PITTSBURGH, PENNSYLVANIA

2021 POPULAR ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021

PREPARED BY: MICHAEL E. LAMB, CITY CONTROLLER
In This Report

Table of Contents

2 In This Report
3 A Message from the City Controller
4 About Pittsburgh
5 Pittsburgh Education, Culture & Business
6 How the City is Financially Recovering From the Pandemic
7 American Rescue Plan
8 Community Support for Vaccination Efforts
9 Pittsburgh Government
10-11 Pittsburgh’s City Controller
12 General Fund Revenues
13 General Fund Expenditures
14 Pittsburgh’s Capital Spending
15 2021 Financial Highlights

Elected Officials

Mayor: ED GAINEY
TERM: 4 Years
RESPONSIBILITY: Chief Executive
CONTACT INFO: 414 Grant Street Room 512 Pittsburgh, PA 15219 (412) 255-2626

Controller: MICHAEL E. LAMB
TERM: 4 Years
RESPONSIBILITY: Financial oversight, financial reporting and auditing
CONTACT INFO: 414 Grant Street 1st Floor Pittsburgh, PA 15219 (412) 255-2054

City Council Members

TERM: 4 Years, elections staggered every two years
RESPONSIBILITY: Legislative authority

Council Member District Telephone
Bobby Wilson 1 (412) 255-2135
Theresa Kail-Smith, President 2 (412) 255-8963
Bruce Kraus 3 (412) 255-2130
Anthony Coghill 4 (412) 255-2131
Corey O’Connor 5 (412) 255-8965
R. Daniel Lavelle 6 (412) 255-2134
Deborah Gross 7 (412) 255-2140
Erika Strassburger 8 (412) 255-2133
Rev. Ricky Burgess 9 (412) 255-2137

Photos: Front cover, top photo: A view of Pittsburgh from the Warhol Bridge, photo by John Altdorfer; Bottom left to right: A glance of Pittsburgh from homes in Columbus Square on the North Side, photo by John Altdorfer; A free COVID vaccination clinic provided by the Allegheny County Health Department located on Cherry Way in downtown Pittsburgh; Washington’s Landing, a great place to live with a superb view of Pittsburgh, photo by John Altdorfer; Before and after school care is available at the Thelma Lovette YMCA. Back cover, left to right: Queing to enter the Fort Pitt Tunnel; An interesting promotional banner in downtown Pittsburgh; Passengers departing public transportation on Wood Street; Healthy Ride bikes, an inexpensive and climate-friendly way to sightsee or get across town.

2021 Popular Annual Financial Report
Thank you for taking the time to review the City of Pittsburgh’s Popular Annual Financial Report (PAFR) for the year ended December 31, 2021. The purpose of the PAFR is to increase awareness throughout the community of the financial operations of the City of Pittsburgh. The report summarizes and communicates the City’s financial condition. For the twelfth consecutive year, this report has received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association. For a more detailed view of the City’s finances, you can review the 2021 Annual Comprehensive Financial Report, which is available on the Controller’s website.

While the initial vaccine roll-out began in late 2020, vaccines were not widely available to the general public until spring 2021. Rising vaccination rates were accompanied by efforts to return to normal with Pittsburgh Public Schools resuming in-person learning in spring 2021 and PNC Park re-opening for baseball for the first time since 2019. COVID, however, continued to linger with the Delta Variant continuing to infect the unvaccinated and vulnerable.

The City’s finances remained impacted by the pandemic. Pittsburgh was buoyed by the American Rescue Plan Act (ARPA), passed by Congress and signed by President Biden in March 2021. ARPA awarded $335 million to the City of Pittsburgh. Funds must be directed towards COVID-19 response and the public health impacts, premium pay for essential workers, offsetting revenue loss caused by the pandemic, and necessary investments in water, sewer, or broadband infrastructure.

The City of Pittsburgh’s General Fund, the City’s chief operating fund, collected $24.5 million more than it spent. Including funds from the American Rescue Plan, general fund revenues totaled $606.0 million in 2021, an increase of $67.7 million or 12.6% compared to 2020. The City’s unrestricted fund balance (commonly called the “rainy day” fund) ended 2021 with a balance of $106.8 million. This represents 19.6% of the 2021 expenditures. Ten percent is generally considered a healthy balance to carry into the next fiscal year to cover any unexpected financial difficulties. The primary component of this growth is the portion of the American Rescue Plan Act award that the city received in 2021.

The city continued to see severe dips in revenue from both the amusement tax and parking tax, even after budget revisions. Parking tax revenue totaled $36.7 million (up from $31.3 million in 2020), yet still down from $60.6 million in 2019. Amusement tax revenue raised $7.5 million, yet still down from $16.1 million in 2019.

The decennial census data was released in 2021 and provided a snapshot of the city and region over the last 10 years. In 2020, Pittsburgh’s population was 302,971, less than a 1% drop from our 2010 population. The city’s overall population stabilized, but racial minority populations were unevenly impacted: the city lost 13.4% of its Black residents while our Asian population grew by 47%. These numbers reinforce the need for municipal collaboration and a comprehensive approach to enhancing the competitiveness of our workforce.

The overall outlook for Pittsburgh remains stable. The city was well-prepared for the COVID-19-induced economic downturn, and we anticipate continued growth. This rebound would not have been possible without the direct support from the federal government via ARPA. The investment in the City’s recovery is considerable, and we are thankful to have been able to fully offset our financial losses over the last two years. While much will be said in the years to come about the impact of the virus, the efforts to mitigate the fiscal downturn have been notable.

I welcome any feedback, comments, or concerns regarding the information included in this report.

Sincerely,

Michael E. Lamb
City Controller

Photos: Top to bottom: City Controller, Michael E. Lamb; The spectacular view of downtown Pittsburgh from the Grant Street ramp exiting from the Fort Pitt Tunnel; 2020 Award for Outstanding Achievement in Popular Annual Financial Reporting.
About Pittsburgh

Demographic and Economic Statistics

**Estimated City Population**
- Male: 49%
- Female: 51%

**Median Age**
- City Median Resident Age: 33.4 years
- Pennsylvania Median Age: 40.6 years

**Race**
- White: 63%
- Black or African American: 23%
- Asian: 7%
- Hispanic: 3%
- Other: 4%

**Language Spoken at Home**
- English Only: 89%
- Language other than English: 11%

**Educational Attainment**
- No Degree: 6%
- High School: 25%
- Some College: 23%
- Bachelor’s Degree: 24%
- Graduate Degree: 22%

**Estimated Median Household Income**
- Pittsburgh: $50,536
- Pennsylvania: $63,627

**Housing Units**
- Owner-Occupied: 47%
- Renter-Occupied: 53%

**City Staffing**
- Total City Employees: 3,123
- Number of Police Officers: 973
- Number of Fire Fighters: 631
- Number of Paramedics: 182
- Other City Department Personnel: 1,337

**Employment**
- Production, Transportation and Material Moving: 26%
- Service Occupations: 25%
- Management, Business, Science and Arts: 22%
- Sales and Office Occupation: 21%
- Natural Resources, Construction, and Maintenance: 6%

**Unemployment Rates**
- Nation (Dec 2021): 3.9%
- Pennsylvania (Dec 2021): 5.5%
- Pittsburgh (Dec 2021): 4.5%

**Per Capita Income**
- $35,093

**Persons Below Poverty Line**
- Pittsburgh: 19.7%
- Pennsylvania: 12.0%

**Pittsburgh Public Schools Demographics**
- African-American Students: 53%
- White Students: 33%
- Students of Other Races: 14%
- Countries Represented in PPS: 57
- Native Languages Spoken by Students: 95

**Fast Facts: 2020 Census**
In July 2021, decennial census data was released reflecting a City snapshot over the last 10 years

- Pittsburgh’s population as of 2020, representing less than a 1% drop since 2010
- Pittsburgh’s growth of the Asian community, the largest demographic shift
- The number of Black Pittsburghers who left the city over the last decade
- The gain of the number of residents who identified as multiracial

Photos: Counterclockwise from top left: One of many hillside communities in Pittsburgh; Dick’s Sporting Goods Women in Sports Event at the Homewood Brushton YMCA; photo by YMCA of Greater Pittsburgh; A Jewish Community Center instructor teaching a group class promoting wellness during the pandemic, photo by JJC Pittsburgh; Happy Pittsburgh Public School students with their trophy; Lifeguards at the Baierl Family YMCA, photo by YMCA of Greater Pittsburgh; A Squirrel Hill walk-in clinic held on Fridays, photo by JJC Pittsburgh; A family enjoying the new Terminal complex of shops in the Strip District.

2021 Popular Annual Financial Report
Colleges and Universities in the City*
Carlow University
Carnegie Mellon University
Chatham University
Community College of Allegheny County
Duquesne University
Point Park University
University of Pittsburgh

Museums in the City*
The Andy Warhol Museum
Carnegie Museum of Art
Carnegie Museum of Natural History
Carnegie Science Center
Children’s Museum of Pittsburgh
Contemporary Craft
Fort Pitt Museum
The Frick Pittsburgh
Mattress Factory
National Aviary
Phipps Conservatory and Botanical Gardens
Pittsburgh Zoo & PPG Aquarium
Senator John Heinz History Center
Soldiers & Sailors Memorial Hall & Museum

2021 Fortune 500 Companies Headquartered in Pittsburgh
Alcoa Corporation
Arconic
The PNC Financial Services Group, Inc.
PPG Industries, Inc.
United States Steel Corporation
WESCO International, Inc.
Westinghouse Air Brake, Wabtec Corp.

Largest Health and Social Service Nonprofits*
Achieva
Baptist Homes Society
Brother’s Brother Foundation
Center for Organ Recovery & Education
Goodwill of Southwestern Pennsylvania
Jewish Federation of Greater Pittsburgh
Life Pittsburgh
Pittsburgh Mercy
Pressley Ridge
United Way of Southwestern Pennsylvania
Vincentian Collaborative System
Wesley Family Services

Largest Arts and Humanities Nonprofits*
Allegheny County Library Association
Boy Scouts of America Laurel Highlands Council
Carnegie Library of Pittsburgh
Carnegie Museums of Pittsburgh
Phipps Conservatory and Botanical Gardens
Pittsburgh CLO
The Pittsburgh Cultural Trust
Pittsburgh Symphony Orchestra
Pittsburgh Zoo & PPG Aquarium
Western Pennsylvania Conservancy

*Source: 2021 Pittsburgh Business Times Book of Lists

Photos: Clockwise from top right: Duquesne University’s friendly welcome; Enjoying a picturesque stroll in Oakland’s Scaife Gallery, photo by Bryan Conley; Arconic maintains its corporate headquarters on Pittsburgh’s North Shore, photo by Arconic; The Children’s Museum located in Pittsburgh’s North Side, photo by John Altdorfer; The Pittsburgh Symphony Orchestra, Manfred Honeck conductor, photo by Julie Goetz, Pittsburgh Symphony Orchestra; Western Pennsylvania Conservancy’s stewardship, photo by Western Pennsylvania Conservancy.
How the City is Financially Recovering From the Pandemic

**COVID-19 Financial Recovery**

The City of Pittsburgh started 2020 in a very good position, which made the COVID-related economic downturn more manageable. The City ended 2021 in a very good position thanks to the American Rescue Plan Act. The rebound of the parking tax and amusement tax revenues from pre-COVID levels remained elusive through 2021.

<table>
<thead>
<tr>
<th>Impact of COVID-19 on City Revenue Sources (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>Parking Tax</td>
</tr>
<tr>
<td>$120,000</td>
</tr>
<tr>
<td>$100,000</td>
</tr>
<tr>
<td>$80,000</td>
</tr>
<tr>
<td>$60,000</td>
</tr>
<tr>
<td>$40,000</td>
</tr>
</tbody>
</table>

**COVID-19 triggered lost tax revenue, placing the City of Pittsburgh in a dire financial emergency.**

If the City of Pittsburgh had not received additional revenue by July 1, 2021, it would have been forced to lay off 600 employees, including firefighters, paramedics, and police, as well as eliminate some City services.

Thankfully, the American Rescue Plan Act (ARPA) was signed into law by President Biden on March 11, 2021 and allowed the City to restore its 2021 Budget and the required five-year plan.

The City of Pittsburgh was awarded $335 million in pandemic response and recovery funding. The City received half of the funds, $167.5 million, on June 3, 2021, and the second half is anticipated in May 2022. All American Rescue Plan Act money will be deposited into the dedicated ARP Trust Fund.

**Pittsburgh City Controller American Rescue Plan Trust Fund Monitoring Page can be found at https://fiscalfocus.pittsburghpa.gov/**

Photos: From top left: The Market Street Pier on the North Shore near Heinz Field, photo by John Altdorfer; Strolling through PPG Plaza; Market Square’s famous Nicholas Coffee Company; Some of the ever-popular open-air street vendors in the Strip District.
The major goals listed by the Mayor and City Council’s ARP fund allocations through the Equity First Spending Plan (Resolution #2021-1652, signed by Mayor Peduto on July 12, 2021):

- Account for funds necessary to avert the layoff or job termination of City employees
- Fund public eligible infrastructure projects
- Prioritize investments in community and economic development projects in the City’s Black neighborhoods

On July 12, 2021, City Council authorized an agreement (Professional Services Contract) with Maher Duessel for the administration of the City’s ARPA funding, at a cost not to exceed $200,000. The Office of Management & Budget is responsible for filing the City of Pittsburgh’s Recovery Plan Performance Report with the U.S. Department of the Treasury.

On September 23, 2021, $33,748,156 was transferred from the ARP Trust Fund to the General Fund for Operating Expenses and $16,265,168 to the Capital Fund for Capital Projects.

The largest allocation of 2021 ARP funds was $25,626,772 to eliminate the anticipated workforce reduction and avoid the layoff of 600 employees.

### 2021 ARP EXPENSES AS PER OMB REPORT

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Total Encumbered as of 31 DEC 2021</th>
<th>Total Expenditure as of 31 DEC 2021</th>
<th>2021 Remaining Balance - Operating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eliminate the Anticipated Workforce Reduction</td>
<td>$25,626,772</td>
<td>($25,626,772)</td>
<td>–</td>
</tr>
<tr>
<td>3% Wage Increases for Non-Union Positions</td>
<td>$1,116,032</td>
<td>($1,116,032)</td>
<td>–</td>
</tr>
<tr>
<td>Restoration of Additional Public Works Non-Personnel Lines</td>
<td>$1,354,477</td>
<td>($1,354,477)</td>
<td>–</td>
</tr>
<tr>
<td>Restoration of Non-Personnel Lines</td>
<td>$297,525</td>
<td>($297,525)</td>
<td>–</td>
</tr>
<tr>
<td>Restore Some Vacant Positions (9/1 start for 2021 only)</td>
<td>$1,930,874</td>
<td>($1,930,874)</td>
<td>–</td>
</tr>
<tr>
<td>Community Public Safety Facilities</td>
<td>$500,000</td>
<td>($500,000)</td>
<td>–</td>
</tr>
<tr>
<td>Land Maintenance for City &amp; 3TB-Owned Properties</td>
<td>$1,500,000</td>
<td>($1,500,000)</td>
<td>–</td>
</tr>
<tr>
<td>New Non-Personnel Lines</td>
<td>($231,333)</td>
<td>$231,333</td>
<td>–</td>
</tr>
<tr>
<td>New Non-Personnel Lines for I&amp;P Needs</td>
<td>$926,900</td>
<td>($926,900)</td>
<td>–</td>
</tr>
<tr>
<td>New Non-Personnel Lines for Public Works Needs</td>
<td>$584,090</td>
<td>($584,090)</td>
<td>–</td>
</tr>
<tr>
<td>New Positions/Mid-Year Swaps (9/1 start for 2021 only)</td>
<td>$142,819</td>
<td>($142,819)</td>
<td>–</td>
</tr>
<tr>
<td>TOTAL Operating Budget</td>
<td>$33,748,156</td>
<td>($33,748,156)</td>
<td>–</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Total Encumbered as of 31 DEC 2021</th>
<th>Total Expenditure as of 31 DEC 2021</th>
<th>2021 Remaining Balance - Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demolition of Structures</td>
<td>$2,000,000</td>
<td>($627,320)</td>
<td>$1,372,680</td>
</tr>
<tr>
<td>Cowley Rec Center Facility Upgrades</td>
<td>$200,000</td>
<td>–</td>
<td>$200,000</td>
</tr>
<tr>
<td>Paulson Rec Center Facility Upgrades</td>
<td>$300,000</td>
<td>–</td>
<td>$300,000</td>
</tr>
<tr>
<td>Paulson Rec Center Tech Upgrades</td>
<td>$30,526</td>
<td>–</td>
<td>$30,526</td>
</tr>
<tr>
<td>Public Works Fourth Division Construction</td>
<td>$1,400,000</td>
<td>–</td>
<td>$1,400,000</td>
</tr>
<tr>
<td>Robert E. Williams Rec Center Facility Upgrades</td>
<td>$500,000</td>
<td>–</td>
<td>$500,000</td>
</tr>
<tr>
<td>Robert E. Williams Rec Center Tech Upgrades</td>
<td>$30,526</td>
<td>–</td>
<td>$30,526</td>
</tr>
<tr>
<td>Green Fleet Improvements</td>
<td>$7,606,000</td>
<td>($2,784,253)</td>
<td>$4,821,747</td>
</tr>
<tr>
<td>57th Street Steps</td>
<td>$598,116</td>
<td>–</td>
<td>$598,116</td>
</tr>
<tr>
<td>Frazier Street Steps</td>
<td>$400,000</td>
<td>–</td>
<td>$400,000</td>
</tr>
<tr>
<td>Hill District Corridor Enhancements</td>
<td>$1,500,000</td>
<td>–</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>North Avenue Streetscape Rehabilitation (Safety &amp; Signal)</td>
<td>$1,000,000</td>
<td>–</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Public Step Improvement Projects</td>
<td>$700,000</td>
<td>–</td>
<td>$700,000</td>
</tr>
<tr>
<td>TOTAL Capital Budget</td>
<td>$16,265,168</td>
<td>($3,411,573)</td>
<td>$12,853,595</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Total Encumbered as of 31 DEC 2021</th>
<th>Total Expenditure as of 31 DEC 2021</th>
<th>2021 Remaining Balance - Trust Fund Admin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maher Duessel contract (Administration)</td>
<td>$200,000</td>
<td>($38,331)</td>
<td>$161,669</td>
</tr>
<tr>
<td>TOTAL Administration (MD contract)</td>
<td>$200,000</td>
<td>($38,331)</td>
<td>$161,669</td>
</tr>
</tbody>
</table>

| 2021 ARP Trust Fund Total                                | $50,213,324                        | ($37,198,060)                     | $13,015,264                               |
Community Support for Vaccination Efforts

Vaccinate at the Plate: Allegheny Health Network & the Pittsburgh Pirates
In February, the Pittsburgh Pirates and Allegheny Health Network teamed up for one of the City’s first mass vaccination clinics. Approximately 2,500 high-risk senior citizens were offered the COVID-19 vaccine at PNC Park’s Home Plate Club. In total, AHN/Highmark and the Pirates held eight mass-vaccination clinics at PNC Park delivering more than 30,000 COVID vaccinations to members of the Pittsburgh community.

Giant Eagle & the Pittsburgh Steelers
Throughout March, local supermarket chain Giant Eagle helped operate a mass vaccination clinic for high-risk populations in collaboration with the Pittsburgh Steelers at Heinz Field. Over 4,000 people in the “1a” category received their shots, including seniors, health care personnel, long-term care facility residents, those with high-risk conditions, and workers who interact with the public.

PPS Staff Gets Vaxxed
A partnership between Pittsburgh Public Schools (PPS) and Giant Eagle vaccinated roughly 1,400 teachers and support staff eager to resume in-person classes. The clinic, held at Heinz Field in March 2021, was also accompanied by a second location at the Obama Academy in East Liberty, and vaccinated approximately 3,000 PPS staff in total.

Local Brewers Offer a “Shot for a Shot”
Bars and nightlife were among the industries hit hardest by the pandemic, and local distilleries were eager to help patrons get vaccinated to reopen their doors. East End Brewing Company hosted the Allegheny County Health Department (ACHD) for a pop-up clinic at their Larimer location in June. They offered a free beer to those who received the vaccine. Days later, Wigle Whiskey held their own clinic with the ACHD in the Strip District, with patrons receiving a complementary ticket for a free shot or beer.

Central Outreach Wellness Center
Throughout the region’s vaccine rollout, local health care provider Central Outreach Wellness Center (COWC) was a leader in making doses available to Pittsburgh residents, especially the LGBTQ+ community, HIV+ community, and populations of people of color their North Shore office primarily serves. Their efforts to reach underserved communities included a pop-up clinic in partnership with 1Hood Media at the Bedford Hill Apartments, working with the Washington County Prison Board to vaccinate those incarcerated, and thousands of doses distributed through walk-in clinics at their multiple locations throughout western Pennsylvania and Cleveland, Ohio.

Allegheny County Health Department (ACHD)
The ACHD made vaccines available at locations quickly throughout the city during March 2021. In all, the department administered 42,667 doses that month. The department partnered with Duquesne University’s Center for Integrative Health to open a clinic at Central Baptist Church, provided vaccinations at the Petersen Events Center, offered them at the Ross Township Community Center, as well as other major sites in Monroeville and Castle Shannon. Additionally, to ensure seniors were vaccinated, the ACHD partnered with the county’s housing authority to administer shots in 23 senior high rises. To date, the ACHD has distributed more than 138,700 doses of the vaccine.

Local Universities
The City’s universities did their part to mitigate the spread of COVID-19 by requiring all students and faculty to be fully vaccinated for the 2021-2022 academic year. By the end of the year, the University of Pittsburgh, Carnegie Mellon University, and Duquesne University all reported nearly 100% compliance, with those remaining either qualifying for exemptions or continued supervision.

Photos: From top left: A vaccination clinic at PNC Park’s Home Plate Club, photo credit Pittsburgh Pirates; Steelers president Art Rooney II at the vaccination clinic, photo Pittsburgh Steelers; An interdisciplinary team with leadership from Pitt Pharmacy and health sciences held over 150 vaccine clinics in 2021, photo by Aimee Obidzinski, University of Pittsburgh; Wigle Whiskey hosted a free COVID Clinic at their Strip District location, photo by Wigle Whiskey; Central Outreach Wellness Center offered COVID vaccines to the Bedford Hill Apartments community in the Hill District, ensuring people who needed the vaccine most would have access to it, photo by COWC; A member of the National Health Corps registers people at an ACHD COVID clinic, photo by ACHD; Duquesne University School of Pharmacy student pharmacists prepare to administer COVID vaccines at the Central Baptist Church in the Hill District in a clinic set up by the university’s Center for Integrative Health, photo by Duquesne University.

Photos: Above left to right: The first mass vaccination event Pitt hosted in March offered essential protection to patient-facing health care providers and students, in partnership with ACHD and UPMC, photo by Aimee Obidzinski, University of Pittsburgh; A CMU student shows proof he got his vaccine, photo by Carnegie Mellon University.
**Bureau of Emergency Medical Services**
The Bureau of Emergency Medical Services is dedicated to the health and safety of residents and visitors through the provision of advanced life support, pre-hospital care, medically-directed technical rescue, and transportation of the ill and injured.

**Bureau of Fire**
The Bureau of Fire develops, implements, and administers public safety programs in areas of fire suppression, first responder emergency medical care, fire prevention, hazardous materials code enforcement, fire and arson investigation, and public education.

**Bureau of Police**
The Bureau of Police is responsible for the protection of life and property, the enforcement of criminal and traffic law violations, and the prevention of crime.

**Citiparks**
Citiparks, Pittsburgh’s Department of Parks and Recreation, is responsible for promoting and operating many of the City’s recreational, educational, and cultural programs. Citiparks operates all of the City’s swimming pools, spray parks, community and senior recreation centers, the Schenley Oval Sports Complex, Schenley Park Ice Rink, and the Mellon Park Indoor Tennis Center.

**City Controller**
See page 10-11 for responsibilities and duties of the City Controller.

**City Planning**
City Planning is responsible for ensuring that development projects are in compliance with the City’s neighborhood plans and applicable zoning regulations. Planning also makes sure that development projects are ADA (Americans with Disabilities Act) compliant, and conducts reviews of a project’s impact on traffic, storm water management, and the environment.

**Department of Finance/City Treasurer**
The Department of Finance/City Treasurer is responsible for the collection and investment of operating cash of the City. Finance audits City revenues and bills and collects tax revenue, fees, and charges. The Finance Department is also responsible for the investigation and auditing of revenue accounts.

**Department of Mobility and Infrastructure**
The Department of Mobility and Infrastructure (DOMI) is responsible for managing the operation of and access to the public right-of-way, such as streets, sidewalks, and bridges.

**What Your Government Does**
The City provides a full range of services, including public safety, construction and maintenance of City property and infrastructure, sanitation services, and recreation and cultural activities. The Water and Sewer Authority, Urban Redevelopment Authority, Stadium Authority, and Parking Authority are component units of the City and are shown as such in the financial statements and the footnotes to the annual report.

**Department of Public Works**
The Department of Public Works (DPW) maintains the City’s park facilities and public structures. DPW also meets the environmental needs of Pittsburgh residents by collecting residential refuse and recycling. The department also ensures public safety by responding to weather-related emergencies such as flooding, land subsidence, snow and ice storms, and other disasters.

**Human Resources and Civil Service**
The Department of Human Resources and Civil Service (HRCS) is responsible for overseeing employment and staffing of the City of Pittsburgh government. HRCS also manages education and training, benefits, and worker’s compensation for City employees.

**Office of Management and Budget**
The Office of Management and Budget (OMB) ensures the effective and efficient use of the City’s resources in order to sustain the delivery of quality services to the residents of Pittsburgh. OMB establishes sound fiscal policies, and delivers a clear and accurate picture of the City’s current and future financial position.

**Permits, Licenses and Inspections**
The Department of Permits, Licenses and Inspections is responsible for the administration and enforcement of the Pittsburgh building code and zoning code and also enforces the City’s various business and trade licenses.
The City Controller is one of two independently elected, citywide offices in the City of Pittsburgh, the other being the Mayor. It is the job of the Controller to protect city government-related tax dollars from waste, fraud, and abuse. The Controller audits all city government-related expenditures (the City also has a Finance Department and Treasurer who are responsible for collecting and auditing all City revenues), and conducts audits of all City departments and authorities.

To learn more about Pittsburgh’s controller, please visit http://pittsburghpa.gov/controller/controller.html or Twitter @PGHController

**Fiscal Focus Pittsburgh**

As the saying goes, “a picture is worth a thousand words.” Fiscal Focus Pittsburgh is an online data platform that gathers the City’s complex financial information and organizes it into clear graphics.

This site offers three separate applications that provide a guided view into the City’s financial data:
- Budget Explorer
- CheckbookPGH
- Payroll Explorer

The charts, graphs, and tables are all highly interactive. Users can analyze and download reports based on data from the City’s budget, and monthly spending, as well as City employee compensation and demographics.

We invite you to explore this transparent look at where your money goes. For more information, please visit: https://fiscalfocus.pittsburghpa.gov or Twitter @FiscalFocusPGH

**Unclaimed Property**

The City Controller’s office launched an unclaimed properties website which allows the public to search the City’s database of unclaimed funds.

These unclaimed funds belong to people and businesses that have failed to get money owed to them, through such means as earned income and real estate tax refunds, or City vendor payments.

For more information, and to search the City of Pittsburgh’s unclaimed funds database, please visit: http://pittsburghpa.gov/unclaimed-property/index.html or Twitter @UnclaimedPGH

**OpenBook Pittsburgh**

OpenBook Pittsburgh is a searchable website of City of Pittsburgh contracts, elected official campaign contributions and expenditures, and a list of lobbyists who are registered with the City.

To learn more about OpenBook Pittsburgh, please visit: www.openbookpgh.com or Twitter @OpenBookPGH

**PGH Watchdog**

PGH Watchdog is a mobile app that enables any person to report to the City Controller’s office any waste, fraud, and abuse of City government-related tax dollars they may see.

In addition to its fraud and waste reporting capabilities, the app also allows citizens to access OpenBook Pittsburgh, Fiscal Focus Pittsburgh, audits and reports completed by the Controller’s office, and the City’s unclaimed property website.

PGH Watchdog is available for free on the Apple App store and Google Play or Twitter @PGHWatchdog
Office Divisions

**Accounting:** The Controller’s accountants are tasked with tracking all revenues and expenditures made by the City. At the end of each fiscal year, they produce an annual financial report that details the City’s fiscal condition.

**Accounts Payable:** The accounts payable section oversees the payments made by City departments. They receive purchase orders, checks, and contracts in addition to performing audits of payments to make sure City funds are being spent appropriately.

**Engineering:** The Controller’s office has a team of inspectors who travel across the City to assess big projects. This ensures quality completion.

**Fiscal Auditing:** Our fiscal auditors perform financial reviews of programs by analyzing their revenues and expenditures. A key focus is ensuring funds are being appropriately tracked and spent across the city government.

**Performance Auditing:** Our performance auditors conduct audits of city departments to find inefficiencies and make recommendations that save money or improve the delivery of services.

Audits Released in 2021

**2021 Fiscal Audits:**
- Department of Parks & Recreation
- Department of Public Works
- Schenley Park Rink Trust Fund
- Follow-Up: Reports for Fiscal Audits Released in 2019
- Annual Audit of the City’s Tax Abatement & Tax Increment Financing Programs

**2021 Performance Audits:**
- Citizen Police Review Board
- Pittsburgh Community Television
- Department of Public Safety Animal Care and Control

Photos: From top: Crossing the Monongahela River to downtown Pittsburgh from the Fort Pitt Tunnel; Pittsburgh Police Officers patrol local areas and neighborhoods easily on bikes; Time for school in the Northview Heights neighborhood, photo by John Altdorfer; A beautiful way to enjoy a summer evening at the Northeast Fountain in Allegheny Commons Park in the North Side, photo by John Altdorfer; Two friends talk on the bridge walkway of the Sixteenth Street Bridge as it passes over the Strip District.
When assessing the financial results of the City, it is important that we focus on the City’s General Fund. It is used to account for all regular day-to-day operations, revenues, and expenditures of the City, except those required to be accounted for in another fund. In this section, we will discuss General Fund revenues, the largest of which are taxes.

**General Fund Revenue Fluctuations**

Total General Fund revenues and transfers increased approximately $67.7 million or by 11.2%, from 2020 to 2021. The net increase in revenues is about $32.0 million, which is attributable mainly to increases of $20.2 million in deed transfer taxes, $8.1 million in other revenues, $6.2 million in earned income taxes, and $5.4 million in parking taxes. The City also had an increase of approximately $35.7 million of transfers in from 2020 to 2021. $33.7 million is from the American Rescue Plan funds that were transferred into the General Fund.

Total General Fund revenues decreased approximately $50.8 million or by 9.8%, from 2019 to 2020. The net decrease of about $50.8 million is attributable mainly to decreases of $29.3 million in parking taxes, $7.8 million in other taxes, $19.3 million in other revenues, and $10.6 million in charges. The decreases were partially offset by increases of $7.8 million in grants, and $7.1 million in deed transfers.

**Where Our Money Comes From**

Like all governments, the City must raise funds to pay for the services that it provides to its citizens and businesses. These sources of funds, referred to as revenue, are raised through fees, charges, and taxes.

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**General Fund Revenues and Transfers**

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate Taxes</td>
<td>$151,951</td>
<td>$151,813</td>
<td>$147,340</td>
</tr>
<tr>
<td>Earned Income Taxes</td>
<td>114,450</td>
<td>108,300</td>
<td>109,713</td>
</tr>
<tr>
<td>Payroll Preparation Taxes</td>
<td>58,779</td>
<td>64,095</td>
<td>65,788</td>
</tr>
<tr>
<td>Parking Taxes</td>
<td>36,695</td>
<td>31,258</td>
<td>60,552</td>
</tr>
<tr>
<td>Deed Transfer Taxes</td>
<td>64,187</td>
<td>43,985</td>
<td>36,862</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>51,609</td>
<td>49,459</td>
<td>57,298</td>
</tr>
<tr>
<td>Total Taxes</td>
<td><strong>$477,671</strong></td>
<td><strong>$448,910</strong></td>
<td><strong>$477,553</strong></td>
</tr>
<tr>
<td>Charges</td>
<td>41,524</td>
<td>37,155</td>
<td>47,759</td>
</tr>
<tr>
<td>Grants</td>
<td>40,253</td>
<td>49,457</td>
<td>41,684</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>8,840</td>
<td>780</td>
<td>20,078</td>
</tr>
<tr>
<td>Transfers In</td>
<td>37,748</td>
<td>2,000</td>
<td>4,000</td>
</tr>
<tr>
<td>Other Revenue Total</td>
<td><strong>$128,365</strong></td>
<td><strong>$89,392</strong></td>
<td><strong>$113,521</strong></td>
</tr>
<tr>
<td>Grand Total</td>
<td><strong>$606,036</strong></td>
<td><strong>$538,302</strong></td>
<td><strong>$591,074</strong></td>
</tr>
</tbody>
</table>

---

**Real Estate Taxes**

Real estate taxes are imposed on most property in the City as assessed by the Allegheny County Board of Property Assessment, Appeals and Review. The rate was 8.06 mills on buildings and land.

**Earned Income Taxes**

This tax is levied at a rate of 1% on the wages or net profits earned by City residents. The City also receives a portion of the Earned Income Tax assessed by the Pittsburgh Public Schools equal to 2%.

**Payroll Preparation Taxes**

This tax is imposed on all for-profit employers at a rate of 0.55% of the total wages of all employees who work in the City.

**Parking Taxes**

A tax equal to 37.5% of the consideration paid for each parking transaction is levied on the patrons of non-residential parking places in the City.

**Deed Transfer Taxes**

A tax of 3% of the consideration paid for real property transfers is levied upon the transfer of an interest of real property situated in the City.

**Other Taxes**

Other taxes assessed by the City include the Amusement Tax, the Institution Service Privilege Tax, the Local Services Tax, and the Facility Usage Fee.
During the years ended December 31, 2021, 2020 and 2019, the City expended its funds as shown to the right. The per capita amounts represent the amount that the City expended on each type of service per resident, while the aggregate represents the total amount spent.

**General Fund expenditures decreased by 2.9% from 2020 to 2021.**

Elements of this decrease include a 2.7% decrease in Public Safety, and a 6.9% decrease in Public Works. These decreases were partially offset by increases in urban redevelopment and community, recreational, and cultural expenditures. Transfers to other funds increased 13%, predominantly made up of increases in transfers to the debt service fund and additional other transfers.

**General Fund expenditures increased by 5.2% from 2019 to 2020.**

Elements of this increase include an 8.4% increase in General Government, and a 6.0% increase in Public Safety. These increases were partially offset by decreases in urban redevelopment and community, recreational, and cultural expenditures.

### Where Your Money Goes

Once the City collects taxes and other revenues, the funds must be spent efficiently to provide a variety of services to the citizens and businesses of the City.

### General Fund Expenditures and Transfers

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Aggregate (in thousands)</th>
<th>Per Capita*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>$96,442</td>
<td>$97,614</td>
</tr>
<tr>
<td>Public Safety</td>
<td>336,404</td>
<td>345,715</td>
</tr>
<tr>
<td>Public Works</td>
<td>49,642</td>
<td>53,296</td>
</tr>
<tr>
<td>Environmental Services</td>
<td>20,256</td>
<td>20,731</td>
</tr>
<tr>
<td>Community, Recreational and Cultural</td>
<td>6,128</td>
<td>5,830</td>
</tr>
<tr>
<td>Urban Redevelopment Authority Subsidy</td>
<td>3,246</td>
<td>2,136</td>
</tr>
<tr>
<td>Other Expenditures</td>
<td>589</td>
<td>2,826</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>$512,907</td>
<td>$528,148</td>
</tr>
<tr>
<td>Transfers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers to Capital Projects</td>
<td>5,542</td>
<td>14,625</td>
</tr>
<tr>
<td>Transfers to Debt Service</td>
<td>56,285</td>
<td>43,845</td>
</tr>
<tr>
<td>Other Transfers</td>
<td>6,836</td>
<td>2,075</td>
</tr>
<tr>
<td><strong>Total Transfers</strong></td>
<td>$68,663</td>
<td>$60,545</td>
</tr>
<tr>
<td>Grand Total</td>
<td>$581,570</td>
<td>$588,693</td>
</tr>
</tbody>
</table>

*Expenditures and transfers are those respective amounts divided by the estimated City population.

### General Government Expenditures

**General Government** expenditures are related to the administration of the City’s affairs. These expenses include the costs of all elected officials as well as the Department of Innovation and Performance, Finance Department and Law Department, among many others.

**Public Safety** expenditures represent the Emergency Medical Services, Bureau of Police, Bureau of Fire, and Animal Control.

**Public Works** expenditures include administration and street and parks maintenance.

**Environmental Services** expenditures include garbage collection and recycling services within the Public Works Department.

**Community, Recreational and Cultural** expenditures are the costs of the Department of Parks and Recreation.

**The URA Subsidy** is the City’s subsidy to the Urban Redevelopment Authority.

**Other Expenditures** include all amounts that are not included in the categories above.

**Transfers** are funds provided by the General Fund to support other funds of the City.
The City maintains a separate Capital Projects Fund to account for the financial transactions and resources used by the City for the acquisition or construction of major capital assets. During 2021, the City spent $59.2 million on Capital Projects.

### By Function

<table>
<thead>
<tr>
<th>Function</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering and Construction</td>
<td>$39.0 M</td>
</tr>
<tr>
<td>Improvements to walls, steps, fences, roads, sidewalks, and bridges</td>
<td>$9.4 M</td>
</tr>
<tr>
<td>Facility Improvements</td>
<td>$3.5 M</td>
</tr>
<tr>
<td>Vehicles and Equipment</td>
<td>$3.0 M</td>
</tr>
<tr>
<td>Public Safety</td>
<td>$2.3 M</td>
</tr>
<tr>
<td>Administration and Sub-Awards</td>
<td>$2.0 M</td>
</tr>
<tr>
<td>Neighborhood Development</td>
<td></td>
</tr>
<tr>
<td>Costs associated with administration of the City's capital assets and Capital Improvement Plan</td>
<td></td>
</tr>
<tr>
<td>Investment in the City's neighborhood business districts and residential communities</td>
<td></td>
</tr>
</tbody>
</table>

### By Area

<table>
<thead>
<tr>
<th>Area</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citywide</td>
<td>$48.1 million (81.3%)</td>
</tr>
<tr>
<td>Neighborhood</td>
<td>$9.0 million (15.2%)</td>
</tr>
<tr>
<td>Central Business District</td>
<td>$2.1 million (3.5%)</td>
</tr>
</tbody>
</table>

### Largest Citywide Projects

- Street Resurfacing: $17.6 million
- Facility Improvements: $6.2 million
- Slope Failure Remediation: $4.4 million
- Capital Equipment Acquisition: $3.5 million
- Complete Streets: $3.4 million

### Largest Neighborhood Projects

- West Ohio Street Bridge (TIP): $3.8 million
- Wenzell Avenue/Carnahan Road (TIP): $1.4 million
- Mon-Oakland Connector/Four Mile Run: $489,000
- Bob O’Connor Golf Course: $423,000
- Liberty Avenue (HSIP): $341,000

### Largest Central Business District Projects

- CBD Signal Upgrades: $1.8 million
- 412 Boulevard of the Allies: $339,000
- Elevator Repair and Maintenance: $37,000

Photos: Counterclockwise from top: Oakland’s Cathedral of Learning at the University of Pittsburgh; The Terminal Shops at the Strip District; One of many hillside neighborhoods in Pittsburgh; The Liberty Avenue Highway Safety Improvement Program (HSIP) will aim to increase safety for vehicles and pedestrians alike in the Strip District; West Ohio Street Bridge located in the Allegheny Commons Park on the North Side; The Wenzell Avenue/Carnahan Road Project; Newly constructed Arnold Palmer Learning Center at the Bob O’Connor Golf Course in Schenley Park; a Harvey Butts aerial drone photo; Lobby of 412 Boulevard of the Allies, the soon-to-be One Stop Shop for all permitting in the City of Pittsburgh.
Outlook for City Finances

The City’s Cash Position

During 2021, the City continued to see a financial rebound from the COVID pandemic. The City’s cash position remained healthy, largely due to the funds received from the American Rescue Plan. The City remains optimistic about finances moving forward.

Long-Term Debt

In 2021, the City’s debt increased by $14.1 million to $472.7 million. The increase is due to the City’s borrowing for capital projects.

City’s Outstanding Bonds

The City’s total bond issuances outstanding as of December 31, 2021 equals approximately $473 million. Over the past five years, the City has paid off approximately $226 million of outstanding debt, including refusings.

Pension Funding

Securing funding for the City’s Comprehensive Municipal Pension Fund continues to be a challenge for City officials. Commonwealth of Pennsylvania Act 44 of 2009 required the City’s aggregate pension funding level to be at least 50 percent by December 31, 2010 to avoid having the City’s pension funds seized and administered by the Pennsylvania Municipal Retirement System. The City’s plan to meet this level of funding includes transferring dedicated parking tax revenues through 2046. From 2011 to 2017 the City contributed $13.4 million in parking tax revenue every year.

From 2018 to 2021 the City contributed $26.8 million of the parking tax revenue each year, and will continue to contribute $26.8 million per year through 2046. While the present value of the dedicated future parking tax revenues for future pension contributions did not meet the criteria for recognition as an asset in the City’s financial statements or those of the Comprehensive Trust Fund, it was treated as an actuarial asset for purposes of funding levels under Commonwealth of Pennsylvania Act 44 of 2009.

The actuarial assumptions were updated to reflect changes detailed in the most recent experience study for the period from January 1, 2017 to December 31, 2020. The changes in assumptions resulted in an increase to the total pension liability of approximately $86 million.

Bonded Debt Per Capita*

<table>
<thead>
<tr>
<th>Year</th>
<th>Bonded Debt Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$1,376</td>
</tr>
<tr>
<td>2018</td>
<td>$1,324</td>
</tr>
<tr>
<td>2019</td>
<td>$1,413</td>
</tr>
<tr>
<td>2020</td>
<td>$1,515</td>
</tr>
<tr>
<td>2021</td>
<td>$1,561</td>
</tr>
</tbody>
</table>

*Amounts represent the City’s total bonded debt divided by the estimated City population.

Pension Funding Status

Despite having the parking tax as a source of revenue, the fund remains underfunded and will require additional funding commitments and cost reductions moving forward. As of the end of 2021, with revenue from the City’s parking tax, the City’s pension fund held approximately 69% of the funds needed.
Although this report is largely based on the City’s 2021 Annual Comprehensive Financial Report, this report is not prepared in accordance with generally accepted accounting principles ("GAAP"). Only the financial data for the general government is included in this report and, therefore, all of the City’s discretely presented component units are excluded. Additionally, information is presented in a summarized manner and certain financial statements and note disclosures required by GAAP are omitted. A copy of this PAFR as well as the City’s audited 2021 Annual Report, which is prepared in accordance with GAAP, is located at www.pittsburghpa.gov/controller/controller.html.

PAFR Consultants: The Binkley Kanavy Group, LLC, Pittsburgh, PA