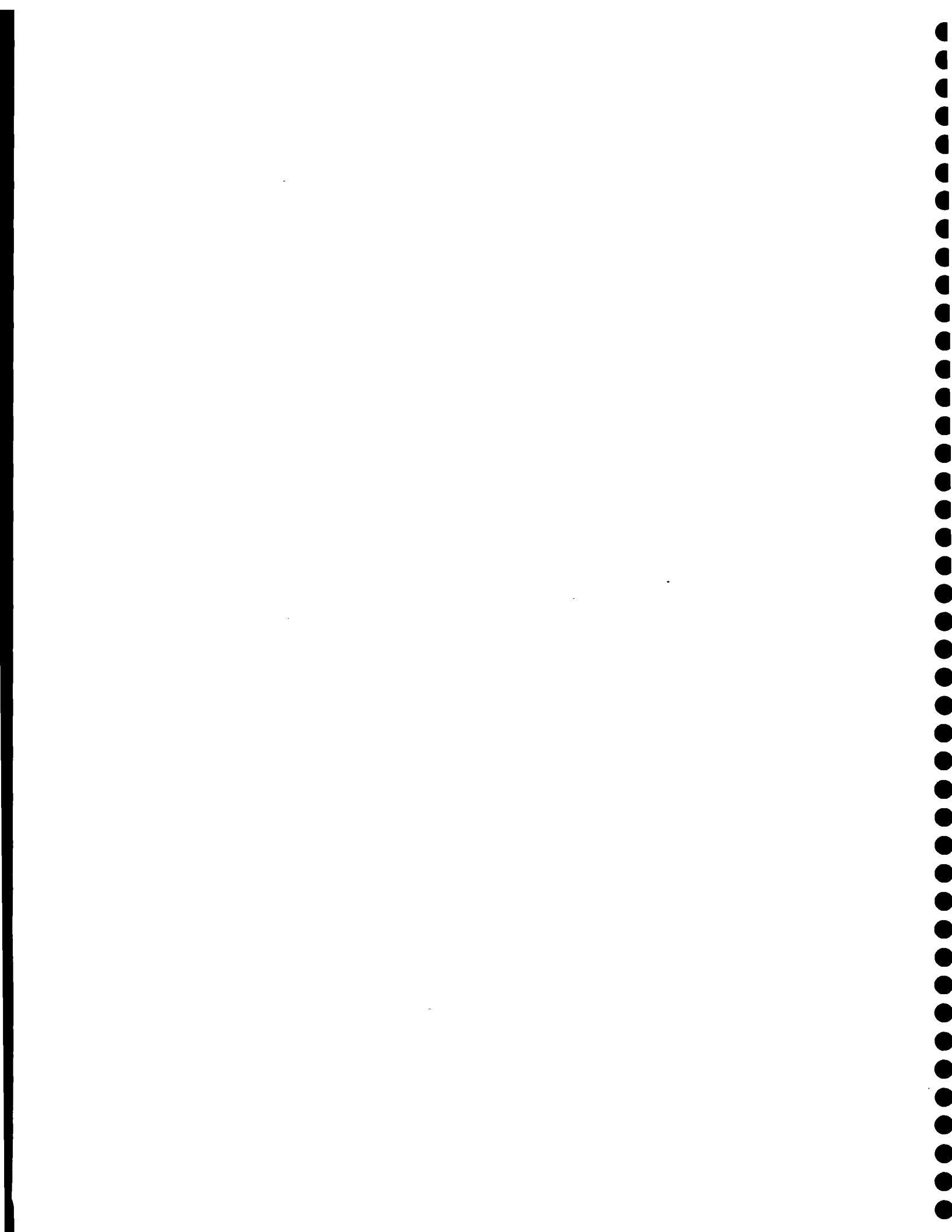
Total Agency Funds

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 1999

Assets	Balance January 1, 1999	Additions	Deletions	Balance December 31, 1999
Cash and short-term investments, at cost which approximates market	\$ 66,111,986	17,562,595	(80,289,301)	3,385,280
Due from general fund	445,362	4,052	—	449,414
Other receivables	14,340	—	—	14,340
Total assets	\$ 66,571,688	17,566,647	(80,289,301)	3,849,034
Liabilities				
Accrued liabilities	1,537,125	14,861,536	(14,627,487)	1,771,174
Deferred compensation payable	62,692,703	—	(62,692,703)	—
Due to other governments	23,466	—	—	23,466
Due to general fund	912,661	201,446	(604,961)	509,146
Deposits held in trust	1,405,733	2,503,665	(2,364,150)	1,545,248
Total liabilities	\$ 66,571,688	17,566,647	(80,289,301)	3,849,034

**GENERAL FIXED ASSETS
ACCOUNT GROUP**



CITY OF PITTSBURGH, PENNSYLVANIA

Comparative Schedule of General Fixed Assets by Source

December 31, 1999 and 1998

	<u>1999</u>	<u>1998</u>
General fixed assets:		
Land and buildings	\$ 112,466,772	114,536,261
Machinery and equipment	55,969,633	53,132,039
Capital leases	<u>11,774,592</u>	<u>11,774,592</u>
Total general fixed assets	<u>\$ 180,210,997</u>	<u>179,442,892</u>
Investment in general fixed assets by source:		
General fund	2,673,483	2,529,965
Special revenue	20,344,274	18,016,209
Capital projects	21,267,315	23,138,316
Trust funds	714,351	546,828
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>\$ 180,210,997</u>	<u>179,442,892</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of General Fixed Assets
by Function and Activity

December 31, 1999

	<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	\$ —	5,416,943	11,774,592	17,191,535
Civilian review board	—	8,150	—	8,150
Human relations	—	14,259	—	14,259
Council	—	93,809	—	93,809
Controller	—	106,889	—	106,889
Finance	—	175,127	—	175,127
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>37,733,111</u>	<u>—</u>	<u>67,537,050</u>
Total general government	29,803,939	43,966,485	11,774,592	85,545,016
Public safety	20,954,880	2,344,645	—	23,299,525
Public works	6,716,794	8,549,756	—	15,266,550
Recreational and cultural	54,991,159	882,705	—	55,873,864
Engineering and construction	<u>—</u>	<u>226,042</u>	<u>—</u>	<u>226,042</u>
Total general fixed assets	\$ <u>112,466,772</u>	<u>55,969,633</u>	<u>11,774,592</u>	<u>180,210,997</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Changes in General Fixed Assets by Function and Activity

For the Year Ended December 31, 1999

	General fixed assets, January 1, 1999	Additions	Deletions	General fixed assets, December 31, 1999
Function and activity:				
General government:				
Mayor's office	\$ 16,783,583	407,952	—	17,191,535
Civilian review board	8,150	—	—	8,150
Human relations	14,259	—	—	14,259
Council	82,217	11,592	—	93,809
Controller	106,889	—	—	106,889
Finance	165,665	9,462	—	175,127
Law	66,244	—	—	66,244
Personnel and civil service	40,567	—	—	40,567
City planning	311,386	—	—	311,386
General services	65,351,676	3,225,372	(1,039,998)	67,537,050
Total general government	82,930,636	3,654,378	(1,039,998)	85,545,016
Public safety	25,773,043	240,160	(2,713,678)	23,299,525
Public works	15,251,090	15,460	—	15,266,550
Recreational and cultural	55,288,718	585,146	—	55,873,864
Engineering and construction	199,405	26,637	—	226,042
Total general fixed assets	\$ 179,442,892	4,521,781	(3,753,676)	180,210,997

CITY OF PITTSBURGH,
PENNSYLVANIA

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, 1999 and 1998

	<u>1999</u>	<u>1998</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	\$ 15,704,741	12,511,615
Amount to be provided for the retirement of bonds	982,197,584	953,193,729
Amount to be provided for deferred loan	3,834,000	3,834,000
Amount to be provided for accrued workers' compensation	80,969,975	99,862,000
Amount to be provided for accrued compensated absences	14,074,000	14,454,000
Amount to be provided for accrued claims and judgments	<u>650,000</u>	<u>8,150,000</u>
Total available and to be provided	\$ <u>1,097,430,300</u>	<u>1,092,005,344</u>
General long-term debt payable:		
General obligation bonds payable, at face	946,510,000	914,605,000
Less unamortized discount on zero coupon bonds	(9,010,436)	(10,737,932)
Less general obligation bond funded by Stadium Authority	<u>(22,859,570)</u>	<u>(24,682,499)</u>
General obligation bonds payable	914,639,994	879,184,569
Revenue bonds payable	11,725,000	12,860,000
Taxable revenue bonds payable	4,855,000	5,625,000
Self-supporting bonds payable	<u>66,682,331</u>	<u>68,035,775</u>
Total bonds payable	997,902,325	965,705,344
Deferred loan	3,834,000	3,834,000
Accrued workers' compensation	80,969,975	99,862,000
Accrued compensated absences	14,074,000	14,454,000
Accrued claims and judgments	<u>650,000</u>	<u>8,150,000</u>
Total long-term debt payable	\$ <u>1,097,430,300</u>	<u>1,092,005,344</u>

CITY OF PITTSBURGH,
PENNSYLVANIA

COMPONENT UNITS
DISCRETE

CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Balance Sheet

December 31, 1999

(With comparative totals for December 31, 1998)

Assets	PWSA	Stadium Authority
Current assets:		
Cash and investments	\$ 46,571,000	6,136,275
Other current assets	—	141,218
Accounts receivable	18,008,000	7,612,389
Accrued interest receivable and other	—	—
Due from other funds	—	—
Due from other governments	—	—
Grant receivable – Allegheny Regional Asset District	—	7,250,000
Grant receivable – Urban Redevelopment Authority	—	155,544
Construction receivable - Public Auditorium Authority	—	20,228,302
Inventory	1,489,000	—
Assets held for sale	—	—
Total current assets	66,068,000	41,523,728
Trusted and restricted funds:		
Cash and investments	95,849,000	320,289
Accounts receivable	1,381,000	78,202
Total trusted and restricted assets	97,230,000	398,491
Property, plant and equipment:		
Stadium complex	—	71,355,727
Land, building improvements	—	—
Furniture and fixtures	—	—
Development costs	—	—
Land and parking facilities	—	—
Machinery and equipment	—	—
Utility plant	232,150,000	—
Property on lease	—	—
Non-utility plant	9,024,000	—
Capitalized system lease	102,166,000	—
Construction-in-progress	40,092,000	—
Property held for future use	—	4,548,276
Less accumulated depreciation	(58,802,000)	(39,182,212)
Reserve for impairment	—	(25,700,000)
Net property, plant and equipment	324,630,000	11,021,791
Non-current assets:		
Grant receivable – Urban Redevelopment Authority	—	—
Bond issuance costs, net of amortization	3,445,000	—
Deferred bond and financing expense	—	54,167
Accounts and notes receivable	—	—
Other non-current assets	—	—
Total non-current assets	3,445,000	54,167
Other debits:		
Amount to be provided for retirement bonds	—	—
Amount to be provided for other long-term obligations	—	—
Total assets	\$ 491,373,000	52,998,177

URA	Public Parking Authority	Totals	
		1999	1998
279,547,229	5,102,039	337,356,543	338,942,135
—	—	141,218	627,941
183,906,303	1,574,882	211,101,574	197,056,127
—	984,943	984,943	972,071
22,394,238	—	22,394,238	14,871,743
1,587,453	—	1,587,453	5,709,808
—	—	7,250,000	7,312,000
—	—	155,544	3,060,000
—	—	20,228,302	—
—	—	1,489,000	1,479,000
23,865,868	—	23,865,868	25,985,568
511,301,091	7,661,864	626,554,683	596,016,393
2,009,527	19,322,400	117,501,216	130,951,116
—	—	1,459,202	1,825,189
2,009,527	19,322,400	118,960,418	132,776,305
—	—	71,355,727	71,032,602
24,695,358	—	24,695,358	24,695,358
501,750	—	501,750	460,994
1,927,859	—	1,927,859	580,496
—	90,922,462	90,922,462	99,132,991
—	3,332,694	3,332,694	2,997,477
—	—	232,150,000	220,391,000
92,699,947	—	92,699,947	91,519,639
—	—	9,024,000	8,768,000
—	—	102,166,000	102,166,000
—	2,371,810	42,463,810	33,037,529
—	—	4,548,276	4,165,742
(9,354,395)	(32,735,622)	(140,074,229)	(125,350,912)
—	—	(25,700,000)	—
110,470,519	63,891,344	510,013,654	533,596,916
—	—	—	5,850,002
—	1,067,051	4,512,051	4,888,160
—	—	54,167	62,500
—	5,244,369	5,244,369	2,035,269
7,841,958	—	7,841,958	7,874,763
7,841,958	6,311,420	17,652,545	20,710,694
1,555,000	—	1,555,000	1,555,000
516,394	—	516,394	457,407
2,071,394	—	2,071,394	2,012,407
633,694,489	97,187,028	1,275,252,694	1,285,112,715

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Balance Sheet

December 31, 1999

(With comparative totals for December 31, 1998)

Liabilities and Equity (Deficit)	PWSA	Stadium Authority
Current liabilities:		
Accounts payable and other accrued expenses	\$ 9,189,000	7,294,684
Accounts payable - primary government	—	—
Accrued payroll and related obligations	1,364,000	—
Accrued interest payable	—	150,000
Due to other funds	—	—
Due to other governments	—	—
Current maturities of long-term debt	—	6,957,300
Current maturities of long-term debt - primary government	—	1,520,000
Deferred revenue	—	4,136,220
Total current liabilities	10,553,000	20,058,204
Accounts payable from trustee funds	5,308,000	—
Accrued interest payable from trustee funds	7,506,000	—
Other accrued expenses	—	—
Grants from the primary government	—	22,775,168
Payroll related obligations	2,104,000	—
Deferred revenue	7,315,000	—
Accrued compensated absences	—	—
Long-term debt, net of current portion	452,297,000	12,366,186
Long-term payable to the primary government, net of current portion	—	18,605,000
Total liabilities	485,083,000	73,804,558
Fund equity:		
Contributed capital:		
Restricted for construction purposes	—	34,458,055
Contributed capital	5,277,000	—
Investments in general fixed assets		
Retained earnings	1,013,000	—
Accumulated deficit	—	(55,264,436)
Fund balance:		
Reserved for encumbrances	—	—
Unreserved:		
Designated for subsequent years' expenditures	—	—
Undesignated	—	—
Total fund equity	6,290,000	(20,806,381)
Total liabilities and fund equity	\$ 491,373,000	52,998,177

URA	Public Parking Authority	Totals	
		1999	1998
16,779,693	2,622,792	35,886,169	36,718,217
—	673,371	673,371	645,711
—	—	1,364,000	1,375,000
—	944,004	1,094,004	1,152,224
22,394,238	—	22,394,238	14,871,743
4,775,564	—	4,775,564	10,868,477
—	2,617,911	9,575,211	6,763,872
—	—	1,520,000	1,400,000
117,482,701	—	121,618,921	105,938,528
161,432,196	6,858,078	198,901,478	179,733,772
—	—	5,308,000	1,373,000
—	—	7,506,000	7,624,000
—	442,498	442,498	100,260
—	—	22,775,168	22,775,168
—	—	2,104,000	2,528,000
—	—	7,315,000	8,941,000
516,394	—	516,394	457,407
—	47,330,016	511,993,202	522,698,039
301,828,505	—	320,433,505	328,608,588
463,777,095	54,630,592	1,077,295,245	1,074,839,234
—	—	34,458,055	26,458,290
6,675,182	5,708,436	17,660,618	17,659,548
8,227,541	—	8,227,541	8,186,785
111,719,603	36,848,000	149,580,603	150,242,971
—	—	(55,264,436)	(33,017,878)
28,457,426	—	28,457,426	24,419,187
12,493,166	—	12,493,166	12,285,293
2,344,476	—	2,344,476	4,039,285
169,917,394	42,556,436	197,957,449	210,273,481
633,694,489	97,187,028	1,275,252,694	1,285,112,715

CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

Urban Redevelopment Authority

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

Year Ended December 31, 1999

	<u>General</u>	<u>Special Revenue</u>	<u>Totals (Memorandum Only)</u>
Revenues:			
Intergovernmental	\$ 1,217,005	49,813,964	51,030,969
Interest	133,730	1,308,445	1,442,175
Rental income	1,667,764	62,720	1,730,484
Loan repayments	346,124	7,632,063	7,978,187
Other	854,099	4,490,423	5,344,522
	<hr/>	<hr/>	<hr/>
Total revenues	4,218,722	63,307,615	67,526,337
Expenditures:			
Current:			
Urban development	645,540	56,893,206	57,538,746
Administrative	2,401,837	4,566,295	6,968,132
Other	31,074	947,225	978,299
	<hr/>	<hr/>	<hr/>
Total expenditures	3,078,451	62,406,726	65,485,177
	<hr/>	<hr/>	<hr/>
Excess of revenues over expenditures	1,140,271	900,889	2,041,160
Other financing sources (uses):			
Transfers in	29,873	22,356,306	22,386,179
Transfers out	(3,511,599)	(18,364,437)	(21,876,036)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(3,481,726)	3,991,869	510,143
	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(2,341,455)	4,892,758	2,551,303
Fund balance:			
Beginning of year	15,109,444	25,634,321	40,743,765
	<hr/>	<hr/>	<hr/>
End of year	\$ 12,767,989	30,527,079	43,295,068
	<hr/>	<hr/>	<hr/>

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>PWSA</u>	<u>Stadium Authority</u>
Operating revenues:		
Residential, commercial and industrial water sales	\$ 58,209,000	—
Rentals	—	3,092,882
Concessions	—	208,725
Medallions	—	561,754
Parking receipts	—	—
Parking leases and rentals	—	—
Lounge boxes	—	339,800
Program interest income	—	—
Property management revenue	—	—
Sales of housing units	—	—
Miscellaneous	1,110,000	1,122,843
	<hr/>	<hr/>
Total operating revenues	59,319,000	5,326,004
Operating expenses:		
Salaries and wages	—	3,164,017
Utilities	—	707,709
Interest	—	2,834,601
Depreciation and amortization	9,466,000	3,242,230
Cooperation agreement operating expenses	9,043,000	—
Expense of water provided by other entities	3,070,000	—
Repairs and maintenance	—	1,573,831
Insurance	—	365,143
Direct operating expenses	16,615,000	—
Administrative and other operating expenses	—	1,674,531
Parking taxes	—	—
Fair value discount/lender service fees	—	—
Property management and improvement	—	—
Cost of housing units sold	—	—
Miscellaneous	—	—
	<hr/>	<hr/>
Total operating expenses	38,194,000	13,562,062
	<hr/>	<hr/>
Operating income (loss)	21,125,000	(8,236,058)

URA	Public Parking Authority	Totals	
		1999	1998
—	—	58,209,000	54,438,000
—	—	3,092,882	3,100,340
—	—	208,725	794,537
—	—	561,754	647,823
—	23,968,748	23,968,748	22,064,681
—	569,480	569,480	540,374
—	—	339,800	1,154,865
12,678,865	—	12,678,865	9,076,064
7,631,208	—	7,631,208	5,002,858
889,213	—	889,213	732,223
152,671	14,945	2,400,459	1,050,435
21,351,957	24,553,173	110,550,134	98,602,200
—	—	3,164,017	3,060,417
—	—	707,709	564,243
—	—	2,834,601	2,808,203
3,232,764	3,293,418	19,234,412	17,488,638
—	—	9,043,000	6,988,000
—	—	3,070,000	3,050,000
—	—	1,573,831	1,449,028
—	—	365,143	471,445
—	—	16,615,000	15,859,000
1,429,259	9,393,451	12,497,241	11,872,820
—	4,708,565	4,708,565	4,397,588
506,782	—	506,782	864,105
2,442,376	—	2,442,376	2,077,488
1,130,477	—	1,130,477	1,102,851
1,918,381	—	1,918,381	1,088,302
10,660,039	17,395,434	79,811,535	73,142,128
10,691,918	7,157,739	30,738,599	25,460,072

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>PWSA</u>	<u>Stadium Authority</u>
Nonoperating revenue (expense):		
Interest income	\$ 3,130,000	—
Interest expense	(21,324,000)	—
Amortization	(291,000)	—
Meter and wharf receipts	—	—
Other income	—	62,500
Meter and wharf expenses	—	—
Payment in lieu of taxes	—	—
Other expense	—	—
Earned government grants	—	—
Loss of transfer of facilities to URA	—	—
Allegheny Regional Asset District grant	—	10,000,000
	<u>(18,485,000)</u>	<u>10,062,500</u>
Total nonoperating revenues (expenses)		
	(18,485,000)	10,062,500
Income before operating transfers and extraordinary item	2,640,000	1,826,442
Extraordinary loss on impairment of stadium complex	—	(25,700,000)
	<u>2,640,000</u>	<u>(23,873,558)</u>
Net income		
	2,640,000	(23,873,558)
Retained earnings (accumulated deficit), beginning of year, as previously reported	(1,627,000)	(31,390,878)
Correction of an error	—	—
	<u>(1,627,000)</u>	<u>(31,390,878)</u>
Retained earnings (accumulated deficit), beginning of year, as restated		
	(1,627,000)	(31,390,878)
Retained earnings (accumulated deficit), end of year	<u>\$ 1,013,000</u>	<u>(55,264,436)</u>

URA	Public Parking Authority	Totals	
		1999	1998
57,807	1,312,286	4,500,093	13,662,976
(16,597,586)	(2,961,259)	(40,882,845)	(39,193,570)
—	—	(291,000)	(319,000)
—	868,706	868,706	835,350
—	4,169	66,669	2,824
—	(766,571)	(766,571)	(760,000)
—	(1,400,000)	(1,400,000)	(1,400,000)
(1,226,484)	(3,475)	(1,229,959)	(287,966)
4,200,027	—	4,200,027	15,181,473
(510,143)	(263,044)	(773,187)	—
—	—	10,000,000	10,000,000
(14,076,379)	(3,209,188)	(25,708,067)	(2,277,913)
(3,384,461)	3,948,551	5,030,532	23,182,159
—	—	(25,700,000)	—
(3,384,461)	3,948,551	(20,669,468)	23,182,159
117,343,522	32,899,449	117,225,093	94,042,934
(2,239,458)	—	(2,239,458)	—
115,104,064	32,899,449	114,985,635	94,042,934
111,719,603	36,848,000	94,316,167	117,225,093

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Statement of Cash Flows

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>PWSA</u>	<u>Stadium Authority</u>
Cash flows from operating activities:		
Operating income	\$ 21,125,000	(8,236,058)
Reconciliation of operating income to net cash provided by (used by) operating activities:		
Depreciation and amortization	<u>9,466,000</u>	<u>3,242,230</u>
	30,591,000	(4,993,828)
Changes in operating assets and liabilities:		
Accounts receivable	(6,249,000)	(3,987,122)
Prepaid expenses	—	486,723
Other current assets	(10,000)	—
Accounts payable and accrued expenses	2,945,000	2,930,268
Deferred revenue	(1,626,000)	2,369,167
Due to primary government	—	—
Change in accrued payroll and withholdings	435,000	—
Interest payable	—	2,834,601
Loans issued	—	—
Loan repayments	<u>—</u>	<u>—</u>
Net cash provided by (used by) operating activities	26,086,000	(360,191)
Cash flows from investing activities:		
Interest earnings	8,062,000	—
Purchase of investment securities	(85,504,000)	—
Proceeds from sale and maturities of investments	102,205,000	—
Deposits to repair reserves	—	—
Payment received on notes receivable	—	—
Disbursement for loan made	<u>—</u>	<u>—</u>
Net cash provided by (used by) investing activities	24,763,000	—

URA	Public Parking Authority	Totals	
		1999	1998
10,691,918	7,157,739	30,738,599	25,460,072
3,727,455	3,293,418	19,729,103	17,844,267
14,419,373	10,451,157	50,467,702	43,304,339
(12,908,188)	(201,364)	(23,345,674)	1,408,194
—	(8,830)	477,893	(414,374)
489,091	367,856	846,947	6,919,932
(8,634,558)	—	(2,759,290)	768,435
(252,932)	—	490,235	(726,680)
—	—	—	(930,000)
—	—	435,000	(639,000)
—	—	2,834,601	2,808,203
(9,030,802)	—	(9,030,802)	(19,614,263)
21,127,850	—	21,127,850	23,204,159
5,209,834	10,608,819	41,544,462	56,088,945
6,070,757	1,290,583	15,423,340	17,863,082
(292,792,617)	—	(378,296,617)	(565,745,481)
298,185,254	—	400,390,254	506,531,067
(36,450)	—	(36,450)	(3,038)
—	148,139	148,139	137,207
(1,600,000)	—	(1,600,000)	—
9,826,944	1,438,722	36,028,666	(41,217,163)

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Statement of Cash Flows

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

	<u>PWSA</u>	<u>Stadium Authority</u>
Cash flows from noncapital financing activities:		
Principal payment related to noncapital funds	\$ (711,000)	—
Interest payment related to noncapital funds	(1,836,000)	—
Payment in lieu of taxes	—	—
Meter and wharf receipts	—	—
Meter and wharf expenses	—	—
Other, net	—	62,500
Grants from the Allegheny Regional Asset District	—	10,000,000
Proceeds from borrowing	—	—
Costs	—	—
Early redemption of bonds	—	—
Transfer (to) from other funds	—	—
	<hr/>	<hr/>
Net cash provided by (used by) noncapital financing activities	(2,547,000)	10,062,500
Cash flows from capital and related financing activities:		
Principal payment related to capital funds	(8,174,000)	(7,101,554)
Interest payment related to capital funds	(21,117,000)	(2,853,767)
Additions to Stadium complex	—	(608,506)
Acquisition and construction of capital assets	(14,016,000)	—
Proceeds from sale of assets	—	—
Proceeds from issuance of revenue bonds related to capital funds	—	—
Bond issuance costs	—	—
Repayment - GNMA securities	—	—
Proceeds from note	—	5,000,000
Proceeds from capital grants	—	16,816,223
Purchase of property held for future use	—	(382,534)
Payments in connection with new stadium complexes	—	(18,851,190)
	<hr/>	<hr/>
Net cash provided by (used by) capital and related financing activities	(43,307,000)	(7,981,328)
Net increase (decrease) in cash and cash equivalents	4,995,000	1,720,981
Cash and cash equivalents at beginning of year	46,699,000	4,735,583
Cash and cash equivalents at end of year	\$ <u>51,694,000</u>	<u>6,456,564</u>

URA	Public Parking Authority	Totals	
		1999	1998
(72,306,090)	(2,585,858)	(75,602,948)	(29,736,689)
(18,033,911)	—	(19,869,911)	(17,551,643)
—	(1,400,000)	(1,400,000)	(1,400,000)
—	868,706	868,706	835,350
—	(737,258)	(737,258)	(677,478)
2,887,089	694	2,950,283	14,993,326
—	—	10,000,000	10,000,000
66,438,546	—	66,438,546	88,840,336
(406,529)	—	(406,529)	(790,098)
(3,030,000)	—	(3,030,000)	(9,365,622)
(510,143)	—	(510,143)	—
(24,961,038)	(3,853,716)	(21,299,254)	55,147,482
—	—	(15,275,554)	(11,493,846)
—	(3,000,312)	(26,971,079)	(23,268,424)
—	—	(608,506)	(3,880,225)
—	(2,588,649)	(16,604,649)	(50,677,402)
—	—	—	629,736
—	—	—	226,112,000
—	—	—	(194,756,000)
—	—	—	10,110,240
—	—	5,000,000	4,000,000
—	—	16,816,223	4,655,314
(2,527,670)	—	(2,910,204)	(4,000,000)
—	—	(18,851,190)	—
(2,527,670)	(5,588,961)	(59,404,959)	(42,568,607)
(12,451,930)	2,604,864	(3,131,085)	27,450,657
39,596,889	21,819,575	112,851,047	85,400,390
27,144,959	24,424,439	109,719,962	112,851,047

CITY OF PITTSBURGH, PENNSYLVANIA

Discrete Component Units

Combining Statement of Cash Flows

For the Year Ended December 31, 1999
(With comparative totals for December 31, 1998)

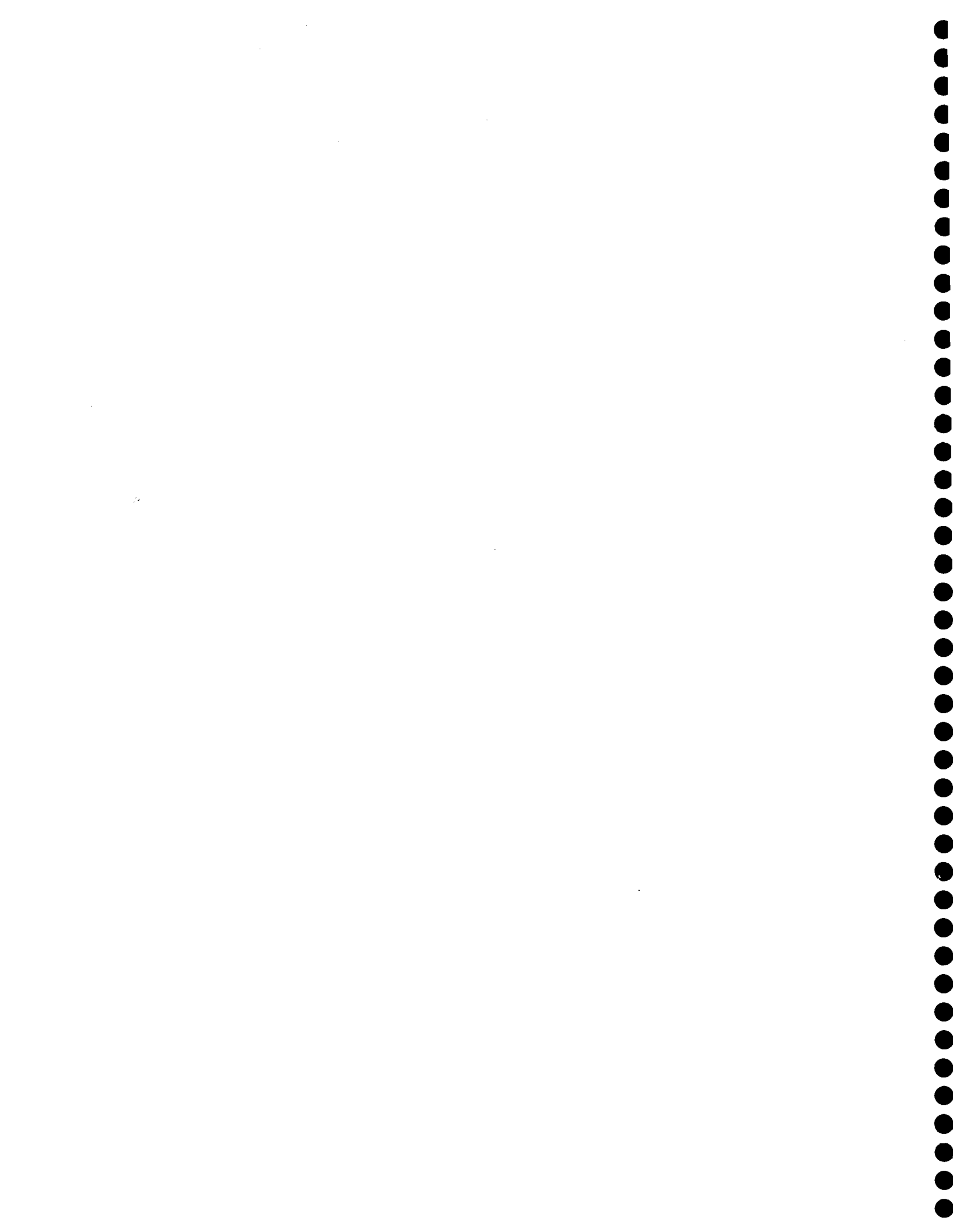
	<u>PWSA</u>	<u>Stadium Authority</u>
Supplemental information:		
Cash and cash equivalents	\$ 46,571,000	6,136,275
Non-proprietary cash and cash equivalents	—	—
Trusted and restricted funds	97,230,000	398,491
Long-term restricted investments	(90,726,000)	—
Restricted funds which are not cash or investments	<u>(1,381,000)</u>	<u>(78,202)</u>
Total cash and cash equivalents at the end of the year	<u>\$ 51,694,000</u>	<u>6,456,564</u>

URA	Public Parking Authority	Totals	
		1999	1998
279,547,229	5,102,039	337,356,543	338,895,818
(87,893,007)	—	(87,893,007)	(71,427,267)
—	19,322,400	116,950,891	130,872,997
(164,509,263)	—	(255,235,263)	(283,665,312)
—	—	(1,459,202)	(1,825,189)
<u>27,144,959</u>	<u>24,424,439</u>	<u>109,719,962</u>	<u>112,851,047</u>

CITY OF PITTSBURGH,
PENNSYLVANIA



STATISTICAL SECTION



CITY OF PITTSBURGH,
PENNSYLVANIA

Table 1
CITY OF PITTSBURGH, PENNSYLVANIA
General Governmental Revenues (1)
Last Ten Years
(GAAP Basis)
(Amounts in Thousands)

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Taxes (2)	\$ 275,291	269,472	263,767	269,213
Payment in lieu of taxes	1,821	2,313	2,171	3,583
Interest earnings	9,166	10,321	8,432	8,942
Fines and forfeits	8,565	8,031	7,351	6,861
Licenses and fees	16,050	6,995	11,171	8,323
Pittsburgh Zoo receipts	—	—	—	—
Intergovernmental	66,217	62,401	64,055	59,152
Charges for user services	15,690	21,025	22,279	18,457
Pension state aid	13,258	14,632	—	—
Miscellaneous	3,080	2,987	1,722	1,141
Total	\$ <u>409,138</u>	<u>398,177</u>	<u>380,948</u>	<u>375,672</u>

- (1) Includes general, special revenue, debt service and capital projects funds.
- (2) Includes penalty and interest.
- (3) Restated for GASB No. 22 implementation.

1995	1994 (3)	1993	1992	1991	1990
253,528	248,829	239,500	239,325	234,205	235,257
4,981	4,644	4,646	5,128	3,873	—
5,263	3,673	3,722	3,758	6,645	9,531
5,782	6,471	5,234	4,696	5,179	5,412
7,447	9,511	8,155	10,321	12,766	13,046
—	—	—	1,945	1,958	1,470
52,478	46,663	45,666	44,408	49,454	43,977
17,922	17,071	17,706	11,903	2,581	2,430
—	—	—	—	—	—
2,095	2,379	3,713	4,888	3,780	1,941
349,496	339,241	328,342	326,372	320,441	313,064

Table 1A
CITY OF PITTSBURGH, PENNSYLVANIA

General Fund Tax Revenues by Source

Last Ten Years

(Amounts in Thousands)

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
Real estate tax	\$ 117,966	112,434	123,993	120,136
Mercantile tax	6,935	7,038	6,773	6,966
Amusement tax	5,584	7,813	5,744	6,415
Personal property tax	—	—	—	—
Earned income tax	41,595	42,941	36,901	39,146
Deed transfer tax	10,816	9,317	7,537	6,711
Sewage charges (3)	—	—	—	1,474
Parking tax	28,817	28,728	23,461	22,757
Occupation privilege tax	3,106	3,142	2,670	2,890
Business privilege tax	35,447	35,269	35,465	36,210
Institution/service tax	616	802	1,098	909
Penalties and interest	4,898	2,045	2,380	3,730
Public service privilege	680	641	703	399
Cable indirect cost	—	1,175	—	343
Non-profit/payments and services (2)	—	—	—	—
Regional Asset District	18,831	18,127	17,042	21,127
Total tax revenues	\$ <u>275,291</u>	<u>269,472</u>	<u>263,767</u>	<u>269,213</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 1997 through 1999.

(4) Restated for GASB No. 22 implementation.

1995	1994	1993 (4)	1992	1991	1990 (1)
112,752	113,306	113,675	115,421	113,795	118,494
6,489	6,580	6,739	6,457	6,826	6,694
5,789	8,692	11,085	11,052	10,987	8,982
8	4,079	3,737	3,125	2,737	2,627
34,793	39,675	37,151	37,337	36,675	40,113
7,281	5,756	5,932	5,280	4,716	5,857
1,441	1,486	1,267	1,023	1,201	1,500
21,937	21,261	20,448	19,683	17,696	17,325
3,145	3,289	3,090	3,097	3,346	3,196
35,337	33,252	31,325	31,156	31,115	28,206
822	696	455	642	656	341
4,078	4,299	4,123	4,532	4,148	4,412
450	400	473	520	307	220
—	—	—	—	—	364
—	—	—	—	—	1,685
19,206	6,058	—	—	—	—
<u>253,528</u>	<u>248,829</u>	<u>239,500</u>	<u>239,325</u>	<u>234,205</u>	<u>240,016</u>

Table 2
CITY OF PITTSBURGH, PENNSYLVANIA
General Governmental Expenditures (1)
Last Ten Years
(Amounts in Thousands)

	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>
General government	\$ 43,004	42,927	51,401	31,691
Public safety	143,878	139,567	137,815	134,602
Public works	28,129	29,901	27,167	36,487
Sanitation	10,062	9,981	12,050	12,770
Community, recreational and cultural	8,403	7,920	8,407	8,557
Employee benefits, etc.	58,582	310,299	73,535	89,521
Claims and judgments	10,409	2,519	(3,854)	4,436
Miscellaneous	633	1,885	980	1,192
Intergovernmental programs	21,176	15,542	10,191	23,560
Capital projects	48,448	42,484	45,630	46,117
Bond issue costs	594	2,385	601	1,651
Debt service/authorities	84,016	75,545	55,396	52,218
Total	\$ <u>457,334</u>	<u>680,955</u>	<u>419,319</u>	<u>442,802</u>

- (1) Includes general, special revenue, debt service and capital projects funds.
(2) Restated for GASB No. 16 implementation.

1995	1994	1993 (2)	1992	1991	1990
29,880	27,603	25,296	25,132	31,666	25,619
131,838	129,879	127,607	118,159	115,647	109,198
39,558	38,246	40,024	36,850	36,196	35,941
12,035	11,966	15,366	15,453	15,421	15,070
8,147	14,657	18,434	22,687	23,533	24,848
52,109	60,129	51,920	49,902	49,932	45,003
2,519	1,165	1,778	1,291	1,004	656
2,581	3,076	2,719	2,885	2,854	2,991
22,652	17,899	18,173	16,666	12,546	14,572
39,108	37,029	39,905	42,295	52,710	41,541
1,138	376	492	1,127	778	—
66,392	59,806	59,188	57,833	54,441	56,299
407,957	401,831	400,902	390,280	396,728	371,738

Table 3
CITY OF PITTSBURGH, PENNSYLVANIA
Assessed Value, Tax Rate, Levy and Collections
Last Ten Years
(Amounts in Thousands)

Fiscal year		Assessed valuation of land and buildings	Land millage	Building millage	Original net levy	Adjusted net levy (1)	Budgeted
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
1999		2,125,768	184.5	32.00	125,422	117,382	113,715

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

Year of original levy							Delinquent taxes						
Receipts		Percent of original net levy collected		Percent of adjusted net levy collected		Percent of budget collected	Collection		Percent of budget collected				
							Budget	Receipts					
\$	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
	112,569		89.8		95.9		99.0		5,686		5,397		94.9

Table 4
CITY OF PITTSBURGH, PENNSYLVANIA
Assessed and Estimated Actual Value of Property
Last Ten Years
(Amounts in Thousands)

Fiscal year	Real property		Personal property		Total		Ratio of total assessed value to total estimated actual value
	Assessed value	Estimated actual value	Assessed value	Estimated actual value	Assessed value	Estimated actual value	
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
1999	2,125,768	8,503,072	(1)	(1)	2,125,768	8,503,072	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)			
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
1999	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, 1999

(Amounts in Thousands)

Taxpayer	Principal type of business	1999 assessed valuation	Percentage of total assessed value
500 Grant Street Associates (One Mellon Bank Center)	Real Estate	\$ 53,039	2.50
Market View Incorporated (Subsidiary of PPG Industries)	Real Estate	38,000	1.79
Pittsburgh National Corporation	Commercial banking	32,894	1.55
600 Grant Street Associates (USX Building)	Real Estate	36,040	1.70
Oxford Development	Real Estate	25,928	1.22
Grant Liberty Development Group	Real Estate	19,124	0.90
Gateway Trizec, Inc. (previously known as Equitable Life Assurance Society of the United States)	Real Estate	18,185	0.86
Mellon Bank, N.A.	Commercial banking	16,981	0.80
Harrah's Forest City Associates	Real Estate	7,093	0.33
Penn Liberty Holding Co.	Real Estate	18,441	0.87

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) \$2,125,768

CITY OF PITTSBURGH,
PENNSYLVANIA

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, 1999

	<u>Nonelectoral debt</u>	<u>Lease rental debt</u>
Gross debt (1):		
Principal amount of bonds issued and outstanding:		
General obligation	\$ 914,639,994	—
Auditorium Authority:		
Serviced by the City	—	11,725,000
Serviced by others	—	3,037,500
Stadium Authority	—	39,448,486
Urban Redevelopment Authority	—	71,537,331
	<hr/>	<hr/>
Total gross debt	914,639,994	125,748,317
Items deductible from gross debt:		
Cash and legal investments held in sinking fund for payment of bonds and notes	15,117,311	—
Cash in bond fund applicable to debt	68,643,548	—
Delinquent real estate taxes and sewage collections	128,559	—
Self-liquidating and subsidized debt:		
Auditorium Authority:		
Serviced by the City	—	4,100,000
Serviced by others	—	2,194,500
Urban Redevelopment Authority	—	1,794,089
Taxable General Obligation Pension Bond, 1996B	36,500,000	—
Taxable General Obligation Pension Bond, 1998ABC	253,519,607	—
	<hr/>	<hr/>
Total deductions	373,909,025	8,088,589
	<hr/>	<hr/>
Net debt	\$ 540,730,969	117,659,728
	<hr/>	<hr/>

- (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.

Table 7

CITY OF PITTSBURGH, PENNSYLVANIA

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

December 31, 1999

Allocation of Total Net Debt

Net nonelectoral debt	\$	540,730,969
Net lease rental debt		<u>117,659,728</u>
Net nonelectoral and lease rental debt	\$	<u><u>658,390,697</u></u>

Debt Incurring Margin

	<u>1996</u>	<u>1997</u>	<u>1998</u>
Total net revenue of the City	\$ 336,311,523	338,770,822	<u>356,458,892</u>
Borrowing base (arithmetic average of total net revenue for said three fiscal years)			\$ <u><u>343,847,079</u></u>

	<u>Net nonelectoral debt (borrowing base x 250%)</u>	<u>Net nonelectoral and lease rental debt (borrowing base x 350%)</u>
Debt limitations	\$ 859,617,698	1,203,464,777
Less existing net debt	<u>(540,730,969)</u>	<u>(658,390,697)</u>
Remaining debt incurring margin	\$ <u><u>318,886,729</u></u>	<u><u>545,074,080</u></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)

Fiscal year	Population	Assessed value	Gross bonded debt	Less debt service funds	Net general bonded debt	Ratio of net general bonded debt to assessed value	Net general bonded debt per capita
1990	370	\$ 2,071,085	\$ 382,445	\$ 1,090	\$ 381,355	% 18.41	\$ 1,031
1991	370	2,085,143	413,425	903	412,522	19.78	1,115
1992	370	2,120,326	484,838	491	484,347	22.84	1,309
1993	370	2,055,751	485,591	530	485,061	23.60	1,311
1994	370	2,070,364	472,642	635	472,007	22.80	1,276
1995	370	2,047,583	548,004	7,311	540,693	26.41	1,461
1996	370	2,036,489	579,210	21,747	557,463	27.37	1,507
1997	370	2,047,441	637,768	16,749	621,019	30.33	1,678
1998	370	2,085,013	879,185	12,512	866,673	41.57	2,342
1999	370	2,185,768	914,640	15,705	898,935	41.13	2,430

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

Fiscal year	Principal	Interest (2)	Total debt service	Total general governmental expenditures (3)	Ratio of debt to general governmental expenditures
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
1999	24,178	48,100	72,278	457,334	15.80

(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, 1999
(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	\$ 898,935	% 100	\$ 898,935
Equipment Leasing Authority	—		
Stadium Authority	39,448	100	39,448
Auditorium Authority	23,450	50	11,725
Total direct debt	961,833		950,108
Overlapping debt:			
Auditorium Authority	6,075	50	3,037
Pittsburgh Water and Sewer Authority	452,297		
The School District of Pittsburgh	247,166	100	247,166
Allegheny County	605,943	28	169,664
Total overlapping debt	1,311,481		419,867
Total direct and overlapping debt	\$ 2,273,314		1,369,975

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							
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	0.97
1997		53,244		25,790		27,454		9,440		23,657		33,097	0.83
1998		54,836		25,897		28,939		8,550		18,269		26,819	1.08
1999		59,319		28,728		30,591		8,885		22,953		31,838	0.96

(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			Coverage (5)
				Principal	Interest	Total	
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	—
1999	5,326	7,485	(2,159)	7,101	2,854	9,955	—

(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) Population	(2) Per capita income	(2) Median age	(3) School enrollment	(4) Unemployment rate percentage
1990	369,879	18,737	37	39,661	4.8
1991	369,879	20,087	37	40,137	6.0
1992	369,879	21,437	38	39,343	6.8
1993	369,879	22,786	38	40,167	6.0
1994	369,879	24,136	38	39,728	5.9
1995	369,879	23,361 *	38	39,761	5.5
1996	369,879	20,747 *	35	39,955	4.5
1997	369,879	22,550	35	40,181	4.6
1998	369,879	29,328	39	39,603	4.5
1999	369,879	23,892	40	38,846	4.0

Data Sources

- (1) Census Bureau
- (2) Source Book of Zip Codes - 1999
- (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)

Fiscal year		Property value (1)	Construction (2)			Bank deposits (3)
			Number of permits issued	Dollar value		
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
1999		2,125,768	2,271	414,860		88,576,149

(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, 1999

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

Fiscal year	Regular budgeted positions		Actual January payroll
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
1999	4,234		4,067



OTHER INFORMATION



CITY OF PITTSBURGH,
PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Insurance in Force

For the Year Ended December 31, 1999

Type of insurance/ name of company	Coverage	Policy period	Liability limits	Annual premium
Boiler insurance – Reliance Insurance blanket	General services occurrence	04/30/98 – 04/30/00	\$5,000 per accident \$50,000 business interruption per	\$ 7,945
Errors and omissions insurance – Western World Insurance Co.	Public safety E.M.S.	07/01/98 – 06/30/00	\$500,000 per endorsement \$2,500 deductible	21,372
Property insurance – Reliance Insurance	General services blanket	04/30/98 – 04/30/00	All risk and extended coverage \$2,500 deductible	32,264
Point Park police – General Star	Public safety police	09/17/97 – 09/17/00	\$500,000 each \$1,000,000 aggregate \$2,500 deductible each claim	3,980
Crime, general – St. Paul	General services blanket	04/30/98 – 04/30/00	Various	3,105
General liability– St. Paul	General services blanket	04/30/98 – 04/30/00	\$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, 1999

<u>Official</u>	<u>Budgeted Annual salary</u>	<u>Amount of surety bond</u>
Mayor	\$ 81,222	\$ 10,000
Director of Finance	81,598	200,000
Controller	52,581	10,000
Members of City Council (9)	47,470 each	

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<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	22,859,570
General Obligation Bonds, 1992, Series C (zero coupon bonds)	10/15/92	4,440,559	4,794,994
General Obligation Bonds, 1993, Series A	04/01/93	60,745,000	51,765,000
Carried forward			<hr/> 79,419,564

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
\$3,260,000 in 2000	% 6.00	\$ 1,208,248	2,051,752
\$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		
(\$7,855,430) Unamortized Bond Discount			
\$2,260,000 in 2002	6.15	—	—
\$2,260,000 in 2003	6.25		
\$1,430,000 in 2004	6.35		
(\$1,155,006) Unamortized Bond Discount			
\$2,395,000 in 2000	4.50	2,722,095	2,395,000
\$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		
		<hr/>	<hr/>
		3,930,343	4,446,752

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

Serial bonds	Date of issue	Amount sold	Amount outstanding
Brought forward			\$ 79,419,564
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	103,515,000
General Obligation Bonds, 1996, Series A	12/15/96	162,535,000	132,865,000
Carried forward			394,499,564

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 3,930,343	4,446,752
\$ 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		
\$ 3,830,000 in 2000	4.20	4,968,299	3,830,000
\$ 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		
\$14,595,000 in 2000	5.00	6,716,975	14,595,000
\$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		
		19,711,207	22,871,752

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 394,499,564
General Obligation Bonds, 1996, Series B	12/15/96	\$ 37,710,000	21,510,000
General Obligation Bonds, 1997, Series A	12/01/97	20,295,000	13,535,000
General Obligation Bonds, 1997 Series B	12/01/97	29,735,000	29,735,000
Carried forward			<hr/> 459,279,564

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 19,711,207	22,871,752
\$ 590,000 in 2000	% 6.00	1,426,800	590,000
\$ 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		
		23,335,337	23,461,752

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 459,279,564
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	254,865,000
Carried forward			<hr/> 734,264,564

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 23,335,337	23,461,752
\$ 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 2000	5.60	16,567,979	1,000,000
\$ 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		
		40,953,797	24,461,752

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 734,264,564
General Obligation Bonds, 1998, Series D	03/01/98	\$ 129,490,000	129,490,000
General Obligation Bonds, 1998, Series E	10/15/98	18,355,000	16,605,000
Carried forward			<u>880,359,564</u>

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 40,953,797	24,461,752
\$ 2,310,000 in 2002	% 5.00	6,459,915	—
\$ 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		
\$ 8,105,000 in 2000	5.15	859,408	8,105,000
\$ 8,500,000 in 2001	5.20		
		48,273,120	32,566,752

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

[illegible]

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 48,273,120	32,566,752
\$ 255,000 in 2002	% 4.25	2,307,677	
\$ 255,000 in 2003	4.35		
\$ 255,000 in 2004	4.50		
\$ 255,000 in 2005	4.60		
\$ 255,000 in 2006	4.75		
\$ 255,000 in 2007	4.80		
\$ 255,000 in 2008	4.90		
\$ 255,000 in 2009	5.00		
\$ 255,000 in 2010	5.00		
\$ 255,000 in 2011	5.15		
\$2,320,000 in 2012	5.75		
\$2,440,000 in 2013	5.75		
\$2,320,000 in 2014	5.38		
\$4,600,000 in 2015	5.50		
\$4,505,000 in 2016	5.75		
\$4,600,000 in 2017	5.65		
\$4,450,000 in 2018	6.00		
\$4,555,000 in 2019	5.75		
\$4,715,000 in 2020	5.75		
\$4,900,000 in 2021	5.75		
\$5,000,000 in 2022	5.75		
\$5,000,000 in 2023	5.75		
\$5,000,000 in 2024	5.75		
		50,580,797	32,566,752
		(1,208,248)	(2,051,752)
		49,372,549	30,515,000

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Public Auditorium Authority Revenue Bonds (City share)			
Auditorium Bonds (Refunding), 1991, Series A	10/01/91	\$ 7,960,000	3,037,500
 Auditorium Bonds (Civic Arena Improvements), 1991, Series B	 10/01/91	 3,122,500	 3,122,500
 Carried forward			 <u>6,160,000</u>

Maturity information	Coupon or ceiling rate of interest		2000 Maximum debt service requirements	
			Interest	Principal
\$362,500 in 2000	%	5.90	\$ 189,040	362,500
\$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	195,658	315,000
\$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		
			<hr/>	<hr/>
			384,698	677,500

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 6,160,000
Auditorium Bonds, 1994, Series A	09/15/94	\$ 1,685,000	1,465,000
Auditorium Bonds (Taxable), 1994, Series B	09/15/94	5,125,000	4,100,000
Total Public Auditorium Authority Revenue Bonds			<u>11,725,000</u>

Maturity information	Coupon or ceiling rate of interest		2000 Maximum debt service requirements	
			Interest	Principal
			\$ 384,698	677,500
\$ 55,000 in 2000	%	5.00	85,287	55,000
\$ 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		
\$205,000 in 2000		7.55	339,992	205,000
\$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		
			809,977	937,500

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Urban Redevelopment Authority of Pittsburgh Taxable Revenue Bonds			
Urban Redevelopment Authority of Pittsburgh Guaranteed Tax Increment Financing Bonds, 1994, Series A	02/02/94	\$ 2,085,535	1,794,089
Urban Redevelopment Authority of Pittsburgh Taxable Revenue Bonds, 1994, Series B	06/15/94	8,245,000	4,855,000
Carried forward			<u>6,649,089</u>

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
\$ 83,270 in 2000	% 5.75	\$ 122,370	83,270
\$ 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		
\$ 830,000 in 2000	7.70	384,120	830,000
\$ 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		
		<hr/>	<hr/>
		506,490	913,270

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 6,649,089
Urban Redevelopment Authority of Pittsburgh Special Tax Development Bonds, Taxable Series of 1995	02/01/95	\$ 61,390,000	57,725,000
Urban Redevelopment Authority of Pittsburgh Redevelopment Bonds, 1995 Series A	12/01/95	2,855,787	2,549,201
Carried forward			<hr/> 66,923,290

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 506,490	913,270
\$ 1,120,000 in 2000	% 8.30	5,124,618	1,120,000
\$ 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		
\$ 138,153 in 2000	5.13	145,809	138,153
\$ 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		
		5,776,917	2,171,423

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 66,923,290
Urban Redevelopment Authority of Pittsburgh Redevelopment Bonds, 1995, Series B	12/01/95	\$ 1,637,016	1,616,198
Urban Redevelopment Authority of Pittsburgh, Taxable Redevelopment Bonds, 1996 Series	05/15/96	3,179,187	2,997,843
Total Urban Redevelopment Authority Bonds			<u>71,537,331</u>

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 5,776,917	2,171,423
\$ 49,205 in 2000	% 5.75	97,459	49,205
\$ 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		
\$102,006 in 2000	6.69	227,447	102,006
\$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>6,101,823</u>	<u>2,322,634</u>

CITY OF PITTSBURGH, PENNSYLVANIA**Schedule of Bonds and Notes Payable**

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Stadium Authority Revenue Bonds			
Guaranteed Refunding Bonds, Series 1993	08/15/93	\$ 15,945,000	12,530,000
Note payable (Scoreboard), 1994 Series	01/19/94	4,373,000	1,936,500
Bond Anticipation Note		5,000,000	5,000,000
Subtotal			19,466,500
Less unamortized bond discount			(143,014)
Plus General Obligation Bonds funded by Stadium Authority			20,125,000
Net Stadium Authority Bonds and Notes Payable			39,448,486

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
\$1,570,000 in 1999	% 4.15	\$ 574,185	1,570,000
\$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
\$5,000,000 in 1999	Euro-rate plus 1.35%	—	5,000,000
		574,185	6,957,300
		1,057,061	2,207,939
		1,631,246	9,165,239

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Public Parking Authority of Pittsburgh			
Parking Systems Revenue Bonds' Series 1992A	08/15/92	\$ 60,960,000	47,637,949
Registered Notes (neighborhood business districts)	Various	Unknown	2,250
Urban Redevelopment Authority of Pittsburgh Note	1994	128,293	15,277
PNC Bank Secured Note	1996	2,000,000	1,572,803
PNC Bank Secured Note	1997	800,000	692,470
Total Public Parking Authority Bonds and Notes Payable			<u>49,920,749</u>

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
\$ 2,385,000 in 2000	% 5.20	\$ 2,736,139	2,385,000
\$ 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		
\$(1,067,051) unamortized bond discount			
\$ 2,250 after 2000	No interest	—	—
\$ 15,277 in 2000	No interest	—	15,277
\$ 163,834 in 2000	6.00	116,546	163,834
\$ 177,053 in 2001	6.00		
\$ 1,231,916 in 2002	6.00		
\$ 90,197 in 2000	5.75	38,176	53,800
\$ 70,162 in 2001	5.75		
\$ 545,877 in 2002	5.75		
		<u>2,890,861</u>	<u>2,617,911</u>

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Pittsburgh Water and Sewer Authority Bonds			
Revenue Refunding Bonds, 1993 Series A	10/15/93	\$ 278,973,000	235,875,000
Revenue Bonds, 1993 Series B	10/15/93	10,785,000	10,785,000
Carried forward			<hr/> 246,660,000

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
\$ 9,245,000 in 2000	% 4.25	\$ 12,133,928	9,245,000
\$ 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		
		<hr/>	<hr/>
		12,605,772	9,245,000

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 246,660,000
First Lien Revenue Bonds, 1998 Series A	03/01/98	\$ 93,550,000	93,355,000
First Lien Revenue Bonds, 1998 Series B	03/01/98	36,440,070	40,089,000
Carried forward			380,104,000

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 12,605,772	9,245,000
\$ 8,455,000 in 2017	% 5.00	4,725,118	—
\$ 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			
		17,330,890	9,245,000

CITY OF PITTSBURGH, PENNSYLVANIA

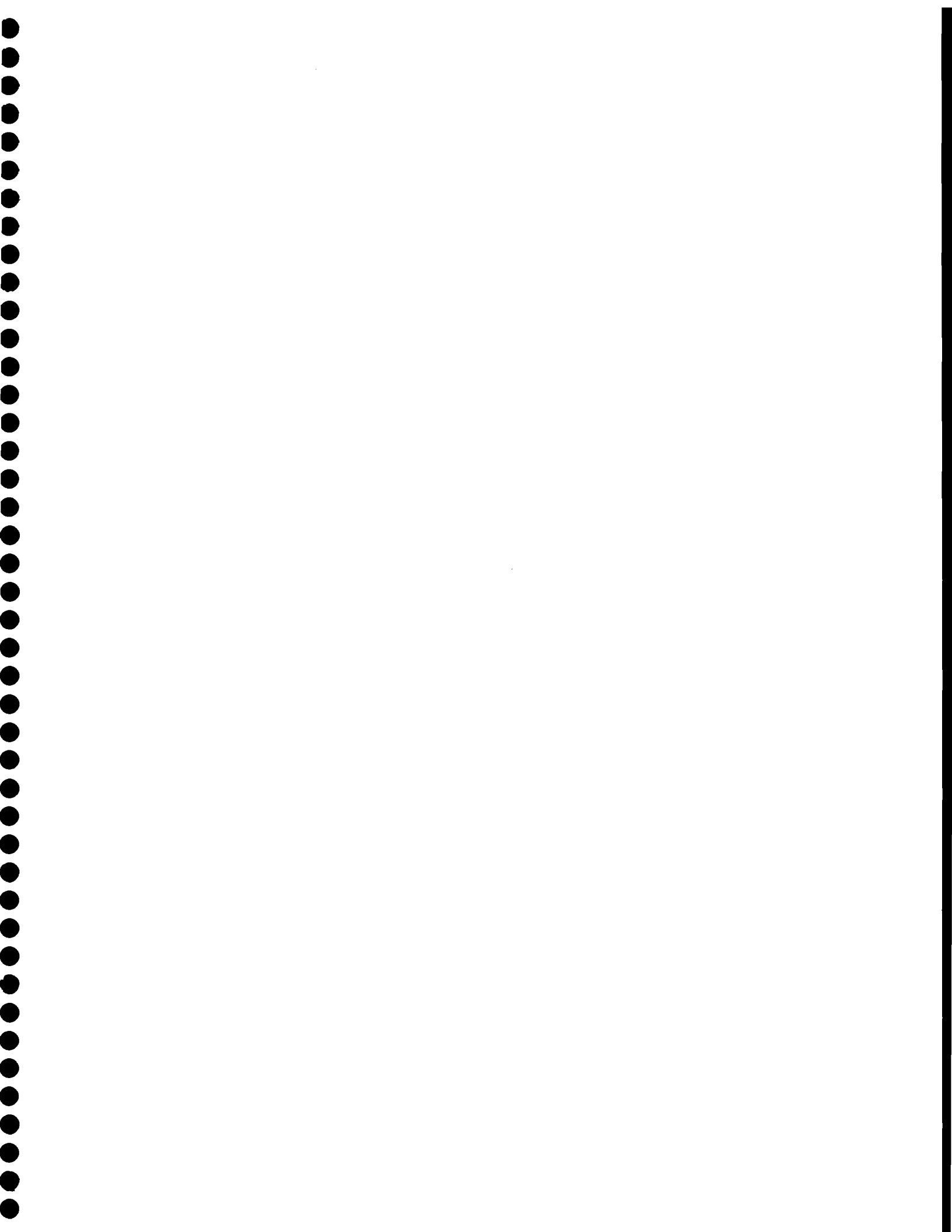
Schedule of Bonds and Notes Payable

December 31, 1999

<u>Serial bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 380,104,000
Subordinate Revenue Bonds, 1998 Series C	03/01/98	\$ 101,970,000	101,970,000
Gross Pittsburgh Water and Sewer Authority Revenue Bonds			<u>482,074,000</u>
Plus net bond discount			(3,151,000)
Less deferred Series 1991 refunding loss			(21,238,000)
Less deferred Series 1998 refunding loss			<u>(5,388,000)</u>
Net Pittsburgh Water and Sewer Authority Revenue Bonds			<u>452,297,000</u>
Total Bonds and Notes Payable			<u>\$ 1,539,568,560</u>

Maturity information	Coupon or ceiling rate of interest	2000 Maximum debt service requirements	
		Interest	Principal
		\$ 17,330,890	9,245,000
\$ 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		
		22,516,216	9,245,000
		22,516,216	9,245,000
		83,322,672	54,803,284

CITY OF PITTSBURGH,
PENNSYLVANIA





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