

CITY OF PITTSBURGH PENNSYLVANIA

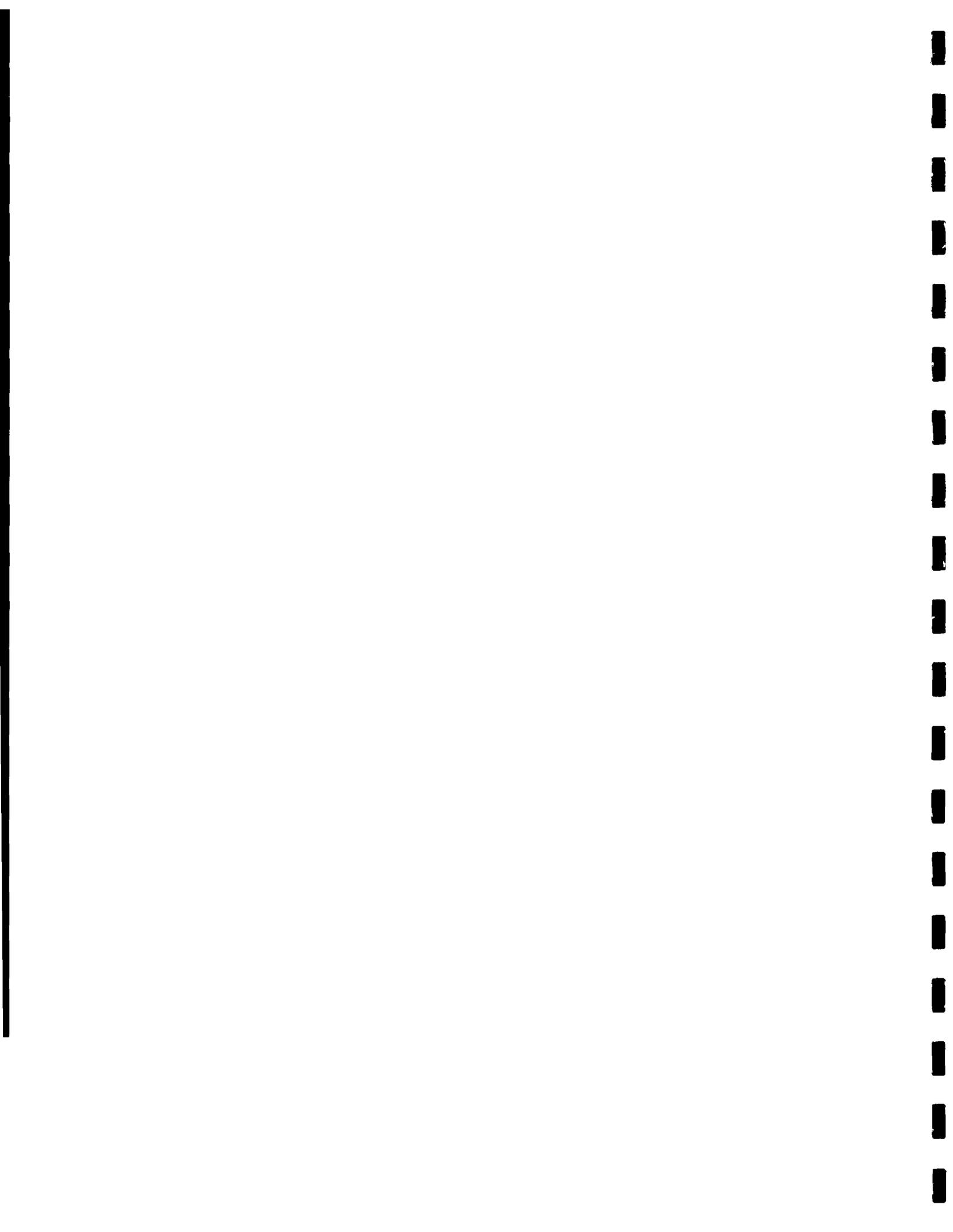


*Comprehensive Annual Financial Report*

**FOR THE YEAR ENDED DECEMBER 31, 1990**

**TOM FLAHERTY  
CITY CONTROLLER**





# 1990 CITY OF PITTSBURGH

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

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For the Year Ended  
December 31, 1990

Tom Flaherty  
City Controller

Cover Photo: J. Bruce Baumann

CITY OF PITTSBURGH, PENNSYLVANIA

Comprehensive Annual Financial Report

Year Ended December 31, 1990

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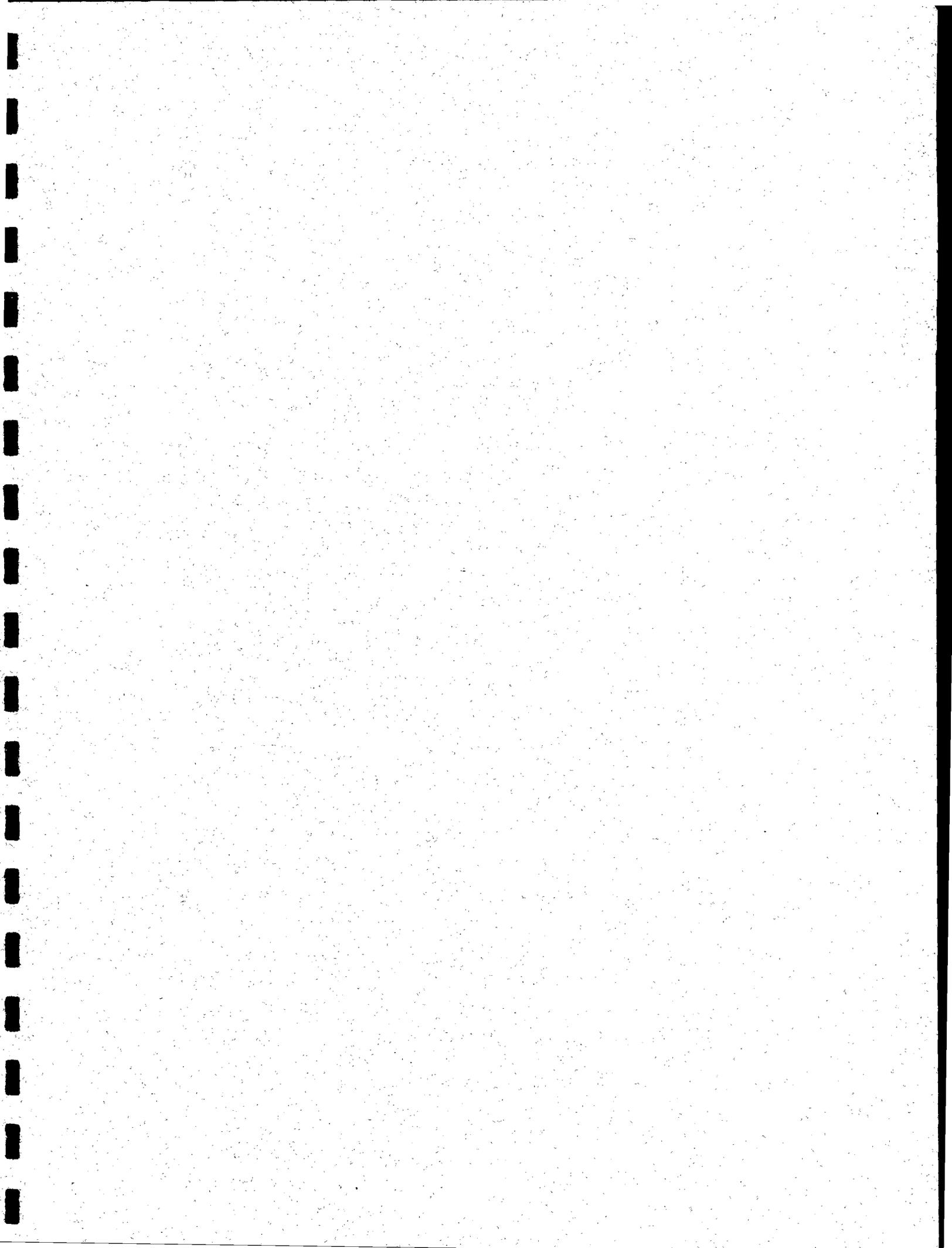
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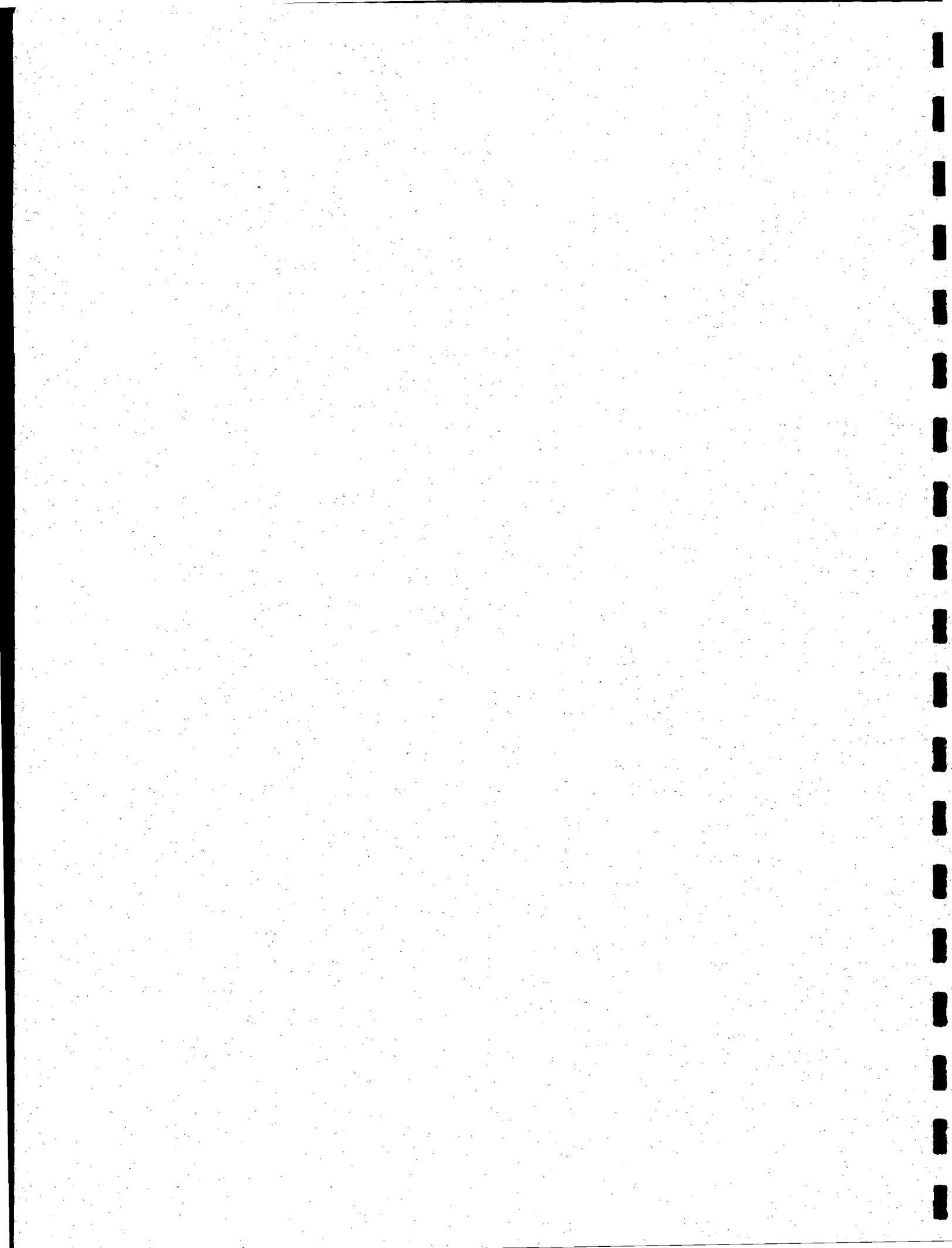
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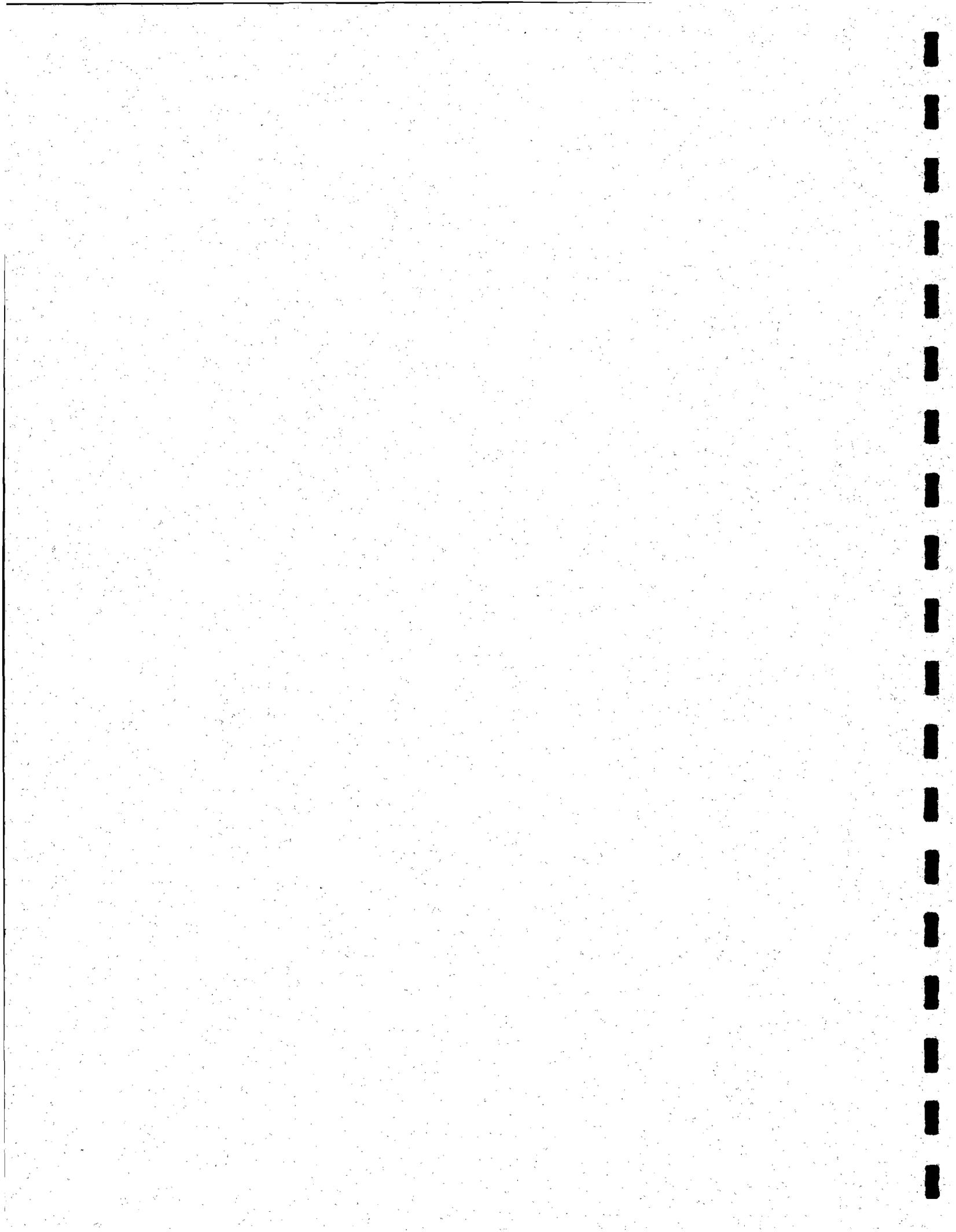
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**LETTER OF  
TRANSMITTAL**



June 28, 1991

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

I am pleased to submit the Comprehensive Annual Financial Report of the City of Pittsburgh for the year ended December 31, 1990.

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 City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities, other than fixed assets, have been included. Responsibility for both the accuracy of data, and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City.

## **INTRODUCTION**

This year's Comprehensive Annual Financial Report (CAFR) is presented in four sections: Introductory, Financial, Statistical, and Single Audit. The Introductory Section includes this letter, the City's organization chart, and a list of principal officials. The Financial Section consists of the independent certified public accountant's 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.

Additionally, new to this year's report is the inclusion of the City's Single Audit of all federally funded programs. The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditor's reports on the internal controls structure and compliance with applicable laws and regulations, are included in the single audit section of this report.

## **ECONOMIC CONDITION AND OUTLOOK**

The City of Pittsburgh is located in the southwestern part of the Commonwealth forming the Golden Triangle where the Allegheny and Monongahela Rivers meet to create the Ohio River.

*Economic Background* : The abundant water resources fostered a strong industrial base economy that has been the strength of Pittsburgh's past. Steel and heavy manufacturing dominated our economy and the successes of those industries were the prime economic indicators.

Steel and heavy manufacturing, while still present in our economy, no longer dictate our economic future. In keeping with national trends, Pittsburgh has successfully shifted from an industrial to a diversified economy. This diversity is the strength of Pittsburgh's future.

*Our Present Economy* : Today, Pittsburgh is the home of leading service industries such as high-technology, health, research, education, and finance and promises to be in the forefront of such emerging industries as "maglev" technology. In addition to a sound economy, other factors such as reasonably priced housing, relatively low crime, and excellent cultural and recreational opportunities make Pittsburgh one of the most livable cities in the nation.

*Economic Statistics* : Unemployment in the Pittsburgh Metropolitan Area was 5.0% in 1990, an increase of .4% over 1989 but still below the statewide and national rates (both at 5.7%.) Steady employment gains continue to be experienced in non-manufacturing, service, and trade industries.

*Economic Outlook* : Pittsburgh's economy is proving to be one of the more resilient regional economies in the nation. Since the start of the most recent recession in July 1990, Pittsburgh ranks sixth out of the nation's 28 largest metropolitan areas in job growth. The economic restructuring of the 1980s appears to have positioned Pittsburgh well for the economic realities of the 1990s.

## **ECONOMIC CONDITION AND OUTLOOK (*Continued*)**

With respect to the national recession, regional economists are characterizing Pittsburgh as a LIFO economic region. A Pittsburgh bank economist described our economic outlook as follows : "Pittsburgh will be among those regions of the country that are Last In and First Out of this recession . . . this will mark a major departure from Pittsburgh's typical Last Out response to the postwar recessions." Seeds of economic recovery and growth are expected to be generated by continued progress in the new airport terminal, City Center, Sony Plant, and Duquesne Light projects.

### **MAJOR INITIATIVES**

The following discussion of the major initiatives undertaken and contemplated is by no means comprehensive, and serves only to highlight the many positive economic indicators in the Greater Pittsburgh Area.

Pittsburgh's commitment to economic development and urban revitalization is evidenced by the numerous initiatives in progress and currently being planned. Some of the more significant initiatives currently in progress include :

*PITTSBURGH CITY CENTER* - The \$500 million City Center project is the largest private sector initiative, the first phase of which includes a four level retail complex anchored by a Macy's department store, a 28 story office tower, a 330 room five star Grand Bay luxury hotel, gourmet restaurants, a food court, health club, and a 1700 car parking garage. Construction is slated to begin in November 1991. Phase two of this project envisions doubling the office component.

*CRAWFORD SQUARE* - Crawford Square is a major City initiative to create a mixed income, near-downtown community in a former urban renewal district near the Civic Arena. Phase One, to begin in June 1991, will include 40 single-family units and 200 rental units through a combination of garden apartments, townhouses, and detached single family units. All units are available at market rates, but with special financing packaged by the Urban Redevelopment Authority. Crawford Square will be affordable to moderate income renters and buyers.

*FIFTH & FORBES RETAIL INITIATIVE* - The Fifth & Forbes Initiative represents an \$18 million pedestrian space improvements project in the Downtown retail district, with funding shared equally among the City, State, Federal agencies, and district property owners. A new downtown management organization will manage the district.

*THREE RIVERS STADIUM PROJECT* - This project is a waterfront recreation and entertainment complex with an educational function. The first elements of the project, the \$35 million Carnegie Science Center and Omnimax Theater, are currently under construction. Also under construction is a new pedestrian ramp system linking Point State Park to the stadium area.

## **MAJOR INITIATIVES (Continued)**

**WASHINGTON'S LANDING DEVELOPMENT** - Furthering the City's continued commitment to riverfront development, this estimated \$62 million project includes a unique blend of commercial, recreational and residential initiatives. Construction is already underway on the marina and the first office building on the island. Plans call for a restaurant, park, waterfront housing, a research and development facility, a light manufacturing plant, and commercial office space to be added to the recently completed boathouse.

**PITTSBURGH TECHNOLOGY CENTER** - The Center is a high-tech research office park promising to be a partnership between university-based research and private enterprise in emerging industries. A 1995 completion date and an estimated \$260 million public/private investment create a potential of an estimated 4,200 permanent jobs. Construction has begun on the first research building at the Pittsburgh Technology Center, located on the former J&L Steel Mill site. The University of Pittsburgh's 90,000 square foot biomedical research facility is expected to be completed early in 1992. Carnegie Mellon University plans to begin construction on its 10,000 square foot research facility in 1992.

**CRIMINAL JUSTICE COMPLEX** - A new City-County Criminal Justice Complex will begin construction in the fall of 1991 on the site of the former B&O railyards. The County portion will consist of a new county jail and processing center, while the City portion will consist of a 2,000 to 3,000 car intermodal transportation center topped by a new Public Safety Building.

**OAKLAND DEVELOPMENTS** - The educational and medical complexes in the City's Oakland section continue to expand, with projects such as the Children's Hospital expansion (220,000 square feet), a new office building at Forbes and Craft Avenues (200,000 square feet), the Iroquois Building expansion (to total 340,000 square feet), and a new University of Pittsburgh Medical Center research facility (140,000 square feet.)

**OTHER PROJECTS** - Numerous other projects are currently underway or planned. These projects include:

\* **Midfield Terminal** - (Project underway) : \$600 million airport terminal expected to generate thousands of jobs over the next twenty years having an estimated \$9.4 billion impact on the region as a whole.

\* **Maglev Project** - (Project in planning) : Magnetic Levitation Train Project to link Downtown to the Airport. Initial \$300 million investment that could evolve into a major new technology to the region.

## THE REPORTING ENTITY

The City provides the full range of municipal services contemplated by Pittsburgh's Home Rule Charter adopted in 1976. These include public safety (police, fire, and emergency medical services), highways and streets, sanitation, recreation and cultural programs, urban redevelopment and housing, and general administrative services.

This report includes all the funds and the account group of the City and also incorporates the financial statements of those related organizations which have been determined to be part of the City's reporting entity. The Government Accounting Standards Board (GASB) has set certain criteria for including other entities as part of the City's Comprehensive Annual Financial Report. The criteria for determining component units of the reporting unit includes, but is not limited to :

- a. Financial interdependency
- b. Selection of governing authority
- c. Designation of management
- d. Ability to significantly influence operations

Based on these criteria, the financial statements of the following organizations have been included as component units of the City of Pittsburgh :

- \* **City of Pittsburgh Equipment Leasing Authority (ELA)**  
(Accounted for in Special Revenue, Debt Service,  
and General Long-Term Debt Account Group)
- \* **Pittsburgh Water and Sewer Authority**  
(Accounted for in Proprietary Fund Group)
- \* **Stadium Authority of the City of Pittsburgh**  
(Accounted for in Proprietary Fund Group)
- \* **Pension Trust Funds of the City of Pittsburgh**  
(Accounted for in Trust and Agency Fund Group)
  - Comprehensive Board
  - Municipal Employees Plan
  - Police Pension Plan
  - Fire Pension Plan

## **THE REPORTING ENTITY (Continued)**

The financial statements of the following organizations have not been included in this report because they did not meet the above mentioned criteria :

- \* The School District of Pittsburgh
- \* The Public Parking Authority of Pittsburgh
- \* The Public Auditorium Authority of Pittsburgh and Allegheny County
- \* Allegheny County Sanitary Authority
- \* Urban Redevelopment Authority of Pittsburgh
- \* Housing Authority of the City of Pittsburgh

For informational purposes, summarized unaudited financial data have been presented in note 1(A) of the Notes to the financial statements in the accompanying report. A more detailed discussion of all potential components and the basis for inclusion/exclusion can also be found in note 1(A).

## **FINANCIAL INFORMATION**

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

*Single Audit* : As a recipient of federal, state and local financial assistance, the City is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the internal audit staff of the City.

As a part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with all applicable laws and regulations. The results of the City's single audit for the year ended December 31, 1990 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

## FINANCIAL INFORMATION (*Continued*)

**Budget Control :** Budget control is maintained at the line item level on a departmental basis. Activities of the General Fund and Capital Projects Fund are controlled by an annual appropriated budget. Capital Projects are also controlled on a multi-year basis.

### REVENUES

**Revenue Analysis :** Revenues for governmental fund types (General Fund, Special Revenue, Debt Service, and Capital Project Funds) totaled \$313 million in 1990, an increase of \$6.4 million, compared to \$306.6 million in 1989. Taxes, including penalty and interest, which comprise 75.2% of governmental fund revenues, increased by \$14.6 million in 1990. This increase in taxes is attributable, in part, to real estate tax rate increases along with a \$93 million increase in the assessed value of real estate. On balance, overall governmental fund type revenues only increased by 2.1% due to decreases in intergovernmental revenues primarily from federal sources. Special Revenue HUD grants decreased by \$3.5 million, and Capital Project revenues decreased by \$5.8 million in federal funding due to the timing of the submission of project expenditures for reimbursement.

The amount of revenues from various sources, the percent of total revenues, and the amount of increase (decrease) from 1989 have been summarized in Table-1 on page I-9 of this letter.

**Taxes & Rates :** There were two tax rate changes during 1990. Real Estate taxes increased 5 mills for buildings and 33 mills for land. These increases were made in order to effect a revenue neutral tax swap permitting the reduction of the earned income tax from 1 5/8% in 1989 to 1% in 1990. The following is a summary of significant taxes including their rates and sources:

**Real Estate Tax** - Real property in the City is assessed by the Allegheny County Board of Property Assessment, Appeals and Review at a rate of 25% of its fair market value. The rates for 1990 were 32.0 mills on buildings and 184.5 mills on land. These rates are up from 27.0 mills on buildings and 151.5 mills on land in 1989. A mill is \$1 on each \$1,000 of assessed value. All real estate in the County is reassessed annually. The 1990 total assessed valuation of land and buildings increased by \$93 million over 1989 assessments.

**Earned Income Tax** - This tax is levied at the rate of 1% on the wages or net profits earned by residents of the City. This rate is down from 1 5/8% in 1989. The intent of lowering the earned income tax is to attract new residents to the City who are subject to lower suburban earned income taxes.

## FINANCIAL INFORMATION (*Continued*)

**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 25% 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 10% on the admission price paid by patrons of all manner and forms of amusement within the City.

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

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

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

**Personal Property Tax** - A levy of 4 mills is made upon certain classes of personal property based upon assessments made by the County.

**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 quarterly, but a 2% discount is granted if paid in January. If a quarterly payment is not made by the last day of the calendar quarter, 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. Consequently, the City is in a strong operating cash position early in its fiscal year.

TABLE - 1

REVENUES  
(Governmental Funds)

(in millions)

6-1

SOURCE	1990 <u>ACTUAL</u>	% OF <u>TOTAL</u>	1989 <u>ACTUAL</u>	% OF <u>TOTAL</u>	INCREASE (DECREASE) <u>Over 1989</u>
TAXES, PENALTY & INTEREST	\$235.3	75.2 %	\$220.7	72.0 %	\$14.6
INTEREST EARNINGS	9.5	3.0	10.3	3.4	(0.8)
FINES & FORFEITS	5.4	1.7	4.4	1.4	1.0
LICENSES & FEES	13.0	4.2	11.6	3.8	1.4
PITTSBURGH ZOO RECEIPTS	1.5	0.5	1.5	0.5	0.0
INTERGOVERNMENTAL	44.0	14.1	54.7	17.8	(10.7)
CHARGES FOR SERVICES	2.4	0.8	2.1	0.7	0.3
MISCELLANEOUS	<u>1.9</u>	<u>0.6</u>	<u>1.3</u>	<u>0.4</u>	<u>0.6</u>
<b>TOTAL REVENUES</b>	<b>\$313.0</b>	<b>100.0</b>	<b>\$306.6</b>	<b>100.0</b>	<b>\$6.4</b>

## EXPENDITURES

Expenditures for governmental fund types in 1990 total \$371.7 million, compared to \$365.7 million in 1989 representing an increase of 1.6% or \$ 6 million overall. The largest dollar increases were in Public Safety expenditures. Public Safety expenditures, the majority of which are salaries, increased by \$6.9 million over 1989. The modest overall governmental fund expenditures increase (1.6%) despite increases in salaries, benefits, cultural and recreation, and general government is attributable to significant decreases in Intergovernmental and Capital Project expenditures. These decreases are due, in part, to declining intergovernmental funding on both the state and federal levels. Decreases in capital project expenditures are a function of both the timing of project completions and the billing process. The detail of each functional area of expenditure is presented in Table - 2 on page I - 11

## 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). Those principles require 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 exceeded total fund equity by approximately \$1.1 million for the year ended December 31, 1990. This difference is reflected as a negative unreserved/undesignated fund balance in the accompanying financial statements. This accounting treatment should not be construed as constituting a negative cash position for the City as of December 31, 1990.

## PENSION TRUST FUND OPERATIONS

The operations of the Pension Trust Funds (Comprehensive, Municipal, Police, Fire, and Retirees' Trust Funds) experienced difficulty on several fronts during 1990. First, state aid decreased by \$8.1 million (a 28% decrease over 1989) during the year. This marks the first decline in state aid under Act 205 in seven years. With the current state budget constraints, some uncertainty exists as to whether or not this decreased aid will signal a recurring trend. Due to certain changes in the actuarial assumptions, though, the actuarially determined unfunded benefit obligation of City decreased by \$34.7 million.

Secondly, the plans experienced significant losses on the sale of securities managed by its several plan managers. Aggregated losses on the sale of securities during 1990 were \$2.1 million. Thirdly, administrative expenses increased by \$712,000 (a 95% increase over 1989) during the year due to additional indirect costs billed to the plans by the City. As a result, net income of the Pension Trust Funds dropped by \$13 million representing a 89% decrease. As of the date of the most recent actuarial report, January 1, 1990, the Total Pension Benefit Obligation was \$492.5 million, of which \$410.3 million is considered unfunded.

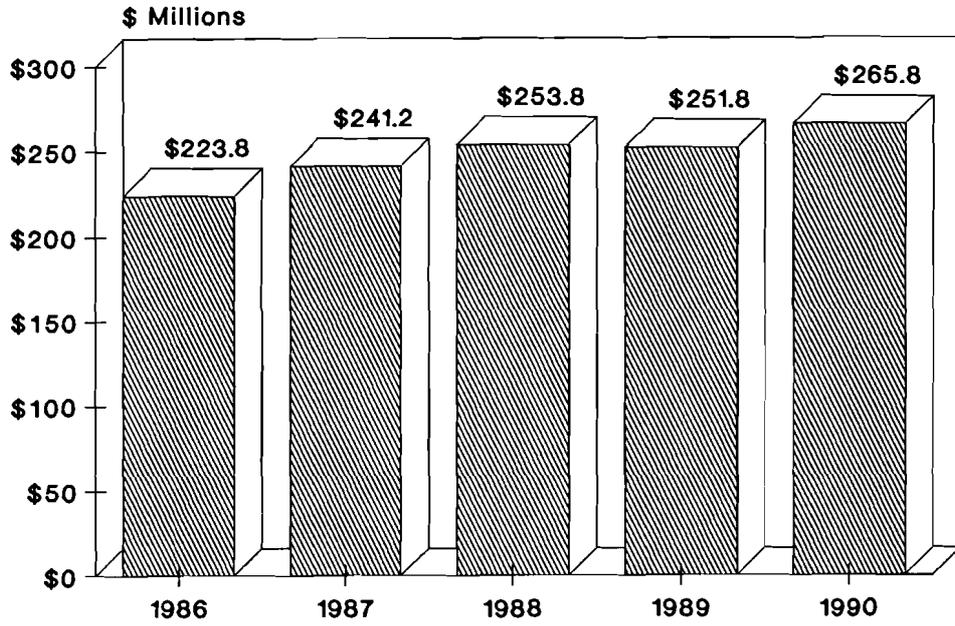
**TABLE - 2**

**EXPENDITURES  
(Governmental Funds)**

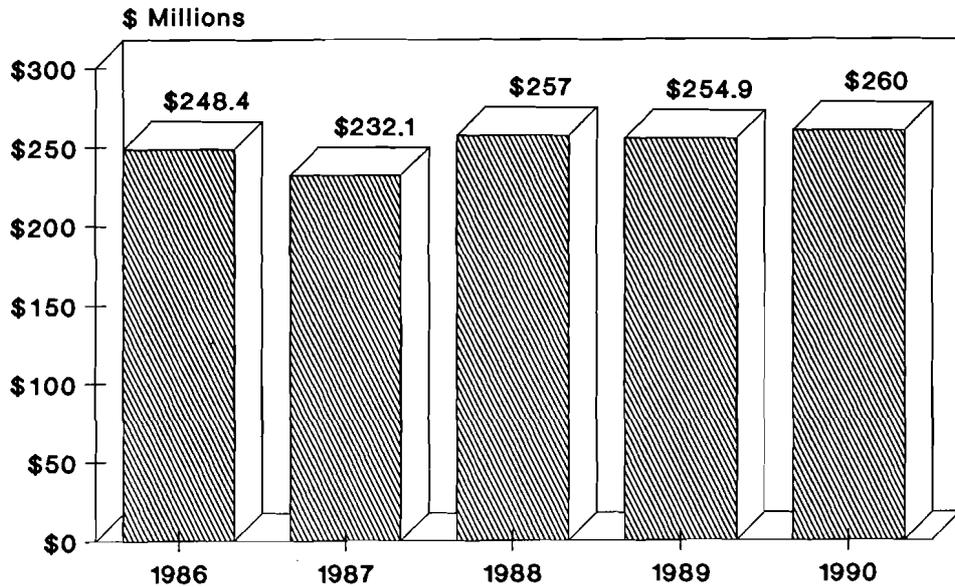
(in millions)

<b>EXPENDITURES</b>	<b>1990 ACTUAL</b>	<b>% OF TOTAL</b>	<b>1989 ACTUAL</b>	<b>% OF TOTAL</b>	<b>INCREASE (DECREASE) Over 1989</b>
<b>CURRENT:</b>					
GENERAL GOVERNMENT	\$25.6	6.9 %	\$23.4	6.4 %	\$2.2
PUBLIC SAFETY	109.2	29.4	102.3	28.0	6.9
PUBLIC WORKS	35.9	9.7	34.6	9.5	1.3
SANITATION	15.1	4.1	14.2	3.9	0.9
CULTURAL & RECREATION	24.8	6.7	22.3	6.1	2.5
EMPLOYEE BENEFITS	45.0	12.1	42.6	11.6	2.4
CLAIMS & JUDGEMENTS	0.7	0.2	0.6	0.2	0.1
MISCELLANEOUS	3.0	0.8	2.4	0.7	0.6
INTERGOVERNMENTAL	14.6	3.9	20.0	5.5	(5.4)
CAPITAL PROJECTS	41.5	11.2	58.5	16.0	(17.0)
BOND ISSUANCE COSTS	0.0	0.0	1.5	0.4	(1.5)
DEBT SERVICE & SUBSIDIES	<u>56.3</u>	<u>15.1</u>	<u>43.3</u>	<u>11.8</u>	<u>13.0</u>
<b>TOTAL EXPENDITURES</b>	<b>\$371.7</b>	<b>100.0</b>	<b>\$365.7</b>	<b>100.0</b>	<b>\$6.0</b>

# GENERAL FUND REVENUE

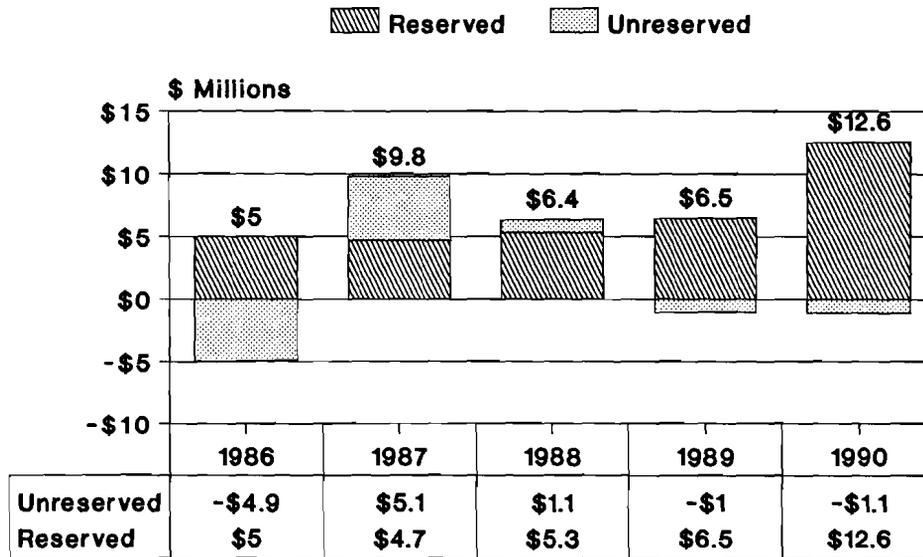


# GENERAL FUND EXPENDITURES (Net of other financing sources/uses)

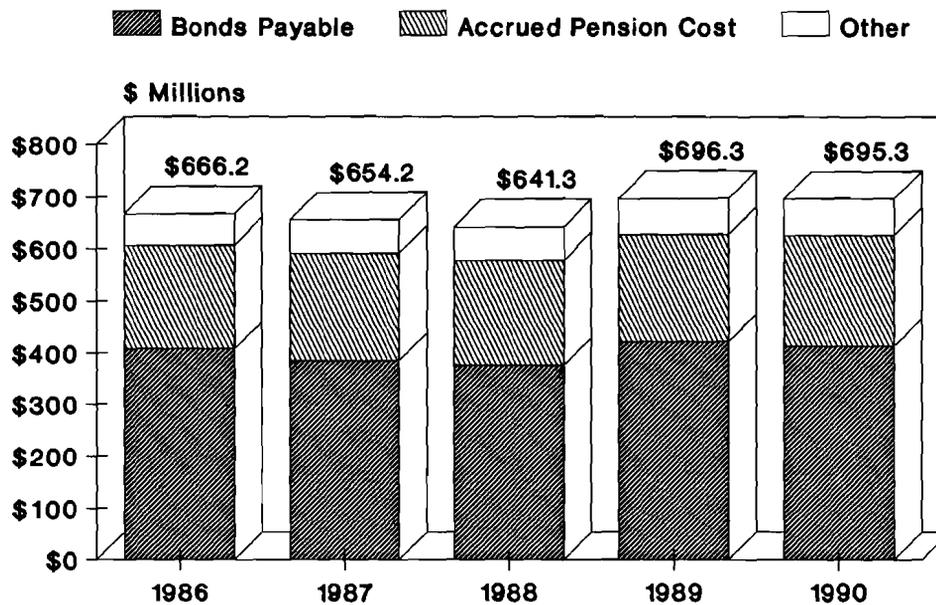


## FIVE YEAR ANALYSIS

## GENERAL FUND - FUND BALANCES (GAAP BASIS)



## GENERAL LONG TERM DEBT



## FIVE YEAR ANALYSIS

## **DEBT ADMINISTRATION**

At December 31, 1990 the City's general obligation debt, exclusive of the Enterprise Funds, was as follows:

Gross bonded general obligation debt	\$ 413,727,500
Less: Debt service fund	3,809,552
Net bonded debt	409,917,948
Ratio of net bonded debt to assessed value	19.79%
Ratio of net bonded debt to market value	4.95%
Net bonded debt per capita	\$1108

The gross bonded debt of the City consists of \$382,445,000 of general obligation bonds, \$23,075,000 of Equipment Leasing Authority (ELA) equipment revenue bonds and \$8,207,500 of Public Auditorium revenue bonds. Under an agreement with the ELA, the City has agreed to make annual rental payments for equipment leased to the City by the ELA to cover the debt service on ELA bonds. It is the policy of the City to obtain bond insurance on its debt issues to obtain the most favorable market rates and upgrade its bond ratings to the highest available ratings.

In February of 1990, the ELA issued \$14,000,000 of equipment revenue bonds to finance the purchase of equipment and vehicles to be leased to the City of Pittsburgh. Despite the new ELA debt, the gross bonded debt of the City decreased by \$8,910,000 during 1990.

## **CASH MANAGEMENT**

Cash in excess of current operating needs is invested in various types of financial instruments with local banks and other institutions. In response to significant losses experienced by some state and local governments, the Governmental Accounting Standards Board (GASB) issued its Statement Number 3 which requires governments to classify and disclose its cash deposits and investments, along with the related level of risk, in their financial statements. A discussion of the composition of the City's deposits and investments is presented in Note 3 in the accompanying General Purpose Financial Statements.

## ENTERPRISE FUNDS

The Pittsburgh Water and Sewer Authority and The Stadium Authority of the City of Pittsburgh comprise the Enterprise Funds of the City of Pittsburgh.

### PITTSBURGH WATER AND SEWER AUTHORITY

The Pittsburgh Water and Sewer Authority (PWSA) began operation on May 1, 1984, to assume responsibility for operating and improving the water and sewer systems of the City. The Authority has leased the two systems from the City for a term of fifty years with renewal provisions. The City, acting as agent for the Authority, will manage, operate and maintain the systems. The Authority will reimburse the City for all related direct and indirect expenses, plus an additional payment for the City's management services. The Authority is also making payments for \$29.4 million of the City's General Obligation Debt related to the funding of water projects completed prior to the creation of the Authority.

As of December 31, 1990, PWSA bonds outstanding were as follows :

* Adjustable Rate Tender Revenue Bonds, Series of 1985	\$ 97,000,000
* Adjustable Rate Tender Revenue Bonds, Series of 1986 (June)	134,700,000
* Revenue Refunding Bonds, Series of 1986 (July)	<u>264,090,000</u>
Total Bonds Outstanding, December 31, 1990	\$ 495,790,000
Less : Escrow Funds	231,602,000
Bond Discount	<u>12,978,000</u>
Net Bonds Payable, December 31, 1990	\$ <u>251,210,000</u>

The Series of 1985 and the July 1986 bonds were issued primarily to refund prior issues; \$88.6 million and \$241.4 million, respectively, were placed in escrow for this purpose. These bonds are not guaranteed by the City.

**ENTERPRISE FUNDS (Continued)**

**STADIUM AUTHORITY**

The Stadium Authority of the City of Pittsburgh was established to construct and operate Three Rivers Stadium. The Authority operates on a fiscal year ending March 31. All information related to the Stadium Authority included in the accompanying report is as of March 31, 1990.

As of March 31, 1990, Stadium Authority bonds outstanding were as follows :

* Guaranteed Stadium Refunding Bonds, Series of 1985	\$ 30,245,000
* Guaranteed Funding Bonds, Series of 1986	<u>19,695,000</u>
Total Bonds Outstanding, March 31, 1990	\$ <u>49,940,000</u>

The City has agreed to pay the principal and interest on these bonds to the extent that the revenues of the Stadium Authority do not cover the debt service requirements. In addition, the City has guaranteed the subsidization of operating deficits of the Authority.

**INDEPENDENT AUDIT**

For the ninth consecutive year, the City's financial statements have been audited by the independent certified public accountant firm of KPMG Peat Marwick, whose audit opinion precedes the accompanying General Purpose Financial Statements.

The Employee Pension Plans were audited by Terry and Stephenson, P.C. as subcontracted by KPMG Peat Marwick. The financial statements of the plans have been included in the Trust and Agency Funds of the accompanying financial statements. The financial statements of the PWSA were audited by Ernst & Young, and Deloitte & Touche audited the financial statements of the Stadium Authority.

## 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 of the City, especially the Department of Finance, 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 Peat Marwick and Terry and Stephenson P.C. in the preparation of this report and their professional conduct throughout the audit engagement.

Respectfully submitted,



Tom Flaherty  
City Controller

**CITY OF PITTSBURGH, PENNSYLVANIA**

**CITY OFFICIALS**

**December 31, 1990**

**MAYOR**

**Sophie Masloff**

**CONTROLLER**

**Tom Flaherty**

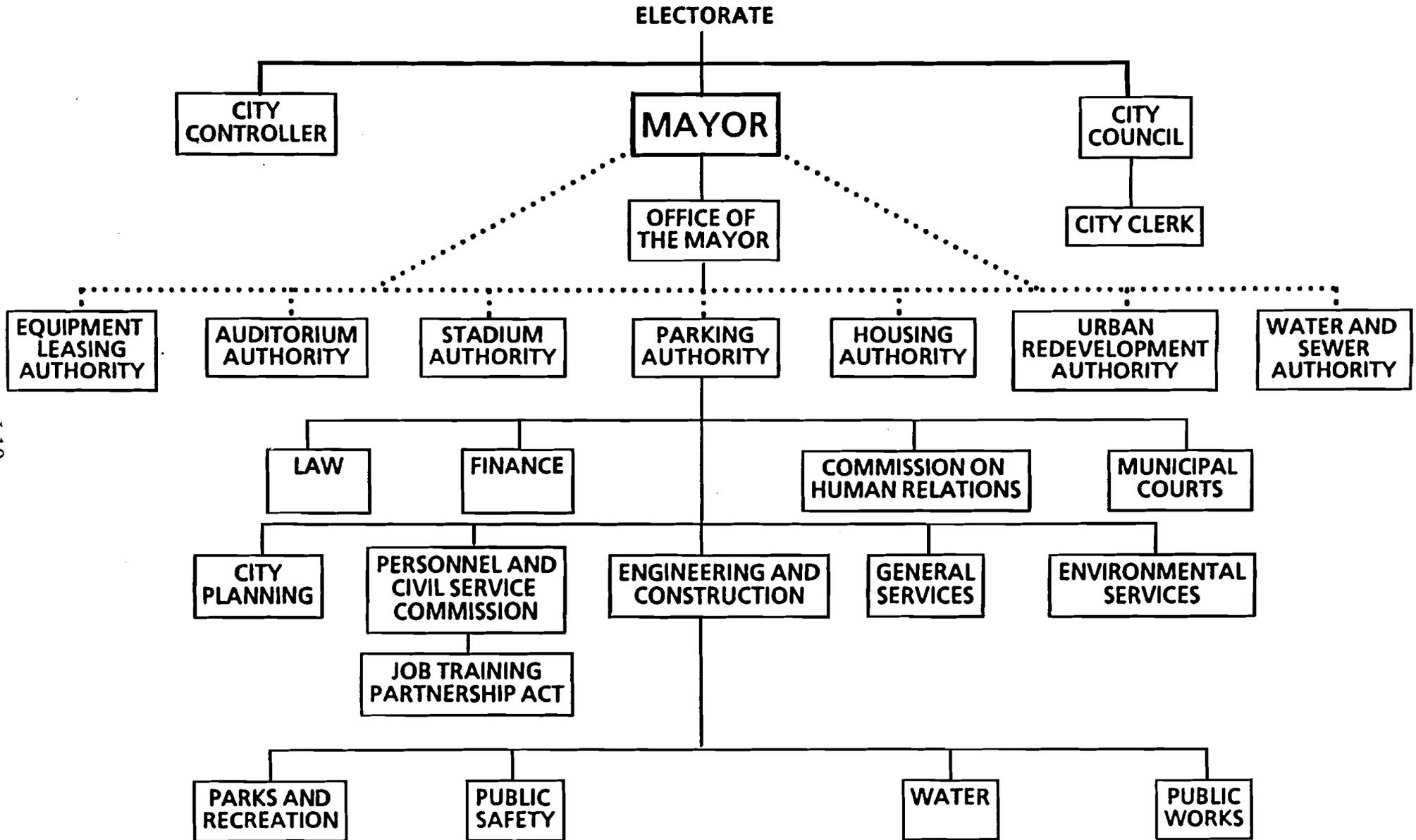
**MEMBERS OF COUNCIL**

**Jack Wagner, President, District 4**

**Jake Milliones, Finance Committee, District 6**

<b>Bernard J. Regan</b>	<b>District 1</b>
<b>Michelle Madoff</b>	<b>District 2</b>
<b>Eugene Ricciardi</b>	<b>District 3</b>
<b>Michael Coyne</b>	<b>District 5</b>
<b>James Ferlo</b>	<b>District 7</b>
<b>Dan Cohen</b>	<b>District 8</b>
<b>Reverend Duane Darkins</b>	<b>District 9</b>

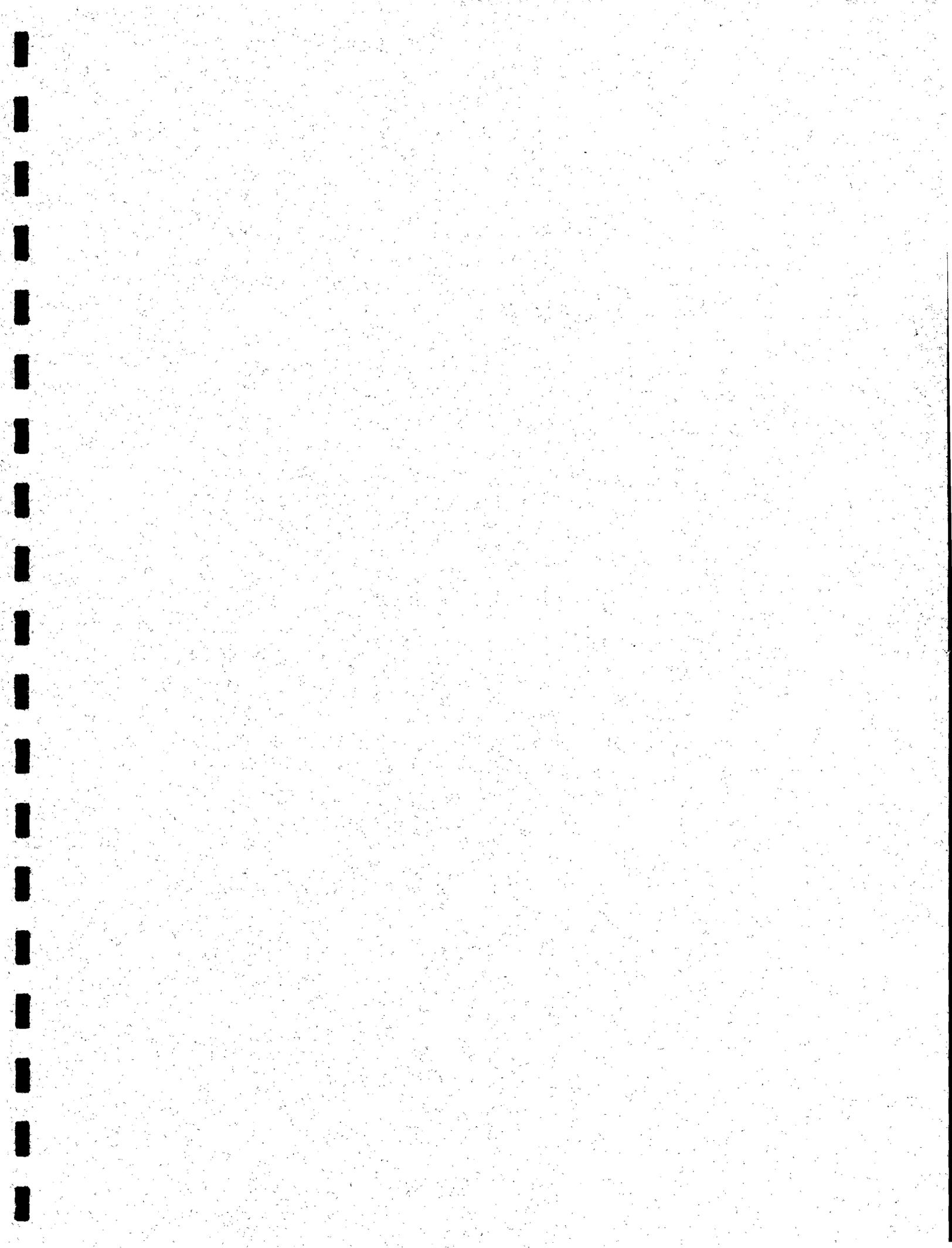
# TABLE OF ORGANIZATION

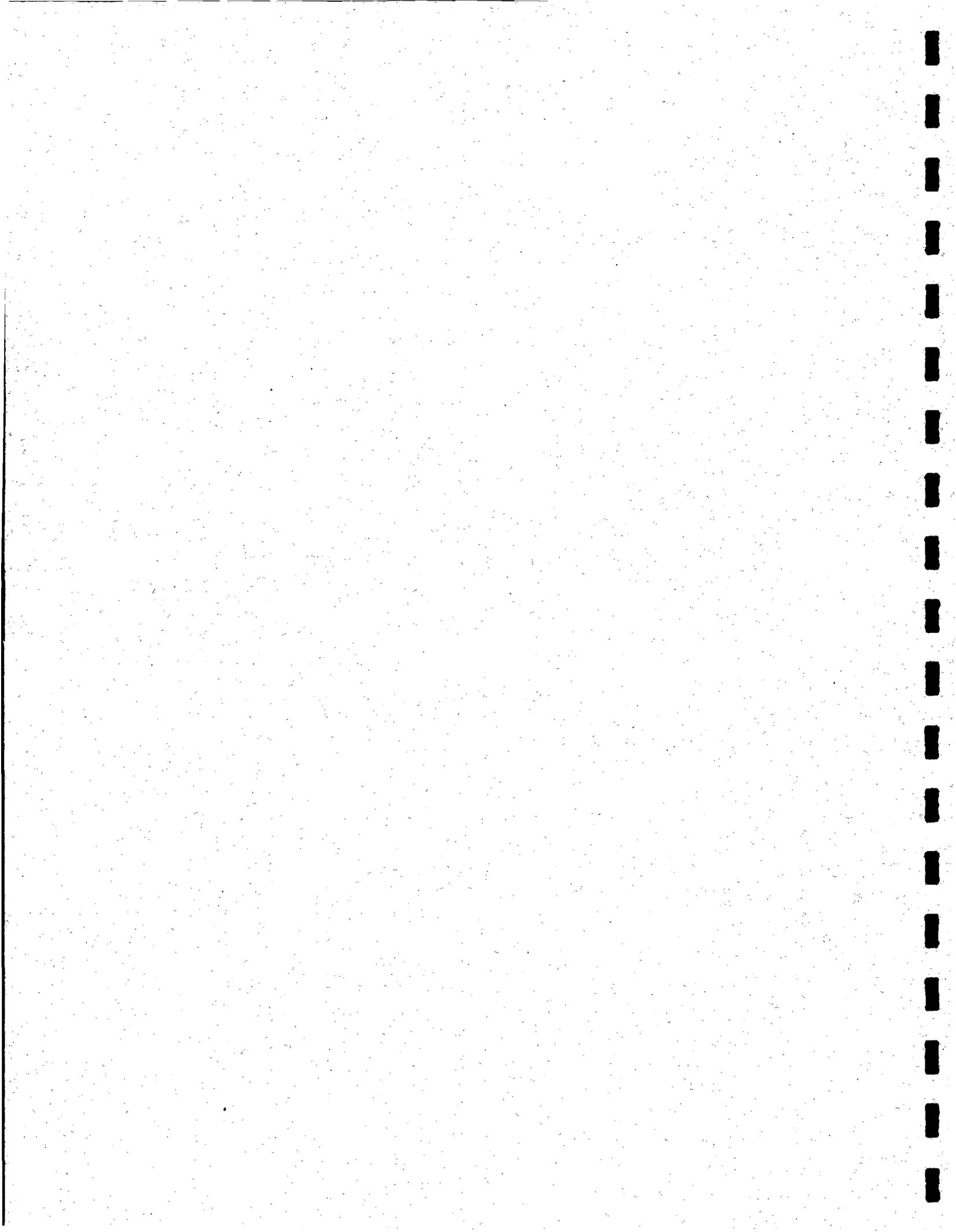


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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## 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, 1990, 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 Pittsburgh Water and Sewer Authority or the Stadium Authority of the City of Pittsburgh, which statements comprise the entire enterprise fund type. 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 and revenues comprising 64 percent and 89 percent, respectively, of the related Fiduciary Fund totals. Those financial statements 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 the proprietary and fiduciary fund types, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatements. 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 provides a reasonable basis for our opinion.

Records with respect to the historical cost of general purpose fixed assets and a comprehensive inventory of such assets are not available (see note 1). Consequently, a general fixed asset account group is not included in the accompanying general purpose financial statements.

In our opinion, based on our audit and the reports of other auditors, except for the effect on the financial statements of the omission described in the preceding paragraph, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Pittsburgh, Pennsylvania, at December 31, 1990, and the results of its operations and the cash flows of its proprietary fund type for the year then ended in conformity with generally accepted accounting principles.

As described in note 8, the City has vested pension benefit obligations which are significantly in excess of related available assets.



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, except for the effect of the matter discussed in the third preceding paragraph, 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 required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the supplementary information. However, we did not audit this information or other information in the statistical section as set forth in the table of contents and, therefore, express no opinion thereon.

*KPMG Peat Marwick*

June 12, 1991

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## CITY OF PITTSBURGH, PENNSYLVANIA

## Combined Balance Sheet - All Fund Types and Account Group

December 31, 1990

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
<b>Assets</b>			
Cash and investments, at cost which approximates market (note 3)	\$ 36,418,103	12,470,994	3,857,107
Receivables:			
Real estate taxes (net of allowance for uncollectible account of \$17,442,194 in 1990 and \$16,368,725 in 1989) (note 6)	5,898,132	-	-
Sewage charges (net of allowance for uncollectible accounts of \$3,161,000 in 1990 and \$3,575,000 in 1989)	1,486,543	-	-
Personal property taxes (net of allowance for uncollectible account of \$282,000 in 1990 and \$275,000 in 1989)	33,767	-	-
Accounts receivable (net of allowance for uncollectible accounts of \$16,753,000 in 1990 and \$15,992,558 in 1989) (note 16)	-	-	-
Receivable from PWSA (note 4)	12,533,783	-	-
Accrued interest	61,792	92,665	83,598
Other	2,637,206	365,575	-
Prepaid expenses and other assets	2,135,279	-	-
Due from other funds (note 11)	3,198,169	71,650	-
Due from other governments	-	4,826,596	-
Inventories, at cost	1,730,673	-	-
Trusted and restricted funds (note 3, 5 and 9E)	-	-	-
Property, plant and equipment, net (note 7)	-	-	-
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	-	-	-
Deferred PWSA Hydro-Electricity Division expense	-	-	-
Total assets	\$ <u>66,133,447</u>	<u>17,827,480</u>	<u>3,940,705</u>

See accompanying notes to General Purpose Financial Statements.

<u>Capital Project</u>	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Account Group</u>	<u>Totals</u>	
	<u>Enterprise</u>	<u>Trust and Agency</u>	<u>General Long-Term Debt</u>	<u>(Memorandum Only)</u>	
				<u>1990</u>	<u>1989</u>
32,860,506	21,923,549	128,189,657	-	235,719,916	249,453,398
-	-	-	-	5,898,132	4,812,521
-	-	-	-	1,486,543	1,090,128
-	-	-	-	33,767	27,700
-	11,284,085	-	-	11,284,085	11,626,042
-	-	-	-	12,533,783	-
-	24,000	1,372,305	-	1,634,360	1,467,322
-	-	-	-	3,002,781	2,503,048
-	187,962	-	-	2,323,241	2,238,835
1,405,941	-	2,250,000	-	6,925,760	7,515,508
1,139,312	-	37,458	-	6,003,366	11,752,323
-	-	-	-	1,730,673	2,980,251
-	111,050,297	-	-	111,050,297	134,457,719
-	150,089,821	-	-	150,089,821	130,190,370
-	-	-	3,809,552	3,809,552	4,773,049
-	-	-	409,917,948	409,917,948	417,864,451
-	-	-	281,560,277	281,560,277	273,673,767
-	752,000	-	-	752,000	-
<u>35,405,759</u>	<u>295,311,714</u>	<u>131,849,420</u>	<u>695,287,777</u>	<u>1,245,756,302</u>	<u>1,256,426,432</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Balance Sheet - All Fund Types and Account Group  
December 31, 1990

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>
<b>Liabilities:</b>			
Accounts payable	\$ 7,936,938	1,974,589	-
Retainage payable	-	32,792	-
Accrued interest payable	-	-	131,153
Accrued liabilities	8,360,545	442,950	-
Deferred compensation payable	-	-	-
Due to other funds (note 11)	2,250,000	3,686,635	-
Benefits payable to City of Pittsburgh	-	-	-
Grants from the City of Pittsburgh (note 16A)	-	-	-
Due to other governments	3,441,712	-	-
Deposit held in trust	-	-	-
Liabilities payable from trusteeed and restricted funds	-	-	-
Bonds payable, net (note 9)	-	-	-
Capital lease obligations (note 9F)	-	-	-
Deferred loan (note 9H)	-	-	-
Accrued pension costs (notes 8 and 9G)	-	-	-
Accrued workers' compensation (note 9G)	12,332,000	-	-
Accrued compensated absences (note 9G)	13,313,000	-	-
Deferred revenue	<u>7,007,407</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>54,641,602</u>	<u>6,136,966</u>	<u>131,153</u>
<b>Fund equity (deficit):</b>			
Contributed capital (including \$7,398,631 restricted for construction purposes) (note 13)	-	-	-
Retained earnings (accumulated deficit): (note 15)	-	-	-
<b>Fund balances:</b>			
Reserved for:			
Endowments	-	-	-
Inventories	1,730,673	-	-
Encumbrances	1,923,339	565,184	-
Employee retirement system	-	-	-
Employee benefits	1,591,155	-	-
PWSA benefits receivable (note 4)	7,350,000	-	-
Unreserved:			
Designated for debt service	-	-	3,809,552
Designated for subsequent years' expenditures	-	390,550	-
Undesignated	<u>(1,103,322)</u>	<u>10,734,780</u>	<u>-</u>
Total fund equity (deficit)	<u>11,491,845</u>	<u>11,690,514</u>	<u>3,809,552</u>
Total liabilities and fund equity	\$ <u>66,133,447</u>	<u>17,827,480</u>	<u>3,940,705</u>

Capital Project	Proprietary Fund Type		Fiduciary Fund Type	Account Group	Totals (Memorandum Only)	
	Enterprise	Trust and Agency	General Long-Term Debt	1990	1989	
3,717,899	576,623	-	-	14,206,049	19,188,830	
654,134	-	-	-	686,926	1,218,844	
-	-	-	-	131,153	596,157	
195,863	-	4,200,988	-	13,200,346	13,755,841	
-	-	15,705,773	-	15,705,773	12,244,933	
-	-	989,125	-	6,925,760	7,515,508	
-	12,533,000	-	-	12,533,000	-	
-	8,276,622	-	-	8,276,622	4,311,353	
-	-	61,496	-	3,503,208	976,882	
-	-	1,267,069	-	1,267,069	710,593	
-	12,776,599	-	-	12,776,599	11,719,077	
-	299,720,000	-	413,727,500	713,447,500	724,559,500	
-	-	-	7,309,277	7,309,277	8,138,767	
-	-	-	2,130,000	2,130,000	1,704,000	
-	-	-	211,749,000	211,749,000	204,787,000	
-	-	-	60,372,000	72,704,000	69,615,000	
-	-	-	-	13,313,000	10,949,000	
-	-	76,835	-	7,084,242	4,499,098	
<u>4,567,896</u>	<u>333,882,844</u>	<u>22,301,286</u>	<u>695,287,777</u>	<u>1,116,949,524</u>	<u>1,096,490,383</u>	
-	12,675,631	-	-	12,675,631	12,675,631	
-	(51,246,761)	-	-	(51,246,761)	(35,731,991)	
-	-	218,542	-	218,542	279,728	
-	-	-	-	1,730,673	2,980,251	
11,637,788	-	84,651	-	14,210,962	17,394,313	
-	-	108,698,178	-	108,698,178	105,236,229	
-	-	-	-	1,591,155	1,614,968	
-	-	-	-	7,350,000	-	
-	-	-	-	3,809,552	4,773,049	
19,200,075	-	97,411	-	19,688,036	41,309,610	
-	-	449,352	-	10,080,810	9,404,261	
<u>30,837,863</u>	<u>(38,571,130)</u>	<u>109,548,134</u>	<u>-</u>	<u>128,806,778</u>	<u>159,936,049</u>	
<u>35,405,759</u>	<u>295,311,714</u>	<u>131,849,420</u>	<u>695,287,777</u>	<u>1,245,756,302</u>	<u>1,256,426,432</u>	

## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenue, Expenditures and Changes  
in Fund Balances - All Governmental Fund Types and Expendable Trust Funds

For the Year Ended December 31, 1990

	<u>Governmental Fund Types</u>	
	<u>General</u>	<u>Special Revenue</u>
<b>Revenues:</b>		
Taxes, including penalty and interest	\$ 235,257,297	-
Interest earnings	5,592,501	1,220,562
Fines and forfeits	5,411,995	-
Licenses and fees	13,045,921	-
Pittsburgh Zoo receipts	1,469,624	-
Intergovernmental revenues	3,296,127	32,299,903
Charges for user services	-	2,429,744
Miscellaneous	<u>1,704,659</u>	<u>-</u>
Total revenue	<u>265,778,124</u>	<u>35,950,209</u>
<b>Expenditures:</b>		
Current operating:		
General government	17,549,519	8,069,638
Public safety	107,383,440	1,814,485
Public works	28,813,394	7,127,195
Sanitation	15,070,282	-
Community, recreation and cultural programs	20,444,641	4,403,685
Employee benefits	45,003,247	-
Claims and judgments	656,403	-
Miscellaneous	2,991,486	-
Intergovernmental programs	-	14,572,171
Capital projects	-	8,058,125
Bond issuance cost	-	-
Debt service:		
Principal retirement	2,664,786	-
Interest and fiscal charges	669,631	-
Authorities debt subsidies	3,511,221	-
Lease payments	<u>-</u>	<u>83,258</u>
Total expenditures	<u>244,758,050</u>	<u>44,128,557</u>
Excess (deficiency) of revenues over expenditures	\$ <u>21,020,074</u>	<u>(8,178,348)</u>

See accompanying notes to general purpose financial statements.

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Fiduciary Fund Type Expendable Trust</u>	<u>Totals (Memorandum Only)</u>	
			<u>1990</u>	<u>1989</u>
-	-	-	235,257,297	220,733,176
2,717,917	-	2,275,347	11,806,327	12,337,707
-	-	-	5,411,995	4,392,875
-	-	-	13,045,921	11,562,149
-	-	-	1,469,624	1,479,290
-	8,381,235	-	43,977,265	54,741,463
-	-	1,747,527	4,177,271	3,057,485
-	<u>236,492</u>	<u>391,919</u>	<u>2,333,070</u>	<u>1,795,187</u>
<u>2,717,917</u>	<u>8,617,727</u>	<u>4,414,793</u>	<u>317,478,770</u>	<u>310,099,332</u>
-	-	-	25,619,157	23,431,362
-	-	-	109,197,925	102,271,043
-	-	1,295,288	37,235,877	35,279,436
-	-	-	15,070,282	14,186,732
-	-	1,194,781	26,043,107	23,560,287
-	-	-	45,003,247	42,566,932
-	-	-	656,403	646,903
-	-	55,269	3,046,755	2,470,154
-	-	-	14,572,171	20,024,649
-	33,482,801	-	41,540,926	58,460,747
-	-	-	-	1,495,986
22,555,000	-	-	25,219,786	15,668,877
26,814,683	-	-	27,484,314	24,444,069
-	-	-	3,511,221	3,225,815
-	-	-	<u>83,258</u>	<u>-</u>
<u>49,369,683</u>	<u>33,482,801</u>	<u>2,545,338</u>	<u>374,284,429</u>	<u>367,732,992</u>
<u>(46,651,766)</u>	<u>(24,865,074)</u>	<u>1,869,455</u>	<u>(56,805,659)</u>	<u>(57,633,660)</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenue, Expenditures and Changes  
in Fund Balances - All Governmental Fund Types and Expendable Trust FundsFor the Year Ended December 31, 1990  
(Continued)

	<u>Governmental Fund Types</u>	
	<u>General</u>	<u>Special Revenue</u>
Excess (deficiency) of revenues over expenditures brought forward	21,020,074	(8,178,348)
Other financing sources (uses):		
Bond sale proceeds (note 9)	-	13,912,500
Proceeds from fixed asset dispositions	-	679,848
Capital lease obligation proceeds (note 9F)	2,587,999	-
Deferred loan proceeds (note 9H)	426,000	-
Operating transfers from other funds	27,395,500	2,635,386
Operating transfers to other funds	(45,569,139)	(8,038,896)
Total other financing sources (uses)	(15,159,640)	9,188,838
Excess (deficiency) of revenues and other sources over expenditures and other uses	5,860,434	1,010,490
Fund balances, beginning of year	5,541,688	10,714,696
Equity transfers between funds (note 12)	89,723	(34,672)
Fund balances, end of year	\$ <u>11,491,845</u>	<u>11,690,514</u>

See accompanying notes to general purpose financial statements.

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Fiduciary Fund Type Expendable Trust</u>	<u>Totals (Memorandum Only)</u>	
			<u>1990</u>	<u>1989</u>
(46,651,766)	(24,865,074)	1,869,455	(56,805,659)	(57,633,660)
-	-	-	13,912,500	59,199,264
-	-	-	679,848	341,616
-	-	-	2,587,999	1,691,443
-	-	-	426,000	426,000
45,733,248	24,643	5,134,137	80,922,914	56,720,004
<u>(44,979)</u>	<u>(259,900)</u>	<u>(5,000,000)</u>	<u>(58,912,914)</u>	<u>(49,188,004)</u>
<u>45,688,269</u>	<u>(235,257)</u>	<u>134,137</u>	<u>39,616,347</u>	<u>69,190,323</u>
(963,497)	(25,100,331)	2,003,592	(17,189,312)	11,556,663
4,773,049	55,990,787	22,772,712	99,792,932	88,236,269
<u>-</u>	<u>(52,593)</u>	<u>(2,458)</u>	<u>-</u>	<u>-</u>
<u><u>3,809,552</u></u>	<u><u>30,837,863</u></u>	<u><u>24,773,846</u></u>	<u><u>82,603,620</u></u>	<u><u>99,792,932</u></u>

## CITY OF PITTSBURGH, PENNSYLVANIA

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

For the Year Ended December 31, 1990

	General Fund		
	Budget as amended	Actual	Variance - favorable (unfavorable)
<b>Revenues:</b>			
Taxes, including penalty and interest	\$ 233,049,000	240,016,467	6,967,467
Interest earnings	6,000,000	5,488,147	(511,853)
Fines and Forfeits	4,900,000	5,404,873	504,873
Licenses and fees	12,420,000	12,448,531	28,531
Pittsburgh Zoo receipts	1,550,000	1,456,819	(93,181)
Water and Sewer Authority reimbursements and transfers	31,802,314	34,740,237	2,937,923
Intergovernmental revenues	5,447,747	5,285,667	(162,080)
Miscellaneous	2,700,000	2,947,537	247,537
Retirement Benefit Trust Fund reimbursement	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>
Total revenues	<u>302,869,061</u>	<u>312,788,278</u>	<u>9,919,217</u>
<b>Expenditures:</b>			
<b>Current operating</b>			
General government	24,734,255	21,172,577	3,561,678
Public safety	109,671,337	104,244,112	5,427,225
Public works	38,975,171	35,001,008	3,974,163
Sanitation	15,192,785	14,351,517	841,268
Water	17,230,485	15,584,003	1,646,482
Community, recreation and cultural programs	22,565,319	21,160,369	1,404,950
Employee benefits	49,526,801	47,862,619	1,664,182
Claims and judgements	716,785	466,144	250,641
Miscellaneous	13,364,094	11,326,299	2,037,795
<b>Debt Service:</b>			
Principal retirements	11,680,000	11,390,000	290,000
Interest and fiscal charges	24,668,000	23,588,514	1,079,486
Stadium Authority subsidy	2,218,409	2,218,204	205
Public Auditorium authority subsidy	<u>1,294,676</u>	<u>1,293,017</u>	<u>1,659</u>
Total expenditures	<u>331,838,117</u>	<u>309,658,383</u>	<u>22,179,734</u>

See accompanying notes to general purpose financial statements.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

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

For the Year Ended December 31, 1990  
 (Continued)

	<u>General Fund</u>		Variance - favorable (unfavorable)
	<u>Budget as amended</u>	<u>Actual</u>	
Excess (deficiency) of revenues over expenditures	\$ (28,969,056)	3,129,895	32,098,951
Fund balances - budgetary basis, beginning of year	<u>28,969,056</u>	<u>29,558,428</u>	<u>589,372</u>
Fund balances - budgetary basis, end of year	\$ <u><u>-</u></u>	32,688,323	<u>32,688,323</u>
Adjustment to generally accepted accounting principles (GAAP) basis (Note 2):			
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(24,016,740)	
Net effect of GAAP basis recognition of revenues		(4,908,918)	
Net effect of GAAP basis recognition of expenditures		(2,321,024)	
Net effect of GAAP basis recognition of other financing sources		<u>10,050,204</u>	
Fund balances - GAAP basis, end of year		\$ <u><u>11,491,845</u></u>	

## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenses and Changes in  
Accumulated Deficit/Fund Balances - Enterprise and Pension Trust Funds

For the Year Ended December 31, 1990

	<u>Proprietary</u> <u>Fund Type</u>	<u>Fiduciary</u> <u>Fund Type</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
	<u>Enterprise</u>	<u>Pension</u> <u>Trust</u>	<u>1990</u>	<u>1989</u>
Operating revenues:				
Water charges	\$ 40,416,000	-	40,416,000	37,385,000
Rentals	2,922,336	-	2,922,336	2,853,008
Medallions	1,320,000	-	1,320,000	1,320,000
Stadium bond service charges	677,966	-	677,966	685,410
Concessions	1,119,736	-	1,119,736	1,393,104
Contributions	-	36,082,128	36,082,128	45,536,330
Investment income	-	4,280,580	4,280,580	6,013,114
Miscellaneous	<u>585,133</u>	<u>50,608</u>	<u>635,741</u>	<u>444,762</u>
Total operating revenues	<u>47,041,171</u>	<u>40,413,316</u>	<u>87,454,487</u>	<u>95,630,728</u>
Operating expenses:				
Benefit payments	-	37,053,081	37,053,081	35,860,388
Salaries and wages	11,044,010	-	11,044,010	10,245,301
Allocation of city indirect expenses	4,202,935	-	4,202,935	2,753,000
Utilities	5,030,000	-	5,030,000	4,070,792
Depreciation and amortization	3,658,665	-	3,658,665	2,780,472
Purification chemicals	1,242,000	-	1,242,000	1,076,000
Payments to non-City water agencies	2,392,000	-	2,392,000	2,334,000
Repairs and maintenance	972,529	-	972,529	1,152,727
Insurance	351,258	-	351,258	365,791
Materials, supplies and rentals	1,111,000	-	1,111,000	881,000
Administrative and other operating expenses	1,713,118	1,785,424	3,498,542	2,378,501
Miscellaneous	<u>2,259,000</u>	<u>-</u>	<u>2,259,000</u>	<u>1,113,000</u>
Total operating expenses	<u>33,976,515</u>	<u>38,838,505</u>	<u>72,815,020</u>	<u>65,010,972</u>
Operating income (carried forward)	<u>13,064,656</u>	<u>1,574,811</u>	<u>14,639,467</u>	<u>30,619,756</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Revenues, Expenses and Changes in  
Accumulated Deficit/Fund Balances - Enterprise and Pension Trust FundsFor the Year Ended December 31, 1990  
(Continued)

	<u>Proprietary Fund Type</u>	<u>Fiduciary Fund Type</u>	<u>Totals</u> <u>(Memorandum Only)</u>	
	<u>Enterprise</u>	<u>Pension Trust</u>	<u>1990</u>	<u>1989</u>
Operating income (brought forward)	\$ <u>13,064,656</u>	<u>1,574,811</u>	<u>14,639,467</u>	<u>30,619,756</u>
Nonoperating revenues (expenses):				
Interest income	12,554,270	-	12,554,270	
Net interest expense	(18,059,696)	-	(18,059,696)	(4,638,251)
Other expense, principally amortization of bond issue costs	(1,064,000)	-	(1,064,000)	(1,068,000)
Loss on disposal of assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,243,803)</u>
Total nonoperating revenues (expenses)	<u>(6,569,426)</u>	<u>-</u>	<u>(6,569,426)</u>	<u>(6,950,054)</u>
Income before operating transfers	6,495,230	1,574,811	8,070,041	23,669,702
Operating transfers to other funds	<u>(22,010,000)</u>	<u>-</u>	<u>(22,010,000)</u>	<u>(7,532,000)</u>
Net income (loss)	(15,514,770)	1,574,811	(13,939,959)	16,137,702
Accumulated deficit/fund balance, beginning of year	<u>(35,731,991)</u>	<u>83,199,477</u>	<u>47,467,486</u>	<u>31,329,784</u>
Accumulated deficit/fund balance, end of year	<u>\$ (51,246,761)</u>	<u>84,774,288</u>	<u>33,527,527</u>	<u>47,467,486</u>

See accompanying notes to general purpose financial statements.

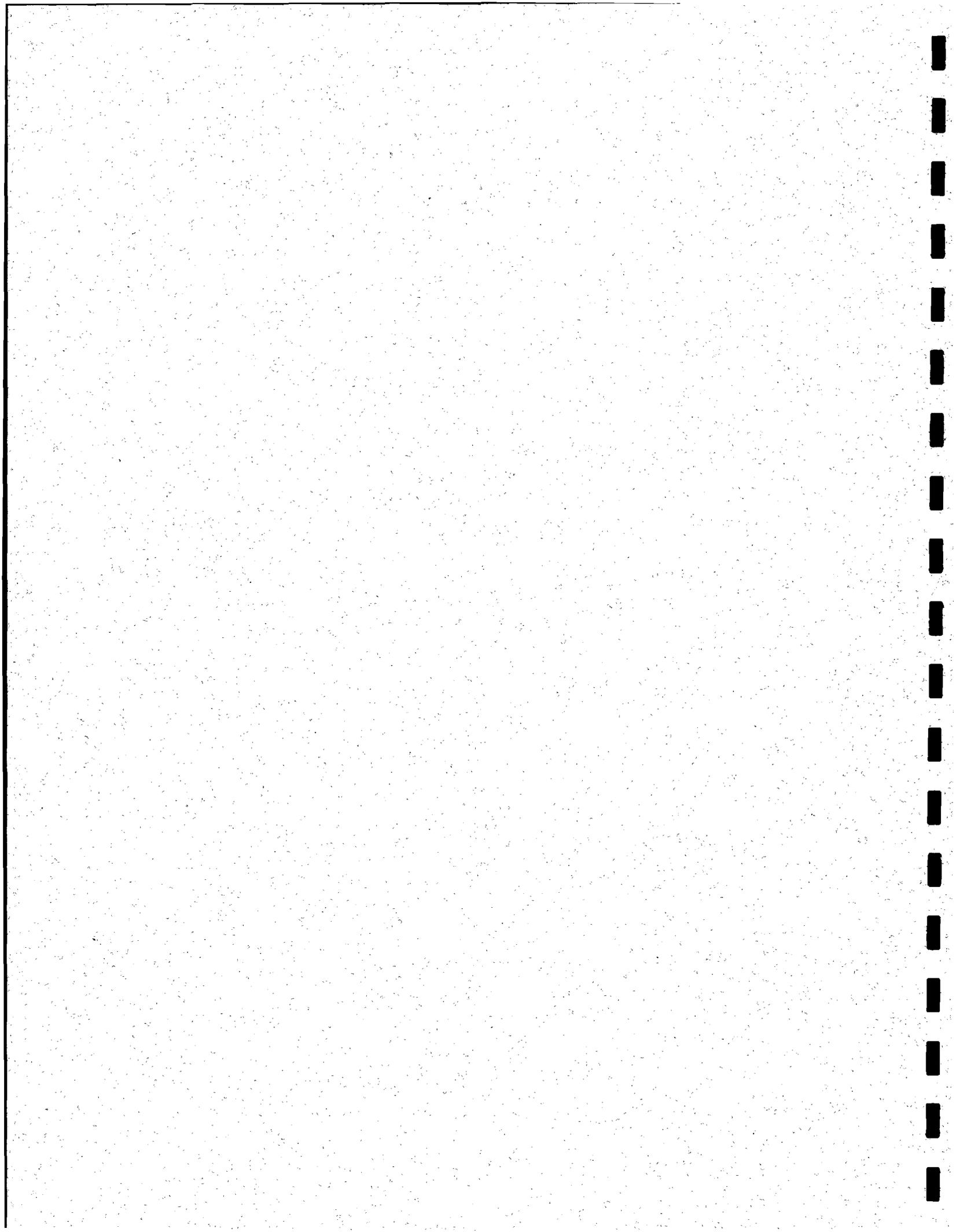
## CITY OF PITTSBURGH, PENNSYLVANIA

Combined Statement of Cash Flows - Enterprise Funds  
 For the Year Ended December 31, 1990  
 (Increase (Decrease) in Cash and Cash Equivalents)

	Proprietary <u>fund type</u> <u>Enterprise</u>
Cash flows from operating activities:	
Operating income	\$ 13,064,656
Reconciliation of operating income to net cash provided by operating activities:	
Depreciation and amortization	<u>3,658,665</u>
	16,723,321
Change in operating assets and liabilities:	
Accounts receivable	610,422
Prepaid expenses	19,586
Other current assets	30,000
Accounts payable and accrued expenses	(2,370,259)
Accrued interest payable	(41,056)
Deferred revenue	54,578
Deferred expense	(752,000)
Due to City of Pittsburgh	<u>12,533,000</u>
Net cash provided by operating activities	26,807,592
Cash flows from investing activities:	
Interest earnings	145,270
Interest earnings on restricted funds	24,360,000
Purchase of investment securities	(47,793,000)
Proceeds from sale and maturities of investment securities	63,348,000
Restricted cash and investments	571,249
Net cash provided by investing activities	<u>40,631,519</u>
Cash flows from non-capital financing activities:	
Principal payment related to non-capital funds	(72,000)
Interest payments related to non-capital funds	<u>(1,056,000)</u>
Net cash used in non-capital financing activities	<u>(1,128,000)</u>
Cash flows from capital and related financing activities:	
Payments to the City of Pittsburgh	(22,010,000)
Grants from the City of Pittsburgh	3,965,269
Principal payments related to capital funds	(2,523,000)
Interest payments related to capital funds	(35,761,696)
Additions to stadium complex	(109,408)
Acquisition and construction of capital assets	<u>(21,395,000)</u>
Net cash used in capital and related financing activities	<u>(77,833,835)</u>
Net (decrease) in cash and cash equivalents	(11,522,724)
Cash and cash equivalents at beginning of year	<u>56,831,273</u>
Cash and cash equivalents at end of year	<u>\$ 45,308,549</u>

See accompanying notes to general purpose financial statements.

**NOTES TO FINANCIAL  
STATEMENTS**



CITY OF PITTSBURGH, PENNSYLVANIA  
Notes to General Purpose Financial Statements

December 31, 1990

NOTE (1) Summary of Significant Accounting Policies

The City of Pittsburgh (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, culture and recreation, 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. Determination of the Reporting Entity

The activities, organizations and functions of government ("potential component units") that are included in these financial statements are those for which the City exercises oversight responsibility, those with which special financing relationships exist and those whose scope of service benefits primarily the City or its residents.

Manifestations of oversight responsibility include:

- . Selection of the governing authority,
- . Designation of management,
- . Ability to significantly influence operations, and
- . Accountability for fiscal matters.

The scope of public service criterion considers whether the activity of the potential component unit is for the benefit of the City and/or its residents and whether the activity is conducted within the geographic boundaries of the City and is generally available to City residents.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The following summarizes which entities have been included/excluded as component units of the City of Pittsburgh, for reporting purposes, based upon the aforementioned criteria:

Entities Included as Component Units

- . The Stadium Authority of the City of Pittsburgh
- . Pittsburgh Water and Sewer Authority
- . City of Pittsburgh Equipment Leasing Authority
- . Employee Pension Plans

Entities Excluded as Component Units

- . The School District of Pittsburgh
- . Public Parking Authority of Pittsburgh
- . The Public Auditorium Authority of Pittsburgh and Allegheny County
- . Urban Redevelopment Authority of Pittsburgh (URA)
- . Housing Authority of the City of Pittsburgh
- . Allegheny County Sanitary Authority (Alcosan)

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.

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

The Stadium Authority was established to construct and operate Three Rivers Stadium. The Stadium Authority is administered by a five-member board, all of whom are appointed by the Mayor.

The principal revenue sources are from rentals of the stadium and parking facilities and from service charges on event tickets. The City has guaranteed the subsidization of operating deficits and the debt service requirements of the outstanding debt of the Stadium Authority.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The Stadium Authority has been included as a component unit of the City's reporting entity because of the City's significant accountability for fiscal matters. The Stadium Authority operates on a fiscal year ending March 31. Its operations are included in the enterprise funds.

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

Pittsburgh Water and Sewer Authority (Water and Sewer Authority)

The Water and Sewer Authority was incorporated in February 1984 under the Municipality Authorities Act of 1945 of the Commonwealth of Pennsylvania. The Water and Sewer Authority entered into a lease and management agreement effective May 1, 1984 (agreement) with the City. Under the terms of the agreement, the Water and Sewer Authority assumed responsibility for the operation and rehabilitation of the water and sewer system of the City.

The agreement provides for the Water and Sewer Authority to lease the water and sewer system (system) from the City and then contract the City to operate and maintain the system for a 50-year period. Under the agreement, the Water and Sewer Authority reimburses the City for the direct operating costs of, and indirect costs allocated to, the system; debt service on existing City debt related to the system prior to the effective date of the agreement; and an "additional payment" in consideration of the lease which is determined by the City each year. The "additional payment" is limited to a maximum of \$4,052,000 in 1990 increased by a specified price index thereafter. The "additional payment" also includes up to 600 million gallons of water to be provided to the City annually at no charge. The agreement also requires the Water and Sewer Authority to reimburse the City for payments to other non-City water agencies representing the differences in rates between the City and those agencies related to water provided to City customers by those non-City water agencies. Payments under the agreement, with the exception of direct costs, are subordinated to the Water and Sewer Authority's obligations under its trust indenture.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The Water and Sewer Authority accounts for the lease as an operating lease. Costs related to the management agreement and the lease are recognized as operating expenses by the Water and Sewer Authority based upon billings by the City. Future obligations of the Water and Sewer Authority in consideration of the lease are the payment of the City's debt and the "additional payment," which are treated as operating transfers. The "additional payment" can vary annually based on the City's discretion subject to certain limitations discussed above. For 1991, the "additional payment" has been budgeted at \$4,228,200. Debt service obligations of the City which are to be funded by the Water and Sewer Authority are as follows:

<u>Year ended December 31</u>	<u>Amount</u>
1991	\$ 3,338,000
1992	3,228,000
1993	3,145,000
1994	3,051,000
1995	2,611,000
Later years	<u>31,440,000</u>
Total minimum future lease payments	\$ <u>46,813,000</u>

The City is responsible to hold the Water and Sewer Authority harmless against any claims or judgments against the City or the Water and Sewer Authority related to the operation and maintenance of the system. The operations of the Water and Sewer Authority are included in the enterprise funds.

Authority employees are eligible for retirement benefits under the City's Municipal Retirement Plan. The Authority records benefits expense based on amounts billed by the City.

City of Pittsburgh Equipment Leasing Authority (Equipment Leasing Authority)

The Equipment Leasing Authority was incorporated in 1980 to serve as a financing vehicle for the acquisition of equipment. The Equipment Leasing Authority has outstanding \$23,075,000 of Equipment Revenue Bonds and has entered into lease agreements with the City pursuant to which the City has agreed to make annual rental payments to the Equipment Leasing Authority of varying amounts to cover debt service on the bonds.

The Equipment Leasing Authority is a component unit of the City's reporting entity. Its operations are included in the special revenue funds, the debt service funds and the general long-term debt account group.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

Employee Pension Plans

The City has three defined benefit pension plans, 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. A comprehensive board oversees funding and investing activities. The Board consists of seven members, four of whom are appointed by the Mayor.

Plan benefit matters are administered by separate boards which include, for all plans, 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 plans have been included as component units of the City's reporting entity because of the City's oversight responsibility and its accountability for fiscal matters.

The School District of Pittsburgh

The School District exists to provide educational services to the residents of the City of Pittsburgh. The School Board consists of nine elected members who have oversight responsibility. School Board members may not serve on the Board if employed by the City.

The City Treasurer and City Controller serve as the School District Treasurer and Controller, respectively. The Treasurer and Controller positions are not Board positions. In case of vacancies on the Board, replacements are appointed by the Mayor. The School District has separate taxing authority though collections are received by the City Treasurer and remitted to the School District.

The School District has not been included as a component unit of the City's reporting entity because of the limited oversight responsibility, designation of management and limited accountability for fiscal matters.

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 52% the Parking Authority and 48% to the City.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

Management of the Parking Authority is not designated by the City nor does the City have the ability to significantly influence its operations. The City does not subsidize the operations of the Parking Authority and does not guarantee its debt. The scope of public service, while generally available to City residents, is not exclusively for their benefit.

The Parking Authority has not been included as a component unit of the City's reporting entity because of the lack of significant oversight responsibility and the lack of accountability for fiscal matters. The Parking Authority operates on a fiscal year ending September 30.

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

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

In addition, the Department of General Services of the Commonwealth of Pennsylvania has financed and constructed the David L. Lawrence Convention Center. The Convention Center has been leased to the Auditorium Authority for a term of 30 years at a nominal rent. The City and County have agreed to pay one-half of any operating deficits.

The Auditorium Authority is administered by a five-member board. The City and County each appoint two board members. One member is appointed jointly. The City does not designate the management of the Auditorium Authority nor does the City have the ability to significantly influence operations. The scope of public service, while generally available to City residents, is not exclusively for their benefit.

The Auditorium Authority has not been included as a component unit of the City's reporting entity because of the limited oversight responsibility and limited accountability for fiscal matters. The Auditorium Authority operates on a fiscal year ending June 30.

Urban Redevelopment Authority of Pittsburgh (URA)

The URA administers federal, state and local grants designed to provide a broad range of urban renewal and maintenance programs within the City of Pittsburgh.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The URA is administered by a five-member board, all of whom are appointed by the Mayor. Management of the URA is not designated by the City nor does the City have the ability to significantly influence operations. The City does not subsidize the operations of the URA and does not guarantee its debt service.

The URA has not been included as a component unit of the City's reporting entity because there is a lack of significant oversight responsibility and there is no accountability for fiscal matters.

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 designate the management of the Housing Authority nor does the City have the ability to significantly influence operations. The City does not subsidize the operations of the Housing Authority and does not guarantee its debt service.

The Housing Authority has not been included as a component unit of the City's reporting entity because, although it operates within the City's boundaries, there is a lack of significant oversight responsibility and there is no accountability for fiscal matters.

Allegheny County Sanitary Authority (Alcosan)

Alcosan provides sewage treatment services to the City and numerous other municipalities in the County of Allegheny. Operating expenses and debt service are not guaranteed by the City. The City, however, is charged for its usage of the sewage facilities at the normal rates applicable to other customers. In addition, delinquent sewage charges on properties in the City are purchased by the General Fund for collection because the City has the power to file liens on such properties.

Alcosan has not been included as a component unit of the City's reporting entity because there is no oversight responsibility and no significant accountability for fiscal matters.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The following table presents unaudited summary financial data based on the most recent published financial statements of the entities that are not part of the City's reporting entity: (000's omitted)

<u>Assets</u>	<u>City School District</u>	<u>Parking Authority</u>	<u>Auditorium Authority</u>	<u>URA</u>	<u>Housing Authority</u>	<u>Alcosan</u>
Cash and temporary investments	\$ 69,808	15,932	1,153	58,536	7,693	1,409
Investment, at cost which approximates market	-	17,707	4,672	-	-	1,651
Property, plant and equipment, net	280,023	62,918	71,398	7,090	278,069	98,228
Cost of projects in progress	-	-	-	307,183	-	-
Contributions, loans and accounts receivable	18,693	4,319	35,360	48,249	5,375	14,908
Other	<u>132,254</u>	<u>4,268</u>	<u>150</u>	<u>335</u>	<u>616</u>	<u>44,468</u>
<b>Total Assets</b>	<b>\$ <u>500,778</u></b>	<b><u>105,144</u></b>	<b><u>112,733</u></b>	<b><u>421,393</u></b>	<b><u>291,753</u></b>	<b><u>160,664</u></b>
<u>Liabilities and Fund Equity</u>						
Bonds and notes payable	116,694	63,240	30,195	24,035	123,999	86,027
Other liabilities	47,157	3,660	1,168	15,376	5,865	4,294
Fund equity	<u>336,927</u>	<u>38,244</u>	<u>81,370</u>	<u>381,982</u>	<u>161,889</u>	<u>70,343</u>
<b>Total liabilities and Fund Equity</b>	<b>\$ <u>500,778</u></b>	<b><u>105,144</u></b>	<b><u>112,733</u></b>	<b><u>421,393</u></b>	<b><u>291,753</u></b>	<b><u>160,664</u></b>
Revenues	369,715	19,143	7,539	296	14,469	32,187
Expenses	<u>(368,408)</u>	<u>(19,215)</u>	<u>(8,238)</u>	<u>(209)</u>	<u>(33,178)</u>	<u>(32,369)</u>
Excess of Revenues over (under) Expenses	<b>\$ <u>1,307</u></b>	<b><u>(72)</u></b>	<b><u>(699)</u></b>	<b><u>87</u></b>	<b><u>(18,709)</u></b>	<b><u>(182)</u></b>
Fiscal period ended	12-31-90	9-30-90	6-30-90	12-31-89	12-31-90	12-31-90

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

B. Fund Accounting Structure

The City's accounting structure embraces "fund" accounting which is the standard for governmental accounting as promulgated by the Governmental Accounting Standards Board.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or fund balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. 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 Funds - Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by the enterprise funds).

Proprietary Fund Type

Enterprise Funds - The enterprise funds are used to account for operations of the Stadium Authority of the City of Pittsburgh and the Pittsburgh Water and Sewer Authority. These are financed and operated in a manner similar to private business enterprises - where the intent is that the costs of managing the operations of the stadium complex and providing water to the general public are financed or recovered primarily through user charges.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

Fiduciary Fund Types

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

Account Group

General Long-term Debt - This account group is established to account for all long-term obligations of the City, including general obligation bonds, capital lease obligations, accrued unfunded pension expense, and the non-current portion of accrued compensated absences and workers' compensation expense.

C. Measurement Focus

All governmental funds and expendable trust funds are accounted for on a spending or "financial flow" measurement focus. Accordingly, only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered a measure of "available expendable resources." Governmental fund operating statements present increases (revenues 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.

Proprietary funds and 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 proprietary funds and pension trust funds report increases (revenues) and decreases (expenses) in total economic net worth.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

D. Basis of Accounting

Governmental fund types, expendable trust funds and agency funds use the modified accrual basis of accounting. Revenues are recorded when they become susceptible to accrual, that is, both measurable and available. Available means expected to be collected within the next two months for property taxes and the next 12 months for other revenues. Revenues not considered available are recorded as deferred revenues.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, expenditures must be made for the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, receipts are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Revenues which have been treated as susceptible to accrual include certain property taxes, federal and state revenues and interest earnings. All other revenues are recognized when received in cash.

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

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

E. Budgetary Data

1. General Budget Policies - As required by the Home Rule Charter, the City follows these procedures in establishing the budgetary data reflected in the financial statements:
  - a. On the second Monday of November preceding the fiscal year, the Mayor presents to City Council an operating budget and a capital budget for the succeeding fiscal year.
  - b. Public hearings are conducted to obtain the advice of other officials and citizens as part of the preparation of both budgets.
  - c. Before the beginning of the fiscal year, City Council adopts, by resolution, both budgets.
  - d. The adoption of the operating and capital budgets constitutes an appropriation or setting apart of funds from general resources of the City for purposes set forth in the budgets.
  - e. City Council may amend, by resolution, the operating budget within five weeks after the beginning of the fiscal year but not thereafter except with the approval of the Mayor. The capital budget may, by resolution, be amended by Council at any time.
  - f. City Council at all times may, by resolution, transfer funds from one account to another if the total 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 based on a proposed six-year capital program which must be updated each year and submitted to Council by the Mayor at least 30 days prior to the day the operating budget is submitted.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

- h. Formal budgetary integration is employed as a management control device for the general fund 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 special revenue funds since control is achieved through grant provisions or legislative action. Budgets for the capital projects funds are prepared on a project basis.
- i. All budgets are prepared and controlled on a line item basis. For financial statement purposes, budgets have been summarized on a departmental basis.
- j. Appropriations lapse at year end. City Council can, however, authorize, by resolution, the carryover of appropriations to the following year.
- k. Budget figures are as amended by City Council with Mayoral approval. All budget amendments represent line item transfers between expenditure accounts.

2. Encumbrances - Encumbrance 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, budgetary comparisons for capital projects funds have been omitted from the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual Data on the Budgetary Basis.

F. Cash and Cash Equivalents

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

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

G. Investments

Investments in all funds are carried at cost, except for the agency fund assets of the deferred compensation plan which are carried at market. 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 and are recorded at cost or amortized cost plus accrued interest, which approximates market value.

For purposes of the statement of cash flows, the City considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

H. Inventories

Inventories are valued at the lower of cost (first-in, first-out) or market. Inventories in the general fund, consisting of expendable supplies held for consumption and materials necessary for the maintenance and repair of the City's water purification and distribution system, are accounted for using the purchase method. General fund inventories are equally offset by a fund balance reserve to indicate that a portion of the fund balance is not available for future expenditure.

I. Other Assets

Other assets consist of premium deposits with insurance companies which are available to reduce future employee benefit expenses.

J. Fixed Assets

Records with respect to the historical cost of general fixed assets and a comprehensive inventory of such assets are not available. Consequently, a general fixed asset group of accounts is not included in the accompanying financial statements.

Generally accepted accounting principles prescribe that expenditures for general fixed assets be accounted for in the general fixed asset account group and, accordingly, the failure to properly record such assets is not in accordance with generally accepted accounting principles.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The stadium complex and utility plant are stated at cost and include all repairs that materially extend the life of the property. All ordinary maintenance and repairs are charged to current operations. The balance sheet does not include any value for land conveyed by the URA to the Stadium Authority. Depreciation has been provided over the estimated useful lives of the assets using the straight-line method. The estimated useful life of the utility plant is 40 years.

K. Enterprise Fund Bond Discount and Issue Costs

The Water and Sewer Authority amortizes bond discounts over the lives of the related bonds using the interest method of amortization. The unamortized portion is reflected on the balance sheet as a reduction from the related bonds payable.

The Water and Sewer Authority defers and amortizes bond issue costs, including remarketing fees, over the lives of the related bonds. The Stadium Authority amortizes costs associated with the issuance of long-term debt using the straight-line method over the respective terms of the debt.

L. Compensated Absences

The City provides for compensated absences in the following manner:

- . Fourteen sick days are accumulated for those employees not eligible for the insured sick leave plan or those who have elected not to participate in the plan. Since accumulated sick leave does not vest until retirement it qualifies as severance pay and, therefore, does not meet the recognition criteria of Statement of Financial Accounting Standards No. 43 and has not been accrued by the City.
- . 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 is reasonably estimable.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

- . 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 resources.

M. Pensions

Pension cost for accounting purposes is computed in accordance with Accounting Principles Board Opinion Number 8 (APB #8). Reported expense is equal to normal cost, amortization of unfunded liabilities over 30 years, non-benefit plan expenses and net actuarial gains or losses, less employer and employee contributions and state pension aid under Act 205 (see note 8). Periodic pension cost is recognized as an expenditure in the general fund to the extent of City contributions with any difference reported as an addition to or deduction from accrued pension costs in the general long-term debt account group.

N. Deferred Compensation Plan

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

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

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

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

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

O. Self-Insurance Arrangements

The City is self-insured for purposes of workers' compensation benefits. Provisions are recorded in the general fund for benefits estimated to be payable from 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 1990 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 only in the event of default by the City under the self-insurance regulations. Accordingly, the fund balance in the Expendable Trust has been reserved in the accompanying financial statements.

The Water and Sewer Authority is self-insured for general liability coverage. Under the terms of the July 1986 indenture, the Water and Sewer Authority established a self-insured escrow fund to cover potential general liability claims.

P. Enterprise Fund Operating Transfers

Annual operating transfers are made from the enterprise fund to the general fund to assist in servicing the City's general obligation indebtedness and to provide a fair return on the City's general fixed assets dedicated to water operations. In 1990, an additional operating transfer was made to the general fund for reimbursement of cumulative costs of PWSA Employee Benefits since 1984 (see note 4).

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

Q. Comparative Data

Comparative total data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. Certain 1989 amounts have been reclassified to conform to classifications adopted in 1990.

R. Total Columns on Combined Statements

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

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

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

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-General Fund presented on a GAAP basis:

	General Fund
Excess of revenues and other sources over expenditures and other uses - GAAP basis	\$ 5,860,434
Revenues:	
Increase in revenues susceptible to accrual, recorded when received in cash on the budgetary basis	4,908,918
Reimbursements budgeted as revenues and recognized as a reduction of expenditures on a GAAP basis	24,540,013
Operating transfers budgeted as revenues	17,471,500
Equity transfers not budgeted	<u>89,723</u>
Total	<u>47,010,154</u>
Expenditures:	
Decrease in expenditures recognized on a GAAP basis but recorded when paid in cash on the budgetary basis	2,321,024
Reimbursements budgeted as revenues and recognized as a reduction of expenditures on a GAAP basis	(24,540,013)
Capitalized lease not budgeted	2,587,999
Operating transfers budgeted as expenditures	(45,269,343)
Total	<u>(64,900,333)</u>
Other financing (sources) uses:	
Capital lease obligation proceeds not budgeted	(2,587,999)
Operating transfers budgeted as revenues and expenditures	27,797,843
Increase in other financing sources susceptible to accrual, but recorded when received in cash on the budgetary basis	<u>(10,050,204)</u>
Total	<u>15,159,640</u>
Excess of revenues and other sources over expenditures and other uses - budgetary basis	\$ <u>3,129,895</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (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, 1990, is as follows:

	<u>Cash</u>	<u>Investments</u>	<u>Bonds payable escrow (note 8)</u>
<u>Current Unrestricted:</u>			
City Treasurer (most governmental, expendable trust and agency funds)	\$ 32,683,736	72,196,572	-
Equipment Leasing Authority (special revenue and debt service funds)	668,732	8,100,094	-
Enterprise Funds:			
Water and Sewer Authority	9,667,000	11,175,000	-
Stadium Authority	1,081,549	-	-
Pension Trust Funds	111,861	84,329,599	-
Deferred Compensation Plan	<u>255,830</u>	<u>15,449,943</u>	<u>-</u>
Total current	44,468,708	191,251,208	-
<u>Restricted:</u>			
Enterprise Funds:			
Water and Sewer Authority	74,000	103,384,000	231,602,000
Stadium Authority	<u>30,794</u>	<u>562,552</u>	<u>-</u>
Total restricted	<u>104,794</u>	<u>103,946,552</u>	<u>231,602,000</u>
Total	<u>\$ 44,573,502</u>	<u>295,197,760</u>	<u>231,602,000</u>

The City and its component unit's cash deposits, certificates of deposit and time accounts at year end were entirely covered by federal depository insurance or were fully collateralized in the City's name. Certificates of deposit and time accounts are fully collateralized pursuant to agreements with substantially all participating financial institutions to pledge assets on a pooled basis to secure public deposits according to Act No. 72 of the Commonwealth of Pennsylvania, August 6, 1971.

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.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

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

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The carrying amount of all investments under the control of the City Treasurer at December 31, 1990, is presented in the accompanying table. Underlying balances are predominantly short-term investments.

Cost approximates market for all of the foregoing 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, 1990, the Equipment Leasing Authority invested its funds in one or more of the above authorized investments.

The cost of all investments at December 31, 1990, 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. Enterprise Funds

Water and Sewer Authority

The trust indentures authorize the Water and Sewer Authority to invest in obligations of the U.S. Treasury, agencies and instrumentalities; commercial paper of the highest rating; certificates of deposits, fully insured or collateralized; repurchase agreements; and money market funds that invest solely in U.S. government obligations. Throughout the year ended December 31, 1990, the Water and Sewer Authority invested its funds in one or more of the above authorized investments.

The Water and Sewer Authority's investments are categorized below to give an indication of the level of risk assumed by the entity at year end.

The repurchase agreements and underlying securities, U.S. government securities, and commercial paper are held in the counterparty's trust department's (bank's) name. The bank acts as trustee and custodian for the

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

bondholders and, in its accounting records, holds the securities in the Water and Sewer Authority's name in trust for the bondholders. U.S. government securities are held in the Federal Reserve book entry system. The commercial paper is from various corporate entities and is not insured.

The guaranteed investment contract is with Royal Trust Corporation of Canada. Temporary investments include highly liquid money market or mutual funds into which trustee cash inflows are transferred until being subsequently disbursed or reinvested. These types of investments are not supported by identifiable securities and as such are not categorized.

Stadium Authority

The trust indentures authorize the Stadium Authority to invest in obligations of the U.S. government and repurchase agreements. Throughout the year ended December 31, 1990, the Stadium Authority invested its funds in one or more of the above authorized investments.

The Stadium Authority's investments are categorized below to give an indication of the level of risk assumed by the entity at year end.

D. 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.

E. Deferred Compensation Plan

The City participates in a deferred compensation plan sponsored by the Allegheny League of Municipalities. The associated assets are held in pooled accounts. The trust indentures authorize the Deferred Compensation Plan to invest in obligations of U.S. Treasury and Money Market Mutual Funds.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

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

	<u>Carrying amount</u>	<u>Market value</u>	<u>Category</u>
A. City Treasurer (most governmental, expendable trust and agency funds):			
Repurchase agreements	\$ 25,867,000	25,867,000	2
U.S. government and agency obligations	11,839,164	12,942,302	3
Money market trust funds	15,909,200	15,909,200	N/A
Money market mutual funds	8,875,000	8,875,000	N/A
Corporate and other obligations	<u>9,706,996</u>	<u>9,703,297</u>	2
Total	72,196,572	73,296,799	
B. Equipment Leasing Authority:			
Repurchase agreements	305,840	305,840	3
U.S. government and agency obligations	1,623,876	1,623,876	3
Money market trust funds	<u>6,170,378</u>	<u>6,170,378</u>	N/A
Total	8,100,094	8,100,094	
C. Enterprise Funds:			
Water and Sewer Authority:			
Repurchase agreements	6,014,000	6,014,000	2
Money market mutual funds	<u>5,161,000</u>	<u>5,161,000</u>	N/A
Total	11,175,000	11,175,000	
Enterprise Funds Restricted:			
Water and Sewer Authority:			
Repurchase agreements	8,784,000	8,784,000	2
U.S. government and agency obligations	27,473,000	27,786,000	2
Commercial paper	12,470,000	12,470,000	2
Money market mutual funds	2,157,000	2,157,000	N/A
Guaranteed investment	<u>52,500,000</u>	<u>52,500,000</u>	N/A
Total	103,384,000	103,697,000	

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

	<u>Carrying amount</u>	<u>Market value</u>	<u>Category</u>
Water and Sewer Authority:			
Bonds Payable Escrow:			
U.S. government and agency obligations	\$ <u>231,602,000</u>	<u>231,602,000</u>	2
Total	231,602,000	231,602,000	
Stadium Authority:			
U.S. government and agency obligations	<u>562,552</u>	<u>562,552</u>	3
Total	562,552	562,552	
D. Pension Trust:			
Repurchase agreements	1,075,732	1,075,732	3
U.S. government and agency obligations	30,706,061	31,230,001	2
Preferred and common stock	18,844,112	18,639,342	2
Corporate and other obligations	<u>33,703,694</u>	<u>35,699,918</u>	2
Total	84,329,599	86,644,993	
E. Deferred Compensation:			
Money market trust funds	<u>15,449,943</u>	<u>15,449,943</u>	N/A
Total	<u>15,449,943</u>	<u>15,449,943</u>	
Grand total	\$ <u><u>526,799,760</u></u>	<u><u>530,528,381</u></u>	

NOTE (4) Receivable from Pittsburgh Water and Sewer Authority

In November of 1990, the City notified the Authority that \$14,350,000 relating to employee benefits under the Lease and Management Agreement (Note 1) from 1984 through 1989 is due to the City. In May 1991, an additional billing was made representing 1990 employee benefit costs to be reimbursed amounting to \$1,778,000. These costs will be reimbursed to the City in installments over a four-year period, with \$4,000,000 due and paid in 1990. Direct Water department expenditures in the amount of \$405,783 are also reimbursable under the agreement.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

As of December 31, 1990, the receivable is comprised of the following:

Benefit expenditures (1984 - 1990)	\$ 12,128,000
Direct Water expenditures (1990)	<u>405,783</u>
Total receivable from Water and Sewer	<u>12,533,783</u>
Current portion	5,183,783
Long-term portion	<u>7,350,000</u>
Total receivable from Water and Sewer	\$ <u>12,533,783</u>

The current portion represents direct water expenditures receivable of \$405,783 and benefits receivable of \$4,778,000. The long-term portion of \$7,350,000 represents solely benefits receivable.

NOTE (5) Trusteed and Restricted Funds

Certain restricted accounts have been created by the Stadium Authority as result of the governing trust indentures and by Board of Directors' resolutions. The following is a summary of restricted assets as of March 31, 1990:

	<u>Cash</u>	<u>Investments</u>	<u>Accounts receivable</u>	<u>Other assets</u>	<u>Total</u>
Clearing	\$ -	487,434	-	680,915	1,168,349
Lounge box financing	-		-	-	-
Lounge box notes	-	75,094	2,861	-	77,955
Medallion pledge	-	24	332,128	-	332,152
Parking routine maintenance	2,834	-	-	-	2,834
Parking nonroutine maintenance	14,302	-	42,277	-	56,579
Maintenance	<u>13,658</u>	<u>-</u>	<u>33,770</u>	<u>-</u>	<u>47,428</u>
Total	\$ <u>30,794</u>	<u>562,552</u>	<u>411,036</u>	<u>680,915</u>	<u>1,685,297</u>

The money received from the sale of 15 medallions consists of annual payments from corporations of \$100,000 for ten years beginning in 1982 for the right to place advertising on the medallions. Under the agreements the Pittsburgh Associates and Pittsburgh Steelers Sports, Inc. each received \$35,000 of the medallion revenue in 1990 and 1989.

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (6) Real Estate Taxes

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

Two tax levies, based on separate rates for land and buildings, are made annually on January 1 and collected by the City. Taxes are payable quarterly, but if paid by February 1, a 2% discount is permitted. If a quarterly payment is not made by the last day of the calendar quarter, a penalty of 1/2% per month, plus interest at the rate of 1% per month, is imposed on the balance of the tax due for the year.

Properties with delinquent taxes or sewage charges are subject to Treasurer's sales, which are held with respect to properties for which taxes or charges are delinquent one year or more. Delinquent taxes may be liened up to 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 or rehabilitation. The maximum amount of tax abatement in any year is \$50,000 of City real estate taxes. The abatement is available for a period of three years from the date of issuance of the building permit for the construction or rehabilitation.

NOTE (7) Property, Plant and Equipment

A summary of enterprise fund property, plant and equipment is as follows:

	<u>1990</u>	<u>1989</u>
Stadium complex	\$ 52,633,187	52,576,990
Utility plant	72,149,000	60,638,000
Non-utility plant	2,594,000	1,409,000
Construction in progress (utility plant)	<u>47,837,000</u>	<u>40,091,000</u>
Total	175,213,187	154,714,990
Less: accumulated depreciation	<u>25,123,366</u>	<u>24,524,620</u>
Net	<u>\$ 150,089,821</u>	<u>130,190,370</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (8) Pension PlansA. ORGANIZATION AND DESCRIPTION OF PLANS

The City has three defined benefit pension plans (Municipal, Policemen's and Firemen's) which are administered by pension boards. The City of Pittsburgh is responsible for the funding of retirement benefits for the three pension plans described below. Investments of the plans, in accordance with Act 205, are administered under the direction of the Comprehensive Municipal Pension Trust Fund Board.

The Municipal Pension Fund

The Municipal Pension Fund of the City of Pittsburgh (the Plan) was established May 28, 1915. Every full time employee of the City of Pittsburgh who is not covered by the Policemen's Plan or the Firemen's Plan is required to join the Plan after serving a ninety day probation period. The Plan 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 Plan are required to make contributions to the Plan for the purpose of paying benefits and administrative expenses. At January 1, 1990, the date of the most recent actuarial evaluation, the Plan had 3,072 active members and 1,831 retirees, disableds and survivors.

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

Retirement benefits for employees who were members of the Plan prior to January 1, 1975, equal 60% of three year average pay, but no less than \$130 monthly if such pay is less than \$450; or 55% of the first \$650 of three year 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 year 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.

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

A member who meets the disability requirements but 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 employees 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.

Normal vesting occurs at age 60 and completion of 20 years of service. Plan members may terminate and have vested benefits after attainment of age 40 and 8 years of service by continuing 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.

Upon termination, and prior to vesting, a member's contributions are refundable without interest to the member. Employee contributions to the Plan are 5% of pay for employees hired prior to January 1, 1988, and 4% of pay for those hired thereafter.

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The Policemen's Relief and Pension Fund

The Policemen's Relief and Pension Fund of the City of Pittsburgh (the Plan) was established by Act 99 of May 25, 1935, P.L. 233. The Plan 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 Plan to make contributions to the Plan 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. At January 1, 1990, the plan had 1,139 active members and 1,406 retirees, disableds and survivors.

Retirement benefits are available at the employee's option upon 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 10 years of service.

The regular pension benefit is equal to 50% of the highest 12 consecutive month's pay at the time of retirement. Employees hired after December 31, 1987 receive a pension benefit based on a 48 month average pay. Service increments of \$20 per month for each year service between 20 and 25 years and \$25 per month for each year in excess of 25 years are included in the retirement benefit. Disability benefits for those not eligible to retire are based upon 50% of earnings in the year prior to disability. 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.

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

Normal vesting occurs upon attainment of age 50 and 20 years of service. Upon termination of a member's employment or death of a member, and prior to vesting, the member's contributions, without accumulation of interest, are refundable to the member or his survivors, as applicable.

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

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to the General Purpose Financial Statements

The Firemen's Relief and Pension Fund

The Firemen's Relief and Pension Fund of the City of Pittsburgh (the Plan) was established by Act of May 25, 1933, P.L. 1050. The Plan is a single employer defined benefit plan and 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 Plan to make contributions to the Plan 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. At January 1, 1990, the Plan had 921 active members and 1,070 retirees and beneficiaries.

Retirement benefits are available at the employee's option upon completion of 20 years service for any participant employed before January 1, 1976 or for those 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 10 years of service.

The regular pension benefit is equal to 50% of the wages earned during any three calendar years of service or the last 36 months average pay immediately preceding retirement. Prior to 1990, a service increment of \$10 per month is paid each member for each year of service in excess of 20. The amount increases to \$15 in 1990 and \$20 in 1991 and thereafter. 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 beneficiary of any deceased member.

Effective January 1, 1989, regular pensioners, retired for five years, and disabled pensioners, retired for four years, receiving benefits prior to January 1, 1985, received an increase in benefits based upon service increments.

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

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

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

B. FUNDING STATUS AND PROGRESS

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

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

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

The Recovery Act contains both mandatory and optional remedies for municipalities to design a program for dealing with unfunded pension liabilities. The mandatory remedies implemented by the City were the development and adoption of an administrative improvement plan for its pension plans, the establishment of lower cost pension plans for new hires, and the aggregation of all the City's pension assets for investment purposes under the guidance of a new oversight board (the "Comprehensive Municipal Pension Trust Fund Board"). The "Comprehensive Board," which is comprised of members from the individual pension boards, manages the investments of all pension assets and reviews/approves the monthly drawdowns to the individual pension plans for payment of benefits and administrative expenses. The optional remedies initially selected by the City were: 40-year amortization of the unfunded liability, level percent amortization, and a 15-year phase-in allowing the City to gradually increase its pension contributions.

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

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.

The "pension benefit obligation," which is the actuarial present value of accumulated plan benefits shown below, is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess, on a going concern basis, the funding status of the Plans for which contributions are made, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among public employee retirement systems. The measure is independent of the actuarial funding method used to determine contributions to the Plans.

The actuarial reports dated January 1, 1990 include certain changes in the actuarial assumptions related to each plan. Among the changes affecting the assumptions for all plans are changes in mortality rates and an increase of 0.75% in the expected rate of return on investments. Projected termination rates were increased for the Municipal and Police plans and disability rates increased for all plans. The assumptions also include reductions in expected retirement ages for the Municipal and Police plans. The rate of salary increases was projected to decline by 0.25% for the Police and Fire plans and by 0.5% for the Municipal plan. The Municipal plan actuarial changes also include a change in the social security base. The effect of these changes on the unfunded benefit obligation was an aggregate reduction of \$34,717,000 and an aggregate reduction of the Act 205 contribution of \$3,417,000.

The most recent actuarial reports disclosed the following information with respect to the plans as of January 1, 1990. Significant assumptions underlying the actuarial computations for pension benefit obligation and contributions include mortality, termination, vesting, marital status and retirement estimates based upon tables provided by the actuary, as well as the following:

	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>
Assumed rate of return on investments	% <u>8.25</u>	<u>8.25</u>	<u>8.25</u>
Assumed salary increases	% <u>5.0</u>	<u>5.25</u>	<u>5.25</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

PENSION BENEFIT OBLIGATION

The Plan's actuary uses the "individual entry age normal" cost method to determine the pension benefit obligation. The following table summarizes the net unfunded pension benefit obligation by individual plan. According to the most recent actuarial report as of January 1, 1990: (in thousands)

Pension benefit obligation:	Comprehensive				
	<u>Board</u>	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Vested benefits:					
Retired member and beneficiaries	\$ -	101,057	108,713	83,855	293,625
Active members	<u>-</u>	<u>45,284</u>	<u>55,321</u>	<u>33,248</u>	<u>133,853</u>
Total Vested	-	146,341	164,034	117,103	427,478
Nonvested	<u>-</u>	<u>10,974</u>	<u>31,781</u>	<u>22,313</u>	<u>65,068</u>
Total pension benefit obligation	\$ -	157,315	195,815	139,416	492,546
Net assets, at cost, available for benefits from the December 31, 1989, financial statements (market \$83,562)	<u>82,113</u>	<u>2</u>	<u>81</u>	<u>31</u>	<u>82,227</u>
Unfunded pension benefit obligation	\$ <u>(82,113)</u>	<u>157,313</u>	<u>195,734</u>	<u>139,385</u>	<u>410,319</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

CONTRIBUTIONS

For funding purposes, the City utilizes actuarially determined contributions under Act 205. The actuarial assumptions used to determine funding requirements are the same as those used to determine pension benefit obligations. The actuarially required pension contributions for the year ended December 31, 1990 is as follows:

REQUIRED CONTRIBUTIONS

	<u>Municipal Plan</u>	<u>Policemen's Plan</u>	<u>Firemen's Plan</u>	<u>Total</u>
Normal cost	\$ 4,743,732	4,293,664	3,418,074	12,455,470
Amortization payment	3,350,359	10,021,544	7,251,466	20,623,369
Estimated member contributions	(3,494,794)	(2,299,447)	(1,885,791)	(7,680,032)
Required contributions	\$ <u>4,599,297</u>	<u>12,015,761</u>	<u>8,783,749</u>	<u>25,398,807</u>

The City contributed \$7,737,944 from the General Fund and state aid totalled \$20,271,780. Employer contributions and employee contributions were 5.7% and 5.9% of covered payroll, respectively. Employer contributions were 7.3% and 12.7% of covered payroll in 1989 and 1988, respectively. Total payroll for the period December 31, 1990 was \$153,293,387.

CONTRIBUTIONS MADE

Source of contribution	<u>Year ended December 31, 1990</u>					<u>Total</u>
	<u>Comprehensive Board</u>	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>	<u>Retirees' Trust</u>	
Participants	\$ 8,050,590	-	6,749	15,065	-	8,072,404
Commonwealth	20,271,780	-	-	-	-	20,271,780
City	<u>7,104,135</u>	<u>-</u>	<u>33,809</u>	<u>-</u>	<u>600,000</u>	<u>7,737,944</u>
Total	<u>\$35,426,505</u>	<u>-</u>	<u>40,558</u>	<u>15,065</u>	<u>600,000</u>	<u>36,082,128</u>

For financial reporting purposes, the City accounts for pension cost under APB #8. The net pension cost for 1990 under APB #8 was \$14,699,944. The City contributed \$7,737,944 from the General Fund. Net pension costs in excess of contributions of \$6,962,000 increased the accrued pension cost in the General Long-Term Debt Account Group.

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (9) Long-term Debt

The maximum amount payable for future maturities of bond and interest on general long-term debt at December 31, 1990 and changes in bond principal for the year then ended are summarized below:

	<u>Outstanding at December 31, 1989</u>	<u>Principal Bonds paid during 1990</u>
Council and Public Election General Obligation Bonds:		
Eleven general obligation bond issues with rates ranging from 5.00% to 8.40%. The bonds are payable from general revenues:		
1990	\$ 12,680,000	12,680,000
1991	14,020,000	-
1992	14,375,000	-
1993	14,755,000	-
1994	14,565,000	-
1995	14,345,000	-
1996-2000	77,480,000	-
2001-2005	98,860,000	-
2006-2010	77,305,000	-
2011-2014	<u>56,740,000</u>	<u>-</u>
Total	\$ <u>395,125,000</u>	<u>12,680,000</u>

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<u>Bonds issued during 1990</u>	<u>Outstanding at December 31, 1990</u>	<u>Interest</u>
-	-	-
-	14,020,000	25,635,964
-	14,375,000	24,717,174
-	14,755,000	23,751,794
-	14,565,000	22,747,144
-	14,345,000	21,716,250
-	77,480,000	92,236,288
-	98,860,000	62,416,393
-	77,305,000	29,022,112
-	<u>56,740,000</u>	<u>8,096,944</u>
-	<u>382,445,000</u>	<u>310,340,063</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

	<u>Principal</u>	
	Outstanding at December 31, <u>1989</u>	Bonds paid <u>during 1990</u>
<b>Equipment Leasing Authority Revenue Bonds:</b>		
Three revenue bond issues with interest rates ranging from 6.0% to 6.6% and one bond issue with an interest ceiling of 9.5%. The bonds are payable from general resources transferred from the General Fund:		
1990	9,875,000	9,875,000
1991	3,615,000	-
1992	3,665,000	-
1993	1,420,000	-
1994	375,000	-
1995	-	-
1996	-	-
	<u>18,950,000</u>	<u>9,875,000</u>
<b>Total</b>		
<b>Public Auditorium Authority Revenue Bonds:</b>		
Two bond issues with interest rates ranging from 6.75% to 11.0%. The City's share of debt service on these bonds is payable from general revenues:		
1990	355,000	355,000
1991	382,500	-
1992	412,500	-
1993	450,000	-
1994	487,500	-
1995	527,500	-
1996-2000	3,027,500	-
2001-2005	2,317,500	-
2006	602,500	-
	<u>8,562,500</u>	<u>355,000</u>
<b>Total</b>		
<b>General Long-term Debt Account Group</b>	<b>\$ <u>422,637,500</u></b>	<b><u>22,910,000</u></b>

<u>Bonds issued during 1990</u>	<u>Outstanding at December 31, 1990</u>	<u>Interest</u>
-	-	-
1,995,000	5,610,000	1,440,651
2,120,000	5,785,000	1,065,148
2,245,000	3,665,000	687,125
2,390,000	2,765,000	476,688
2,540,000	2,540,000	298,710
<u>2,710,000</u>	<u>2,710,000</u>	<u>132,762</u>
<u>14,000,000</u>	<u>23,075,000</u>	<u>4,101,084</u>
-	-	-
-	382,500	758,281
-	412,500	726,687
-	450,000	691,555
-	487,500	652,055
-	527,500	607,999
-	3,027,500	2,163,195
-	2,317,500	933,975
-	<u>602,500</u>	<u>54,225</u>
-	<u>8,207,500</u>	<u>6,587,972</u>
<u>14,000,000</u>	<u>413,727,500</u>	<u>321,029,119</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

Future maturities of bond principal on Stadium Authority indebtedness at March 31, 1990 are as follows:

	<u>Principal</u>			
	Outstanding at December 31, <u>1989</u>	Bonds paid during 1990	Bonds issued during 1990	Outstanding at December 31, <u>1990</u>
Stadium Authority Revenue Bonds:				
Two revenue bond issues with interest rates ranging from 6.0% to 9.0%. The bonds are payable from revenue from Stadium operations:				
1990	\$ 1,695,000	1,695,000	-	-
1991	1,430,000	-	-	1,430,000
1992	1,515,000	-	-	1,515,000
1993	820,000	-	-	820,000
1994	880,000	-	-	880,000
1995	945,000	-	-	945,000
1996-2000	14,190,000	-	-	14,190,000
2001-2005	11,240,000	-	-	11,240,000
2006-2010	16,495,000	-	-	16,495,000
2011	<u>2,425,000</u>	<u>-</u>	<u>-</u>	<u>2,425,000</u>
	<u>\$ 51,635,000</u>	<u>1,695,000</u>	<u>-</u>	<u>49,940,000</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

Future maturities of bond principal on Water and Sewer Authority indebtedness at December 31, 1990 are as follows:

<u>Principal</u>				
	Outstanding at December 31, <u>1989</u>	Bonds paid and discount amortized during 1990	Bonds issued and deposits made to escrow funds during 1990	Outstanding December 31, <u>1990</u>
Water and Sewer Authority Revenue Bonds:				
Three revenue bond issues due on demand; two with fixed rates of 5.125% and 6.3% through September 1, 1991 and one with rates ranging from 5.9% to 7.625%:				
1990	\$ 900,000	900,000	-	-
1991	5,400,000	-	-	5,400,000
1992	7,145,000	-	-	7,145,000
1993	7,600,000	-	-	7,600,000
1994	8,175,000	-	-	8,175,000
1995	8,680,000	-	-	8,680,000
1996-2000	55,215,000	-	-	55,215,000
2001-2005	81,765,000	-	-	81,765,000
2006-2010	121,130,000	-	-	121,130,000
2011-2015	168,355,000	-	-	168,355,000
2016	<u>32,325,000</u>	<u>-</u>	<u>-</u>	<u>32,325,000</u>
Subtotal	496,690,000	900,000	-	495,790,000
Less escrow funds	(230,980,000)	-	(622,000)	(231,602,000)
Less Discount	<u>(13,728,000)</u>	<u>(750,000)</u>	<u>-</u>	<u>(12,978,000)</u>
Total	\$ <u>251,982,000</u>	<u>150,000</u>	<u>(622,000)</u>	<u>251,210,000</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

A. Council and Public Election General Obligation Bonds

In September 1989, the City issued \$60,000,000 of General Obligation Bonds, Series of 1989. The issue consisted of \$42,710,000 of serial bonds, bearing interest at varying fixed rates ranging from 5.75% to 7% with maturities through September 1, 2010; and, \$7,290,000 of term bonds bearing interest at 7.125% maturing on September 1, 2014. The bond proceeds were used to provide funds for capital projects.

In 1983, 1985 and 1986, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust 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, 1990, bonds outstanding of \$14,720,000, \$170,990,000 and \$160,605,000 refunded by the 1983, 1985 and 1986 issues, respectively, are considered defeased.

B. Equipment Leasing Authority

In February, 1990, the Equipment Leasing Authority (ELA) issued \$14,000,000 of Equipment Revenue Bonds, Series 1990. The Bonds bear interest rates ranging from 6% to 6.5% with maturities through 1996. The purpose of the issue was to provide financing for equipment and vehicles to be leased to the City of Pittsburgh

As of December 31, 1990, future minimum lease payments under all lease agreements between the ELA and the City are as follows: (in thousands)

<u>December 31,</u>	<u>Lease Payments</u>
1991	7,051
1992	6,850
1993	4,352
1994	3,242
1995	2,839
Thereafter	<u>2,843</u>
Total	<u>\$27,177</u>

The City has executed a separate lease agreement with the ELA for each of the four outstanding bond issuances. Pursuant to these agreements, the City is required to subsidize any deficiencies of the ELA debt service fund. Additionally, at the City's option, any earnings derived from the ELA investment and salvage accounts may be used as rental credits against the scheduled lease payments. It has been City policy to fully utilize such rental credits.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

C. Auditorium Authority

In 1981, Civic Arena Corporation (CAC), a wholly owned subsidiary of The Edward J. DeBartolo Corporation, assumed operation of the Civic Arena under a sublease (the Sublease). In 1985, under an amendment to the Sublease, CAC was given a reduction of \$212,500 in each of its semi-annual rental payments. Under the supporting agreement between the City, the Auditorium Authority and the County, the City and the County are obligated to make up this reduction in the debt service requirements on the Auditorium Authority's Auditorium Bonds, Series C, presently outstanding in the amount of \$12,970,000. The Series C Auditorium Bonds are not included in the City's general long-term debt account group while Series D and E are included. In event of default, the bonds are guaranteed by the City and Allegheny County. The initial term of the Sublease is for 50 years, with five consecutive renewal periods of 10 years each. However, upon the occurrence of certain events, CAC has the option to terminate the Sublease upon six months' written notice to the Auditorium Authority, including certain events relating to the feasibility of the economic operation of the Civic Arena.

D. Stadium Authority

In April 1986, the Stadium Authority issued \$21,000,000 of Guaranteed Funding Bonds, Series 1986. The bonds bear interest at varying fixed rates increasing with the length of maturity from 5.6% to 7.625%.

The proceeds of the bond issue were used to repay the City for grants owed, expected future grants and additional operating capital.

The City has guaranteed full payment of the principal, interest and call premiums, if any, of the issue and has pledged its full faith, credit and taxing power for the payment of the obligation under a Guarantee Agreement with the Stadium Authority.

On December 18, 1985, an irrevocable trust was established to defease the 1971 Series A and 1982 Series B Bonds. Neither the trust, which has a sufficient amount on deposit to retire the Series A and B Bonds, nor the obligation is included on the Stadium Authority's balance sheet.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

At March 31, 1990, bonds outstanding of \$34,185,000 refunded by the Guaranteed Stadium Refunding Bonds, Series 1985 are considered defeased.

Under the new indenture, the Stadium Authority has pledged as collateral for the Series 1985 Bonds all rental receipts and certain other receipts along with grants received from the City. All previous indentures were voided.

E. Water and Sewer Authority

In July 1984, the Authority issued \$93,600,000 face value Daily Adjustable Demand Water and Sewer System Revenue Bonds, Series of 1984 (1984 Bonds) secured by the operating revenues of the Authority. Proceeds from the bond issue were used to finance a significant portion of the Authority's capital improvements program. As described below, on April, 1987, the 1984 Bonds were redeemed.

In April 1985, the Water and Sewer Authority issued \$100,000,000 face value Adjustable Rate Tender Revenue Bonds, Series of 1985 (1985 Bonds). Upon issuance of the 1985 Bonds, net proceeds of \$88,604,000 were deposited in an escrow account and together with the interest earnings of the escrow account were used to redeem the outstanding 1984 Bonds on April 1, 1987 and to pay the interest due on the 1985 Bonds during the escrow period. As of April 1, 1987, the Water and Sewer Authority elected a multi-annual mode for interest, fixing the rate on these bonds at 5.125% through the next tender date, September 1, 1991.

In June 1986, the Water and Sewer Authority issued \$134,700,000 face value Adjustable Rate Tender Revenue Bonds, Series of 1986 (June 1986 Bonds) and in July 1986, \$264,090,000 face value Revenue Refunding Bonds, Series of 1986 (July 1986 Bonds).

The June 1986 Bonds were issued in order to implement the second phase of the Water and Sewer Authority's capital improvements program. The bonds may bear interest at various modes including daily, weekly, semiannual, annual, multi-annual or fixed rate. As of June 1, 1988, a multi-annual mode was elected providing for 6.3% interest through September 1, 1991.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The July 1986 Bonds were issued by the Water and Sewer Authority with the intention to redeem the 1985 and June 1986 Bonds at a date not prior to September 1, 1991. Proceeds of \$241,411,000 from the issuance of the July 1986 Bonds were deposited in an escrow fund to provide for the redemption of the 1985 and June 1986 Bonds.

The July 1986 Bonds bear interest at various rates from 5.9% to 7.625%, payable March 1 and September 1 each year. The average annualized effective interest rate, excluding the amortization of deferred interest, was 7.3% for the years ended December 31, 1990 and 1989. Payment of the bonds is insured under a Municipal Bond New Issue Insurance Policy issued by Financial Guaranty Insurance Company. The bonds are subject to optional and mandatory redemption in various face amounts annually beginning September 1, 1991. Scheduled maturities of the July 1986 Bonds are as follows (in thousands):

1991	\$ 2,700
1992	4,045
1993	4,300
1994	4,575
1995	4,880
Later years	<u>243,590</u>
	\$ <u>264,090</u>

Interest cost for 1990 and 1989 on bonds payable, exclusive of letter-of-credit fees and the amortization of deferred interest, was as follows:

	<u>1990</u>	<u>1989</u>
1985 Bonds	\$ 5,009,000	\$ 5,048,000
June 1986 Bonds	8,486,000	8,486,000
July 1986 Bonds	18,608,000	18,608,000

Bond insurance premiums of \$6,480,000 and \$2,623,000 have been recorded as deferred interest. Amortization of the deferred interest plus letter-of-credit fees paid on the 1985 and June 1986 Bonds amounted to \$1,058,000 and \$1,075,000 in 1990 and 1989, respectively, and is included in interest cost.

Interest earned on funds restricted for the purpose of capital improvements, net of related interest expense, is deferred and allocated to the cost of capital assets. For the year ended December 31, 1990, the Authority deferred interest earnings of \$18,991,000 (\$23,525,000 at December 31, 1989) less interest expense of \$19,923,000 (\$23,992,000 at December 31, 1989).

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

In accordance with the provisions of the trust indentures for the bonds payable, the Water and Sewer Authority has established both trustee and non-trustee funds with assets, principally short-term investments, which are restricted for specific purposes. A summary of the balances in these funds at December 31, 1990 and 1989, is as follows:

	<u>1990</u>	<u>1989</u>
Trustee funds:		
Construction funds	\$ 74,733,000	95,507,000
Debt service funds	(3,717,000)	(2,624,000)
Renewal and replacement funds	2,378,000	2,197,000
Debt service reserve funds	24,213,000	24,003,000
Operating reserve account	<u>2,805,000</u>	<u>2,808,000</u>
	100,412,000	121,891,000
Self-insured Escrow Fund	<u>507,000</u>	<u>469,000</u>
Total trustee and restricted funds	<u>\$ 100,919,000</u>	<u>122,360,000</u>

In addition, the trust indentures require that all revenues be deposited in a Revenue fund. Amounts in the Revenue fund are to be first disbursed to other funds as provided for in the indentures.

Under the trust indentures, the Water and Sewer Authority has made certain covenants which essentially provide for rates to be set at levels sufficient to provide annually:

- (a) Funds to pay all of its current expenses;
- (b) An amount equal to 100% of the debt service requirements with respect to its bonds during the then current fiscal year; and
- (c) Funds to pay indirect expenses billed by the City and the "additional payment."

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

F. Capital Lease Obligations

From 1986 through 1990, the City of Pittsburgh entered into various agreements for the lease purchase of data processing equipment. During 1988 and 1987, the City entered into agreements for the lease purchase of street lighting fixtures and equipment. Current lease payments for both are recorded in the City's General Fund. The future minimum lease payments under these lease agreements are as follows:

	General Fund
1991	\$ 3,170,648
1992	2,530,986
1993	1,718,409
1994	598,377
1995	<u>159,310</u>
Total minimum lease payments	8,177,730
Less amount representing interest	<u>868,453</u>
Present value of net minimum lease payments	\$ <u>7,309,277</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

G. Other Long-Term Obligations

The following is a summary of transactions affecting all other long-term obligations of the City during 1990:

	Accrued pension costs	Accrued workers' compensation	Accrued compensated absences
Balance at January 1, 1990	\$ 204,787,000	69,615,000	10,949,000
Additions	6,962,000	20,541,311	13,313,000
Reductions	<u>-</u>	<u>17,452,311</u>	<u>10,949,000</u>
Balance at December 31, 1990	211,749,000	72,704,000	13,313,000
Less amounts funded currently in the General Fund	<u>-</u>	<u>12,332,000</u>	<u>13,313,000</u>
Long-term portion at December 31, 1990	\$ <u>211,749,000</u>	<u>60,372,000</u>	<u>-</u>

H. Deferred Loan

The terms of repayment to the Authority for Improvements in Municipalities for the deferred loan are not fixed and determinable. The loan plus 8% simple interest becomes payable in the event that the major league baseball franchise owned by Pittsburgh Associates is sold or if Pittsburgh Associates uses any profits generated from the operation of the major league baseball franchise to repay its economic development loan from the URA (see note 16 D).

## NOTE (10) Operating Leases

- A. The Stadium Authority has operating leases with Pittsburgh Associates, Allegheny Club and Pittsburgh Steelers Sports, Inc. Under terms of the basic agreement dated January 1, 1982, these operating leases provide for guaranteed payments of approximately \$1,160,000 annually for a 40-year period which began April 1, 1971.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

On March 23, 1989, the Authority entered into an agreement with the Commonwealth of Pennsylvania to lease certain property near Three Rivers Stadium to be used for public parking. The term of the lease is ten years renewable for four additional ten-year periods. Payments during the first year amounted to \$57,200, adjusting thereafter according to market conditions.

- B. The Water and Sewer Authority operates from leased space. Rental expense was \$84,000 and \$23,000 in 1990 and 1989, respectively. Future minimum rental commitments are as follows:

Year ended December 31

1991	\$ 175,000
1992	175,000
1993	175,000
1994	175,000
1995	95,000

- C. Commencing on April 15, 1988, the City entered into a three-year, noncancelable, operating lease for office space used for the location and operation of the City's computer systems. The lease also includes a renewal option to extend the lease for additional years up to seven years.

The City has exercised its option to extend the lease three additional years through April 14, 1994.

The minimum monthly rental payments are subject to escalation for the City's pro rata share of any increases in real estate taxes and operating expenses over those incurred in the base year of the lease agreement. Such increases will not exceed established monthly maximum cap rates.

The minimum future rental payments required by the lease are as follows:

Year ended December 31

1991	\$ 243,829
1992	252,200
1993	252,200
1994	73,600

Total rent expense under this operating lease for the year ended December 31, 1990, was \$184,609.

The City also has several operating leases for copier rental and various other small office machines.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (11) Interfund Receivable and Payable Balances

At December 31, 1990, the individual fund interfund receivable and payable balances were as follows:

	<u>Receivables</u>	<u>Payables</u>
General Fund	\$ 3,198,169	2,250,000
Special Revenue Funds:		
JTPA	71,650	1,180,748
Housing	-	2,413,887
Civic and Cultural	-	92,000
Capital Projects Funds:		
Other	1,405,941	-
Trust Funds:		
Pension	-	599,580
Agency Funds:		
Employee benefits	2,250,000	-
Payroll withholding	-	341,247
Deposits	-	40,798
Other	-	7,500
	<u>\$ 6,925,760</u>	<u>6,925,760</u>

NOTE (12) Equity Transfers Between Funds

Pursuant to authorization by City Council, ten unencumbered project balances in various funds totaling \$89,723 (summarized below) were transferred to the General Fund. In each case, the original purpose of the project had been satisfied or terminated.

<u>Transferred from</u>	<u>Amount</u>
Special Revenue Fund	\$ 34,672
Capital Projects Fund	52,593
Trust and Agency Fund	<u>2,458</u>
Transferred to General Fund	<u>\$ 89,723</u>

NOTE (13) 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.

With respect to the Stadium Authority, contributed capital is comprised of \$7,398,631 of capital contributed in support of construction of additional seating, new lounge boxes and handicapped facilities.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (14) Segment Information for Enterprise Funds

The City maintains Enterprise Funds which provide water services and operate the Stadium complex. Segment information for the year ended December 31, 1990, is as follows (in thousands):

	Water and Sewer <u>Authority</u>	Stadium <u>Authority</u>	<u>Totals</u>
Operating revenues	\$ 40,416	6,625	47,041
Depreciation and amortization	3,000	1,723	4,723
Operating income	12,652	413	13,065
Net income (loss)	(11,997)	(3,518)	(15,515)
Property, plant and equipment:			
Additions (Deletions)	21,395	109	21,504
Total assets	259,905	35,407	295,312
Bonds and other long-term liabilities net of escrowed funds and discounts	251,210	48,510	299,720
Equity (deficit):			
Contributed capital	5,277	7,399	12,676
Accumulated deficit	(17,843)	(33,404)	(51,247)

NOTE (15) Fund Deficits

The deficit of the Water and Sewer Authority is expected to be eliminated through the rate setting process. The deficit of the Stadium Authority will be subsidized through future general fund appropriations. No other individual funds had deficits in 1990.

NOTE (16) 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. At March 31, 1990, aggregate grants from the City of Pittsburgh were approximately \$8.3 million of which \$3,965,299 were made in 1990.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

- B. In 1986, the City disbursed \$20,000,000 to the URA, which is not a component unit of the City, to fund its Business Reinvestment Fund. Under the terms of a cooperation agreement between the two, these funds were then used to make a loan to a private coalition organized to acquire the asset of the Pittsburgh Athletic Company, Inc. (owner of the Pittsburgh Pirates). The URA is obligated to repay the \$20,000,000 if funds become available through the occurrence of certain events, principally the sale of the Pittsburgh Pirates major league baseball franchise.
- C. 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 as of December 31, 1990.

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, 1990, was \$1,780,257.

The second loan of \$6,819,972, with additional available borrowings of \$354,028, was made under an agreement dated April 2, 1984, for the construction of highway ramps to connect the mall with I-279. Repayment of the loan is to commence upon the transfer of the ramps to PennDot. As of December 31, 1990, the ramps had not been transferred. The term of the loan is also 27 years with an unspecified interest rate. The loan agreement calls for interest to be accrued during the period between the disbursement of funds and the commencing of the loan repayment. As of December 31, 1990, no payments had been received on this loan.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

- D. The City has entered into an intergovernmental cooperation agreement with the County of Allegheny, Pennsylvania, setting forth their mutual understandings regarding financial assistance to be provided by the County in connection with the City's efforts to retain the Pittsburgh Pirates major league baseball franchise. In connection with this agreement, the County has agreed to make annual grants through the year 2011 to the Authority for Improvements in Municipalities (AIM) in an amount equal to (a) all County real estate taxes generated by virtue of the taxability of Three Rivers Stadium and (b) \$426,000. AIM has agreed to make annual grants equal to the amounts described in (a) above and deferred loans of \$426,000 to the City for projects and facilities located within the City (see note 8G). The sale of the Stadium to private owners has not taken place. Accordingly, no amounts were due under (a) above.
- E. The City is responsible for the billings and collections of the Water and Sewer Authority's water charges. At December 31, 1990 and 1989, respectively, the reserve for uncollectible accounts and City water usage was \$16,753,000 and \$15,993,000, which includes \$8,120,000 recorded prior to the inception of the Authority.

NOTE (17) Stadium Management Agreement

In conjunction with the Stadium agreements dated January 1, 1982, the Authority agreed to manage and maintain Three Rivers Stadium. The Authority, in turn, has engaged Spectacor Management (Spectacor) to act as the managing body and agent of the Stadium complex subject to the provisions of the Stadium agreements and the Public Auditorium Authorities Law.

Under the terms of the agreement with Spectacor, the Authority was required to pay a management fee of \$264,688 and \$262,500 for the year ending January 31, 1990 and 1989, respectively. In addition to the management fee, Spectacor receives a percentage of adjusted gross income from extra events held at the Stadium other than major league baseball games and National Football League games.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (18) Commitments

In 1984, the Water and Sewer Authority adopted a seven-year Capital Improvements Program budgeted to cost approximately \$194 million. As of December 31, 1990, \$121 million has been spent, and an additional \$22 million has been committed for noncancelable construction contracts.

In September 1986, the Water and Sewer Authority entered into an agreement with Pennsylvania American Water Company (PAWC) (formerly West Penn Water Company) to provide four to twelve million gallons of water per day at normal bulk rates for resale to PAWC customers. Sales of water under this agreement commenced in April 1988 for an initial term of ten years. Sales to PAWC amounted to \$2,464,000 and \$2,304,000 in 1990 and 1989, respectively.

NOTE (19) 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 provision has been made in the general fund for such lawsuits.

In addition, 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.

On May 15, 1986, the Stadium Authority entered into an amendment to the 1973 Concession Services Agreement whereby the concessionaire has agreed to expend approximately \$1,500,000 for the purchase and installation of leasehold improvements, trade fixtures and food service equipment in the stadium. In the event that the Agreement is terminated or reaches expiration (1998), the Stadium Authority may be liable to the concessionaire for the concessionaire's unamortized balance of the improvements. The concessionaire's improvements are to be amortized ratably over 15 years adjusted for certain levels of attendance.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

NOTE (20) SUBSEQUENT EVENTSA. Series 1991 General Obligation Notes

In March 1991, the City issued General Obligation Notes, Series of 1991 A in the amount of \$30,000,000. The notes, dated February 15, 1991, bear a 5.25% interest rate and mature on November 15, 1991. The purpose of note issue was to finance a portion of the City's Capital Improvement Program.

The notes are not subject to redemption prior to maturity. It is the intent of the City to repay the notes with the proceeds of its anticipated \$60,000,000 General Obligation Bonds expected to be issued in the fall of 1991.

B. Equipment Leasing Authority Revenue Bonds

In June 1991, the Equipment Leasing Authority issued \$14,000,000 of Equipment Revenue Bonds, Series of 1991. The issue consists of \$14,000,000 of serial bonds bearing interest at varying fixed rates ranging from 4.55% to 6.05% with maturities through July 1, 1997. Principal and interest maturities begin on January 1, 1992. The purpose of this issue is to provide financing for the acquisition of equipment to be leased to the City.

The City has executed a lease agreement dated May, 1991, with the Authority which provides for the following lease rental payments to be paid to the Authority by the City:

<u>Year ending</u> <u>December 31</u>	<u>Rental</u> <u>Payments</u>
1991	\$ -0-
1992	2,853,523
1993	2,794,800
1994	2,790,703
1995	2,794,544
Thereafter	<u>5,586,341</u>
Total	\$ <u>16,819,911</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Notes to General Purpose Financial Statements

The lease provides for rental credits which may be applied, at the City's option, against the rental payments due under the lease agreement. These credits are largely comprised of earnings generated from the Authority's Salvage and Investment Accounts.

It is the City's intent to fully utilize all available credits under the lease agreement.

C. Proposed Refunding of Debt

In July 1991, the PWSA plans to issue approximately \$226,605,000 of new bonds, the proceeds of which, together with certain trustee and non-trustee funds on hand, will be used to redeem the 1985 and June 1986 Bonds on September 1, 1991. Funds available in the July 1986 escrow fund which were originally intended to be used to redeem the 1985 and June 1986 Bonds are now expected to be deposited, together with additional amounts from the Authority's available funds, in an irrevocable trust to defease the July 1986 Bonds.

The proposed refunding transaction is expected to result in a current accounting loss of approximately \$7,000,000, which will be recognized when the refunding occurs. However, the Authority expects to realize an economic gain as a result of reduced future debt service requirements.

## CITY OF PITTSBURGH, PENNSYLVANIA

## Pension Trust Funds Revenues by Source

Last Eight Fiscal Years  
(in thousands)

<u>Fiscal Year*</u>	<u>Participants' Contributions</u>	<u>Employer Contributions</u>	<u>State Contributions</u>	<u>Investment Income</u>	<u>Miscellaneous</u>	<u>Total</u>
1983	\$6,522	14,797	4,095	1,046	2	26,462
1984	6,594	19,305	6,106	2,012	28	34,045
1985	6,854	12,627	8,684	4,139	28	32,332
1986	6,853	16,595	12,228	4,519	28	40,223
1987	6,514	16,394	16,624	6,038	22	45,592
1988	7,253	17,176	28,170	2,978	28	55,605
1989	8,060	9,099	28,377	6,013	1	51,550
1990	8,072	7,738	20,272	4,280	51	40,413

\*Information for years prior to 1983 is not available.

CITY OF PITTSBURGH, PENNSYLVANIA  
Pension Trust Fund Expenses by Type  
Last Eight Fiscal Years  
(in thousands)

<u>Fiscal year(*)</u>	<u>Benefit payments</u>	<u>Administrative expenses</u>	<u>Fees for professional services</u>	<u>Total</u>
1983	\$ 22,593	264	46	22,903
1984	24,867	309	180	25,356
1985	26,711	315	143	27,169
1986	28,406	338	283	29,027
1987	30,871	379	331	31,581
1988	33,219	416	241	33,876
1989	35,860	748	294	36,902
1990	37,053	1,460	325	38,838

\* Information for years prior to 1983 is not available.

CITY OF PITTSBURGH, PENNSYLVANIA  
Analysis of Pension Funding Progress

Last Eight Fiscal Years  
(in thousands)

<u>Fiscal Year*</u>	<u>Net Assets Available For Benefit</u>	<u>Pension Benefit Obligation</u>	<u>Percentage Funded</u>	<u>Unfunded Pension Benefit Obligation</u>	<u>Annual Covered Payroll</u>	<u>Unfunded Pension Benefit Obligation As A Percentage of Annual Covered Payroll</u>
1983	\$18,215	360,446	5.1%	342,231	125,000	273.8%
1984	24,470	362,830	6.7%	338,360	130,500	259.3%
1985	33,154	418,039	7.9%	384,885	132,900	289.6%
1986	38,322	432,420	8.9%	394,098	132,700	297.0%
1987	48,740	453,065	10.8%	404,325	127,600	316.9%
1988	61,960	469,366	13.2%	407,406	135,000	301.8%
1989	68,551	492,339	13.9%	423,788	124,600	340.1%
1990	82,227	492,546	16.7%	410,319	136,200	301.3%

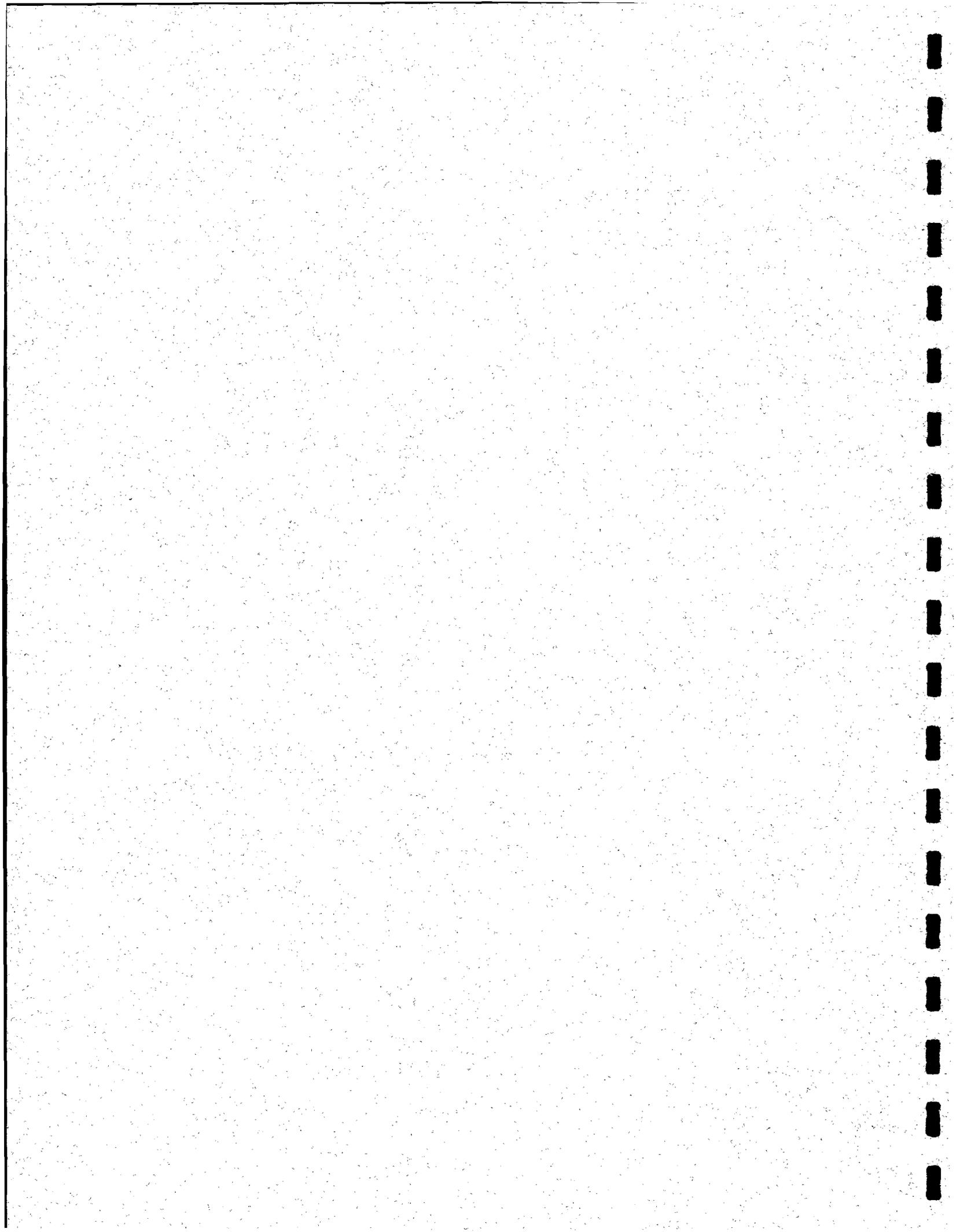
\*Information for years prior to 1983 is not available.

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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

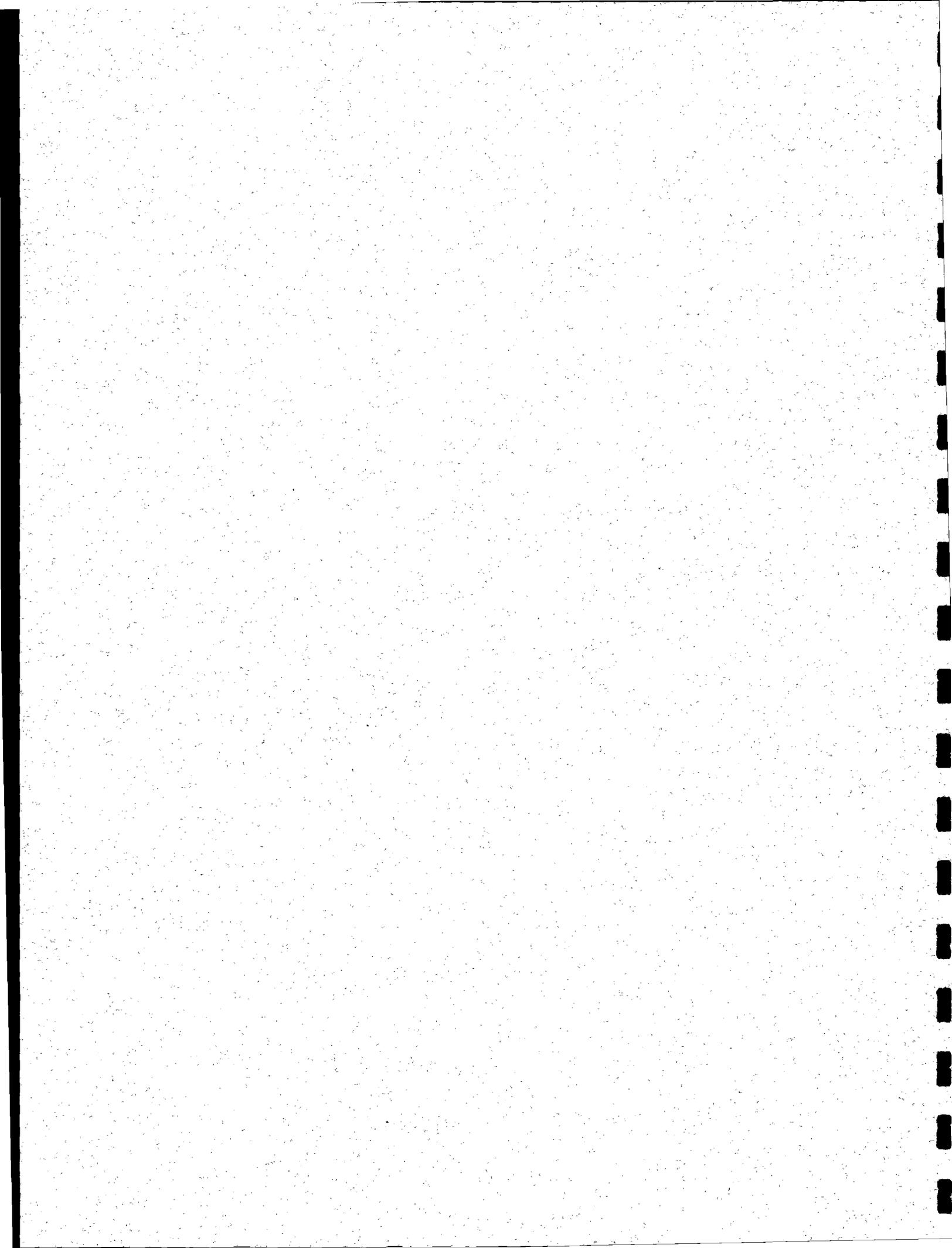


# GENERAL FUND

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

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

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



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

BALANCE SHEET

DECEMBER 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and investments, at cost which approximates market	\$ 36,418,103	31,046,685
Receivables:		
Real estate taxes (net of allowance for uncollectible accounts of \$17,442,194 in 1990 and \$16,368,725 in 1989)	5,898,132	4,812,521
Sewage charges (net of allowance for uncollectible accounts of \$3,161,000 in 1990 and \$3,575,000 in 1989)	1,486,543	1,090,128
Personal property taxes (net of allowance for uncollectible accounts of \$282,000 in 1990 and \$275,000 in 1989)	33,767	27,700
Receivable from PWSA	12,533,783	-
Accrued interest	61,792	59,322
Other	2,637,206	2,167,212
Prepaid expenses and other assets	2,135,279	2,001,287
Due from other funds	3,198,169	3,955,564
Inventories, at cost	<u>1,730,673</u>	<u>2,980,251</u>
Total assets	\$ <u>66,133,447</u>	<u>48,140,670</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	7,936,938	5,601,645
Accrued liabilities	8,360,545	7,717,262
Due to other funds	2,250,000	2,284,095
Due to other governments	3,441,712	976,882
Accrued workers' compensation	12,332,000	11,025,000
Accrued compensated absences	13,313,000	10,495,000
Deferred revenue, principally real estate taxes	<u>7,007,407</u>	<u>4,499,098</u>
Total liabilities	<u>54,641,602</u>	<u>42,598,982</u>
Fund balance:		
Reserved:		
Inventories	1,730,673	2,980,251
Encumbrances	1,923,339	1,856,510
Employee benefits	1,591,155	1,614,968
PWSA benefits receivable	7,350,000	-
Unreserved:		
Undesignated	<u>(1,103,322)</u>	<u>(910,041)</u>
Total fund balance	<u>11,491,845</u>	<u>5,541,688</u>
Total liabilities and fund balance	\$ <u>66,133,447</u>	<u>48,140,670</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Statement of Revenues, Expenditures and  
Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
<b>Revenues:</b>		
Taxes, including penalty and interest	\$ 235,257,297	220,733,176
Interest and dividends	5,592,501	7,648,576
Fines and forfeits	5,411,995	4,392,875
Licenses and fees	13,045,921	11,562,149
Pittsburgh Zoo receipts	1,469,624	1,479,290
Intergovernmental revenues	3,296,127	4,722,865
Miscellaneous	<u>1,704,659</u>	<u>1,279,681</u>
Total revenues	<u>265,778,124</u>	<u>251,818,612</u>
<b>Expenditures:</b>		
Current operating:		
General government	17,549,519	15,646,592
Public safety	107,383,440	100,663,810
Public works	28,813,394	26,692,698
Sanitation	15,070,282	14,186,732
Community, recreation and cultural programs	20,444,641	18,848,251
Employee benefits	45,003,247	42,566,932
Claims and judgements	656,403	646,903
Miscellaneous	2,991,486	2,377,023
Debt service:		
Principal retirement of capital leases	2,664,786	2,538,877
Interest on capital leases	669,631	681,302
Stadium Authority subsidy	2,218,204	2,145,269
Public Auditorium Authority subsidy	<u>1,293,017</u>	<u>1,080,546</u>
Total expenditures	<u>244,758,050</u>	<u>228,074,935</u>
Excess of revenues over expenditures	<u>21,020,074</u>	<u>23,743,677</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Statement of Revenues, Expenditures and  
Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Other financing sources (uses) :		
Capital lease obligation proceeds	\$ 2,587,999	1,691,443
Deferred loan proceeds	426,000	426,000
Operating transfers from trust and agency funds	5,000,000	5,000,000
Operating transfers from enterprise funds	22,010,000	7,532,000
Operating transfers from special revenue funds	385,500	352,760
Operating transfers to special revenue funds	(2,555,050)	(4,754,164)
Operating transfers to debt service funds	(37,968,224)	(33,748,287)
Operating transfers to trust and agency funds	<u>(5,045,865)</u>	<u>(3,397,918)</u>
Total other financing uses	<u>(15,159,640)</u>	<u>(26,898,166)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>5,860,434</u>	<u>(3,154,489)</u>
Fund balance, beginning of year	5,541,688	6,391,660
Residual equity transfer from trust funds	2,458	3,241
Residual equity transfer from special revenue funds	34,672	1,463,882
Residual equity transfer from capital project funds	<u>52,593</u>	<u>837,394</u>
Fund balance, end of year	\$ <u>11,491,845</u>	<u>5,541,688</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual Data on the  
Budgetary Basis - General FundFor the Year Ended December 31, 1990  
(with comparative actual amounts for the year ended December 31, 1989)

	1990		Variance - favorable (unfavorable)	1989 Actual
	Budget as amended	Actual		
<b>Revenues:</b>				
Taxes, including penalty and interest	\$ 233,049,000	240,016,467	6,967,467	221,837,758
Interest earnings	6,000,000	5,488,147	(511,853)	7,603,132
Fines and Forfeits	4,900,000	5,404,873	504,873	4,416,539
Licenses and fees	12,420,000	12,448,531	28,531	11,219,663
Pittsburgh Zoo receipts	1,550,000	1,456,819	(93,181)	1,464,915
Water and Sewer Authority reimbursements and transfers	31,802,314	34,740,237	2,937,923	28,232,781
Intergovernmental revenues	5,447,747	5,285,667	(162,080)	6,781,150
Miscellaneous	2,700,000	2,947,537	247,537	4,298,746
Retirement Benefit Trust Fund reimbursement	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>	<u>5,000,000</u>
Total revenues	<u>302,869,061</u>	<u>312,788,278</u>	<u>9,919,217</u>	<u>290,854,684</u>
<b>Expenditures:</b>				
Current operating				
General government	24,734,255	21,172,577	3,561,678	19,308,790
Public safety	109,671,337	104,244,112	5,427,225	97,843,971
Public works	38,975,171	35,001,008	3,974,163	37,121,099
Sanitation	15,192,785	14,351,517	841,268	13,800,338
Water	17,230,485	15,584,003	1,646,482	14,053,116
Community, recreation and cultural programs	22,565,319	21,160,369	1,404,950	19,933,174
Employee benefits	49,526,801	47,862,619	1,664,182	47,969,456
Claims and judgements	716,785	466,144	250,641	599,903
Miscellaneous	13,364,094	11,326,299	2,037,795	11,577,733
Debt Service:				
Principal retirements	11,680,000	11,390,000	290,000	9,875,000
Interest and fiscal charges	24,668,000	23,588,514	1,079,486	19,219,742
Stadium Authority subsidy	2,218,409	2,218,204	205	3,145,269
Public Auditorium authority subsidy	<u>1,294,676</u>	<u>1,293,017</u>	<u>1,659</u>	<u>1,261,722</u>
Total expenditures	<u>331,838,117</u>	<u>309,658,383</u>	<u>22,179,734</u>	<u>295,709,313</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Revenues, Expenditures and  
Changes in Fund Balances - Budget and Actual Data on the Budgetary  
Basis - General FundFor the Year Ended December 31, 1990  
(Continued)

	1990		Variance - favorable (unfavorable)	1989 Actual
	Budget as amended	Actual		
Excess (deficiency) of revenues over expenditures	(28,969,056)	3,129,895	32,098,951	(4,854,629)
Fund balances - budgetary basis, beginning of year	<u>28,969,056</u>	<u>29,558,428</u>	<u>589,372</u>	<u>34,413,057</u>
Fund balances - budgetary basis, end of year	\$ <u>-</u>	<u>32,688,323</u>	<u>32,688,323</u>	<u>29,558,428</u>
Adjustment to generally accepted accounting principles (GAAP) basis (Note 2):				
Cumulative difference between budgetary basis and GAAP basis, beginning of year		(24,016,740)		(28,021,396)
Net effect of GAAP basis recognition of revenues		(4,908,918)		407,730
Net effect of GAAP basis recognition of expenditures		(2,321,024)		3,964,414
Net effect of GAAP basis recognition of other financing sources		<u>10,050,204</u>		<u>(367,488)</u>
Fund balances - GAAP basis, end of year		\$ <u>11,491,845</u>		<u>5,541,688</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Schedule of Revenues  
Compared with Budget (Budgetary Basis)

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

	<u>1990</u>		Variance favorable (unfavorable)	1989 <u>revenues</u>
	<u>Budget</u>	<u>Actual</u>		
<b>Taxes:</b>				
Real Estate	\$ 119,300,000	118,494,461	(805,539)	96,129,763
Payment in lieu of taxes	1,560,000	1,684,986	124,986	1,100,510
Mercantile	6,750,000	6,694,489	(55,511)	6,501,590
Amusement	8,000,000	8,981,886	981,886	7,564,001
Personal property	2,350,000	2,626,592	276,592	2,339,850
Earned income	35,500,000	40,112,789	4,612,789	54,066,987
Deed transfer	7,000,000	5,857,025	(1,142,975)	6,271,954
Sewage Charges	1,365,000	1,500,331	135,331	964,621
Parking	15,700,000	17,324,881	1,624,881	14,210,345
Occupation privilege	3,150,000	3,196,493	46,493	3,071,911
Business privilege	27,500,000	28,206,103	706,103	25,284,730
Institution and service privilege	300,000	341,352	41,352	216,423
Public service	211,000	220,208	9,208	213,554
Cable franchise privilege	363,000	363,000	-	352,494
Penalties and interest	<u>4,000,000</u>	<u>4,411,871</u>	<u>411,871</u>	<u>3,549,025</u>
 Total taxes, including penalty and interest	 <u>233,049,000</u>	 <u>240,016,467</u>	 <u>6,967,467</u>	 <u>221,837,758</u>
 Interest earnings	 6,000,000	 5,488,147	 (511,853)	 7,603,132
Fines and forfeits	4,900,000	5,404,873	504,873	4,416,539
 <b>Licenses and Fees:</b>				
Liquor and malt beverage	450,000	442,675	(7,325)	462,376
Business	1,020,000	864,430	(155,570)	980,506
General government	1,650,000	1,816,974	166,974	1,573,452
Fees	<u>9,300,000</u>	<u>9,324,452</u>	<u>24,452</u>	<u>8,203,329</u>
 Total licenses and fees	 <u>12,420,000</u>	 <u>12,448,531</u>	 <u>28,531</u>	 <u>11,219,663</u>
 Pittsburgh Zoo receipts	 1,550,000	 1,456,819	 (93,181)	 1,464,915
Public Parking Authority	700,000	700,000	-	2,000,000
Water and Sewer Authority reimbursements and transfers	31,802,314	34,740,237	2,937,923	28,232,781
Intergovernmental revenues	4,747,747	4,585,667	(162,080)	4,781,150
Miscellaneous	2,700,000	2,947,537	247,537	4,298,746
Pension Trust Fund reimbursement	<u>5,000,000</u>	<u>5,000,000</u>	<u>-</u>	<u>5,000,000</u>
 Total revenues	 <u>302,869,061</u>	 <u>312,788,278</u>	 <u>9,919,217</u>	 <u>290,854,684</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Schedule of Expenditures  
Compared with Budget (Budgetary Basis)

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

	1990			
	Budget appropriations as amended	Expenditures	Variance favorable (unfavorable)	1989 expenditures
Current operating:				
General government:				
City Council and City Clerk's Office:				
City Council	\$ 1,383,410	1,298,769	84,641	1,051,185
City Clerk's Office	<u>751,918</u>	<u>671,410</u>	<u>80,508</u>	<u>588,228</u>
	<u>2,135,328</u>	<u>1,970,179</u>	<u>165,149</u>	<u>1,639,413</u>
Mayor's Office:				
Office of the Mayor	2,030,128	1,782,696	247,432	1,753,428
City Information Systems	<u>6,157,273</u>	<u>5,356,709</u>	<u>800,564</u>	<u>4,753,321</u>
	<u>8,187,401</u>	<u>7,139,405</u>	<u>1,047,996</u>	<u>6,506,749</u>
Municipal Courts	1,196,763	1,029,451	167,312	951,664
Commission on Human Relations	456,318	398,850	57,468	385,815
Department of City Controller	2,819,321	2,393,776	425,545	2,252,730
Department of Finance	3,871,227	3,454,127	417,100	3,308,050
Department of Law	2,095,293	1,754,935	340,358	1,518,257
Department of Personnel and Civil Service Commission	1,978,389	1,390,745	587,644	1,373,063
Department of City Planning	<u>1,994,215</u>	<u>1,641,109</u>	<u>353,106</u>	<u>1,373,049</u>
Total general government	\$ <u>24,734,255</u>	<u>21,172,577</u>	<u>3,561,678</u>	<u>19,308,790</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Schedule of Expenditures  
Compared with Budget (Budgetary Basis)

(Continued)

	<u>Budget</u> <u>appropriations</u> <u>as amended</u>	<u>1990</u> <u>Expenditures</u>	<u>Variance</u> <u>favorable</u> <u>(unfavorable)</u>	<u>1989</u> <u>expenditures</u>
Public safety:				
Department of Public Safety:				
Bureau of Administration	\$ 6,173,658	5,804,591	369,067	5,505,361
Bureau of Emergency Medical Services	6,626,504	6,223,137	403,367	5,951,132
Bureau of Police	53,898,455	51,188,834	2,709,621	47,164,753
Bureau of Fire and Building Inspection	<u>42,972,720</u>	<u>41,027,550</u>	<u>1,945,170</u>	<u>39,222,725</u>
Total public safety	<u>109,671,337</u>	<u>104,244,112</u>	<u>5,427,225</u>	<u>97,843,971</u>
Public works:				
Department of General Services:				
General Office	6,254,115	5,945,613	308,502	4,998,443
Bureau of Fleet Management	12,507,065	10,712,676	1,794,389	14,143,865
Bureau of Repairs and Operating Maintenance	<u>3,281,463</u>	<u>3,004,735</u>	<u>276,728</u>	<u>2,841,636</u>
	<u>22,042,643</u>	<u>19,663,024</u>	<u>2,379,619</u>	<u>21,983,944</u>
Department of Public Works:				
Bureau of Administration	8,322,008	7,513,834	808,174	7,082,576
Streets and Sewers	<u>8,424,255</u>	<u>7,662,326</u>	<u>761,929</u>	<u>7,924,882</u>
	<u>16,746,263</u>	<u>15,176,160</u>	<u>1,570,103</u>	<u>15,007,458</u>
Department of Engineering and Construction	<u>186,265</u>	<u>161,824</u>	<u>24,441</u>	<u>129,697</u>
Total public works	\$ <u>38,975,171</u>	<u>35,001,008</u>	<u>3,974,163</u>	<u>37,121,099</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Schedule of Expenditures  
Compared with Budget (Budgetary Basis)

(Continued)

	1990			
	Budget appropriations <u>as amended</u>	<u>Expenditures</u>	Variance favorable <u>(unfavorable)</u>	1989 <u>expenditures</u>
Sanitation:				
Department of Environmental Services:				
General Office	\$ 2,380,328	2,321,054	59,274	2,207,912
Division of Collection and Disposition	12,083,036	11,355,832	727,204	10,960,623
Animal Control Division	463,460	430,851	32,609	395,567
Rodent Control Division	<u>265,961</u>	<u>243,780</u>	<u>22,181</u>	<u>236,236</u>
Total sanitation	<u>15,192,785</u>	<u>14,351,517</u>	<u>841,268</u>	<u>13,800,338</u>
Water:				
Department of Water:				
Bureau of Administration	5,833,434	5,125,475	707,959	4,165,189
Purification	6,274,300	5,878,065	396,235	5,952,430
Distribution	4,938,957	4,466,072	472,885	3,788,686
Engineering	<u>183,794</u>	<u>114,391</u>	<u>69,403</u>	<u>146,811</u>
Total water	<u>17,230,485</u>	<u>15,584,003</u>	<u>1,646,482</u>	<u>14,053,116</u>
Community, recreation and cultural programs:				
Department of Parks and recreation:				
Bureau of Administration	4,480,004	4,161,902	318,102	4,091,438
Conservatory	1,060,192	901,356	158,836	885,665
Bureau of Maintenance	6,337,062	5,844,871	492,191	5,487,479
Bureau of Recreational Activities	<u>2,962,256</u>	<u>2,670,340</u>	<u>291,916</u>	<u>2,561,807</u>
Carried forward	\$ <u>14,839,514</u>	<u>13,578,469</u>	<u>1,261,045</u>	<u>13,026,389</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Schedule of Expenditures  
Compared with Budget (Budgetary Basis)

(Continued)

	1990			1989 expenditures
	Budget appropriations as amended	Expenditures	Variance favorable (unfavorable)	
Brought Forward	\$ 14,839,514	13,578,469	1,261,045	13,026,389
Zoological Parks Commission	2,147,650	2,003,745	143,905	1,928,530
Carnegie Library	5,020,155	5,020,155	-	4,445,155
Carnegie Museum	525,000	525,000	-	491,600
Other	<u>33,000</u>	<u>33,000</u>	<u>-</u>	<u>41,500</u>
Total community, recreation and cultural programs	<u>22,565,319</u>	<u>21,160,369</u>	<u>1,404,950</u>	<u>19,933,174</u>
Employee benefits:				
Pensions	12,931,050	12,783,809	147,241	12,492,500
Workers' compensation	1,441,431	1,268,225	173,206	1,343,361
Health insurance	25,232,185	24,149,760	1,082,425	25,250,000
Group insurance	1,252,125	1,125,000	127,125	815,000
Social security	6,000,010	5,994,508	5,502	5,657,582
Personal leave buy back	1,270,000	1,200,882	69,118	1,136,371
Severance pay	<u>1,400,000</u>	<u>1,340,435</u>	<u>59,565</u>	<u>1,274,642</u>
Total employee benefits	<u>49,526,801</u>	<u>47,862,619</u>	<u>1,664,182</u>	<u>47,969,456</u>
Claims and judgments	<u>716,785</u>	<u>466,144</u>	<u>250,641</u>	<u>599,903</u>
Miscellaneous:				
Postage	884,644	884,505	139	897,635
Refunds	2,155,623	2,145,354	10,269	1,075,988
Purchase of delinquent sewage charges	1,525,769	1,454,262	71,507	1,156,029
Spending authorized in prior years	<u>8,798,058</u>	<u>6,842,178</u>	<u>1,955,880</u>	<u>8,448,081</u>
Total miscellaneous	\$ <u>13,364,094</u>	<u>11,326,299</u>	<u>2,037,795</u>	<u>11,577,733</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
GENERAL FUND

Schedule of Expenditures  
Compared with Budget (Budgetary Basis)

(Continued)

	1990			
	Budget		Variance	1989
	appropriations	Expenditures	favorable	Expenditures
	<u>as amended</u>		(unfavorable)	
Debt Service:				
Principal retirements	\$ 11,680,000	11,390,000	290,000	9,875,000
Interest and fiscal charges	24,668,000	23,588,514	1,079,486	19,219,742
Stadium Authority subsidy	2,218,409	2,218,204	205	3,145,269
Public Auditorium Authority subsidy	<u>1,294,676</u>	<u>1,293,017</u>	<u>1,659</u>	<u>1,261,722</u>
Total debt service	<u>39,861,085</u>	<u>38,489,735</u>	<u>1,371,350</u>	<u>33,501,733</u>
Total expenditures	\$ <u>331,838,117</u>	<u>309,658,383</u>	<u>22,179,734</u>	<u>295,709,313</u>

# SPECIAL REVENUE FUNDS

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

The following funds are included in this fund type:

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

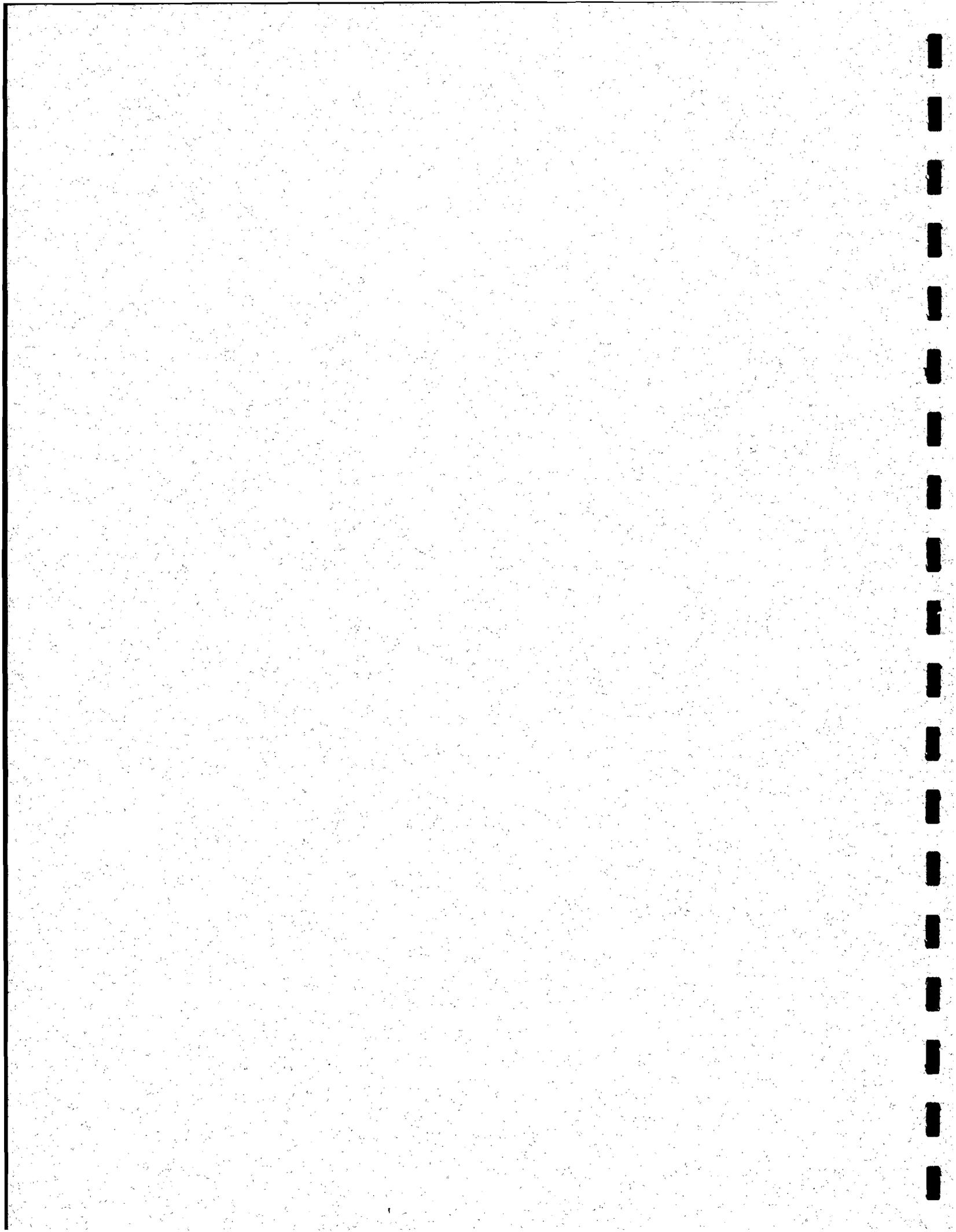
**Liquid Fuels Tax** - to account for the receipt and expenditure of the City's share of the proceeds from the State's Gasoline Tax.

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

**Law Enforcement** - to account for the receipt and expenditures of funds from various sources for support services for local law enforcement agencies.

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

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



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
SPECIAL REVENUE FUNDS

Combining Balance Sheet

December 31, 1990  
(with comparative for December 31, 1989)

<u>ASSETS</u>	<u>Federal Revenue Sharing</u>	<u>Equipment Leasing Authority</u>	<u>Liquid Fuel Tax</u>	<u>JTPA</u>
Cash and short-term investments, at cost which approximates market \$	-	6,065,831	596,909	633,518
Receivables:				
Accrued interest	-	25,419	123	-
Other	-	-	-	-
Due from general	-	-	-	-
Due from other special revenue funds	-	-	-	71,650
Due from capital projects funds	-	-	-	-
Due from other governments	-	-	263,450	1,254,981
	-	-	-	-
Total assets	<u>-</u>	<u>6,091,250</u>	<u>860,482</u>	<u>1,960,149</u>
 <u>LIABILITIES AND FUND BALANCES</u> 				
Liabilities:				
Accounts payable	-	666,448	26,307	713,611
Accrued liabilities	-	-	311,513	41,219
Retainage Payable	-	-	-	-
Due to general fund	-	-	-	1,180,748
Due to other special revenue funds	-	-	-	-
Due to capital projects fund	-	-	-	-
	-	-	-	-
Total liabilities	<u>-</u>	<u>666,448</u>	<u>337,820</u>	<u>1,935,578</u>
Fund balances:				
Reserved for encumbrances	-	-	-	-
Unreserved				
Designated for subsequent years' expenditures	-	-	-	-
Undesignated	-	5,424,802	522,662	24,571
	-	-	-	-
Total fund balance	<u>-</u>	<u>5,424,802</u>	<u>522,662</u>	<u>24,571</u>
Total liabilities and fund balances \$	<u>-</u>	<u>6,091,250</u>	<u>860,482</u>	<u>1,960,149</u>

<u>Law Enforcement</u>	<u>Housing</u>	<u>Civic and Cultural Enrichment</u>	<u>Nonresident Charges</u>	<u>Totals</u>	
				<u>1990</u>	<u>1989</u>
1,061,730	194,434	3,918,572	-	12,470,994	12,899,573
-	-	67,123	-	92,665	208,599
-	-	365,575	-	365,575	335,836
-	-	-	-	-	184,095
-	-	-	-	71,650	70,171
-	-	-	-	-	-
<u>292,390</u>	<u>2,727,333</u>	<u>288,442</u>	-	<u>4,826,596</u>	<u>6,898,205</u>
<u>1,354,120</u>	<u>2,921,767</u>	<u>4,639,712</u>	-	<u>17,827,480</u>	<u>20,596,479</u>
55,089	381,849	131,285	-	1,974,589	5,446,265
35,094	-	55,124	-	442,950	451,068
-	32,792	-	-	32,792	-
-	936,296	92,000	-	2,209,044	2,708,601
-	71,650	-	-	71,650	70,171
-	<u>1,405,941</u>	-	-	<u>1,405,941</u>	<u>1,205,678</u>
<u>90,183</u>	<u>2,828,528</u>	<u>278,409</u>	-	<u>6,136,966</u>	<u>9,881,783</u>
234,044	1,375	329,765	-	565,184	416,400
57,413	-	333,137	-	390,550	353,902
<u>972,480</u>	<u>91,864</u>	<u>3,698,401</u>	-	<u>10,734,780</u>	<u>9,944,394</u>
<u>1,263,937</u>	<u>93,239</u>	<u>4,361,303</u>	-	<u>11,690,514</u>	<u>10,714,696</u>
<u>1,354,120</u>	<u>2,921,767</u>	<u>4,639,712</u>	-	<u>17,827,480</u>	<u>20,596,479</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
SPECIAL REVENUE FUNDS

Combining Statement Of Revenues,  
Expenditures and Changes in Fund Balances

December 31, 1990  
(with comparative totals for December 31, 1989)

	Federal Revenue Sharing	Equipment Leasing Authority	Liquid Fuel Tax	JTPA
<b>Revenues:</b>				
Interest earnings	\$ -	893,825	184,292	-
Rentals	-	-	-	-
Intergovernmental revenues	-	-	4,370,888	6,900,482
Charges for user services	-	-	-	-
Miscellaneous	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	-	<u>893,825</u>	<u>4,555,180</u>	<u>6,900,482</u>
<b>Expenditures:</b>				
Current operating:				
General government	-	135,961	-	-
Public safety	-	-	-	-
Public works	-	-	4,429,015	-
Community, recreation & cultural programs	-	-	-	-
Intergovernmental programs	-	-	-	7,324,325
Capital Projects	-	8,058,125	-	-
Debt service-lease payments	-	<u>83,258</u>	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	-	<u>8,277,344</u>	<u>4,429,015</u>	<u>7,324,325</u>
Excess (deficiency) of revenues over expenditures	-	<u>(7,383,519)</u>	<u>126,165</u>	<u>(423,843)</u>
<b>Other financing sources (uses):</b>				
Bond sale proceeds	-	13,912,500	-	-
Proceeds from fixed asset dispositions	-	679,848	-	-
Operating transfers from other funds	-	224,336	-	423,843
Operating transfers to other funds	-	<u>(7,565,124)</u>	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	<u>7,251,560</u>	-	<u>423,843</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(131,959)	126,165	-
Fund balances, beginning of year	-	5,556,761	396,497	24,571
Equity transfers from (to) other funds	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances, end of year	\$ -	<u>5,424,802</u>	<u>522,662</u>	<u>24,571</u>

<u>Law Enforcement</u>	<u>Housing</u>	<u>Civic and Cultural Enrichment</u>	<u>Nonresident Charges</u>	<u>Totals</u>	
				<u>1990</u>	<u>1989</u>
-	-	142,445	-	1,220,562	1,169,537
-	-	-	-	-	-
2,029,721	16,625,789	2,373,023	-	32,299,903	35,817,552
-	-	2,429,744	-	2,429,744	2,131,374
-	-	-	-	-	4,000
<u>2,029,721</u>	<u>16,625,789</u>	<u>4,945,212</u>	<u>-</u>	<u>35,950,209</u>	<u>39,122,463</u>
-	7,874,825	58,852	-	8,069,638	7,784,770
1,805,978	-	8,507	-	1,814,485	1,607,233
-	1,427,399	1,270,781	-	7,127,195	7,871,850
-	1,101,315	3,302,370	-	4,403,685	3,432,929
-	7,161,339	86,507	-	14,572,171	20,024,649
-	-	-	-	8,058,125	6,860,484
-	-	-	-	83,258	-
<u>1,805,978</u>	<u>17,564,878</u>	<u>4,727,017</u>	<u>-</u>	<u>44,128,557</u>	<u>47,581,915</u>
<u>223,743</u>	<u>(939,089)</u>	<u>218,195</u>	<u>-</u>	<u>(8,178,348)</u>	<u>(8,459,452)</u>
-	-	-	-	13,912,500	-
-	-	-	-	679,848	341,616
564,823	983,119	439,265	-	2,635,386	4,841,640
-	-	(473,772)	-	(8,038,896)	(1,990,992)
<u>564,823</u>	<u>983,119</u>	<u>(34,507)</u>	<u>-</u>	<u>9,188,838</u>	<u>3,192,264</u>
788,566	44,030	183,688	-	1,010,490	(5,267,188)
493,227	49,209	4,194,431	-	10,714,696	17,445,766
(17,856)	-	(16,816)	-	(34,672)	(1,463,882)
<u>1,263,937</u>	<u>93,239</u>	<u>4,361,303</u>	<u>-</u>	<u>11,690,514</u>	<u>10,714,696</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
FEDERAL REVENUE SHARING FUNDS

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ <u>-</u>	<u>-</u>
Total assets	<u><u>-</u></u>	<u><u>-</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Fund balance:		
Designated for subsequent years' expenditures	-	-
Undesignated	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	\$ <u><u>-</u></u>	<u><u>-</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
FEDERAL REVENUE SHARING FUNDS

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Interest earnings	\$ -	-
Intergovernmental revenues- federal	<u>-</u>	<u>-</u>
Total revenues	<u>-</u>	<u>-</u>
Expenditures:		
Public safety:		
Department of Public Safety:		
Bureau of Police	-	11,434
Miscellaneous	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>11,434</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(11,434)</u>
Fund balance, beginning of year	-	11,434
Equity transfers to general fund	<u>-</u>	<u>-</u>
Fund balance, end of year	\$ <u><u>-</u></u>	<u><u>-</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
EQUIPMENT LEASING AUTHORITY

Balance Sheet

December 31, 1990

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 6,065,831	6,469,357
Accrued interest receivable	25,419	41,566
Due from general fund	<u>-</u>	<u>184,095</u>
Total assets	\$ <u>6,091,250</u>	<u>6,695,018</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payables	\$ 666,448	1,138,257
Fund Balance:		
Undesignated	<u>5,424,802</u>	<u>5,556,761</u>
Total fund balance	<u>5,424,802</u>	<u>5,556,761</u>
Total liabilities and fund balance	<u>6,091,250</u>	<u>6,695,018</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
EQUIPMENT LEASING AUTHORITY

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Interest earnings	\$ 893,825	824,656
Expenditures:		
Current operating - general government	135,961	286,749
Capital projects	8,058,125	6,860,484
Bond issue cost	<u>83,258</u>	<u>-</u>
Total expenditures	<u>8,277,344</u>	<u>7,147,233</u>
Deficiency of revenues over expenditures	(7,383,519)	(6,322,577)
Other financing sources (uses):		
Bond sale proceeds	13,912,500	-
Proceeds from fixed asset dispositions	679,848	341,616
Operating transfers from other funds	224,336	2,412,615
Operating transfers to other funds	<u>(7,565,124)</u>	<u>(1,563,386)</u>
Total other financing sources	<u>7,251,560</u>	<u>1,190,845</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(131,959)	(5,131,732)
Fund balance, beginning of year	<u>5,556,761</u>	<u>10,688,493</u>
Fund balance, end of year	<u><u>5,424,802</u></u>	<u><u>5,556,761</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
LIQUID FUEL TAX FUND

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 596,909	1,089,696
Accrued interest receivable	123	1,433
Due From other governments	<u>263,450</u>	<u>250,900</u>
Total assets	\$ <u>860,482</u>	<u>1,342,029</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payables	\$ 26,307	615,177
Accrued liabilities	<u>311,513</u>	<u>330,355</u>
Total liabilities	<u>337,820</u>	<u>945,532</u>
Fund balance:		
Reserved for encumbrances	-	967
Undesignated	<u>522,662</u>	<u>395,530</u>
Total fund balance	<u>522,662</u>	<u>396,497</u>
Total liabilities and fund balance	\$ <u>860,482</u>	<u>1,342,029</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
LIQUID FUEL TAX FUND

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Interest earnings	\$ 184,292	179,281
Intergovernmental revenues- State	4,370,888	<u>4,206,890</u>
Total revenues	<u>4,555,180</u>	<u>4,386,171</u>
Expenditures:		
Public Works	4,429,015	<u>4,068,017</u>
Total expenditures	<u>4,429,015</u>	<u>4,068,017</u>
Excess of revenues over expenditures	126,165	318,154
Fund balance, beginning of year	<u>396,497</u>	<u>78,343</u>
Fund balance, end of year	\$ <u><u>522,662</u></u>	<u><u>396,497</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
JTPA FUNDS

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 633,518	530,378
Due from housing funds	71,650	70,171
Due from other governments	<u>1,254,981</u>	<u>1,197,416</u>
Total assets	<u>1,960,149</u>	<u>1,797,965</u>
 <u>LIABILITIES AND FUND BALANCE</u> 		
Liabilities:		
Accounts Payable	\$ 713,611	564,577
Accrued liabilities	41,219	36,034
Due to general fund	<u>1,180,748</u>	<u>1,172,783</u>
Total liabilities	<u>1,935,578</u>	<u>1,773,394</u>
Fund balance:		
Undesignated	<u>24,571</u>	<u>24,571</u>
Total fund balance	<u>24,571</u>	<u>24,571</u>
Total liabilities and fund balance	\$ <u>1,960,149</u>	<u>1,797,965</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
LIQUID FUEL TAX FUND

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Interest earnings	\$ 184,292	179,281
Intergovernmental revenues- State	<u>4,370,888</u>	<u>4,206,890</u>
Total revenues	<u>4,555,180</u>	<u>4,386,171</u>
Expenditures:		
Public Works	<u>4,429,015</u>	<u>4,068,017</u>
Total expenditures	<u>4,429,015</u>	<u>4,068,017</u>
Excess of revenues over expenditures	126,165	318,154
Fund balance, beginning of year	<u>396,497</u>	<u>78,343</u>
Fund balance, end of year	\$ <u><u>522,662</u></u>	<u><u>396,497</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
JTPA FUNDS

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 633,518	530,378
Due from housing funds	71,650	70,171
Due from other governments	<u>1,254,981</u>	<u>1,197,416</u>
Total assets	<u>1,960,149</u>	<u>1,797,965</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	\$ 713,611	564,577
Accrued liabilities	41,219	36,034
Due to general fund	<u>1,180,748</u>	<u>1,172,783</u>
Total liabilities	<u>1,935,578</u>	<u>1,773,394</u>
Fund balance:		
Undesignated	<u>24,571</u>	<u>24,571</u>
Total fund balance	<u>24,571</u>	<u>24,571</u>
Total liabilities and fund balance	\$ <u>1,960,149</u>	<u>1,797,965</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
JTPA FUNDS

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
<b>Revenues:</b>		
Intergovernmental revenues - federal	\$ <u>6,900,482</u>	<u>7,410,271</u>
Total revenues	<u>6,900,482</u>	<u>7,410,271</u>
<b>Expenditures:</b>		
Intergovernmental programs	<u>7,324,325</u>	<u>8,368,709</u>
Total expenditures	<u>7,324,325</u>	<u>8,368,709</u>
Excess (deficiency) of revenues over expenditures	(423,843)	(958,438)
<b>Other financing sources:</b>		
Operating transfers from general fund	423,843	950,700
Operating transfers to other funds	<u>-</u>	<u>(266)</u>
Total other financing sources	<u>423,843</u>	<u>950,700</u>
Excess of revenues and other sources over expenditures and other uses	-	(8,004)
Fund balance, beginning of year	<u>24,571</u>	<u>32,575</u>
Fund balance, end of year	\$ <u><u>24,571</u></u>	<u><u>24,571</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
LAW ENFORCEMENT FUNDS

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 1,061,730	427,416
Due from other governments	<u>292,390</u>	<u>150,871</u>
Total assets	<u><u>1,354,120</u></u>	<u><u>578,287</u></u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	55,089	49,891
Accrued liabilities	<u>35,094</u>	<u>35,169</u>
Total liabilities	<u>90,183</u>	<u>85,060</u>
Fund balance:		
Reserved for encumbrances	234,044	37,017
Designated for subsequent years' expenditures	57,413	18,265
Undesignated	<u>972,480</u>	<u>437,945</u>
Total fund balance	<u>1,263,937</u>	<u>493,227</u>
Total liabilities and fund balance	\$ <u><u>1,354,120</u></u>	<u><u>578,287</u></u>

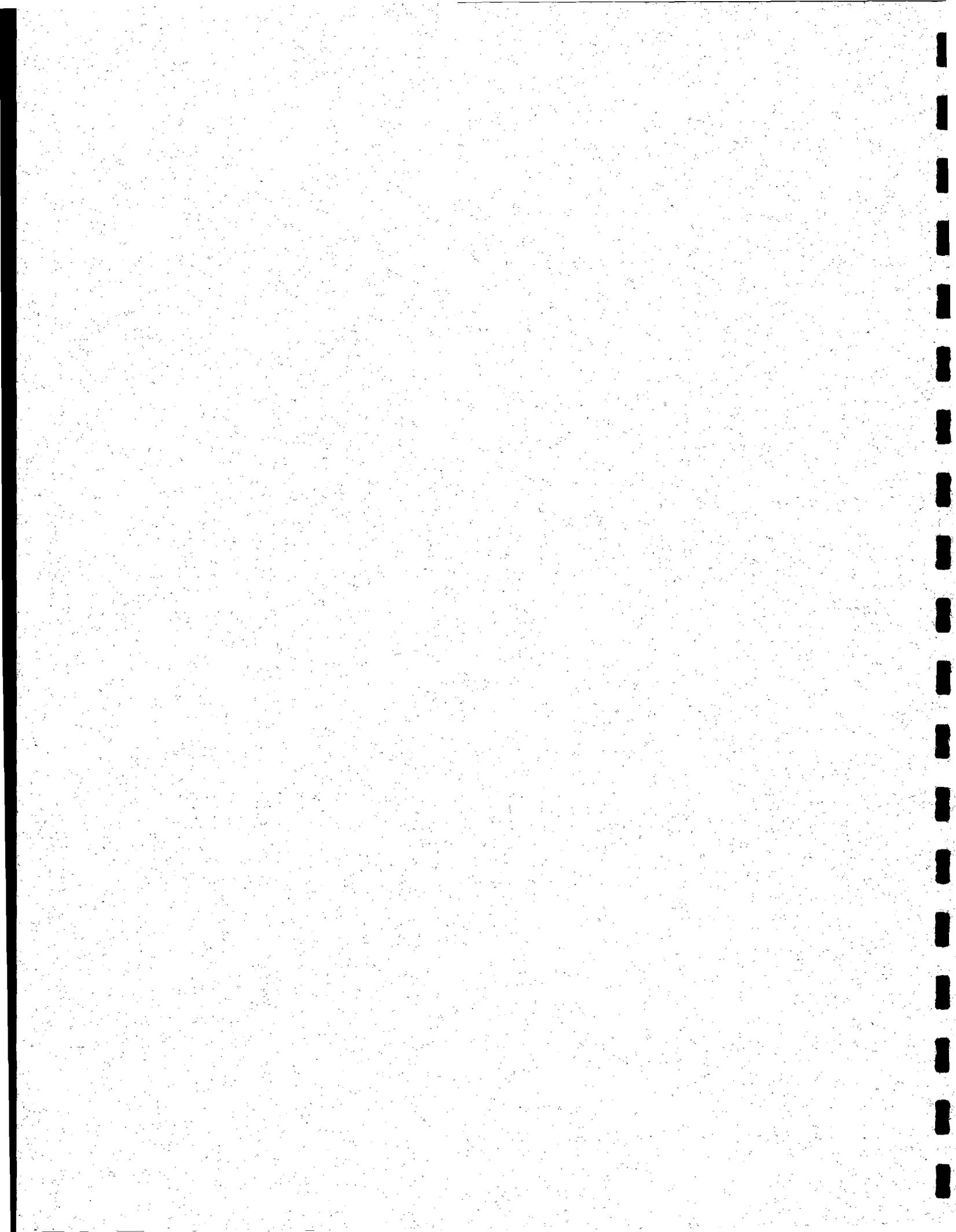
# DEBT SERVICE FUNDS

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

The following funds are included in this fund type:

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

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



CITY OF PITTSBURGH, PENNSYLVANIA  
LAW ENFORCEMENT FUNDS

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Intergovernmental revenues - local	\$ <u>2,029,721</u>	<u>783,115</u>
Total revenues	<u>2,029,721</u>	<u>783,115</u>
Expenditures:		
Public safety	<u>1,805,978</u>	<u>1,267,198</u>
Excess (deficiency) of revenues over expenditures	223,743	(484,083)
Other financing sources - operating transfers from general fund	<u>564,823</u>	<u>414,377</u>
Excess of revenues and other sources over expenditures	788,566	(69,706)
Fund balance, beginning of year	493,227	588,921
Equity transfers	<u>(17,856)</u>	<u>(25,988)</u>
Fund balance, end of year	\$ <u><u>1,263,937</u></u>	<u><u>493,227</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
HOUSING FUNDS

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 194,434	305,398
Due from other governments	<u>2,727,333</u>	<u>5,241,915</u>
Total assets	<u>2,921,767</u>	<u>5,547,313</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 381,849	2,923,437
Accrued liabilities	-	-
Retainage payable	32,792	-
Due to general fund	936,296	1,298,818
Due to JTPA funds	71,650	70,171
Due to capital projects funds	<u>1,405,941</u>	<u>1,205,678</u>
Total liabilities	<u>2,828,528</u>	<u>5,498,104</u>
Fund balance:		
Reserved for encumbrances	1,375	1,375
Undesignated fund balance	<u>91,864</u>	<u>47,834</u>
Total fund balance	<u>93,239</u>	<u>49,209</u>
Total liabilities and fund balance	<u>\$ 2,921,767</u>	<u>5,547,313</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
HOUSING FUNDS

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Intergovernmental revenues:	\$ <u>16,625,789</u>	<u>21,009,868</u>
Total revenues	<u>16,625,789</u>	<u>21,009,868</u>
Expenditures:		
Current operating:		
General government		
Council & City Clerks's office	1,984,166	1,588,205
Commission on Human Relations	12,599	23,368
Department of Finance	-	6,783
Department of Personnel and Civil Service Commission	523,617	355,653
Department of City Planning	5,354,443	4,312,099
Public safety - Bureaus of Fire	-	234,626
Public Works		
Department of Public Works	28,362	213,992
Department Of Land and Buildings	1,486	55,902
Department of Engineering and Construction	1,397,551	2,058,928
Community, recreation and cultural programs		
Department of Parks and Recreation	1,101,315	1,324,838
Intergovernmental programs	<u>7,161,339</u>	<u>11,581,272</u>
Total expenditures	<u>17,564,878</u>	<u>21,755,666</u>
Excess (deficiency) of revenues over expenditures	(939,089)	(745,798)
Other financing sources (uses):		
Transfer from general funds:	983,119	799,119
Transfer to JTPA funds:	-	<u>(70,171)</u>
Total other financing sources	<u>983,119</u>	<u>728,948</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	44,030	(16,850)
Fund balance, beginning of year	49,209	640,858
Equity transfers to general fund	-	<u>(574,799)</u>
Fund balance, end of year	\$ <u><u>93,239</u></u>	<u><u>49,209</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
CIVIC AND CULTURAL ENRICHMENT FUNDS

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 3,918,572	4,077,328
Receivables:		
Accrued interest	67,123	165,600
Other	365,575	335,836
Due from other governments	<u>288,442</u>	<u>57,103</u>
Total assets	<u>4,639,712</u>	<u>4,635,867</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts payables	\$ 131,285	154,926
Accrued liabilities	55,124	49,510
Due to general fund	<u>92,000</u>	<u>237,000</u>
Total liabilities	<u>278,409</u>	<u>441,436</u>
Fund balance:		
Reserved for encumbrances	329,765	377,041
Designated for subsequent years' expenditures	333,137	335,637
Undesignated	<u>3,698,401</u>	<u>3,481,753</u>
Total fund balance	<u>4,361,303</u>	<u>4,194,431</u>
Total liabilities and fund balance	\$ <u>4,639,712</u>	<u>4,635,867</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
CIVIC AND CULTURAL ENRICHMENT FUNDS

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
<b>Revenues:</b>		
Interest earnings	\$ 142,445	165,600
Intergovernmental revenues:		
Federal	600,177	585,787
State	1,422,846	1,821,621
Local	350,000	-
Charges for user services	2,429,744	2,131,374
Miscellaneous	<u>-</u>	<u>4,000</u>
Total revenues	<u>4,945,212</u>	<u>4,708,382</u>
<b>Expenditures:</b>		
Current operating:		
General government	58,852	1,211,913
Public safety - Bureaus of Police and Emergency Medical Service	8,507	93,975
Public Works - Department of Public Works	1,270,781	1,475,011
Community, recreation and cultural programs Department of Parks and Recreation	3,302,370	2,108,091
Intergovernmental programs	<u>86,507</u>	<u>74,667</u>
Total expenditures	<u>4,727,017</u>	<u>4,963,657</u>
Excess (deficiency) of revenues over expenditures	218,195	(255,275)
<b>Other financing sources:</b>		
Operating transfers from other funds:	439,265	335,000
Operating transfers to other funds:		
Trust & agency	(88,272)	(74,847)
General fund	<u>(385,500)</u>	<u>(352,494)</u>
Total other financing sources	<u>(34,507)</u>	<u>(92,341)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	183,688	(347,616)
Fund balance, beginning of year	4,194,431	5,275,017
Equity transfers to general fund	<u>(16,816)</u>	<u>(732,970)</u>
Fund balance, end of year	\$ <u>4,361,303</u>	<u>4,194,431</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
NONRESIDENT CHARGES FUND

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ -	-
Total assets	<u>-</u>	<u>-</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accrued liabilities	-	-
Total liabilities	-	-
Fund balance:		
Designated for subsequent years' expenditures	-	-
Undesignated	-	-
Total fund balance	<u>-</u>	<u>-</u>
Total liabilities and fund balance	\$ <u>-</u>	<u>-</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
NONRESIDENT CHARGES FUND

Statement of Revenues, Expenditures  
and Changes in Fund Balance

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

		<u>1990</u>	<u>1989</u>
Revenues- charges for user services	\$	-	-
Expenditures - Public Safety		<u>-</u>	<u>-</u>
Deficiency of revenues over expenditures		-	-
Fund balance, beginning of year		-	130,125
Equity transfers		<u>-</u>	<u>(130,125)</u>
Fund balance, end of year	\$	<u><u>-</u></u>	<u><u>-</u></u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
DEBT SERVICE FUNDS

Combining Balance Sheet

December 31, 1990  
(with comparative totals for December 31, 1989)

<u>ASSETS</u>	<u>General Obligation</u>	<u>Equipment Leasing Authority</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 1,154,112	2,702,995	3,857,107	5,226,304
Accrued interest receivable	<u>67,046</u>	<u>16,552</u>	<u>83,598</u>	<u>192,747</u>
Total assets	<u>1,221,158</u>	<u>2,719,547</u>	<u>3,940,705</u>	<u>5,419,051</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accrued interest and other payables	131,153	-	131,153	596,157
Accrued liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>49,845</u>
Total liabilities	<u>131,153</u>	<u>-</u>	<u>131,153</u>	<u>646,002</u>
 Fund balance:				
Designated for debt service	<u>1,090,005</u>	<u>2,719,547</u>	<u>3,809,552</u>	<u>4,773,049</u>
Total liabilities and fund balances	\$ <u>1,221,158</u>	<u>2,719,547</u>	<u>3,940,705</u>	<u>5,419,051</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
DEBT SERVICE FUNDS

Combining Statement of Revenues, Expenditures and  
Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

	<u>General Obligation</u>	<u>Equipment Leasing Authority</u>	<u>Total</u>	
			<u>1990</u>	<u>1989</u>
Revenue:				
Interest earnings	\$ 2,470,804	247,113	2,717,917	1,447,294
Expenditures:				
Current operating:				
Miscellaneous	-	-	-	1,347
Debt Service:				
Principal retirement	12,680,000	9,875,000	22,555,000	13,130,000
Interest and fiscal charges	<u>25,193,150</u>	<u>1,621,533</u>	<u>26,814,683</u>	<u>23,762,767</u>
Total expenditures	<u>37,873,150</u>	<u>11,496,533</u>	<u>49,369,683</u>	<u>36,894,114</u>
Deficiency of revenues over expenditures	(35,402,346)	(11,249,420)	(46,651,766)	(35,446,820)
Other financing sources (uses):				
Operating transfers from:				
General fund	34,978,514	2,989,710	37,968,224	33,748,287
Capital projects fund	199,900	-	199,900	209,166
Special Revenue funds	-	7,565,124	7,565,124	1,563,386
Operating transfers to:				
Capital projects fund	(24,643)	-	(24,643)	-
Special Revenue fund	<u>-</u>	<u>(20,336)</u>	<u>(20,336)</u>	<u>(87,477)</u>
Total other financing sources	<u>35,153,771</u>	<u>10,534,498</u>	<u>45,688,269</u>	<u>35,433,362</u>
Excess (deficiency) of revenue and other sources over expenditures and other uses	(248,575)	(714,922)	(963,497)	(13,458)
Fund balance, beginning of year	<u>1,338,580</u>	<u>3,434,469</u>	<u>4,773,049</u>	<u>4,786,507</u>
Fund balances, end of year	\$ <u>1,090,005</u>	<u>2,719,547</u>	<u>3,809,552</u>	<u>4,773,049</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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# CAPITAL PROJECTS FUNDS

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

The following funds are included in this fund type:

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

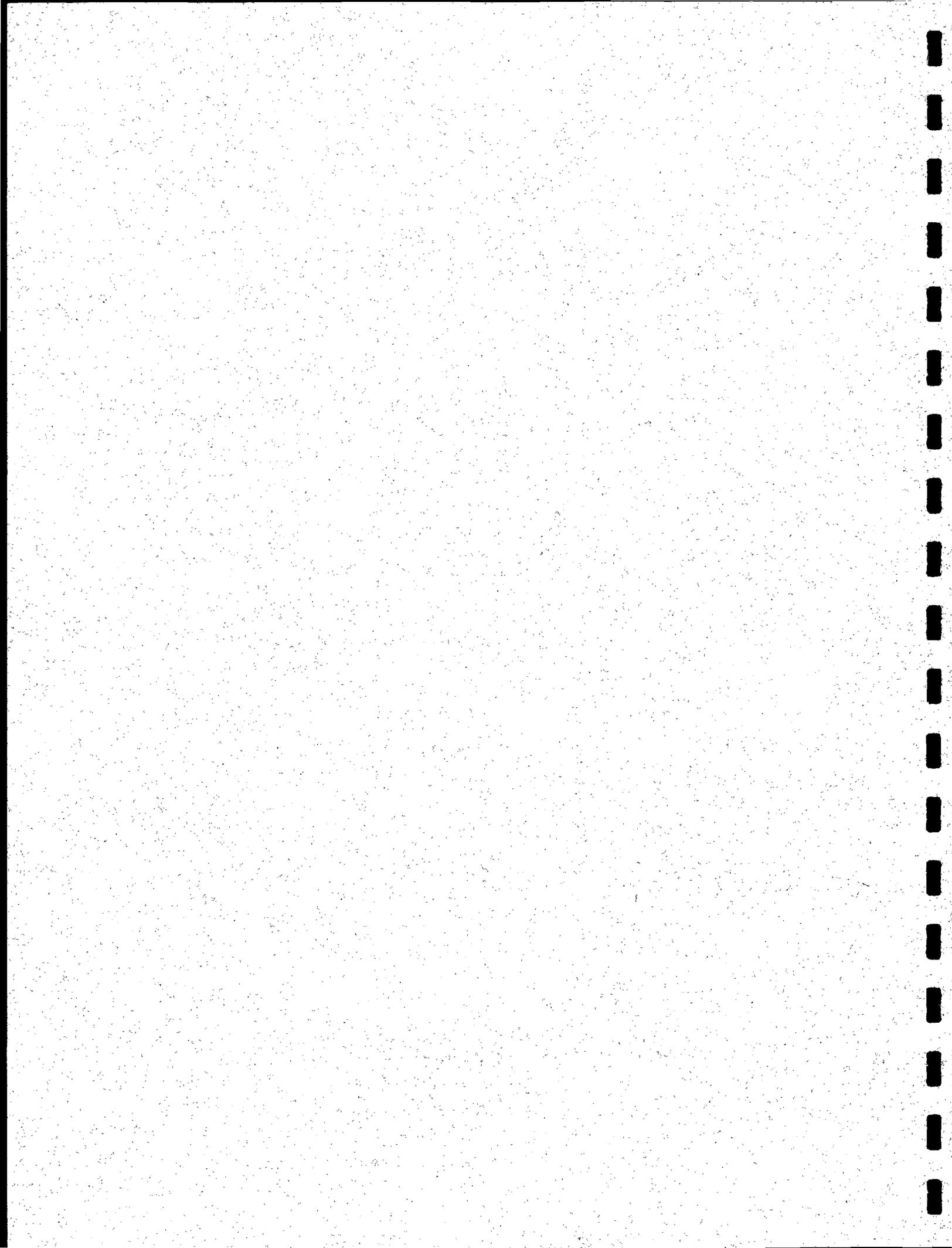
**Parks and Recreation** - to account for construction of community recreational facilities.

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

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

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

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



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
CAPITAL PROJECTS FUNDS

Combining Balance Sheet

December 31, 1990  
(with comparative totals for December 31, 1989)

<u>ASSETS</u>	<u>Engineering and Construction</u>	<u>Water</u>	<u>Parks and Recreation</u>
Cash and short-term investments, at cost which approximates market	\$ 25,149,410	-	1,241,205
Interfund receivable (payable)	-	-	-
Due from special revenue funds	-	-	-
Due from other governments	<u>1,139,312</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>26,288,722</u>	<u>-</u>	<u>1,241,205</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	2,343,104	-	113,909
Retainage Payable	595,741	-	-
Accrued liabilities	<u>130,488</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>3,069,333</u>	<u>-</u>	<u>113,909</u>
Fund balances:			
Reserved for encumbrances	7,771,192	-	6,431
Designated for subsequent years' expenditures	<u>15,448,197</u>	<u>-</u>	<u>1,120,865</u>
Total fund balances	<u>23,219,389</u>	<u>-</u>	<u>1,127,296</u>
Total liabilities and fund balances	\$ <u>26,288,722</u>	<u>-</u>	<u>1,241,205</u>

<u>Public Works</u>	<u>General Services</u>	<u>Urban Redevelopment</u>	<u>Other</u>	<u>Totals</u>	
				<u>1990</u>	<u>1989</u>
2,060,272	2,445,207	356,011	1,608,401	32,860,506	56,672,835
828,790	-	-	(828,790)	-	-
-	-	-	1,405,941	1,405,941	1,205,678
-	-	-	-	<u>1,139,312</u>	<u>4,854,118</u>
<u>2,889,062</u>	<u>2,445,207</u>	<u>356,011</u>	<u>2,185,552</u>	<u>35,405,759</u>	<u>62,732,631</u>
103,188	128,963	-	1,028,735	3,717,899	5,355,038
58,393	-	-	-	654,134	1,218,844
<u>47,185</u>	<u>-</u>	<u>-</u>	<u>18,190</u>	<u>195,863</u>	<u>167,962</u>
<u>208,766</u>	<u>128,963</u>	<u>-</u>	<u>1,046,925</u>	<u>4,567,896</u>	<u>6,741,844</u>
939,251	2,112,589	354,028	454,297	11,637,788	15,050,323
<u>1,741,045</u>	<u>203,655</u>	<u>1,983</u>	<u>684,330</u>	<u>19,200,075</u>	<u>40,940,464</u>
<u>2,680,296</u>	<u>2,316,244</u>	<u>356,011</u>	<u>1,138,627</u>	<u>30,837,863</u>	<u>55,990,787</u>
<u>2,889,062</u>	<u>2,445,207</u>	<u>356,011</u>	<u>2,185,552</u>	<u>35,405,759</u>	<u>62,732,631</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
CAPITAL PROJECTS FUNDS

Combining Statement of Revenues,  
Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

	<u>Engineering and Construction</u>	<u>Water</u>	<u>Parks and Recreation</u>	<u>Public Works</u>
<b>Revenues:</b>				
Intergovernmental revenues	\$ 8,381,235	-	-	-
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>236,492</u>
Total revenues	<u>8,381,235</u>	<u>-</u>	<u>-</u>	<u>236,492</u>
<b>Expenditures:</b>				
Capital Projects	23,274,633	-	423,207	5,371,050
Bond Issuance Costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>23,274,633</u>	<u>-</u>	<u>423,207</u>	<u>5,371,050</u>
Deficiency of revenues over expenditures	<u>(14,893,398)</u>	<u>-</u>	<u>(423,207)</u>	<u>(5,134,558)</u>
<b>Other financing sources (uses):</b>				
Bond Proceeds	-	-	-	-
Bond Proceeds-Anticipation Notes	-	-	-	-
Operating transfers from:				
Debt Service Funds	-	-	-	-
Operating transfers to:				
Special Revenue Funds	(60,000)	-	-	-
Debt Service Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues and other sources over expenditures and other uses	<u>(14,953,398)</u>	<u>-</u>	<u>(423,207)</u>	<u>(5,134,558)</u>
Fund balances, beginning of year	41,010,787	52,593	1,880,503	6,649,854
Equity transfers from (to) other funds	<u>(2,838,000)</u>	<u>(52,593)</u>	<u>(330,000)</u>	<u>1,165,000</u>
Fund balances, end of year	\$ <u>23,219,389</u>	<u>-</u>	<u>1,127,296</u>	<u>2,680,296</u>

<u>General Services</u>	<u>Urban Redevelopment</u>	<u>Other</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
-	-	-	8,381,235	14,201,046
-	-	-	236,492	-
-	-	-	<u>8,617,727</u>	<u>14,201,046</u>
2,379,240	958,099	1,076,572	33,482,801	51,600,263
-	-	-	-	<u>1,495,986</u>
<u>2,379,240</u>	<u>958,099</u>	<u>1,076,572</u>	<u>33,482,801</u>	<u>53,096,249</u>
(2,379,240)	(958,099)	(1,076,572)	(24,865,074)	(38,895,203)
-	-	-	-	32,999,264
-	-	-	-	26,200,000
-	-	24,643	24,643	-
-	-	-	(60,000)	-
-	(199,900)	-	(199,900)	(209,166)
-	(199,900)	24,643	(235,257)	<u>58,990,098</u>
(2,379,240)	(1,157,999)	(1,051,929)	(25,100,331)	<u>20,094,895</u>
4,224,484	812,010	1,360,556	55,990,787	36,733,286
<u>471,000</u>	<u>702,000</u>	<u>830,000</u>	<u>(52,593)</u>	<u>(837,394)</u>
<u>2,316,244</u>	<u>356,011</u>	<u>1,138,627</u>	<u>30,837,863</u>	<u>55,990,787</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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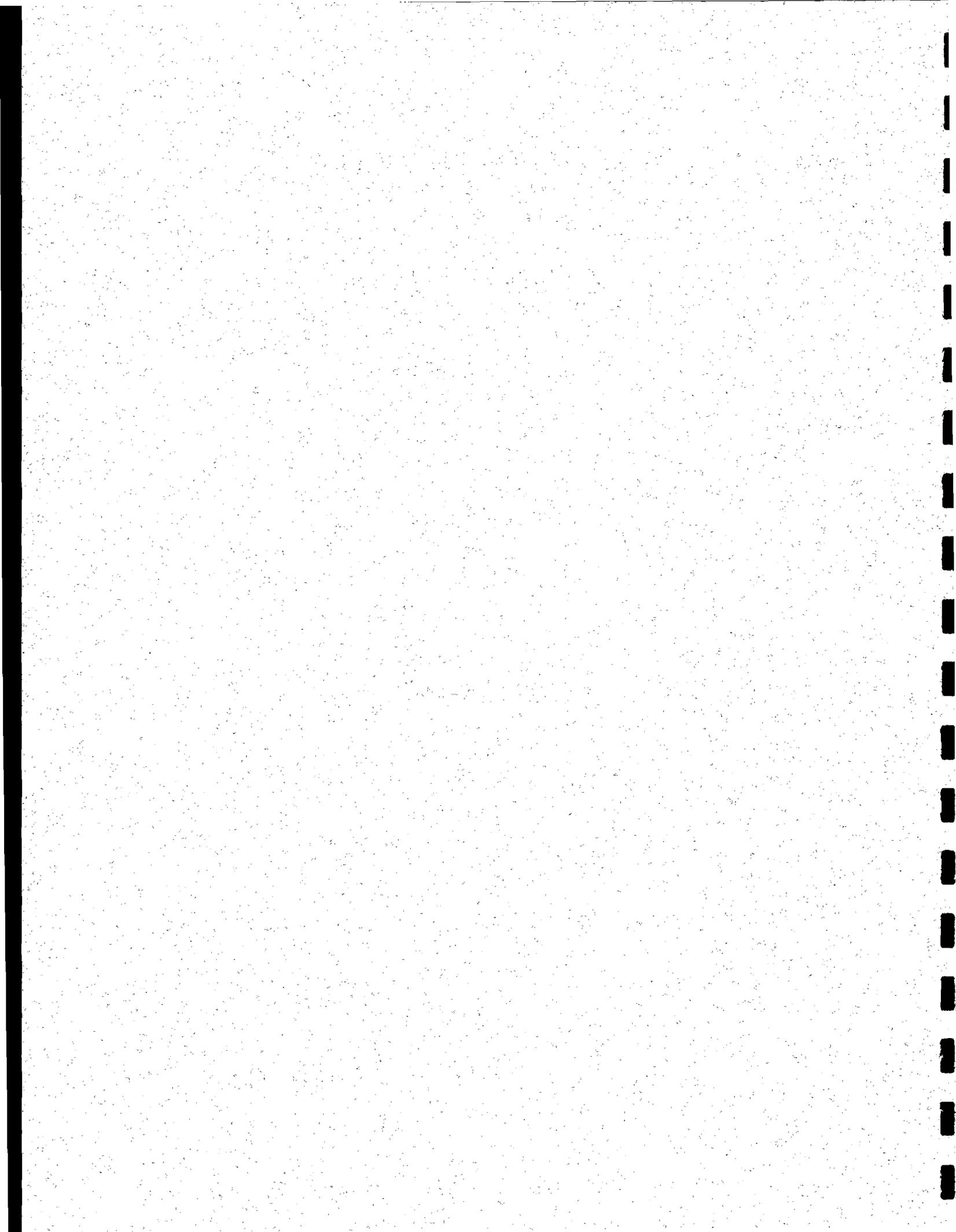
# ENTERPRISE FUNDS

Enterprise Funds are used to account for operations (1) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The following funds are included in this fund type:

**Water and Sewer Authority** - to account for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in these funds, including, but not limited to, administration, operations, and distribution. The Water and Sewer Authority, a **component unit of the City**, assumed the responsibilities of the Water Fund, its predecessor, on May 1, 1984.

**Stadium Authority** - to account for all activities pertaining to the operations of the Three Rivers Stadium Complex. The Stadium Authority is a **component unit** of the City.



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
ENTERPRISE FUNDS

Combining Balance Sheet - Assets

(with comparative totals for December 31, 1989)

	Water and Sewer Authority	Stadium Authority	Totals	
			1990	1989
Current assets				
Cash and investments, at cost which approximates market	\$ 20,842,000	1,081,549	21,923,549	21,150,273
Accounts receivable, net of Water and Sewer Authority allowance for uncollectible accounts of \$16,753,000	11,099,000	185,085	11,284,085	11,626,042
Accrued interest	24,000	-	24,000	20,000
Prepaid expenses and other current assets	<u>18,000</u>	<u>169,962</u>	<u>187,962</u>	<u>237,548</u>
Total current assets	<u>31,983,000</u>	<u>1,436,596</u>	<u>33,419,596</u>	<u>33,033,863</u>
Trusted and restricted funds:				
Cash and short-term investments, at cost which approximates market	103,458,000	593,346	104,051,346	126,571,595
Accounts receivable, net	-	411,036	411,036	679,501
Accrued interest	1,947,000	-	1,947,000	1,454,000
Deferred bond and financing expenses	<u>3,960,000</u>	<u>680,915</u>	<u>4,640,915</u>	<u>5,752,623</u>
Total trusted and restricted funds	<u>109,365,000</u>	<u>1,685,297</u>	<u>111,050,297</u>	<u>134,457,719</u>
Property, plant and equipment:				
Stadium complex	-	52,633,187	52,633,187	52,576,990
Utility plant	72,149,000	-	72,149,000	60,638,000
Nonutility plant	2,594,000	-	2,594,000	1,409,000
Construction in process	<u>47,837,000</u>	<u>-</u>	<u>47,837,000</u>	<u>40,091,000</u>
	122,580,000	52,633,187	175,213,187	154,714,990
Less accumulated depreciation	<u>4,775,000</u>	<u>20,348,366</u>	<u>25,123,366</u>	<u>24,524,620</u>
Net property, plant and equipment	<u>117,805,000</u>	<u>32,284,821</u>	<u>150,089,821</u>	<u>130,190,370</u>
Deferred PWSA Hydro-Electric Division expense	<u>752,000</u>	<u>-</u>	<u>752,000</u>	<u>-</u>
Total Assets	<u>\$259,905,000</u>	<u>35,406,714</u>	<u>295,311,714</u>	<u>297,681,952</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
ENTERPRISE FUNDS

Combining Balance Sheet - Liabilities and Fund Equity  
(Continued)

	Water and Sewer Authority	Stadium Authority	Totals	
			1990	1989
<b>Liabilities:</b>				
Current liabilities:				
Accounts payable - contractor and accrued expenses	-	-	-	2,222,188
Accounts Payable - other	232,000	344,623	576,623	563,694
Due to general fund	-	-	-	-
Benefits payable to the City of Pittsburgh	<u>5,183,000</u>	<u>-</u>	<u>5,183,000</u>	<u>-</u>
Total current liabilities	<u>5,415,000</u>	<u>344,623</u>	<u>5,759,623</u>	<u>2,785,882</u>
Current liabilities payable from trusteed and restricted funds:				
Accounts payable	4,010,000	-	4,010,000	2,686,000
Accrued interest payable	4,486,000	1,521,386	6,007,386	6,063,442
Deferred revenue	-	1,329,213	1,329,213	1,274,635
Current portion of long-term debt	<u>-</u>	<u>1,430,000</u>	<u>1,430,000</u>	<u>1,695,000</u>
Total current liabilities payable from trusteed and restricted funds	<u>8,496,000</u>	<u>4,280,599</u>	<u>12,776,599</u>	<u>11,719,077</u>
Grants from the City of Pittsburgh	-	8,276,622	8,276,622	4,311,353
Benefits payable to the City of Pittsburgh	7,350,000	-	7,350,000	-
<b>Long-term debt:</b>				
Long-term debt, net of current portion	495,790,000	48,510,000	544,300,000	546,630,000
Less escrow funds	(231,602,000)	-	(231,602,000)	(230,980,000)
Less discount	<u>(12,978,000)</u>	<u>-</u>	<u>(12,978,000)</u>	<u>(13,728,000)</u>
Total long-term debt	<u>251,210,000</u>	<u>48,510,000</u>	<u>299,720,000</u>	<u>301,922,000</u>
Total liabilities	<u>272,471,000</u>	<u>61,411,844</u>	<u>333,882,844</u>	<u>320,738,312</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
ENTERPRISE FUNDS

Combining Balance Sheet - Liabilities and Fund Equity  
(Continued)

	Water and Sewer Authority	Stadium Authority	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
Fund equity:				
Contributed capital:				
Restricted for construction purposes	-	7,398,631	7,398,631	7,398,631
Unrestricted	<u>5,277,000</u>	<u>-</u>	<u>5,277,000</u>	<u>5,277,000</u>
Total contributed capital	<u>5,277,000</u>	<u>7,398,631</u>	<u>12,675,631</u>	<u>12,675,631</u>
Accumulated deficit	<u>(17,843,000)</u>	<u>(33,403,761)</u>	<u>(51,246,761)</u>	<u>(35,731,991)</u>
Total fund deficit	<u>(12,566,000)</u>	<u>(26,005,130)</u>	<u>(38,571,130)</u>	<u>(23,056,360)</u>
Total liabilities and fund equity	\$ <u>259,905,000</u>	<u>35,406,714</u>	<u>295,311,714</u>	<u>297,681,952</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses and  
Changes in Accumulated Deficit

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

	Water and Sewer <u>Authority</u>	Stadium <u>Authority</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
<b>Operating revenues:</b>				
Water charges	\$ 40,416,000	-	40,416,000	37,385,000
Rentals	-	2,922,336	2,922,336	2,853,008
Medallions	-	1,320,000	1,320,000	1,320,000
Stadium bond service charges	-	677,966	677,966	685,410
Concessions	-	1,119,736	1,119,736	1,393,104
Miscellaneous	-	585,133	585,133	443,772
	<u>40,416,000</u>	<u>6,625,171</u>	<u>47,041,171</u>	<u>44,080,294</u>
<b>Operating Expenses:</b>				
Salaries & Wages	9,838,000	1,206,010	11,044,010	10,245,301
Utilities	3,327,000	875,935	4,202,935	4,070,792
Allocation of City indirect expenses	5,030,000	-	5,030,000	2,753,000
Depreciation and amortization	1,936,000	1,722,665	3,658,665	2,780,472
Purification chemicals	1,242,000	-	1,242,000	1,076,000
Payments to non-City water agencies	2,392,000	-	2,392,000	2,334,000
Repairs and maintenance	92,000	880,529	972,529	1,152,727
Insurance	-	351,258	351,258	365,791
Materials, supplies and rentals	1,111,000	-	1,111,000	881,000
Administrative and other operating expenses	537,000	1,176,118	1,713,118	1,336,813
Miscellaneous	2,259,000	-	2,259,000	1,113,000
	<u>27,764,000</u>	<u>6,212,515</u>	<u>33,976,515</u>	<u>28,108,896</u>
<b>Operating income (carried forward)</b>	<u>12,652,000</u>	<u>412,656</u>	<u>13,064,656</u>	<u>15,971,398</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses and  
Changes in Accumulated Deficit

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

(Continued)

	<u>Water and Sewer Authority</u>	<u>Stadium Authority</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
Operating Income (brought forward)	\$ 12,652,000	412,656	13,064,656	15,971,398
Nonoperating revenues (expenses):				
Interest income	12,409,000	145,270	12,554,270	9,534,130
Interest expense	(13,984,000)	(4,075,696)	(18,059,696)	(14,172,381)
Amortization of bond issue costs	(1,064,000)	-	(1,064,000)	(1,068,000)
Other	-	-	-	-
Loss on disposal of assets	-	-	-	(1,243,803)
Total nonoperating revenues (expenses)	<u>(2,639,000)</u>	<u>(3,930,426)</u>	<u>(6,569,426)</u>	<u>(6,950,054)</u>
Income (loss) before operating transfers	10,013,000	(3,517,770)	6,495,230	9,021,344
Operating transfers to general fund	<u>(22,010,000)</u>	<u>-</u>	<u>(22,010,000)</u>	<u>(7,532,000)</u>
Net income (loss)	(11,997,000)	(3,517,770)	(15,514,770)	1,489,344
Accumulated deficit, beginning of year	<u>(5,846,000)</u>	<u>(29,885,991)</u>	<u>(35,731,991)</u>	<u>(37,221,335)</u>
Accumulated deficit, end of year	\$ <u>(17,843,000)</u>	<u>(33,403,761)</u>	<u>(51,246,761)</u>	<u>(35,731,991)</u>

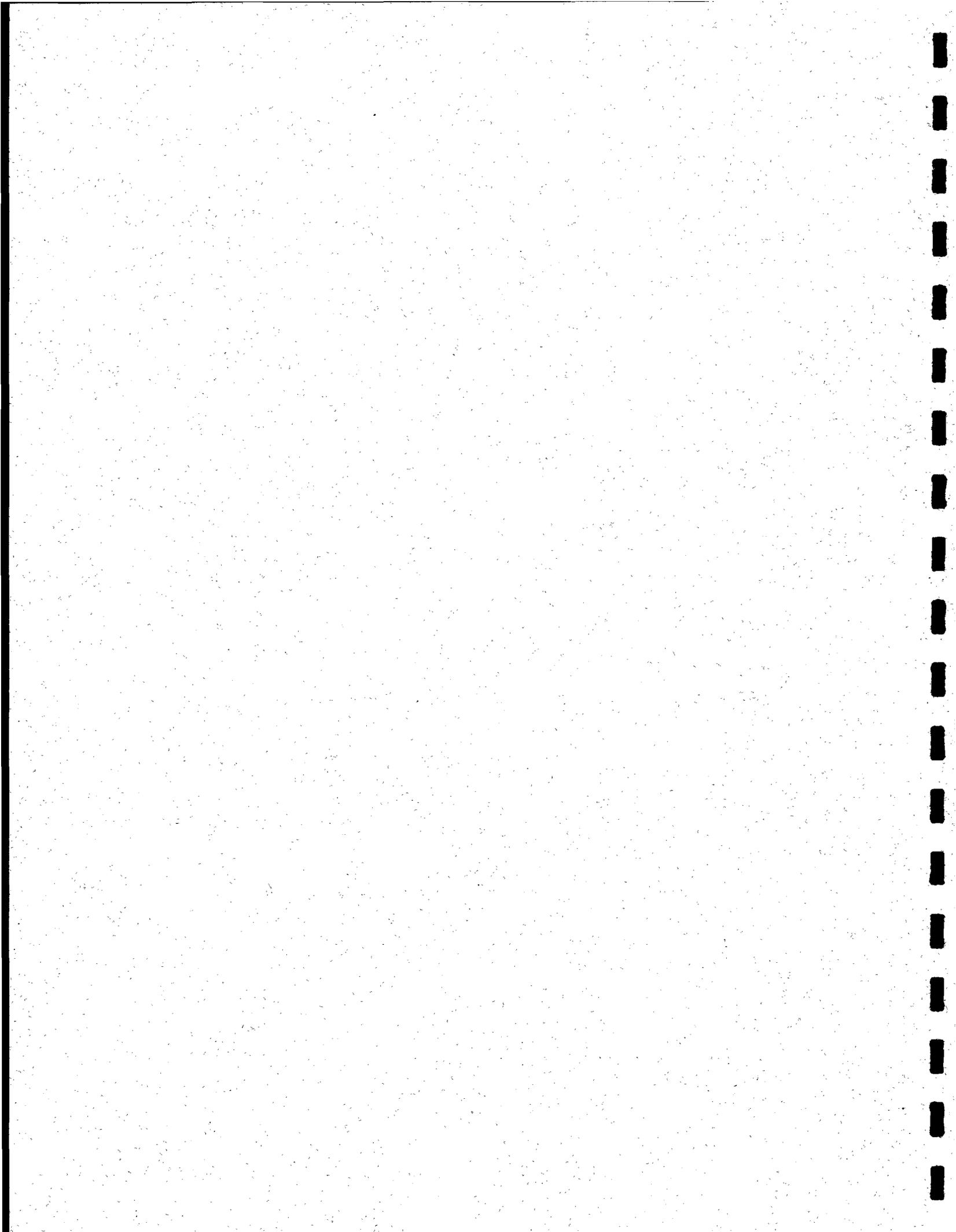
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CITY OF PITTSBURGH,  
PENNSYLVANIA

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# TRUST AND AGENCY FUNDS

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



## **PENSION TRUST :**

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

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

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

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

**Retirees' Trust** - (Short title for Police, Fire, and Municipal Retirees' Trust Fund) - to account for the receipt and disbursement of City funds to permit health benefits payments to all City retirees. This fund replaces the Retirees' Pension Trust Fund whose purpose was to provide periodic pension increases to retirees.

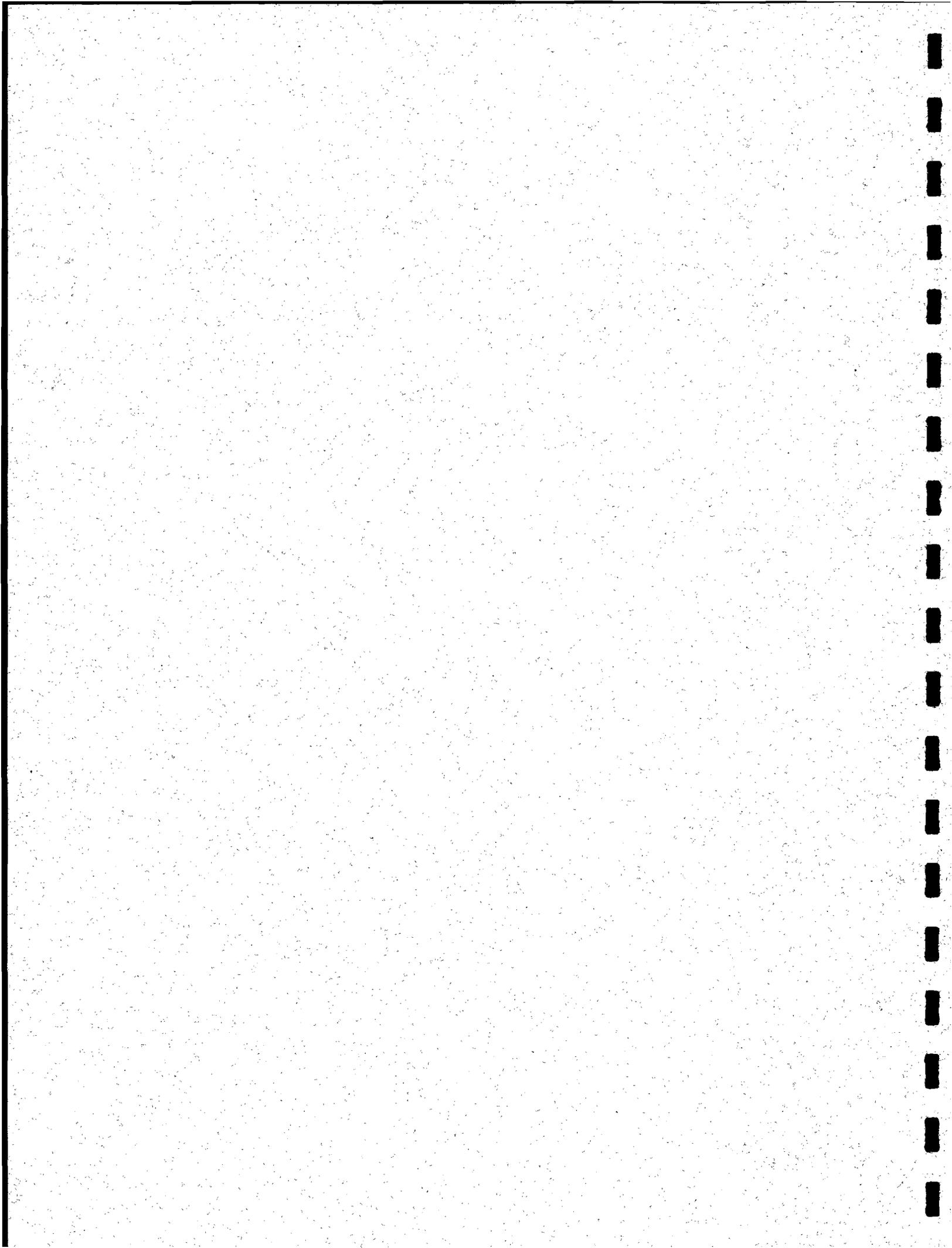
## **EXPENDABLE TRUST :**

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

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

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

**Meter Installation Program** - to account for the receipt of monies from the Pittsburgh Water and Sewer Authority for the Department of Water's remote meter installation program.



## **EXPENDABLE TRUST (Continued)**

**Retirement Benefits** - to account for assets accumulated for future reduction of the unfunded pension liability. Legal name of fund is Pittsburgh Pension Trust Fund; however, for reporting purposes, is referred to as Retirement Benefits Trust Fund, which more clearly reflects the nature and proper classification of the fund.

### **AGENCY FUNDS :**

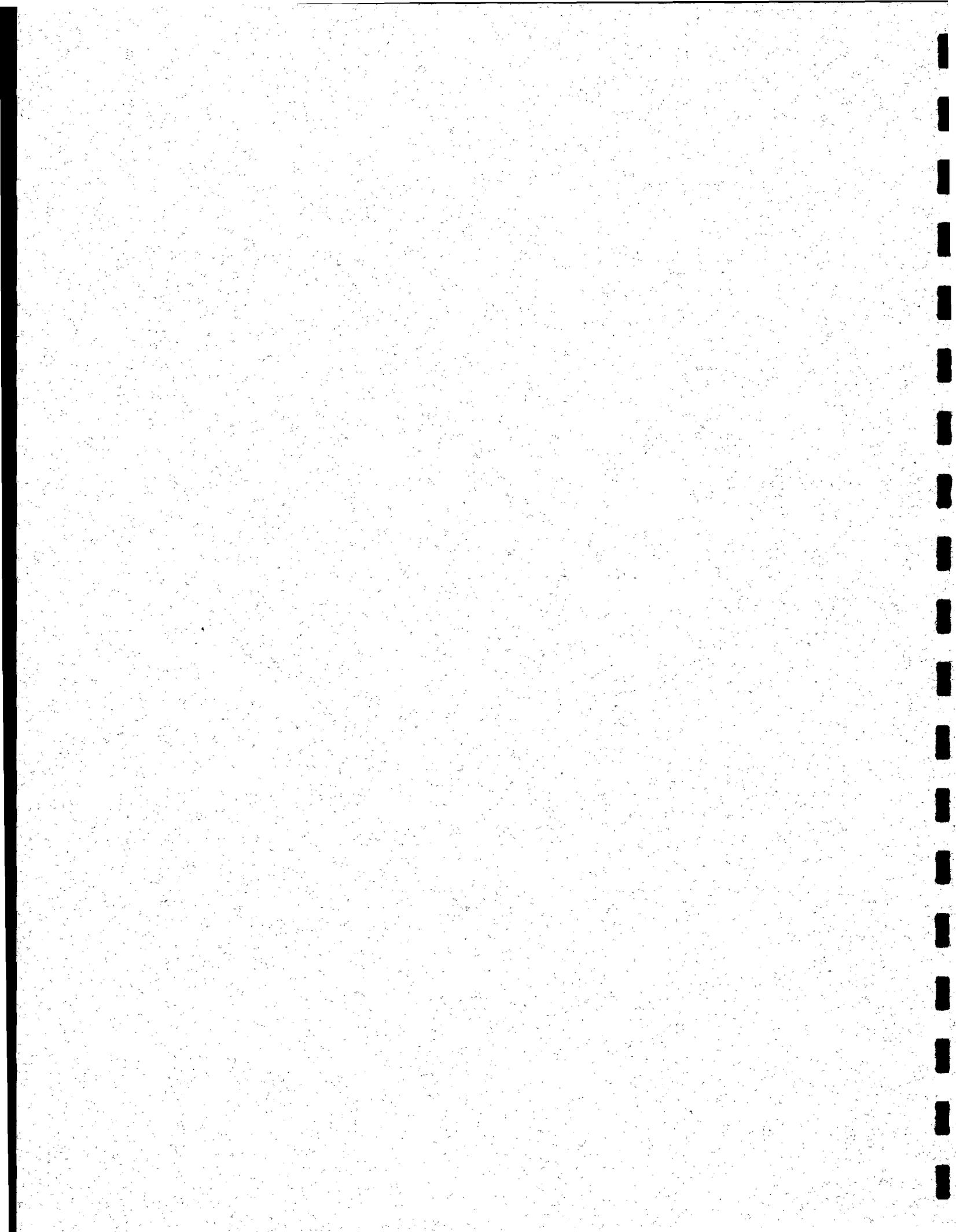
**Employee Benefits** - to account for the collection and payment of various employee benefits programs, such as pensions, medical insurance, life insurance, social security and deferred compensation from and on behalf of City employees.

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

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

**Deposit** - 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.



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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
TRUST AND AGENCY FUNDS

Combining Balance Sheet

December 31, 1990  
(with comparative totals for December 31, 1989)

ASSET	Pension Trust Funds					Gifts and Donations
	Comprehensive Board	Municipal Plan	Police Plan	Fire Plan	Retirees' Trust	
Cash and short-term investments, at cost which approximates market	\$ 83,253,867	12,486	57,764	41,611	1,075,732	491,610
Accrued interest and dividends receivable	1,073,757	-	-	-	219	-
Due from General Fund	-	-	-	-	-	-
Due from other Governments	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 84,327,624</b>	<b>12,486</b>	<b>57,764</b>	<b>41,611</b>	<b>1,075,951</b>	<b>491,610</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accrued liabilities and other payables	110,316	10,004	16,688	4,560	-	13,626
Deferred compensation payable	-	-	-	-	-	-
Due to General Fund	599,580	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-
Deposits held in trust	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
<b>Total liabilities</b>	<b>709,896</b>	<b>10,004</b>	<b>16,688</b>	<b>4,560</b>	<b>-</b>	<b>13,626</b>
<b>Fund balances:</b>						
Reserved for encumbrances	-	-	-	-	-	83,575
Reserved for endowments	-	-	-	-	-	-
Reserved for employee benefits	83,617,728	2,482	41,076	37,051	1,075,951	-
Designated for subsequent years' expenditures	-	-	-	-	-	96,011
Undesignated	-	-	-	-	-	298,398
<b>Total fund balance</b>	<b>83,617,728</b>	<b>2,482</b>	<b>41,076</b>	<b>37,051</b>	<b>1,075,951</b>	<b>477,984</b>
<b>Total liabilities and fund balances</b>	<b>\$ 84,327,624</b>	<b>12,486</b>	<b>57,764</b>	<b>41,611</b>	<b>1,075,951</b>	<b>491,610</b>

<u>Expendable Trust Funds</u>					<u>Totals</u>	
<u>Workers' Compensation</u>	<u>Parks Endowments</u>	<u>Meter Installation Program</u>	<u>Retirement Benefits</u>	<u>Agency Funds</u>	<u>1990</u>	<u>1989</u>
4,955,331	245,673	193,053	18,747,065	19,115,465	128,189,657	122,457,728
31,117	-	-	190,377	76,835	1,372,305	986,654
-	-	-	-	2,250,000	2,250,000	2,100,000
-	-	-	-	37,458	37,458	-
<u>4,986,448</u>	<u>245,673</u>	<u>193,053</u>	<u>18,937,442</u>	<u>21,479,758</u>	<u>131,849,420</u>	<u>125,544,382</u>
-	24,919	41,835	-	3,979,040	4,200,988	5,369,704
-	-	-	-	15,705,773	15,705,773	12,244,933
-	-	-	-	389,545	989,125	1,246,963
-	-	-	-	61,496	61,496	-
-	-	-	-	1,267,069	1,267,069	710,593
-	-	-	-	76,835	76,835	-
-	<u>24,919</u>	<u>41,835</u>	-	<u>21,479,758</u>	<u>22,301,286</u>	<u>19,572,193</u>
-	812	264	-	-	84,651	71,080
-	218,542	-	-	-	218,542	279,728
4,986,448	-	-	18,937,442	-	108,698,178	105,236,229
-	1,400	-	-	-	97,411	15,244
-	-	150,954	-	-	449,352	369,908
<u>4,986,448</u>	<u>220,754</u>	<u>151,218</u>	<u>18,937,442</u>	-	<u>109,548,134</u>	<u>105,972,189</u>
<u>4,986,448</u>	<u>245,673</u>	<u>193,053</u>	<u>18,937,442</u>	<u>21,479,758</u>	<u>131,849,420</u>	<u>125,544,382</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
PENSION TRUST FUNDS

Combining Statement of Revenues,  
Expenses and Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

	<u>Comprehensive Board</u>	<u>Municipal Plan</u>	<u>Police Plan</u>	<u>Fire Plan</u>
Operating revenues:				
Contributions:				
Participants	\$ 8,050,590	-	6,749	15,065
Employer	7,104,135	-	33,809	-
State	<u>20,271,780</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Contribution	35,426,505	-	40,558	15,065
Investment Income:				
Gains (losses) on security transactions	(2,149,409)	-	-	-
Interest and dividends	<u>6,323,342</u>	<u>-</u>	<u>9,448</u>	<u>8,878</u>
Total investment income	4,173,933	-	9,448	8,878
Miscellaneous	<u>-</u>	<u>45,637</u>	<u>3,982</u>	<u>989</u>
Total operating revenues	39,600,438	45,637	53,988	24,932
Operating expenses:				
Benefit payments	-	14,123,305	13,065,126	9,864,650
Administrative expenses	841,662	334,726	171,994	111,871
Fees for professional services	<u>325,171</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	1,166,833	14,458,031	13,237,120	9,976,521
Net income (loss) before operating transfers	38,433,605	(14,412,394)	(13,183,132)	(9,951,589)
Operating transfers between pension funds	<u>(36,929,133)</u>	<u>14,413,000</u>	<u>13,143,343</u>	<u>9,958,000</u>
Net Income (loss)	1,504,472	606	(39,789)	6,411
Fund balances, beginning of year	<u>82,113,256</u>	<u>1,876</u>	<u>80,865</u>	<u>30,640</u>
Fund balance, end of year	<u>\$ 83,617,728</u>	<u>2,482</u>	<u>41,076</u>	<u>37,051</u>

Retirees' Trust	Totals	
	<u>1990</u>	<u>1989</u>
-	8,072,404	8,060,396
600,000	7,737,944	9,098,582
<u>-</u>	<u>20,271,780</u>	<u>28,377,352</u>
600,000	36,082,128	45,536,330
-	(2,149,409)	1,021,402
<u>88,321</u>	<u>6,429,989</u>	<u>4,991,712</u>
88,321	4,280,580	6,013,114
<u>-</u>	<u>50,608</u>	<u>990</u>
688,321	40,413,316	51,550,434
-	37,053,081	35,860,388
-	1,460,253	747,861
<u>-</u>	<u>325,171</u>	<u>293,827</u>
-	38,838,505	36,902,076
688,321	1,574,811	14,648,358
<u>(585,210)</u>	<u>-</u>	<u>-</u>
103,111	1,574,811	14,648,358
<u>972,840</u>	<u>83,199,477</u>	<u>68,551,119</u>
<u>1,075,951</u>	<u>84,774,288</u>	<u>83,199,477</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
EXPENDABLE TRUST FUNDS

Combining Statement of Revenues,  
Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative totals for the year ended December 31, 1989)

	<u>Gifts and Donations</u>	<u>Workers' Compensation</u>
<b>Revenues:</b>		
Interest earnings	\$ -	371,932
Charges for user services	352,996	-
Donations	158,308	-
Other	<u>144,706</u>	<u>-</u>
Total revenues	<u>656,010</u>	<u>371,932</u>
<b>Expenditures - current operating:</b>		
Community, recreation and cultural programs:		
Community activities	431,979	-
School services	115,376	-
Parks and recreation	119,930	-
Meter installation	-	-
Miscellaneous	<u>-</u>	<u>8,450</u>
Total Expenditures	<u>667,285</u>	<u>8,450</u>
Excess (deficiency) of revenues over expenditures	(11,275)	363,482
<b>Other financing sources (uses):</b>		
Operating transfers from other funds:		
General Fund	-	-
Special Revenue	88,272	-
Operating transfers to other funds:		
General Fund	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>88,272</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	76,997	363,482
Fund balances, beginning of year	403,445	4,622,966
Residual equity transfer in (out)	<u>(2,458)</u>	<u>-</u>
Fund balances, end of year	\$ <u>477,984</u>	<u>4,986,448</u>

<u>Parks Endowments</u>	<u>Meter Installation Program</u>	<u>Retirement Benefits</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
429,320	-	1,474,095	2,275,347	2,072,300
-	1,394,531	-	1,747,527	926,111
-	-	-	158,308	209,291
<u>38,390</u>	<u>-</u>	<u>50,515</u>	<u>233,611</u>	<u>302,215</u>
<u>467,710</u>	<u>1,394,531</u>	<u>1,524,610</u>	<u>4,414,793</u>	<u>3,509,917</u>
-	-	-	431,979	572,204
-	-	-	115,376	115,576
527,496	-	-	647,426	591,327
-	1,295,288	-	1,295,288	714,888
<u>-</u>	<u>-</u>	<u>46,819</u>	<u>55,269</u>	<u>91,784</u>
<u>527,496</u>	<u>1,295,288</u>	<u>46,819</u>	<u>2,545,338</u>	<u>2,085,779</u>
(59,786)	99,243	1,477,791	1,869,455	1,424,138
-	-	5,045,865	5,045,865	3,397,918
-	-	-	88,272	74,847
<u>-</u>	<u>-</u>	<u>(5,000,000)</u>	<u>(5,000,000)</u>	<u>(5,000,000)</u>
<u>-</u>	<u>-</u>	<u>45,865</u>	<u>134,137</u>	<u>(1,527,235)</u>
(59,786)	99,243	1,523,656	2,003,592	(103,097)
280,540	51,975	17,413,786	22,772,712	22,879,050
<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,458)</u>	<u>(3,241)</u>
<u>220,754</u>	<u>151,218</u>	<u>18,937,442</u>	<u>24,773,846</u>	<u>22,772,712</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
GIFTS AND DONATIONS TRUST FUND

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 491,610	433,947
Total assets	<u>491,610</u>	<u>433,947</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accrued liabilities	\$ 13,626	30,502
Total liabilities	<u>13,626</u>	<u>30,502</u>
Fund Balance:		
Reserved for encumbrances	83,575	70,195
Designated for subsequent year's expenditures	96,011	15,244
Undesignated	<u>298,398</u>	<u>318,006</u>
Total fund balances	<u>477,984</u>	<u>403,445</u>
Total liabilities and fund balances	\$ <u>491,610</u>	<u>433,947</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
GIFTS AND DONATIONS TRUST FUND

Statement Of Revenues,  
Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Registration fees	\$ 352,996	292,538
Donations	158,308	209,291
Other	<u>144,706</u>	<u>264,118</u>
Total revenues	<u>656,010</u>	<u>765,947</u>
Expenditures - current operating:		
Community, recreation and cultural programs:		
Community activities	431,979	572,204
School services	115,376	115,576
Parks and recreation	<u>119,930</u>	<u>121,823</u>
Total expenditures	<u>667,285</u>	<u>809,603</u>
Excess (deficiency) of revenues over expenditures	(11,275)	(43,656)
Other financing sources (uses):		
Operating transfers from other funds:		
Special revenue	<u>88,272</u>	<u>74,847</u>
Total other financing sources (uses)	<u>88,272</u>	<u>74,847</u>
Excess of revenues and other sources over expenditures and other uses	76,997	31,191
Fund balance, beginning of year	403,445	375,495
Equity Transfers	<u>(2,458)</u>	<u>(3,241)</u>
Fund balance, end of year	\$ <u>477,984</u>	<u>403,445</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
WORKER'S COMPENSATION IRREVOCABLE TRUST FUND

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 4,955,331	4,590,378
Accrued interest receivable	<u>31,117</u>	<u>32,588</u>
Total assets	<u>4,986,448</u>	<u>4,622,966</u>
 <u>FUND BALANCE</u>		
Fund balance - reserved for employee benefits	<u>4,986,448</u>	<u>4,622,966</u>
Total fund balance	\$ <u>4,986,448</u>	<u>4,622,966</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
 WORKER'S COMPENSATION IRREVOCABLE TRUST FUND

Statement Of Revenues,  
 Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1990  
 (with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Interest earnings	\$ 371,932	396,087
Expenditures - current operating:		
Trustee fee	<u>8,450</u>	<u>9,717</u>
Excess of revenues over expenditures	363,482	386,370
Fund balance, beginning of year	<u>4,622,966</u>	<u>4,236,596</u>
Fund balance, end of year	\$ <u>4,986,448</u>	<u>4,622,966</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
PARKS ENDOWMENTS TRUST FUND

Balance Sheet  
December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ <u>245,673</u>	<u>303,054</u>
Total assets	<u>245,673</u>	<u>303,054</u>
 <u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accrued liabilities	\$ <u>24,919</u>	<u>22,514</u>
Total liabilities	24,919	22,514
Fund Balance:		
Reserved for Encumbrances	812	812
Reserved for Endowments	218,542	279,728
Designated for Subsequent Year's Expenditures	<u>1,400</u>	<u>-</u>
Total fund balance	<u>220,754</u>	<u>280,540</u>
Total liabilities and fund balance	\$ <u>245,673</u>	<u>303,054</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
PARKS ENDOWMENTS TRUST FUND

Statement Of Revenues,  
Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Interest on bonds	\$ 4,320	4,320
Endowment Income	425,000	450,000
Other	<u>38,390</u>	<u>29,455</u>
Total revenues	<u>467,710</u>	<u>483,775</u>
Expenditures - current operating:		
Community, recreation and cultural programs:		
Frick Park/Oliver Bath House	<u>527,496</u>	<u>469,504</u>
Excess (deficiency) of revenues over expenditures	(59,786)	14,271
Fund balance, beginning of year	<u>280,540</u>	<u>266,269</u>
Fund balance, end of year	\$ <u><u>220,754</u></u>	<u><u>280,540</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
RETIREMENT BENEFITS TRUST FUND

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ 18,747,065	17,081,859
Accrued interest receivable	<u>190,377</u>	<u>331,927</u>
Total assets	<u>18,937,442</u>	<u>17,413,786</u>
 <u>FUND BALANCE</u>		
Fund balance - reserved for employee benefits	<u>18,937,442</u>	<u>17,413,786</u>
Total fund balance	\$ <u>18,937,442</u>	<u>17,413,786</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
RETIREMENT BENEFITS TRUST FUND

Statement Of Revenues,  
Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Interest earnings	\$ 1,474,095	1,221,893
Realized gains	<u>50,515</u>	<u>8,642</u>
Total revenues	<u>1,524,610</u>	<u>1,230,535</u>
Expenditures - current operating:		
Miscellaneous	<u>46,819</u>	<u>82,067</u>
Excess (deficiency) of revenues over expenditures	1,477,791	1,148,468
Other financing sources (uses):		
Operating transfer from general fund	5,045,865	3,397,918
Operating transfer to general fund	<u>(5,000,000)</u>	<u>(5,000,000)</u>
Total other financing sources (uses)	<u>45,865</u>	<u>(1,602,082)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	1,523,656	(453,614)
Fund balance, beginning of year	<u>17,413,786</u>	<u>17,867,400</u>
Fund balance, end of year	\$ <u>18,937,442</u>	<u>17,413,786</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
METER INSTALLATION PROGRAM TRUST FUND

Balance Sheet

December 31, 1990  
(with comparative amounts for December 31, 1989)

<u>ASSETS</u>	<u>1990</u>	<u>1989</u>
Cash and short-term investments, at cost which approximates market	\$ <u>193,053</u>	<u>89,000</u>
Total assets	<u>193,053</u>	<u>89,000</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accrued Liabilities	<u>41,835</u>	<u>37,025</u>
Total liabilities	<u>41,835</u>	<u>37,025</u>
Fund Balances:		
Reserved for Encumbrances	264	73
Unreserved:		
Undesignated	<u>150,954</u>	<u>51,902</u>
Total fund balance	<u>151,218</u>	<u>51,975</u>
Total liabilities and fund balance	\$ <u>193,053</u>	<u>89,000</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
METER INSTALLATION PROGRAM TRUST FUND

Statement Of Revenues,  
Expenditures and Changes in Fund Balances

For the Year Ended December 31, 1990  
(with comparative amounts for the year ended December 31, 1989)

	<u>1990</u>	<u>1989</u>
Revenues:		
Charges for user services	\$ <u>1,394,531</u>	<u>633,573</u>
Total revenues	<u>1,394,531</u>	<u>633,573</u>
Expenditures - current operating:		
Meter installation	<u>1,295,288</u>	<u>714,888</u>
Total expenditures	<u>1,295,288</u>	<u>714,888</u>
Excess (deficiency) of revenues over expenditures	99,243	(81,315)
Fund balance, beginning of year	<u>51,975</u>	<u>133,290</u>
Fund balance, end of year	\$ <u><u>151,218</u></u>	<u><u>51,975</u></u>

CITY OF PITTSBURGH, PENNSYLVANIA  
AGENCY FUNDS

Combining Balance Sheet

December 31, 1990  
(with comparative totals for December 31, 1989)

<u>ASSETS</u>	<u>Employee Benefits</u>	<u>Payroll Withholding</u>	<u>Parking Meter</u>
Cash and short-term investments, at cost which approximates market	\$ 16,034,632	508,686	-
Other Receivables	-	-	-
Accrued interest and dividends receivable	-	-	-
Due from General Fund	2,250,000	-	-
Due from other governments	<u>37,458</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>18,322,090</u>	<u>508,686</u>	<u>-</u>
<u>LIABILITIES</u>			
Accrued liabilities	2,616,317	167,439	-
Deferred compensation payable	15,705,773	-	-
Due to other governments	-	-	-
Due to General Fund	-	341,247	-
Deposits held in trust	-	-	-
Deferred Revenue	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	\$ <u>18,322,090</u>	<u>508,686</u>	<u>-</u>

<u>Unclaimed Liabilities</u>	<u>Deposit</u>	<u>Other</u>	<u>Totals</u>	
			<u>1990</u>	<u>1989</u>
357,278	921,136	1,293,733	19,115,465	17,350,529
-	-	76,835	76,835	-
-	-	-	-	1,125
-	-	-	2,250,000	2,100,000
-	-	-	37,458	-
<u>357,278</u>	<u>921,136</u>	<u>1,370,568</u>	<u>21,479,758</u>	<u>19,451,654</u>
357,278	85,043	752,963	3,979,040	5,249,165
-	-	-	15,705,773	12,244,933
-	-	61,496	61,496	-
-	40,798	7,500	389,545	1,246,963
-	795,295	471,774	1,267,069	710,593
-	-	76,835	76,835	-
<u>357,278</u>	<u>921,136</u>	<u>1,370,568</u>	<u>21,479,758</u>	<u>19,451,654</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities  
For the Year Ended December 31, 1990

	Balance January 1, <u>1990</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>1990</u>
<u>Employee Benefits</u>				
<u>Assets</u>				
Cash and short-term invest- ments, at cost which approximates market	\$ 12,885,209	31,423,506	(28,274,083)	16,034,632
Due from general fund	2,100,000	2,250,000	(2,100,000)	2,250,000
Due from other governments	<u>-</u>	<u>37,458</u>	<u>-</u>	<u>37,458</u>
Total	\$ <u>14,985,209</u>	<u>33,710,964</u>	<u>(30,374,083)</u>	<u>18,322,090</u>
<u>Liabilities</u>				
Accrued liabilities	2,740,276	29,952,608	(30,076,567)	2,616,317
Deferred compensation payable	<u>12,244,933</u>	<u>3,758,356</u>	<u>(297,516)</u>	<u>15,705,773</u>
Total	\$ <u>14,985,209</u>	<u>33,710,964</u>	<u>(30,374,083)</u>	<u>18,322,090</u>
<u>Payroll Withholding</u>				
<u>Assets</u>				
Cash and short-term invest- ments, at cost which approximates market	\$ 1,033,606	9,300,111	(9,825,031)	508,686
Accrued interest receivable	<u>1,125</u>	<u>-</u>	<u>(1,125)</u>	<u>-</u>
Total	\$ <u>1,034,731</u>	<u>9,300,111</u>	<u>(9,826,156)</u>	<u>508,686</u>
<u>Liabilities</u>				
Accrued liabilities	534,608	9,266,364	(9,633,533)	167,439
Due to general fund	<u>500,123</u>	<u>33,747</u>	<u>(192,623)</u>	<u>341,247</u>
Total	\$ <u>1,034,731</u>	<u>9,300,111</u>	<u>(9,826,156)</u>	<u>508,686</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities  
For the Year Ended December 31, 1990

(Continued)

	Balance January 1, <u>1990</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>1990</u>
<u>Parking Meter</u>				
<u>Assets</u>				
Cash and short-term invest- ments, at cost which approximates market	\$ <u>1,517</u>	-	(1,517)	-
Total	\$ <u>1,517</u>	<u>-</u>	<u>(1,517)</u>	<u>-</u>
<u>Liabilities</u>				
Due to general fund	1,517	-	(1,517)	-
Accrued liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ <u>1,517</u>	<u>-</u>	<u>(1,517)</u>	<u>-</u>
<u>Unclaimed Liabilities</u>				
<u>Assets</u>				
Cash and short-term invest- ments, at cost which approximates market	\$ <u>368,709</u>	<u>708</u>	(12,139)	<u>357,278</u>
Total	\$ <u>368,709</u>	<u>708</u>	<u>(12,139)</u>	<u>357,278</u>
<u>Liabilities</u>				
Accrued liabilities	\$ <u>368,709</u>	<u>708</u>	(12,139)	<u>357,278</u>
Total	\$ <u>368,709</u>	<u>708</u>	<u>(12,139)</u>	<u>357,278</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities  
For the Year Ended December 31, 1990

(Continued)

	Balance January 1, <u>1990</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>1990</u>
<u>Deposit</u>				
<u>Assets</u>				
Cash and short-term invest- ments, at cost which approximates market	\$ <u>1,507,926</u>	<u>1,184,406</u>	( <u>1,771,196</u> )	<u>921,136</u>
Total	<u>\$1,507,926</u>	<u>1,184,406</u>	( <u>1,771,196</u> )	<u>921,136</u>
<u>Liabilities</u>				
Accrued liabilities	393,135	254,606	(562,698)	85,043
Due to general fund	745,323	40,126	(744,651)	40,798
Deposits held in trust	<u>369,468</u>	<u>889,674</u>	<u>(463,847)</u>	<u>795,295</u>
Total	<u>\$1,507,926</u>	<u>1,184,406</u>	( <u>1,771,196</u> )	<u>921,136</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities  
For the Year Ended December 31, 1990

(Continued)

	Balance January 1, <u>1990</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>1990</u>
<u>Other (includes Municipal Courts)</u>				
<u>Assets</u>				
Cash and short-term invest- ments, at cost which approximates market	\$1,553,562	1,126,032	(1,385,861)	1,293,733
Other Receivables	<u>-</u>	<u>76,835</u>	<u>-</u>	<u>76,835</u>
Total	<u>\$1,553,562</u>	<u>1,202,867</u>	<u>(1,385,861)</u>	<u>1,370,568</u>
<u>Liabilities</u>				
Accrued liabilities	1,212,437	778,960	(1,238,434)	752,963
Due to other authorities	-	61,496	-	61,496
Due to general fund	-	7,500	-	7,500
Deposits held in trust	341,125	278,076	(147,427)	471,774
Deferred revenue	<u>-</u>	<u>76,835</u>	<u>-</u>	<u>76,835</u>
Total	<u>\$1,553,562</u>	<u>1,202,867</u>	<u>(1,385,861)</u>	<u>1,370,568</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
AGENCY FUNDS

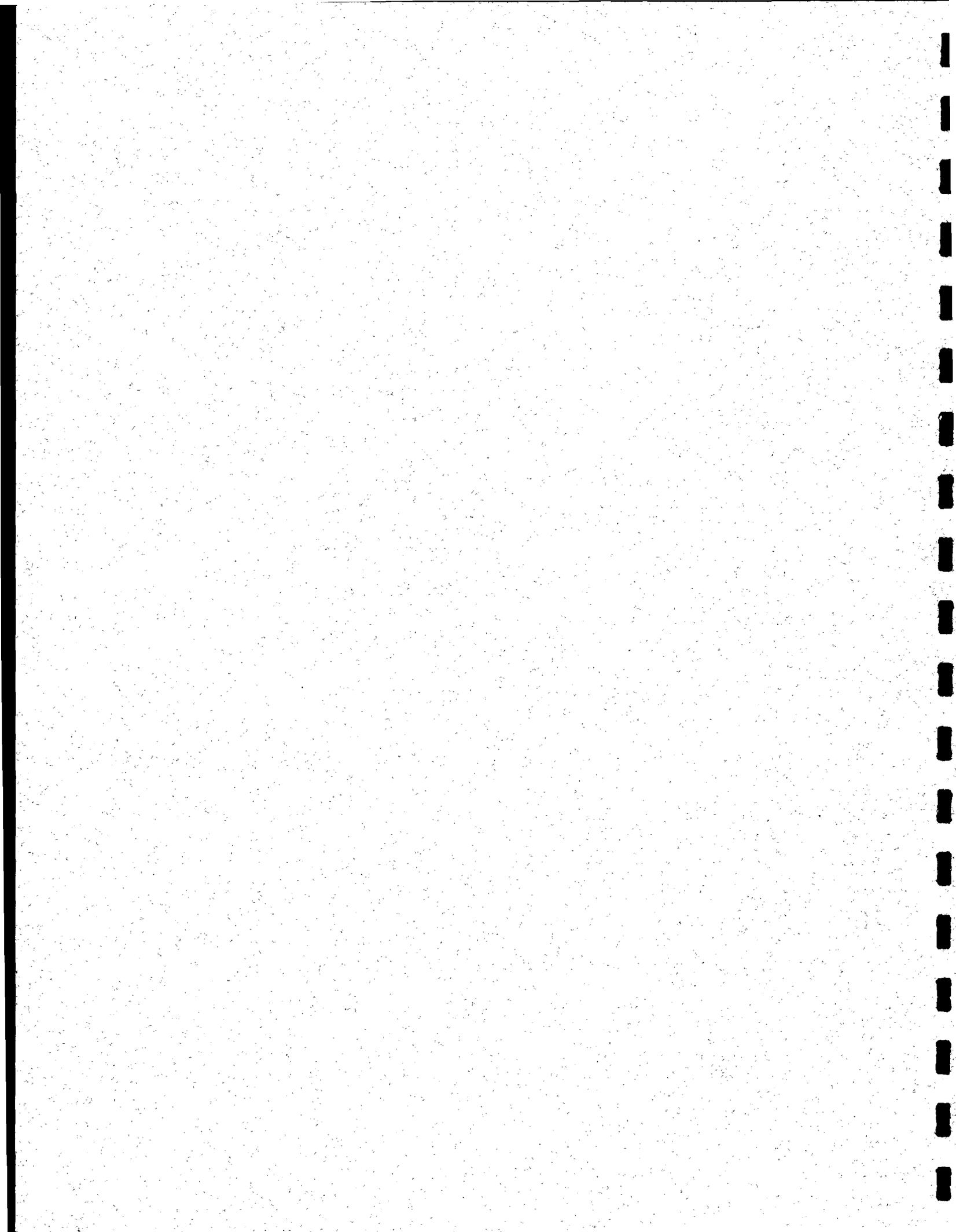
Combining Statement of Changes in Assets and Liabilities  
For the Year Ended December 31, 1990

(Continued)

	Balance January 1, <u>1990</u>	<u>Additions</u>	<u>Deductions</u>	Balance December 31, <u>1990</u>
<u>Total Agency Funds</u>				
<u>Assets</u>				
Cash and short-term invest- ments, at cost which approximates market	\$ 17,350,529	43,034,763	(41,269,827)	19,115,465
Accrued interest receivable	1,125	-	(1,125)	-
Due from general fund	2,100,000	2,250,000	(2,100,000)	2,250,000
Due from other governments	-	37,458	-	37,458
Other Receivables	-	76,835	-	76,835
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Assets	\$ <u>19,451,654</u>	<u>45,399,056</u>	<u>(43,370,952)</u>	<u>21,479,758</u>
<u>Liabilities</u>				
Accrued liabilities	5,249,165	40,253,246	(41,523,371)	3,979,040
Deferred compensation payable	12,244,933	3,758,356	(297,516)	15,705,773
Deferred revenue	-	76,835	-	76,835
Due to general fund	1,246,963	81,373	(938,791)	389,545
Due to other authorities	-	61,496	-	61,496
Deposits held in trust	710,593	1,167,750	(611,274)	1,267,069
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total Liabilities	\$ <u>19,451,654</u>	<u>45,399,056</u>	<u>(43,370,952)</u>	<u>21,479,758</u>

# GENERAL LONG-TERM DEBT ACCOUNT GROUP

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



## CITY OF PITTSBURGH, PENNSYLVANIA

## Statement of General Long-Term Debt

December 31, 1990  
 (with comparative amounts for December 31, 1989)

AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE PAYMENT OF  
 GENERAL LONG-TERM DEBT

	<u>1990</u>	<u>1989</u>
Amount available in Debt Service Funds for retirement of bonds	\$ 3,809,552	4,773,049
Amount to be provided for retirement of bonds	409,917,948	417,864,451
Amount to be provided for capital lease obligations	7,309,277	8,138,767
Amount to be provided for deferred loan	2,130,000	1,704,000
Amount to be provided for accrued pension costs	211,749,000	204,787,000
Amount to be provided for accrued workers' compensation	60,372,000	58,590,000
Amount to be provided for accrued compensated absences	<u>-</u>	<u>454,000</u>
Total available and to be provided	<u>\$ 695,287,777</u>	<u>696,311,267</u>

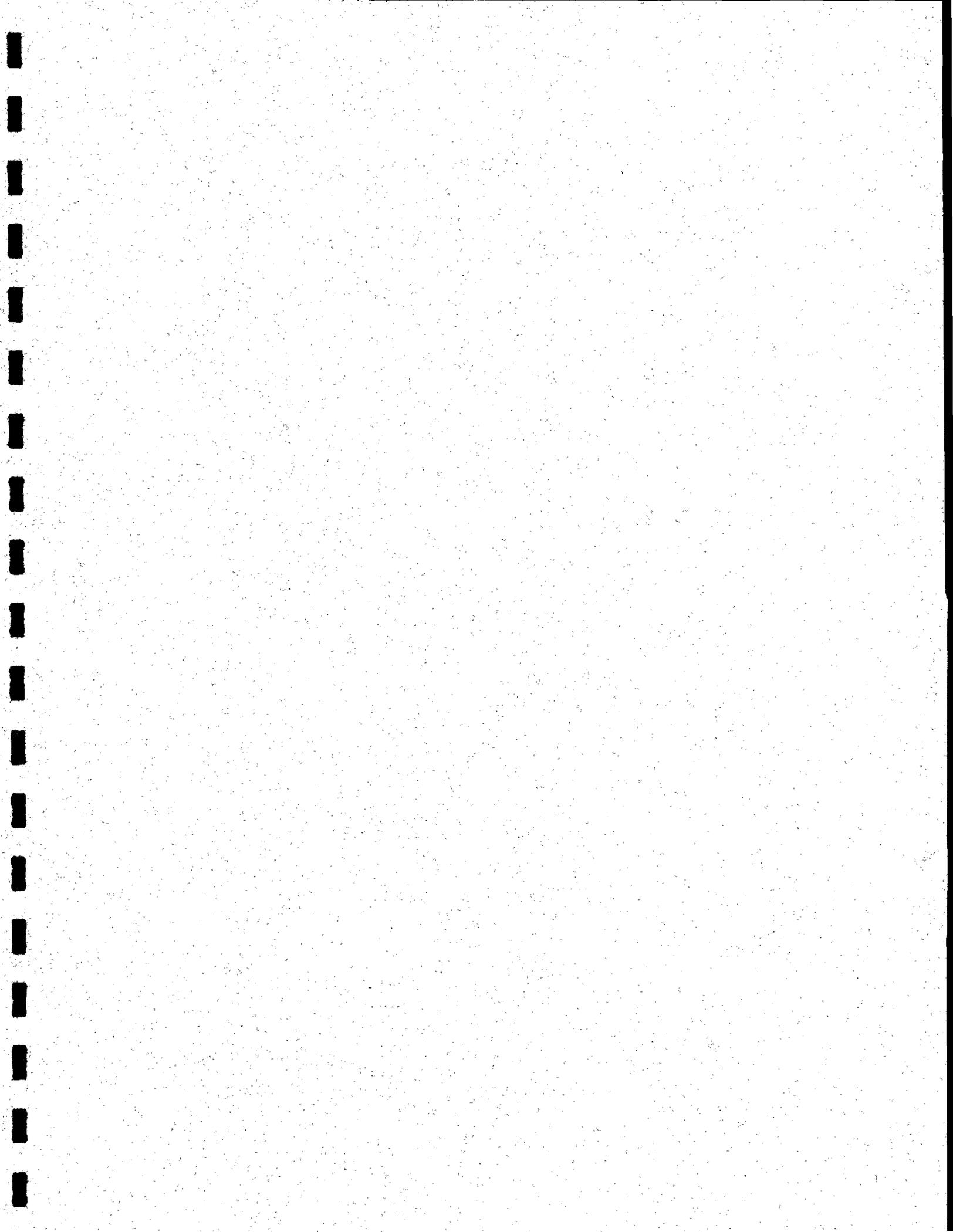
## GENERAL LONG-TERM DEBT PAYABLE

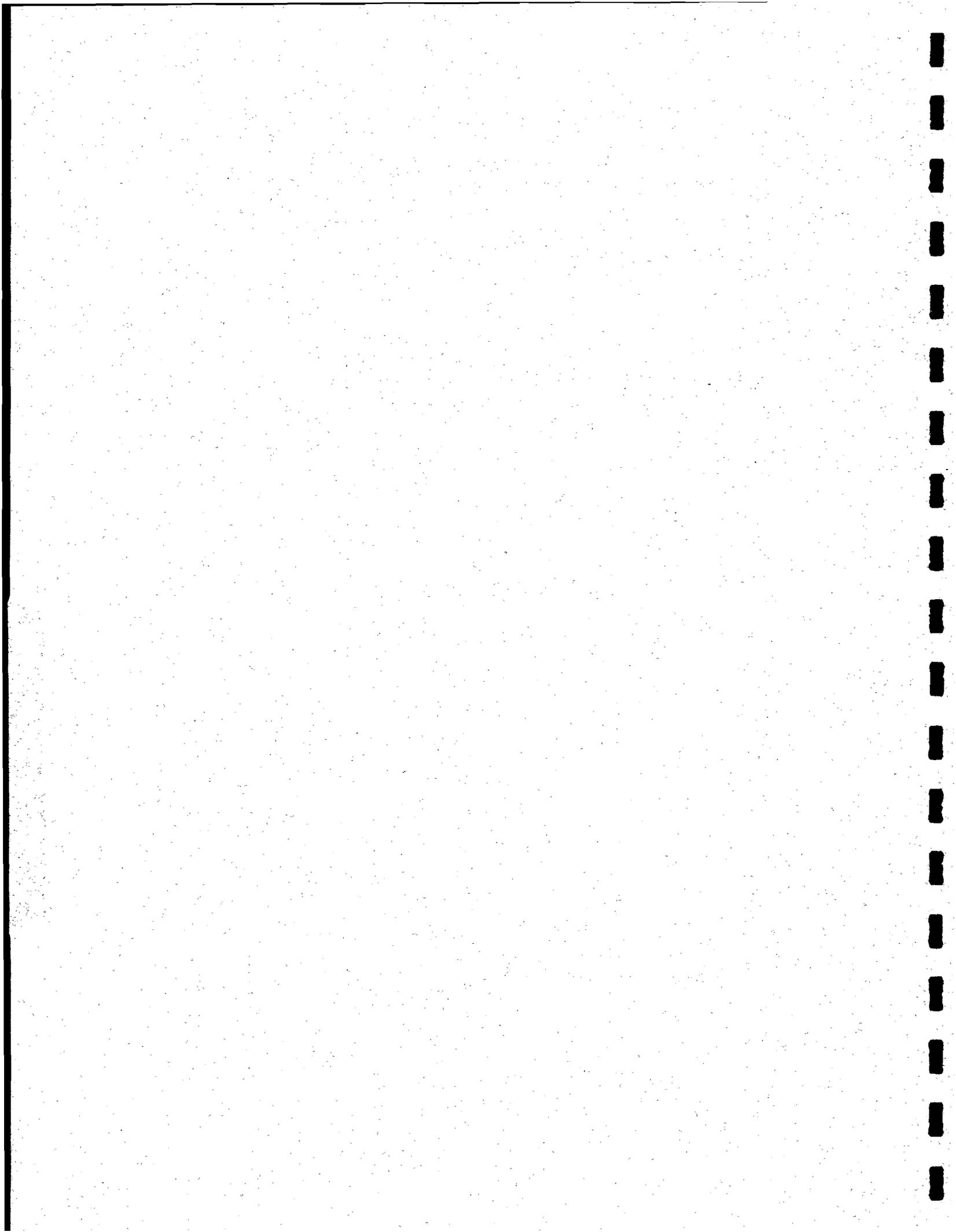
General obligation bonds payable	\$ 382,445,000	395,125,000
Revenues bonds payable	<u>31,282,500</u>	<u>27,512,500</u>
Total bonds payable	413,727,500	422,637,500
Capital lease obligations	7,309,277	8,138,767
Deferred loan	2,130,000	1,704,000
Accrued pension costs	211,749,000	204,787,000
Accrued workers' compensation	60,372,000	58,590,000
Accrued compensated absences	<u>-</u>	<u>454,000</u>
Total long-term debt payable	<u>\$ 695,287,777</u>	<u>696,311,267</u>

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund Revenues and Other Financing Sources by Source

Last Ten Fiscal Years

	<u>1990</u>	<u>1989</u>	<u>1988</u>	<u>1987</u>
Taxes, including penalty and interest	\$ 235,257,297	220,733,176	225,303,400	212,491,390
Interest earnings	5,592,501	7,648,576	6,832,810	8,065,671
Fines and forfeits	5,411,995	4,392,875	4,666,658	4,969,702
Licenses and fees	13,045,921	11,562,149	10,564,605	8,706,790
Pittsburgh Zoo receipts	1,469,624	1,479,290	1,155,505	1,167,294
Enterprise Funds				
administrative charge	-	-	-	-
Intergovernmental revenues	3,296,127	4,722,865	3,417,510	3,417,944
Miscellaneous	1,704,659	1,279,681	1,855,155	2,345,831
Other financing sources:				
Bond sale and capital lease obligation proceeds	2,587,999	1,691,443	4,315,820	977,234
Deferred loan proceeds	426,000	426,000	426,000	426,000
Operating transfers from:				
Special revenue funds	385,500	352,760	232,111	-
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	349
Enterprise funds	22,010,000	7,532,000	7,294,000	4,092,000
Trust and agency funds	5,000,000	5,000,000	-	-
Special assessment funds	-	-	-	-
Retirement of advance to Stadium Authority	-	-	-	5,657,303
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total revenues and other financing sources	<u>\$296,187,623</u>	<u>266,820,815</u>	<u>266,063,574</u>	<u>252,317,508</u>

<u>1986</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>1982</u>	<u>1981</u>
201,486,056	195,095,648	186,278,049	181,961,947	172,142,527	131,858,115
6,299,898	8,438,042	9,125,601	8,441,351	13,068,409	10,887,647
4,133,933	4,144,328	3,663,380	3,444,931	3,033,743	2,538,125
5,596,569	6,850,083	5,815,238	5,210,961	4,528,620	4,081,775
1,225,863	1,207,777	1,537,250	921,370	557,487	562,823
-	-	500,000	1,200,000	1,000,000	960,000
3,309,692	3,413,238	4,209,127	2,606,464	3,041,376	4,489,599
1,751,825	2,174,894	2,601,309	2,625,134	2,357,944	1,974,782
3,003,747	6,010,000	3,750,000	-	-	-
-	-	-	-	-	-
-	-	-	-	-	281,870
-	-	-	-	-	7,000,000
-	-	-	-	-	930,899
5,461,000	4,813,000	5,056,847	1,837,303	1,294,752	842,779
-	-	-	-	-	-
1,777	-	12,780	9,157	12,313	5,852
-	-	-	-	-	-
<u>232,270,360</u>	<u>232,147,010</u>	<u>222,549,581</u>	<u>208,258,618</u>	<u>201,037,171</u>	<u>166,414,266</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## General Fund Expenditures and Operating Transfers by Function

## Last Ten Fiscal Years

	<u>1990</u>	<u>1989</u>	<u>1988</u>	<u>1987</u>
General government	\$ 17,549,519	15,646,592	19,591,224	17,659,717
Public safety	107,383,440	100,663,810	96,652,207	89,262,852
Public works	28,813,394	26,692,698	31,703,859	26,831,589
Sanitation	15,070,282	14,186,732	12,613,068	12,699,780
Community, recreation and cultural programs	20,444,641	18,848,251	18,207,873	17,770,880
Employee benefits and other	45,003,247	42,566,932	47,202,907	38,626,301
Claims and judgments	656,403	646,903	390,907	788,318
Miscellaneous	2,991,486	2,377,023	826,388	748,721
Debt service and authorities subsidy	6,845,638	6,445,994	5,296,219	4,502,807
Operating transfers to:				
Special revenue funds	2,555,050	4,754,164	5,151,142	2,160,251
Debt service funds	37,968,224	33,748,287	31,627,822	32,127,529
Trust and agency funds	<u>5,045,865</u>	<u>3,397,918</u>	<u>-</u>	<u>20,000</u>
Total expenditures and transfers	\$ <u>290,327,189</u>	<u>269,975,304</u>	<u>269,263,616</u>	<u>243,198,745</u>

\* - Includes claims and judgments and miscellaneous for 1982 and prior years and workers' compensation expenditures for 1984 and prior years.

<u>1986</u>	<u>1985</u>	<u>1984</u>	<u>1983</u>	<u>1982</u>	<u>1981</u>
19,389,491	14,685,693	14,035,464	14,064,887	10,560,446	10,075,205
79,525,777	66,204,153	61,379,491	57,451,074	54,044,555	48,061,086
28,160,219	25,660,320	27,217,516	27,505,350	26,861,399	27,684,452
12,541,140	11,165,311	10,711,676	11,487,646	10,664,661	11,703,495
38,402,332	23,395,370	20,684,765	16,593,205	15,132,060	13,563,804
36,154,195	45,819,670	56,449,024	45,784,152	42,158,523*	34,847,156*
405,043	478,392	398,201	1,296,041	*	*
362,962	804,630	771,004	667,813	*	*
3,806,342	2,675,615	1,690,000	1,772,000	1,904,854	968,988
2,425,857	4,296,259	4,758,108	3,342,975	823,091	415,232
35,750,283	30,716,815	31,524,795	29,722,157	28,635,361	13,245,005
-	-	17,000	-	-	-
<u>256,923,641</u>	<u>225,902,228</u>	<u>229,637,044</u>	<u>209,687,300</u>	<u>190,784,950</u>	<u>160,564,423</u>

CITY OF PITTSBURGH, PENNSYLVANIA  
Assessed Value, Tax Rates, Levy and Collections  
Last Ten Fiscal Years

<u>Fiscal year</u>	<u>Assessed valuation of land and buildings</u>	<u>Land</u>	<u>Buildings</u>	<u>Original net levy</u>	<u>Adjusted net levy (1)</u>	<u>Budget</u>
1981	\$1,461,618,118	125.5 mills	24.75 mills	\$ 73,065,576	\$ 67,907,205	\$ 69,700,000
1982	1,505,671,781	133.0 mills	32.00 mills	82,883,365	80,256,402	76,325,804
1983	1,536,543,980	151.5 mills	27.00 mills	84,382,708	81,855,375	77,535,000
1984	1,646,276,852	151.5 mills	27.00 mills	86,965,938	82,872,083	78,250,000
1985	1,767,939,639	151.5 mills	27.00 mills	92,051,888	91,593,532	84,867,870
1986	1,803,933,586	151.5 mills	27.00 mills	93,446,719	92,838,844	89,222,736
1987	1,842,642,781	151.5 mills	27.00 mills	94,523,920	93,453,230	88,813,466
1988	1,965,627,614	151.5 mills	27.00 mills	96,861,871	96,889,675	91,180,430
1989	1,978,453,320	151.5 mills	27.00 mills	99,032,985	98,262,261	94,000,000
1990	2,071,085,416	184.5 mills	32.00 mills	122,927,018	120,327,168	114,500,000

- (1) Represents net levy as of December 31 of the tax year (i.e., net of exonerations, discounts and additions granted in that year).
- (2) During 1981, real estate tax exonerations which had not been expected by the City were ordered by the Allegheny County Board of Property Assessment, Appeals and Review. The Department of Finance estimates that \$2.4 million of such exonerations were credited to unpaid 1981 real estate taxes. These credits account for a significant portion of the fluctuation in the collection rates shown in this table.

<u>Year of Original Levy</u>				<u>Delinquent Taxes</u>		
<u>Receipts</u>	Percent of	Percent of	Percent of budget collected	<u>Collections</u>		Percent of budget collected
	original net levy collected	adjusted net levy collected		<u>Budget</u>	<u>Receipts</u>	
66,017,908 (2)	90.4 (2)	97.2 (2)	94.7 (2)	\$ 1,750,000	\$ 2,452,959	140.2
76,729,597	92.6	95.6	100.5	2,400,000	3,354,719	139.8
77,659,281	92.0	94.9	100.2	3,000,000	3,045,145	101.5
78,715,474	90.5	95.0	100.6	3,000,000	2,850,690	95.0
85,609,165	93.0	93.5	100.9	3,100,000	5,128,169	165.4
87,353,306	93.5	94.1	97.9	3,500,000	3,415,286	97.6
88,253,629	93.4	94.4	99.4	3,500,000	4,534,392	129.6
91,089,362	94.0	94.0	99.9	3,500,000	4,248,170	121.4
91,446,973	92.3	93.1	97.3	4,500,000	4,501,190	100.1
112,330,484	91.4	93.4	98.1	4,600,000	5,988,844	130.2

CITY OF PITTSBURGH, PENNSYLVANIA  
 Property Tax Rates - All Overlapping Governments  
 Last Ten Fiscal Years

<u>Fiscal year</u>	<u>City</u>			<u>School district</u>	<u>County</u>	<u>Total</u>
	<u>Land</u>	<u>Buildings</u>	<u>Average*</u>			
1981	125.5 mills	24.75 mills	49.660	41.000 mills	28.000 mills	118.660 mills
1982	133.0 mills	32.00 mills	55.047	36.000 mills	29.000 mills	120.047 mills
1983	151.5 mills	27.00 mills	54.900	36.000 mills	29.000 mills	119.900 mills
1984	151.5 mills	27.00 mills	51.850	40.000 mills	29.000 mills	120.850 mills
1985	151.5 mills	27.00 mills	52.067	40.000 mills	29.000 mills	121.067 mills
1986	151.5 mills	27.00 mills	51.802	40.000 mills	31.250 mills	123.052 mills
1987	151.5 mills	27.00 mills	51.298	46.000 mills	31.250 mills	128.548 mills
1988	151.5 mills	27.00 mills	49.883	46.000 mills	31.250 mills	127.133 mills
1989	151.5 mills	27.00 mills	50.086	46.000 mills	35.000 mills	131.086 mills
1990	184.5 mills	32.00 mills	59.070	46.000 mills	36.500 mills	141.570 mills

\* Determined by multiplying the respective assessed valuation by the millage rate and dividing by the total assessed valuation.

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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CITY OF PITTSBURGH, PENNSYLVANIA  
 Schedule of Bonds and Notes Payable  
 December 31, 1990

<u>Serial Bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
General Public Improvement Bonds, 1971, Series A	10/01/71	\$ 9,300,000	\$ 465,000
General Public Improvement Bonds, 1972, Series A	05/01/72	11,400,000	1,140,000
General Obligation Bonds, 1973, Series A	04/01/73	14,000,000	3,190,000
General Obligation Bonds, 1974, Series A	04/01/74	14,350,000	4,340,000
General Obligation Bonds, 1976, Series A	08/01/76	10,300,000	4,730,000
General Obligation Bonds, 1977, Series A	06/01/77	13,200,000	6,600,000
Carried forward			<u>20,465,000</u>

<u>Maturity Information</u>	Coupon or ceiling rate of <u>interest</u>	<u>1991 maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$ 465,000 annually through 1991	% 5.00	\$ 23,250	\$ 465,000
\$ 570,000 annually through 1992	5.25	44,887	570,000
\$1,000,000 in 1991	5.20	139,880	1,000,000
\$1,050,000 in 1992	5.20		
\$1,140,000 in 1993	5.20		
\$1,000,000 in 1991	5.40	203,750	1,000,000
\$1,050,000 in 1992	5.40		
\$1,110,000 in 1993	5.50		
\$1,180,000 in 1994	5.00		
\$ 675,000 in 1991	6.70	326,885	675,000
\$ 715,000 in 1992	6.80		
\$ 760,000 in 1993	6.90		
\$ 810,000 in 1994	7.00		
\$ 860,000 in 1995	7.00		
\$ 910,000 in 1996	7.00		
\$ 785,000 in 1991	5.50	358,672	785,000
\$ 835,000 in 1992	5.60		
\$ 885,000 in 1993	5.70		
\$ 935,000 in 1994	5.80		
\$ 995,000 in 1995	5.88		
\$1,050,000 in 1996	5.88		
\$1,115,000 in 1997	5.88		
		<u>1,097,324</u>	<u>4,495,000</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
Schedule of Bonds and Notes Payable  
December 31, 1990

<u>Serial Bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
Brought forward			\$ 20,465,000
General Obligation Bonds, 1978, Series A	07/01/78	\$ 14,000,000	7,770,000
General Obligation Bonds, 1985 Series	08/01/85	224,185,000	44,195,000
General Obligation Bonds, 1986, Series A	07/01/86	63,510,000	63,490,000
Carried forward			<u>135,920,000</u>

<u>Maturity Information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1991 maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 1,097,324	\$ 4,495,000
\$ 785,000 in 1991	% 6.30	502,650	785,000
\$ 830,000 in 1992	6.40		
\$ 880,000 in 1993	6.50		
\$ 930,000 in 1994	6.50		
\$ 990,000 in 1995	6.50		
\$1,050,000 in 1996	6.50		
\$1,120,000 in 1997	6.50		
\$1,185,000 in 1998	6.50		
\$6,095,000 in 1991	7.20	3,253,115	6,095,000
\$6,530,000 in 1992	7.50		
\$7,020,000 in 1993	7.75		
\$7,565,000 in 1994	7.90		
\$8,160,000 in 1995	8.10		
\$8,825,000 in 1996	8.40		
\$ 5,000 annually through 2007	6.00	3,809,250	5,000
\$ 7,510,000 in 2008	6.00		
\$ 7,975,000 in 2009	6.00		
\$ 8,470,000 in 2010	6.00		
\$ 8,995,000 in 2011	6.00		
\$ 9,550,000 in 2012	6.00		
\$10,140,000 in 2013	6.00		
\$10,765,000 in 2014	6.00		
		<u>8,662,339</u>	<u>11,380,000</u>

(Continued)



<u>Maturity Information</u>	<u>Coupon or ceiling rate of interest</u>	<u>1991 maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 8,662,339	\$ 11,380,000
\$ 1,560,000 in 1991	% 5.40	12,934,574	1,560,000
\$ 1,645,000 in 1992	5.70		
\$ 1,745,000 in 1993	5.90		
\$ 1,855,000 in 1994	6.10		
\$ 1,970,000 in 1995	6.30		
\$ 2,105,000 in 1996	6.50		
\$11,715,000 in 1997	6.75		
\$12,495,000 in 1998	6.88		
\$13,350,000 in 1999	7.00		
\$14,270,000 in 2000	7.00		
\$15,250,000 in 2001	7.00		
\$16,300,000 in 2002	7.00		
\$17,405,000 in 2003	7.00		
\$18,600,000 in 2004	7.00		
\$19,880,000 in 2005	7.00		
\$21,240,000 in 2006	7.00		
\$16,160,000 in 2007	7.00		
\$ 1,080,000 in 1991	5.90	4,039,050	1,080,000
\$ 1,145,000 in 1992	6.00		
\$ 1,210,000 in 1993	6.10		
\$ 1,285,000 in 1994	6.20		
\$ 1,365,000 in 1995	6.30		
\$ 1,450,000 in 1996	6.40		
\$ 1,545,000 in 1997	6.50		
\$ 1,645,000 in 1998	6.55		
\$ 1,755,000 in 1999	6.60		
\$ 1,870,000 in 2000	6.60		
\$ 1,990,000 in 2001	6.75		
\$ 2,125,000 in 2002	6.80		
\$ 2,270,000 in 2003	6.80		
\$ 2,425,000 in 2004	6.90		
\$ 2,590,000 in 2005	6.90		
\$ 2,770,000 in 2006	7.00		
\$ 2,965,000 in 2007	7.00		
\$ 3,175,000 in 2008	7.00		
\$ 3,395,000 in 2009	7.00		
\$ 3,635,000 in 2010	7.00		
\$ 3,885,000 in 2011	7.13		
\$ 4,165,000 in 2012	7.13		
\$ 4,460,000 in 2013	7.13		
\$ 4,780,000 in 2014	7.13		
		<u>25,635,963</u>	<u>14,020,000</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
 Schedule of Bonds and Notes Payable  
 December 31, 1990

<u>Serial Bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Equipment Leasing Authority Revenue Bonds</u>			
City of Pittsburgh Equipment Leasing Authority Equipment Revenue Bonds, 1986, Series A	08/15/86	\$ 5,700,000	2,285,000
City of Pittsburgh Equipment Leasing Authority Equipment Revenue Bonds, 1986, Series B	08/26/86	5,000,000	1,980,000
City of Pittsburgh Equipment Leasing Authority Equipment Revenue Bonds, 1988, Series A	08/01/88	7,965,000	4,810,000
City of Pittsburgh Equipment Leasing Authority Equipment Revenue Bonds, Series 1990	02/01/90	14,000,000	14,000,000
Total Equipment Leasing Authority Revenue Bonds Payable			<u>23,075,000</u>

<u>Maturity Information</u>	Coupon or ceiling rate of interest	1991 maximum debt <u>service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$1,105,000 in 1991	% 6.25	128,731	1,105,000
\$1,180,000 in 1992	6.50		
\$ 945,000 in 1991	52% of prime	188,100	945,000
\$1,035,000 in 1992	9.5% ceiling		
\$1,565,000 in 1991	6.00	275,880	1,565,000
\$1,450,000 in 1992	6.20		
\$1,420,000 in 1993	6.40		
\$ 375,000 in 1994	6.60		
\$1,995,000 in 1991	6.00	847,940	1,995,000
\$2,120,000 in 1992	6.10		
\$2,245,000 in 1993	6.20		
\$2,390,000 in 1994	6.30		
\$2,540,000 in 1995	6.40		
\$2,710,000 in 1996	6.50		
		<u>1,440,651</u>	<u>5,610,000</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
 Schedule of Bonds and Notes Payable  
 December 31, 1990

<u>Serial Bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Public Auditorium Authority Revenue Bonds (City Share)</u>			
Auditorium Bonds (Performing Arts Center Project) 1984, Series D	06/15/84	\$ 3,750,000	\$ 2,790,000
Auditorium Bonds (Renovation of Civic Arena), 1985, Series E	12/15/85	6,010,000	5,417,500
Total Auditorium Authority Revenue Bonds			<u>8,207,500</u>

<u>Maturity Information</u>	Coupon or ceiling rate of <u>interest</u>	1991 maximum debt <u>service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$210,000 in 1991	% 9.50	\$ 296,363	\$ 210,000
\$227,500 in 1992	9.75		
\$250,000 in 1993	10.00		
\$272,500 in 1994	10.25		
\$295,000 in 1995	11.00		
\$325,000 in 1996	11.00		
\$362,500 in 1997	11.00		
\$402,500 in 1998	11.00		
\$445,000 in 1999	11.00		
\$172,500 in 1991	6.75	461,918	172,500
\$185,000 in 1992	7.00		
\$200,000 in 1993	7.25		
\$215,000 in 1994	7.50		
\$232,500 in 1995	7.75		
\$250,000 in 1996	8.00		
\$272,500 in 1997	8.20		
\$295,000 in 1998	8.40		
\$322,500 in 1999	8.60		
\$352,500 in 2000	8.80		
\$385,000 in 2001	9.00		
\$420,000 in 2002	9.00		
\$460,000 in 2003	9.00		
\$502,500 in 2004	9.00		
\$550,000 in 2005	9.00		
\$602,500 in 2006	9.00		
		<u>758,281</u>	<u>382,500</u>

(Continued)



<u>Maturity Information</u>	Coupon or ceiling rate of <u>interest</u>	<u>1991 maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
\$ 720,000 in 1990	% 6.70	\$ 2,564,532	\$ 720,000
\$ 765,000 in 1991	6.90		
\$ 820,000 in 1992	7.13		
\$ 880,000 in 1993	7.30		
\$ 945,000 in 1994	7.50		
\$1,015,000 in 1995	7.70		
\$1,100,000 in 1996	7.90		
\$1,190,000 in 1997	8.13		
\$1,285,000 in 1998	8.30		
\$1,400,000 in 1999	8.50		
\$1,520,000 in 2000	8.70		
\$1,655,000 in 2001	9.00		
\$1,810,000 in 2002	9.00		
\$1,970,000 in 2003	9.00		
\$1,415,000 in 2004	9.00		
\$1,540,000 in 2005	9.00		
\$1,690,000 in 2006	9.00		
\$1,855,000 in 2007	9.00		
\$2,025,000 in 2008	9.00		
\$2,220,000 in 2009	9.00		
\$2,425,000 in 2010	9.00		
\$ 710,000 in 1990	6.00	1,436,409	710,000
\$ 750,000 in 1991	6.25		
\$3,545,000 in 1995	7.00		
\$1,045,000 in 1996	7.10		
\$1,120,000 in 1997	7.20		
\$1,200,000 in 1998	7.30		
\$1,290,000 in 1999	7.40		
\$1,385,000 in 2000	7.45		
\$1,485,000 in 2001	7.50		
\$7,165,000 in 2005	7.63		
		<u>4,000,941</u>	<u>1,430,000</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
 Schedule of Bonds and Notes Payable  
 December 31, 1990

<u>Serial Bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Water and Sewer Authority Bonds</u>			
Adjustable Rate Tender Revenue Bonds,			
Series of 1985	03/29/85	\$ 100,000,000	\$ 97,000,000
Carried forward			<u>\$ 97,000,000</u>

<u>Maturity Information</u>	Coupon or ceiling rate of <u>interest</u>	<u>1991 maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
900,000 in 1991	5.125% through the next tender date, 9/1/91	\$ 3,314,167	\$ 900,000
\$ 1,100,000 in 1992			
\$ 1,200,000 in 1993			
\$ 1,300,000 in 1994			
\$ 1,400,000 in 1995			
\$ 1,600,000 in 1996			
\$ 1,800,000 in 1997			
\$ 2,000,000 in 1998			
\$ 2,200,000 in 1999			
\$ 2,400,000 in 2000			
\$ 2,700,000 in 2001			
\$ 3,000,000 in 2002			
\$ 3,300,000 in 2003			
\$ 3,700,000 in 2004			
\$ 4,100,000 in 2005			
\$ 4,500,000 in 2006			
\$ 5,000,000 in 2007			
\$ 5,600,000 in 2008			
\$ 6,200,000 in 2009			
\$ 6,900,000 in 2010			
\$ 7,700,000 in 2011			
\$ 8,500,000 in 2012			
\$ 9,400,000 in 2013			
\$10,500,000 in 2014			
		<u>\$ 3,314,167</u>	<u>900,000</u>

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA  
 Schedule of Bonds and Notes Payable  
 December 31, 1990

<u>Serial Bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Water and Sewer Authority Bonds, continued</u>			
Brought forward			\$ 97,000,000
Adjustable Rate Tender Bonds, Series of 1986	06/13/86	\$ 134,700,000	\$134,700,000
Carried forward			<u>231,700,000</u>

<u>Maturity Information</u>	Coupon or ceiling rate of interest	<u>1991 maximum debt service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 3,314,167	\$ 900,000
\$ 1,800,000 in 1991	6.3% through the next tender date, 9/1/91	5,647,400	1,800,000
\$ 2,000,000 in 1992			
\$ 2,100,000 in 1993			
\$ 2,300,000 in 1994			
\$ 2,400,000 in 1995			
\$ 2,600,000 in 1996			
\$ 2,800,000 in 1997			
\$ 3,000,000 in 1998			
\$ 3,200,000 in 1999			
\$ 3,500,000 in 2000			
\$ 3,800,000 in 2001			
\$ 4,000,000 in 2002			
\$ 4,300,000 in 2003			
\$ 4,700,000 in 2004			
\$ 5,000,000 in 2005			
\$ 5,400,000 in 2006			
\$ 5,800,000 in 2007			
\$ 6,200,000 in 2008			
\$ 6,700,000 in 2009			
\$ 7,200,000 in 2010			
\$ 7,700,000 in 2011			
\$ 8,300,000 in 2012			
\$ 8,900,000 in 2013			
\$ 9,600,000 in 2014			
\$10,300,000 in 2015			
\$11,100,000 in 2016			
		<u>8,961,567</u>	<u>2,700,000</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Bonds and Notes Payable

December 31, 1990

<u>Serial Bonds</u>	<u>Date of issue</u>	<u>Amount sold</u>	<u>Amount outstanding</u>
<u>Water and Sewer Authority Bonds, continued</u>			
Brought forward			\$ 231,700,000
Revenue Refunding Bonds, Series 1986	07/14/86	\$ 264,090,000	264,090,000
Total Water and Sewer Authority Bonds outstanding			<u>495,790,000</u>
Less escrow funds			(231,602,000)
Less discount on bonds			<u>(12,978,000)</u>
Total Water and Sewer Authority Bonds payable			<u>251,210,000</u>
Total Bonds and Notes Payable			\$ <u>714,877,500</u>

<u>Maturity Information</u>	Coupon or ceiling rate of <u>interest</u>	1991 maximum debt <u>service requirements</u>	
		<u>Interest</u>	<u>Principal</u>
		\$ 8,961,567	\$ 2,700,000
\$ 2,700,000 in 1991	% 5.90	18,607,816	2,700,000
\$ 4,045,000 in 1992	6.20		
\$ 4,300,000 in 1993	6.40		
\$ 4,575,000 in 1994	6.70		
\$ 4,880,000 in 1995	6.90		
\$ 5,215,000 in 1996	7.10		
\$ 5,585,000 in 1997	7.20		
\$ 5,990,000 in 1998	7.30		
\$ 6,425,000 in 1999	7.40		
\$ 6,900,000 in 2000	7.50		
\$ 7,420,000 in 2001	7.50		
\$ 7,975,000 in 2002	7.62		
\$ 8,585,000 in 2003	7.62		
\$ 9,240,000 in 2004	7.62		
\$ 9,945,000 in 2005	7.25		
\$10,665,000 in 2006	7.25		
\$11,435,000 in 2007	7.25		
\$12,265,000 in 2008	7.25		
\$13,155,000 in 2009	7.25		
\$14,110,000 in 2010	7.25		
\$15,130,000 in 2011	7.25		
\$16,230,000 in 2012	7.25		
\$17,405,000 in 2013	7.25		
\$18,670,000 in 2014	7.25		
\$20,020,000 in 2015	6.00		
\$21,225,000 in 2016	6.00		
		<u>27,569,383</u>	<u>5,400,000</u>
		\$ <u>59,405,219</u>	\$ <u>26,842,500</u>

## 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, 1990

	Non-electoral <u>Debt</u>	Lease Rental <u>Debt</u> (2)
Gross debt (1):		
Principal amount of bonds issued and outstanding:		
General Obligation	\$ 382,445,000	\$ -
Equipment Leasing Authority	-	23,075,000
Auditorium Authority:		
Serviced by the City	-	8,207,500
Serviced by others	-	6,365,000
Stadium Authority	<u>-</u>	<u>48,510,000</u>
Total gross debt	<u>382,445,000</u>	<u>86,157,500</u>
Items deductible from gross debt:		
Cash and legal investments held in sinking fund for payment of bonds and notes	1,160,768	2,703,020
Cash in bond fund applicable to debt	17,457,973	-
Delinquent real estate taxes for the years 1976 to to 1987 inclusive	1,215,917	-
Amount due from 1990 appropriations	-	1,489,333
Self-liquidating and subsidized debt:		
Auditorium Authority	-	2,194,500
Water and Sewer Authority	<u>22,481,675</u>	<u>-</u>
Total deductions	<u>42,316,333</u>	<u>6,386,853</u>
Net Debt	\$ <u>340,128,667</u>	\$ <u>79,770,647</u>

(1) Direct obligations of the Pittsburgh Water and Sewer Authority in the amount of \$495,790,000 are not considered debt of the city for purposes of this calculation.

(2) Capitalized leases with principal balances of \$7,309,277 are not considered debt of the City for purposes of this calculation.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

Net Debt and Remaining Debt Incurring Margin  
 in Accordance with Act No. 52, Approved April 28, 1978  
 (continued)

## ALLOCATION OF TOTAL NET DEBT

Net nonelectoral debt	\$	340,128,667
Net lease rental debt		<u>79,770,647</u>
Net nonelectoral and lease rental debt	\$	<u>419,899,314</u>

## DEBT INCURRING MARGIN

	<u>1988</u>	<u>1989</u>	<u>1990</u>
Total net revenue of the City	\$ <u>306,158,013</u>	\$ <u>306,427,000</u>	\$ <u>333,278,157</u>
Borrowing base(arithmetic average of total net revenue for said three fiscal years)			\$ <u>315,287,723</u>

	Net nonelectoral debt (borrowing base x 250%)	Net nonelectoral and lease rental debt (borrowing base x 350%)
Debt limitations	\$ 788,219,308	\$ 1,103,507,031
Less existing net debt	(340,128,667)	(419,899,314)
Remaining debt incurring margin	\$ <u>448,090,641</u>	\$ <u>683,607,717</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

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

## Last Ten Fiscal Years

<u>Fiscal year</u>	<u>Population</u>	<u>Assessed Value</u>	<u>Gross bonded debt</u>	<u>Less Debt Service Funds</u>
1981	423,938	1,461,618,118	222,755,200	8,382,780
1982	423,938	1,505,671,781	236,845,200	6,075,310
1983	423,938	1,536,534,980	240,273,000	4,422,912
1984	423,938	1,646,276,852	232,193,000	6,995,167
1985	423,938	1,767,939,639	284,390,000	7,125,631
1986	423,938	1,803,933,583	367,185,000	8,017,725
1987	423,938	1,842,642,781	354,740,000	4,133,480
1988	423,938	1,965,627,614	345,000,000	2,975,273
1989	423,938	1,978,453,320	395,125,000	1,338,580
1990	369,879	2,071,085,416	382,445,000	1,090,005

Net general bonded debt	Ratio of net general bonded debt to <u>assessed value</u>	Net general bonded debt per <u>capita</u>
214,372,420	14.66	506
230,769,890	15.32	544
235,850,088	15.34	556
225,197,833	13.67	531
277,264,369	15.68	654
359,167,275	19.91	847
350,606,520	19.02	827
342,024,727	17.40	807
393,786,420	19.90	929
381,354,995	18.41	1031

## CITY OF PITTSBURGH, PENNSYLVANIA

## Computation of Direct and Overlapping Debt

December 31, 1990

<u>Name of government</u>	<u>Net General Bonded Debt</u>	<u>Percentage Applicable to City of Pittsburgh</u>	<u>City of Pittsburgh Share of Debt</u>
City of Pittsburgh:			
General obligation	\$ 382,445,000	100	\$ 382,445,000
Equipment Leasing Authority	23,075,000	100	23,075,000
Stadium Authority	49,940,000	100	49,940,000
Auditorium Authority	28,880,000	50	14,440,000
City of Pittsburgh School District	116,693,870	100	116,693,870
County of Allegheny	601,351,622	28	<u>168,378,454</u>
 Total direct and over- lapping debt			 \$ <u>754,972,324</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## City Employment

## Last Ten Fiscal Years

<u>Fiscal year</u>	<u>Regular budgeted positions</u>	<u>Actual January payroll</u>
1981	5,783	5,339
1982	5,491	5,212
1983	5,497	5,185
1984	5,405	5,194
1985	5,412	5,063
1986	5,442	5,074
1987	5,456	4,886
1988	5,221	4,849
1989	5,257	4,896
1990	5,225	4,933

## CITY OF PITTSBURGH, PENNSYLVANIA

## Principal Real Estate Taxpayers

December 31, 1990

<u>Taxpayer</u>	<u>Principal Type of Business</u>	<u>1990 Assessed Valuation</u>	<u>Percentage of total Tax Levied</u>
600 Grant Street Associates (USX Tower)	Real Estate	\$ 73,750,000	3.45%
Market View Incorporated (Subsidiary of PPG Industries)	Real Estate	55,750,000	2.61
500 Grant Street Associates (One Mellon Bank Center)	Real Estate	53,750,000	2.52
Pittsburgh National Bank	Commercial Banking	45,902,800	2.15
Oxford Development	Real Estate	33,642,600	1.58
Equitable Life Assurance Society of the United States	Real Estate	28,630,340	1.34
Grant Liberty Development Group Company	Real Estate	23,750,000	1.11
Penn Liberty Holding Company	Real Estate	21,000,000	0.98
Mellon Bank, N.A.	Commercial Banking	20,532,000	0.96
Landmarks Real Estate Company	Real Estate	<u>18,913,000</u>	<u>0.89</u>
		\$ <u>375,620,740</u>	<u>17.59</u>

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Insurance in Force

For the Year Ended December 31, 1990

<u>Type of Insurance/ Name of Company</u>	<u>Coverage</u>	<u>Policy Period</u>	<u>Liability Limits</u>	<u>Annual Premium</u>
Boiler Insurance Lumbermans Mutual Insurance Company	General Services Blanket	1/01/90 - 12/31/90	\$1,000,000 per accident \$ 50,000 business interruption per occurrence	\$11,898
Errors & Omissions Insurance Western World Insurance Company	Public Safety E.M.S.	7/01/90 - 6/30/91	\$500,000 per endorsement No deductible	56,277
Property Insurance Firemans Fund Insurance Company	General Services Blanket	1/01/90 - 12/31/90	All risk and extended coverage	94,374
Point Park Police U.S. Risk Insurance Agency, Inc.	Public Safety Police	9/17/90 - 9/16/91	\$ 500,000 each occurrence \$1,000,000 aggregate \$ 250 deductible	2,996

CITY OF PITTSBURGH, PENNSYLVANIA  
Salaries and Surety Bonds of Principal Officials  
For the Year Ended December 31, 1990

<u>Official</u>	<u>Annual Salary</u>	<u>Amount of Surety Bond</u>
Mayor	\$ 67,324	\$ 10,000
Director of Finance	66,000	200,000
Controller	42,521	20,000
Members of City Council (9)	38,387 each	10,000 each

## CITY OF PITTSBURGH, PENNSYLVANIA

## Territorial Growth of Pittsburgh

December 31, 1990

<u>Territory annexed</u>	Ordinance approval <u>date</u>	Entry <u>date</u>	<u>Annexed</u>		<u>Total to date</u>	
			<u>Acres</u>	<u>Square miles</u>	<u>Acres</u>	<u>Square miles</u>
Borough of Pittsburgh		3/05/1804				
City of Pittsburgh		3/18/1816	320	0.5000	320	0.500
Northern Liberties Borough		3/01/1837	110	0.1719	430	0.672
City Districts Nos. 8 and 17		7/07/1845	108	0.1687	538	0.841
Part of Pitt Township		11/04/1846				
Part of Pitt Township		12/04/1846	592	0.9250	1,130	1.766
Part of Pitt Township		12/12/1846				
Remainder of Pitt Township						
Peebles Township						
Liberty Township						
Collins Township		6/30/1868	13,658	21.3406	14,788	23.107
Oakland Township						
Lawrenceville Borough						
Union Borough						
Temperanceville Borough						
Mt. Washington Borough						
West Pittsburgh Borough						
Monongahela Borough						
South Pittsburgh Borough		4/02/1872	2,684	4.1938	17,472	27.301
Allentown Borough						
Birmingham Borough						
East Birmingham Borough						
St. Clair Borough						
Ormsby Borough						
Brushton Borough		12/01/1894	290	0.4531	17,762	27.754
Beltzhoover Borough		3/01/1898	190	0.2969	17,952	28.051

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

Territorial Growth of Pittsburgh  
(Continued)

<u>Territory annexed</u>	Ordinance approval date	Entry date	<u>Annexed</u>		<u>Total to date</u>	
			<u>Acres</u>	<u>Square miles</u>	<u>Acres</u>	<u>Square miles</u>
Elliott Borough		1/02/1905	203.000	0.3172	18,155.00	28.368
Esplen Borough		1/08/1906	180.000	0.2812	18,335.00	28.649
Sterrett Township		1/08/1906	310.000	0.4844	18,645.00	29.133
Montooth Borough		1/07/1907	73.000	0.1141	18,718.00	29.247
Sheraden Borough		11/21/1907	621.000	0.9703	19,339.00	30.217
City of Allegheny		12/06/1907	5,165.000	8.0703	24,504.00	38.287
West Liberty Borough		1/06/1908	1,751.000	2.7359	26,255.00	41.023
O'Hara Township		10/30/1908	207.000	0.3234	26,462.00	41.346
Beechview Borough		1/04/1909	210.000	0.3281	26,672.00	41.674
Part of Union Township		1/04/1909	58.210	0.0910	26,730.21	41.765
Part of Baldwin Township		1/01/1912	151.712	0.2371	26,881.92	42.002
Part of Ross Township		12/19/1916	10.167	0.0159	26,892.09	42.018
Spring Garden Borough		1/05/1920	123.363	0.1928	27,015.45	42.211
Part of Penn Township		6/28/1920	0.949	0.0015	27,016.40	42.213
Part of Chartiers Township		10/04/1920	11.380	0.0178	27,027.78	42.231
Remainder of Chartiers Township		1/01/1921	2,190.220	3.4222	29,218.00	45.653
Part of Reserve Township		10/31/1922	160.000	0.2500	29,378.00	45.903
St. Clair Borough		1/01/1923	618.830	0.9669	29,996.83	46.870
Parts of Lower St. Clair Township		2/07/1924	52.820	0.0825	30,049.65	46.952
Parts of Swissvale Borough		11/27/1925	20.773	0.0325	30,070.42	46.985
Carrick Borough		1/03/1927	1,020.110	1.5939	31,090.53	48.579
Knoxville Borough		1/03/1927	193.520	0.3024	31,284.05	48.881
Westwood Borough		1/03/1927	190.000	0.2969	31,474.05	49.178
Union Township	4/16/1927	1/02/1928	600.000	0.9375	32,074.05	50.116
Part of Ross Township	6/29/1928	6/29/1928	39.909	0.0624	32,113.96	50.178
Hays Borough		1/07/1929	476.310	0.7442	32,590.27	50.922
Part of Mifflin Township	2/15/1929	2/15/1929	589.910	0.9217	33,180.18	51.844
Part of Ross Township	7/24/1928	4/22/1929	17.112	0.0267	33,197.29	51.871

## CITY OF PITTSBURGH, PENNSYLVANIA

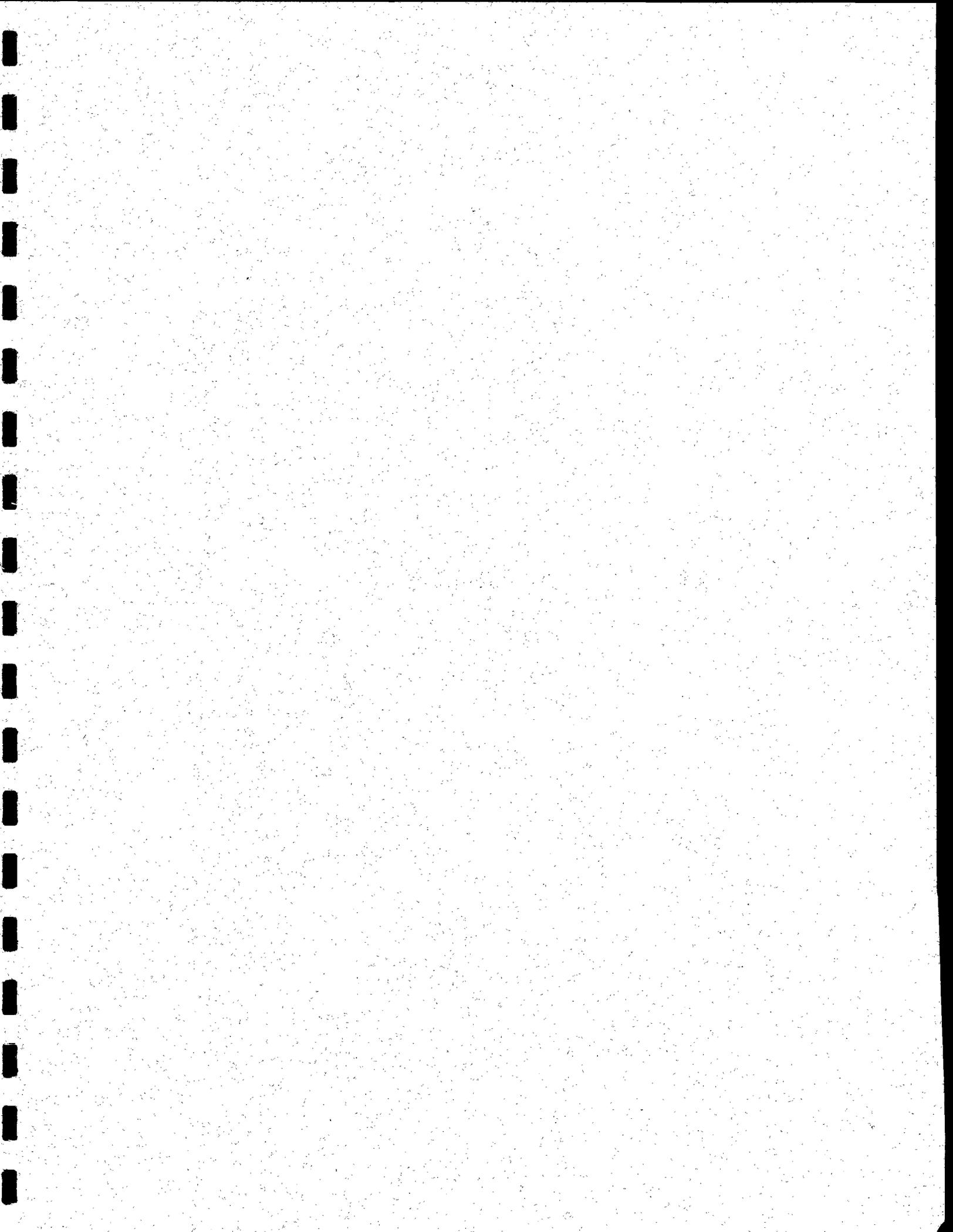
Territorial Growth of Pittsburgh  
(Continued)

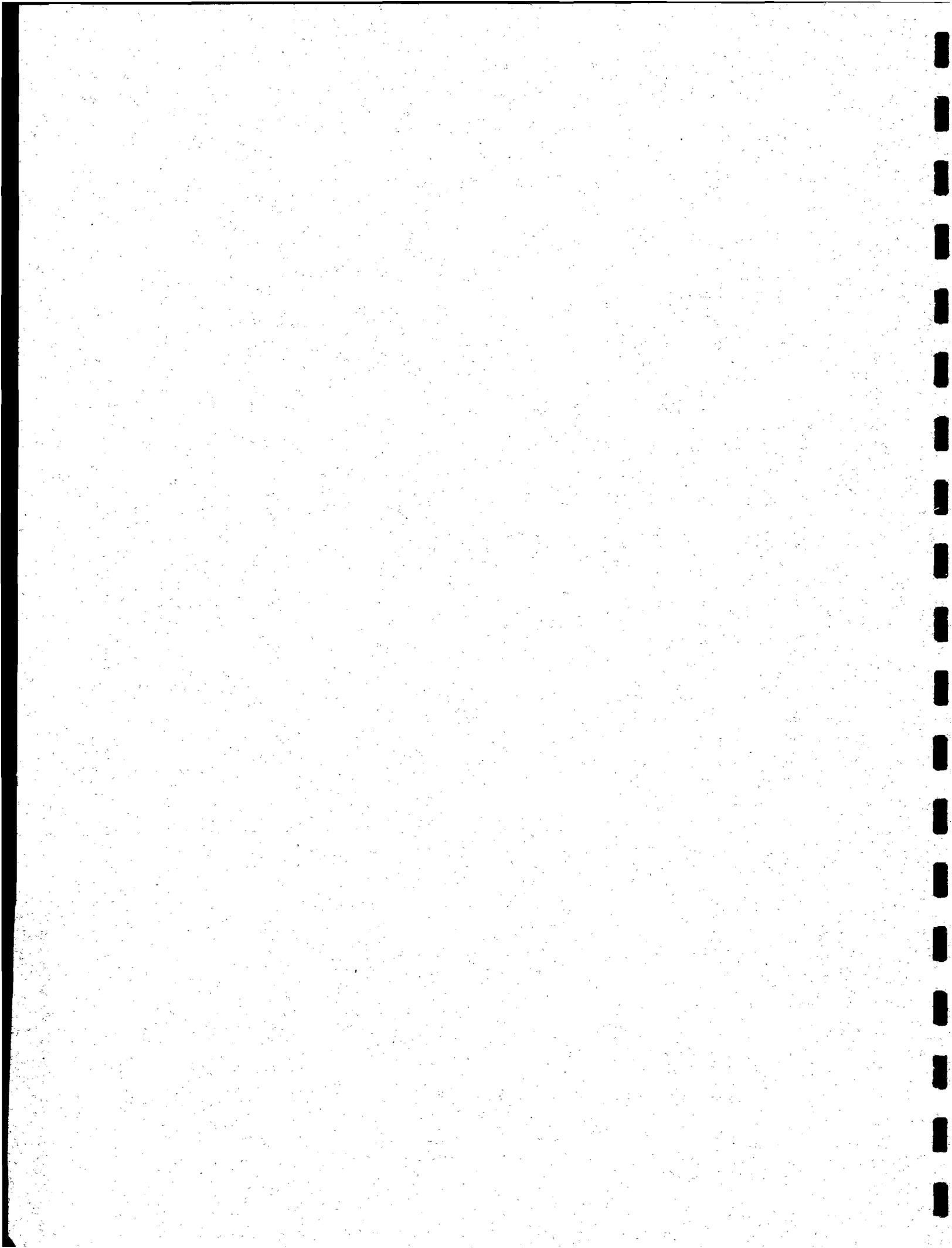
<u>Territory annexed</u>	<u>Ordinance approval date</u>	<u>Entry date</u>	<u>Annexed</u>		<u>Total to date</u>	
			<u>Acres</u>	<u>Square miles</u>	<u>Acres</u>	<u>Square miles</u>
Part of Ross Township	4/25/1929	4/25/1929	85.9560	0.13430	33,283.25	52.005
Part of Ross Township	6/03/1929	6/03/1929	6.6060	0.01030	33,289.86	52.015
Part of Ross Township	7/01/1929	7/01/1929	1.0950	0.00170	33,290.95	52.017
Part of Mifflin Township	7/22/1929	7/22/1929	2.0490	0.00320	33,293.00	52.020
Part of Penn Township	9/20/1929	1/02/1930	21.8600	0.03420	33,314.86	52.054
Part of Penn Township	10/05/1928	1/22/1930	11.5500	0.01800	33,326.41	52.072
Overbrook Borough		1/06/1930	790.1930	1.23460	34,116.60	53.307
Part of Baldwin Township		1/05/1931	49.0950	0.07670	34,165.70	53.384
Part of Mifflin Township	2/27/1931	2/27/1931	486.7430	0.76050	34,652.44	54.144
Part of Reserve Township	3/20/1931	3/20/1931	96.8000	0.15130	34,749.24	54.295
Part of Baldwin Township	9/30/1947	12/01/1947	39.7820	0.06220	34,789.02	54.357
Part of Ross Township	1/30/1948	4/28/1948	10.8800	0.01550	34,799.90	54.373
Part of Baldwin Township	12/11/1950	2/05/1951	691.0000	1.07970	35,490.90	55.454
Part of Baldwin Township	6/30/1950	3/13/1951	23.0000	0.03590	35,513.90	55.490
Part of Robinson Township	4/22/1955	8/19/1955	19.9168	0.03112	35,533.82	55.521

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CITY OF PITTSBURGH,  
PENNSYLVANIA

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## Independent Auditors' Report on Schedule of Federal Financial Assistance

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, for the year ended December 31, 1990, and have issued our report thereon dated June 12, 1991, which report was qualified because of the omission of a general fixed asset account group from the City's financial statements. 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 Pittsburgh Water and Sewer Authority or the Stadium Authority of the City of Pittsburgh, which statements comprise the entire enterprise fund type. 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 and revenues comprising 64 percent and 89 percent, respectively, of the related Fiduciary Fund totals. Those financial statements 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 the proprietary and fiduciary fund types, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements of the City of Pittsburgh, Pennsylvania, taken as a whole. The accompanying schedule of federal financial assistance is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The information in that schedule has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

*KPMG Peat Marwick*

June 12, 1991

SA-2

CITY OF PITTSBURGH, PENNSYLVANIA  
 Schedule of Federal Financial Assistance  
 Year Ended December 31, 1990

Federal grantor/pass-through grantor/program title	Federal CFDA #	Pass- through grantor's #	Cash at January 1, 1990	Cash receipts	Cash disbursements	Cash at December 31, 1990
<b>U.S. Department of HUD Direct Programs:</b>						
Community Development Block Grant - Entitlement	14.218	N/A	\$ 347,045	16,661,689	16,881,558*	127,176
1990 award - \$15,711,000						
1989 award - \$16,572,000						
1988 award - \$15,942,000						
1987 award - \$16,848,000						
1986 award - \$16,796,000						
Emergency Shelter Grant Program	14.231	-	(7,528)	568,614	556,327	4,759
S-90-MC-42-0002 - \$52,000						
B-89-MC-42-0002 - \$262,000						
B-88-MC-42-0002 - \$46,000						
B-87-MC-42-0103 - \$286,000						
S-87-MC-42-0002 - \$57,000						
Emergency Jobs Bill	14.218	N/A	-	5,193	5,193	-
B-83-MJ-42-0003 - \$7,100,000						
Urban Development Action Grant	14.221	N/A	-	474,491	474,491	-
B-83-AA-42-0239 - \$21,000,000						
B-81-AA-42-0261 - \$17,000,000						
Fair Housing Assistance Program - state and local	14.401	N/A	<u>11,668</u>	<u>24,435</u>	<u>12,629</u>	<u>23,474</u>
1990 award - \$54,000						
1989 award - \$10,150						
1988 award - \$12,250						
Total U.S. Department of HUD			<u>351,185</u>	<u>17,734,422</u>	<u>17,930,198</u>	<u>155,409</u>
<b>U.S. Department of Labor:</b>						
Passed through State Department of Labor:						
Job Training Partnership Act	17.250	42-84	(559,748)	5,356,130	5,468,702*	(672,320)
Single Point of Contact	10.551	12-35-4233	(144,281)	1,660,377	1,390,127*	125,969
12-1-87 to 9-30-89 award - \$1,871,994						
Total U.S. Department of Labor			<u>(704,029)</u>	<u>7,016,507</u>	<u>6,858,829</u>	<u>(546,351)</u>
<b>U.S. Department of Transportation:</b>						
Passed through the Pennsylvania Department of Transportation:						
Highway planning and construction	20.205	-	(2,998,796)	4,344,867	1,953,394*	(607,323)
Total U.S. Department of Transportation			<u>(2,998,796)</u>	<u>4,344,867</u>	<u>1,953,394</u>	<u>(607,323)</u>

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Federal Financial Assistance, Continued

Federal grantor/pass-through grantor/program title	Federal CFDA #	Pass- through grantor's #	Cash at January 1, 1990	Cash receipts	Cash disbursements	Cash at December 31, 1990
U.S. Department of Agriculture: Passed through the State Department of Education:						
Summer Food Service Program for Children 8-3-88 to 9-28-88, award - \$563,438	10.559	N/A	\$ <u>388</u>	<u>665,546</u>	<u>665,925</u>	<u>9</u>
Total U.S. Department of Agriculture			<u>388</u>	<u>665,546</u>	<u>665,925</u>	<u>9</u>
Equal Employment Opportunity Commission Direct Programs:						
Employment discrimination - state & local Anti-discrimination agency contracts	30.002	-	<u>16,527</u>	<u>32,305</u>	<u>41,744</u>	<u>7,088</u>
10-1-90 to 9-30-91 award - \$54,924						
10-1-89 to 9-30-90 award - \$32,302						
10-1-88 to 9-30-89 award - \$53,200						
10-1-87 to 9-30-88 award - \$52,516						
Total Equal Employment Opportunity			<u>16,527</u>	<u>32,305</u>	<u>41,744</u>	<u>7,088</u>
U.S. Department of Interior: Direct programs:						
Urban Park and Recreation Recovery Programs: Maintenance management services 1983-1986 award - \$100,000 Maintenance information systems 1983-1986 award - \$25,000	15.919	N/A	30,700	-	30,700	-
Recreation organization development 1986-1987 award - \$25,000	15.919	-	<u>25,150</u>	<u>-</u>	<u>-</u>	<u>25,150</u>
Total U.S. Department of Interior			<u>55,850</u>	<u>-</u>	<u>30,700</u>	<u>25,150</u>
National Foundation of the Arts and the Humanities: Direct programs:						
Institute of museum services	45.301	N/A	<u>163,004</u>	<u>158,727</u>	<u>135,952</u>	<u>185,779</u>
Total National Foundation of the Arts and the Humanities			<u>163,004</u>	<u>158,727</u>	<u>135,952</u>	<u>185,779</u>
Total federal assistance per City's general purpose financial statements			\$ <u>(3,115,871)</u>	<u>29,952,374</u>	<u>27,616,742</u>	<u>(780,239)</u>
U.S. Department of Housing and Urban Development: Direct federal payments to a subrecipient:						
Rental Housing Rehabilitation (note 4)	14.230	N/A	\$ <u>-</u>	<u>174,431</u>	<u>174,431</u>	<u>-</u>

\* Major program

See notes to schedule of federal financial assistance.

CITY OF PITTSBURGH, PENNSYLVANIA

Notes to Schedule of Federal Financial Assistance

For the Year Ended December 31, 1990

(1) General

The accompanying Schedule of Federal Financial Assistance (SFFA) presents the activity of all federal financial assistance programs of the City of Pittsburgh, Pennsylvania. The City of Pittsburgh reporting entity is defined in note 2 to the City's general purpose financial statements. All federal financial assistance received directly from federal agencies as well as federal financial assistance passed through other government agencies are included on the schedule.

(2) Basis of Accounting

The accompanying SFFA is presented using the cash basis of accounting.

(3) Relationship to General Purpose Financial Statements

The receipts and disbursements reported in the accompanying SFFA differ from the respective revenues and expenditures reported in the general purpose financial statements due to the use of the cash basis of accounting for the schedule of federal financial assistance.

(4) Contractual Agreement

The City of Pittsburgh, Pennsylvania is a contractual recipient of federal financial assistance under agreements with the U.S. Department of Housing and Urban Development (HUD). The City has authorized HUD to transmit funds under one of these agreements directly to the Urban Redevelopment Authority of Pittsburgh (the Authority) which is the representative agency with program oversight responsibility. Therefore, the related federal financial assistance is reported by the Authority to its cognizant agency in the Authority's audit report under the Single Audit Act of 1984. This information is also included in the City's schedule of federal financial assistance although it has been excluded from the City's general purpose financial statements.

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## Independent Auditors' Report on Compliance at the General Purpose Financial Statement Level

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, 1990, and have issued our report thereon dated June 12, 1991, which report was qualified because of the omission of a general fixed asset account group from the City's financial statements. We did not audit the financial statements of the Pittsburgh Water and Sewer Authority or the Stadium Authority of the City of Pittsburgh, which statements comprise the entire enterprise fund type. 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 and revenues comprising 64 percent and 89 percent, respectively, of the related Fiduciary Fund totals. Those financial statements 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 the proprietary and fiduciary fund types, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. 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.

Compliance with laws, regulations, contracts and grants applicable to the City of Pittsburgh, Pennsylvania is the responsibility of the City of Pittsburgh, Pennsylvania's management. As part of obtaining reasonable assurance about whether the general purpose financial statements are free of misstatement, we performed tests of the City of Pittsburgh, Pennsylvania's compliance with certain provisions of laws, regulations, contracts and grants. However, our objective was not to provide an opinion on overall compliance with such provisions; accordingly, we do not express such an opinion.

The results of our tests and the reports of other auditors indicate that, with respect to the items tested, the City of Pittsburgh, Pennsylvania complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Pittsburgh, Pennsylvania had not complied, in all material respects, with those provisions.

This report is intended for the information of management, the Department of Housing and Urban Development and other regulatory agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*KPMG Peat Marwick*

June 12, 1991

SA-6

## Independent Auditors' Report on General Compliance Requirements

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, 1990, and have issued our report thereon dated June 12, 1991, which report was qualified because of the omission of a general fixed asset account group from the City's financial statements. We did not audit the financial statements of the Pittsburgh Water and Sewer Authority or the Stadium Authority of the City of Pittsburgh, which statements comprise the entire enterprise fund type. 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 and revenues comprising 64 percent and 89 percent, respectively, of the related Fiduciary Fund totals. Those financial statements 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 the proprietary and fiduciary fund types, is based solely upon the reports of the other auditors.

We have also applied procedures to test the City of Pittsburgh, Pennsylvania's compliance with the following requirements applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended December 31, 1990.

- . Political activity
- . Davis-Bacon Act
- . Civil rights
- . Cash management
- . Relocation assistance and real property management
- . Federal financial reports
- . Allowable costs/cost principle
- . Drug-free workplace

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments". Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Pittsburgh, Pennsylvania's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Pittsburgh, Pennsylvania had not complied, in all material respects, with those requirements.

**KPMG** Peat Marwick

The Honorable Members of Council of  
the City of Pittsburgh, Pennsylvania  
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This report is intended for the information of management, the Department of Housing and Urban Development and other regulatory agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*KPMG Peat Marwick*

June 12, 1991

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## Independent Auditors' Report on Compliance With Specific Major and Nonmajor Program Requirements

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, 1990, and have issued our report thereon dated June 12, 1991, which report was qualified because of the omission of a general fixed asset account group from the City's financial statements. We did not audit the financial statements of the Pittsburgh Water and Sewer Authority or the Stadium Authority of the City of Pittsburgh, which statements comprise the entire enterprise fund type. 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 and revenues comprising 64 percent and 89 percent, respectively, of the related Fiduciary Fund totals. Those financial statements 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 the proprietary and fiduciary fund types, is based solely upon the reports of the other auditors.

We have also audited the City of Pittsburgh, Pennsylvania's compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance, for the year ended December 31, 1990. The management of the City of Pittsburgh, Pennsylvania is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit and the reports of other auditors provide a reasonable basis for our opinion.

The results of our audit procedures disclosed immaterial instances of noncompliance with the requirements referred to above, which are described in the accompanying schedule of findings and questioned costs. We considered these instances of noncompliance in forming our opinion on compliance, which is expressed in the following paragraph.

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

In our opinion, the City of Pittsburgh, Pennsylvania complied, in all material respects, with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs for the year ended December 31, 1990.

In connection with our audit of the 1990 general purpose financial statements of the City of Pittsburgh, Pennsylvania, and with our study and evaluation of the City's internal control systems used to administer federal financial assistance programs, as required by Office of Management and Budget Circular A-128, "Audits of State and Local Governments," we selected certain transactions applicable to certain nonmajor federal financial assistance programs for the year ended December 31, 1990.

As required by OMB Circular A-128, we have performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; matching level of effort, or earmarking; reporting; claims for advances and reimbursement; and amount claimed or used for matching that are applicable to those transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City's compliance with these requirements. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Pittsburgh, Pennsylvania had not complied, in all material respects, with those requirements.

This report is intended for the information of management, the Department of Housing and Urban Development and other regulatory agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*KPMG Peat Marwick*

June 12, 1991

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## Independent Auditors' Report

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, 1990, and have issued our report thereon dated June 12, 1991, which report was qualified because of the omission of a general fixed asset account group from the City's financial statements. We did not audit the financial statements of the Pittsburgh Water and Sewer Authority or the Stadium Authority of the City of Pittsburgh, which statements comprise the entire enterprise fund type. 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 and revenues comprising 64 percent and 89 percent, respectively, of the related Fiduciary Fund totals. Those financial statements 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 the proprietary and fiduciary fund types, is based solely upon the reports of the other auditors.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. 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.

In planning and performing our audit of the general purpose financial statements of the City of Pittsburgh, Pennsylvania, for the year ended December 31, 1990, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control structure.

The management of the City of Pittsburgh, Pennsylvania, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

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

For the purpose of this report, we have classified the significant internal control structure policies and procedures in the following categories:

- Activity Cycles
  - Cash receipts
  - Cash disbursements
  - Payroll
  - General ledger
  
- General Requirements
  - Policy activity
  - Davis-Bacon Act
  - Civil rights
  - Cash management
  - Relocation assistance and real property management
  - Federal financial reports
  - Allowable costs/cost principle
  - Drug-free workplace
  - Administrative requirements
  
- Specific Requirements
  - Types of services
  - Eligibility
  - Matching level of effort
  - Reporting
  - Cash allocation
  - Special requirements
  - Monitoring subrecipients

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

**KPMG** Peat Marwick

The Honorable Members of Council of  
the City of Pittsburgh, Pennsylvania  
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This report is intended solely for the use of management, the Department of Housing and Urban Development and other regulatory agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which is a matter of public record.

*KPMG Peat Marwick*

June 12, 1991

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## Independent Auditors' Report

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, 1990, and have issued our report thereon dated June 12, 1991, which report was qualified because of the omission of a general fixed asset account group from the City's financial statements. We did not audit the financial statements of the Pittsburgh Water and Sewer Authority or the Stadium Authority of the City of Pittsburgh, which statements comprise the entire enterprise fund type. 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 and revenues comprising 64 percent and 89 percent, respectively, of the related Fiduciary Fund totals. Those financial statements 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 the proprietary and fiduciary fund types, is based solely upon the reports of the other auditors. We have also audited the City of Pittsburgh, Pennsylvania's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated June 12, 1991.

We conducted our audits in accordance with generally accepted auditing standards; Government Auditing Standards, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Circular A-128, Audits of State and Local Governments. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement and about whether the City of Pittsburgh, Pennsylvania, complied with laws and regulations, noncompliance with which would be material to a major federal financial assistance program.

In planning and performing our audits for the year ended December 31, 1990, we considered the City's internal control structure in order to determine our auditing procedures for the purpose of expressing our opinions on the City's general purpose financial statements and on its compliance with requirements applicable to major programs and not to provide assurance on the internal control structure. This report addresses our consideration of internal control structure policies and procedures relevant to compliance with requirements applicable to federal financial assistance programs. We have addressed policies and procedures relevant to our audit of the general purpose financial statements in a separate report dated June 12, 1991.

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

The management of the City of Pittsburgh, Pennsylvania, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control structure policies and procedures. The objectives of internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with generally accepted accounting principles and that the federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities or instances of noncompliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For the purpose of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

- Activity Cycles
  - Cash receipts
  - Cash disbursements
  - Payroll
  - General ledger
  
- General Requirements
  - Policy activity
  - Davis-Bacon Act
  - Civil rights
  - Cash management
  - Relocation assistance and real property management
  - Federal financial reports
  - Allowable costs/cost principle
  - Drug-free workplace
  - Administrative requirements

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

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- Specific Requirements
  - Types of services
  - Eligibility
  - Matching level of effort
  - Reporting
  - Cash allocation
  - Special requirements
  - Monitoring subrecipients

For all of the internal control structure categories listed above, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed control risk.

During the year ended December 31, 1990, the City of Pittsburgh, Pennsylvania, expended 97 percent of its total federal financial assistance under major federal financial assistance programs.

We performed tests of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to each of the City's major federal financial assistance programs, which are identified in the accompanying schedule of federal financial assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material in relation to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

**KPMG** Peat Marwick

The Honorable Members of Council of  
the City of Pittsburgh, Pennsylvania  
Page 4

This report is intended solely for the use of management, the Department of Housing and Urban Development and other regulatory agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*KPMG Peat Marwick*

June 12, 1991

CITY OF PITTSBURGH, PENNSYLVANIA

Schedule of Findings and Questioned Costs

Year Ended December 31, 1990

<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned costs</u>
<u>JTPA</u>	<u>Finding No. 1</u>	
CFDA #17.250	<u>Actual Expenditures Within Two-Year Cycle Compared to Allocation</u>  Pennsylvania Department of Labor requires that at least 70 percent of all allocated expenditures be used for training. Adult/Youth Program (7-1-88 to 6-30-90) used only 67 percent of its allocated funds for training.  <u>City's Response:</u>  The City agrees that less than 70 percent of all allocated Adult/Youth Program expenditures were for training (7-1-88 to 6-30-90). The shortfall in this area was caused by not expending all available dollars. All the funds were programmed but not expended by our program contractors. As a result, management is meeting quarterly to review expenditures and determine possible courses of action. In addition, attempts are being made to project the program contractors' underexpenditure level and take the information into consideration in planning our expenditures.	*
<u>JTPA</u>	<u>Finding No. 2</u>	
CFDA #17.250	<u>Actual Expenditures Within Two-Year Cycle Compared to Allocation</u>  Pennsylvania Department of Labor requires that at least 85 percent of all allocated expenditures be expensed. Older Workers Program (7-1-88 to 6-30-90) used only 42.4 percent of its allocated funds.	*

\* Amount of questioned costs is either nominal or not ascertainable.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Findings and Questioned Costs

<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned costs</u>
	<u>City's Response:</u>	
	<p>The City agrees with this finding. Modifications to the City of Pittsburgh's Cooperative Agreement were received very late in both fiscal years. These funds were to be expended by either the City or the program contractors prior to the end of the respective fiscal years; however, only 1 1/2 and 2 1/2 months were available to us to expend the funds. Because of the short time periods, it was impossible to expend these funds by the end of the fiscal years.</p>	
<u>JTPA</u>	<u>Finding No. 3</u>	
CFDA #17.250	<u>Subrecipients Requirements</u>	*
	<p>Contract agreements require all subrecipients to forward their invoices to JTPA 15 days subsequent to month end. KPMG noted per review of the subrecipient audit reports that there were various subrecipients that were not submitting their invoices on a timely basis. JTPA does not follow up on these matters until the final determination letter is issued.</p>	
	<u>City's Response:</u>	
	<p>The City agrees with this finding. To resolve this situation, its importance has been emphasized in the Request for Proposals (RFP) and meetings with the proposers. Invoicing procedures are discussed at each program contract negotiation meeting. The Fiscal Section has initiated a procedure of preparing periodic contract status reports which are used by the Operations staff to inform program contractors that their invoices are late. The subrecipient auditors are requested to include this as an audit exception for program contractors who do not comply with their agreements.</p>	

\* Amount of questioned costs is either nominal or not ascertainable.

(Continued)

## CITY OF PITTSBURGH, PENNSYLVANIA

## Schedule of Findings and Questioned Costs

<u>Program</u>	<u>Findings/Noncompliance</u>	<u>Questioned costs</u>
JTPA	<u>Finding No. 4</u>	
CFDA #17.250	<u>Subrecipients Requirements</u>	*

Pennsylvania Department of Labor requires the primary recipient to issue a final determination letter in regard to audit findings issued in a subrecipient's audit report within six months of the date the audit report was received. KPMG noted 14 instances where JTPA has not filed a final determination letter as of April 18, 1991. The audit reports were received by JTPA on June 30, 1990.

City's Response:

The City agrees with this finding. This requirement became effective with the 7-1-90 JTPA manual revision. The final resolution of prior subrecipient audits will be completed within the next few months. Future subrecipient audit findings performed will be resolved within six months of the date of receipt of the audit report, including repayment of any disallowed costs.

\* Amount of questioned costs is either nominal or not ascertainable.



