

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

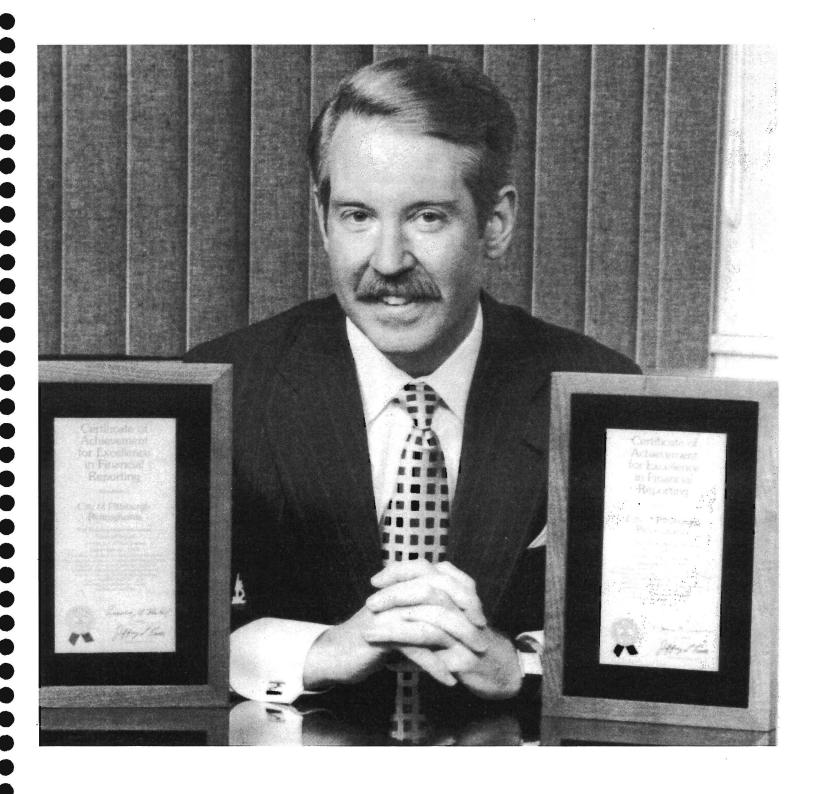


FOR THE FISCAL YEAR ENDED DECEMBER 31,2001

Prepared by: Office of City Controller

TOM FLAHERTY, CONTROLLER

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Tom Flaherty
City Controller

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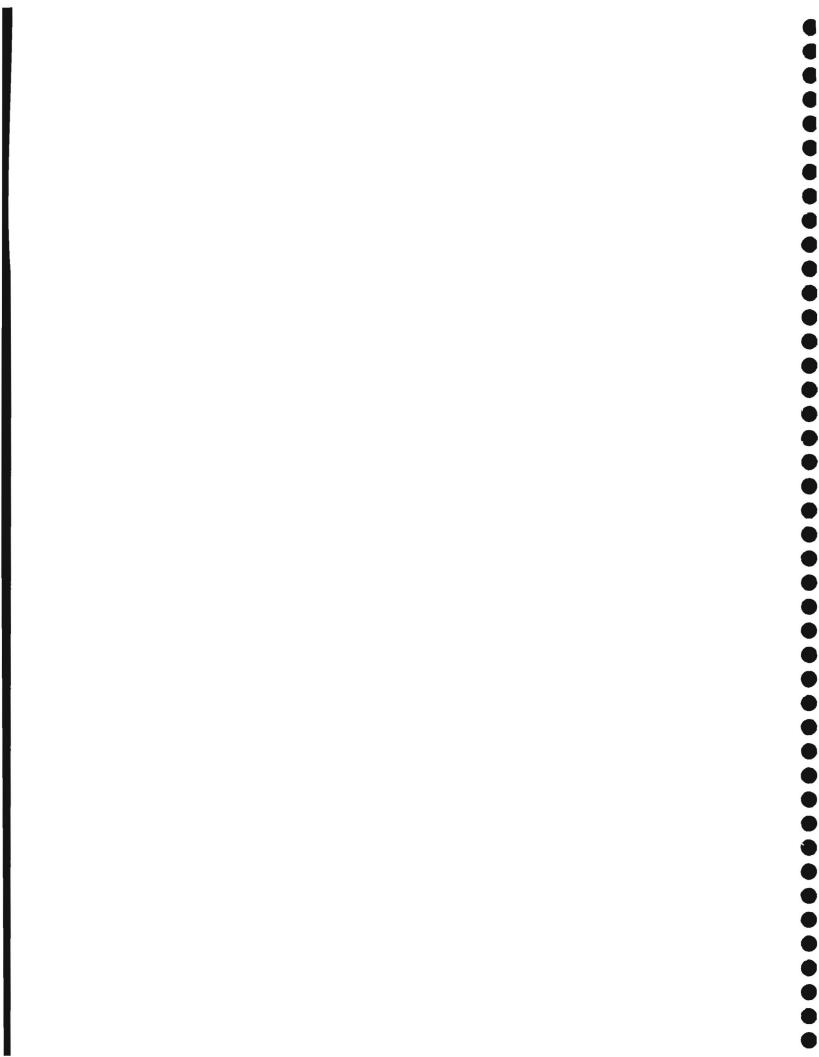
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# INTRODUCTORY SECTION



## LETTER OF TRANSMITTAL

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OFFICE OF THE CITY CONTROLLER
TOM FLAHERTY, CONTROLLER

412-255-2055 FAX 412-255-2958

June 30, 2002

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, 2001.

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 2000 Census, the city's population is 334,563.

#### **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 in 1999 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. 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 four years ago at the corner of Fifth Avenue and Wood Street, and the Mellon Bank building at Smithfield Street was renovated into a Lord and Taylor store.

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, 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 Lowes theater, Lowes hardware, Giant Eagle, Target, Dick's, Barnes and Noble, American Eagle, Ann Taylor, T.G.I. 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 rending 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, 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 partnered 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 K-Mart in East Liberty.

With each passing year, Pittsburgh's economic outlook grows brighter. Unemployment rates are up from a 30-year low locally of 3.7% in 2000, in the six county metro area, to 4.9% as of April 2002. The unemployment rate was 5.4% for Pennsylvania and 6.0% nationally, an 8 year high, as of April 2002. The City has a diversified economy that is better positioned to sustain an economic slowdown than it was in previous slowdowns and recessions.

#### 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	\$3,858,085,700

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, foot 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 25<sup>th</sup> 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 32<sup>nd</sup> Street and AVRR.

Total cost: \$4 million

#### **Neighborhood Development**

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

Total cost: \$11 million

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

Total cost: \$86 million

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

Total cost: \$25 million

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

Total cost: \$3 million

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

Total cost: \$42 million

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

Total cost: \$109 million

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 17<sup>th</sup> and South 19<sup>th</sup> Streets.

Total cost: \$21.4 million

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

Total cost: \$4.6 million

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

Total cost: \$16 million

H.J. Heinz Field – 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.

H.J. Heinz Co. – Construction of anew 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: \$548,000.

#### General Economic Outlook

Inflation for the six County Pittsburgh regions was 2.7% for the year 2001 and is forecast to be 2.0% for the year 2002. First quarter 2002 GDP growth increased by 5.6% and GDP is expected to grow by 3.0 to 4.0% for the rest of the year. The state Department of Labor and Industry 2001 estimate of payroll employment jobs grew by 0.6% during 2001 to 1.1 million jobs in the Pittsburgh MSA; job growth is forecasted to be only 0.1% in 2002. In 2001, jobs expanded by only 6,000 compared to a 15,800 increase in 1998. For the year of 2001, national gross domestic product grew by 1.2% compared to 3.4% for 2000; 4.1% in 1999; and 4.3% in 1998.

The Pennsylvania Department of Labor recorded 36 strikes in 2001, down from 52 strikes in 2000, and 58 strikes in Pennsylvania in 1999. That compares to 63 in 1998 and is a new all time low beating the previous 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 reasonably assure that the assets of the City are protected from loss, theft or misuse and to assure that adequate accounting information is compiled to prepare financial statements in accordance with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgements by management.

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

#### REVENUES

Revenue Analysis: Revenues for the General Fund totaled \$363.2 million in 2001, an increase of \$3.3 million, compared to 2000. Total revenues overall increased by 0.9%. The net increase of \$9.7 million in tax revenue was largely due to an increase of \$3.8 million in real estate tax and \$5.4 million in business privilege taxes. The Real Estate revenue increased 4% despite the Homestead Exemption, which cost the City of Pittsburgh about \$7.0 million. The Real Estate tax reassessments mandated in April 1997 by Judge Stanton Wettick, Jr., Court of Common Pleas have helped boost local revenue within the 5% windfall limit under the Allegheny County Charter. Licenses and fees decreased by \$2.8 million partly due to collection problems with EMS billing. Finally, interest revenue dropped by \$2.4 million, due to lower interest rates from the Federal Reserve's actions. The amount of revenues from various sources, the

percent of total revenues, and the amount of increase (decrease) 2001 vs. 2000 have been summarized in Table-A below.

Table - A

REVENUES

(General Fund)

(amounts expressed in millions)

SOURCE	2001 ACTUAL	% OF TOTAL	3.7	2000 ACTUAL	% OF TOTAL	Increase (Decrease) Over 2000	% Increase (Decrease)
Taxes, penalty, & interest	\$ 292.9	80.7%	\$	283.3	78.7%	\$ 9.7	3.4%
Payment in lieu of taxes	\$ 1.6	0.4%		2.0	0.5%	-0.4	-18.0%
Interest earnings	\$ 4.0	1.1%		6.4	1.8%	-2.4	-36.9%
Fines & Forfeits	\$ 7.7	2.1%		8.0	2.2%	-0.3	-3.9%
Licenses & fees	\$ 27.3	7.5%	÷	30.2	8.4%	-2.8	-9.4%
Intergovernmental	\$ 13.0	3.6%		13.3	3.7%	-0.3	-2.4%
Pension State Aid	\$ 16.0	4.4%		13.3	3.7%	2.8	20.8%
Miscellaneous	\$ 0.6	0.2%		3.5	1.0%	-2.9	-83.6%
TOTAL REVENUES	\$ 363.2	100.0%	\$	359.9	100.0%	\$ 3.3	0.9%

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 100% of its fair market value. The rates for 2001 were 10.8 mills on buildings and 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 2001 total assessed valuation for the City of Pittsburgh is \$13,346,237,890.

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 manners 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 was granted if paid by March 31 due to tax bill delays in 2001; for 2002, the 2% discount date was February 28. 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**

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Expenditures and uses for the General Fund in 2001 increased to \$374.5 million, compared to \$362.1 million in 2000 representing an increase of 3.4% or \$12.4 million overall.

The largest dollar increase in expenditures was a \$6.9 million increase in Public Safety, with higher arbitrated salary awards for the Fire Department \$2 million and EMS \$1.2 million, and a Police salary increase of \$1 million, partially related to 9/11 security costs. The second largest dollar increase in expenditures was a \$4.7 million increase in Employee Benefits, a 7.7% increase over 2000 to \$65.3 million annually; higher pension costs and health care costs accounted for the increase. Debt service at \$80.7 million accounted for 21.6% of the expenditures illustrating the magnitude of the City of Pittsburgh's annual debt service, constituting over one out of every 5 dollars spent out of the General Fund.

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

Table - B

#### **EXPENDITURES and OTHER FINANCING USES**

(General Fund)
(amounts expressed in millions)

SOURCE	2001 ACTUAL	% OF TOTAL	2000 ACTUAL	% OF TOTAL	Increase (Decrease) Over 2000	% Increase (Decrease)
General Government	\$ 39.4	10.5%	\$ 37.1	10.2%	\$ 2.3	6.3%
Public Safety	149.9	40.0%	143.0	39.5%	6.9	4.8%
Public Works	16.6	4.4%	. 15.4	4.3%	1.2	7.8%
Sanitation	10.6	2.8%	10.6	2.9%	0.0	-0.4%
Cultural & Recreation	5.9	1.6%	6.2	1.7%	-0.3	-4.8%
Employee Benefits	65.3	17.4%	60.6	16.7%	4.7	7.8%
Claims & Judgments	1.5	0.4%	1.0	0.3%	0.5	50.0%
Miscellaneous	2.8	0.7%	1.4	0.4%	1.4	100.0%
Other Operating Transfers	1.8	0.5%	3.5	1.0%	-1.7	-48.6%
Debt Service & Subsidies	80.7	21.5%	83.2	23.0%	-2.5	-3.5%
TOTAL EXP. AND USES	\$ 374.5	100.0%	\$ 362.1	100.0%	\$ 12.5	3.5%

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 2001, \$16.0 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, 2001, the general fund shows, for the sixth year in a row, a positive unreserved, undesignated fund balance, but the reserve is shrinking faster than ever. The Unreserved Fund balance is \$31.4 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 \$ 2.8 million at December 31, 2001. This results in a total surplus of \$34.2 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 2001 by (\$11.3) million, reflecting higher Expenditures and Uses than Revenues for the year.

#### DEBT ADMINISTRATION

At December 31, 2001, the City's debt, as reported in the General Long Term Debt Account Group, was as follows:

Gross bonded debt	\$936,315,079	
Less: Debt Service fund	11,044,283	
Net bonded debt	\$925,270,796	
Ratio of net bonded debt to assessed value	6.93%	

The gross bonded debt of the City consists of \$852,821,183 of general obligation bonds, \$16,767,500 of Public Auditorium revenue bonds, and \$66,726,396 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. The City elects 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 City December 1999 bond issue, the City's guaranteed bond ratings were: Moody's Aaa and Standard & Poor's AAA. Without the guarantee, the City's ratings were Moody's A3, Fitch A- and Standard & Poor's A-.

\$2,766

#### RISK MANAGEMENT

Net bonded debt per capita

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 2001 are as follows: (1) 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, (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 2001. 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 general long-term debt account fund. 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, 2000 thanks to KPMG and all who contributed to the report. 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 nine consecutive years (fiscal years ended 1992-2000) 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, Deloitte and Touche, Schneider Downs, Terry and Stephenson P.C., and Maher Duessel in the preparation of this report and their professional conduct throughout the audit engagement.

Respectfully submitted,

Tom Flaherty

City Controller

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

# City of Pittsburgh, Pennsylvania

For its Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2000

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.

Imaka Ever President Offrey L. Esser

Executive Director

# CITY OF PITTSBURGH, PENNSYLVANIA ELECTED CITY OFFICIALS

December 31, 2001

**MAYOR** 

Tom Murphy

CONTROLLER

**Tom Flaherty** 

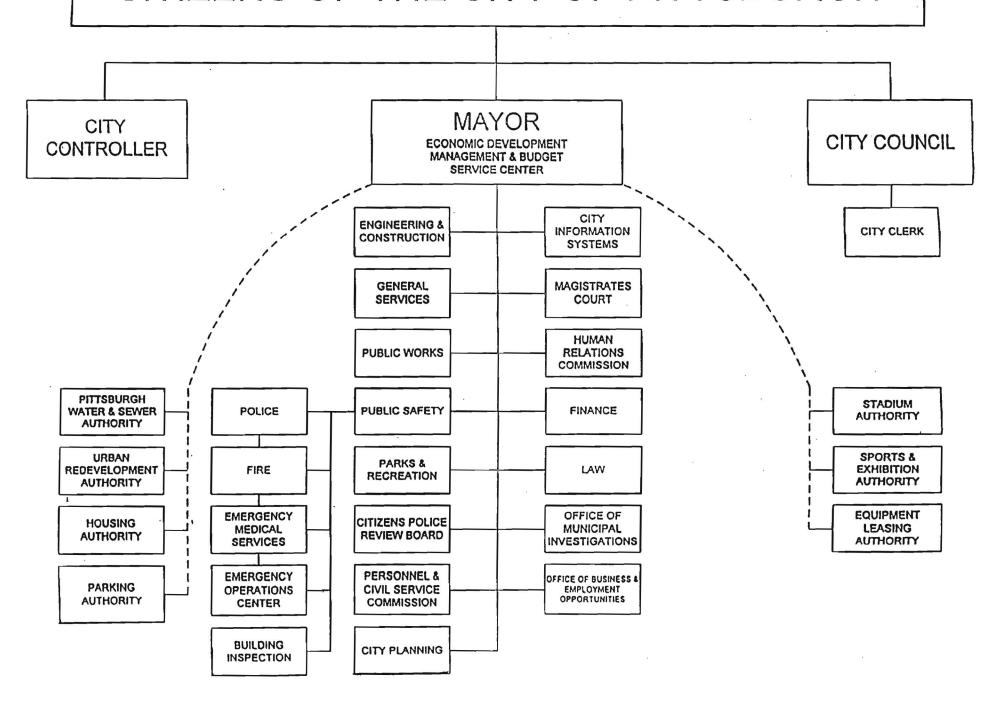
MEMBERS OF COUNCIL

Eugene Ricciardi, President, District 3

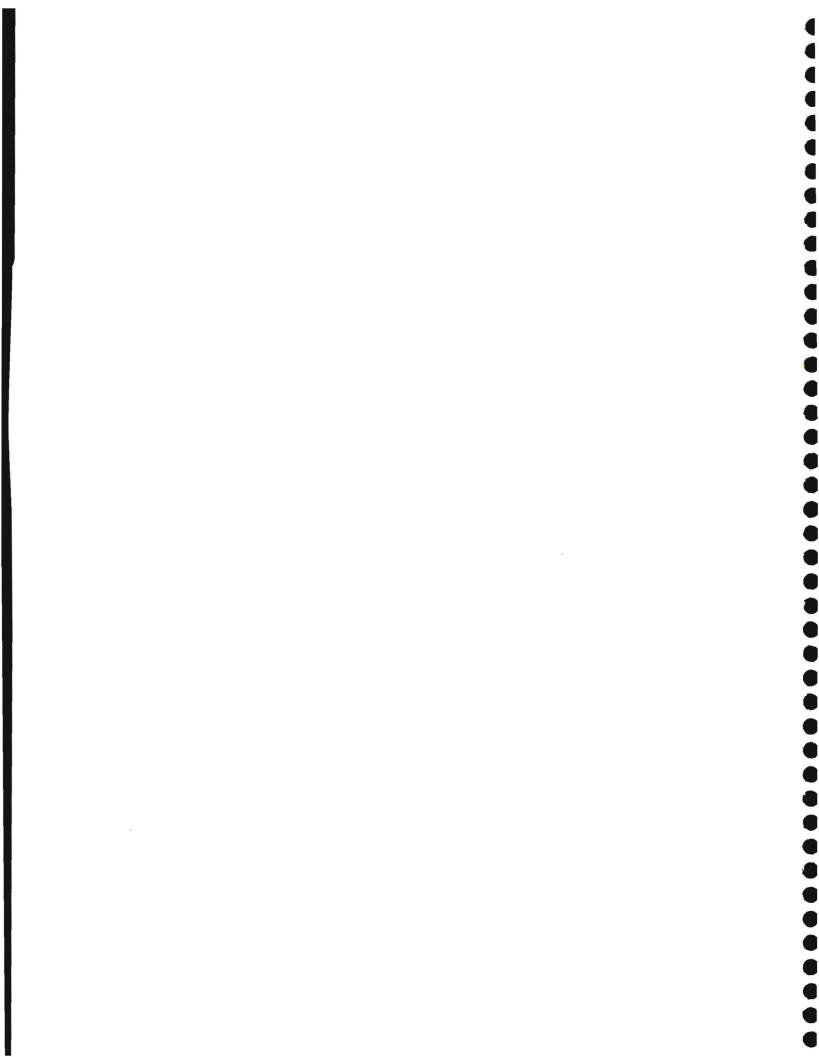
Sala Udin, Finance/Budget Committee, District 6

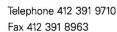
Barbara Burns, District 1 Alan Hertzberg, District 2 Jim Motznik, District 4 Bob O'Connor, District 5 James Ferlo, District 7 Bill Peduto, District 8 Twanda Carlisle, District 9

## CITIZENS OF THE CITY OF PITTSBURGH



# FINANCIAL SECTION







One Mellon Center Pittsburgh, PA 15219

#### **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, 2001, 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 and the Stadium Authority of the City of Pittsburgh, which statements reflect total assets comprising 61 percent and operating revenues comprising 46 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 97 percent of the related Fiduciary Fund totals and comprising 100 percent of 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 auditing standards generally accepted in the United States of America. 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, 2001, and the results of its operations and the cash flows of its discretely presented component units for the year then ended in conformity with accounting principles generally accepted in the United States of America.



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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 the information and express no opinion on it.

We did not audit the data included in the introductory or statistical sections as set forth in the table of contents and, therefore, express no opinion thereon.

KPMG LLP

Pittsburgh, Pennsylvania June 12, 2002

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# GENERAL PURPOSE FINANCIAL STATEMENTS

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

December 31, 2001

*	Governmental Fund Types				
	•	<del></del>	Special	Debt	Capital
		General	Revenue	Service	Projects
Assets and other debits:					
Cash and investments	\$	68,062,632	14,977,409	11,002,496	27,368,176
Receivables:					
Real estate tax (net of uncollectible accounts of					
\$6,363,212)		6,889,249	_	_	_
Other taxes receivable		8,284,150			_
Other		4,133,784	897,585		150,000
Accounts receivable (net)		_	_		_
Accrued interest		115,527	8,042	41,787	_
Due from other funds		4,861,679	332,841	_	1,364,873
Due from other governments		5,278,412	4,954,063		2,433,091
Grant receivable - Allegheny Regional Asset					
District		_			_
Inventories at cost					
Prepaid expenses		_	_		_
Trusteed and restricted cash and investments		1		-	_
Trusteed and restricted receivables			_	_	
Property, plant and equipment (Component Units					
net of \$92,412,041 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				3	
Total assets	\$	97,625,433	21,169,940	11,044,283	31,316,140

Fiduciary Fund Type	Accoun	nt Group	Primary Government (Memorandum Only)	Discretely Presented	Reporting Entity (Memorandum Only)
Trust and	General Fixed	General		Component	
Agency	Assets	Long-term Debt	Total	Units	Total
202 020 052			515 241 666	307,899,178	823,240,844
393,930,953		<del></del>	515,341,666	307,899,178	023,240,044
	¥				
		_	6,889,249		6,889,249
	1	_	8,284,150		8,284,150
19,374			5,200,743		5,200,743
_	_			218,686,651	218,686,651
1,994,181			2,159,537	728,935	2,888,472
897,469		_	7,456,862	8,318,109	15,774,971
302,755			12,968,321		12,968,321
_	_		_	8,068,932	8,068,932
		_	_	1,538,000	1,538,000
	_	_	_	7,327	7,327
_	1—1	_		60,616,528	60,616,528
		_	_	330,195	330,195
	176,729,957	_	176,729,957	546,350,616	723,080,573
_		_		20,291,018	20,291,018
		_	_	15,841,548	15,841,548
	_	11,044,283	11,044,283		11,044,283
		925,270,796	925,270,796		925,270,796
		723,270,790	723,210,170	•	723,210,170
		94,351,500	94,351,500	538,580	94,890,080
397,144,732	176,729,957	1,030,666,579	1,765,697,064	1,189,215,617	2,954,912,681

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

December 31, 2001

r	Governmental Fund Types					
	-		Special		Debt	Capital
	G	Seneral	Revenue		Service	Projects
victoria de la Ladina de Africa.						
Liabilities, equity and other credits:						
Liabilities:		100 075	2 402 07			2 (71 004
Accounts payable	\$ 7	,428,275	3,483,873		_	3,671,004
Retainage payable		-	121,24	4		707,248
Accrued interest payable	2			-	_	
Accrued liabilities	9	,997,439	965,943	3	_	253,228
Accounts payable - primary government				-		
Due to other funds		612,741	3,573,84			2,091,530
Due to other governments	2	,851,153	727,12	4		_
Due to individuals			-	-	<del></del>	
Current maturities of long-term debt				-0	_	
Deposits held in trust		_	_	-1		
Grants payable to the primary government			_	-		
Bonds payable, net		-	_	_	-	_
Bonds payable to the primary						
government, net				-		-
Deferred loan			_	-		
Accrued workers' compensation	17	,889,415		-		
Accrued compensated absences	16	,442,998	_	•		
Accrued claims and judgments	1	,700,000	_	-		
Deferred revenue	- 6	,505,839		-	_	
Benefits and related withholdings payable						
Total liabilities	63	,427,860	8,872,03	0		6,723,010
Equity and other credits:						
Contributed capital				-	-	
Investment in general fixed assets				-		
Retained earnings (accumulated deficit)		_	-	-	-	_
Fund balances:						
Reserved for:						
Endowments			_	-		_
Encumbrances	2	,795,308	1,845,51	8	_	
Employee post-retirement		_		-		
Employees' pension benefits				_	1	<del></del>
Unreserved:						
Designated for debt service		_		_	11,044,283	_
Designated for subsequent years'					, ,	
expenditures			495,22	3	-	24,593,130
Undesignated	31	,402,265	9,957,16		1 <del></del>	
Total fund equity and other credits	-	,197,573	12,297,91		11,044,283	24,593,130
	-		21,169,94			
Total liabilities, equity and credits	\$ <u>97</u>	,625,433	21,109,94	<u> </u>	11,044,283	31,316,140

See accompanying notes to financial statements.

Fiduciary Fund Type	Accour	nt Group	Primary Government (Memorandum Only)	Discretely Presented	Reporting Entity (Memorandum Only)
Trust and	General Fixed	General		Component	
Agency	Assets	Long-term Debt	Total	Units	Total
			14,583,152	38,229,185	52,812,337
		_	828,492		828,492
_		_		8,871,347	8,871,347
4,151,530	_		15,368,140	3,332,000	18,700,140
-	<del>-</del>			1,205,337	1,205,337
1,178,745			7,456,862	8,318,109	15,774,971
51,671	·		3,629,948	3,886,833	7,516,781
401,969	· · ·		401,969	_	401,969
	_	_		6,415,000	6,415,000
2,064,845		-	2,064,845	_	2,064,845
	_			22,775,168	22,775,168
		936,315,079	936,315,079	811,127,596	1,747,442,675
_		_		15,140,000	15,140,000
_		3,834,000	3,834,000	_	3,834,000
		73,703,000	91,592,415		91,592,415
		15,244,500	31,687,498	538,580	32,226,078
_		1,570,000	3,270,000	-	3,270,000
_	_	_	6,505,839	117,586,239	124,092,078
2,166,264			2,166,264		2,166,264
10,015,024		1,030,666,579	1,119,704,503	1,037,425,394	2,157,129,897
				54,205,344	54,205,344
	176,729,957	_	176,729,957	12,201,618	188,931,575
<del>x 2</del>	170,729,937		170,729,937	12,201,018	100,931,373
_	_	_		48,221,857	48,221,857
101001			104.001		
124,991		_	124,991	14 042 777	124,991
43,776			4,684,602	14,843,776	19,528,378
748,196	_	7	748,196		748,196
381,249,539	_	<del></del> 5	381,249,539	_	381,249,539
			11,044,283		11,044,283
4,859,423		_	29,947,776	17,527,802	47,475,578
103,783			41,463,217	4,789,826	46,253,043
387,129,708	176,729,957		645,992,561	151,790,223	797,782,784
397,144,732	176,729,957	1,030,666,579	1,765,697,064	1,189,215,617	2,954,912,681

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

Year ended December 31, 2001

	Governmental Fund Types				
		Special	Debt	Capital	
	General	Revenue	Service	Projects	
D					
Revenues:  Taxes, including penalty and interest \$	292,943,381				
,			<del>-</del>	_	
Payment in lieu of taxes	1,612,230	237,701	2,393,993	_	
Interest and dividends	4,028,616		2,393,993		
Fines and forfeits	7,731,014	7,889	· · ·		
Licenses and fees	27,328,674	_	-	_	
Pension State Aid	16,000,000				
Intergovernmental revenues	12,959,206	45,150,007	_	8,497,805	
Charges for user services	_	5,310,502		272,263	
Miscellaneous	578,059	199,478		519,390	
Total revenues	363,181,180	50,905,577	2,393,993	9,289,458	
Expenditures:					
Current operating:					
General government	39,435,832	7,075,980		_	
Public safety	149,900,131	7,783,580			
Public works	16,580,079	10,540,385			
Sanitation	10,600,079	10,540,565			
	5,852,962	3,366,909	_		
Community, recreational and cultural	3,832,902	3,300,909			
School services	_		_		
Parks and recreation		_			
Employee benefits	65,272,680			_	
Claims and judgments	1,531,072	_		_	
Urban development			_	_	
Administration	1			_	
Miscellaneous	2,816,268				
Intergovernmental programs - JTPA	-	8,131,650			
Intergovernmental programs - Community Development	-	13,436,521	_	_	
Capital projects	·	1,324,194	_	32,248,026	
Bond issuance cost	_		_	320,972	
Debt service:					
Principal retirement and lease payments			33,842,936		
Interest and fiscal charges	40,000		50,908,222		
Pittsburgh Sports & Exhibition Authority	373,738			1	
Public Auditorium Authority	2,461,783				
Urban Redevelopment Authority	10,573,634				
Orban Redevelopment Authority	10,575,054				
Total expenditures	305,438,258	51,659,219	84,751,158	32,568,998	
Excess (deficiency) of revenues					
over expenditures	57,742,922	(753,642)	(82,357,165)	(23,279,540)	

	Primary Government		
Fiduciary	Totals	Discretely	Reporting Entity
Fund Type	(Memorandum Only)	Presented	(Memorandum Only)
Expendable		Component	
Trust	2001	Units	Total
		-	
	292,943,381	-	292,943,381
_	1,612,230		1,612,230
795,498	7,455,808	2,195,729	9,651,537
_	7,738,903	_	7,738,903
*	27,328,674	-	27,328,674
<del></del>	16,000,000	_	16,000,000
133,840	66,740,858	48,927,171	115,668,029
_	5,582,765	1,718,569	7,301,334
868,957	2,165,884	13,825,806	15,991,690
1,798,295	427,568,503	66,667,275	494,235,778
	46 511 912		46 511 012
_	46,511,812	<del></del>	46,511,812
_	157,683,711		157,683,711
·	27,120,464	<del></del>	27,120,464
	10,600,079	<del>-</del>	10,600,079
-	9,219,871		9,219,871
297,907	297,907		297,907
_	65,272,680		65,272,680
418,916	1,949,988	<del></del>	1,949,988
		56,572,444	56,572,444
-	_	6,808,116	6,808,116
297,096	3,113,364	1,655,218	4,768,582
	8,131,650		8,131,650
	13,436,521	_	13,436,521
	33,572,220	_	33,572,220
	320,972	_	320,972
	22.040.024		22.040.027
	33,842,936		33,842,936
	50,948,222		50,948,222
	373,738	_	373,738
	2,461,783		2,461,783
	10,573,634		10,573,634
1,013,919	475,431,552	65,035,778	540,467,330
784,376	(47,863,049)	1,631,497	(46,231,552)

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

Year ended December 31, 2001

		Governmental Fund Types			
		General	Special Revenue	Debt Service	Capital Projects
Excess (deficiency) of revenues over expenditures brought forward	\$	57,742,922	(753,642)	(82,357,165)	(23,279,540)
Other financing sources (uses): Operating transfers from other funds Operating transfers from discretely presented		329,500	2,084,960	75,353,097	
component units Operating transfers to other funds		(69,355,717)	(102,500)	3,250,000	
Total other financing sources (uses)		(69,026,217)	1,982,460	78,603,097	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3	(11,283,295)	1,228,818	(3,754,068)	(23,279,540)
Fund balance at beginning of year Residual equity transfers		45,469,181 11,687	11,080,779 (11,687)	14,798,351	47,872,670
Fund balance at end of year	\$	34,197,573	12,297,910	11,044,283	24,593,130

See accompanying notes to financial statements.

Fiduciary Fund Type	Primary Government Totals (Memorandum Only)	Discretely Presented	Reporting Entity (Memorandum Only)
Expendable Trust	2001	Component Units	Total
784,376	(47,863,049)	1,631,497	(46,231,552)
_	77,767,557	_	77,767,557
(8,309,340)	3,250,000 (77,767,557)		3,250,000 (77,767,557)
(8,309,340)	3,250,000		3,250,000
(7.504.064)	(44.512.040)	1 (2) 407	(40.001.550)
(7,524,964)	(44,613,049)	1,631,497	(42,981,552)
13,405,133	132,626,114	35,529,907 	168,156,021
5,880,169	88,013,065	37,161,404	125,174,469

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

Year ended December 31, 2001 (Amounts expressed in thousands)

Revenues:         Budget as Amended         Actual         Variance Favorable (Unfavorable)           Revenues:         Taxes, including penalty and interest         \$ 286,629         291,216         4,587           Interest earnings         5,700         4,308         (1,392)           Fines and forfeits         7,100         7,275         175           Licenses and fees         5,717         5,288         (429)           Intergovernmental         20,734         21,239         505           Miscellaneous         50         524         474           Provision of services, breakeven, joint operations and sale of public property         339,656         353,444         3,788           Total revenues         349,656         353,444         3,788           Expenditures:         22,594         (132)           Current operating:         23,705         23,594         (132)           General government         26,311         23,705         2,606           Public safety         140,511         136,111         4,400           Public safety         140,511         136,111         4,400           Public safety         140,511         136,111         4,400           General services         13,420 <t< th=""><th></th><th></th><th></th><th>General Fund</th><th></th></t<>				General Fund	
Taxes, including penalty and interest Interest earnings         \$ 286,629         291,216         4,587           Interest earnings         5,700         4,308         (1,392)           Fines and forfeits         7,100         7,275         175           Licenses and fees         5,717         5,288         (429)           Intergovernmental         20,734         21,239         505           Miscellaneous         50         524         474           Provision of services, breakeven, joint operations and sale of public property         23,726         23,594         (132)           Total revenues         349,656         353,444         3,788           Expenditures:         2         23,726         23,594         (132)           Current operating:         349,656         353,444         3,788           Expenditures:         2         2,311         23,705         2,606           Public safety         140,511         136,111         4,400           Public safety         140,511         136,111         4,400           Public works         24,754         24,605         149           General services         13,420         12,893         527           Community, recreational and cultural		-			Favorable
Interest earnings					
Fines and forfeits         7,100         7,275         175           Licenses and fees         5,717         5,288         (429)           Intergovernmental         20,734         21,239         505           Miscellaneous         50         524         474           Provision of services, breakeven, joint operations and sale of public property         23,726         23,594         (132)           Total revenues         349,656         353,444         3,788           Expenditures:           Current operating:           General government         26,311         23,705         2,606           Public safety         140,511         136,111         4,400           Public works         24,754         24,605         149           General services         13,420         12,893         527           Community, recreational and cultural         5,187         4,974         213           Employee benefits         68,934         67,523         1,411           Claims and judgments         2,261         2,236         25           Citizens Review Board         439         359         80           Computer system		\$			
Licenses and fees					
Intergovernmental Miscellaneous         20,734 50         21,239 505         505         524 474           Provision of services, breakeven, joint operations and sale of public property         23,726 23,594 (132)         (132)           Total revenues         349,656 353,444 3,788         3,788           Expenditures:         State of public property         26,311 23,705 2,606         2,606           Public safety         140,511 136,111 4,400         4,400         4,405 14         4,400         4,411         4,400         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,411         4,410         4,411 </td <td>A 500 TO TOTAL TOT</td> <td></td> <td></td> <td></td> <td></td>	A 500 TO TOTAL TOT				
Miscellaneous         50         524         474           Provision of services, breakeven, joint operations and sale of public property         23,726         23,594         (132)           Total revenues         349,656         353,444         3,788           Expenditures:         Current operating:           Current operating:         Current operating:           General government         26,311         23,705         2,606           Public safety         140,511         136,111         4,400           Public works         24,754         24,605         149           General services         13,420         12,893         527           Community, recreational and cultural         5,187         4,974         213           Employee benefits         68,934         67,523         1,411           Claims and judgments         2,261         2,236         25           Citizens Review Board         439         359         80           Computer system         —         —           Utilities         8,550         8,522         28           Miscellaneous         4,861         4,581         280           Grants         4,193         4,100         93					
Provision of services, breakeven, joint operations and sale of public property         23,726         23,594         (132)           Total revenues         349,656         353,444         3,788           Expenditures:         Current operating:           General government         26,311         23,705         2,606           Public safety         140,511         136,111         4,400           Public works         24,754         24,605         149           General services         13,420         12,893         527           Community, recreational and cultural         5,187         4,974         213           Employee benefits         68,934         67,523         1,411           Claims and judgments         2,261         2,236         25           Citizens Review Board         439         359         80           Computer system         -         -         -           Utilities         8,550         8,522         28           Miscellaneous         4,861         4,581         280           Grants         4,193         4,100         93           Intergovernmental programs         -         -         -           Debt service         66,748         <					
and sale of public property         23,726         23,594         (132)           Total revenues         349,656         353,444         3,788           Expenditures:           Current operating:           General government         26,311         23,705         2,606           Public safety         140,511         136,111         4,400           Public works         24,754         24,605         149           General services         13,420         12,893         527           Community, recreational and cultural         5,187         4,974         213           Employee benefits         68,934         67,523         1,411           Claims and judgments         2,261         2,236         25           Citizens Review Board         439         359         80           Computer system         —         —           Utilities         8,550         8,522         28           Miscellaneous         4,861         4,581         280           Grants         4,193         4,100         93           Intergovernmental programs         —         —         —           Debt service:         66,748         66,728 <td< td=""><td></td><td></td><td>50</td><td>524</td><td>474</td></td<>			50	524	474
Total revenues   349,656   353,444   3,788			AMANC ANALOGO	tire wise Arrana dar	tento concentra
Expenditures:   Current operating:   General government   26,311   23,705   2,606     Public safety   140,511   136,111   4,400     Public works   24,754   24,605   149     General services   13,420   12,893   527     Community, recreational and cultural   5,187   4,974   213     Employee benefits   68,934   67,523   1,411     Claims and judgments   2,261   2,236   25     Citizens Review Board   439   359   80     Computer system	and sale of public property		23,726	23,594	(132)
Current operating:       26,311       23,705       2,606         Public safety       140,511       136,111       4,400         Public works       24,754       24,605       149         General services       13,420       12,893       527         Community, recreational and cultural       5,187       4,974       213         Employee benefits       68,934       67,523       1,411         Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       66,748       66,728       20         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995	Total revenues		349,656	353,444	3,788
Current operating:       26,311       23,705       2,606         Public safety       140,511       136,111       4,400         Public works       24,754       24,605       149         General services       13,420       12,893       527         Community, recreational and cultural       5,187       4,974       213         Employee benefits       68,934       67,523       1,411         Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       66,748       66,728       20         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995	Expenditures:				
General government         26,311         23,705         2,606           Public safety         140,511         136,111         4,400           Public works         24,754         24,605         149           General services         13,420         12,893         527           Community, recreational and cultural         5,187         4,974         213           Employee benefits         68,934         67,523         1,411           Claims and judgments         2,261         2,236         25           Citizens Review Board         439         359         80           Computer system         —         —           Utilities         8,550         8,522         28           Miscellaneous         4,861         4,581         280           Grants         4,193         4,100         93           Intergovernmental programs         —         —         —           Debt service:         —         —         —           Debt service subsidy         3,840         3,677         163           Total expenditures         370,009         360,014         9,995					
Public safety       140,511       136,111       4,400         Public works       24,754       24,605       149         General services       13,420       12,893       527         Community, recreational and cultural       5,187       4,974       213         Employee benefits       68,934       67,523       1,411         Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       —       —       —         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over       4,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000       1,000 <td></td> <td></td> <td>26,311</td> <td>23,705</td> <td>2,606</td>			26,311	23,705	2,606
Public works       24,754       24,605       149         General services       13,420       12,893       527         Community, recreational and cultural       5,187       4,974       213         Employee benefits       68,934       67,523       1,411         Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       —       —       —         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over       -       -       -			140,511	136,111	4,400
Community, recreational and cultural       5,187       4,974       213         Employee benefits       68,934       67,523       1,411         Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       —       —       —         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over       5,187       4,994       20			24,754	24,605	149
Employee benefits       68,934       67,523       1,411         Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       —       —       —         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over	General services		13,420	12,893	527
Employee benefits       68,934       67,523       1,411         Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       —       —       —         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over	Community, recreational and cultural		5,187	4,974	213
Claims and judgments       2,261       2,236       25         Citizens Review Board       439       359       80         Computer system       —       —         Utilities       8,550       8,522       28         Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       —       —       —         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over					1,411
Computer system         —           Utilities         8,550         8,522         28           Miscellaneous         4,861         4,581         280           Grants         4,193         4,100         93           Intergovernmental programs         —         —         —           Debt service:         Debt service subsidy         3,840         3,677         163           Total expenditures         370,009         360,014         9,995           Excess (deficiency) of revenues over			2,261	2,236	25
Utilities         8,550         8,522         28           Miscellaneous         4,861         4,581         280           Grants         4,193         4,100         93           Intergovernmental programs         —         —         —           Debt service:         Debt service service subsidy         3,840         3,677         163           Total expenditures         370,009         360,014         9,995           Excess (deficiency) of revenues over         - <td>Citizens Review Board</td> <td></td> <td>439</td> <td>359</td> <td>80</td>	Citizens Review Board		439	359	80
Miscellaneous       4,861       4,581       280         Grants       4,193       4,100       93         Intergovernmental programs       —       —       —         Debt service:       —       —       —         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over	Computer system				
Grants         4,193         4,100         93           Intergovernmental programs         —         —         —           Debt service:         —         —         —           Debt service subsidy         66,748         66,728         20           Debt service subsidy         3,840         3,677         163           Total expenditures         370,009         360,014         9,995           Excess (deficiency) of revenues over	Utilities		8,550	8,522	28
Intergovernmental programs	Miscellaneous		4,861	4,581	280
Debt service:       66,748       66,728       20         Debt service subsidy       3,840       3,677       163         Total expenditures       370,009       360,014       9,995         Excess (deficiency) of revenues over	Grants		4,193	4,100	93
Debt service         66,748         66,728         20           Debt service subsidy         3,840         3,677         163           Total expenditures         370,009         360,014         9,995           Excess (deficiency) of revenues over	Intergovernmental programs		~ <del></del>		_
Debt service subsidy         3,840         3,677         163           Total expenditures         370,009         360,014         9,995           Excess (deficiency) of revenues over	Debt service:				
Total expenditures 370,009 360,014 9,995  Excess (deficiency) of revenues over	Debt service		66,748	66,728	20
Excess (deficiency) of revenues over	Debt service subsidy	_			163
	Total expenditures	_	370,009	360,014	9,995
	Excess (deficiency) of revenues over				
		\$	(20,353)	(6,570)	13,783

Special Revenue

Com	munity Developn	ient	Capital Projects		
Budget as Amended	Actual	Variance Favorable (Unfavorable)	Budget as Amended	Actual	Variance Favorable (Unfavorable)
	_	_	_		_
		_	_		
	_	_	_		
55,013	25,762	(29,251)	3,661	7,849	4,188
	·—	_	_	369	369
_					_
55,013	25,762	(29,251)	3,661	8,218	4,557
,	,		,	,	,
13,807	5,247	8,560			
1,507	1,434	73		_	
9,058	5,264	3,794	_	_	
255	103	152		-	
2,520	1,291	1,229			
_			-		
	_	_	_		
		_	_	_	_
	_		_	_	_
_			,	_	
_		_			
27,866	12,487	15,379	112,599	31,180	81,419
	_	_		-	
	<u> </u>				
55,013	25,826	29,187	112,599	31,180	81,419
	(64)	(64)	(108,938)	(22,962)	85,976

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

Year ended December 31, 2001 (Amounts expressed in thousands)

			General Fund	
	-	Budget as Amended	Actual	Variance Favorable (Unfavorable)
Excess (deficiency) revenues and other financing sources (under) expenditures and other uses	\$	(20,353)	(6,570)	13,783
Fund balance and other financing sources (uses): Budgeted usage of prior year fund balance Transfer to pension fund State pension fund		8,900 	8,900 (16,000) 16,000	
Net fund balance and other financing uses	_	8,900	8,900	
Excess (deficiency) of revenues and other financing sources over expenditures and fund balance and other				
financing uses	\$ =	(11,453)	2,330	
Fund balances - budgetary basis, beginning of year			67,875	
Budgeted usage of prior year fund balance			(8,900)	
			58,975	
Fund balance - budgetary basis, end of year			61,305	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary basis				
and GAAP basis, beginning of year			(22,406)	
Net effect of GAAP basis recognition of revenues			9,737	
Net effect of GAAP basis recognition of expenditures Net effect of GAAP basis recognition of other			(14,779)	
financing sources (uses)			329	
Residual equity transfers			12	
Fund balances - GAAP basis, end of year		\$	34,198	

See accompanying notes to financial statements.

Special Revenue

Con	Special Revenue imunity Developm			Capital Projects	
Budget as Amended	Actual	Variance Favorable (Unfavorable)	Budget as Amended	Actual	Variance Favorable (Unfavorable)
_	(64)	(64)	(108,938)	(22,962)	85,976
				<u> </u>	
	(64)			(22,962)	
_	1,676	1,676	108,938	45,020	(63,918)
	1,612	1,612		22,058	22,058
	(1,591) 991 (927)			2,852 1,072 (1,389)	
				24,593	

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

Year ended December 31, 2001

	_	Discretely Presented Component Units
Operating revenues:		
Water and waste charges	\$	58,892,000
Rentals		3,849,678
Concessions		574,439
Medallions		538,451
Parking receipts		25,876,650
Program interest income		10,327,332
Property management revenue		6,390,507
Sales of housing units		1,340,175
Miscellaneous		3,316,907
Parking leases and rentals		332,453
Lounge boxes		339,200
Total operating revenues		111,777,792
Operating expenses:		
Salaries and wages		3,095,360
Utilities		637,280
Interest expense		2,218,448
Depreciation and amortization		19,906,922
Cooperation agreement operating expenses		7,150,000
Expense of water provided by other entities:		
Subsidy of customers located in the City		3,864,000
Repairs and maintenance		1,030,683
Insurance		369,860
Administrative and other operating		15,740,055
Parking tax expense		4,812,082
Direct operating expenses		27,364,000
Fair value discount/lender fee		462,209
Property management improvement		1,682,340
Cost of housing units sold		2,005,072
Miscellaneous	_	1,675,034
Total operating expenses	_	92,013,345
Operating income (carried forward)		19,764,447

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

Year ended December 31, 2001

	_	Discretely Presented Component Units
Operating income (brought forward)	\$	19,764,447
Non-operating revenue (expense):		e e
Interest income		11,237,689
Interest expense		(42,343,816)
Amortization		(267,000)
Other income		20,648
Meter and wharf expenses		(765,149)
Payment in lieu of taxes		(1,899,999)
Other expense		(598,051)
Earned government grants		2,107,696
Allegheny Regional Asset District Grant	-	5,389,546
Total non-operating revenues		
(expenses)	_	(27,118,436)
Net loss		(7,353,989)
Retained earnings (accumulated deficit), fund balances at beginning of year		60,124,122
Capital transferred to the Sports and Exhibition Authority for new stadium complexes		(4,548,276)
Retained earnings (accumulated deficit), fund balances at end of year	\$	48,221,857

See accompanying notes to financial statements.

# Combined Statement of Cash Flows - Discretely Presented Component Units

# Year ended December 31, 2001

	_	Component Units (Proprietary Fund Type)
Cash flows from operating activities: Operating income Reconciliation of operating income to net cash provided by operating activities: Depreciation Amortization	\$	19,764,447 19,906,922 541,676
Changes in operating assets and liabilities:		40,213,045
Accounts receivable Prepaid expenses Other current assets Accounts payable and accrued expenses Deferred revenue Change in accrued payroll and withholdings Interest payable Loans issued Loan repayments	-	5,088,286 258,290 (1,167,707) (2,656,593) (2,520,602) (9,000) 2,218,448 (12,544,422) 8,471,760
Net cash provided by operating activities		37,351,505
Cash flows from investing activities: Interest earnings Purchase of investment securities Proceeds from sale and maturities of investments Payments received on notes receivable Disbursement for loan made	_	14,045,422 (201,315,356) 260,783,044 157,187 162,652
Net cash provided by investing activities		73,832,949
Cash flows from non-capital financing activities: Principal payment related to non-capital funds Interest payment related to non-capital funds Payment in lieu of taxes Meter and wharf expenses Other non-capital financing activities Grants from the Allegheny Regional Asset District Proceeds from borrowing Cost of borrowing	-	(45,688,520) (16,220,763) (2,849,999) (738,315) 1,965,219 5,389,546 49,541,301 (349,641)
Net cash used by non-capital financing activities		(8,951,172)

#### Combined Statement of Cash Flows - Discretely Presented Component Units

Year ended December 31, 2001

	_	Component Units (Proprietary Fund Type)
Cash flows from capital and related financing activities:		
Extra contract the contract of	\$	(14,934,890)
Interest payment related to capital funds		(27,717,659)
Additions to stadium complex		(27,283)
Acquisition and construction of capital assets		(62,692,053)
Payments in connection with new stadium complexes	_	(82,508)
Net cash used in capital and related financing activities	_	(105,454,393)
Net decrease in cash and cash equivalents		(3,221,111)
Cash and cash equivalents at beginning of year	_	136,534,445
Cash and cash equivalents at end of year	\$ _	133,313,334
Supplemental information:		
Cash and cash equivalents		307,899,178
Non-proprietary cash and cash equivalents		(60,400,289)
Trusteed and restricted funds		60,463,705
Long-term restricted investments		(174,319,065)
Restricted funds which are not cash or investments	_	(330,195)
Total cash and cash equivalents, end of year	\$_	133,313,334

#### Noncash financing and investing activities:

The Stadium Authority of the City of Pittsburgh had a receivable of \$1,549,200 for capital contributed by the Sports & Exhibition Authority in connection with the repayment of a promissory note that was paid during 2001. In addition, the Stadium Authority of the City of Pittsburgh recognized \$1,549,200 and \$387,300 as payment of long-term debt made on its behalf during 2001 and 2000, respectively. Payment of related accrued interest of \$150,079 was made on its behalf during 2000.

See accompanying notes to financial statements.

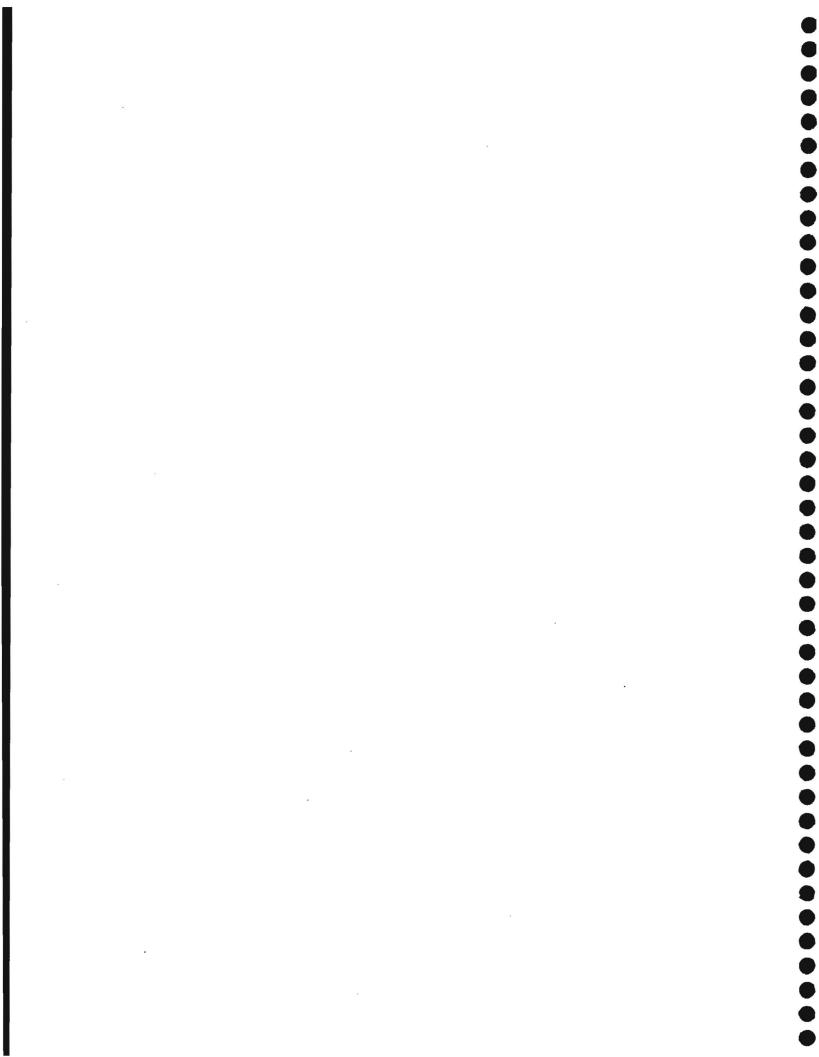
# Combined Pension Trust Funds

# Combined Statement of Changes in Plan Net Assets

# Year ended December 31, 2001

Additions: Contributions:		
Employer	\$	7,994,062
Plan members		10,320,120
State	-	16,000,000
		34,314,182
Investment income:		
Net depreciation in fair value of investments		(32,147,967)
Interest and dividends	_	16,167,186
		(15,980,781)
Less investment expenses	_	1,334,794
		(17,315,575)
Miscellaneous	_	167
Total additions		16,998,774
Deductions:		
Benefit payments		56,737,898
Refunds of employee contributions for terminated employees		1,015,653
Administrative expenses	_	1,054,116
Total deductions		58,807,667
Net decrease in plan net assets		(41,808,893)
Plan net assets, beginning of year	_	423,058,432
Plan net assets, end of year	\$_	381,249,539

# NOTES TO FINANCIAL STATEMENTS



Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### (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.
- 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.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

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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.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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 of the City of Pittsburgh (Authority) was organized on July 1, 1965 as a component unit of the City to provide increased commerce and prosperity and to promote educational, cultural, physical, civic, social, and moral welfare to the general public.

The Authority was responsible for the management of Three Rivers Stadium (Stadium) located in the City. The Stadium was home to the Pittsburgh Pirates (Pirates) and Pittsburgh Steelers (Steelers) professional sports teams and was also utilized for various concerts and other events. Subsequent to the razing of the Stadium, the Authority is responsible for the development of the land between two newly constructed stadiums.

The Board of Directors (Board) of the Authority, a five-member group, is appointed by the Mayor of the City. The Board is responsible for all the activities and operations of the Authority.

#### 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.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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.

#### **Administrative Offices**

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

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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 503 Martindale Street 4<sup>th</sup> Floor Pittsburgh, PA 15212

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

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

		PWSA December 31, 2001	Stadium Authority March 31, 2001	URA December 31, 2001	Public Parking Authority September 30, 2001
Current assets:	•	20.000	12.040	061.006	2.047
Cash and investments	\$	29,889	12,848	261,296	3,867
Loans and other		16,565	5,742	211,235	3,804
Trusteed and restricted assets		29,467	565	483	30,432
Net fixed assets		379,267		68,883	98,201
Non-current assets		2,905	37	26,701	6,489
Other debits				539	
Total assets	\$	458,093	19,192	569,137	142,793
Current liabilities:					
Current portion of long-term debt Current maturities of long-term		10,065	1,700	_	2,905
debt – City of Pittsburgh		_	1,810	-	_
Accounts payable - City of Pittsburgh			_		1,205
Other		8,071	6,662	27,647	8,080
Deferred revenue				115,852	879
Non-current liabilities:					
Grants repayable to the City of Pittsburgh			22,775	-	_
Capital lease obligation and other liabilities		13,392		539	_
Long-term debt		432,777	7,526	276,865	83,894
Long-term payable to City of Pittsburgh			15,140	_	:
Fund equity:					
Contributed capital		5,277	36,627	6,593	5,708
Investment in general fixed assets		-	_	12,202	-
Retained earnings (deficit)		(11,489)	(73,048)	92,637	37,264
Fund balance				36,802	2,858
Total liabilities and equity	\$	458,093	19,192	569,137	142,793

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

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

PWSA December 31, 2001	Stadium Authority March 31, 2001	URA Governmental Funds December 31, 2001	URA Proprietary Funds December 31, 2001	Public Parking Authority September 30, 2001
\$ 60,401	6,997	66,667	18,160	26,219
10,755 38,378	3,307 10,686	65,036	2,208 6,597	3,638 16,445
11,268	(6,996)	1,631	9,355	6,136
(23,459) 1,503	5,390		(14,307) 8,557	(4,578) (223)
(10,688)	(1,606)	1,631	3,605	1,335
(801)	(66,894)	35,530	89,032	38,787
	(4,548)			
\$ (11,489)	(73,048)	37,161	92,637	40,122
	December 31, 2001 \$ 60,401  10,755 38,378  11,268  (23,459) 1,503 (10,688)  (801)	PWSA December 31, 2001  \$ 60,401 6,997  10,755 3,307 38,378 10,686  11,268 (6,996)  (23,459) — — — — — — — — — — — — — — — — — — —	PWSA December 31, 2001         Stadium Authority March 31, 2001         Governmental Funds December 31, 2001           \$ 60,401         6,997         66,667           \$ 10,755         3,307         —           38,378         10,686         65,036           \$ 11,268         (6,996)         1,631           \$ (23,459)         —         —           \$ (10,688)         (1,606)         1,631           \$ (801)         (66,894)         35,530           —         (4,548)         —	PWSA December 31, 2001         Stadium Authority March 31, 2001         Governmental Funds December 31, 2001         Proprietary Funds December 31, 2001           \$ 60,401         6,997         66,667         18,160           \$ 10,755         3,307         —         2,208           \$ 38,378         10,686         65,036         6,597           \$ 11,268         (6,996)         1,631         9,355           \$ (23,459)         —         —         (14,307)           \$ 1,503         5,390         —         8,557           \$ (10,688)         (1,606)         1,631         3,605           \$ (801)         (66,894)         35,530         89,032           —         (4,548)         —         —

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### Joint Venture

# The Sports and Exhibition Authority of Pittsburgh and Allegheny County (formerly the Public Auditorium Authority)

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The Public Auditorium Authority of Pittsburgh and Allegheny County (the Authority) was incorporated on February 3, 1954, pursuant to the Public Auditorium Law Act of July 29, 1953, as a joint authority organized by the City of Pittsburgh (the City) and Allegheny County (the County) to provide educational, cultural, physical, civic and social events for the benefit of the general public. Effective November 1999, the Public Auditorium Authority legally changed its name to the Sports & Exhibition Authority of Pittsburgh and Allegheny County. The Authority is currently responsible for the management of the David L. Lawrence Convention Center (the Convention Center) and the Mellon Arena (formerly the Civic Arena) Auditorium (the Mellon Arena), and leases the Benedum Center and the John Heinz History Center to other entities located in the City of Pittsburgh. The Authority is also responsible for the construction of the new Pittsburgh Steelers Sports, Inc. (Pittsburgh Steelers) football stadium (H.J. Heinz Field), the Pittsburgh Associates' (Pittsburgh Pirates) baseball park (PNC Park), the Convention Center expansion project and various associated infrastructure improvements herein referred to collectively as the Regional Destination Financing Plan. For the year ended June 30, 2001, the Sports and Exhibition Authority's expenditures exceeded revenues by \$103,499,141 and had a fund balance of \$126,124,303.

The Board of Directors (the Board) of the Authority, a five member group, is appointed by the City and County. The Board is responsible for the overall activities and operations of the Authority. The Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

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 Sports and Exhibition 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 Sports and Exhibition Authority's outstanding bond issues whereby the City and the County have equally pledged payment of the debt service. As of December 31, 2001, the City's portion of outstanding Sports and Exhibition Authority debt service was \$15,125,000 with certain restrictions.

While the City guarantees one-half the operating deficits and a portion of the Sports and Exhibition Authority's debt service, it does not have any equity interest in the Sports and Exhibition Authority's surpluses.

25 (Continued)

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

The Sports and Exhibition Authority operates on a fiscal year ending June 30 and changed to a December 31 year end as of December 31, 2001. Complete financial statements for the Sports and Exhibition Authority can be obtained from its administrative office at 425 Sixth Avenue, Regional Enterprise Tower, Suite 1410, Pittsburgh, PA 15219.

The City's portion of debt subsidies for the Sports & Exhibition Authority for the year ended December 31, 2001 was \$373,738.

#### Related Organizations

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

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

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

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

### Jointly Governed Organization

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

### (C) Fund Accounting Structure

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

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

The fund accounting structure for the City is as follows:

#### **Governmental Fund Types:**

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

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

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

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

#### Fiduciary Fund Types:

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

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### **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.

#### (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. 33, "Accounting and Financial Reporting for Non-Exchange Transactions," which established accounting and financial reporting standards to guide state and local governments' decisions with regard to the appropriate fiscal period for recognizing the results of non-exchange transactions involving cash and other financial resources. Revenues not considered available are recorded as deferred revenues.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

#### (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

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

of the Mayor. The capital budget may, by resolution, be amended by Council at any time.

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

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

- 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 \$358.6 million. The budgetary revenues included a carryforward budgetary fund balance of \$8.9 million. The budgetary expenditures, as amended, include carryover appropriations and other changes approved by City Council during 2001.
- 2. **Encumbrances** Encumbrances accounting, under which purchase orders, resolutions, contracts and other commitments for future expenditures are recorded in order to reserve that portion of the applicable appropriation, is employed in all governmental funds of the City. Encumbrances outstanding at year end are reported as reservations of fund balances since they do not constitute expenditures or liabilities.
- 3. Budget Basis of Accounting The general fund budget is adopted on a cash basis. Encumbrances for purchase commitments are treated as restrictions of available cash and not as expenditures. Budgets in capital projects funds are also adopted on a cash basis, except that budgets for each project are adopted on a project basis which may encompass a period longer than one year. Accordingly, budget figures, as amended, for community development and capital projects reflect current year appropriations and unexpended prior year's appropriations.

#### (G) Cash and Cash Equivalents

For statement of cash flow purposes, cash and cash equivalents include all highly liquid investments, including trusteed 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.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### (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.

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. The Stadium complex was adjusted for a \$25,700,000 impairment during 1999. All ordinary maintenance and repairs are charged to current operations. Depreciation has been provided over the estimated useful lives of the assets upon acquisition 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	-	1	_		
Buildings and improvements				30	

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### (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.

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 within the next 12 months. All balances to be paid beyond 12 months are accrued in the general long-term debt account group.

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.

33 (Continued)

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### (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 within the next twelve months following December 31, 2001. 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 2001 are as follows:

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

Satisfy the financial responsibility requirements of the Commonwealth of Pennsylvania.

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

Presently, the irrevocable trust may be used by the State of Pennsylvania only in the event of default by the City under the self-insurance regulations. No risk financing activity is currently being recorded in this trust fund. All risk financing activity is recorded in the general fund and general long-term debt group. 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, 2001, \$-0- 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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### (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.

### (Q) Adoption of Accounting Pronouncement

In 2001, the City implemented GASB Statement No. 33, "Accounting and Financial Reporting for Non-Exchange Transactions," which established accounting and financial reporting standards to guide state and local governments' decisions with regard to the appropriate fiscal period for recognizing the results of non-exchange transactions involving cash and other financial resources, including contributions received from federal and state agencies. The implementation of this pronouncement did not have a material impact on the City's financial statements.

#### (R) Pending Governmental Accounting Standards Board Pronouncements

The Governmental Accounting Standards Board has issued GASB Statement No. 34, "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments." This statement establishes new financial requirements to enhance the understandability and usefulness of the comprehensive annual financial report to the citizens, legislative, and oversight bodies, and investors and creditors. The statement is required to be adopted by the City in fiscal year 2002. However, earlier application is encouraged.

The Governmental Accounting Standards Board has also issued GASB Statement No. 37, "Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Governments: Omnibus." This statement amends GASB No. 21 with regard to escheated property and amends GASB No. 34 to clarify certain provisions that may not be sufficiently clear for consistent application. It also modifies other provisions of GASB No. 34 that might have unintended consequences. The statement is required to be adopted by the City simultaneously with GASB No. 34.

The Governmental Accounting Standards Board has also issued GASB Statement No. 38, "Certain Financial Statement Note Disclosures." This statement modifies, establishes and rescinds certain financial statement disclosure requirements. The statement is required to be adopted by the City simultaneously with GASB No. 34.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

The City has not determined the impact that GASB No. 34, GASB No. 37, or GASB No. 38 will have on the financial statements.

### (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:

		eneral Fund n thousands)
Excess of expenditures and other uses over revenues and other sources – GAAP basis	\$	(11,283)
Revenues:  Decrease in revenues susceptible to accrual recorded when received in cash on the budgetary basis  Reimbursements budgeted as revenues and recognized as a		(9,737)
reduction of expenditures on a GAAP basis Operating transfers budgeted as revenues	_	8,069 (16,000)
Total		(17,668)
Expenditures: Increase in expenditures recognized on a GAAP basis recorded when paid in cash on the budgetary basis		14,779
Reimbursements budgeted as revenues and recognized as a reduction of expenditures on a GAAP basis  Pension state aid recorded as expenditure reimbursement  Operating transfers budgeted as expenditures		(8,069) 16,000 (69,026)
Total		(46,316)
Other financing (sources) uses: Operating transfers budgeted as revenues and expenditures Operating transfers unbudgeted as equity transfer	_	69,026 (329)
Total		68,697
Excess of revenues and other sources over expenditures and other uses – budgetary basis	\$	(6,570)

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

### (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:

		<b>Special Revenue</b>
	•	(in thousands)
Excess (deficiency) of revenues and other sources over expenditures and other uses – GAAP basis – all Special Revenue Funds Adjustment for non-budgeted Special Revenue Funds	\$	1,229 (1,229)
Revenues: Increase of revenues susceptible to accrual recorded when received in cash on the budgetary basis Revenues for non-budgeted Community Development Funds		(991) (1,373)
Total		(2,364)
Expenditures: Increase in expenditures recognized on a GAAP basis recorded when paid in cash on the budgetary basis Expenditures for non-budgeted Community Development Funds		813 1,487
Total		2,300
Excess (deficiency) of revenues and other sources over expenditures and other uses – budgetary basis	\$	(64)

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

### (C) Capital Projects

The budget of the City is prepared differently from accounting principles generally accepted in the United States of America. 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:

	_	Capital Projects
· ·		(in thousands)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses before extraordinary loss – GAAP basis	\$	(23,280)
Revenues:  Revenue and reimbursements to trust funds		(272)
Decrease in revenues susceptible to accrual recorded when		(212)
received in cash on the budgetary basis		(799)
Total		(1,071)
Expenditures:		**
Trust fund expenditures		352
Decrease in expenditures recognized on a GAAP basis but recorded when paid in cash on the budgetary basis		1,037
Total		1,389
Other financing (sources) uses: Increase in operating transfers susceptible to accrual recorded when received in cash on a budgetary basis		
Excess (deficiency) of revenue and other financing sources over expenses and financing uses – budgetary basis	\$	(22,962)

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

### (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, 2001, except the Stadium Authority, which is as of March 31, 2001, and the Public Parking Authority, which is as of September 30, 2001, is as follows:

Current Unrestricted		Cash	Investments	Total
Primary Government – Unrestricted				
City Treasurer (most governmental,				
expendable trust and agency funds)	\$	23,130,067	109,059,523	132,189,590
Equipment Leasing Authority (special	*	25,150,007	107,007,025	102,103,050
revenue and debt revenue fund)		1,379,236	_	1,379,236
Pension Trust Funds		17,032,762	364,740,078	381,772,840
	-			
Total Primary Government -	*			
Unrestricted		41,542,065	473,799,601	515,341,666
Component Units - Unrestricted				
PWSA		29,889,000		29,889,000
Stadium Authority		2,278,339	10,569,164	12,847,503
Public Parking Authority		1,540,497	2,326,489	3,866,986
URA		14,869,025	246,426,664	261,295,689
	-			
Total Component Units -				
Unrestricted	_	48,576,861	259,322,317	307,899,178
Total Unrestricted		90,118,926	733,121,918	823,240,844
Current Restricted	_			
Component Units – Restricted				
PWSA		13,851,000	15,376,000	29,227,000
Stadium Authority		474,542		474,542
Public Parking Authority		3,062,869	27,369,099	30,431,968
URA			483,018	483,018
Total Component Units –				
Restricted	_	17,388,411	43,228,117	60,616,528
Total Unrestricted and				
Restricted	\$	107,507,337	776,350,035	883,857,372
Resulteted	<b>=</b>	107,307,337		003,031,312

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

5. Local government investment pools and or trusts as approved by the state legislature or City Council from time to time.

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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, 2001, is presented in the accompanying table. Underlying balances are predominantly short-term investments.

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, 2001, the Equipment Leasing Authority invested its funds in one or more of the above authorized investments.

The cost of all investments at December 31, 2001, for the funds of the Equipment Leasing Authority included in special revenue funds and debt service funds is presented in the accompanying table. Underlying balances are predominantly short-term investments.

### (C) Pension Trust

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

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

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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	\$ 45,902,484
Hirtle Callaghan Fixed Income II Portfolio, Fund #11	23,651,823
SSGA Russell 1000 Growth Fund	27,528,187
Hirtle Callaghan Trust International Fixed Income	
Portfolio FD#009	30,053,498
Hirtle Callaghan High Yield Bank Portfolio, Fund #12	25,899,148

#### (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, 2001, 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, 2001, 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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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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 total deposits of the City and its component units are summarized by category as follows: primary government unrestricted category 1 - \$135,439,568 category 2 - \$364,740,078 and category 3 - \$75,815,560; component unit unrestricted and restricted category 1 - \$266,283 and category 3 - \$21,188,846.

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

Primary Government – Unrestricted		Carrying Amount	Fair Value	Category
(A) City Treasurer (most governmental, expendable trust and agency funds):				
Certificate of deposit	\$	10,100,000	10,100,000	3
Deposits		85,103,682	85,103,682	N/A
Corporate obligations (pension)		4,855,841	4,855,841	3
U.S. government and agency obligations		9,000,000	9,000,000	3
Total		109,059,523	109,059,523	
(B) Pension Trust:				
Preferred and common stocks U.S. government & agency		149,055,149	149,055,149	2
obligations		30,616,688	30,616,688	2
Corporate and other obligations		27,547,259	27,547,259	2
Mutual funds		157,520,982	157,520,982	N/A
Total	,	364,740,078	364,740,078	
Total Primary Government –				
Unrestricted	\$	473,799,601	473,799,601	

# Notes to General Purpose Financial Statements

# For the Year Ended December 31, 2001

Component Units - Unrestricted		Carrying Amount	Fair Value	Category
(C) Stadium Authority:  Money market pooled investments	\$	10,569,164	10,569,164	N/A
(D) Pittsburgh Parking Authority:  Local government securities  Deposits and guaranteed investment		41,289	41,289	1
contracts		2,285,200	2,285,200	N/A
Total		2,326,489	2,326,489	
(E) URA: U.S. government and agency obligations		135,398,279	135,398,279	1
U.S. government and agency obligations Pooled Investment Fund	,	75,815,560 35,212,825	75,815,560 35,212,825	3 N/A
Total	,	246,426,664	246,426,664	
Total Component Units – Unrestricted		259,322,317	259,322,317	
Total Unrestricted		733,121,918	733,121,918	
Components – Restricted		Carrying Amount	Fair Value	Category
(F) PWSA: U.S. government and agency obligations Local government securities	\$	5,404,000 9,972,000	5,404,000 9,972,000	3 3
Total		15,376,000	15,376,000	
(G) Pittsburgh Parking Authority: Commercial paper Corporate obligations Deposits and guaranteed investment contracts		266,283 5,812,846 21,289,970	266,283 5,812,846 21,289,970	1 3 N/A
Total		27,369,099	27,369,099	

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

Component – Restricted		Carrying Amount	Fair Value	Category
(H) URA: Pooled investment funds	\$	483,018	483,018	N/A
Total		483,018	483,018	
Total Component Units – Restricted	,	43,228,117	43,228,117	
Grand Total	\$	776,350,035	776,350,035	

#### (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.

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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

### (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.

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As of December 31, 2001, 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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

# (5) Trusteed and Restricted Funds (amounts in thousands)

The following is a summary of trusteed and restricted funds:

Component Units		Cash and investments	Accrued interest and other assets	Total
	•	mvestments	455015	Total
Pittsburgh Water and Sewer				
Authority (PWSA):				<b>⊕</b> 5
1 TO	\$	1,412	9	1,421
Debt service		20,442	192	20,634
Operating reserve		6,930	39	6,969
Other funds		443		443
Subtotal		29,227	240	29,467
Stadium Authority:				
Parking maintenance		475	90	565
Subtotal		475	90	565
Parking Authority:				
Cash and deposits		3,063		3,063
Operating reserve		2,827		2,827
Debt service		3,502	-	3,502
Debt service reserve		3,709		3,709
Capital improvement fund		294	-	294
Renewal and replacement		2,761		2,761
Revenue		5,652		5,652
City meter/wharf		844		844
Project fund		6,655		6,655
Excess coverage		735	_	735
Coop fund		390		390
Subtotal		30,432		30,432
Subtotal		60,134	330	60,464
URA investments, restricted		483		483
Total component unit trusteed and	ts			
restricted funds	\$	60,617	330	60,947

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

#### (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. Property is assessed by the board at 100% of fair market value. All real property in the County is required to be reassessed every three years.

A unified tax levy for land and buildings, is made annually on January 1 and collected by the City. Taxes are payable annually or in three installments, at the taxpayers' option, normally 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, normally 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) Property Tax Reassessments

The City of Pittsburgh, as part of Allegheny County, had all property reassessed for the year 2001. Assessments are now based on 100% of market value. Due to the magnitude of the changes from the previous assessments, particularly in the ratio of land to building values, the City of Pittsburgh was forced to abandon its two-tiered or bifurcated tax, which had been in existence since 1913. The City of Pittsburgh now taxes land and building at the same unified rate and plans to maintain a unified rate unless land values are reassessed in the future.

City and School Real Estate Taxes (property taxes) are based on the assessed value of the property as determined by the Allegheny County Board of Assessors. The assessed value of a property is broken down by land value and building value. The City of Pittsburgh's tax rate is 10.8 mills on the assessed value of the property. By comparison, the School District of Pittsburgh's tax rate is 13.92 mills assessed value. A mill is 1/10 of a cent. For example, on a property assessed at \$1,000, the City of Pittsburgh Real Estate tax would be \$10.80. The School District of Pittsburgh Real Estate tax would be \$13.92.

Taxes are billed on a calendar year. There are three tax relief programs in the City of Pittsburgh. They are: Homestead; Senior tax relief; and Gentrification.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

Over 90,000, or over 18%, of property owners out of approximately one-half million in Allegheny County have filed property tax appeals contesting their new assessments as of June 1, 2002.

#### (B) Tax Lien Sale

In 2001 and 2000, the City sold no tax liens.

### (7) Fixed Assets

The following is a summary of changes in the general fixed assets account group during 2001:

	Balance January 1, 2001	Additions (amounts in	Deletions n thousands)	Balance December 31, 2001
Land and buildings Machinery and equipment	\$ 113,996 61,397	268 2,019	(950)	114,264 62,466
Total general fixed assets	\$ 175,393	2,287	(950)	176,730

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

		2001
	_	(in thousands)
Land and parking facilities	\$	98,201,111
Utility plant		304,859,000
Nonutility plant		9,978,000
Capitalized system lease		102,166,000
Construction-in-progress		42,163,000
URA land, building and improvement		28,669,435
URA furniture and fixtures		501,750
URA development and related costs		48,450
URA property on lease	_	52,175,911
Total		638,762,657
Less accumulated depreciation	-	(92,412,041)
Net component unit property,		
plant and equipment	\$	546,350,616

### (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.

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(Continued)

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

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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.

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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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:

- 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

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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,

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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 Fund

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 Fund 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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

#### (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 pension 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 funds,

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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

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

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

#### Annual Pension Cost and Net Pension Obligation

The City's annual pension cost and net pension obligation for the past three years were as follows:

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# Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

Fiscal Year Ended		Municipal	Police	Fire			
	_	(Amounts in thousands)					
12/31/2001 Annual required contribution Contributions made	\$	3,865 (3,829)	10,502 (10,477)	5,783 (5,844)			
12/31/2000 Annual required contribution Contributions made	ı.	2,613 (2,591)	9,708 (9,718)	5,730 (5,742)			
12/31/1999 Annual required contribution Contributions made		3,082 (4,617)	10,402 (9,610)	6,194 (5,451)			

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

	_	Municipal	Police	Fire
Valuation date		1/1/01	1/1/01	1/1/01
Actuarial cost method		Entry age normal	Entry age normal	Entry age normal
Amortization method		Level percentage closed	Level percentage closed	Level percentage closed
Remaining amortization period		37 years	37 years	37 years
Asset valuation method		Market	Market	Market
Actuarial assumptions: Investment return Projected salary increases Cost-of-living adjustment	%	9.00 0.5 3.5	9.00 2.85 3.5	9.00 2.5 3.5

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

### Three Year Trend Information

Fiscal year ending	Pension plan		Pension cost (APC)		Total contributions as a percentage of annual required contributions
12/31/1999	Municipal	\$	3,082	%	149.8
	Police		10,402		92.4
	Fire		6,194		88.0
	Total		19,678	<del>-</del>	100.0
12/31/2000	Municipal		2,613		99.2
	Police		9,708		100.1
	Fire		5,730		100.2
	Total	_	18,051	_	100.0
12/31/2001	Municipal		3,865		99.1
	Police		10,502		99.8
	Fire	_	5,783	_	101.1
	Total		20.150		100.0

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

At January 1, 2001, the membership of the three pension plans consisted of:

Status	Municipal	Police	Fire	Total
Retirees and beneficiaries of deceased retirees currently	g			
receiving benefits	1,684	1,565	1,005	4,254
Terminated employees - vested	19	1		20
Total	1,703	1,566	1,005	4,274
Active members	2,287	1,098	889	4,274
Total membership	3,990	2,664	1,894	8,548

### (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 1,279 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 2001, post-retirement healthcare benefits expense paid by the City was \$7,053,489.

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 94 retirees in this group with a total cost to the City in 2001 of \$394,800.

The City also provides life insurance benefits to retired police and fire employees. The amount of life insurance coverage varies from \$4,000 to \$15,000 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 1,795 retirees in this group with a total cost during 2001 of \$206,478.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

# (10) Long-Term Debt

The maximum amount payable for future maturities of bond and interest on general long-term debt at December 31, 2001, and changes in bond principal for the year then ended are summarized below:

		Principal		
		Outstanding at December 31, 2000	Bonds paid or defeased and discount amortized during 2001	
Council and public election general obligation bonds:				
Fourteen general obligation bond issues with rates				
ranging from 4.25% to 7.0%. The bonds				
are payable from general revenues:				
2001	\$	35,180,000	35,180,000	
2002		36,940,000	_	
2003		38,420,000	_	
2004		39,210,000		
2005		42,425,000		
2006		45,515,000	_	
2007 - 2011		262,640,000	_	
2012 - 2016		164,740,000		
2017 - 2021		145,860,000	<del></del>	
2021 – 2024	,	101,805,000		
Subtotal		912,735,000	35,180,000	
Less discount		(7,370,498)	(1,543,190)	
Less bonds funded by Stadium Authority		(20,936,003)	(2,029,494)	
Total		884,428,499	31,607,316	

Face value on bonds issued during 2001	Outstanding at December 31, 2001	Interest	
	_		
	36,940,000	49,624,687	
	38,420,000	48,244,645	
	39,210,000	46,037,939	
_	42,425,000	43,521,360	
	45,515,000	41,428,830	
	262,640,000	168,379,777	
	164,740,000	104,456,088	
	145,860,000	56,143,208	
	101,805,000	10,468,305	
	877,555,000	568,304,839	
	(5,827,308)	_	
	(18,906,509)	(13,905,072)	
	852,821,183	554,399,767	

# Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

		Principal		
	-	Outstanding at December 31, 2000	Bonds paid or defeased and discount amortized during 2001	
Public Auditorium Authority Revenue Bonds: One bond issue with interest rates ranging from 4.2% to 5.85%. The City's share of debt service on these bonds is payable from general revenues: 2001 2002 2003 2004 2005 2006 2007 – 2011 2012 – 2015	\$	1,447,500 1,642,500 1,657,500 1,727,500 1,797,500 1,800,000 4,022,500 2,560,000	1,447,500 — — — — — — — —	
2017 – 2019	-	1,560,000		
Total  Urban Redevelopment Authority of Pittsburgh Taxable Bonds:  One tax increment financing (TIF) bond issue with interest rates ranging from 6.15% 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:		18,215,000	1,447,500	
2001		87,055	87,055	
2002 2003 2004 2005 2006 2007 – 2011 2012 – 2013		92,733 98,410 104,088 111,657 119,228 728,611 369,037		
Total		1,710,819	87,055	

Face value on bonds issued during 2001	Outstanding at December 31, 2001	Interest
— — — — —	1,642,500 1,657,500 1,727,500 1,797,500 1,800,000	820,265 751,280 678,350 600,612 517,928
	4,022,500 2,560,000 1,560,000	1,631,622 887,483 175,262
—	16,767,500	6,062,802
	_	·
_	92,733	112,446
	98,410	106,743
_	104,088	100,592
_	111,657	93,982
_	119,228	86,781
_	728,611 369,037	297,456 40,333
	1,623,764	838,333

# Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

		Principal		
	-	Outstanding at December 31, 2000	Bonds paid or defeased and discount amortized during 2001	
Urban Redevelopment Authority of Pittsburgh Taxable Bonds: One Special Tax Development Bond issue with interest rates ranging from 8.45% to 9.07%. Bonds are payable solely from City's assignment to the URA of certain Allegheny Regional Asset District revenues: 2001 2002 2003 2004 2005 2006 2007 - 2011 2012 - 2015	\$	1,215,000 1,325,000 1,440,000 1,570,000 3,070,000 3,345,000 22,435,000 22,205,000	1,215,000 	
Total		56,605,000	1,215,000	
Urban Redevelopment Authority of Pittsburgh Revenue Bonds:  Two tax increment financing (TIF) bond issues with interest rates ranging from 5.75% 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:  2001 2002 2003		183,573 196,821 213,853	183,573 —	
2003		213,833	_	
2004		244,133	_	
2006		268,735		
2007 – 2011		1,932,245		
2012 – 2015		709,688		
Total		3,978,041	183,573	

Face value on bonds issued during 2001	Outstanding at December 31, 2001	Interest
	1,325,000 1,440,000 1,570,000 3,070,000 3,345,000 22,435,000 22,205,000 55,390,000	4,929,842 4,817,878 4,695,478 4,561,244 4,297,224 16,523,072 4,576,268 44,401,006
	196,821 213,853 228,993 244,133 268,735 1,932,245 709,688	222,099 210,455 197,887 184,448 169,921 579,571 108,050

## Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

		Principal		
	-	Outstanding at December 31, 2000	Bonds paid or defeased and discount amortized during 2001	
Urban Redevelopment Authority of Pittsburgh Taxable Revenue Bonds: One taxable revenue bond issue with an interest rate of 8.0%. The bond is payable from general resources of the General Fund: 2001 2002 2003 2004	\$	895,000 965,000 1,040,000 1,125,000	895,000	
Total		4,025,000	895,000	
Urban Redevelopment Authority of Pittsburgh Taxable Revenue Bonds: One tax increment financing (TIF) bond with interest rates ranging from 7.03% 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:				
2001		107,673	107,673	
2002		117,118	<del></del>	
2003		124,674	,	
2004	(*)	132,230		
2005		145,453		
2006		154,898		
2007 – 2011		986,058		
2012 – 2015	-	1,127,733		
Total		2,895,837	107,673	
General Long-Term Debt Account Group	\$	971,858,196	35,543,117	

Face value on bonds issued during 2001	Outstanding at December 31, 2001	<u>Interest</u>
  	965,000 1,040,000 1,125,000	250,400 173,200 90,000
_	3,130,000	513,600
_		_
<del></del>	117,118	212,586
and the second s	124,674	204,000
	132,230	194,697
	145,453 154,898	184,468 173,317
<del>_</del>	986,058	659,937
	1,127,733	190,120
	2,788,164	1,819,125
	936,315,079	609,707,064

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## **Discretely Presented Component Units**

Future maturities of bond principal on Stadium Authority indebtedness at March 31, 2001 are as follows:

		Principal		
	_	Outstanding at March 31, 2000	Bonds paid or defeased and discount amortized during 2001	
Stadium Authority Revenue Bonds and Notes: One revenue refunding bond issue with interest rates ranging from 4.4% to 5.0%. The bonds are payable from revenue from the RAD tax:				
2001 2002 2003 2004 2005 2006	\$	2,022,300 2,087,300 2,167,300 2,247,300 1,945,000 2,040,000	2,022,300 387,300 387,300 387,300 ———————————————————————————————————	
Subtotal		12,509,200	3,184,200	
Unamortized bond discount	-	(121,012)		
		12,388,188	3,184,200	
Plus: General Obligation Bonds funded by Stadium Authority	_	18,605,000	1,655,000	
Total	\$ =	30,993,188	4,839,200	

Face value on bonds issued during 2001	Outstanding at March 31, 2001	Interest
	1 700 000	420.542
_	1,700,000 1,780,000	439,542 364,743
	1,860,000	283,752
	1,945,000	196,333
	2,040,000	102,000
	9,325,000	1,386,370
22,002	(99,010)	
22,002	9,225,990	1,386,370
	16,950,000	
22,002	26,175,990	1,386,370

# Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

Future maturities of bond and note principal on Parking Authority indebtedness at September 30, 2001 are as follows:

		Principal		
		Outstanding at September 30, 2000	Bonds paid or defeased and discount amortized during 2001	
Parking Authority Revenue Bonds and Notes: Three revenue bond issues with interest rates ranging from 4.5% to 6.0%. The bonds are payable from revenue from Parking Authority operations:				
2001	\$	2,760,000	2,760,000	
2002	Ψ	2,905,000	2,700,000	
2003		3,720,000		
2004		3,920,000		
2005		4,135,000		
2006		4,360,000		
2007 - 2011		25,855,000		
2012 – 2016		17,790,000		
2017 – 2021		10,950,000		
2022 – 2026		12,240,000	_	
2027 – 2028		1,925,000		
Subtotal		90,560,000	2,760,000	
Plus bond premium		63,102	_	
Less unamortized discount		(1,149,035)	(87,736)	
Total	\$	89,474,067	2,672,264	

Face value on bonds issued during 2001	Outstanding at September 30, 2000	Interest
-	2 005 000	4.016.564
_	2,905,000	4,916,564
	3,720,000	4,741,425
_	3,920,000	4,536,068
<del>-</del>	4,135,000	4,314,641
_	4,360,000	17 701 102
_	25,855,000	17,701,192
<del></del>	17,790,000 10,950,000	10,205,000 6,438,471
	12,240,000	2,981,590
	1,925,000	312,286
	1,923,000	312,280
	87,800,000	56,147,237
(2,584)	60,518	
	(1,061,299)	_
(2,584)	86,799,219	56,147,237

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

Future maturities of bond principal on Water and Sewer Authority indebtedness at December 31, 2001 are as follows:

		Principal		
	-	Outstanding at December 31, 2000	Bonds paid or defeased and discount amortized during 2001	
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 with interest rates ranging from				
4.4% to 6.5%. The bonds are payable from				
revenue from Water and Sewer operations:				
2001	\$	9,635,000	9,635,000	
2002		10,065,000		
2003		10,505,000		
2004		11,000,000		
2005		11,515,000		
2006		12,060,000		
2007 – 2011		69,790,000		
2012 - 2016		92,060,000		
2017 - 2021		116,535,000	<del>_</del>	
2022 – 2026		145,755,000	<del></del>	
2027 - 2030		109,925,000		
Subtotal		598,845,000	9,635,000	
Plus net bond discount		(2,959,000)		
Less unamortized discount on 1998 bonds		(123,873,000)		
Less deferred refunding loss:		, , , ,		
1991 Series		(19,215,000)	_	
1998 Series	_	(5,017,000)		
Total	\$	447,781,000	9,635,000	

Face value on bonds issued during 2001	Outstanding at December 31, 2001	Interest
		_
	10,065,000	21,699,364
- - - - - -	10,505,000	21,246,439
_	11,000,000	20,763,209
	11,515,000	20,246,208
_	12,060,000	19,699,247
	69,790,000	89,012,391
_	92,060,000	66,737,644
	116,535,000	49,938,206
_	145,755,000	47,159,970
	109,925,000	87,840,608
_	589,210,000	444,343,286
184,000	(2,775,000)	_
2,254,000	(121,619,000)	
1,906,000	(17,309,000)	
352,000	(4,665,000)	
4,696,000	442,842,000	444,343,286

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

The following is a summary of changes in long-term obligations of the URA for the year ended December 31, 2001:

	Balance at December 31, 2000	Additions	Retirements	Balance at December 31, 2001
Proprietary Fund Type:				
Mortgage Revenue Bond Program \$	184,670,000	16,000,000	22,660,000	178,010,000
Home Improvement Loan Program	21,725,000	·	2,100,000	19,625,000
Single Family Mortgage Revenue				
Bonds (GNMA Mortgage-Backed				
Securities):				
1988 Series B, C, and D	4,740,000	-	4,740,000	
Single Family Mortgage Revenue				
Draw Down Bonds	4,163,000	30,897,000	12,408,000	22,652,000
Bank loan	4,822,540		265,702	4,556,838
Total Proprietary Fund Debt	220,120,540	46,897,000	42,173,702	224,843,838
Component Units:				
URA Housing Corporation:				
Bonds payable	3,815,000		310,974	3,504,026
PEIDC:			8	
Loans payable to the URA	27,541,803	838,660	1,181,010	27,199,453
Bank construction and mortgage loans	2,670,250	-	47,324	2,622,926
Commonwealth IDP loan	372,809		30,670	342,139
Commonwealth IDA loan	4,227,421		329,479	3,897,942
Investment Corporation loan	7,769,984	_	222,627	7,547,357
Private Investment Fund loan	500,000	_		500,000
Trust fund loan	3,567,189		30,501	3,536,688
Nonprofit financing loans	590,000		16,535	573,465
URA Housing Development Corporation:				
Loans payable to the URA	860,297	1,392,016	325,236	1,927,077
Loans payable to others	20,535	100,000	20,535	100,000
Bank construction loan	461,752	344,753	536,029	270,476
Total Component Unit Debt	52,397,040	2,675,429	3,050,920	52,021,549
Total debt and other long-term				
obligations-reporting entity \$	272,517,580	49,572,429	45,224,622	276,865,387

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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

No new general obligation bonds were issued in 2001 and 2000.

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, 2001, bonds outstanding of \$117,790,000 refunded by the above mentioned issues are considered defeased.

## (B) Sports and Exhibition Authority

On October 28, 1999, the Authority issued \$36.5 million in bonds guaranteed by the City and County with an average interest rate of 5 percent to advance refund \$23.5 million of outstanding 1991 and 1994 series bonds with an average interest rate of 5.9 percent and 6.2 percent, respectively, and to satisfy the 1978 series bonds with an outstanding balance of \$7 million. The net proceeds of \$35.8 million (after payment of \$700,000 in underwriting fees, insurance, and other issuance costs) plus an additional \$6.3 million of 1991 and 1994 series sinking fund monies were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1991 and 1994 series bonds. As a result, the 1991 and 1994 series bonds are considered to be defeased and the liability for those bonds has been removed from the general long-term debt account group.

The Authority advance refunded the 1991 and 1994 series bonds to reduce its total debt service payments over the next 15 years by almost \$3.7 million and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1.7 million.

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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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.

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. The principal of defeased 1986 Bonds still outstanding at December 31, 2001, was \$206,055,000.

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, 2001, was \$77,630,000.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

The Series A-1993 and Series B-1993 Bonds still outstanding bear interest at fixed rates ranging from 3.4% 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 5.1% for 2001.

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, 2001, based on quoted market prices, is approximately \$228,000,000.

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. At December 31, 2001, the unamortized deferred refunding loss of \$4,665,000 on the transaction is shown as a reduction of long term debt and will be amortized through 2028. At December 31, 2001, the principal of the defeased 1995 Bonds outstanding was \$170,395,000.

Fair value of the 1998 Bond at December 31, 2001, based on quoted market prices, is approximately \$240,000,000.

The 1998 Series A Bonds and 1998 Series C Bonds bear interest at fixed rates remaining from 5.0% to 5.25%, payable semiannually at March 1 and September 1. The average effective interest rate on the 1998 Bonds, including amortization of original issue discount and excluding the amortization of the 1995 refunding loss is approximately 5.1%. 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

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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, 2001, 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.

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),

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

# (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.

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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

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.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

# (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.

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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.

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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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, 2001, the full amount of the bond proceeds has been given to Pittsburgh Baseball Inc.

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

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

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

The proceeds from the sale of the bonds, along with other funds, 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

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

#### (G) Other Long-Term Obligations

The following is a summary of transactions affecting all other long-term obligations to the City during 2001:

	Deferred Loan	Accrued Workers' Compensation	Accrued Compensated Absences	Accrued Claims and Judgments
Balance, January 1, 2001	\$ 3,834,000	90,204,615	31,952,904	3,520,000
Additions		18,489,782	14,856,498	1,531,072
Reductions		(17,101,982)	(15,121,904)	(1,781,072)
Balance, December 31, 2001	3,834,000	91,592,415	31,687,498	3,270,000
Less amounts accrued currently in: General Fund		(17,889,415)	(16,442,998)	(1,700,000)
Long-term portion, December 31, 2001	\$ 3,834,000	73,703,000	15,244,500	1,570,000

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## (11) Due From/To Other Governments

## (A) 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, 2001:

General fund:		
Commonwealth of Pennsylvania	\$	494,937
Allegheny County Information Systems		102,227
Urban Redevelopment Authority		573,084
Regional Asset District		3,961,633
Pittsburgh Water & Sewer Authority	_	146,531
		5,278,412
Special revenue:		
Job Training Partnership Program		1,029,474
Housing and Urban Development		3,480,675
Allegheny County - Public Safety	_	443,914
		4,954,063
Capital projects:		
Commonwealth of Pennsylvania - Highway Fund		185,176
Federal Government - Highway Funds		968,688
Pittsburgh Water & Sewer Authority - Design and		,
Inspection Fees		16,727
Department of Environmental Resources		1,262,500
	•	2 422 001
•		2,433,091
Trust and Agency:		
Pittsburgh Water & Sewer Authority		302,755
Total due from other governments	•	12,968,321
Total due nom other governments	Φ:	12,700,321

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## (B) Due To Other Governments

Funds collected by the City on behalf of other governments. The following amounts, as described below, are due to other governments at December 31, 2001:

General fund: Pittsburgh Board of Education Commonwealth of Pennsylvania Sports and Exhibition Authority	\$ 2,718,329 95,542 37,282
	2,851,153
Special revenue:	
Federal government	727,124
	727,124
Trust funds:	
Commonwealth of Pennsylvania Urban Redevelopment Authority	32,787 18,884
	51,671
Total due to other governments	\$ 3,629,948

# Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

# (12) Interfund Receivable and Payable Balances

		Receivables	Payables
General fund	\$	4,861,679	612,741
Special revenue funds:  JTPA Public safety Housing Civic and cultural  Total special revenue funds		186,710 —— —— —— 146,131 ——— 332,841	1,306,140 102,633 1,993,010 172,063
Capital projects funds: Engineering and construction Public works Urban Redevelopment Other  Total capital projects funds		828,790 — 536,083 1,364,873	91,530 
Pension trust funds: Municipal Trust Police Trust Fire Trust	,		14,980 21,719 12,153 48,852
Trust funds: Parks endowments Gifts and donations		— 105,601	87,495 —
Agency funds: Payroll withholding Employee benefits Other		284,729 507,139	990,986 — 51,412
Total pension, trust and agency funds		897,469	1,178,745
Total	\$	7,456,862	7,456,862

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

Discrete component unit interfund receivable and payable balances:

The following are the Urban Redevelopment Authority (URA) interfund receivable and payable balances:

	Receivables		Payables
General fund	\$	2,988,843	948,406
Special revenue fund		5,280,387	7,128,700
Enterprise fund	_	48,879	241,003
Total	\$ _	8,318,109	8,318,109

In addition, the Parking Authority has a \$1,205,337 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, 2001.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## (13) Operating Transfers

Transfers between primary government funds:

·		Transfers in	Transfers out
General fund	\$	329,500	69,355,717
Special revenue funds:		1 000 000	
Equipment leasing JTPA		1,000,000 234,960	_
Public safety		850,000	12,500
Civic and cultural			90,000
Total special revenue funds		2,084,960	102,500
Debt service funds: General obligation	7	75,353,097	
Total debt service funds		75,353,097	=
Trust funds:			
Park endowments			200,000
Pension escrow		· -	8,082,340
Gifts and donations			27,000
Total trust funds			8,309,340
Total transfers between primary			
government funds	\$	77,767,557	77,767,557

Transfers between primary government and discretely presented component units:

	_	Transfers in	Transfers out
Debt service fund	\$_	3,250,000	
Total transfers between primary government and discretely presented component units	\$_	3,250,000	

<sup>\*</sup> Transfers out of \$3,250,000 shown as reduction in notes payable of the Stadium Authority. The City, however, does not have an offsetting receivable due to the unlikelihood of repayment.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

Residual equity transfers between funds:

	_7	ransfers in	Transfers out
General fund	\$_	11,687	
Special revenue funds: Public safety	_		11,687
Total special revenue funds	_		11,687
Residual equity transfers between funds	\$_	11,687	11,687

#### (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, 2001, contributed capital for the Stadium Authority amounted to \$36,627,129. 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.

As of December 31, 2001, the URA has contributed capital of \$6,592,779. 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, 2001, 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 had a contributed capital increase of \$82,495, and the URA had a contributed capital decrease of \$301,070.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## (15) Segment Information

The City's 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					
	1	PWSA December 31, 2001	Stadium Authority March 31, 2001	URA December 31, 2001	Parking Authority September 30, 2001	Total	
				(in thousands)			
Operating revenues	\$ _	60,401	6,997	18,160	26,219	111,777	
Operating grants	\$ _		5,390	2,108		7,498	
Depreciation and amortization	\$	10,755	3,306	2,208	3,638	19,907	
Operating income (loss)	\$ _	11,268	(6,996)	9,356	6,137	19,765	
Net income (loss)	\$	(10,688)	(1,606)	3,605	1,335	(7,354)	
Property, plant and equipment	-						
additions	\$	40,718		5,301	21,974	67,993	
Net working capital	\$	38,383	8,417	349,683	(5,397)	391,086	
Total assets	\$	458,093	19,192	569,137	142,793	1,189,215	
Bonds and other long-term	-						
liabilities, net	\$ _	456,234	45,441	277,404	83,894	862,973	
Equity (deficit):							
Contributed capital		5,277	36,627	6,593	5,708	54,205	
Retained earnings (deficit)		(11,489)	(73,049)	92,637	40,122	48,221	
Remaining fund balance	_			49,363		49,363	
Total equity (deficit)	\$_	(6,212)	(36,422)	148,593	45,830	151,789	

## (16) Fund Deficits

## (A) Stadium Authority Deficit

The deficit of the Stadium Authority will be subsidized through future revenues from the Regional Asset District and Sports and Exhibition Authority. 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.

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## (B) Pittsburgh Water and Sewer Authority

An increase in operating expenses, a decrease in interest income, and reduction in capitalized interest resulted in the 2001 deficit position. The Authority has extended its contract with a nationally known service company to improve operations, has placed delinquent accounts with a collection agency to improve collections, and has approved rate increases in an effort to cover increased debt service and to reduce the deficit position.

## (C) Fire Pension Trust

The deficit of the Fire Pension Trust Fund was "budgeted" since an excess cash balance existed in the Fund. A lower amount was transferred in order to draw down the excess cash.

### (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.

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(Continued)

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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, 2001, was \$1,193,078.

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 2001, the URA received payments of \$446,790. This left a balance including accrued interest of \$5,524,894 at December 31, 2001.

(C) In February of 2000, the Public Parking Authority and the City of Pittsburgh amended the cooperation agreement between them dated February 5, 1995. Among other things, the amended cooperation agreement increased from \$1.4 million to \$1.9 million the Authority's annual payment in lieu of real estate taxes to the City. Under the terms of the agreement, however, the payment to the City is made only upon the Authority successfully meeting its annual debt service requirements, determined each year on December 15. This amendment effectively subordinates the Authority's annual payment in lieu of taxes, providing additional security for Authority bondholders. The Authority has reflected as accounts payable - primary government amounts owed to the City for miscellaneous items totaling \$1,205,337. The City, however, does not have a corresponding receivable recorded due to the unlikelihood of collection.

## (18) Construction and Other Significant Commitments

As of December 31, 2001, the City had the following commitments with respect to unfinished capital projects:

Capital project		Remaining construction commitment	Expected date of completion
Commercial Street	\$	1,078,939	November 2002
Fort Duquesne Boulevard		500,621	May 2002
Fort Pitt Boulevard Demo		2,759,195	April 2002
Handicap Ramps		323,895	April 2002
Mt. Washington Senior Center		540,001	June 2002
Nine Mile Run Ecosystem Restoration		533,073	September 2002
10th and 18th Street Pedestrian Bridges		652,229	August 2002
West End Overlook	-	1,627,605	October 2002
Total	\$ =	8,015,556	

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## (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, the old Three Rivers Stadium debt, PNC Park, Heinz Field, 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 nineteen years with \$6,200,000 annually allocated for the first nine 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.

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 this and the preceding paragraphs.

#### (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, 2001, 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

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

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.

Changes in the accrued claims and judgments liability during the years ended December 31, 2001 and 2000, were as follows:

	_	2001	2000
Accrued claims and judgments, January 1 Current year claims and changes	\$	3,520,000	16,181,650
in estimates Claim payments	_	1,531,072 (1,781,072)	(3,128,307) (9,533,343)
Accrued claims and judgments, December 31	\$_	3,270,000	3,520,000

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 and general long-term debt account group.

Changes in the accrued workers' compensation liability during the years ended December 31, 2001 and 2000, are as follows:

	_	2001	2000
Accrued workers' compensation, January 1 Current year claims and changes in estimates Claim payments	\$	90,204,615 18,489,782 (17,101,982)	98,469,975 10,470,640 (18,736,000)
Accrued workers' compensation, December 31	\$	91,592,415	90,204,615

Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

## (22) Conveyance of Property by URA

In February 2000, the Pittsburgh Economic and Industrial Development Corporation (PEIDC) (component unit of the URA) transferred the Oliver Garage assets and related debt to the Public Parking Authority in accordance with the options provided in the Trust Indenture and related lease. The transfer resulted in a loss of \$26,354,517 for the URA. When the garage was purchased by the Public Parking Authority, all of the related obligations of the URA were assumed by the Public Parking Authority. At the date of transfer, the Public Parking Authority assumed the obligation of the bonds payable of \$15,155,000 and received a parking facility and equipment of \$13,812,612 and other assets of \$1,342,388, which approximated fair value, thus no gain or loss was recorded by the Public Parking Authority.

Also during 2000, the University of Pittsburgh's McGowan Center for Artificial Organ Development purchased the Pittsburgh Life Sciences Center building that was under construction by the PEIDC. The proceeds of the consideration paid to the PEIDC were used to reimburse the PEIDC for all project costs and to pay off all of the project debt, including a loan from the URA, a loan from Allegheny County and a construction loan from National City Bank. As part of the agreement, the University of Pittsburgh agreed to assume the PEIDC's existing construction and architectural contracts on the project. The sale resulted in a loss of \$2,389,952 for the URA.

## (23) Capital Transferred to Sports and Exhibition Authority for New Stadium Complexes

In connection with the construction of PNC Park and H. J. Heinz Field (Projects), the Stadium Authority of the City of Pittsburgh had incurred costs of \$3,990,714, through March 31, 2000 which were reimbursed by the Sports and Exhibition Authority of Pittsburgh and Allegheny County (SEA) with funds received from the financing of the Projects.

On May 26, 1999, the SEA issued the "Public Auditorium of Pittsburgh and Allegheny County Regional Asset District Sales Tax Revenue Bonds, Series 1999 (RAD Bonds)." A portion of the proceeds from the RAD Bonds were used to reimburse the Stadium Authority for certain costs incurred of \$24,219,016 in connection with the Projects. A portion of these funds were used to pay off the outstanding BAN advances, and \$15,200,000 of the funds were contributed back to the SEA as contributed capital to be used on the Projects.

## (24) Subsequent Events

#### (A) General Obligation Bonds - Series 2002A

On January 17, 2002, the City closed on \$126,585,000 of General Obligation Bonds, Series 2002, with an average interest rate of 5.25%. The bonds consisted of serial bonds bearing various fixed rates ranging from 4.0% to 5.5% with maturities commencing on September 1, 2002 and continuing annually through September 2026.

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Notes to General Purpose Financial Statements

For the Year Ended December 31, 2001

From the net proceeds of \$125,810,014 (after issuance cost of \$1,016,756, plus original issue premium of \$2,505,946 and a transfer of \$2,264,176 of capitalized interest to the Debt Service Fund) \$60,178,306 were used to provide funds for capital projects and \$65,631,708 were used to advance refund various series of bonds with an average interest rate of 5.69%.

The proceeds of \$65,631,708 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, the refundable bonds will be considered to be defeased and the related liability for the bonds will be removed from the City's long-term debt in 2001.

Principal payments refunded are:

Issue/series	Rate	. ,	Amount
1994A	5.1%	\$	1,525,000
1997A	5.0%		2,455,000
1 <b>999A</b>	5.15% - 6.0%		54,845,000
		\$	58,825,000

## Pension Trust Funds

# Schedule of Funding Progress

(In Thousands)

Actuarial valuation date (January 1)	Pension plan	Actuarial value of plan assets	accrued	Unfunded actuarial liability	Actuarial value of assets as a percentage of actuarial accrued liability	Annual covered payroll	Unfunded actuarial liability as a percentage of annual covered payroll
1996	Municipal	\$ 54,338	\$ 173,180 \$	118,842	31.4	\$ 64,411	184.5
	Police	28,553	273,252	244,699	10.4	43,389	564.0
	Fire	35,440	186,839	151,399	19.0	43,026	351.9
	Total	\$118,331	\$ 633,271 \$	514,940		\$150,826	
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	47,012	196,773	149,761	23.9	43,977	340.5
	Total	\$156,975	\$ 649,895 \$	492,920		\$155,267	
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	57,904	205,889	147,985	28.1	45,613	324.4
٠	Total	\$173,053	\$ 675,091 \$	502,040		\$165,740	
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	142,940	208,274	65,334	68.6	46,869	139.4
	Total	\$ 436,614	\$ 685,248 \$	248,634		\$168,322	
2000	Municipal	\$ 140,158	\$ 183,715 \$	43,557	76.3	\$ 63,627	68.5
	Police	169,358	298,470	129,113	56.7	52,266	247.0
	Fire	158,093	215,462	57,369	73.4	47,991	119.5
	Total	\$ 467,609	\$ 697,647 \$	230,039		\$ 163,884	
2001	Municipal	\$ 124,935	\$ 185,656 \$	48,012	67.3	\$ 64,621	74.3
	Police	150,833	305,282	152,196	49.4	51,345	296.4
	Fire	147,291	222,041	70,088	66.3	50,326	139.3
	Total	\$ 423,059	\$ 712,979 \$	270,296		\$166,292	

#### Pension Trust Funds

#### Schedule of Contributions from the Employer and Other Contributing Entities

(In Thousands)

Actuarial valuation date (January 1)	Pension fund		Annual required contribution		Employer	Employer contributions as a percentag of annual required s contributions	ge C	Commonwealth f Pennsylvania		a S	Total ontributions	Total contributions as a percentage of annual required contributions
1996	Municipal	\$	6,010	\$	38,645	643.0%	\$	4,205	70.0% \$		42,850	713.0%
1770	Police	Ψ	16,074	Ψ	9,878	61.5%	•	6,840	42.6%		16,718	104.0%
	Fire		12,749	_	8,003	62.8%		4,458	35.0%	_	12,461	97.7%
	Total	\$ .	34,833	\$ =	56,526	162.3%	\$	15,503	44.5%	S =	72,029	206.8%
1997	Municipal	\$	,,	\$	3,686	77.4%	\$	2,427	51.0% \$	5	6,113	128.4%
	Police		17,463		10,530	60.3%		6,933	39.7%		17,463	100.0%
	Fire		12,087	-	7,288	60.3%		4,799	39.7%	_	12,087	100.0%
	Total	\$	34,312	\$ =	21,504	62.7%	\$	14,159	41.3%	=	35,663	103.9%
1998	Municipal	\$		\$	37,192	992.1%	\$	2,120	56.5% \$	5	39,312	1048.6%
	Police		9,726		127,223	1308.1%		7,251	74.6%		134,474	1382.6%
	Fire	10-	6,391	-	92,494	1447.3%		5,261	82.3%	-	97,755	1529.6%
	Total	\$	19,866	\$ =	256,909	1293.2%	\$	14,632	73.7%	<b>5</b> =	271,541	1366.9%
1999	Municipal	\$		\$	2,008	65.2%	\$	2,609	84.7%	5	4,617	149.8%
	Police		10,402		2,745	26.4%		6,865	66.0%		9,610	92.4%
	Fire		6,194	_	1,667	26.9%		3,784	61.1%	_	5,451	88.0%
	Total	\$	19,678	\$ _	6,420	32.6%	\$	13,258	67.4%	\$ =	19,678	100.0%
2000	Municipal	\$	•	\$	672	25.7%	\$	,	73.4%	\$.	2,591	99.2%
	Police		9,708		2,592	26.7%		7,126	73.4%		9,718	100.1%
	Fire	,	5,730	-	1,536	26.8%		4,205	73.4%	_	5,741	100.2%
	Total	\$	18,051	\$ _	4,800	26.6%	\$	13,250	73.4%	\$ <sub>=</sub>	18,050	100.0%
2001	Municipal	\$		\$	789	20.4%	\$		78.7%	\$	3,829	99.1%
	Police		10,502		2,157	20.5%		8,320	79.2%		10,477	99.8%
	Fire		5,783	-	1,204	20.8%		4,640	80.2%	-	5,844	101.1%
16	Total	\$	20,150	\$ _	4,150	20.6%	\$	16,000	79.4%	\$ =	20,150	100.0%

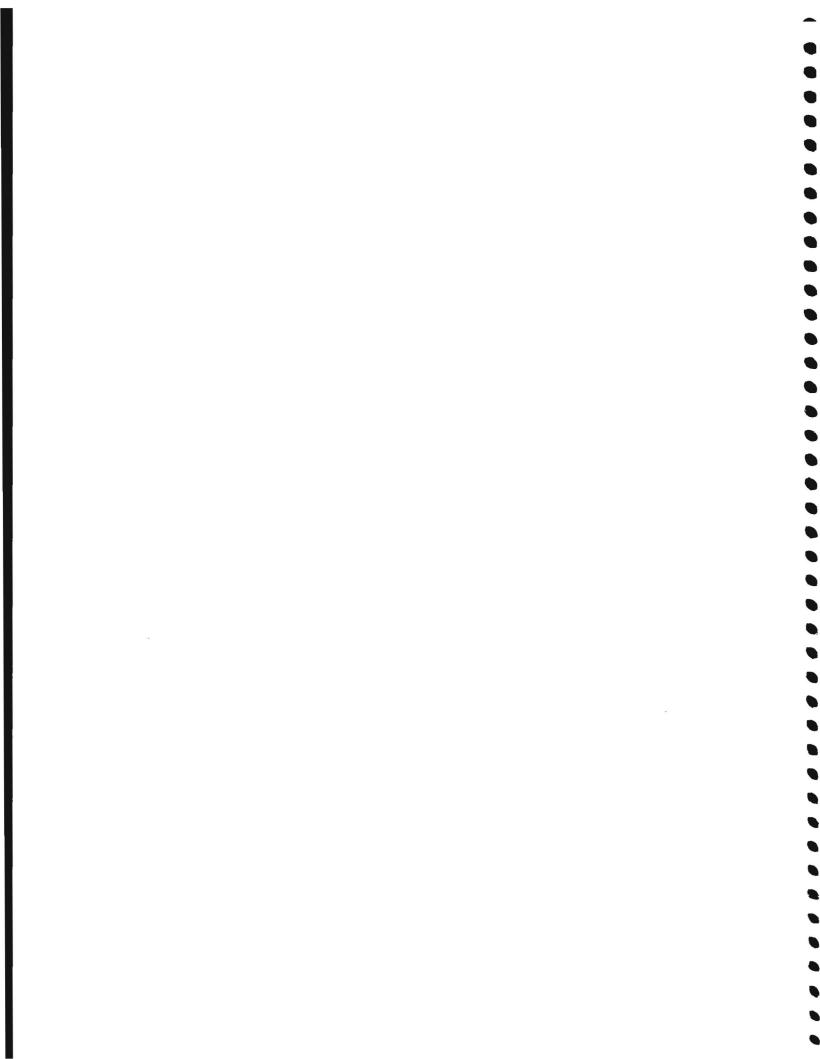
Notes to Supplementary Information

For the Year Ended December 31, 2001

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:

	Municipal	Police	Fire
Valuation date	1/1/01	1/1/01	1/1/01
Actuarial cost method	Entry age normal	Entry age normal	Entry age normal
Amortization method	Level dollar closed	Level dollar closed	Level dollar closed
Remaining amortization period	37 years	37 years	37 years
Asset valuation method	Market related	Market related	Market related
Actuarial assumptions: Investment return % Projected salary increases Cost-of-living adjustment	9.00 0.50 3.5	9.00 2.85 3.5	9.00 2.50 3.5

# COMBINING, INDIVIDUAL FUND AND INDIVIDUAL ACCOUNT GROUP FINANCIAL STATEMENTS



#### General Fund

#### Comparative Balance Sheets

#### December 31, 2001 and 2000

Assets	-	2001	2000
Cash and short-term investments, at cost which approximates market	\$	68,062,632	73,454,139
Receivables:			
Real estate taxes (net of allowance for uncollectible accounts			
of \$6,363,212 and \$4,325,688 in 2001 and 2000, respectively)		6,889,249	5,924,008
Taxpayer-assessed taxes receivable		8,284,150	8,807,803
Other receivables		4,133,784	4,430,979
Accrued interest		115,527	977,486
Due from other governments		5,278,412	5,129,736
Due from other funds		4,861,679	5,576,190
Total assets	\$ _	97,625,433	104,300,341
Liabilities and Fund Balances			
Liabilities:			
Accounts payable		7,428,275	7,573,805
Accrued liabilities		9,997,439	8,538,489
Due to other funds		612,741	572,827
Due to other governments		2,851,153	1,667,860
Accrued workers' compensation		17,889,415	17,809,615
Accrued compensated absences		16,442,998	15,121,904
Accrued claims and judgments		1,700,000	2,150,000
Deferred revenue, principally real estate taxes		6,505,839	5,396,660
Total liabilities		63,427,860	58,831,160
Fund balances:			
Reserved:			
Encumbrances		2,795,308	1,975,067
Unreserved:			m • n • mc • m noc m
Undesignated		31,402,265	43,494,114
Total fund balances		34,197,573	45,469,181
Total liabilities and fund balances	\$	97,625,433	104,300,341

Cush Decreased 5,390,006 F.B " 11,27/000

#### General Fund

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

## Years ended December 31, 2001 and 2000

	2001	2000
Revenues:		
Taxes, including penalty and interest \$	292,943,381	283,277,357
Payment in lieu of taxes	1,612,230	1,966,156
Interest and dividends	4,028,616	6,389,132
Fines and forfeits	7,731,014	8,042,144
Licenses and fees	27,328,674	30,160,759
Intergovernmental revenues	12,959,206	13,275,094
Pension State Aid	16,000,000	13,250,000
Miscellaneous	578,059	3,515,162
Total revenues	363,181,180	359,875,804
Expenditures:	¥	
Current operating:		
General government	39,435,832	37,112,554
Public safety	149,900,131	143,006,729
Public works	16,580,079	15,400,254
Sanitation	10,600,079	10,640,386
Community, recreational and cultural	5,852,962	6,209,999
Employee benefits	65,272,680	60,595,477
Claims and judgments	1,531,072	1,011,850
Miscellaneous	2,816,268	1,448,296
Debt service:		
Interest on capital leases	40,000	
Pittsburgh Sports and Exhibition Authority	373,738	
Public Auditorium Authority subsidy	2,461,783	2,534,056
Urban Redevelopment Authority subsidy	10,573,634	11,380,563
Total expenditures	305,438,258	289,340,164
Excess of revenues over expenditures	57,742,922	70,535,640

#### General Fund

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

## Years ended December 31, 2001 and 2000

	_	2001	2000
Other financing sources (uses):			
Operating transfers from trust and agency	\$	227,000	203,206
Operating transfers from capital projects		_	7,041,650
Operating transfer from special revenue		102,500	571,601
Operating transfer to special revenue		(2,084,960)	(1,300,400)
Operating transfer to debt service		(67,270,757)	(69,257,196)
Operating transfers to capital projects			(10,000,000)
Total other financing sources (uses)	_	(69,026,217)	(72,741,139)
Excess of expenditures and other financing uses over revenues and other financing sources		(11,283,295)	(2,205,499)
Fund balance at beginning of year		45,469,181	44,168,938
Residual equity transfers	_	11,687	3,505,742
Fund balance at end of year	\$ _	34,197,573	45,469,181

#### General Fund

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

Fiscal year ended December 31, 2001

			2001	
	_	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues:				
Taxes, including penalty and interest	\$	286,629	291,216	4,587
Interest earnings		5,700	4,308	(1,392)
Fines and forfeits		7,100	7,275	175
Licenses and fees		5,717	5,288	(429)
Intergovernmental		21,324	22,012	688
Miscellaneous		50	524	474
Provision of services, breakeven, joint				
operations and sale of public property		23,136	22,821	(315)
Total revenues		349,656	353,444	3,788
Expenditures:				
Current operating:				
General government		26,311	23,705	2,606
Public safety		140,511	136,111	4,400
General services		13,420	12,893	527
Public works		24,754	24,605	149
Community, recreational and cultural		5,187	4,974	213
Employee benefits		68,934	67,523	1,411
Claims and judgments		2,261	2,236	25
Citizens Review Board		439	359	80
Utilities		8,550	8,522	28
Miscellaneous		4,861	4,581	280
Grants		4,193	4,100	93
Debt service:				
Debt service		66,748	66,728	20
Debt service subsidy	1	3,840	3,677	163
Total expenditures	_	370,009	360,014	9,995
Excess (deficiency) of revenues				
over expenditures	\$ _	(20,353)	(6,570)	13,783

#### General Fund

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

Fiscal year ended December 31, 2001

		2001	
	Budget as amended	Actual	Variance favorable (unfavorable)
Excess (deficiency) of revenues over (under) expenditures \$	(20,353)	(6,570)	13,783
Fund balance and other financing sources (uses): Budgeted usage of prior year fund balance Transfer to pension fund State pension aid	8,900 	8,900 (16,000) 16,000	
Net fund balance and other financing uses	8,900	8,900	
Excess (deficiency) of revenues and other financing sources over expenditures and fund balance and other financing uses \$	(11,453)	2,330	
Fund balances - budgetary basis, beginning of year		67,875	
Budgeted usage of prior year fund balance		(8,900)	
		58,975	*
Fund balances - budgetary basis, end of year		61,305	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary		(22.406)	
basis and GAAP basis, beginning of year Net effect of GAAP basis recognition of		(22,406)	
revenues  Net effect of GAAP basis recognition of expenditures  Net effect of GAAP basis recognition of other financing sources (uses)		9,737 (14,779) 329	
Residual equity transfers		12	
Fund balances - GAAP basis, end of year	\$	34,198	

#### General Fund

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

Fiscal year ended December 31, 2000

			2000	
	_	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues:				
Taxes, including penalty and interest	\$	275,361	280,566	5,205
Interest earnings		5,000	5,768	768
Fines and forfeits		6,800	7,155	355
Licenses and fees		6,414	6,977	563
Intergovernmental		24,962	20,838	(4,124)
Miscellaneous		40	3,054	3,014
Provision of services, breakeven, joint				
operations and sale of public property	_	25,405	26,854	1,449
Total revenues		343,982	351,212	7,230
Expenditures:				
Current operating:				
General government		23,943	21,057	2,886
Public safety		137,876	130,060	7,816
General services		12,592	12,000	592
Public works		25,052	23,536	1,516
Community, recreational and cultural		5,402	4,708	694
Employee benefits		63,689	63,289	400
Claims and judgments		2,669	2,492	177
Citizens Review Board		436	352	84
Computer system		281	281	
Utilities		7,674	6,237	1,437
Miscellaneous		4,890	4,668	222
Grants		4,170	4,094	76
Debt service:		60 066	<b></b>	
Debt service		69,366	69,341	25
Debt service subsidy	_	3,453	3,453	
Total expenditures	-	361,493	345,568	15,925
Excess (deficiency) of revenues				
over expenditures	\$ _	(17,511)	5,644	23,155

#### General Fund

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

Fiscal year ended December 31, 2000

				2000	
	_	Budget as amended		Actual	Variance favorable (unfavorable)
Excess (deficiency) of revenues over (under) expenditures	\$ _	(17,511)		5,644	23,155
Fund balance and other financing sources (uses) Budgeted usage of prior year fund balance Neighborhood needs, unbudgeted equity	):	6,291		6,291	
transfer Transfer to pension fund State pension aid	_	=		(10,000) (13,250) 13,250	
Net fund balance and other financing uses	\$ _	6,291	_	(3,709)	
Excess (deficiency) of revenues financing sources over expendent and fund balance and other					
financing uses				1,935	
Fund balances - budgetary basis, beginning of y	ear			72,231	
Budgeted usage of prior year fund balance			_	(6,291)	
Fund balances - budgetary basis, end of year				67,875	
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary					
basis and GAAP basis, beginning of yea Net effect of GAAP basis recognition of	r			(28,062)	
revenues				8,664	
Net effect of GAAP basis recognition of expenditures  Net effect of GAAP basis recognition of				(6,513)	
other financing sources (uses) Residual equity transfers			_	3,505	
Fund balances - GAAP basis, end of year			\$ _	45,469	

#### General Fund

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

Year ended December 31, 2001

			2001	
		Budget	Actual	Variance
Taxes:				
Real estate	\$	119,400	120,838	1,438
Non-profit payment for services	Ψ	1,900	2,125	225
Mercantile		7,100	7,297	197
Amusement		8,900	9,636	736
Earned income		48,800	49,276	476
Deed transfer		8,800	7,931	(869)
Parking		30,668	30,902	234
Occupation privilege		3,229	3,110	(119)
Business privilege		40,500	43,171	2,671
Institution and service privilege		550	513	(37)
Public service		882	1,027	145
Penalties and interest		1,900	2,144	244
Act 77 - tax relief		14,000	13,246	(754)
Total towas including namelty	-			
Total taxes, including penalty and interest		286 620	201 216	1507
and interest		286,629	291,216	4,587
Interest earnings		5,700	4,308	(1,392)
Fines and forfeits		7,100	7,275	175
Licenses and fees:				
Liquor and malt beverage		415	12	(403)
Business		75	41	(34)
General government		925	693	(232)
Rentals and charges		4,302	4,542	240
-	_	-		
Total licenses and fees		5,717	5,288	(429)
Federal and state grants		4,100	3,818	(282)
Reimbursement, CDBG		1,138	960	(178)
Public Parking Authority		1,900	3,325	1,425
PWSA reimbursement		5,300	5,300	
Sports and Exhibition Authority		88	88	
State utility tax		1,000	540	(460)
Act 77 - operations		5,608	5,608	_
Act 77 - Civic Arena		1,600	1,600	· —
Miscellaneous		50	524	474
Breakeven centers		16,450	16,225	(225)
Joint operations		75	56	(19)
Provision of services		6,561	6,540	(21)
Sale of public property		50		(50)
Delinquent receivables - Magistrates Court		500	694	194
Trust fund transfers		90	79	(11)
. Total revenues	\$_	349,656	353,444	3,788

#### General Fund

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

## Year ended December 31, 2000

			2000	
		Budget	Actual	Variance
Taxes:				
Real estate	\$	116,511	114,543	(1,968)
Non-profit payment for services	*	1,500	1,957	457
Mercantile		7,140	7,038	(102)
Amusement		6,900	7,706	806
Earned income		47,843	49,326	1,483
Deed transfer		8,250	8,680	430
Parking		29,475	30,097	622
Occupation privilege		3,225	3,253	28
Business privilege		37,800	39,818	2,018
Institution and service privilege		600	563	(37)
Public service		677	925	248
Penalties and interest		2,440	3,161	721
Act 77 - tax relief		13,000	13,499	499
Total taxes, including penalty		,		
and interest		275,361	280,566	5,205
Interest earnings		5,000	5,768	768
Fines and forfeits		6,800	7,155	355
Licenses and fees:				
Liquor and malt beverage		412	405	(7)
Business		60	73	13
General government		925	816	(109)
Rentals and charges		5,017	5,683	666
Total licenses and fees	_	6,414	6,977	563
Federal and state grants		3,243	2,649	(594)
Reimbursement, CDBG		1,165	986	(179)
Public Parking Authority		1,900	_	(1,900)
PWSA reimbursement		5,300	5,300	_
Sports and Exhibition Authority		187	187	_
State utility tax		2,500	1,010	(1,490)
Act 77 - operations		5,489	5,489	_
Act 77 - Ĉivic Arena		1,600	1,600	_
Miscellaneous		40	3,054	3,014
Breakeven centers		18,700	20,094	1,394
Joint operations		100	119	19
Provision of services		6,555	6,641	86
Sale of public property		50		(50)
Pittsburgh Development Fund		1,500	1,500	_
Trust fund transfers	_	2,078	2,117	39
Total revenues	\$	343,982	351,212	7,230

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

(Amounts Expressed in Thousands)

		2001		
		Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating - General Government: City Council and City Clerk's Office: City Council:				
Salaries	\$	1,280	1,279	1
Council service, supplies and equipment	-	16	12	4
Education and training		20	10	10
Miscellaneous services		146	126	20
Total City Council		1,462	1,427	35
City Clerk's Office:				
Salaries		579	498	81
Premium pay		5	3	2
Miscellaneous services		257	168	89
Supplies		10	10	_
Equipment		10	6	4
Transfers		151	125	26
Total City Clerk's Office		1,012	810	202
Total City Council and City				
Clerk's Office		2,474	2,237	237
Mayor's Office:				
Office of the Mayor:				70
Salaries		1,489	1,416	73
Premium pay		2	2	
Miscellaneous services		42	37	5
Education and training		100 31	70 30	30
Supplies		5	4	1 1
Equipment Rentals		3 7	7	1
Remais				
Total Office of the Mayor		1,676	1,566	110

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#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

	2001			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Current Operating - General Government, continued:				
Mayor's Office, continued:				
City Information Systems:				
Salaries \$	2,179	2,146	. 33	
Premium pay	41	28	13	
Miscellaneous services	1,488	1,487	1	
Education and travel expense	35	33	2	
Supplies	222	213	9	
Equipment	47	47		
Rentals	694	694		
Utilities	682	682		
Total City Information Systems	5,388	5,330_	58	
Total Mayor's Office	7,064	6,896	168	
Magistrates Court:				
Salaries	1,115	1,113	2	
Premium pay	13	12	1	
Miscellaneous services	34	14	20.	
Education and training	8	6	2	
Supplies	11	11	_	
Equipment	2	î	1	
Rentals	9		4	
Total Magistrates Court	1,192	1,162	30	
Commission on Human Relations:				
Salaries	162	162		
Premium pay	2		2	
Miscellaneous services	36	5	31	
Education and training	2	1	1	
Supplies	2	1	1	
Equipment	3		3	
Total Human Relations	207	169	38	

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

	2001			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Current Operating - General Government, continued: Office of City Controller:				
Salaries \$	2,826	2,514	312	
Premium pay	-10	3	7	
Miscellaneous services	271	194	77	
Education and training	25	25	_	
Supplies	13	10	3	
Equipment	34	20	14	
Rentals	15	3	12	
Total Office of City Controller	3,194	2,769	425	
Department of Finance:				
Salaries	2,619	2,583	36	
Premium pay	35	31	4	
Miscellaneous services	2,824	2,161	663	
Education and training	30	18	12	
Supplies	391	327	64	
Materials	7	2	5	
Equipment	58	28	30	
Repairs	3	2	1	
Rentals	29	22	7	
Total Department of Finance	5,996	5,174	822	
Department of Law:				
Salaries	1,350	1,348	2	
Premium pay	1	1		
Miscellaneous services	724	540	184	
Education and training	20	17	3	
Supplies	19	10	9	
Equipment	15	15		
Total Law	2,129	1,931	198	

## General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

	2001		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating - General Government, continued:			
Department of Law - OBEO:	122	122	0
Salaries \$	132	123	9
Miscellaneous services		5	61
Education and training	1	1	1
Supplies	2	$\mathbf{I}_{i}$	1
Equipment	1	_	1
Transfers	50		50
Total Law - OBEO	252	129	123
Department of Law - OMI:			
Salaries	354	330	24
Premium pay	1	1	
Miscellaneous services	60	56	4
Education and training	4	_	4
Supplies	3	2	i
Equipment	2	. 1	1
Repairs	1		1
Rentals	9	8	1
Total Law - OMI	434	398	36
Total Department of Law	2,815	2,458	357
Department of Personnel and Civil			
Service Commission:			
Salaries	1,280	1,188	92
Premium pay	4	1,100	3
Miscellaneous services	458	294	164
Education and training	22	13	9
Supplies	32	24	8
	18	17	1
Equipment Materials	1	1	
Rentals	24	18	
Repairs	1	1	
•	- 1	<u> </u>	<u> </u>
Total Personnel and Civil			
Service Commission	1,840	1,557	283

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

	2001		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating - General Government, continued:			
Department of City Planning:			
Salaries \$	1,199	1,054	145
Premium pay	9	9	
Miscellaneous services	27	23	4
Education and training	10	5	4 5 1
Supplies	27	26	1
Rentals	6	6	_
Repairs	1		1
Equipment	24	24	
Grants	223	135	88
Utilities	3	1	2
Total Department of City			
Planning	1,529	1,283	246
Total General Government	26,311	23,705	2,606
Public Safety - Department of Public Safety: Bureau of Administration:			
Salaries and wages	474	466	8
Premium pay	8	6	8 2
Miscellaneous services	764	361	403
Education and training	8	4	4
Supplies and materials	13	8	5
Equipment	217	186	31
Repairs	1		1
Total Bureau of Administration	1,485	1,031	454

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

	2001			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Public Safety - Department of Public Safety, continu	ed:			
Bureau of Emergency Medical Services:				
Salaries		8,076	14	
Premium pay	1,906	1,903	3	
Miscellaneous services	94	89	3 5 2	
Education and training	16	14	2	
Supplies and materials	240	209	31	
Equipment	118	90	28	
Rentals	4	2	2	
Repairs	61	52	2 9 2	
Uniforms	121	119	2	
Total Bureau of Emergency				
Medical Services	10,650	10,554	96	
Bureau of Police:				
Salaries	57,899	56,351	1,548	
Transfers	881	850	31	
Premium pay	7,381	7,073	308	
Miscellaneous services	1,845	1,760	85	
Education and training	204	114	90	
Supplies and materials	370	343	27	
Equipment	104	88	16	
Repairs	8	8		
Rentals	165	116	49	
Uniforms	1,605	1,192	413	
Total Bureau of Police	70,462	67,895	2,567	

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

	2001			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Public Safety - Department of Public Safety, continue	ed:			
Bureau of Fire: Salaries and wages \$	44,690	44,231	459	
Premium pay	9,250	8,694	556	
Miscellaneous services	234	203	31	
Education and training	28	8	20	
Supplies	188	166	22	
Repairs	25	25		
Equipment	45	45		
Uniforms	950	839	111	
Omornis				
Total Bureau of Fire	55,410	54,211	1,199	
Bureau of Building Inspection:				
Salaries	2,316	2,277	39	
Premium pay	3	3		
Miscellaneous services	108	94	14	
Education and training	11	. 8	3 3 1	
Supplies	18	15	3	
Repairs	1			
Rentals	14	2	12	
Equipment	18	6	12	
Uniforms	15	15		
Total Bureau of Building Inspection	2,504	2,420	84	
Total Public Safety - Department of Public				
Safety	140,511	136,111	4,400	

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

		2001			
		Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Department of General Services:					
Administration:					
Salaries	\$	995	937	58	
Premium pay		18	14	4	
Miscellaneous services		206	202	4	
Education and training		12	2	10	
Supplies		13	13	_	
Equipment		5	1	4	
Repairs		2	2		
Rentals	٠	421	405	. 16	
Transfers		58	58		
Total Administration		1,730	1,634	96	
Facilities Management:					
Salaries		2,018	1,968	50	
Miscellaneous services		468	468	· ·	
Supplies		26	24	2 9	
Materials		130	121	9	
Equipment		9	9		
Uniforms		26	26	_	
Repairs		17	17		
Education and training		2	1	1	
Premium pay		54	53	1	
Total Facilities Management		2,750	2,687	63	

## General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

		2001	
	Budget	<del>_</del>	Variance
	appropriation		favorable
	as amended	Expenditures	(unfavorable)
Department of General Services, continued:			
Fleet Management:			
Salaries \$	2,475	2,418	57
Miscellaneous services	239	189	50
Education and training	12	7	5
Supplies	2,789	2,783	6
Materials	37	31	6
Equipment	1,339	1,339	
Uniforms	47	47	
Repairs	925	925	
Rentals	12	12	-
Premium pay	258	225	33
Total Fleet Management	8,133	7,976	157
Community Communications:			
Salaries	430	406	24
Premium pay	36	25	11
Miscellaneous services	66	66	) <del></del>
Education and training	19	7	12
Supplies	56	47	9
Equipment	170	18	152
Utilities	30	27	3
<b>Total Community Communications</b>	807	596	211
Total General Services	13,420	12,893	527

# General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

		2001			
	,	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Public Works - Department of Public Works:					
Administration:					
Salaries	\$	705	699	6	
Premium pay		50	39	11	
Miscellaneous services		· 96	95	1	
Education and training		25	25	_	
Supplies		20	17	3	
Equipment		55	52	3	
Rentals		25	25		
Total Administration		976	952	24	
Operations:					
Salaries		8,711	8,711	-	
Miscellaneous services		537	533	4	
Supplies		150	136	14	
Equipment		280	265	. 15	
Uniforms		50	50		
Materials		1,395	1,382	13	
Repairs		450	450		
Rentals		875	875		
Premium pay		898	824	74	
Total Operations		13,346	13,226	120	
Environmental Services:					
Salaries		6,290	6,290		
Premium pay		1,183	1,183		
Miscellaneous services		2,726	2,722	4	
Supplies		112	112	<del></del>	
Equipment		26	26		
Uniforms		80	79	1	
Materials		8	8		
Rentals		7	7		
Total Environmental Services		10,432	10,427	5	
Total Public Works		24,754	24,605	149	

## General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

			2001	
		Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Community, Recreational and Cultural - Department of Parks and Recreation:				
Administration:	φ	2 (40	2.600	22
Salaries	\$	3,640	3,608	32
Premium pay		108	77	31
Miscellaneous services		694	567	127
Education and training		15	10	5
Supplies		315	310	5
Utilities		160	160	
Repairs		9	9	
Rentals	•	42	42	
Equipment		54	52	2
Grants		150	139	11
Total Administration		5,187	4,974	213
Total Community, Recreational and Cultural -				
Department of Parks and Recreation		5,187	4,974	213

## General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2001

	2001			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Employee Benefits:				
	\$ 346	201	145	
Pensions	7,794	7,550	244	
Fringe Benefits	60,794	59,772	1,022	
Total Employee Benefits	68,934	67,523	1,411	
Claims and Judgments - Citywide	2,261	2,236	25	
Citizens Review Board:			*	
Salaries	267	222	45	
Miscellaneous services	94	80	14	
Education and training	7	4	3	
Supplies	6	6		
Equipment	3	2	1	
Repairs	1	1		
Rentals	61	44	17	
Total Citizens Review Board	439	359	80	
Utilities - Citywide	8,550	8,522	28	
GF Grants - Citywide	153	60	93	
GF Grants - Other	4,040	4,040		
Miscellaneous (Postage/Refunds) - Citywide	4,861	4,581	280	
Debt Service:				
Debt service	66,748	66,728	20	
Debt service subsidy	3,840	3,677	163	
Total Debt Service	70,588	70,405	183	
Total General Fund Expenditures	\$ 370,009	360,014	9,995	

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

			2000	*
		Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating - General Government: City Council and City Clerk's Office: City Council:				
Salaries	\$	1,295	1,192	103
Council service, supplies and equipment	Ψ	16	8	8
Education and training		20	20	
Miscellaneous services		129	118	11
Total City Council		1,460	1,338	122
City Clerk's Office:				,
Salaries		587	484	103
Premium pay		5	5	
Miscellaneous services		233	190	43
Supplies		7	7	
Equipment		14	3	. 11
Total City Clerk's Office		846	689_	157
Total City Council and City				
Clerk's Office		2,306	2,027	279
Mayor's Office: Office of the Mayor:				
Salaries		1,526	1,436	90
Premium pay		2	1	1
Miscellaneous services		43	39	4
Education and training		118	118	
Supplies		33	32	1 2 3
Equipment		6	4	2
Rentals		8	5	3
Total Office of the Mayor		1,736	1,635	101

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

	2000			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Current Operating - General Government, continued: Mayor's Office, continued:				
City Information Systems:	0.005	2.061	1.4.4	
Salaries \$	2,205	2,061	144	
Premium pay	42	29	13	
Miscellaneous services	1,255	1,248	7	
Education and travel expense	75	74	l	
Supplies	223	223	_	
Equipment	40	34	6	
Rentals	710	709	1	
Utilities	685	685		
<b>Total City Information Systems</b>	5,235	5,063	172	
Total Mayor's Office	6,971	6,698	273	
Magistrates Court:				
Salaries	1,100	1,032	68	
Premium pay	11	11		
Miscellaneous services	18	15	3	
Education and training	4	3	1	
Supplies	14	11	3	
Equipment	1	1		
Rentals	13	2	11	
Total Magistrates Court	1,161	1,075	86	
Commission on Human Relations:				
Salaries	167	148	19	
Premium pay	3	_	3	
Miscellaneous services	46	32	14	
Education and training	3	1	2	
Supplies	2	. 1	1	
Equipment	4		4	
Total Human Relations	225	182	43	

#### General Fund

# Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

	2000			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Current Operating - General Government, continued: Office of City Controller:				
Salaries \$	2,548	2,141	407	
Premium pay	10	2	8	
Miscellaneous services	116	113	3	
Education and training	25	13	12	
Supplies	13	12	1	
Equipment	46	22	24	
Rentals	9	6	3	
Total Office of City Controller	2,767	2,309	458	
Department of Finance:				
Salaries	2,687	2,509	178	
Premium pay	56	46	10	
Miscellaneous services	865	781	84	
Education and training	33	12	21	
Supplies	319	. 314	5	
Materials	5	2		
Equipment	25	23	3 2 2 3	
Repairs	4	2	2	
Rentals	29	26	3	
Total Department of Finance	4,023	3,715	308	
Department of Law:				
Salaries	1,414	1,323	91	
Premium pay	1	_	1	
Miscellaneous services	716	470	246	
Education and training	21	17	4	
Supplies	36	30	6	
Equipment	19	16	3	
Total Law	2,207	1,856	351	

## General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

	2000		
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Current Operating - General Government, continued: Department of Law - OBEO:			
Salaries \$	122	113	9
Miscellaneous services	16	12	4
Education and training	1		i
Supplies	2	1	i
Equipment	1		i i
Total Law - OBEO	142	126	16
Total Law - OBLO	172	120	10
Department of Law - OMI:			
Ŝalaries	338	306	32
Premium pay	1		1
Miscellaneous services	180	127	53
Education and training	4	1	3
Supplies	2	1.	1
Equipment	2	1	1
Repairs	1	-	1
Rental	1		1
Total Law - OMI	529	436	93
Total Department of Law	2,878	2,418	460
Department of Personnel and Civil			
Service Commission:			
Salaries	1,237	1,149	88
Premium pay	10	3	7
Miscellaneous services	627	195	432
Education and training	25	12	13
Supplies	33	17	16
Equipment	11		11
Materials	1	1	
Rentals	25	14	11
Repairs	2.	1	1
Total Personnel and Civil			
Service Commission	1,971	1,392	579

#### General Fund

# Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

	2000			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Current Operating - General Government, continued:				
Department of City Planning:				
Salaries \$	1,160	1,055	105	
Premium pay	4	3	1	
Miscellaneous services	84	31	53	
Education and training	10	10		
Supplies	27	25	2	
Rentals	8	4	2 4 2 9	
Repairs	2	-	2	
Equipment	33	24	9	
Grants	310	86	224	
Utilities	3	3		
Total Department of City				
Planning	1,641	1,241	400	
Total General Government	23,943	21,057	2,886	
Public Safety - Department of Public Safety:				
Bureau of Administration:				
Salaries and wages	497	454	43	
Premium pay	8	6	2	
Miscellaneous services	420	121	299	
Education and training	11	8	3	
Supplies and materials	10	4	6	
GF grants	26		26	
Equipment	217	216	1	
Repairs	2		2	
Total Bureau of Administration	1,191	809	382	

## General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

	2000			
*		Budget ppropriation as amended	Expenditures	Variance favorable (unfavorable)
Public Safety - Department of Public Safety, con	tinued:			
Bureau of Emergency Medical Services:		(40)		
Salaries	\$	8,379	7,767	612
Premium pay		2,029	1,918	111
Miscellaneous services		.111	102	9
Education and training		12	11	1
Supplies and materials		260	208	52
Equipment		209	197	12
Rentals		4	2	2
Repairs		69	54	15
Uniforms		112	103	9_
Total Bureau of Emergency				
Medical Services		11,185	10,362	823
Bureau of Police:				
Salaries		57,132	54,125	3,007
Transfers		911	800	111
Premium pay		7,357	7,018	339
Miscellaneous services		1,689	1,561	128
Education and training		236	88	148
Supplies and materials		365	291	74
Equipment		411	344	67
Repairs		7	4	3
Rentals		81	75	6
Uniforms		1,475	1,431	44
GF grants	_	10		10
Total Bureau of Police		69,674	65,737	3,937

## General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

	2000			
	Budget appropriation as amended		Expenditures	Variance favorable (unfavorable)
Public Safety - Department of Public Safety, continue Bureau of Fire:	ed:			
Salaries and wages \$	3	42,822	41,239	1,583
Premium pay		8,625	8,198	427
Miscellaneous services		89	72	17
Education and training		27	9	18
Supplies		190	190	_
Repairs		20	19	1
Equipment		39	. 39	
Uniforms		1,224	1,177	47
Total Bureau of Fire		53,036	50,943	2,093
Bureau of Building Inspection:				
Salaries and wages		2,184	2,054	130
Premium pay		3	1	2
Miscellaneous services		97	94	3
Education and training		12	8	4
Fringe benefits		430		430
Supplies		18	13	5
Repairs		1		1
Rentals		14	13	1
Equipment		13	13	
Uniforms		18	13	5
Total Bureau of Building Inspection		2,790	2,209	581
Total Public Safety - Department of Public				
Safety		137,876	130,060	7,816

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

		2000			
	Budget appropriation as amended		Expenditures	Variance favorable (unfavorable)	
Department of General Services:					
Administration:					
Salaries	\$	967	912	55	
Premium pay		19	18	1	
Miscellaneous services		231	226	5	
Education and training		15	12	3	
Supplies		14	14	_	
Equipment		5	5		
Repairs		2	2	·	
Rentals		370	364	6	
Transfers		50	50		
Total Administration		1,673	1,603	70	
Facilities Management:					
Salaries		2,070	1,918	152	
Miscellaneous services		423	421	2	
Supplies		24	21	2 3 7	
Materials		127	120	7	
Equipment		9	9		
Uniforms		29	28	1	
Repairs		. 28	26	2	
Education and training		1	1		
Premium pay		84	78	6	
Total Facilities Management		2,795	2,622	173	

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

2000			
Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
2,608	2,448	160	
236	235	1	
	4	8	
		6	
37	37	-	
	345	4	
	47	<del></del>	
	922	3	
	12	_	
236	225	11	
7,341	7,148	193	
402	370	. 32	
45	34	11	
66	50	16	
15	5	10	
	19	36	
	124	41	
35	25	10	
783	627	156	
12,592	12,000	592	
	appropriation as amended  2,608 236 12 2,879 37 349 47 925 12 236  7,341  402 45 66 15 55 165 35	Budget appropriation as amended         Expenditures           3         2,608         2,448           236         235           12         4           2,879         2,873           37         37           349         345           47         47           925         922           12         12           236         225           7,341         7,148           402         370           45         34           66         50           15         5           55         19           165         124           35         25           783         627	

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

(Amounts Expressed in Thousands)

	2000			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Public Works - Department of Public Works:				
Administration:				
Salaries	\$ 876	778	98	
Premium pay	70	53	17	
Miscellaneous services	81	78	3	
Education and training	25	13	12	
Supplies	13	13		
Equipment	49	39	10	
Rentals	24	12	12	
Total Administration	1,138	986	152	
Operations:				
Salaries	8,745	8,447	298	
Miscellaneous services	540	503	37	
Education and training	1	_	Ī	
Supplies	102	94	8	
Equipment	302	223	79	
Uniforms	20	20		
Materials	1,512	1,293	219	
Repairs	380	339	41	
Rentals	837	699	138	
Premium pay	793	586	207	
Utilities	2	2		
Total Operations	13,234	12,206	1,028	
Environmental Services:				
Salaries	6,963	6,672	291	
Premium pay	730	725	5	
Miscellaneous services	2,792	2,771	21	
Supplies	112	107	5	
Equipment	26	20	6	
Uniforms	40	39	1	
Materials	3	1	2	
Rentals	13	9	4	
Total Environmental Services	10,679	10,344	335	

#### General Fund

Schedule of Expenditures Compared With Budget (Budgetary Basis)

Year ended December 31, 2000

(Amounts Expressed in Thousands)

	2000			
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)	
Public Works - Department of Public Works, continued:  Department of Engineering and Construction:  Supplies	\$1_		· 1_	
Total Department of Engineering and Construction	1		1	
Total Public Works	25,052	23,536	1,516	
Community, Recreational and Cultural - Department of Parks and Recreation: Administration:			¥	
Salaries	3,600	3,411	189	
Premium pay	119	111	8	
Miscellaneous services	628	414	214	
Education and training	15	5	10	
Fringe benefits	237		237	
Supplies	314	307	7	
Utilities	210	207	3.	
Repairs	. 9	9		
Rentals	42	42	_	
Equipment	54	53	1	
Grants	174	149	25	
Total Administration	5,402	4,708	694	
Total Community, Recreational and Cultural -				
Department of Parks and Recreation	5,402	4,708	694	

#### General Fund

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

Year ended December 31, 2000

(Amounts Expressed in Thousands)

		2000	
	Budget appropriation as amended	Expenditures	Variance favorable (unfavorable)
Employee Benefits:			
Salaries	\$ 251	239	12
Pensions	8,156	7,954	202
Fringe Benefits	55,282	55,096	186
Total Employee Benefits	63,689	63,289	400
Claims and Judgments - Citywide	2,669	2,492	177
Citizens Review Board:			
Salaries	283	238	45
Miscellaneous services	82	57	25
Education and training	10	2	8
Supplies	7	4	3
Equipment	6	3	3
Repairs	1	1	_
Rentals	47	47	
Total Citizens Review Board	436	352	84
Computer system	281	281	
Utilities - Citywide	7,674	6,237	1,437
GF Grants - Citywide	130	54	76
GF Grants - Other	4,040	4,040	
Miscellaneous (Postage/Refunds) - Citywide	4,890	4,668	222
Debt Service:			
Debt service	69,366	69,341	25
Debt service subsidy	3,453	3,453	
Total Debt Service	72,819	72,794	25
Total General Fund Expenditures	\$ 361,493	345,568	15,925

### SPECIAL REVENUE FUNDS

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

The following funds are included in the 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.

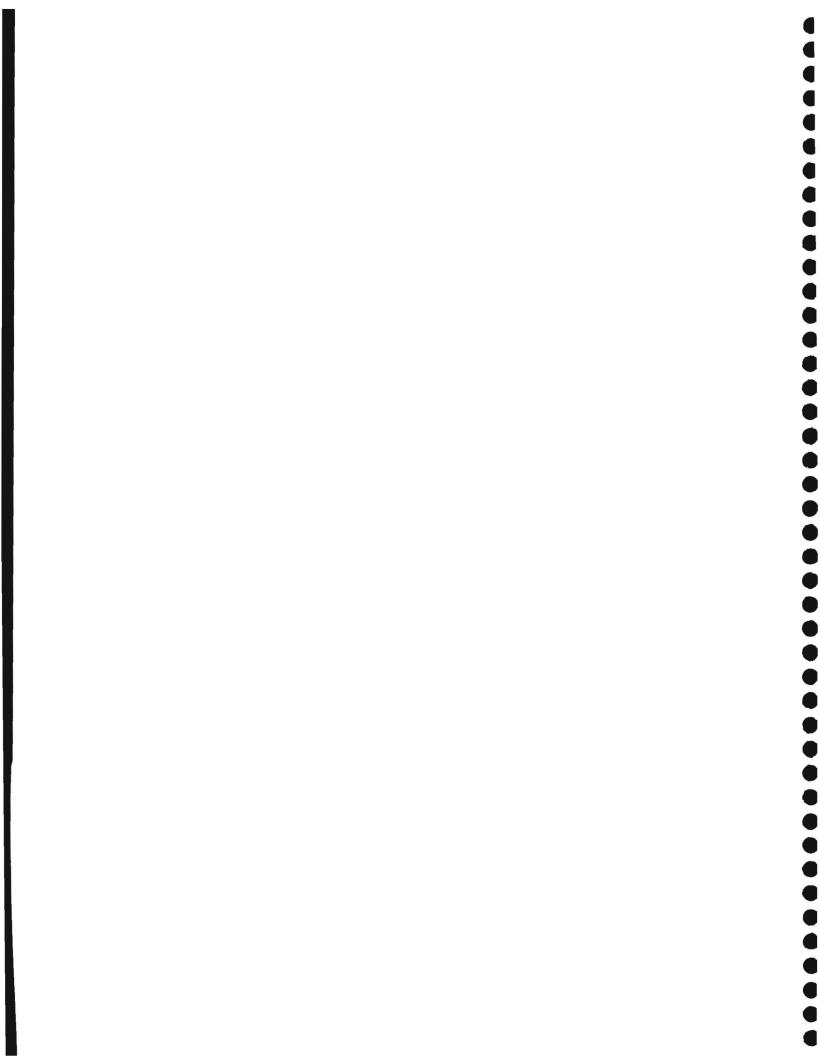
**Liquid Fuels Tax** – to account for the receipt and expenditure of the City's share of the proceeds from the State's Gasoline Tax.

**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.



Special Revenue Funds

Combining Balance Sheet

December 31, 2001 (With comparative totals for December 31, 2000)

Assets	-	Equipment Leasing Authority	Liquid Fuel Tax	JTPA
Cash and short-term investments, at cost which approximates market	\$	1,379,236	4,101,470	892,436
Receivables: Accrued interest Other			8,042 359,073	
Due from other special revenue funds Due from other governments	-			186,710 1,029,474
Total assets	\$	1,379,236	4,468,585	2,108,620
Liabilities and Fund Balances				
Liabilities: Accounts payable Retainage payable Accrued liabilities Due to general fund Due to other special revenue funds Due to capital projects funds Due to other governments Due to trust and agency  Total liabilities		1,789	277,885 — 470,764 — — — — — — 748,649	663,783 — 114,126 1,306,140 — — — — 2,084,049
Fund balances: Reserved for encumbrances		1,224,959	306,513	
Unreserved: Designated for subsequent years' expenditures Undesignated	:•	152,488	3,413,423	24,571
Total fund balances		1,377,447	3,719,936	24,571
Total liabilities and fund balances	\$	1,379,236	4,468,585	2,108,620

Public	Community	Civic and	Tot	tals		
Safety	Development	<u>Cultural</u>	2001	2000		
5,741,229	1,154,024	1,709,014	14,977,409	13,087,510		
-,,	-9	.,,	, ,	,,		
			8,042	18,626		
538,512	_	_	897,585	1,448,985		
,						
443,914	3,480,675	146,131	332,841 4,954,063	405,627 4,660,734		
443,914			4,934,003	4,000,734		
6,723,655	4,634,699	1,855,145	21,169,940	19,621,482		
104 219	2 209 427	27.7(1	2 402 072	2 924 262		
104,218	2,398,437 121,244	37,761	3,483,873 121,244	2,834,263 82,554		
256,275	37,392	87,386	965,943	829,497		
102,633	237,274	172,063	1,818,110	2,267,607		
	332,841		332,841	405,627		
	1,364,873	_	1,364,873	1,384,693		
727,124		_	727,124	736,462		
·	58,022		58,022			
1,190,250	4,550,083	297,210	8,872,030	8,540,703		
	,			,		
184,483		129,563	1,845,518	647,437		
104,403		127,505	1,043,310	047,437		
457.205		27.020	405 222	451 124		
457,395	94 (16	37,828	495,223	451,134		
4,891,527	84,616	1,390,544	9,957,169	9,982,208		
5,533,405	84,616	1,557,935	12,297,910	11,080,779		
6,723,655	4,634,699	1,855,145	21,169,940	19,621,482		

Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended December 31, 2001 (With comparative totals for December 31, 2000)

	Equipment Leasing Authority	Liquid Fuel Tax	JTPA
Revenues:			
Interest earnings \$	972	201,431	
Fines and forfeits	-	·	
Intergovernmental revenues	_	5,704,091	7,896,690
Charges for user services			
Other revenue	195,278		
Total revenues	196,250	5,905,522	7,896,690
Expenditures:			
General government	42,279	-	
Public safety			
Public works		5,001,744	_
Community, recreational and cultural	_		_
Intergovernmental programs	1 224 104		8,131,650
Capital projects	1,324,194		
Total expenditures	1,366,473	5,001,744	8,131,650
(Deficiency) excess of revenues over expenditures	(1,170,223)	903,778	(234,960)
Other financing sources (uses):			
Operating transfers from other funds	1,000,000		234,960
Operating transfers between special revenue funds	357,528	-	_
Operating transfers to other funds			
Total other financing sources	1,357,528		234,960
Excess (deficiency) of revenues and other financing sources over expenditures and other			
financing uses	187,305	903,778	_
Fund balances at beginning of year Residual equity transfer	1,190,142	2,816,158	24,571 
Fund balances at end of year \$	1,377,447	3,719,936	24,571

Public	Community	Civic and	Tota	als
Safety	Development	Cultural	2001	2000
35,298		_	237,701	254,481
7,889	_		7,889	6,195
2,342,849	28,126,219	1,080,158	45,150,007	37,430,679
4,334,419	· · · · · · · · · · · · · · · · · · ·	976,083	5,310,502	4,518,512
<u> </u>		4,200	199,478	317,588
6,720,455	28,126,219	2,060,441	50,905,577	42,527,455
239,598	6,728,217	65,886	7,075,980	7,139,609
6,397,982	1,385,598	05,880	7,783,580	7,353,057
0,397,962	5,389,455	149,186	10,540,385	12,219,117
	1,186,428	2,180,481	3,366,909	1,076,397
	13,436,521	2,100,101	21,568,171	15,495,135
	-		1,324,194	5,114,298
6,637,580	28,126,219	2,395,553	51,659,219	48,397,613
82,875	_	(335,112)	(753,642)	(5,870,158)
850,000	_	_	2,084,960	4,441,691
(357,528)				_
(12,500)		(90,000)	(102,500)	(571,601)
479,972		(90,000)	1,982,460	3,870,090
562,847	_	(425,112)	1,228,818	(2,000,068)
4,982,245	84,616	1,983,047	11,080,779	16,586,589
(11,687)			(11,687)	(3,505,742)
5,533,405	84,616	1,557,935	12,297,910	11,080,779

**Equipment Leasing Authority** 

Comparative Balance Sheets

December 31, 2001 and 2000

Assets	2001	2000
Cash and short-term investments, at cost which approximates market	\$1,379,236	1,191,940
Total assets	\$1,379,236	1,191,940
Liabilities and Fund Balances		e
Liabilities: Accounts payable Total liabilities	1,789 1,789	1,798
Fund balances: Reserve for encumbrances Unreserved	1,224,959 152,488	182,373 1,007,769
Total fund balances	1,377,447	1,190,142
Total liabilities and fund balances	\$1,379,236	1,191,940

#### **Equipment Leasing Authority**

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

	_	2001	2000
Revenues:			
	\$	972	1,424
Miscellaneous		195,278	316,428
Total revenues		196,250	317,852
Expenditures:			
General government		42,279	45,201
Capital projects	_	1,324,194	5,114,298
Total expenditures	_	1,366,473	5,159,499
Deficiency of revenues under expenditures		(1,170,223)	(4,841,647)
Other financing sources (uses):			
Operating transfers from capital projects			3,141,291
Operating transfers from general fund		1,000,000	80,000
Operating transfers between special revenue funds		357,528	635,090
Total other financing sources (uses)	_	1,357,528	3,856,381
Excess (deficiency) of revenues and other financing sources over (under) expenditures			
and other financing uses		187,305	(985,266)
Fund balances at beginning of year	_	1,190,142	2,175,408
Fund balances at end of year	\$_	1,377,447	1,190,142

#### Liquid Fuel Tax

#### Comparative Balance Sheets

#### December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market Accrued interest receivable Other receivables	\$	4,101,470 8,042 359,073	3,075,832 18,626 687,027
Total assets	\$ _	4,468,585	3,781,485
Liabilities and Fund Balances			
Liabilities: Accounts payable Accrued liabilities  Total liabilities	-	277,885 470,764 748,649	550,732 414,595 965,327
Fund balances: Reserved for encumbrances Unreserved: Designated for subsequent years' expenditures Undesignated	_	306,513 — 3,413,423	64,170 2,751,988
Total fund balances	_	3,719,936	2,816,158
Total liabilities and fund balances	\$	4,468,585	3,781,485

#### Liquid Fuel Tax

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

	-	2001	2000
Revenues: Interest earnings Intergovernmental - state	\$	201,431 5,704,091	253,057 5,624,859
Total revenues		5,905,522	5,877,916
Expenditures: Public works		5,001,744	5,112,787
Total expenditures		5,001,744	5,112,787
Other financing sources (uses): Operating transfers between special revenue funds			(55,845)
Excess of revenues over expenditures		903,778	709,284
Fund balances at beginning of year		2,816,158	2,106,874
Fund balances at end of year	\$	3,719,936	2,816,158

#### JTPA

#### Comparative Balance Sheets

#### December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market  Due from community development  Due from other governments	\$	892,436 186,710 1,029,474	983,112 213,501 919,272
Total assets	\$ _	2,108,620	2,115,885
Liabilities and Fund Balances			
Liabilities: Accounts payable Accrued liabilities Due to general fund Total liabilities	-	663,783 114,126 1,306,140 2,084,049	747,139 92,805 1,251,370 2,091,314
Fund balances: Unreserved	_	24,571	24,571
Total fund balances	_	24,571	24,571
Total liabilities and fund balances	\$	2,108,620	2,115,885

#### **JTPA**

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

	_	2001	2000
Revenues: Intergovernmental - federal	\$_	7,896,690	7,220,464
Total revenues		7,896,690	7,220,464
Expenditures: Intergovernmental programs	_	8,131,650	7,490,864
Total expenditures	_	8,131,650	7,490,864
Deficiency of revenues over expenditures		(234,960)	(270,400)
Other financing sources: Operating transfers from general fund	_	234,960	270,400
Total other financing sources	_	234,960	270,400
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	\$ _	24,571	24,571

#### Public Safety

#### Comparative Balance Sheets

#### December 31, 2001 and 2000

Assets	2001	2000
Cash and short-term investments, at cost which approximates market \$ Other receivables Due from other governments	5,741,229 538,512 443,914	5,784,938 408,007 321,561
Total assets \$	6,723,655	6,514,506
Liabilities and Fund Balances		
Liabilities: Accounts payable Accrued liabilities Due to general fund Due to other governments  Total liabilities	104,218 256,275 102,633 727,124 1,190,250	130,160 217,045 448,594 736,462 1,532,261
Fund balances: Reserved for encumbrances Unreserved: Designated for subsequent years' expenditures Undesignated	184,483 457,395 4,891,527	275,031 400,796 4,306,418
Total fund balances	5,533,405	4,982,245
Total liabilities and fund balances \$	6,723,655	6,514,506

#### Public Safety

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

	<u>-</u>	2001	2000
Revenues:			
Interest earnings	\$	35,298	
Fines and forfeits		7,889	6,195
Intergovernmental:		,	,
Federal		1,507,925	1,180,724
State		828,117	677,001
Local		6,807	31,467
Charges for user services	_	4,334,419	3,892,784
Total revenues		6,720,455	5,788,171
Expenditures:			
General government		239,598	413,010
Public safety	_	6,397,982	6,226,283
Total expenditures	_	6,637,580	6,639,293
Excess (deficiency) of revenues over			
expenditures		82,875	(851,122)
Other financing sources (uses):			
Operating transfers from general fund		850,000	950,000
Operating transfers between special revenue funds		(357,528)	(549,000)
Operating transfers to general fund	<u>.</u>	(12,500)	(481,601)
Total other financing sources	_	479,972	(80,601)
Excess (deficiency) of revenues and other financing sources over expenditures			
and other financing uses		562,847	(931,723)
Fund balances at beginning of year		4,982,245	8,865,528
Residual equity transfer	_	(11,687)	(2,951,560)
Fund balances at end of year	\$	5,533,405	4,982,245

Community Development

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

Year ended December 31, 2001

		Budget	Actual	Variance Favorable (Unfavorable)
D	_			
Revenues: Intergovernmental	\$_	55,159,173	25,762,109	(29,397,064)
Total revenues		55,159,173	25,762,109	(29,397,064)
Expenditures:				
General government:				
Council and City Clerk's office		5,918,666	2,272,436	3,646,230
Finance		100,680	50,680	50,000
Department of Personnel and Civil Service		1,765,342	389,474	1,375,868
Department of City Planning		5,838,799	2,534,030	3,304,769
General services	÷	254,498	102,866	151,632
Public safety		1,506,584	1,433,839	72,745
Public works:				
Public works		4,874,838	3,735,195	1,139,643
Engineering and construction		4,482,387	1,529,348	2,953,039
Community, recreational and cultural				
programs		2,551,716	1,291,569	1,260,147
Intergovernmental programs		27,865,663	12,487,045	15,378,618
Total expenditures	_	55,159,173	25,826,482	29,332,691
Excess (deficiency) of revenues over expenditures		_	(64,373)	(64,373)
Fund balances - budgetary basis, beginning of year	_		1,676,199	1,676,199
Fund balances - budgetary basis, end of year	\$ _	( <del></del>	1,611,826	1,611,826
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary basis and GAAP basis, beginning of year Net effect of GAAP basis recognition of revenues  Net effect of GAAP basis recognition of expenditures  Net effect of GAAP basis recognition of other financing sources/uses			(1,591,583) 991,534 (927,161)	
other thinnent 2 pourses, apen				





#### Public Safety

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

	·•0	2001	2000
Revenues:			
Interest earnings	\$	35,298	
Fines and forfeits		7,889	6,195
Intergovernmental:		,	
Federal		1,507,925	1,180,724
State		828,117	677,001
Local		6,807	31,467
Charges for user services	_	4,334,419	3,892,784
Total revenues		6,720,455	5,788,171
Expenditures:			
General government		239,598	413,010
Public safety	-	6,397,982	6,226,283
Total expenditures	_	6,637,580	6,639,293
Excess (deficiency) of revenues over			
expenditures		82,875	(851,122)
Other financing sources (uses):			
Operating transfers from general fund		850,000	950,000
Operating transfers between special revenue funds		(357,528)	(549,000)
Operating transfers to general fund	_	(12,500)	(481,601)
Total other financing sources	_	479,972	(80,601)
Excess (deficiency) of revenues and other financing sources over expenditures			
and other financing uses		562,847	(931,723)
Fund balances at beginning of year		4,982,245	8,865,528
Residual equity transfer	_	(11,687)	(2,951,560)
Fund balances at end of year	\$	5,533,405	4,982,245

#### Community Development

#### Comparative Balance Sheets

#### December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market  Due from other governments	\$	1,154,024 3,480,675	287,442 3,419,901
Total assets	\$ _	4,634,699	3,707,343
Liabilities and Fund Balances			
Liabilities: Accounts payable Retainage payable Accrued liabilities Due to general fund Due to other special revenue funds Due to capital projects Due to trust and agency  Total liabilities	-	2,398,437 121,244 37,392 237,274 332,841 1,364,873 58,022 4,550,083	1,333,661 82,554 29,506 386,686 405,627 1,384,693 ————————————————————————————————————
Fund balances: Unreserved	_	84,616	84,616
Total fund balances	-	84,616	84,616
Total liabilities and fund balances	\$_	4,634,699	3,707,343

#### Community Development

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

		2001	2000
Revenues:			
Intergovernmental - federal	\$	28,126,219	21,450,420
Total revenues		28,126,219	21,450,420
Expenditures:			
General government		6,728,217	6,618,570
Public safety	¥	1,385,598	992,883
Public works		5,389,455	4,758,299
Community, recreational and cultural:			
Parks and recreation		1,186,428	1,076,397
Intergovernmental programs		13,436,521	8,004,271
Total expenditures	,	28,126,219	21,450,420
Excess of revenues over expenditures		_	
Fund balances at beginning of year	,	84,616_	84,616
Fund balances at end of year	\$	84,616	84,616

#### Community Development

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

Year ended December 31, 2001

		Budget	_	Actual	Variance Favorable (Unfavorable)
Revenues:					
Intergovernmental	\$ .	55,159,173	_	25,762,109	(29,397,064)
Total revenues		55,159,173		25,762,109	(29,397,064)
Expenditures:					
General government:					
Council and City Clerk's office		5,918,666		2,272,436	3,646,230
Finance		100,680		50,680	50,000
Department of Personnel and Civil Service		1,765,342		389,474	1,375,868
Department of City Planning		5,838,799		2,534,030	3,304,769
General services		254,498		102,866	151,632
Public safety		1,506,584		1,433,839	72,745
Public works:		4.074.000		2 525 105	1 100 (10
Public works		4,874,838		3,735,195	1,139,643
Engineering and construction		4,482,387		1,529,348	2,953,039
Community, recreational and cultural		0.551.516		1 201 5 60	1 0 (0 1 1 7
programs		2,551,716		1,291,569	1,260,147
Intergovernmental programs		27,865,663	_	12,487,045	15,378,618
Total expenditures		55,159,173	_	25,826,482	29,332,691
Excess (deficiency) of revenues over expenditures		-		(64,373)	(64,373)
Fund balances - budgetary basis, beginning of year	7.		_	1,676,199	1,676,199
Fund balances - budgetary basis, end of year	\$		=	1,611,826	1,611,826
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary basis and GAAP basis, beginning of year				(1,591,583)	
Net effect of GAAP basis recognition of					
revenues Net effect of GAAP basis recognition of				991,534	
expenditures Net effect of GAAP basis recognition of				(927,161)	
other financing sources/uses					
Fund balance - GAAP basis, end of year			\$	84,616	

#### Community Development

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

Year ended December 31, 2000

	-	Budget		Actual	Variance Favorable (Unfavorable)
Revenues:					
Intergovernmental	\$_	54,377,867		21,041,746	(33,336,121)
Total revenues		54,377,867		21,041,746	(33,336,121)
Expenditures:					9
General government:					
Council and City Clerk's office		5,767,594		2,051,428	3,716,166
Finance		77,480		1,800	75,680
Department of Personnel and Civil Service		1,717,202		651,860	1,065,342
Department of City Planning		5,895,419		2,468,093	3,427,326
General services		243,279		37,838	205,441
Public safety		1,359,931		1,043,347	316,584
Public works:		100/001		2 000 144	1 205 225
Public works		4,396,381		3,089,144	1,307,237
Engineering and construction		4,357,684		2,003,767	2,353,917
Community, recreational and cultural		2 500 250		027 542	1 (61 61 (
programs		2,589,259		937,543	1,651,716
Intergovernmental programs		27,973,638		8,868,875	19,104,763
Total expenditures	1.	54,377,867		21,153,695	33,224,172
Excess (deficiency) of revenues over expenditures		-		(111,949)	(111,949)
Fund balances - budgetary basis, beginning of year				1,788,148	1,788,148
Fund balances - budgetary basis, end of year	\$ :		=	1,676,199	1,676,199
Adjustment to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary					
basis and GAAP basis, beginning of year Net effect of GAAP basis recognition of				(1,703,532)	
revenues Net effect of GAAP basis recognition of				(1,039,893)	
expenditures				1,151,842	
Net effect of GAAP basis recognition of other financing sources/uses					
Fund balance - GAAP basis, end of year			\$	84,616	

#### Civic and Cultural

#### Comparative Balance Sheets

#### December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market \$	\$	1,709,014	1,764,246
Receivables: Other			353,951
Due from other special revenue funds	_	146,131	192,126
Total assets \$	\$ _	1,855,145	2,310,323
Liabilities and Fund Balances			
Liabilities:			
Accounts payable		37,761	70,773
Accrued liabilities		87,386	75,546
Due to general fund		172,063	180,957
Total liabilities		297,210	327,276
Fund balances:			
Reserved for encumbrances Unreserved:		129,563	125,863
Designated for subsequent years' expenditures		37,828	50,338
Undesignated		1,390,544	1,806,846
Total fund balances	_	1,557,935	1,983,047
Total liabilities and fund balances \$	\$_	1,855,145	2,310,323

#### Civic and Cultural

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

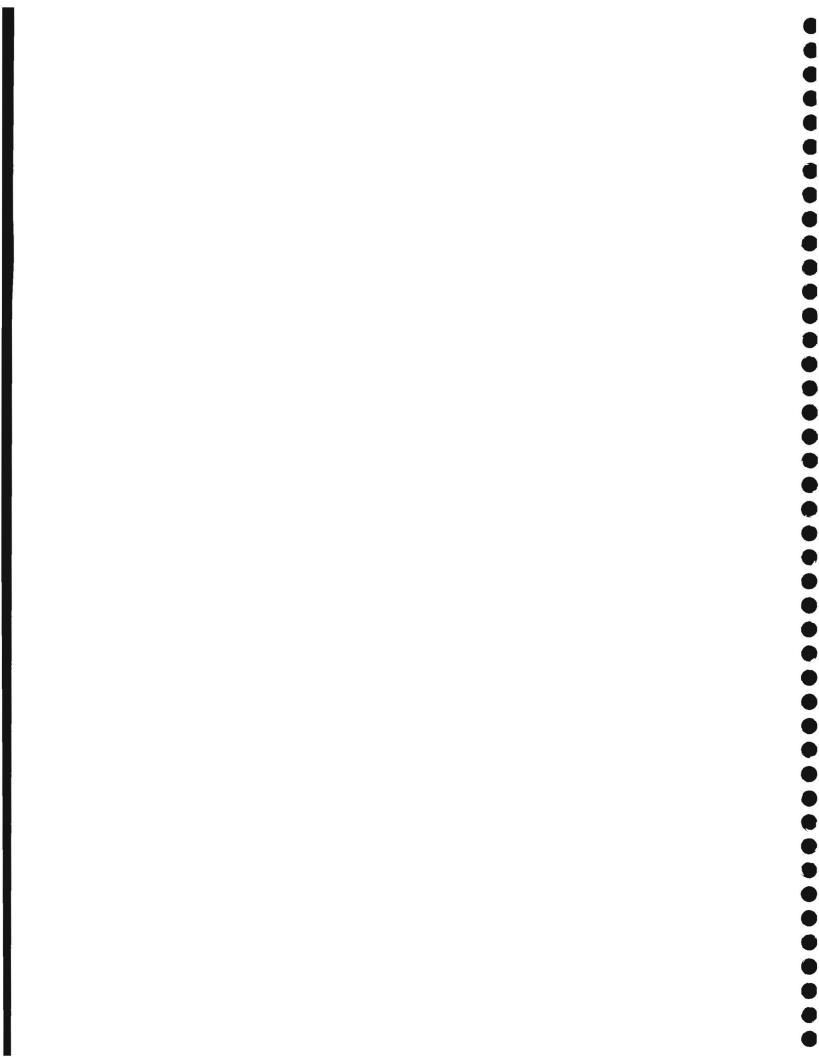
	_	2001	2000
Revenues:			
Intergovernmental revenues:			
Federal	\$	1,071,778	1,242,213
Local		8,380	3,531
Charges for user services		976,083	625,728
Other	-	4,200	1,160
Total revenues		2,060,441	1,872,632
Expenditures:			
General government		65,886	62,828
Public works		149,186	133,891
Community, recreational and cultural	-	2,180,481	2,348,031
Total expenditures		2,395,553	2,544,750
Deficiency of revenues over expenditures		(335,112)	(672,118)
Other financing sources (uses):			
Operating transfers between special revenue funds		-	(30,245)
Operating transfers to other funds		(90,000)	(90,000)
Total other financing sources		(90,000)	(120,245)
Excess (deficiency) of revenues and other financing sources over expenditures and			
other financing uses		(425,112)	(792,363)
Fund balances at beginning of year		1,983,047	3,329,592
Residual equity transfer			(554,182)
Fund balances at end of year	\$	1,557,935	1,983,047

### **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.



Debt Service Funds

#### **Balance Sheet**

# December 31, 2001 (With comparative totals for December 31, 2000)

	_	2001	2000
Cash and short-term investments, at cost which approximates market Accrued interest receivable Other receivables	\$	11,002,496 41,787	13,885,705 996,618 180
Total assets	\$ _	11,044,283	14,882,503
Liabilities and Fund Balances			
Liabilities: Due to other funds	_		84,152
Total liabilities		_	84,152
Fund balances: Unreserved: Designated for debt service	_	11,044,283	14,798,351
Total liabilities and fund balances	\$_	11,044,283	14,882,503

Debt Service Funds

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

Year ended December 31, 2001 (With comparative totals for December 31, 2000)

	2-	2001	2000
Revenues: Interest earnings	\$	2,393,993	4,439,234
Expenditures: Principal retirement Interest expenditures Fiscal agent charges	_	33,842,936 50,881,339 26,883	32,566,752 50,580,797 28,796
Total expenditures	_	84,751,158	83,176,345
Deficiency of revenues under expenditures		(82,357,165)	(78,737,111)
Other financing sources (uses): Operating transfers from: General fund Trust and agency Component units	_	67,270,757 8,082,340 3,250,000	69,257,196 5,313,525 3,260,000
Total other financing sources	_	78,603,097	77,830,721
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses		(3,754,068)	(906,390)
Fund balances at beginning of year	_	14,798,351	15,704,741
Fund balances at end of year	\$	11,044,283	14,798,351

### **CAPITAL PROJECTS FUNDS**

Capital Project 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 recreation 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 project funds.

*		

Capital Projects Fund

#### Balance Sheet

Assets	2001	2000
Cash and short-term investments, at cost which approximates market Due from special revenue fund Due from trust and agency fund Due from other governments Other receivables	\$ 27,368,176 1,364,873 — 2,433,091 	45,489,268 1,384,693 4,992,040 1,718,039
Total assets	\$ 31,316,140	53,584,040
Liabilities and Fund Balances		
Liabilities: Accounts payable Retainage payable Accrued liabilities Due to general fund Due to trust and agency fund  Total liabilities	3,671,004 707,248 253,228 2,001,169 90,361 6,723,010	2,474,210 845,882 239,473 2,151,805 ————————————————————————————————————
Fund balances: Reserved for encumbrances Unreserved: Designated for subsequent years' expenditures	12,352,619	14,523,236 33,349,434
Total fund balances	24,593,130	47,872,670
Total liabilities and fund balances	\$ 31,316,140	53,584,040

Capital Projects Fund

Combining Balance Sheet Schedule

Assets	Engineering and Construction	Parks and Recreation	Public Works
Cash and short-term investments, at cost which approximates market Due from special revenue Due from trust and agency Due from other governments Other receivables	\$ 13,840,731 ————————————————————————————————————	490,436 — — — —	1,802,442 828,790 — —
Total assets	\$ 16,423,822	490,436	2,631,232
<b>Liabilities and Fund Balances</b>			
Liabilities: Accounts payable Retainage payable Accrued liabilities Due to general fund Due to trust and agency fund	2,195,606 652,042 159,893 1,169 90,361		170,336 — 93,335 —
Total liabilities	3,099,071		263,671
Fund balances: Reserved for encumbrances Unreserved: Designated for subsequent years' expenditures	9,994,518 3,330,233	490,436	15,149 2,352,412
Total fund balances	13,324,751	490,436	2,367,561
Total liabilities and fund balances	\$ 16,423,822	490,436	2,631,232

General	Urban		Tot	als
Services	Redevelopment	Other	2001	2000
2,909,515	4,667,328	3,657,724	27,368,176	45,489,268
	_	536,083	1,364,873	1,384,693 4,992,040
			2,433,091	1,718,039
			150,000	
2,909,515	4,667,328	4,193,807	31,316,140	53,584,040
4				
172,574		1,132,488	3,671,004	2,474,210
15,642	_	39,564	707,248	845,882
_	2,000,000		253,228 2,001,169	239,473 2,151,805
_	2,000,000		90,361	2,131,803
188,216	2,000,000	1,172,052	6,723,010	5,711,370
100,098		2,242,854	12,352,619	14,523,236
2,621,201	2,667,328	778,901	12,240,511	33,349,434
2,721,299	2,667,328	3,021,755	24,593,130	47,872,670
2,909,515	4,667,328	4,193,807	31,316,140	53,584,040

#### Capital Projects Fund

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

	_	2001	2000
Revenues: Intergovernmental revenues Charges for user services Miscellaneous	\$	8,497,805 272,263 519,390	9,445,957 — 5,000
Total revenues		9,289,458	9,450,957
Expenditures: Capital projects Bond issuance costs for 2002 bond offering		32,248,026 320,972	33,097,603
Total expenditures		32,568,998	33,097,603
Deficiency of revenues over expenditures		(23,279,540)	(23,646,646)
Other financing sources (uses): Operating transfers (to) from: General fund Special revenue	,		2,95 <b>8</b> ,350 (3,141,291)
Total other financing sources (uses)	,		(182,941)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses		(23,279,540)	(23,829,587)
Fund balances at beginning of year		47,872,670	71,702,257
Fund balances at end of year	\$	24,593,130	47,872,670

Capital Projects Fund

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances

	Engineering and Construction	Parks and Recreation		Public Works
Revenues: Intergovernmental revenues Charges for user services Miscellaneous	\$ 6,942,288 —— 239,390			272,263
Total revenues	7,181,678	_		272,263
Expenditures: Capital projects Bond issuance costs for 2002 bond offering	17,903,553	25,644		5,996,595
Total expenditures	17,903,553	25,644		5,996,595
Deficiency of revenues under expenditures	(10,721,875)	(25,644)		(5,724,332)
Operating transfers (to) from: General fund Special revenue Other capital projects fund	2,448,000	200,000		  5,423,000
Total other financing sources (uses)	2,448,000	200,000		5,423,000
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(8,273,875)	174,356		(301,332)
Fund balances at beginning of year	21,598,626	316,080		2,668,893
Fund balances at end of year	\$ 13,324,751	490,436	_ =	2,367,561

General	Urban		Tot	als
Services	Redevelopment	Other	2001	2000
	400,000	1,155,517	8,497,805	9,445,957
	_		272,263	
280,000			519,390	5,000
280,000	400,000	1,155,517	9,289,458	9,450,957
805,787	1,192,000	6,324,447 320,972	32,248,026 320,972	33,097,603
		320,972	320,912	
805,787	1,192,000	6,645,419	32,568,998	33,097,603
(525,787)	(792,000)	(5,489,902)	(23,279,540)	(23,646,646)
_		_		2,958,350
_				(3,141,291)
(1,002,000)	100,000	(7,169,000)		
(1,002,000)	100,000	(7,169,000)		(182,941)
(1,527,787)	(692,000)	(12,658,902)	(23,279,540)	(23,829,587)
4,249,086	3,359,328	15,680,657	47,872,670	71,702,257
2,721,299	2,667,328	3,021,755	24,593,130	47,872,670

Capital Projects Fund

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

Year ended December 31, 2001

	_	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues:				
Intergovernmental	\$	3,661,200	7,848,617	4,187,417
Miscellaneous	_		369,390	369,390
Total revenues		3,661,200	8,218,007	4,556,807
Expenditures:				
Capital projects:				
Engineering and construction		81,185,783	17,211,567	63,974,216
Parks and recreation		121,481	55,644	65,837
Public works		7,089,240	6,029,418	1,059,822
General services		1,458,110	644,072	814,038
Urban Redevelopment Authority		1,532,000	1,192,000	340,000
Other		20,891,956	5,726,441	15,165,515
Bond issuance costs		320,972	320,972	
Total expenditures	_	112,599,542	31,180,114	81,419,428
Excess (deficiency) of revenues over (under) expenditures		(108,938,342)	(22,962,107)	85,976,235
Fund balance - budgetary basis, beginning of year	_	108,938,342	45,020,713	(63,917,629)
Fund balance - budgetary basis, end of year	\$		22,058,606	22,058,606
Adjustments to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary basis and				
GAAP basis, beginning of year			2,851,957	
Net effect of GAAP basis recognition of revenues			1,071,451	
Net effect of GAAP basis recognition of			(1.200.004)	
expenditures			(1,388,884)	
Fund balance - GAAP basis, end of year			\$ 24,593,130	

Capital Projects Fund

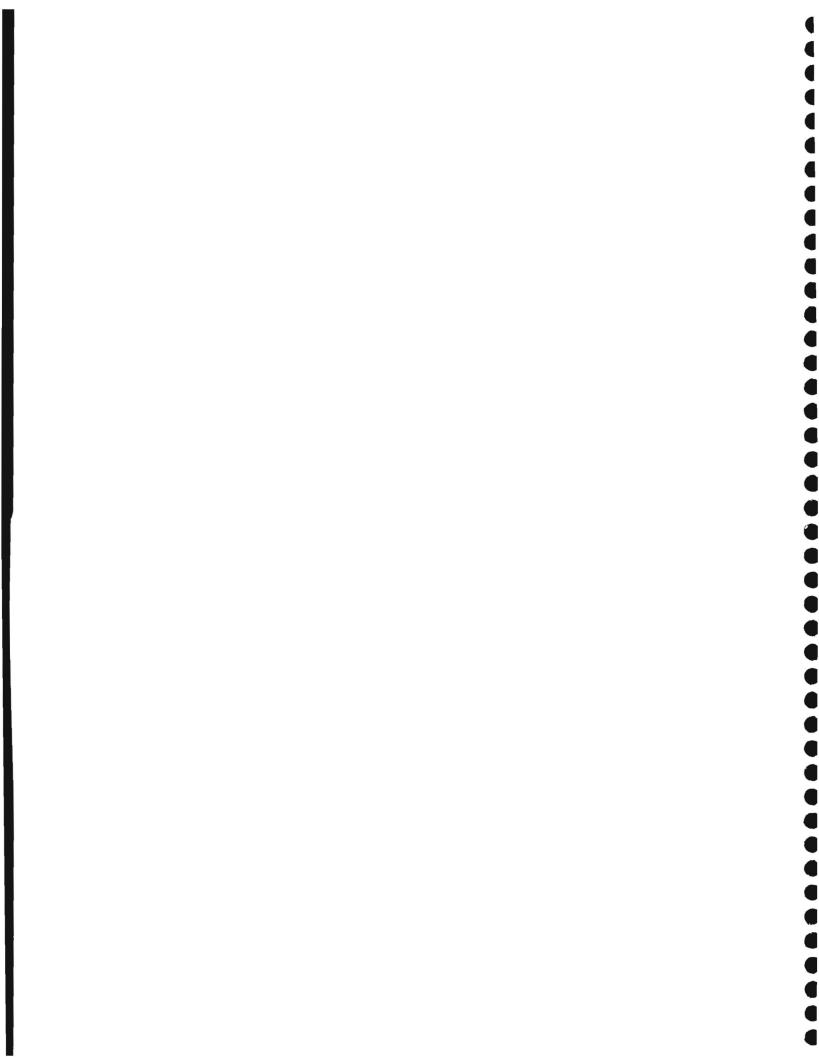
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Data on the Budgetary Basis - Capital Projects

Year ended December 31, 2000

	_	Budget as amended	Actual	Variance favorable (unfavorable)
Revenues: Intergovernmental	\$	43,048,800	9,938,484	(33,110,316)
	Ψ-	43,048,800		
Total revenues		43,048,800	9,938,484	(33,110,316)
Expenditures:		ē		
Capital projects: Engineering and construction		84,897,328	15,023,969	69,873,359
Parks and recreation		164,685	88,203	76,482
Public works		10,863,558	9,323,131	1,540,427
General services		1,202,736	414,626	788,110
Urban Redevelopment Authority		14,541,037	14,149,037	392,000
Other		27,233,216	11,199,166	16,034,050
Bond issuance costs		446,098	69,140	376,958
Total expenditures		139,348,658	50,267,272	89,081,386
Excess (deficiency) of revenues over				
(under) expenditures		(96,299,858)	(40,328,788)	55,971,070
Other financing sources (uses):				
Operating transfers in		10,225,000	10,225,000	_
Total other financing sources		10,225,000	10,225,000	
		10,223,000	10,223,000	
Excess (deficiency) of revenues and other			,	
financing sources over (under) expenditures and other financing uses		(86,074,858)	(30,103,788)	55,971,070
Fund balance - budgetary basis, beginning of year	,	86,074,858	75,124,501	(10,950,357)
Fund balance - budgetary basis, end of year	\$		45,020,713	45,020,713
Adjustments to generally accepted accounting principles (GAAP) basis (note 2):  Cumulative difference between budgetary basis and GAAP basis, beginning of year  Net effect of GAAP basis recognition of revenues  Net effect of GAAP basis recognition of			(3,422,244) (7,754,177)	
expenditures			14,028,378	
Fund balance - GAAP basis, end of year			\$ 47,872,670	

## 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 investing 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.

#### **EXPENDABLE TRUST:**

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

**Worker's 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.

**Park 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 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.

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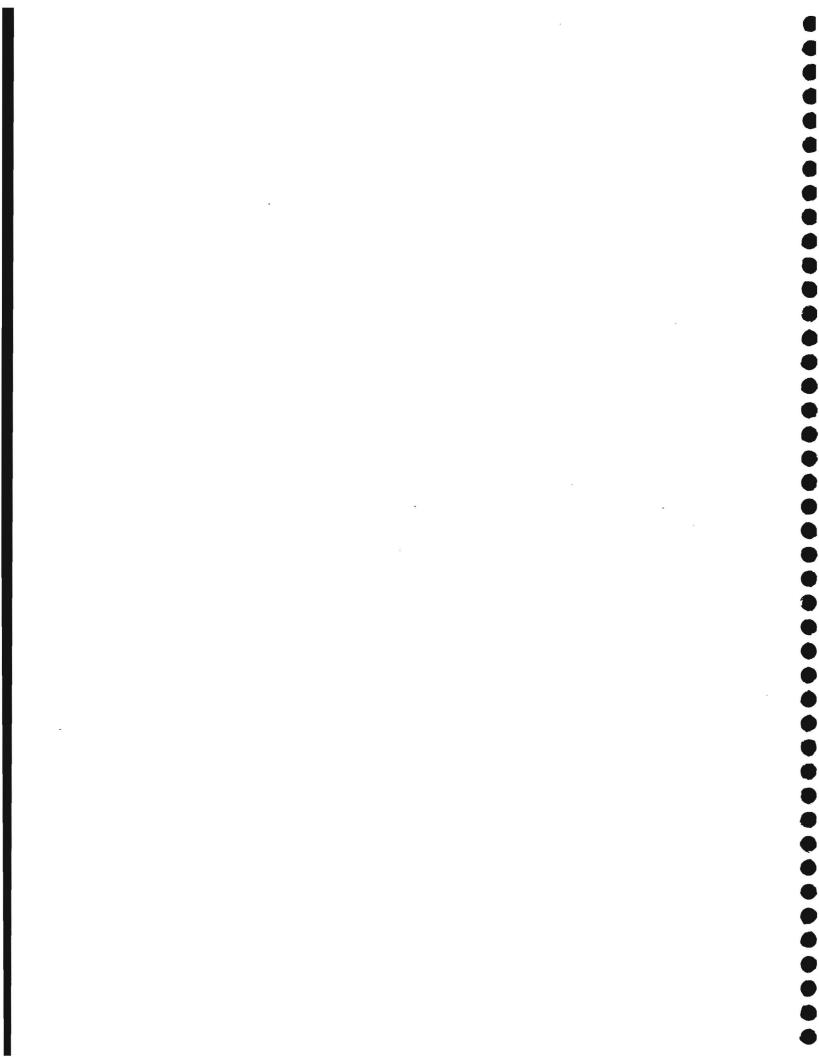
## **AGENCY FUNDS:**

**Employee Benefits** – to account for the collection and payment of various employee benefits programs, such as pensions, medical insurance, life insurance and social security 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.



Trust and Agency Funds

Combining Balance Sheet

Assets	Pension trust funds	Expendable trusts	Agency funds	Totals 2001	Totals 2000
Assets	Tunus	trusts	Tunus		
Cash and short-term investments, at cost					
which approximates market \$	17,032,762	6,433,237	5,724,876	29,190,875	35,296,866
Investments	364,740,078			364,740,078	411,602,951
Other receivables	462	4,572	14,340	19,374	47,468
Accrued interest and dividends receivable	1,990,082	4,099		1,994,181	1,047,829
Due from other funds	_	105,601	791,868	897,469	572,827
Due from component units			302,755	302,755	
Total assets \$	383,763,384	6,547,509	6,833,839	397,144,732	448,567,941
Liabilities and Fund Balances					
				e.	
Liabilities:	200 720	145,000	2 707 712	4 151 520	2 222 104
Accrued liabilities and other payables	298,729	145,089	3,707,712	4,151,530	2,233,104
Due to general fund	40.052	87,495	1,042,398	1,042,398	1,025,349
Due to other funds	48,852	32,787	18,884	136,347 51,671	5,039,317
Due to other governments	_	32,767	2,064,845	2,064,845	46,586 1,176,763
Deposits held in trust Due to individuals	·—	401,969	2,004,643	401,969	452,055
Benefits and related withholdings payable	2,166,264	401,909		2,166,264	2,131,202
Benefits and related withholdings payable	2,100,204			2,100,204	2,131,202
Total liabilities	2,513,845	667,340	6,833,839	10,015,024	12,104,376
Fund balances:					
Reserved for encumbrances .		43,776	-	43,776	80,146
Reserved for endowments	—	124,991		124,991	109,652
Reserved for employee benefits		748,196		748,196	813,256
Designated for subsequent years'					
expenditures		4,859,423		4,859,423	12,286,229
Undesignated		103,783		103,783	115,850
Net assets:					
Held in trust for pension benefits	381,249,539			381,249,539	423,058,432
Total fund balances	381,249,539	5,880,169		387,129,708	436,463,565
Total liabilities and fund					
balances \$	383,763,384	6,547,509	6,833,839	397,144,732	448,567,941

## Combined Pension Trust Funds

## Combining Statement of Plan Net Assets

Assets	,	Comprehensive trust	Municipal trust	Police trust
Cash and short-term investments, at cost which approximates market Investments Accrued interest, dividends and other Other receivables	\$	14,493,692 364,740,078 1,990,082	70,295  462	2,449,025 ————————————————————————————————————
Total assets	\$	381,223,852	70,757	2,449,025
Liabilities and Fund Balances				
Liabilities: Accrued liabilities and other payables Due to trust and agency fund Benefits and related withholdings payable Total liabilities		258,062 ————————————————————————————————————	27,147 14,980 ————————————————————————————————————	1,058 21,719 2,166,264 2,189,041
Fund balances: Net assets held in trust for pension benefits	,	380,965,790	28,630	259,984
Total liabilities and fund balances	\$	381,223,852	70,757	2,449,025

Fire	Totals				
trust	2001	2000			
	,				
19,750	17,032,762	12,888,482			
	364,740,078	411,602,951			
	1,990,082	1,032,204			
	462	976			
19,750	383,763,384	425,524,613			
12,462	298,729	334,979			
12,153	48,852	<u> </u>			
	2,166,264	2,131,202			
24,615	2,513,845	2,466,181			
(4,865)	381,249,539	423,058,432			
19,750	383,763,384	425,524,613			

Combined Pension Trust Funds

Combining Statement of Changes in Plan Net Assets

		Comprehensive trust	Municipal trust	Police trust
Operating revenues: Contributions:		*		
Participants Employer State	\$	10,312,520 7,547,634 16,000,000		446,428
Total contributions		33,860,154		446,428
Investment income:  Net appreciation (deprecation) in fair value of investments Interest and dividends	:	(32,147,967) 16,137,954		24,924
Total investment income (loss)		(16,010,013)		24,924
Less investment expenses		1,334,794		
		(17,344,807)	_	24,924
Miscellaneous Operating transfers to pension funds			16,988,234	28,281,550
Total additions		16,515,347	16,988,234	28,752,902
Operating expenses: Benefit payments Refunds of employee contributions for		_	16,068,944	26,375,564
terminated employees Administrative expenses Operating transfers from pension funds		329,347 59,766,784	669,755 243,193 ————	311,331 274,803 ———
Total deductions		60,096,131	16,981,892	26,961,698
Net increase (decrease) in plan net assets		(43,580,784)	6,342	1,791,204
Fund balances at beginning of year		424,546,574	22,288	(1,531,220)
Fund balances at end of year	\$	380,965,790	28,630	259,984

Fire	Totals				
trust	2001	2000			
7,600	10,320,120	9,816,786			
	7,994,062	8,159,751			
	16,000,000	13,250,000			
7,600	34,314,182	31,226,537			
4,308	(32,147,967) 16,167,186	(40,940,283) 24,600,511			
4,308	(15,980,781)	(16,339,772)			
	1,334,794	1,584,940			
4,308	(17,315,575)	(17,924,712)			
167	167	18,350			
14,497,000	59,766,784	55,200,686			
14,509,075	76,765,558	68,520,861			
14,293,390	56,737,898	55,925,826			
34,567	1,015,653	1,113,084			
206,773	1,054,116	831,462			
	59,766,784	55,200,686			
14,534,730	118,574,451	113,071,058			
(25,655)	(41,808,893)	(44,550,197)			
20,790	423,058,432	467,608,629			
(4,865)	381,249,539	423,058,432			

**Expendable Trust Funds** 

Combining Balance Sheet

Assets	_	Gifts and donations	Workers' compensation	Parks endowments
Cash and short-term investments, at cost which approximate market  Due from other funds  Other receivables  Accrued interest	\$ _	44,264 105,601 — —	814,273 	224,584
Total assets	\$ _	149,865	819,362	224,584
Liabilities and Fund Balances				
Liabilities: Accrued liabilities and other payables Due to other funds Due to other governments Due to individuals  Total liabilities	-	105,601 ————————————————————————————————————	32,000	7,488 87,495 — — — 94,983
Fund balances: Reserved for encumbrances Reserved for endowments Reserved for employee benefits Unreserved: Designated for subsequent years' expenditures		  	39,166 — 748,196	4,610 124,991 —
Undesignated	_	44,264		
Total fund balances	_	44,264	787,362	129,601
Total liabilities and fund balances	\$_	149,865	819,362	224,584

Unclaimed	Pension	Totals		
liabilities	escrow	2001	2000	
			,	
494,275	4,855,841	6,433,237	18,889,251	
	_	105,601	95,602	
_	-	4,572	32,152	
	3,582	4,099	15,625	
494,275	4,859,423	6,547,509	19,032,630	
_	_	145,089	108,423	
		87,495	5,039,317	
32,787	_	32,787	27,702	
401,969		401,969	452,055	
434,756	_	667,340	5,627,497	
_	_	43,776	80,146	
	_	124,991	109,652	
		748,196	813,256	
	4,859,423	4,859,423	12,286,229	
59,519		103,783	115,850	
59,519	4,859,423	5,880,169	13,405,133	
494,275	4,859,423	6,547,509	19,032,630	

## Expendable Trust Funds

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

	_	Gifts and donations	Workers'	Parks endowments
Revenues: Interest earnings Intergovernmental revenues Donations and endowments Other  Total revenues	\$	10,500	139,964 133,840 — 345,880 619,684	450,000 62,577 512,577
Expenditures - current operating: Community, recreational and cultural: Community activities				
Parks and recreation Claim settlements Other	-		418,916 297,096	297,907
Total expenditures	-		716,012	297,907
Excess (deficiency) of revenues over expenditures		10,500	(96,328)	214,670
Other financing sources (uses): Operating transfer to general fund Operating transfer to debt service	_	(27,000)		(200,000)
Total other financing sources (uses)	_	(27,000)		(200,000)
Excess (deficiency) of revenues and other financing sources over expenditures and other		(16 500)	(04.228)	14.670
financing uses		(16,500)	(96,328)	14,670
Fund balances at beginning of year		60,764	883,690	114,931
Fund balances at end of year	\$	44,264	787,362	129,601

Unclaimed	Pension	Totals			
liabilities	escrow	2001	2000		
	655,534	795,498	1,340,657		
		133,840	250,346		
	_	460,500	550,000		
		408,457	400,203		
_	655,534	1,798,295	2,541,206		
_		_	72,587		
		297,907	301,337		
-	· -	418,916	1,771,510		
		297,096	63,713		
		1,013,919	2,209,147		
_	655,534	784,376	332,059		
	_	(227,000)	(203,206)		
	(8,082,340)	(8,082,340)	(5,313,525)		
	(8,082,340)	(8,309,340)	(5,516,731)		
	(7,426,806)	(7,524,964)	(5,184,672)		
59,519	12,286,229	13,405,133	18,589,805		
59,519	4,859,423	5,880,169	13,405,133		

## Gifts and Donations

## Comparative Balance Sheets

## December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market  Due from other funds	\$_	44,264 105,601	60,764 95,602
Total assets	\$ =	149,865	156,366
Liabilities and Fund Balances			
Liabilities: Accrued liabilities  Total liabilities	-	105,601	95,602 95,602
Fund balances: Reserved for encumbrances Unreserved: Undesignated		<u> </u>	4,433 56,331
Total fund balances	_	44,264	60,764
Total liabilities and fund balances	\$_	149,865	156,366

## Gifts and Donations

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

## Years ended December 31, 2001 and 2000

		2001	2000
Revenues: Donations and endowments	\$	10,500	100,000
Total revenues		10,500	100,000
Expenditures - current operating:  Community, recreational and cultural:  Community activities  Parks and recreation  Miscellaneous			72,587 23,359 40,548
Total expenditures	_		136,494
Deficiency of revenues over expenditures		10,500	(36,494)
Other financing sources (uses): Operating transfer to general fund		(27,000)	
Total other financing sources		(27,000)	
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses		(16,500)	(36,494)
Fund balances at beginning of year		60,764	97,258
Fund balances at end of year	\$	44,264	60,764

Workers' Compensation

Comparative Balance Sheets

December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market Other receivables Accrued interest	\$	814,273 4,572 517	5,860,808 7,052 15,625
Total assets	\$	819,362	5,883,485
Liabilities and Fund Balances			
Liabilities: Accrued liabilities Due to other funds  Total liabilities	-	32,000	7,755 4,992,040 4,999,795
Fund balances: Reserved for employee benefits Reserved for encumbrances		748,196 39,166	813,256 70,434
Total fund balances		787,362	883,690
Total liabilities and fund balances	\$	819,362	5,883,485

## Workers' Compensation

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

## Years ended December 31, 2001 and 2000

	_	2001	2000
Revenues:	100		
Interest earnings	\$	139,964	312,686
Realized gain (loss)		61,129	
Intergovernmental revenues		133,840	250,346
Other		284,751	346,654
Total revenues		619,684	909,686
Expenditures - current operating:			
Claim settlements		418,916	1,771,510
Trustee fee		7,365	23,165
Other		289,731	
Total expenditures	_	716,012	1,794,675
Excess of expenditures over revenue		(96,328)	(884,989)
Fund balances at beginning of year	_	883,690	1,768,679
Fund balances at end of year	\$ _	787,362	883,690

## Agency

## Combining Balance Sheet

Assets	_	Employee benefits	Payroll withholding	Deposit
Cash and short-term investments, at cost which approximates market Due from general fund Due from other funds Due from component units Other receivables	\$	755,647 ————————————————————————————————————	1,724,893 ————————————————————————————————————	2,008,535 ———————————————————————————————————
Total assets	\$_	1,343,131	1,724,893	2,008,535
Liabilities				
Accrued liabilities Due to other governments Due to general fund Deposits held in trust	_	1,343,131	733,907 ————————————————————————————————————	1,048,314 ————————————————————————————————————
Total liabilities	\$ _	1,343,131	1,724,893	2,008,535

## Workers' Compensation

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

## Years ended December 31, 2001 and 2000

		2001	2000
Revenues:	_		
Interest earnings	\$	139,964	312,686
Realized gain (loss)		61,129	
Intergovernmental revenues		133,840	250,346
Other	_	284,751	346,654
Total revenues		619,684	909,686
Expenditures - current operating:			
Claim settlements		418,916	1,771,510
Trustee fee		7,365	23,165
Other	_	289,731	
Total expenditures	_	716,012	1,794,675
Excess of expenditures over revenue		(96,328)	(884,989)
Fund balances at beginning of year	_	883,690	1,768,679
Fund balances at end of year	\$ _	787,362	883,690

## Parks Endowments

## Comparative Balance Sheets

## December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market	\$_	224,584	167,274
Total assets	\$ _	224,584	167,274
Liabilities and Fund Balances			
Liabilities: Accrued liabilities Due to other funds  Total liabilities	_	7,488 87,495 94,983	5,066 47,277 52,343
Fund balances: Reserved for endowments Reserved for encumbrances	_	124,991 4,610	109,652 5,279
Total fund balances	_	129,601	114,931
Total liabilities and fund balances	\$ _	224,584	167,274

#### Parks Endowments

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

## Years ended December 31, 2001 and 2000

	<u></u>	2001	2000
Revenues: Donations and endowments Other	\$_	450,000 62,577	450,000 53,549
Total revenues		512,577	503,549
Expenditures - current operating: Community, recreational and cultural:			
Parks and recreation	_	297,907	277,978
Total expenditures	_	297,907	277,978
Excess (deficiency) of revenues over expenditures		214,670	225,571
Other financing sources (uses): Operating transfer to general fund	_	(200,000)	(200,000)
Total other financing uses	_	(200,000)	(200,000)
Excess (deficiency) of revenue and other financing sources over expenditures			
and other financing uses		14,670	25,571
Fund balances at beginning of year	_	114,931	89,360
Fund balances at end of year	\$ =	129,601	114,931

## Unclaimed Liabilities

## Comparative Balance Sheets

## December 31, 2001 and 2000

Assets		2001	2000
Cash and short-term investments, at cost which approximates market	\$_	494,275	539,276
Total assets	\$ =	494,275	539,276
Liabilities and Fund Balances			
Liabilities: Due to other governments Due to individuals  Total liabilities	_	32,787 401,969 434,756	27,702 452,055 479,757
Fund balances: Unreserved: Undesignated	_	59,519	59,519
Total fund balances	_	59,519	59,519
Total liabilities and fund balances	\$_	494,275	539,276

#### Parks Endowments

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

## Years ended December 31, 2001 and 2000

		2001	2000
Revenues: Donations and endowments Other	\$	450,000 62,577	450,000 53,549
Total revenues		512,577	503,549
Expenditures - current operating:  Community, recreational and cultural:  Parks and recreation		297,907	277,978
Total expenditures		297,907	277,978
Excess (deficiency) of revenues over expenditures		214,670	225,571
Other financing sources (uses): Operating transfer to general fund	_	(200,000)	(200,000)
Total other financing uses	_	(200,000)	(200,000)
Excess (deficiency) of revenue and other financing sources over expenditures and other financing uses		14,670	25,571
Fund balances at beginning of year	_	114,931	89,360
Fund balances at end of year	\$ _	129,601	114,931

## **Unclaimed Liabilities**

## Comparative Balance Sheets

## December 31, 2001 and 2000

Assets	_	2001	2000
Cash and short-term investments, at cost which approximates market	\$_	494,275	539,276
Total assets	\$ _	494,275	539,276
Liabilities and Fund Balances			
Liabilities: Due to other governments Due to individuals  Total liabilities	_	32,787 401,969 434,756	27,702 452,055 479,757
Fund balances: Unreserved: Undesignated	_	59,519	59,519
Total fund balances	_	59,519	59,519
Total liabilities and fund balances	\$_	494,275	539,276

#### Unclaimed Liabilities

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

#### Years ended December 31, 2001 and 2000

	_	2001	2000
Revenues: Escheat revenues	\$_		
Total revenues		_	
Expenditures	_		
Excess of revenues over expenditures		_	. —
Fund balances at beginning of year	_	59,519	59,519
Fund balances at end of year	\$ _	59,519	59,519

#### Pension Escrow

## Comparative Balance Sheets

## December 31, 2001 and 2000

Assets	2001	2000
Cash and short-term investments, at cost which approximates market Accrued interest	\$ 4,855,841 3,582	12,261,129 25,100
Total assets	\$ 4,859,423	12,286,229
Fund Balances		
Fund balances: Unreserved:		
Designated for subsequent years' expenditures	4,859,423	12,286,229
Total fund balances	\$ 4,859,423	12,286,229

#### Pension Escrow

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

## Years ended December 31, 2001 and 2000

	_	2001	2000
Revenues: Interest	\$_	655,534	1,027,971
Total revenues		655,534	1,027,971
Expenditures: Pension			
Total expenditures			
Excess (deficiency) of revenues over expenditures		655,534	1,027,971
Other financing sources (uses): Operating transfer to debt service		(8,082,340)	(5,313,525)
Total other financing sources		(8,082,340)	(5,313,525)
Deficiency of revenues and other financing sources over expenditures and other financing uses		(7,426,806)	(4,285,554)
Fund balances at beginning of year		12,286,229	16,571,783
Fund balances at end of year	\$	4,859,423	12,286,229

#### Agency

#### Combining Balance Sheet

Assets	-	Employee benefits	Payroll withholding	Deposit
Cash and short-term investments, at cost which approximates market Due from general fund Due from other funds Due from component units Other receivables	\$	755,647 ————————————————————————————————————	1,724,893 ————————————————————————————————————	2,008,535 ———————————————————————————————————
Total assets	\$ _	1,343,131	1,724,893	2,008,535
Liabilities				
Accrued liabilities Due to other governments Due to general fund Deposits held in trust	_	1,343,131	733,907 ————————————————————————————————————	1,048,314 ————————————————————————————————————
Total liabilities	\$_	1,343,131	1,724,893	2,008,535

	Totals						
Other	2001	2000					
1,235,801	5,724,876	3,519,133					
507,139	507,139	477,225					
_	284,729						
_	302,755						
14,340	14,340	14,340					
1,757,280	6,833,839	4,010,698					
		ž 3 30					
582,360	3,707,712	1,789,702					
18,884	18,884	18,884					
51,412	1,042,398	1,025,349					
1,104,624	2,064,845	1,176,763					
1,757,280	6,833,839	4,010,698					

Employee Benefits .

#### Statement of Changes in Assets and Liabilities

	Balance January 1,			Balance December 31,
Assets	2001	Additions	Deletions	2001
Cash and short-term investments, at cost				
which approximates market	\$ 3,833	2,900,156	(2,148,342)	755,647
Due from other funds	-	284,729		284,729
Due from component units		302,755		302,755
Total assets	\$ 3,833	3,487,640	(2,148,342)	1,343,131
Liabilities				
Accrued liabilities	3,833	3,487,640	(2,148,342)	1,343,131
Total liabilities	\$ 3,833	3,487,640	(2,148,342)	1,343,131

#### Payroll Withholding

#### Statement of Changes in Assets and Liabilities

		Balance January 1,			Balance December 31,
Assets		2001	Additions	Deletions	2001
Cash and short-term investments, at cost which approximates market	\$.	1,817,337	11,870,399	_(11,962,843)_	1,724,893
Total assets	\$ .	1,817,337	11,870,399	(11,962,843)	1,724,893
Liabilities					
Accrued liabilities Due to general fund		880,213 937,124	11,179,413 690,986	(11,325,719) (637,124)	733,907 990,986
Total liabilities	\$	1,817,337	11,870,399	(11,962,843)	1,724,893

#### Deposits

#### Statement of Changes in Assets and Liabilities

		Balance January 1,			Balance December 31,
Assets		2001	Additions	Deletions	2001
Cash and short-term investments, at cost					
which approximates market	\$.	982,561	11,950,649	(10,924,675)	2,008,535
Total assets	\$	982,561	11,950,649	(10,924,675)	2,008,535
Liabilities					
Accrued liabilities		430,024	10,278,316	(9,660,026)	1,048,314
Due to general fund		28,750	<del></del>	(28,750)	
Deposits held in trust		523,787	1,672,333	(1,235,899)	960,221
Total liabilities	\$	982,561	11,950,649	(10,924,675)	2,008,535

#### Other

## Statement of Changes in Assets and Liabilities

	Balance			Balance
	January 1,			December 31,
Assets	2001	Additions	Deletions	2001
Cash and short-term investments, at cost				
which approximates market	\$ 715,402	2,605,030	(2,084,631)	1,235,801
Due from general fund	477,225	29,914	_	507,139
Other receivables	14,340			14,340
Total assets	\$ 1,206,967	2,634,944	(2,084,631)	1,757,280
Liabilities				×
Accrued liabilities	475,632	952,389	(845,661)	582,360
Due to other governments	18,884			18,884
Due to general fund	59,475	43,912	(51,975)	51,412
Deposits held in trust	652,976	1,638,643	(1,186,995)	1,104,624
Total liabilities	\$ 1,206,967	2,634,944	(2,084,631)	1,757,280

## Total Agency Funds

#### Statement of Changes in Assets and Liabilities

	Balance			Balance
Assets	January 1, 2001	Additions	Deletions	December 31, 2001
Cash and short-term investments, at cost				
which approximates market	\$ 3,519,133	29,326,234	(27,120,491)	5,724,876
Due from general fund	477,225	29,914		507,139
Due from other funds		284,729		284,729
Due from component units	_	302,755		302,755
Other receivables	14,340			14,340
Total assets	\$ 4,010,698	29,943,632	(27,120,491)	6,833,839
Liabilities				
Accrued liabilities	1,789,702	25,897,758	(23,979,748)	3,707,712
Due to other governments	18,884			18,884
Due to general fund	1,025,349	734,898	(717,849)	1,042,398
Deposits held in trust	1,176,763	3,310,976	(2,422,894)	2,064,845
Total liabilities	\$ 4,010,698	29,943,632	(27,120,491)	6,833,839

# GENERAL FIXED ASSETS ACCOUNT GROUP

			16.
			•

## Comparative Schedule of General Fixed Assets by Source

## December 31, 2001 and 2000

	,	2001	2000
General fixed assets: Land and buildings Machinery and equipment	\$	114,264,187 62,465,770	113,995,938 61,397,773
Investment in general fixed assets by source: General fund Special revenue Capital projects Trust funds Acquired prior to January 1, 1992		4,191,003 18,461,141 28,029,996 2,610,835 123,436,982	3,070,657 19,410,963 27,622,219 1,852,890 123,436,982
Total investment in general fixed assets	\$	176,729,957	175,393,711

# Schedule of General Fixed Assets by Function and Activity

December 31, 2001

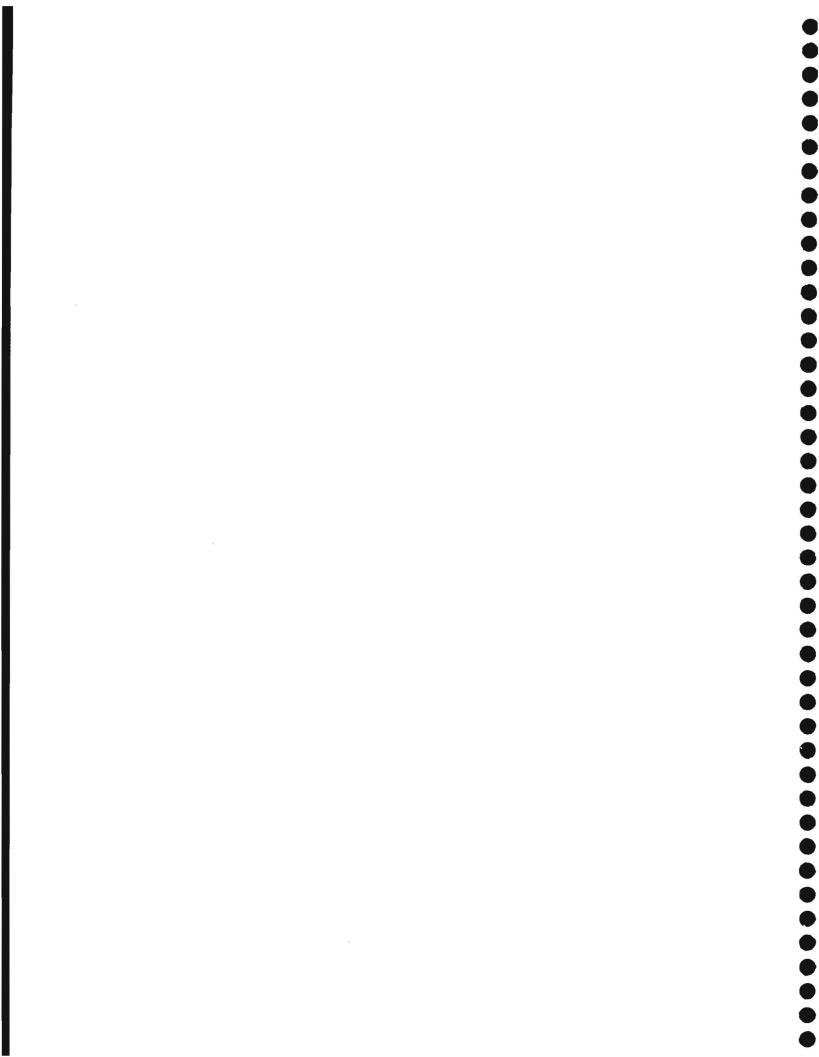
	_	Land and buildings	Machinery and equipment	Total
Function and activity:				
General government:	9			
Mayor's office	\$	P <del></del>	5,680,388	5,680,388
Civilian review board		,	8,150	8,150
Human relations		· -	14,259	14,259
Council		N	114,925	114,925
Controller		<del></del>	122,591	122,591
Finance		_	205,273	205,273
Law		_	70,630	70,630
Personnel and civil service			40,567	40,567
City planning		_	357,301	357,301
General services	_	29,951,239	42,185,690	72,136,929
Total general government		29,951,239	48,799,774	78,751,013
Public safety		21,672,806	2,952,382	24,625,188
Public works		6,716,794	9,382,200	16,098,994
Recreational and cultural		55,923,348	981,014	56,904,362
Engineering and construction	i.,—	7000 TAX	350,400	350,400
Total general fixed assets	\$_	114,264,187	62,465,770	176,729,957

Schedule of Changes in General Fixed Assets by Function and Activity

	-	General fixed assets, January 1, 2001	Additions	Deletions	General fixed assets, December 31, 2001
Function and activity:					
General government:					
Mayor's office	\$	17,397,500	57,480	_	17,454,980
Civilian review board		8,150			8,150
Human relations		14,259			14,259
Council		101,799	13,126	_	114,925
Controller		112,833	9,758	-	122,591
Finance		201,042	4,231	<del></del> .	205,273
Law		70,630		_	70,630
Personnel and civil service		40,567	_		40,567
City planning		337,389	19,912	_	357,301
General services	-	59,916,797	1,395,362	(949,822)	60,362,337
Total general government		78,200,966	1,499,869	(949,822)	78,751,013
Public safety		24,331,381	293,807	_	24,625,188
Public works		15,916,733	182,261		16,098,994
Recreational and cultural		56,716,190	188,172		56,904,362
Engineering and construction	-	228,441	121,959		350,400
Total general fixed assets	\$ _	175,393,711	2,286,068	(949,822)	176,729,957

# 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.



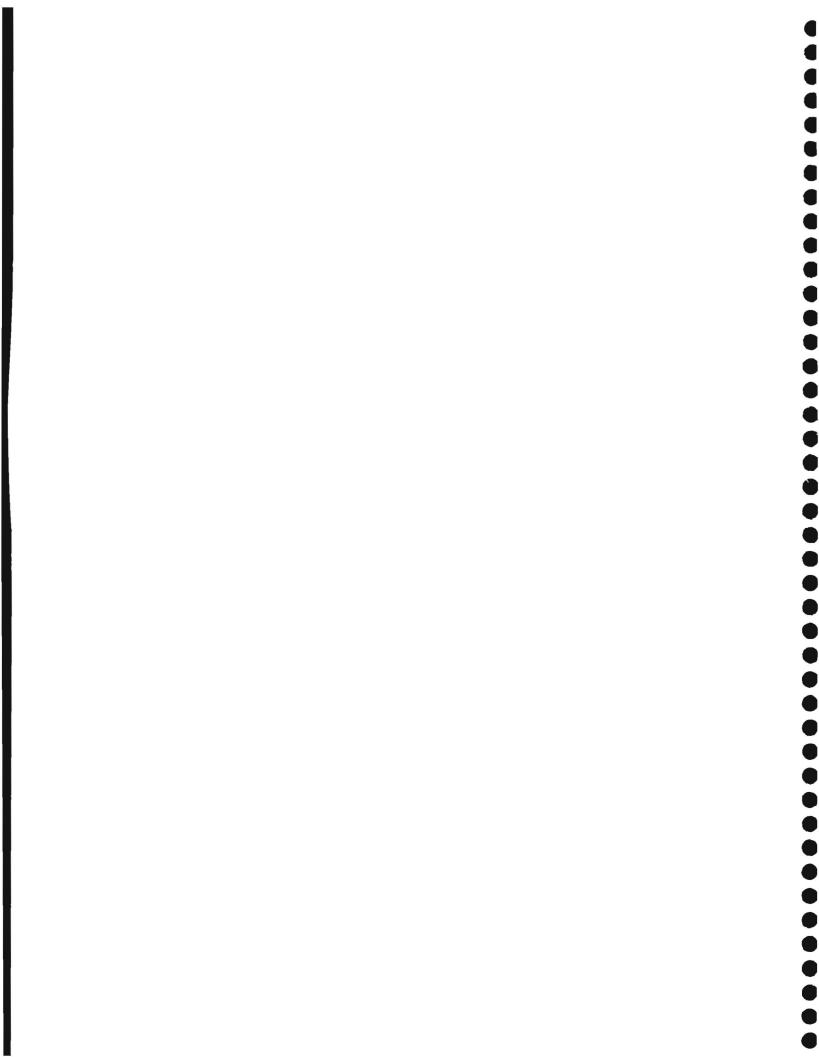
# General Long-Term Debt Account Group

## Statements of General Long-Term Debt

# December 31, 2001 and 2000

	2001	2000
Amount available and to be provided for the payment of general long-term debt:  Amount available in debt service funds for		
retirement of bonds	\$ 11,044,283	14,798,351
Amount to be provided for the retirement of bonds	925,270,796	957,059,845
Amount to be provided for deferred loan	3,834,000	3,834,000
Amount to be provided for accrued workers' compensation Amount to be provided for accrued compensated	73,703,000	72,395,000
absences	15,244,500	16,831,000
Amount to be provided for accrued claims and judgments	1,570,000	1,370,000
Total available and to be provided	\$ 1,030,666,579	1,066,288,196
General long-term debt payable: General obligation bonds payable, at face Less unamortized discount on zero coupon bonds Less general obligation bond funded by Stadium Authority	877,555,000 (5,827,308) (18,906,509)	912,735,000 (7,370,498) (20,936,003)
General obligation bonds payable	852,821,183	884,428,499
Revenue bonds payable - Public Auditorium	16,767,500	18,215,000
Taxable revenue bonds payable - URA	3,130,000	4,025,000
Self-supporting bonds payable - URA	63,596,396	65,189,697
Total bonds payable	936,315,079	971,858,196
Deferred loan	3,834,000	3,834,000
Accrued workers' compensation	73,703,000	72,395,000
Accrued compensated absences	15,244,500	16,831,000
Accrued claims and judgments	1,570,000	1,370,000
Total long-term debt payable	\$ _1,030,666,579	1,066,288,196

# COMPONENT UNITS DISCRETE



Discrete Component Units

Combining Balance Sheet

* • • • • • • • • • • • • • • • • • • •		DWCA	Stadium
Assets	-	PWSA	Authority
Current assets: Cash and investments Accounts receivable Accrued interest receivable and other	\$	29,889,000 15,027,000	12,847,503 3,060,296
Due from other funds Due from other governments Grant receivable – Allegheny Regional Asset District			
Receivable for repayment of promissory note - Sports and Exhibition Authority Inventory Prepaid expenses Assets held for sale		1,538,000	7,327 —
Total current assets	-	46,454,000	18,589,897
Trusteed and restricted funds:			
Cash and investments Accounts receivable	_	29,227,000 240,000	474,542 90,195
Total trusteed and restricted assets		29,467,000	564,737
Property, plant and equipment:			
Stadium complex		_	_
Land, building improvements		-	-
Furniture and fixtures			
Development costs			_
Land and parking facilities		-	_
Machinery and equipment		204 950 000	
Utility plant		304,859,000	
Property on lease		9,978,000	
Non-utility plant Capitalized system lease		102,166,000	
Construction-in-progress		42,163,000	
Property held for future use		42,103,000	_
Less accumulated depreciation		(79,899,000)	
Reserve for impairment		(77,077,000)	
Net property, plant and equipment	-	379,267,000	
Non-current assets:	3-	373,207,000	
Bond issuance costs, net of amortization		2,905,000	
Deferred bond and financing expense			37,500
Accounts and notes receivable		-	_
Receivable for repayment of promissory note - Sports and Exhibition Authority			
Other non-current assets		·—	
Total non-current assets		2,905,000	37,500
Other debits:			
Amount to be provided for other long-term obligations		<u> </u>	
Total assets	\$	458,093,000	19,192,134

	Public Parking	Totals		
URA	Authority	2001	2000	
261,295,689	3,866,986	307,899,178	321,040,015	
197,524,186	3,075,169	218,686,651	212,501,352	
191,324,100	728,935	728,935	1,619,129	
	720,755	726,733	7,184,791	
8,318,109		8,318,109	4,497,567	
5,394,161		8,068,932	5,724,512	
_		_	387,300	
_		1,538,000	1,505,000	
	1	7,327	235,617	
20,291,018		20,291,018	22,133,582	
492,823,163	7,671,090	565,538,150	576,828,865	
402.010	20 421 0/8	(0 (1( 520	112 000 007	
483,018	30,431,968	60,616,528	113,008,087	
	-	330,195	1,298,042	
483,018	30,431,968	60,946,723	114,306,129	
	_		71,374,672	
28,669,435		28,669,435	23,713,947	
501,750	_	501,750	501,750	
48,450	_	48,450	48,180	
_	98,201,111	98,201,111	107,176,019	
_	· · · –	· · · ·	3,471,846	
_		304,859,000	266,088,000	
52,175,911	_	52,175,911	52,175,911	
_	· —	9,978,000	9,752,000	
· ·	-	102,166,000	102,166,000	
_		42,163,000	47,914,861	
	-		4,548,276	
(12,513,041)	_	(92,412,041)	(157,866,305)	
			(25,700,000)	
68,882,505	98,201,111	546,350,616	505,365,157	
	1,594,114	4,499,114	4,872,157	
	1,227,114	37,500	45,834	
_	4,895,304	4,895,304	5,149,866	
_	-		1,161,900	
6,409,630	_	6,409,630	6,340,949	
6,409,630	6,489,418	15,841,548	17,570,706	
538,580		538,580	490,361	
538,580		538,580	490,361	
569,136,896	142,793,587	1,189,215,617	1,214,561,218	
- 507,150,070		1,10,01,017	1,21,501,210	

#### Discrete Component Units

#### Combining Balance Sheet

Liabilities and Equity (Deficit)	PWSA	Stadium Authority
Current liabilities:		
Accounts payable and other accrued expenses	\$ 6,506,000	6,537,004
Accounts payable - primary government		_
Accrued payroll and related obligations	1,565,000	125 922
Accrued interest payable  Due to other funds	December 1	125,833
Due to other funds  Due to other governments		_
Current maturities of long-term debt		1,700,000
Current maturities of long-term debt - primary government		1,810,000
Deferred revenue		
Total current liabilities	8,071,000	10,172,837
Accounts payable from trusteed funds	3,537,000	
Accrued interest payable from trusteed funds	7,233,000	_
Other accrued expenses		
Grants from the primary government	1 7 7 7 000	22,775,168
Payroll related obligations Deferred revenue	1,767,000 855,000	
Accrued compensated absences	655,000	_
Long-term debt, net of current portion	442,842,000	7,525,990
Long-term payable to the primary government, net of current portion		15,140,000
Total liabilities	464,305,000	55,613,995
Fund equity:		
Contributed capital:		
Contributed capital	5,277,000	36,627,129
Investments in general fixed assets		_
Retained earnings		
Accumulated deficit	(11,489,000)	(73,048,990)
Fund balance:		
Reserved for encumbrances		_
Unreserved: Designated for subsequent years' expenditures		
Undesignated  Undesignated	_	
Champhaira	,,	
Total fund equity	(6,212,000)	(36,421,861)
Total liabilities and fund equity	\$ 458,093,000	19,192,134

	Public Parking	To	tals
URA	Authority	2001	2000
15 092 410	6,566,771	34,692,185	25 701 045
15,082,410	1,205,337	1,205,337	35,791,045 703,504
_	1,203,337	1,565,000	
_	1,512,514	1,638,347	1,574,000 1,850,402
8,318,109	1,312,314	8,318,109	7,184,791
3,886,833		3,886,833	4,307,351
3,000,033	2,905,000	4,605,000	4,782,300
	2,903,000	1,810,000	1,655,000
115 952 229	878,901	116,731,239	126,713,729
115,852,338	676,901	110,731,239	120,713,729
143,139,690	13,068,523	174,452,050	184,562,122
		3,537,000	4,609,000
_		7,233,000	7,375,000
_			418,856
		22,775,168	22,775,168
		1,767,000	1,885,000
		855,000	1,180,000
538,580	—	538,580	490,361
· —	83,894,219	534,262,209	544,860,955
276,865,387		292,005,387	289,467,580
420,543,657	96,962,742	1,037,425,394	1,057,624,042
6,592,779	5,708,436	54,205,344	54,423,919
12,201,618		12,201,618	7,246,130
92,637,438	40,122,409	132,759,847	127,432,529
	_	(84,537,990)	(67,695,309)
14,843,776	_	14,843,776	19,195,396
17,527,802	_	17,527,802	8,349,082
4,789,826		4,789,826	7,985,429
148,593,239	45,830,845	151,790,223	156,937,176
569,136,896	142,793,587	1,189,215,617	1,214,561,218

Urban Redevelopment Authority

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

		n	General	Special Revenue	Totals (Memorandum Only)
Revenues:					
Intergoverni	nental	\$	889,500	48,037,671	48,927,171
Interest		-	1,085,876	1,109,853	2,195,729
Rental incor	ne		1,605,657	112,912	1,718,569
Loan repayr	nents		6,332	7,672,838	7,679,170
Other			1,483,597	4,663,039	6,146,636
	Total revenues		5,070,962	61,596,313	66,667,275
Expenditures:					
Current:					
	velopment		546,474	56,025,970	56,572,444
Administ	rative		2,200,660	4,607,456	6,808,116
Other		_	684,866	970,352	1,655,218
	Total expenditures	_	3,432,000	61,603,778	65,035,778
	Excess (deficiency) of revenues over expenditures		1,638,962	(7,465)	1,631,497
Other financin	g sources (uses):				
Transfers in			205,585	14,817,516	15,023,101
Transfers or	ıt	-	(234,650)	(14,788,451)	(15,023,101)
	Total other financing sources (uses)	_	(29,065)	29,065	
	Excess (deficiency) of revenues and other financing sources over expenditures and other				
	financing uses		1,609,897	21,600	1,631,497
Fund balance: Beginning of	of year	_	16,137,825	19,392,082	35,529,907
End of year		\$	17,747,722	19,413,682	37,161,404
-		=			

#### Discrete Component Units

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

	_	PWSA	Stadium Authority
Operating revenues:			
Residential, commercial and industrial water sales	\$	58,892,000	
Rentals			3,849,678
Concessions			574,439
Medallions			538,451
Parking receipts			
Parking leases and rentals			
Lounge boxes			339,200
Program interest income			
Property management revenue			
Sales of housing units			
Miscellaneous	_	1,509,000	1,695,134
Total operating revenues		60,401,000	6,996,902
Operating expenses:			
Salaries and wages		_	3,095,360
Utilities			637,280
Interest			2,218,448
Depreciation and amortization		10,755,000	3,306,081
Cooperation agreement operating expenses		7,150,000	<del></del>
Expense of water provided by other entities		3,864,000	
Repairs and maintenance			1,030,683
Insurance		==	369,860
Direct operating expenses		27,364,000	
Administrative and other operating expenses			3,335,141
Parking taxes			
Fair value discount/lender service fees			_
Property management and improvement		-	
Cost of housing units sold			
Miscellaneous	_		
Total operating expenses	_	49,133,000	13,992,853
Operating income (loss)		11,268,000	(6,995,951)

	Public Parking	Tot	als
URA	Authority	2001	2000
_		58,892,000	56,915,000
		3,849,678	3,481,391
		574,439	467,107
		538,451	500,000
	25,876,650	25,876,650	24,751,168
	332,453	332,453	564,440
		339,200	339,200
10,327,332	_	10,327,332	11,172,682
6,390,507		6,390,507	6,673,827
1,340,175	_	1,340,175	1,540,857
102,423	10,350	3,316,907	4,726,133
18,160,437	26,219,453	111,777,792	111,131,805
_		3,095,360	2,907,342
		637,280	779,947
		2,218,448	2,586,278
2,207,782	3,638,059	19,906,922	19,420,520
_		7,150,000	7,150,000
_	,	3,864,000	3,694,000
_		1,030,683	1,019,334
_		369,860	109,690
_	_	27,364,000	21,494,000
772,346	11,632,568	15,740,055	14,184,674
	4,812,082	4,812,082	4,884,201
462,209	_	462,209	662,402
1,682,340	_	1,682,340	2,419,983
2,005,072		2,005,072	2,074,852
1,675,034		1,675,034	2,772,100
8,804,783	20,082,709	92,013,345	86,159,323
9,355,654	6,136,744	19,764,447	24,972,482

Discrete Component Units

Combining Statement of Revenues, Expenses and Changes in Retained Earnings

	PWSA	Stadium Authority
Nonoperating revenue (expense):		
Interest income	\$ 1,770,000	
Interest expense	(23,459,000)	
Amortization	(267,000)	
Other income		-
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		5,389,546
Total nonoperating revenues (expenses)	(21,956,000)	5,389,546
Income (loss)	(10,688,000)	(1,606,405)
Retained earnings (accumulated deficit), beginning of year Capital transferred to the Sports and Exhibition Authority	(801,000)	(66,894,309)
for new stadium complexes	· —	(4,548,276)
Retained earnings (accumulated deficit), end of year	\$ (11,489,000)	(73,048,990)

	Public Parking	Tot	als
URA	Authority	2001	2000
6,924,416	2,543,273	11,237,689	16,291,652
(14,306,590)	(4,578,226)	(42,343,816)	(41,679,878)
· · · · · ·		(267,000)	(273,000)
_	20,648	20,648	639,335
1 <del></del>	(765,149)	(765,149)	(747, 139)
_	(1,899,999)	(1,899,999)	(2,275,000)
(476,140)	(121,911)	(598,051)	(1,674,385)
2,107,696	_	2,107,696	4,707,428
· · · · ·		<del>-</del>	9,404,027
		5,389,546	(28,744,469)
(5,750,618)	(4,801,364)	(27,118,436)	(44,351,429)
3,605,036	1,335,380	(7,353,989)	(19,378,947)
89,032,402	38,787,029	60,124,122	94,316,167
		(4,548,276)	(15,200,000)
92,637,438	40,122,409	48,221,857	59,737,220

Discrete Component Units

#### Combining Statement of Cash Flows

	_	PWSA	Stadium Authority
Cash flows from operating activities: Operating income Reconciliation of operating income to net cash provided by (used by) operating activities:	\$	11,268,000	(6,995,951)
Depreciation Amortization	_	10,755,000 267,000	3,306,082
		22,290,000	(3,689,869)
Changes in operating assets and liabilities: Accounts receivable Prepaid expenses Other current assets Accounts payable and accrued expenses Deferred revenue Change in accrued payroll and withholdings Interest payable Loans issued Loan repayments	_	3,038,000 	3,120,822 228,290 — 2,177,675 (2,033,917) — 2,218,448 —————
Net cash provided by operating activities		19,128,000	2,021,449
Cash flows from investing activities: Interest earnings Purchase of investment securities Proceeds from sale and maturities of investments Payment received on notes receivable Proceeds from sale of fixed assets	_	5,506,000 (83,256,000) 128,789,000 ——————————————————————————————————	, — — —
Net cash provided by investing activities		51,039,000	

	Public Parking	Totals			
URA	Authority	2001	2000		
9,355,654	6,136,744	19,764,447	24,972,482		
2,207,781	3,638,059	19,906,922	19,420,520		
274,676		541,676	809,974		
11,838,111	9,774,803	40,213,045	45,202,976		
(2,655)	(1,067,881)	5,088,286	23,506,661		
30,000	_	258,290	(94,399)		
(1,784,499)	547,792	(1,167,707)	55,094		
(2,321,761)	3,422,493	(2,656,593)	1,130,440		
(161,685)		(2,520,602)	(7,965,890)		
	<del></del>	(9,000)	(9,000)		
W 02 00 144 2 AW0 14 4		2,218,448	2,586,278		
(12,544,422)		(12,544,422)	(1,595,565)		
8,471,760		8,471,760	(3,428,272)		
3,524,849	12,677,207	37,351,505	59,388,323		
5,653,747	2,885,675	14,045,422	16,855,424		
(118,059,356)	-	(201,315,356)	(192,361,485)		
131,994,044	_	260,783,044	216,355,585		
	157,187	157,187	94,503		
	162,652	162,652			
19,588,435	3,205,514	73,832,949	40,944,027		

Discrete Component Units

Combining Statement of Cash Flows

		PWSA	Stadium Authority
Cash flows from noncapital financing activities: Principal payment related to noncapital funds Interest payment related to noncapital funds Payment in lieu of taxes	\$	(771,000) (1,770,000) —	
Meter and wharf expenses Other Grants from the Allegheny Regional Asset District Proceeds from borrowing Costs			5,389,546
Transfer (to) from other funds  Net cash provided by (used by) noncapital financing activities	•	(2,541,000)	5,389,546
Cash flows from capital and related financing activities: Principal payment related to capital funds Interest payment related to capital funds Contribution to Regional Destination Financing Plan Additions to Stadium complex		(8,864,000) (20,353,000) ——————————————————————————————————	(3,290,000) (2,149,287) — (27,283)
Acquisition and construction of capital assets Proceeds from issuance of revenue bonds related to capital funds Bond issuance costs Reimbursement for construction costs with new		(40,718,000)	
stadium complexes Proceeds from note Proceeds from capital grants Purchase of property held for future use Payments in connection with new stadium complexes			(82,508)
Net cash used by capital and related financing activities	,	(69,935,000)	(5,549,078)
Net increase (decrease) in cash and cash equivalents		(2,309,000)	1,861,917
Cash and cash equivalents at beginning of year	,	46,049,000	11,460,128
Cash and cash equivalents at end of year	\$	43,740,000	13,322,045

—     (738,315)     (738,315)     (718,315)       1,342,149     623,070     1,965,219     40       —     —     5,389,546     9,40       49,541,301     —     49,541,301     35,99       (349,641)     —     (349,641)     (35	
(44,917,520)       —       (45,688,520)       (54,319)         (14,450,763)       —       (16,220,763)       (16,960)         —       (2,849,999)       (2,849,999)       (2,277)         —       (738,315)       (738,315)       (711)         1,342,149       623,070       1,965,219       40         —       —       5,389,546       9,40         49,541,301       —       49,541,301       35,99         (349,641)       —       (349,641)       (35)         —       —       3,09	0
(14,450,763)       —       (16,220,763)       (16,96         —       (2,849,999)       (2,849,999)       (2,27         —       (738,315)       (738,315)       (71         1,342,149       623,070       1,965,219       40         —       —       5,389,546       9,40         49,541,301       —       49,541,301       35,99         (349,641)       —       (349,641)       (35         —       —       3,09	
(14,450,763)       —       (16,220,763)       (16,96         —       (2,849,999)       (2,849,999)       (2,27         —       (738,315)       (738,315)       (71         1,342,149       623,070       1,965,219       40         —       —       5,389,546       9,40         49,541,301       —       49,541,301       35,99         (349,641)       —       (349,641)       (35         —       —       3,09	9,247)
—     (738,315)     (738,315)     (718,315)       1,342,149     623,070     1,965,219     40       —     —     5,389,546     9,40       49,541,301     —     49,541,301     35,99       (349,641)     —     (349,641)     (35       —     —     —     3,09	3,177)
1,342,149 623,070 1,965,219 40  5,389,546 9,40  49,541,301 - 49,541,301 35,99  (349,641) - (349,641) (35  3,09	5,000)
—       —       5,389,546       9,40         49,541,301       —       49,541,301       35,99         (349,641)       —       (349,641)       (35         —       —       3,09	6,932)
49,541,301 — 49,541,301 35,99 (349,641) — (349,641) (35 — — — 3,09	2,724
(349,641) — (349,641) (35 — — — — 3,09	4,027
	,
	9,220)
(8,834,474) (2,965,244) (8,951,172) (25,74	6,238
(8,834,474) (2,965,244) (8,951,172) (25,74	
	0,156)
<b>—</b> (2,780,890) (14,934,890) (21,44	4,921)
	5,122)
	0,000)
	8,945)
$(270) \qquad (21,973,783) \qquad (62,692,053) \qquad (36,28)$	0,508)
30,32	23,218
	2,559)
	9,016
	00,000
	55,544
	3,558)
	7,826)
(270) (29,970,045) (105,454,393) (47,96	55,661)
14,278,540 (17,052,568) (3,221,111) 26,62	26,533
27,673,795 51,351,522 136,534,445 110,09	97,923
41,952,335 34,298,954 133,313,334 136,72	

Discrete Component Units

Combining Statement of Cash Flows

Year ended December 31, 2001 (With comparative totals for December 31, 2000)

	PWSA	Stadium Authority
Supplemental information:		
Cash and cash equivalents	\$ 29,889,000	12,847,503
Non-proprietary cash and cash equivalents	ō <del></del>	_
Trusteed and restricted funds	29,467,000	564,737
Long-term restricted investments	(15,376,000)	
Restricted funds which are not cash or investments	(240,000)	(90,195)
Total cash and cash equivalents at the		
end of the year	\$ 43,740,000	13,322,045

	Public Parking	Tot	als
URA	Authority	2001	2000
261,295,689	3,866,986	307,899,178	321,040,015
(60,400,289)		(60,400,289)	(63,318,530)
	30,431,968	60,463,705	112,795,011
(158,943,065)	-	(174,319,065)	(232,493,998)
		(330,195)	(1,298,042)
41,952,335	34,298,954	133,313,334	136,724,456

# STATISTICAL SECTION

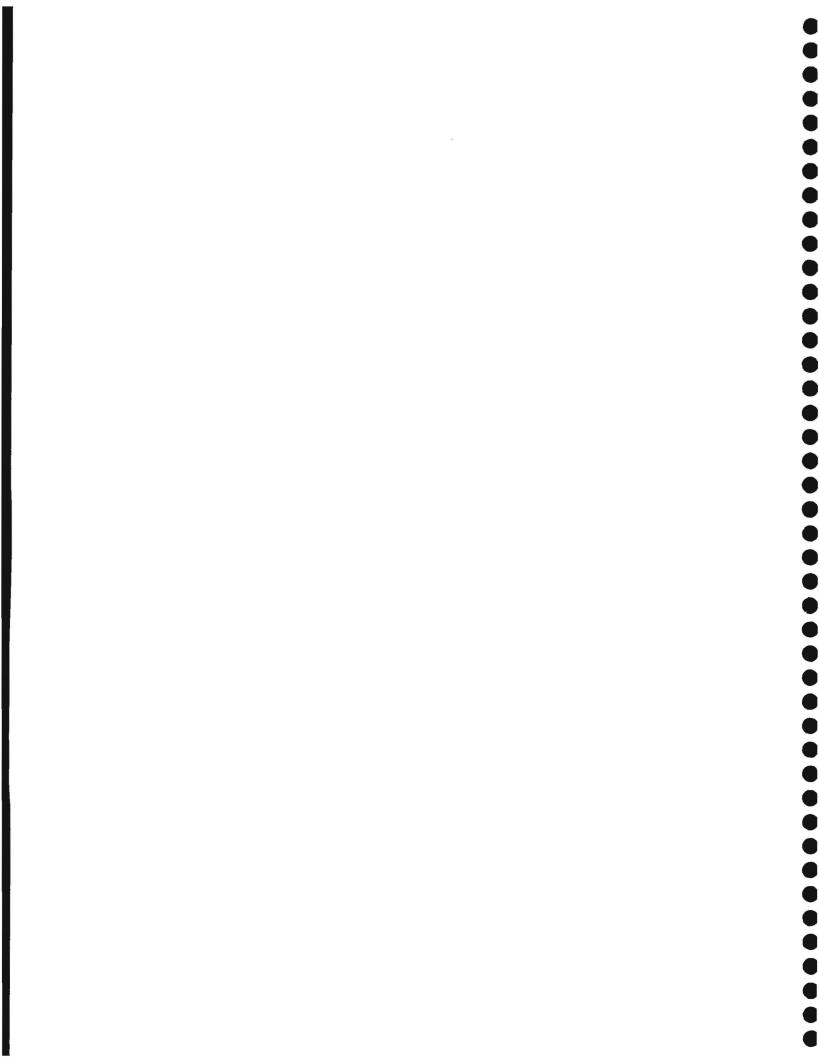


Table 1
CITY OF PITTSBURGH, PENNSYLVANIA

General Governmental Revenues (1)

Last Ten Years (GAAP Basis)

	2001		2000	1999	1998
Taxes (2)	\$ 292,943	\$	283,277	275,291	269,472
Payment in lieu of taxes	1,612		1,966	1,821	2,313
Interest earnings	6,660		11,083	9,166	10,321
Fines and forfeits	7,739		8,048	8,565	8,031
Licenses and fees (4)	27,329		30,161	16,050	6,995
Pittsburgh Zoo receipts					· ·
Intergovernmental	66,607		60,152	66,217	62,401
Charges for user services	5,583		4,519	15,690	21,025
Pension state aid	16,000		13,250	13,258	14,632
Miscellaneous	1,297	_ ,	3,838	3,080	2,987
Total	\$ 425,770	_\$	416,294	409,138	398,177

- (1) Includes general, special revenue, debt service and capital projects funds.
- (2) Includes penalty and interest.
- (3) Restated for GASB No. 22 implementation.
- (4) Includes BBI, EMS, Cable Bureau Trust Funds beginning in 1999.

1997	1996	1995	1994 (3)	1993	1992
263,767	269,213	253,528	248,829	239,500	239,325
2,171	3,583	4,981	4,644	4,646	5,128
8,432	8,942	5,263	3,673	3,722	3,758
7,351	6,861	5,782	6,471	5,234	4,696
11,171	8,323	7,447	9,511	8,155	10,321
_	_		_	-	1,945
64,055	59,152	52,478	46,663	45,666	44,408
22,279	18,457	17,922	17,071	17,706	11,903
· ·	_		_	_	, <del></del>
1,722	1,141	2,095	2,379_	3,713	4,888
380,948	375,672	349,496	339,241	328,342	326,372

Table 1A
CITY OF PITTSBURGH, PENNSYLVANIA

General Fund Tax Revenues by Source

Last Ten Years

	2001	2000	1999 (4)	1998
Real estate tax	\$ 117,294	113,449	117,966	112,434
Mercantile tax	7,467	7,194	6,935	7,038
Amusement tax	8,809	8,256	5,584	7,813
Personal property tax	´—		_	
Earned income tax	46,684	48,707	41,595	42,941
Deed transfer tax	8,322	8,743	10,816	9,317
Sewage charges (2)		_	_	
Parking tax	32,208	30,960	28,817	28,728
Occupation privilege tax	3,094	3,244	3,106	3,142
Business privilege tax	43,859	38,468	35,447	35,269
Institution/service tax	538	521	616	802
Penalties and interest	3,667	3,234	4,898	2,045
Public service privilege	1,016	936	680	641
Cable indirect cost			_	1,175
Non-profit/payments and services (1)		-		-
Regional Asset District	19,985	19,565	18,831	18,127
Total tax revenues	\$ 292,943	283,277	275,291	269,472

<sup>(1)</sup> Moved to a new nontax revenue category in 1991, "in lieu of taxes."

<sup>(2)</sup> Sewage amount is in a nontax revenue category for years 1997 through 1999.

<sup>(3)</sup> Restated for GASB No. 22 implementation.

<sup>(4)</sup> Includes tax lien sales.

1997 (4)	1996 (4)	1995	1994	1993 (3)	1992
123,993 6,773	120,136 6,966	112,752 6,489	113,306 6,580	113,675 6,739	115,421 6,457
5,744	6,415	5,789	8,692	11,085	11,052
_	_	8	4,079	3,737	3,125
36,901	39,146	34,793	39,675	37,151	37,337
7,537	6,711	7,281	5,756	5,932	5,280
	1,474	1,441	1,486	1,267	1,023
23,461	22,757	21,937	21,261	20,448	19,683
2,670	2,890	3,145	3,289	3,090	3,097
35,465	36,210	35,337	33,252	31,325	31,156
1,098	909	822	696	455	642
2,380	3,730	4,078	4,299	4,123	4,532
703	399	450	400	473	520
	343	2	1 Total		_
17,042	21,127	19,206	6,058		
263,767	269,213	253,528	248,829	239,500	239,325

Table 2
CITY OF PITTSBURGH, PENNSYLVANIA

General Governmental Expenditures (1)

Last Ten Years

		2001	2000	1999	1998
General government	\$	46,512	44,252	43,004	42,927
Public safety		157,684	150,360	143,878	139,567
Public works		27,121	27,619	28,129	29,901
Sanitation		10,600	10,640	10,062	9,981
Community, recreational and					
cultural		9,220	7,286	8,403	7,920
Employee benefits, etc.		65,273	60,596	58,582	310,299
Claims and judgments		1,531	1,012	10,409	2,519
Miscellaneous		2,816	1,448	633	1,885
Intergovernmental programs		21,568	15,495	21,176	15,542
Capital projects		33,572	38,212	48,448	42,484
Bond issue costs		321	_	594	2,385
Debt service/authorities	_	98,200	97,092	84,016	75,545
Total	\$_	474,418	454,012	457,334	680,955

<sup>(1)</sup> Includes general, special revenue, debt service and capital projects funds.

<sup>(2)</sup> Restated for GASB No. 16 implementation.

1997	1996	1995	1994	1993 (2)	1992
51,401	31,691	29,880	27,603	25,296	25,132
137,815	134,602	131,838	129,879	127,607	118,159
27,167	36,487	39,558	38,246	40,024	36,850
12,050	12,770	12,035	11,966	15,366	15,453
8,407	8,557	8,147	14,657	18,434	22,687
73,535	89,521	52,109	60,129	51,920	49,902
(3,854)	4,436	2,519	1,165	1,778	1,291
980	1,192	2,581	3,076	2,719	2,885
10,191	23,560	22,652	17,899	18,173	16,666
45,630	46,117	39,108	37,029	39,905	42,295
601	1,651	1,138	376	492	1,127
55,396	52,218	66,392	59,806	59,188	57,833
419,319	442,802	407,957	401,831	400,902	390,280

Table 3
CITY OF PITTSBURGH, PENNSYLVANIA

Assessed Value, Tax Rate, Levy and Collections

Last Ten Years

(Amounts in Thousands)

(2) Assessed valuation of

	valuation of						
Fiscal year	land and buildings	Land millage	Building millage	 Original net levy	 Adjusted net levy (1)	_	Budgeted
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	2,096,829	184.5	32.00	122,053	117,382		113,715
2000	2,125,768	184.5	32.00	125,422	119,649	٠	112,010
2001	13,346,238	10.8	10.80	144,139	127,784		115,900

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

<sup>(2)</sup> In 2001, assessed value percent of market value increased to 100%.

			Year of	orig	Delinquent taxes								
-	Receipts	Percent Percent of original of adjusted net levy net levy pts collected collected					Percent of budget collected	_	Collection Budget Receipts				Percent of budget collected
		_		-		- 1			2			-	
\$	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		92.2		95.9		99.0		5,686		5,397		94.9
	110,644		88.2		92.5		98.8		4,500		2,967		65.9
	111,880		77.6		87.6		96.5		3,500		6,163		176.1

Table 4
CITY OF PITTSBURGH, PENNSYLVANIA

Assessed and Estimated Actual Value of Property

Last Ten Years

	Real	pre	operty	 Person	al p	property	 	Tot		(2) Ratio of total assessed value
Fiscal year	Assessed value		Estimated actual value	 Assessed value		Estimated actual value	 Assessed value		Estimated actual value	to total estimated actual value
1992 \$	2,120,326	\$	9,771,088	\$ 812,808	\$	812,808	\$ 2,933,134	\$	10,583,896	0.277
1993	2,055,751		9,344,323	1,052,933		1,052,933	3,108,684		10,397,256	0.299
1994	2,070,364		9,720,019	934,944		934,944	3,005,308		10,654,963	0.282
1995	2,047,583		9,658,410	(1)			2,047,583		9,658,410	0.212
1996	2,036,489		9,934,093	(1)			2,036,489		9,934,093	0.205
1997	2,047,441		10,085,916	(1)			2,047,441		10,085,916	0.203
1998	2,085,013		10,530,369	(1)			2,085,013		10,530,369	0.198
1999	2,096,829		10,978,162	(1)			2,096,829		10,978,162	0.191
2000	2,125,768		11,129,675	(1)			2,125,768		11,129,675	0.191
2001	13,346,238		13,346,238	(1)			13,346,238		13,346,238	1.000 (3)

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

<sup>(2)</sup> Source Pa. State Tax Equalization Board (www.steb.state.pa.us) Common Level Ratio.

<sup>(3)</sup> The 2001 reassessment went to 100% assessed to market value.

Table 5
CITY OF PITTSBURGH, PENNSYLVANIA

Property Tax Rates – Direct and Overlapping Governments

Last Ten Years

	(	City of Pittsburg	gh	School		
Fiscal year	Land millage	Building millage	Average (1)	district millage	County millage (2)	Total millage
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
2000	184.500	32.000	58.483	59.700	25.200	143.383
2001	10.800	10.800	10.800	13.920	4.720	29.440

- (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, 2001

(Amounts in Thousands)

Taxpayer	Principal type of business	 2001 assessed valuation	Percentage of total assessed value
500 Grant Street Associates			
(One Mellon Bank Center)	Real Estate	\$ 517,850	3.53
600 Grant Street Associates			
(USX Building)	Real Estate	264,303	1.81
Market View Incorporated			
(Subsidiary of PPG Industries)	Real Estate	205,076	1.40
Grant Liberty Development Group	Real Estate	146,661	1.00
Oxford Development	Real Estate	139,111	0.95
Pittsburgh National Corporation	Commercial banking	138,117	0.95
Buncher Company	Real Estate	137,959	0.95
Gateway Trizec, Inc. (previously known as Equitable Life			
Assurance Society of the			
United States)	Real Estate	131,704	0.90
Penn Liberty Holding Co.	Real Estate	84,970	0.58
Harrah's Forest City Associates	Real Estate	30,052	0.21

Source: City of Pittsburgh - Department of Finance

Note: This reflects the change in the City's assessment process.

Total assessed value (in thousands) \$14,671,652

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, 2001

	_	Nonelectoral debt	Lease rental debt
Gross debt (1):			
Principal amount of bonds issued and outstanding:			
General obligation	\$	852,821,183	
Auditorium Authority			16,767,500
Stadium Authority			26,175,990
Urban Redevelopment Authority	-		66,726,396
Total gross debt		852,821,183	109,669,886
Items deductible from gross debt:			
Cash and legal investments held in sinking fund			
for payment of bonds and notes		11,002,496	=
Cash in bond fund applicable to debt		13,256,375	-
Delinquent real estate taxes and sewage collections		1,771,136	
Self-liquidating and subsidized debt:			
Urban Redevelopment Authority			1,623,764
Taxable General Obligation Pension Bond, 1996B		20,290,000	
Taxable General Obligation Pension Bond, 1998ABC	_	252,865,000	
Total deductions	_	299,185,007	1,623,764
Net debt	\$	553,636,176	108,046,122

<sup>(1)</sup> Direct obligations of the Pittsburgh Water and Sewer Authority in the amount of \$442,842,000 are not considered debt of the City for purpose of this calculation.

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

December 31, 2001

#### **Allocation of Total Net Debt**

Net nonelectoral debt Net lease rental debt					\$	553,636,176 108,046,122
Net nonelectoral and lease ren		\$	661,682,298			
Debt	t Inc	urring Margin				
	_	1999	_	2000	_	2001
Total net revenue of the City	\$	356,458,892		356,339,457		363,240,632
Borrowing base (arithmetic average of total net revenue for said three fiscal years)					\$	358,679,660
				Net nonelectoral debt (borrowing base x 250%)	_	Net nonelectoral and lease rental debt (borrowing base x 350%)
Debt limitations Less existing net debt			\$	896,699,151 (553,636,176)	_	1,255,378,811 (661,682,298)
Remaining debt incurring man	gin		\$	343,062,975	_	593,696,513

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

Fiscal year	Population _	Assessed value (1)	 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
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	2,096,829	914,640		15,705	898,935		42.87	2,430
2000	335	2,125,768	884,428		14,798	869,630		40.91	2,596
2001	335	13,348,278	852,821		11,044	841,777		6.31	2,513

<sup>(1)</sup> Method of assessing real estate was changed in 2001. See note 6.

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
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
2000	32,566	50,581	83,147	454,012		18.31
2001	33,843	50,881	84,724	474,419		17.86

- (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, 2001

Jurisdiction	 Net debt outstanding		Percentage applicable to City		Amount applicable to City
Direct debt:					
City of Pittsburgh: General obligation Stadium Authority Auditorium Authority	\$ 841,777 26,776 33,525	%	100 100 50	\$	841,777 26,776 16,768
Total direct debt	902,078				885,321
Overlapping debt: Pittsburgh Water and Sewer Authority The School District of Pittsburgh Allegheny County	442,842 362,653 601,713	_	100 26		362,652 156,445
Total overlapping debt	1,407,208	_		_	519,097
Total direct and overlapping debt	\$ 2,309,286	=			1,404,418

Table 11
CITY OF PITTSBURGH, PENNSYLVANIA

Revenue Bond Coverage -Pittsburgh Water and Sewer Authority

Last Ten Years

Fiscal	Gross	(1) operating		Net revenue available for debt	e -		bt se	rvice requirem		
<u>year</u> _	revenues	 expenses	<b>-</b> -	service		Principal		Interest	Total	Coverage
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
2000	59,641	32,338		27,303		9,245		22,516	31,761	0.86
2001	60,401	38,378		22,023		9,635		22,123	31,758	0.69

<sup>(1)</sup> 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

Fiscal		Gross	operating	Net revenue available for debt		Debt	ser	vice require	ment	s (4)	
year	_	revenues (2)	expenses (3)	 service	_	Principal		Interest		Total	Coverage (5)
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	
2000		6,662	6,886	(224)		8,477		2,586		11,063	
2001		6,997	8,468	(1,471)		4,817		2,218		7,035	

- (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	_	(1) Median age	(3) School enrollment	(4) Unemployment rate percentage
1992	369,879	\$ 20,852		38	39,343	6.8
1993	369,879	21,903		38	40,167	6.0
1994	369,879	22,585		38	39,728	5.9
1995	369,879	23,290	*	38	39,761	5.5
1996	369,879	24,241	*	35	39,955	4.5
1997	369,879	25,422		35	40,181	4.6
1998	369,879	26,878		39	39,603	4.2
1999	369,879	28,014		40	38,846	4.0
2000	334,563	29,587		40	38,560	4.4
2001	334,563	30,644		40	37,612	4.2

#### **Data Sources**

- (1) Census Bureau
- (2) U.S. Department of Commerce, 17 month lag
- (3) School District of Pittsburgh
- (4) PA Department of Labor and Industry
- \* Change in method of calculation

Table 13
CITY OF PITTSBURGH, PENNSYLVANIA

Property Value, Construction and Bank Deposits

Last Ten Years

(Amounts in Thousands)

Construction (2)

Fiscal year	Property value (1)	Number of permits issued	 Dollar value	Bank deposits (3)
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	2,096,929	2,271	414,860	88,576,149
2000	2,125,768	2,283	827,765	78,406,393
2001	14,671,652	2,239	531,131	68,345,238

(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, 2001

Date of incorporation	1816
Form of government	Mayor/Council
Number of employees (excluding police and fire)	1,995
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	22
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	896
Number of calls answered	30,000
Number of building inspections	95,300
Police protection:	,,,,,,,
Number of stations	6
Number of police officers	1,216
Number of law violations:	1,210
Physical arrests	18,369
Traffic violations	32,000
Emergency medical protection:	. 32,000
Number of units	17
Number of personnel	216
Number of calls answered	64,500
Facilities and services not included in the reporting entity:	04,500
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:	117,000,000
Number of elementary schools	56
Number of elementary schools  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 centers  Number of secondary schools and special education instructors	593
Number of middle schools	-17
Number of middle school instructors	450
Number of middle school instructors  Number of community colleges	1
Number of universities	. 7
	,
Hospitals:	10
Number of hospitals	10 6,218
Number of patient beds	0,218

Table 15
CITY OF PITTSBURGH, PENNSYLVANIA

City Employment

Last Ten Years

Fiscal year	Regular budgeted positions	Actual January payroll
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
2000	4,365	4,236
2001	4,359	4,246

# OTHER INFORMATION

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# Schedule of Insurance in Force

# For the Year Ended December 31, 2001

Type of insurance/ name of company	Coverage	Policy period	Liability limits	Annual premium
Boiler insurance – Arkwright	General services occurrence	05/01/01 - 04/30/02	\$5,000,000 per accident \$	7,399
Errors and omissions insurance – Western World Insurance Co.	Public safety E.M.S.	07/01/01 - 06/30/02	\$500,000 per endorsement \$2,500 deductible	26,600
Property insurance – Royal Indemnity	General services blanket	05/01/01 - 04/30/02	All risk and extended coverage \$10,000 deductible	79,439
Point Park police – General Star	Public safety police	09/17/01 - 09/17/02	\$500,000 each \$1,000,000 aggregate \$2,500 deductible each claim	2,230
Crime, general – Lexington Insurance	Finance	05/01/01 - 04/30/02	Various	11,642
General liability– Essex Insurance	Parks and recreation	05/01/01 - 04/30/02	\$500,000 per occurrence \$500,000 aggregate	20,000
Business Interruption – Royal Indemnity	General services occurrence	05/01/01 - 04/30/02	\$9,450,000 Business Income \$5,000,000 extra expenses	14,450
Valuable papers – Royal Indemnity	General services occurrence	05/01/01 - 04/30/02	\$500,000 limit \$5,000 deductible	500
Business Automobile (refuse trucks only) – Royal Indemnity	General services occurrence	05/01/01 - 04/30/02	\$5,000 deductible	9,075

# Salaries and Surety Bonds of Principal Officials

For the Year Ended December 31, 2001

Official	_	Budgeted Annual salary	Amount of surety bond
Mayor	\$	87,466	\$ 10,000
Director of Finance		86,988	200,000
Controller		56,054	10,000
Members of City Council (9)		50,605	

## Schedule of Bonds and Notes Payable

## December 31, 2001

Serial bonds	Date of issue	Amount sold	Amount outstanding
General Obligation Bonds, 1992 Series A (zero coupon bonds)	06/01/92	\$ 29,894,645	18,906,509
General Obligation Bonds, 1992 Series C (zero coupon bonds)	10/15/92	4,440,559	5,421,183
General Obligation Bonds, 1993 Series A	04/01/93	60,745,000	46,870,000
		•	
General Obligation Bonds, 1994 Series A	08/01/94	37,000,000	4,820,000
Carried forward			76,017,692

M. Assaidas		Coupon or ceiling		2001 Maximum debt service requirements			
Maturity information	1	rate of interes	st	Interest	Principal		
\$3,250,000 in 2002	%	6.20	\$	1,464,359	1,785,641		
\$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					
(\$5,298,491) Unamortized Bond Discount							
\$2,260,000 in 2002		6.15		1,009,452	1,250,548		
\$2,260,000 in 2003		6.25		, , , , , , , , , , , , , , , , , , , ,	-,=: ,=		
\$1,430,000 in 2004		6.35					
(\$528,817) Unamortized Bond Discount							
\$2,620,000 in 2002		4.80		2,496,820	2,620,000		
\$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					
\$1,525,000 in 2002		5.10		250,805	1,525,000		
\$1,605,000 in 2003		5.20					
\$1,690,000 in 2004		5.30	_				
				5,221,436	7,181,189		

## Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold		Amount outstanding
Brought forward			\$	76,017,692
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		95,680,000
General Obligation Bonds, 1996 Series A	12/15/96	162,535,000		102,975,000
Carried forward			-	348,552,692

No.		Coupon		2001 Maximum debt service requirements			
Maturity information		or ceiling rate of interest		Interest	Principal		
				5,221,436	7,181,189		
mans non :- 2002	%	4.40		3,835,875	405,000		
\$405,000 in 2002	70	4.50		5,055,075	100,000		
\$425,000 in 2003		4.60					
\$445,000 in 2004		4.70					
\$465,000 in 2005 \$485,000 in 2006 Deseased 2005		4.88					
\$485,000 in 2006 Descessed 2005 \$510,000 in 2007		5.00					
\$530,000 in 2007 \$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					
\$2,413,000 III 2012							
\$4,165,000 in 2002		4.40		4,624,024	4,165,000		
\$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 \$12,645,000 in 2007		4.80					
\$12,645,000 in 2007		4.90					
\$28,933,000 m 2008		5.00					
\$29,655,000 in 2009		5.13					
\$16,025,000 in 2002		5.00		5,186,725	16,025,000		
\$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	_				
				18,868,060	27,776,189		

# Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	Amount sold	Amount outstanding
Brought forward		\$	348,552,692
General Obligation Bonds, 1996 Series B	12/15/96 \$	37,710,000	20,290,000
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			412,112,692

Maturity		Coupon or ceiling		2001 Ma debt service r	
information		rate of interest		Interest	Principal
		:	\$ 1	8,868,060	27,776,189
\$ 670,000 in 2002	%	6.20		1,349,900	670,000
\$ 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	2,455,000
\$2,580,000 in 2003		4.75			
\$2,700,000 in 2004		4.75			
\$2,830,000 in 2005	osteroed 1520,000 in	5.00			
\$2,970,000 in 2006		5.00			
\$3,120,000 in 2007		4.60		1,533,780	_
\$3,265,000 in 2008	preferre 2005	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	V	5.50	_		_
			2	22,415,290	30,901,189

## Schedule of Bonds and Notes Payable

## December 31, 2001

Serial bonds	Date of issue	 Amount sold	 Amount outstanding
Brought forward			\$ 412,112,692
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	252,865,000

Carried forward 685,097,692

Maturity	Coupon or ceiling	2001 Ma debt service r	aximum requirements		
information	rate of interest	Interest	Principal		
	\$	22,415,290	30,901,189		
\$4,655,000 in 2015 Oxfeoral \$4,895,000 in 2016	2 % 5.12 5.25	1,050,482	_		
\$5,150,000 in 2017	5.25				
\$5,420,000 in 2018	5.25				
\$1,000,000 in 2002	5.81	16,453,529	1,000,000		
\$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				
		39,919,301	31,901,189		

#### Schedule of Bonds and Notes Payable

# December 31, 2001

Serial bonds	Date of issue		Amount sold		Amount outstanding
Brought forward				\$	685,097,692
General Obligation Bonds, 1998 Series D	03/01/98	\$	129,490,000		129,490,000

Carried forward 814,587,692

Maturity		Coupon or ceiling	2001 Maximum debt service requirements				
information	information rate of interest		Interes	t	Principal		
9		\$	39,919,3	01	31,901,189		
\$2,310,000 in 2002	%	5.00	6,459,9	15	2,310,000		
\$2,430,000 in 2003		4.50					
\$2,365,000 in 2004		4.00					
\$6,705,000 in 2004 \$6,705,000 in 2005 defeated 2,100	500 m 200	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					
			46,379,2	216	34,211,189		

# Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	Amount sold	Amount outstanding
Brought forward			\$ 814,587,692
General Obligation Bonds, 1999 Series A	12/15/99 \$	57,140,000	57,140,000 54,845,000 2,295600
	54 845 000 2002 34 590,000 2002		225,000 255,000
		*	871,727,692
Less bonds funded by Stadium Authority			(18,906,509)
Total general obligation bonds payable			852,821,183

Maturity	Coupon Maturity or ceiling		2001 Ma debt service r	
information	information rate of interest		Interest	Principal
		\$	46,379,216	34,211,189
\$255,000 in 2002	% 4.25		3,245,171	255,000
\$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 2505,000	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	-		
			49,624,387	34,466,189
		_	(1,464,359)	(1,785,641
			48,160,028	32,680,548

## Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold	Amount outstanding
Public Auditorium Authority Revenue Bonds (City share)			
Auditorium Bonds (Refunding), 1999 Series	10/15/99	\$ 18,275,000	16,767,500
			•
,			
Total Public Auditorium Authority Revenue	Bonds		16,767,500

Maturity	Coupon or ceiling		2001 Ma debt service r		
information	ra	rate of interest		Interest	Principal
\$1,642,500 in 2002 \$1,657,500 in 2003 \$1,727,500 in 2004 \$1,797,500 in 2005 \$1,800,000 in 2006 \$1,490,000 in 2007 \$1,125,000 in 2008 \$455,000 in 2009 \$475,000 in 2010 \$477,500 in 2011 \$485,000 in 2012 \$497,500 in 2013 \$512,500 in 2014 \$527,500 in 2015 \$537,500 in 2016	%	4.20 4.40 4.50 4.60 4.75 4.90 5.00 5.10 5.20 5.30 5.43 5.50 5.60 5.70	\$	820,265	1,642,500
\$550,000 in 2017 \$565,000 in 2018 \$445,000 in 2019		5.75 5.80 5.85	_		
			_	820,265	1,642,500

Deleased in Jan

## Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold	Amount outstanding
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	1,623,764
Urban Redevelopment Authority of Pittsburgh Taxable Revenue Bonds, 1994 Series B	06/15/94	8,245,000	3,130,000
Carried forward			4,753,764

Maturity		Coupon or ceiling		2001 Maximum debt service requirements		
information		ate of inter	_	Interest	Principal	
\$92,733 in 2002	%	6.15	\$	112,446	92,733	
\$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				
\$965,000 in 2002		8.00		250,400	965,000	
\$1,040,000 in 2003		8.00			one control & one of the	
\$1,125,000 in 2004		8.00	_	<del>-</del>		
				362,846	1,057,733	

## Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold		Amount outstanding
Brought forward			\$	4,753,764
Urban Redevelopment Authority of Pittsburgh Special Tax Development Bonds, 1995 Series A	02/01/95	\$ 61,390,000		55,390,000
Urban Redevelopment Authority of Pittsburgh Redevelopment Bonds, 1995 Series B	12/01/95	2,855,787		2,278,573
			_	
Carried forward				62,422,337

Maturity		Coupon or ceiling	2001 Ma debt service r		
information	ra	te of interest	Interest	Principal	
		\$	362,846	1,057,733	
\$1,325,000 in 2002 \$1,440,000 in 2003	%	8.45 8.50	4,929,842	1,325,000	
\$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			
\$141,938 in 2002		5.75	130,571	141,938	
\$153,293 in 2003		5.75	200,072	1.1,550	
\$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			
			5,423,259	2,524,671	

## Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold	 Amount outstanding
Brought forward			\$ 62,422,337
Urban Redevelopment Authority of Pittsburgh Redevelopment Bonds, 1995 Series C	12/01/95	\$ 1,637,016	1,515,895
·			
Urban Redevelopment Authority of Pittsburgh, Taxable Redeveloment Bonds, 1996 Series	05/15/96	3,179,187	2,788,164
*			
Total Urban Redevelopment Authority Bonds			66,726,396

Maturity	Coupon or ceiling	2001 Ma debt service r	
information	rate of interest	Interest	Principal
	\$	5,423,259	2,524,671
\$54,883 in 2002	% 5.75	91,528	54,883
\$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		
\$117,118 in 2002	7.03	212,586	117,118
\$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		
		5,727,373	2,696,672

# Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold	Amount outstanding
Stadium Authority Revenue Bonds			
Guaranteed Refunding Bonds, Series 1993	08/15/93	\$ 15,945,000	9,325,000
Subtotal			9,325,000
Less unamortized bond discount			(99,010)
Plus General Obligation Bonds funded by Stadium Authority			16,950,000
Net Stadium Authority Bonds and			
Notes Payable			26,175,990

Maturity		Coupon or ceiling		2001 Maximum debt service requirements			
information	ra	te of intere	est _	Interest	Principal		
\$1,700,000 in 2001	%	4.40	\$	439,542	1,700,000		
\$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					
				439,542	1,700,000		
					_		
			_	1,057,061	2,207,939		
			_	1,496,603	3,907,939		

## Schedule of Bonds and Notes Payable

## December 31, 2001

Serial bonds	Date of issue		old	Amount outstanding
Public Parking Authority of Pittsburgh				
Parking System Revenue Bonds, Series 1992A	08/15/92	\$ 60,9	960,000	42,935,287
		¥		
ė.			3	· -

Carried forward

42,935,287

Coupon  Maturity or ceiling			2001 Ma debt service r	laximum requirements	
information	rate of interest		Interest	Principal	
\$2,640,000 in 2002	%	5.40	\$	2,468,205	2,640,000
\$2,785,000 in 2003		5.50			
\$2,940,000 in 2004		5.75			
\$3,105,000 in 2005		5.75		9	
\$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			
(\$879,713) unamortized bond discount			_		
				2,468,205	2,640,000

## Schedule of Bonds and Notes Payable

## December 31, 2001

Serial bonds	Date of issue	Amount sold	Amount outstanding
Brought forward		\$	42,935,287
Parking System Revenue Bonds, Series 1992B	8/15/92	15,155,000	14,655,000

Carried forward 57,590,287

Maturity	Coupon or ceiling	 2001 Ma debt service r	
information	rate of interest	Interest	Principal
		\$ 2,468,205	2,640,000
\$265,000 in 2002	% 4.50	776,574	265,000
\$275,000 in 2003	4.55		•
\$290,000 in 2004	4.65		
305,000 in 2005	4.70		
\$315,000 in 2006	4.80		
\$335,000 in 2007	4.85		
\$350,000 in 2008	4.95		
\$365,000 in 2009	5.00		
\$385,000 in 2010	5.10		
\$405,000 in 2011	5.20		
\$425,000 in 2012	5.25		
\$445,000 in 2013	5.38		
\$470,000 in 2014	5.38		
\$495,000 in 2015	5.38		
\$525,000 in 2016	5.38		
\$550,000 in 2017	5.38		
\$580,000 in 2018	5.45		
\$615,000 in 2019	5.45		
\$645,000 in 2020	5.45		
\$680,000 in 2021	5.45		
\$720,000 in 2022	5.45		
\$760,000 in 2023	5.45		
\$800,000 in 2024	5.45		
\$840,000 in 2025	5.45		
\$890,000 in 2026	5.45		
\$935,000 in 2027	5.45		
\$990,000 in 2028	5.45		
		3,244,779	2,905,000

## Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold	 Amount outstanding
Brought forward			\$ 57,590,287
Parking System Revenue Bonds, Series 2000	8/15/2000	\$ 29,330,000	29,148,414

Total Public Parking Authority Bonds and Notes Payable	86,738,701
Plus Premium 2000 Series	60,518
	86,799,219

Maturity		Coupon or ceiling		2001 Ma debt service r	
information	ra	te of interes	<u>st</u> _	Interest	Principal
			\$	3,244,779	2,905,000
\$660,000 in 2003	%	4.65		1,671,785	
\$690,000 in 2004		4.75			
\$725,000 in 2005		4.90			
\$760,000 in 2006		5.00			
\$250,000 in 2007		5.10			
\$545,000 in 2007		5.75			
\$845,000 in 2008		5.20			
\$890,000 in 2009		5.25			
\$945,000 in 2010		6.00			
\$1,000,000 in 2011		5.35			
\$1,055,000 in 2012		5.45			
\$1,115,000 in 2013		5.55			
\$1,175,000 in 2014		5.60			
\$1,245,000 in 2015		5.70			
\$1,320,000 in 2016		5.75			
\$1,395,000 in 2017		5.75			
\$1,480,000 in 2018		5.80			
\$1,570,000 in 2019		5.85			
\$1,665,000 in 2020		6.00			
\$1,770,000 in 2021		6.00			
\$1,875,000 in 2022		6.00			140
\$1,995,000 in 2023		6.00			
\$2,115,000 in 2024		6.00			
\$2,245,000 in 2025		6.00			
(\$181,586) unamortized bond discount			_		
				4,916,564	2,905,000
			-	4,916,564	2,905,000

## Schedule of Bonds and Notes Payable

## December 31, 2001

Serial bonds	Date of issue	 Amount sold	Amount outstanding
Pittsburgh Water and Sewer Authority Bonds			
Revenue Refunding Bonds, 1993 Series A	10/15/93	\$ 278,970,000	216,995,000
D 1 1000 G 1 - D	10/15/02	10.705.000	10 705 000
Revenue Bonds, 1993 Series B	10/15/93	10,785,000	10,785,000
Carried forward			227,780,000

Maturity	Cou or ce	•	2001 Ma debt service r	
information	rate of	interest	Interest	Principal
\$10,065,000 in 2002	% 4.	50 \$	11,317,076	10,065,000
\$10,505,106 in 2003	4.		,,	10,000,000
\$11,000,000 in 2004	4.			
\$11,515,000 in 2005	4.			
\$12,060,000 in 2006	4.			
\$12,640,000 in 2007	4.			
\$13,260,000 in 2008	5.			
\$13,920,000 in 2009		00		
\$14,620,000 in 2010		00		
\$15,350,000 in 2011		50		
\$16,345,000 in 2012		50		
\$17,410,000 in 2013		50		
\$18,540,000 in 2014	4.			
\$19,425,000 in 2015	4.			
\$20,340,000 in 2016	4.			
\$1,325,000 in 2017	5	00	471,844	
\$1,390,000 in 2018		00	4/1,044	_
\$1,460,000 in 2019		00		
\$1,535,000 in 2020		00		
\$1,610,000 in 2021		00		
\$1,690,000 in 2022		00		•
\$1,775,000 in 2023		00 _		
			11,788,920	10,065,000

## Schedule of Bonds and Notes Payable

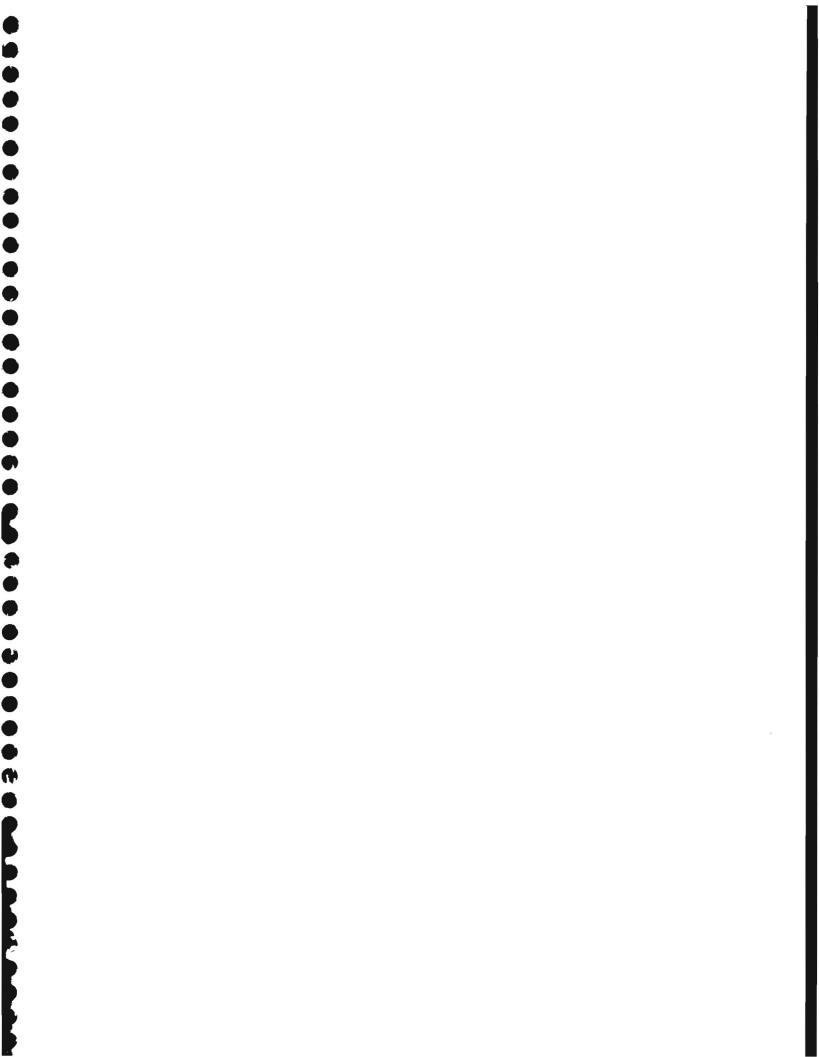
Serial bonds	Date of issue	Amount sold	Amount outstanding
Brought forward		\$	\$ 227,780,000
First Lien Revenue Bonds, 1998 Series A	03/01/98	93,355,000	93,355,000
First Lien Revenue Bonds, 1998 Series B (zero coupon bonds)	03/01/98	36,440,070	44,486,000
Carried forward			365,621,000

Maturity		Coupon or ceiling		2001 Ma debt service r	
information	_ra	te of interes	<u>t</u> _	Interest	Principal
			\$	11,788,920	10,065,000
\$8,455,000 in 2017	%	5.00		4,725,117	
\$8,880,000 in 2018		5.00			
\$9,325,000 in 2019		5.00			
\$9,790,000 in 2020		5.00			
\$10,280,000 in 2021		5.00			
\$10,790,000 in 2022		5.10			
\$11,345,000 in 2023		5.25			
\$11,940,000 in 2024		5.10			
\$12,550,000 in 2025		5.05			
\$2,300,000 in 2017		5.18			
\$2,300,000 in 2018		5.21			
\$2,300,000 in 2019		5.22			
\$2,300,000 in 2020		5.22			
\$2,300,000 in 2021		5.26			
\$2,305,000 in 2022		5.26			
\$2,300,000 in 2023		5.26			
\$4,160,000 in 2024		5.27			
\$4,160,000 in 2025		5.27			
\$31,755,000 in 2026		5.26			
\$31,755,000 in 2027		5.31			
\$31,755,000 in 2028		5.28			
\$31,755,000 in 2029		5.30			
\$14,660,000 in 2030		5.23		v	
(\$121,619,000) Unamortized Bond Discoun	t		_		
				16,514,037	10,065,000

#### Schedule of Bonds and Notes Payable

Serial bonds	Date of issue	 Amount sold		Amount outstanding
Brought forward			\$	365,621,000
Subordinate Revenue Bonds, 1998 Series C	03/01/98	\$ 101,970,000		101,970,000
Gross Pittsburgh Water and Sewer			_	
Authority Bonds				467,591,000
Plus net bond discount				(2,775,000)
Less deferred Series 1991 refunding loss				(17,309,000)
Less deferred Series 1998 refunding loss			_	(4,665,000)
Net Pittsburgh Water and Sewer				
Authority Bonds			_	442,842,000
<b>Total Bonds and Notes Payable</b>			\$_	1,492,132,288

Maturity		Coupon or ceiling	2001 Ma debt service r		
information	rat	e of interest	Interest	Principal	
		\$	16,514,037	10,065,000	
\$9,225,000 in 2017	%	5.00	5,185,326	_	
\$9,685,000 in 2018		5.00			
510,170,000 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			
			21,699,363	10,065,000	
				40.045.55	
			21,699,363	10,065,00	
		\$	82,820,196	53.897.65	





OFFICE OF CITY CONTROLLER
414 Grant Street, Pittsburgh, Pennsylvania 15219

