CITY OF PITTSBURGH, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2021

Michael E. Lamb, City Controller
CITY OF PITTSBURGH, PENNSYLVANIA

CITY OF PITTSBURGH, PENNSYLVANIA

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YEAR ENDED DECEMBER 31, 2021

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CITY OF PITTSBURGH

OFFICE OF THE CITY CONTROLLER

Controller Michael E. Lamb

Thursday, April 28, 2022

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

I am pleased to present the *Annual Comprehensive Financial Report* (ACFR) of the City of Pittsburgh (City) for the year ended December 31, 2021. The City's charter mandates that only a general-purpose financial statement be issued by May 1. This does not include component units; statements mandated under Governmental Account Standards Board (GASB), Statement 34; footnotes; and the statistical section. This year, we are issuing a full ACFR on April 28, 2022, which meets the Government Finance Officers Association (GFOA) standards and allows the City to get an unmodified opinion from the City's independent auditors.

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

Maher Duessel Certified Public Accountants have issued an unmodified ('clean') opinion on the City of Pittsburgh's financial statements for the year ended December 31, 2021. This independent auditor's report is located in front of the Management's Discussion and Analysis (MD&A).

MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE GOVERNMENT

The City of Pittsburgh, incorporated in 1816, is located in the southwestern part of the Commonwealth of Pennsylvania occupying 55.37 square miles with a population of 302,971 according to the 2020 Census. Although ranked as the 68th most populous city in the country, Pittsburgh is still considered more densely populated than five of the top ten populous cities due to its population density of 5,469 people/square mile. This is primarily because the city limits have remained virtually unchanged for nearly a century. The City government is comprised of a strong elected mayor, a nine-member council elected by district, and an elected controller. The Mayor is the chief executive of the City who appoints the heads of various departments, and the council has the legislative authority. The Controller audits City government-related expenditures and conducts audits of all City departments and authorities. The Mayor is elected to a four-

year term and the council members are elected to a staggered four-year term. The even-numbered districts are elected in one year and the odd-numbered districts are elected two years later. Like the Mayor, the Controller is elected to a four-year term.

The City is empowered to levy a variety of taxes including property taxes on real estate, earned income taxes on residents that live within the boundaries of the City, and other usage taxes are charged when using certain facilities within the City. In addition, the City levies taxes on employees that work within the City and on businesses that operate within the City. Please see the Revenue section in this letter for a more detailed explanation of the taxes collected.

The City provides a full range of services, including police, fire, and emergency medical services, construction and maintenance of City property and infrastructure, sanitation services, and recreation and cultural activities. The Water and Sewer Authority, Urban Redevelopment Authority (URA), 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 ACFR.

Council is required to adopt a final operating and capital budget for the next year by the last day of the fiscal year, which is December 31. The annual budget is the basis of the City's financial planning and control. The operating budget is prepared on a departmental basis. The department heads may spend within a budget classification (e.g., salaries, supplies, rentals, miscellaneous) as they see fit. However, any transfers between classifications or departments have to be approved by Council. The Mayor's Office also prepares a five-year plan annually.

FINANCIAL INFORMATION

The Financial Information is broken down into two categories: Internal Control and Budget Control, which are explained in further detail below.

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 accounting principles generally accepted in the United States of America (U.S.). The internal control structure is designed to provide reasonable but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

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

ECONOMIC CONDITION

Located at the confluence of the Ohio, Monongahela, and Allegheny Rivers, the City serves as the seat for Allegheny County and is the largest of the County's 130 municipalities. Downtown Pittsburgh is commonly known as the Golden Triangle and serves as the regional center for Southwestern Pennsylvania, Eastern Ohio, and Northern West Virginia.

ECONOMIC BACKGROUND

The coronavirus disease 2019 (COVID-19) pandemic continued in 2021, compounding its negative economic impact felt in 2020. With the support of the American Rescue Plan, the City of Pittsburgh (as well as local governments around the country) was offered a lifeline to battle the drastic economic, social, and public health event. With the launch of vaccines in late 2020, we started 2021 with the hope that the economy would begin to show signs of normalcy.

The City entered 2021 economically weakened by COVID-19. The 2020 year left us with an operating deficit, and we had started eating away at our "rainy day" fund. The region was weakened by persistent unemployment, which has rebounded slower than comparable cities around the country. The slow return to work combined with continued cancellations of big events resulted in the Parking Tax hitting only 60% of the budget, even after revisions.

In March 2021, President Biden signed the American Rescue Plan Act (ARPA) into law. In addition to direct financial support to families, extended unemployment insurance, and aid to small businesses, ARPA appropriated money to state and local governments throughout the country, including $335 million to the City of Pittsburgh. Prior to the award of ARPA funds, the City's 2021 operating budget required the elimination of any existing 2020 vacant positions. Although the elimination of these unfilled but needed positions would limit the City's delivery of services, it was fiscally necessary as a result of the 2020 revenue shortfalls. There was concern about further workforce reductions starting in July 2021, and the ARPA funds allowed us to avoid such a scenario.

Distributed in two separate payments, the first deposit of $167 million arrived in May 2021, and $33,748,156 was quickly sent to the General Fund to replace the COVID-19-related lost revenue from 2020 and 2021. The City expects an additional $167 million in 2022. The ARPA money allowed the City to restore payroll, avoid layoffs, and fill positions necessary to fully operate.

The ARPA money represents a once-in-a-lifetime opportunity for Pittsburgh. The City has until December 31, 2024, to encumber all $335 million and until the end of 2026 to spend the money. The money 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. While the U.S. Department of the Treasury (Treasury) compliance will be the responsibility of the City's Office of Management and Budget, the City Controller's Office will audit the American Rescue Plan Fund (ARPF) annually until its depletion along with specific projects using money from this account.

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While the first COVID-19 vaccine was administered in western Pennsylvania in December 2020, demand far exceeded supply around the country well into 2021. Locally, vaccines were not readily available until the middle of the year. While the City of Pittsburgh did not track vaccination rates, the Allegheny County Health Department did, and by the end of 2021, approximately 70% of Allegheny County's eligible population was vaccinated. The vaccines prevented hospitalizations and deaths as two COVID-19 variants—the Delta and Omicron—surged later in the year.

With few exceptions, vaccination rates improved economic conditions globally. According to one study published by the International Monetary Fund, increased vaccination rates of 1% increased weekly consumer spending by 0.6%. In the U.S., the accelerated rate of vaccine development saved the U.S. economy $438 billion in terms of 2021 real Gross Domestic Product (GDP)—2.3% of real GDP—according to the Heartland Forward.

Vaccines were accompanied by efforts to return to "normal." In-person events resumed, with visitors attending events at Heinz Field, PNC Park, and PPG Paints Arena. Attendance at these three venues for sporting events (Penguins, Steelers, Pirates, and Panthers) was at 1,588,415, up from 652,205 in the year prior. Non-sporting programming was still down from 2019 numbers; PPG Paints Arena held 106 non-hockey events in 2019 and only nine in the 2021 season. Similarly, given the nature and time-intensive planning, conventions were slower to rebound, and the David L. Lawrence Convention Center only saw 89 programs in 2021, compared to 198 in 2019. Still, this was an increase from the 56 events we saw in 2020. According to VISITPittsburgh, 2021 hotel occupancy in Pittsburgh was at about 73% of what it was in 2019, as seen by 3,270,000 room nights sold at Pittsburgh-area hotels.

While Pittsburgh, like everywhere else, had a COVID-19-related unemployment spike, our rebound has, unfortunately, been less robust. While the employment numbers did rebound, they fell flat in the third quarter of 2021. By the end of 2021, the unemployment rate in the seven-county Pittsburgh Metropolitan Statistical Area (MSA) was 5.7%, which was nearly two points higher than the national average of 3.9%. The unemployment rate in January 2021 was 7.5%, which does demonstrate some improvement by year end, but the lag behind the national curve does raise questions. The labor force across the country increased by 1% but, unfortunately, decreased by 2% in western Pennsylvania. More than 45,000 people have left the workforce since the beginning of the COVID-19 pandemic. This decline keeps the regional labor force at its lowest level in over 30 years.

This shift in the workforce should be of concern. According to the Allegheny Conference on Community Development, our regional colleges and universities graduate more than 40,000 students each year, but more than half of them leave for other markets. Efforts to hire and retain these young people should be a priority for our for-profit, non-profit, and government employers alike. While there is a labor shortage worldwide, employers in Pittsburgh are facing especially difficult odds as our pool of people looking for work continues to shrink. The COVID-19-induced national migration from large cities to their smaller and more medium-sized counterparts provides an opportunity for western Pennsylvania, and Pittsburgh in particular, to strengthen the labor force. After all, Pittsburgh has the fifth largest share of educated millennials among large metro areas.

It's no surprise, either, that our workforce continues to be heavy with "eds and meds." Approximately 22% of all jobs in the region are part of the education and healthcare services sector. However, hiring in these fields slowed toward the end of 2021. On the other hand, professional and business services, which represent more than 15% of the economy, grew toward the end of the year. The leisure and hospitality services industries, which represent about 10% of our workforce, also grew in 2021 as we emerged from COVID-19 but continue to compete with the prevalence of telework options.

Movement in our downtown corridor continues to be a good measure of economic changes. Downtown activity changes increased by nearly 50% from January to December 2021, and we were seeing 74,702 daily users downtown by the end of the year. Visitor recovery was at 85% of pre-pandemic levels, with visitors to the Cultural District and Market Square up 12% and 32% respectively over 2020 figures. However, return to work has been slower at only 36% of recovery levels. This slow rebound could indicate a refocus on downtown residential living rather than downtown office space, which is supported in the numbers: residential occupancy in greater downtown was above 90% in 2021.

Ten major downtown development projects championed by the Pittsburgh Downtown Partnership, which commenced in 2021, included the opening of The Industrialist Hotel, a 124-room Marriott Autograph Collection hotel and the only Autograph hotel in the downtown market; the Duquesne University's College of Osteopathic Medicine, cited as adding $5.4-million in value to the community to address healthcare disparity in underserved communities, located on Forbes Ave in the LifeWorks building with the expectation to admit the first class in 2024; the $3.5-million renovation of Heinz Hall—which the New York Times cited as "a dramatic symbol of the best kind of urban renewal"—to encourage, foster, and perpetuate the performing arts in the Pittsburgh area; and, also, the Lower Hill Redevelopment Plan, a major redesigning of a 20-acre track on the site of the former Civic Arena.

Current plans include a mixed-use designation comprised of a 26-story Financial Center for First National Bank (FNB), residential housing to include $10 million dedicated to fund Hill District housing-stabilization initiatives, and retail and dining venues intended to promote local small business incubation and development and add plenty of open park-like square footage. Cited as Pittsburgh's legacy of urban redevelopment, the Lower Hill Redevelopment plan is intended to be the example of community driven urban redevelopment. Funding to date includes $17 million committed by FNB via loans and grants for Hill District initiatives and projects, $19 million specifically dedicated to fund Hill District housing stabilization initiatives, and $2 million in support of local small business start-ups and development. Contracted recipients for the project are required to include a minimum of 45% women and minority owned businesses.

While parking garage usage hit 62% of pre-pandemic levels by the end of 2021, low bus ridership persisted. Fear of COVID-19 exposure continued to be a hurdle for people who ordinarily ride the bus or rail. By October, the Port Authority of Allegheny County reported that it averaged over 110,000 weekday rides for the first time since the start of the pandemic. While a victory, ridership was still down dramatically: weekday bus revenue was 50% lower than pre-pandemic levels and weekday rail at 73%.

Air travel at Pittsburgh International Airport saw a considerable post-COVID-19 rebound. In 2021, more than 6.3 million passengers passed through our airport, which is a 74.1% jump from 2020. In December, total passengers were up 162.8% versus 2020. More encouraging is that the 2021 numbers recovered so significantly that in a few instances, Pittsburgh International Airport (PIT) airport travelers nearly matched their 2019 numbers. While business travel will take longer to rebound, 21 new destinations were launched in 2021, primarily to leisure destinations. Cargo continues to be the very bright spot at PIT with 250 million pounds of goods passed through in 2021. The airport has not seen this volume since 2004, which marks a 30% increase in freight volume over 2020.

In July 2021, Pittsburgh International Airport became the first airport in the world to generate 100% of its electrical power from its own microgrid, combining solar and natural gas to power the terminals and airport campus. Five natural gas-fired generators and nearly 10,000 solar panels facilitate the airport's sustainability and resiliency by generating 100% of its electricity. The microgrid has won multiple awards including the Innovation Award from Airports Council International and the World Changing Idea Award from Fast Company Magazine.

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. Allegheny County's population grew by 2.2%, or about 27,000 people, which represents the first time we've seen growth in decades. The City's Black population lost 10,500 people from 2010 – 2020, but the census showed that the City saw growth in other non-white populations, including Asian, Hispanic, and multiracial people. The most dramatic increase was among the City's Asian population, which grew by 47%.

The Black population has remained stable in Allegheny County while declining in the City. Addressing this Black displacement should be a priority of policymakers moving forward. On the County level, this news of population stabilization is positive, both for the City and the region, but these numbers reinforce the need for municipal collaboration and a comprehensive approach to enhancing the competitiveness of our workforce.

Accolades continue to roll in for Pittsburgh. The website Realtor.com ranked Pittsburgh the #1 city for LGBTQ+ home buyers. According to WalletHub, Pittsburgh is the sixth-best metro area for Science, Technology, Engineering, and Mathematics (STEM) professionals. Home services firm Porch found Pittsburgh is the best place to move after college. The website Rent.com listed Pittsburgh as one of the top-10 best cities for artists, and on Niche's *2021 Best Places to Live in America*, Pittsburgh finished at number 30.

Pittsburgh's technology ecosystem has flourished, as Pittsburgh tech companies have attracted over $10.5 billion in investment in the past decade, including $3.6 billion in 2021 alone. As a result, investment in the region skyrocketed in 2021 and continues to support the long-term trend of increasing investment. Growth in Pittsburgh's tech economy took many forms, including direct investment, company acquisitions, and expansion of operations from some of the world's biggest names in tech to further increase commercialization and entrepreneurship.

Over 600 unique local companies raised funding in the past 10 years, with a record 172 such local companies in 2021. Autonomous vehicle and robotics companies have attracted $5.5 billion since 2019, which represents 65% of total funding for 2021. The contributions of energy and industrial sectors have declined for several years, while the emphasis on hardware and robotics has increased. The 2021 year saw a dip in the number of software companies raising capital for the first time since 2016, while the number of life sciences companies increased to 30% of total funding.

Pittsburgh has truly emerged as a hub for autonomy, robotics, artificial intelligence (AI), and the life sciences. In particular, Aurora and Argo AI established Pittsburgh as a leader in self-driving cars; Duolingo has championed language-learning in the Educational Technology (Edtech) field; and Krystal Biotech, Cognition Therapeutics, and Knopp Biosciences are principals in the life science ecosystem. Aurora, Duolingo, and Stronghold Digital Mining led the way with public offerings raising more than $2.6 billion. Autonomous vehicle and robotics companies have attracted $5.5 billion since 2019, which represents 65% of total funding for 2021. This year saw Aurora name Pittsburgh as its headquarters and raise over $2 billion in venture funding through its public listing.

Technology hubs attract world-class investors and, thus, Pittsburgh companies have drawn the attention of leading venture capital firms, including New Enterprise Associates, Sequoia, Tiger Global, Kleiner Perkins and Index Ventures. Additionally, the corporate ventures arms of Toyota, Ford, BMW, Intel, and Samsung have all invested here. The 2021 year saw a 24% increase in uncommitted funds at Pittsburgh-based venture capital firms, with $74 million, up from $60 million in 2020. Over 300 unique venture capital firms, angel groups and strategic investors have made investments in Pittsburgh companies in the past five years, including 16 firms that made their first investments in the region in 2021.

More than 129 Pittsburgh companies exited in the period from 2012 to 2021, generating over $21.3 billion in disclosed exit values. Since the terms of many deals are never disclosed, the total value of exit proceeds is larger than the disclosed value. The 2021 year featured 20 exits with disclosed values of over $6.5 billion. Companies that exited in 2021 represented an assortment of industries, including autonomous vehicles, robotics, drug development, clean tech, FinTech, biotechnology, medical devices, and information technology (IT) infrastructure. Representative 2021 deals included Aurora's public listing, Duolingo's initial public offering (IPO), and Centria's acquisition by NuCor.

Exits typically occur in the form of an outright purchase, merger, or acquisition of a start-up by a larger company. Each successful exit strengthens the regional tech ecosystem by providing capital back to venture capitalists, business angels and overall investors as a return on their original investment. With each exit, investors realize a positive return and are more likely to invest in the region again. Other investors learn of these successes and thereby consider Pittsburgh as a more attractive investment destination. In addition, the founders and employees receive windfall gains and may become angel investors or mentors, along with being financially well-positioned to pursue new ventures themselves. The volume of exits, along with the startups, serve as a metric for the growth and vitality of the local investment environment. Thus, increased deal activity creates an ongoing cycle within the entrepreneurial community.

As global firms acquire local startups, it's often the catalyst for larger firms to establish permanent offices in Pittsburgh. Amazon, Aptiv, Bosch, Facebook, IBM, Microsoft, NetApp, Philips, Smith & Nephew, and Proofpoint are all examples of large tech firms with a significant and growing local presence as a result of startup acquisitions. This often further attracts satellite offices of global companies, such as Alphabet, Facebook, Bayer, Affirm, and Berkshire Grey.

Nationally, Pittsburgh continues to compete effectively. In 2021, according to Morningstar's PitchBook Financial Data, the Pittsburgh region (Pittsburgh, New Castle, Weirton, PA-OH-WV) ranked 24th in population, 17th in deals per million residents, and 14th in the total number of funding rounds in the past 10 years. Additionally, Pittsburgh ranked 28th among the 40 most populous metropolitan areas in dollars invested per capita in 2021 and 17th in total dollars invested over the past 10 years.

The 2021 year was another record year for non-dilutive funding (i.e., grants), which fund innovation without diluting investors or founders. Local research universities attracted over $11 billion in research funding in the past decade, with over $1.4 billion in 2021, up $100 million from 2020. Carnegie Mellon University and the University of Pittsburgh consistently rank among the top recipients of National Institutes of Health (NIH) funding. Additionally, in 2021 alone, local technology companies received over $18 million in government and private research grants. Ension led the way with a $13-million grant from the U.S. Department of Defense and the U.S. Department of Health and Human Services.

Pittsburgh's local research universities experienced a 179% increase in the number of patents issued in the past 10 years, with a 9% increase in 2021 over 2020's issuance. Furthermore, the number of new spinout companies has increased 5%. This ramped up activity at the front end of the commercialization pipeline bodes well for entrepreneurial efforts in coming years.

Accolades from major players regarding the investment potential of Pittsburgh's technology environment include the following:

> "We believe the Pittsburgh market is one of the top hubs for entrepreneurship. Beyond it being the de facto capital for autonomous technology, we've been extremely impressed with the breadth of startups and technical minds coming out of this engine of innovation."
> Garrett Goldberg
> Partner, Bee Partners

> "Pittsburgh has the perfect blend of a vibrant business community and strong commitment to investing in the city. I'm proud to call it home for the headquarters of our investment firm, which looks to reimagine and reinvigorate old-line industries through the deployment of AI and cutting-edge technology."
> Thomas Tull
> Founder, Chairman and CEO of Tulco, LLC

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"Pittsburgh is a fantastic place - especially when looking at starting a company. You have an amazing pipeline from Carnegie Mellon, Pitt and all the surrounding areas. There's a really good pool of talent, and the cost of living helped us bootstrap the way we did & be able to make it."
Hayden Cardiff
Founder & Chief Innovation Officer, Idelic

"We believe Pittsburgh is a rising hub for startup innovation. As the world shifts to a more distributed workforce, Pittsburgh is looking as good as ever to build teams and invest in startups working on some of the most pressing challenges of our time."
Swati Mylavarapu
Managing Partner, Incite Ventures

The City continues to see success with the Pittsburgh Promise Program, which provides scholarships of up to $5,000 per year for qualified students for four years to approved and accredited colleges, universities, or trade and technical schools in Pennsylvania. By the end of 2021, Pittsburgh Promise had administered its 14th class of high school graduates, thus totaling more than 10,128 graduates of the Pittsburgh Public Schools who were funded by the Pittsburgh Promise program. Over $154.6 million in scholarships had been given to facilitate attendance at 140 post-secondary schools. This investment in education strengthens the City's regional workforce as well. For instance, alumni of the program have added value by their employment at over 650 local companies.

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 the 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.

REVENUES

Real Estate Tax: Real estate property in the City is assessed by the Allegheny County Board of Property Assessment, Appeals and Review at a rate of 100% of its fair market value. The rates for 2021 were 8.06 mils for general purposes and 0.50 mils for parks on buildings and land. A mil is $1 on each $1,000 of assessed value or $8.56 for every $1,000 of assessed value. The 2021 total taxable assessed valuation for the City is $21,151,734,000 compared to the 2020 total of $20,904,326,000.

Tax Payments: Real estate taxes are payable in three installments, but a 2% discount is granted if paid by February 10. If the payment is not made on time, interest is charged at the rate of 10% per annum and is added to the balance of the tax due for the year.

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

Parking Tax: A tax equal to 37.5% of the consideration paid for each parking transaction is levied on the patrons of nonresidential parking places in the City (i.e., $13.75 parking fee, $3.75 tax, or 37.5% of the $10 underlying parking charge).

Amusement Tax: This tax is levied at a rate of 5% on the admission price paid by patrons of all manners and forms of for-profit amusement within the City. Nonprofits are exempt from the amusement tax.

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

Institution Service Privilege Tax: Certain revenues of nonprofit, non-charitable organizations conducting or operating a service or service institution in the City are taxed on their gross amount.

Local Services Tax: A tax in the amount of $52 is levied upon each individual whose principal place of employment is located in the City, regardless of residency. If an employee's income is less than $12,000, that employee is exempt from paying the tax.

Payroll Preparation Tax: This tax is imposed on all for-profit employers at a rate of .55% of the total wages of all employees who work in the City. This tax is paid quarterly based on the payroll of the previous quarter. The installments are due February 28, May 31, August 31, and November 30.

Facility Usage Fee: A tax of 3% is imposed on wages earned by nonresident athletes and performers that work at certain facilities that have been subsidized with public money.

AWARDS

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its ACFR for the fiscal year ended December 31, 2020. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the last twenty-nine consecutive years (fiscal years ended 1992 – 2020). We believe that our current ACFR continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The preparation of this report could not be possible without the concerted effort of the entire staff of the Controller's Office. The continued efforts of the Accounting Department are gratefully appreciated. I would like to thank the employees of the various departments and authorities of the City for their assistance in providing the Controller's staff and the independent auditors with the necessary information to complete this report.

Respectfully submitted,

Michael E. Lamb
City Controller

414 GRANT STREET | CITY-COUNTY BUILDING, FIRST FLOOR | 412 255 2054

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Pittsburgh
Pennsylvania

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

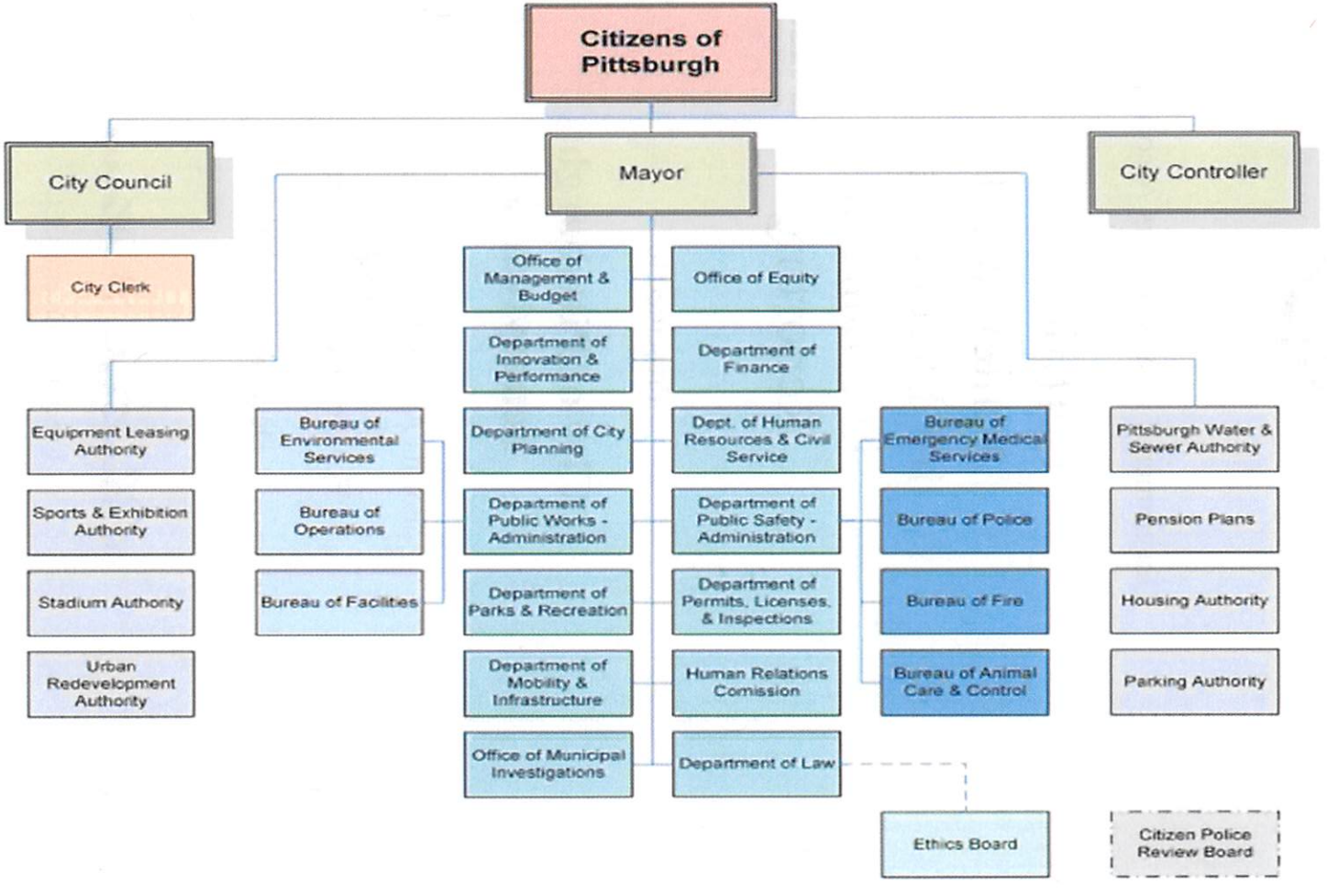
December 31, 2020

Christopher P. Morrill

Executive Director/CEO

City of Pittsburgh

Organization Chart



CITY OF PITTSBURGH, PENNSYLVANIA

ELECTED CITY OFFICIALS

As of April 28, 2022

MAYOR

Ed Gainey

CONTROLLER

Michael E. Lamb

MEMBERS OF COUNCIL

Theresa Kail-Smith, President, District 2

R. Daniel Lavelle, Finance Committee, District 6

Bobby Wilson, District 1
Bruce Kraus, District 3
Anthony Coghill, District 4
Corey O'Connor, District 5
Deborah Gross, District 7
Erika Strassburger, District 8
Rev. Ricky Burgess, District 9

FINANCIAL SECTION

MaherDuessel

Independent Auditor's Report

The Honorable Members of Council
City of Pittsburgh, Pennsylvania

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pittsburgh, Pennsylvania (City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position and, the respective budgetary comparison for the General Fund and Community Development Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability

to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the introductory section, statistical section and other section (collectively "other information") listed in the table of contents. The other information listed in the table of contents does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and

the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Maher Duessel

Pittsburgh, Pennsylvania
April 28, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As management of the City of Pittsburgh (City), we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found at the beginning of this report.

Financial Highlights

Government-wide unrestricted net position showed a deficit of $1.506 billion in 2021. The accumulated deficit results principally from the City's Net Pension Liability of $822.0 million, Other Postemployment benefits liabilities of $395.4 million, outstanding general obligation bonds being issued over the years to finance projects that do not result in recording assets; specifically, to fund the payments to the Pension Trust Fund ($78.4 million outstanding as of December 31, 2021), the City's borrowings to finance economic development efforts (including projects to the City's Authorities, principally the URA), and maintenance expenditures on City infrastructure and equipment needs. The deficiency will have to be funded from resources generated in future years.

- As of the close of the 2021 fiscal year, the City's governmental funds reported combined ending fund balances of $322.9 million, an increase of $62.9 million from the previous year. Approximately 33.1% of this total amount or $106.8 million is available for spending at the government's discretion (unassigned fund balance).

- At the end of the 2021 fiscal year, unassigned fund balance for the General Fund was $106.8 million (compared to $85.4 million in 2020) or 18.4% of total General Fund expenditures and debt service transfers for 2021, up from 14.5% in 2020.

- The City's outstanding general obligation bonds and notes including unamortized premium/discount amounted to $472.7 million at the end of the fiscal year up from $458.6 million in 2020.

Overview of the Financial Statements

This Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements.

The financial section of this report consists of three parts: Management's Discussion and Analysis, the basic financial statements (including notes to the financial statements and detailed budgetary comparison schedules), and combining and individual fund statements. The basic financial statements present two different views of the City through the use of government-wide statements and fund financial statements:

The first two statements (pages 1-3) are government-wide financial statements that provide short-term and long-term information about the City's overall financial status.

The remaining statements (pages 4 through 20) are fund financial statements that focus on individual parts of City government and report operations in more detail than the government-wide financial statements.

The governmental funds statements describe how general government services were financed such as public safety and sanitation.

Fiduciary fund statements provide information about pension, other post-employment benefit plans, private-purpose trust funds, and custodial funds for which the City acts solely as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources cannot be used to support City activities.

The financial statements include notes which provide an explanation for certain financial statement line items and also provide more details for this information. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, a section with combining statements provides details about the non-major governmental funds that are presented in single columns in the basic financial statements. The following diagram, labeled A-1, shows how the required components of this comprehensive annual financial report are arranged and relate to one another.

Figure A-1

REQUIRED COMPONENTS OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT

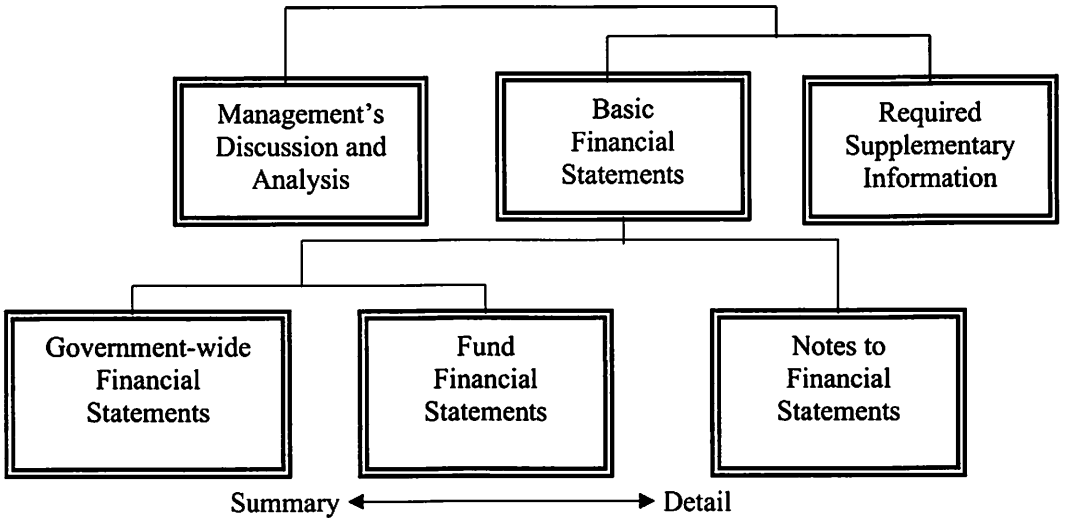


Figure A-2 summarizes the major features of the City's financial statements. The remainder of this overview section of Management's Discussion and Analysis explains the structure and contents of each of the statements.

Figure A-2
Major Features of City's Government-Wide and Fund Financial Statements

		Fund Statements	
	Government-wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds)	The activities of the City that are not proprietary or fiduciary, such as police, fire, and recreation	Instances in which the City is the trustee or agent for someone else's resources, such as the retirement plans for City employees
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and changes in fund balance	• Statement of fiduciary net position • Combined statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the City's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid
	Deferred inflows and Outflows recognized	Deferred inflows recognized	

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate Urban Redevelopment Authority (URA), Pittsburgh Water and Sewer Authority, Public Parking Authority, and the Stadium Authority. Financial information for these component units reported separately from the financial information are presented for the primary government itself. The government-wide statements can be found in the financial section of this report.

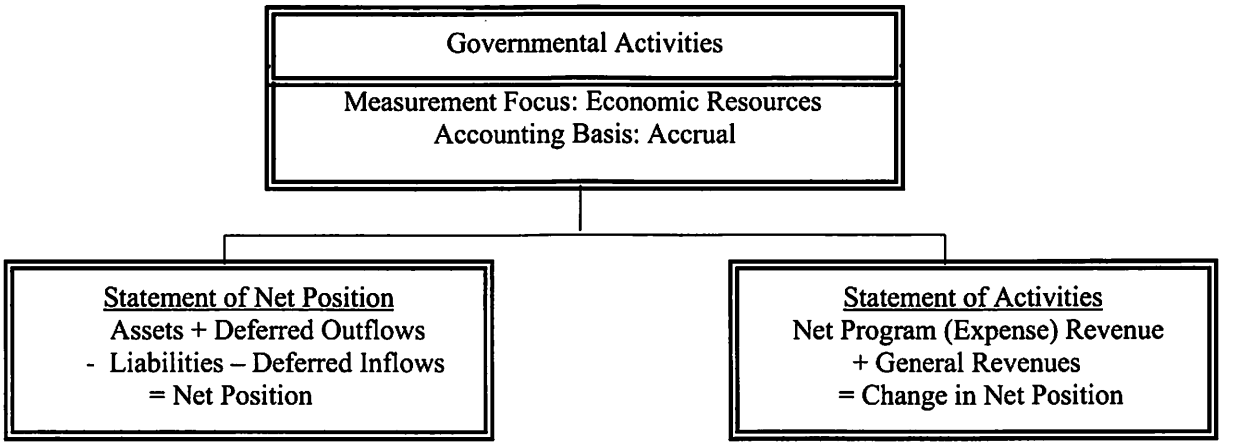
Although there are a number of government-wide financial statements, for the purposes of this report, only two will be highlighted since they are closely related: the statement of net position and the statement of activities.

The statement of net position includes all of the City's assets, liabilities, deferred inflows, and outflows, except fiduciary funds. Net position - the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources - is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event gives rise to the change that occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). Additional non-financial factors such as changes in the City's real property tax base and general economic conditions must be considered to assess the overall position of the City.

The primary features of government-wide financial statements are reflected in Figure A-3.

Figure A-3
Government-wide Financial Statements



- *Governmental activities* - Most of the City's basic services are included here, such as the police, public works, recreation, and general administration. Property and earned income taxes, charges for services, and state grants finance most of these activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Funds are used to keep track of specific sources of funding and spending for particular purposes. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. However, not all funds are the result of city policy; some are required by state law. The funds of the City can be divided into two categories, governmental funds and fiduciary funds, and are explained in greater detail below:

- *Governmental Funds* - Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The relationship between governmental activities (reported in the statement of

net position and the statement of activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of government funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, the Capital Projects Fund, the Community Development Fund, the American Rescue Plan Act Fund, and the Debt Service Fund, all of which are considered to be major funds. Data from the other six governmental funds (non-major funds) are combined into a single, aggregated presentation (other governmental funds).

The City adopts an annual appropriated budget for its General Fund, Capital Projects Fund, and Community Development Fund. A budgetary comparison statement has been provided for these funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 4-15 of this report.

- *Fiduciary Funds - (Pension Trust Funds, OPEB Trust Funds, Private-Purpose Trust Funds and Custodial Funds)* – The Pension Trust Fund accounts for the operations of the City's pension plans for general municipal employees, police, and fire, covering essentially all full-time employees. The OPEB Trust Fund is used to report resources held in trust for post-employment benefits other than pension benefits. The City is responsible for ensuring that the assets reported in fiduciary funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

The fiduciary fund financial statements can be found on pages 16-17 of this report.

Notes to financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-135 of this report.

Required supplementary information - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information

concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 136-146 of this report.

Government-wide Financial Analysis

The City's liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $1.32 billion at the close of the most recent fiscal year. Net Pension and Other Postemployment benefits liabilities totaled $1.22 billion. By far the largest portion of the City's deficit in net position is its unrestricted deficit of $1.506 billion. This deficit is partially offset by investment in capital assets less any related debt still outstanding used to acquire those assets of $163.8 million. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending and the assets have been financed with debt in an amount that exceeds the capital assets carrying value.

Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Summary of Condensed Net Position

The following table presents a condensed summary of net position:

City of Pittsburgh's Net Position

At the end of the current fiscal year, the City reported a $1.3 billion net deficit for the governmental activities due in large part to GASB 68 and 75 reporting requirements of Net Pension Liability and Other Postemployment Benefits as well as the City's debt burden outstanding.

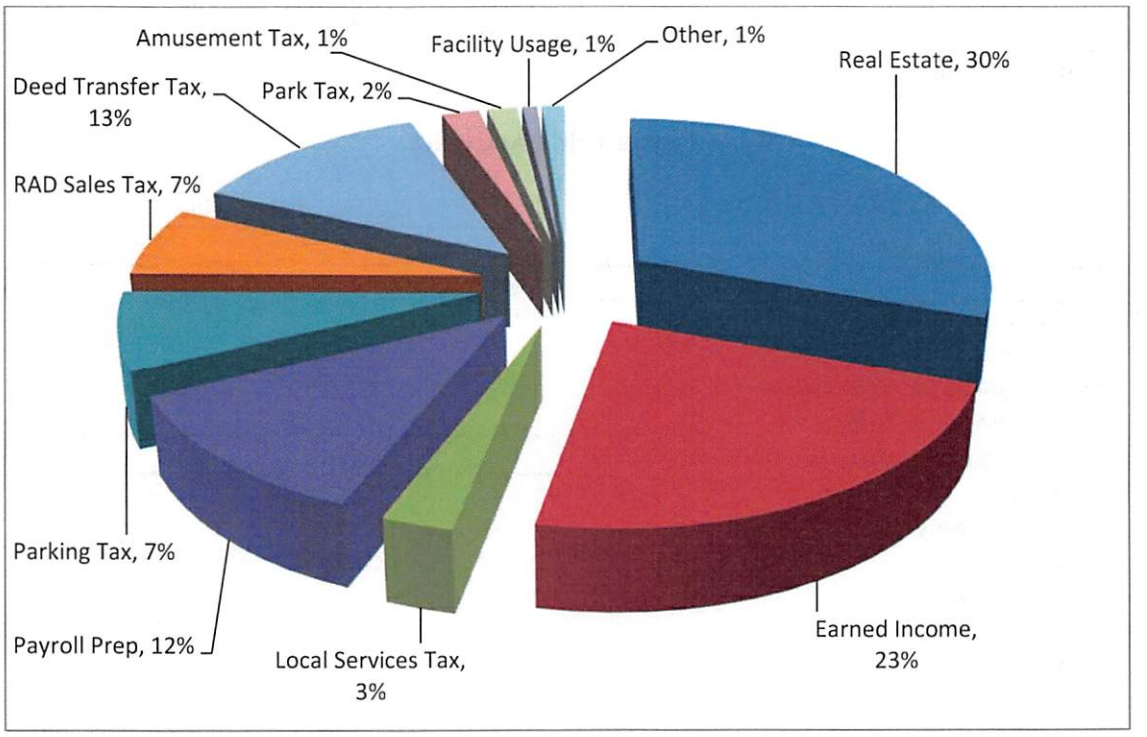
	Governmental Activities ($ millions)	
Assets	2021	2020
Current assets	$ 536	$ 325
Non-current assets	17	18
Capital assets	196	197
Total Assets	749	540
Deferred Outflows of Resources		
Deferred outflows related to pension	98	16
Deferred outflows related to OPEB	22	30
Deferred change on refunding	9	9
Total Deferred Outflows of Resources	129	55
Liabilities		
Current liabilities	272	124
Long-term liabilities, outstanding	1,761	1,712
Total Liabilities	2,033	1,836
Deferred Inflows of Resources		
Deferred inflows related to pensions	84	51
Deferred inflows related to OPEB	78	106
Total Deferred Inflows of Resources	162	157
Net Position		
Net investment in capital assets	164	159
Restricted	25	22
Unrestricted	(1,506)	(1,579)
	$ (1,317)	$ (1,398)

Governmental activities – Governmental activities increased the City's net position by $80.6 million in 2021 as expenses were under revenues. Increase due to American Rescue Act and other operating grant funding and deed transfer taxes. The following table shows the revenues and expenses of the primary government:

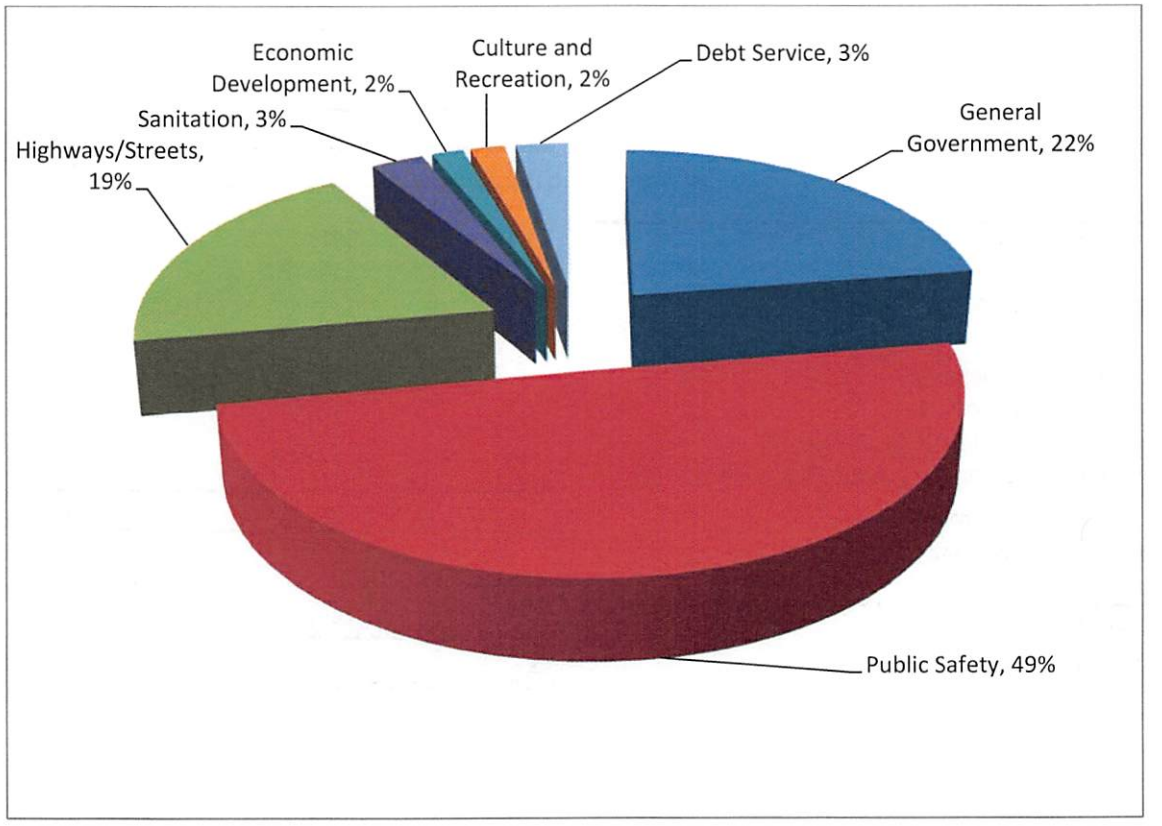
City of Pittsburgh's Activities

($ millions)	Governmental Activities 2021	2020
Revenues:		
Program revenues:		
Charges for services	$ 61	$ 51
Operating grants and contributions	91	65
Capital grants and contributions	49	37
Total program revenues	201	153
General revenues:		
Real estate property taxes	154	154
Earned income taxes	114	108
Local services taxes	14	13
Payroll preparation taxes	60	64
Parking taxes	37	31
RAD sales taxes	33	29
Deed transfer taxes	64	44
Park tax	10	-
Amusement taxes	8	2
Payment in lieu of taxes	1	1
Facilities usage tax	4	3
Donations and endowments	4	2
Other	2	3
Total general revenues	505	454
Total revenues	706	607
Expenses:		
General government	141	111
Public safety	310	301
Highways/streets	119	117
Sanitation	17	18
Economic development	10	10
Culture and recreation	11	9
Interest on long-term debt plus amortz. of issuance cost and premium/discounts	17	16
Total expenses	625	582
Change in Net Position	81	25
Net Position:		
Beginning of year	(1,398)	(1,423)
End of year	$ (1,317)	$ (1,398)

General revenues by type are presented below:



Expenses of the statement of activities are shown below by functional area:



Governmental Funds

Governmental funds - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of the City, with revenues and expenses that are connected to every aspect of the City. Revenues for the General Fund totaled $568.3 million in 2021, an increase of $32.0 million or by 6.0% compared to 2020. The pandemic and resulting economic conditions continued to impact revenue to budget fluctuations, not as severely as 2020. The largest variances were the parking tax revenue which fell short of budget by $22.9 million as many continued to work from home. Also impacted negatively were rentals and charges with a negative variance of $4.2 million and $4.3 million in fines and forfeits. These losses were offset by a strong real estate market as deed transfer tax increased $11.3 million and real estate tax was up $2.8 million over budget. There was also a new Parks Tax totaling $9 million for the purpose of improving the City's parks. 2021 is the first year the Parks Tax was assessed, although it was approved in 2019, and the tax added 0.50 mills to the real estate tax rate. Parks are also funded through other non-tax resources. Payroll preparation tax revenue also increased over budget by $3.2 million, while all other taxes were relatively stable.

In addition to the above General Fund tax revenues, the City collected $26.5 million in the Community Development Fund, $26.0 million in Capital Projects, and $51.0 million in Non-major Governmental Funds, mostly from pass-through of federal and state monies. The City also received $168 million from the American Rescue Plan Act Fund of which $33.8 million, in addition to $3.0 million in the Capital Projects Fund, was recognized as revenue for aiding recovery from the economic and health effects of the COVID-19 pandemic. The City created and adopted a four-year plan for utilizing the recovery funds in accordance with all regulatory and statutory requirements. This was the first of two allocations which was received in June 2021, the second allocation is expected to be received in 2022.

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $322.9 million, an increase of $62.9 million from 2020. Approximately 33.1% of this total fund balance, or $106.8 million, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance that is restricted for endowments, employee benefits, State and Federal Purpose Grants, and capital projects is $132.6 million, the amount committed to interfund advance and specific programs is $35.6 million and the amount assigned for encumbrances and debt service is $47.9 million.

At the end of the current fiscal year, the unassigned fund balance of the General Fund was $106.8 million, while total fund balance for the General Fund was $130.0 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 18.4% of total General Fund expenditures and operating transfers.

The fund balance of the City's General Fund increased by $24.5 million during the 2021 fiscal year compared to a decrease of $50.4 million in 2020. This is primarily due to increases in deed transfer taxes and a transfer of $33.8 million from the American Rescue Plan Act Fund.

Expenditures and other uses, including debt service payments/transfers from the General Fund in 2021 decreased to $581.6 million, compared to $588.7 million in 2020 representing a decrease of 1.2% or $7.1 million overall.

Transfers to the Debt Service Fund of $56.3 million, combined with debt subsidies of $3.2 million, totaled $59.5 million, compared to $45.9 million in 2020. The debt subsidies are for the URA are commitments made by the City over the life of their bonds. Debt service and debt subsidies accounted for 10% of the total governmental expenditures, illustrating the magnitude of the City's annual debt service. The Debt Service Fund has a total fund balance of $1.2 million, all of which is assigned for the payment of debt service.

The Community Development Fund had intergovernmental revenues of $26.5 million and expenditures of $26.5 million. The Capital Projects Fund had $26.0 million of revenues, and $60.7 million in maintenance and non-capital related expenses, $55.0 million in new capital debt proceeds and $2.0 million in net operating transfers. The Capital Projects Funds fund balance increased by $22.7 million to $139.3 in 2021 as compared to $116.7 million as of December 31, 2020 due to the issuance of a new bond.

General Fund Budgetary Highlights

Actual General Fund revenues were less than the budgeted revenues by $15.0 million mainly due to a loss of revenue in parking tax. The final budgeted General Fund expenditures were $48.5 million higher than the original budget. Actual General Fund budgetary basis expenditures were $25.2 million lower than the final budget.

During fiscal year 2021, City Council amended the budget primarily for the following reason:

- To incorporate American Rescue Plan Act funding and for revisions to forecasted tax revenues totaling $38.657 million.

- To appropriate funds to pay prior year commitments in the form of encumbrances for General Fund purchase orders authorized and issued, but for which goods and services were not received nor paid for by December 31, 2021 totaled $14.8 million.

Capital Asset and Debt Administration

Capital assets - The City's investment in capital assets for its governmental-type activities as of December 31, 2021 amounts to $196.2 million, net of accumulated depreciation. This investment in capital assets includes building and building improvements, land, machinery and equipment, furniture and fixtures, vehicles, infrastructure, capital lease, and construction-in-progress.

Major increases in assets included $10.6 million construction in progress, purchase of $4.3 million in vehicles and the completion of multiple capital projects throughout the City resulting in a $5.6 million in infrastructure additions.

City of Pittsburgh's Changes in Capital Assets

($ millions)	Governmental Activities 2021	2020
Land and land improvements	$ 46	$ 46
Construction in progress	44	41
Buildings and building improvements	90	90
Capital lease	15	15
Infrastructure	235	230
Vehicles	94	94
Furniture and fixtures	5	5
Machinery and equipment	9	9
Total capital assets	538	530
Less accumulated depreciation for:		
Buildings	(89)	(89)
Infrastructure	(155)	(151)
Vehicles	(73)	(70)
Furniture and fixtures	(5)	(5)
Capital leases	(14)	(13)
Machinery and equipment	(6)	(5)
Total accumulated depreciation	(342)	(333)
Total capital net assets	$ 196	$ 197

More detailed information about capital assets is provided in Note 6 to the financial statements.

Long-term debt - At the end of the current fiscal year, the City had total debt outstanding of $473 million, which comprises debt backed by the full faith and credit of the government.

City of Pittsburgh's Outstanding Debt

($ millions)	Governmental Activities 2021	2020
General obligation bonds:		
Beginning balance at January 1	$ 459	$ 428
Debt issued and other	55	44
Refinanced bonds	-	154
Principal payments and other	(41)	(167)
Ending balance at December 31	$ 473	$ 459

More detailed information about long-term debt is provided in Note 9 of the financial statements.

Significant Events

Early in 2018, a resolution by the Commonwealth of Pennsylvania was adopted to allow the City to formally exit Act 47 oversight, thereby ending its designation as a "financially distressed municipality." During 2021, the City continued efforts to control costs, maximize collections with the pandemic, and maintain solvency. The cash balance available for general operations of the City as of December 31, 2021 was $85.0 million; this was enough to maintain normal function throughout the City in January 2022. As of December 31, 2021, the City had a General Fund unassigned fund balance of $106.8 million. The City will continue to focus on strategies to fund long-term obligations, principally net pension obligations, net other post-employment obligations, general obligation debt and reduce its net deficit of $1.32 billion in December 31, 2021. The City recognizes that the budgetary impact of the COVID-19 pandemic continues to be significant but remains optimistic that steps can be taken to manage city finances going forward, including receipt of significant federal funding.

Pension Funding

Commonwealth of Pennsylvania Act 47 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 met this requirement by transferring $45 million to the Comprehensive Trust Fund (Fund) in 2010 and agreeing to dedicate parking tax revenues for the next 31 years per Council legislation. During 2021, Council legislation extended parking tax payments dedicated to pension funding to 2046. The City contributed $13.4 million of the parking tax revenue to the Fund from 2011-2017 and contributed $26.8 million from 2018 through 2021. The City will continue to contribute $26.8 million per year from 2022 through 2046. For 2021, the City contributed $102.5 million, $50.2 million more than its actuarially determined contribution of $52.3 million.

Cash Position

During 2021, the City continued efforts to stabilize and improve the City's financial condition, and continued adaptions to pandemic conditions.

At the onset of 2022, the City expected cash flows to be sufficient to maintain a positive cash position.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Controller's Office, First Floor, City County Building, 414 Grant Street Pittsburgh, PA 15219.

BASIC FINANCIAL STATEMENTS

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF NET POSITION

DECEMBER 31, 2021

	Primary Government Governmental Activities	Component Units
Assets		
Current assets:		
Cash, cash equivalents, and investments	$ 310,113,030	$ 236,271,670
Restricted cash	108,506,783	15,268,859
Real estate taxes (net of allowance for uncollectible accounts of $21,136,761)	16,927,205	-
Accounts receivable, net	-	27,529,468
Accrued interest receivable	110,356	322,382
Due from other governments	13,766,602	4,528,021
Due from primary government	-	218,625
Taxpayer - assessed taxes receivable	54,845,717	-
Inventory	-	2,028,000
Notes receivable	-	15,592
Other receivables	30,603,629	10,143,209
Loan receivable from other government	629,662	-
Due from component unit	395,220	-
Prepaid expenses	-	1,786,855
Total current assets	535,898,204	298,112,681
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	-	16,785,000
Investments	-	22,948,974
Deposit held for development fund	-	-
Accounts receivable - parking	-	2,269,500
Total restricted assets	-	42,003,474
Loan receivable from other government	8,228,351	-
Due from component unit	8,299,614	-
Investments - unrestricted	-	9,515,802
Capital assets:		
Capital assets not being depreciated:		
Land and land improvement	45,602,091	32,825,568
Construction-in-progress	44,237,113	162,120,482
Capital assets being depreciated:		
Buildings and building improvements	90,391,265	114,766,016
Parking facilities	-	182,007,933
Machinery and equipment	9,163,387	15,336,292
Utility plant	-	1,200,536,000
Non-utility plant	-	11,059,000
Furniture and fixtures	4,845,984	-
Vehicles	94,116,419	-
Infrastructure	234,982,295	2,241,369
Capital lease	15,434,653	-
Less accumulated depreciation	(342,546,687)	(507,845,956)
Total net capital assets	196,226,520	1,213,046,704
Leasehold improvements	-	7,002,442
Other assets	-	2,866,147
Loans/notes receivable	-	66,150,299
Net Pension Asset	-	6,093,566
Prepaid bond insurance	-	321,805
Property held for redevelopment	-	17,549,137
Total noncurrent assets	212,754,485	1,364,549,376
Total Assets	748,652,689	1,662,662,057
Deferred Outflows of Resources		
Accumulated decrease in fair value of hedging derivatives	-	21,465,000
Deferred outflows related to pension	98,450,210	461,443
Deferred outflows related to OPEB - Retiree	14,349,436	43,691
Deferred outflows related to OPEB - Disabled Firefighters	7,472,717	-
Deferred charge on refunding	8,687,895	87,994,633
Total Deferred Outflows of Resources	128,960,258	109,964,767

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF NET POSITION

DECEMBER 31, 2021

(Continued)

	Primary Government Governmental Activities	Component Units
Liabilities		
Current liabilities:		
Accounts payable - wastewater treatment	-	21,459,000
Accounts and retainage payable	3,244,463	6,072,153
Accrued liabilities	31,718,394	37,820,251
Self-funded health insurance	2,418,000	-
Accrued interest payable	5,991,387	11,019,141
Accrued worker's compensation	11,387,123	-
Accrued compensated absences	18,745,335	-
Accrued claims and judgments	2,855,000	-
Unearned revenue	148,828,862	3,574,717
Other liabilities	-	12,725
Due to other governments	1,847,026	-
Due to component unit	218,625	-
Capital lease liability, current portion	2,090,972	-
Bonds and loans payable, current portion	42,615,000	40,749,531
Total current liabilities	271,960,187	120,707,518
Noncurrent liabilities:		
Unearned revenue	-	121,000
Other liabilities	-	4,195,641
Accrued payroll - related obligations	-	739,000
Swap liability	-	21,465,000
Bonds and loans payable, net of unamortized premiums/discounts	430,095,995	1,185,728,926
Accrued workers' compensation	83,505,563	-
Net OPEB liability - Retiree	363,432,580	-
Net OPEB liability - Disabled Firefighters	31,932,282	-
Accrued compensated absences	13,022,589	-
Accrued claims and judgments	11,903,000	-
Capital lease liability	5,331,871	-
Net pension liability	822,015,601	-
Due to primary government	-	8,299,614
Advance from the City of Pittsburgh	-	22,775,168
Total noncurrent liabilities	1,761,239,481	1,243,324,349
Total Liabilities	2,033,199,668	1,364,031,867
Deferred Inflows of Resources		
Deferred inflows related to pension	83,535,031	2,689,062
Deferred inflows related to OPEB - Retiree	73,654,742	32,395
Deferred inflows related to OPEB - Disabled Firefighters	4,626,320	-
Total Deferred Inflows of Resources	161,816,093	2,721,457
Net Position		
Net investment in capital assets	163,765,463	125,529,631
Restricted for:		
Capital projects	-	13,279,958
Debt service	-	5,037,943
Employee benefits	6,637,929	-
Endowment Earnings - expendable	1,720,252	-
State and Federal Purpose Grants	16,575,073	-
Indenture funds	-	24,134,073
Pension	-	3,869,889
Sustainability Initiatives	-	244,022
Operating reserve	-	19,466,000
Urban development	-	47,884,718
Lending programs	-	106,028,944
Housing Program	-	2,831,574
Unrestricted	(1,506,101,531)	57,566,748
Total Net Position	$ (1,317,402,814)	$ 405,873,500

(Concluded)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Component Units
Primary government:						
Governmental activities:						
General government	$ 140,836,243	$ 30,958,194	$ 49,121,884	$ 21,720,478	$ (39,035,687)	$ -
Public safety	309,449,862	23,583,391	27,058,031	30,532	(258,777,908)	-
Highway and streets	119,265,906	6,179,659	12,212,077	21,194,552	(79,679,618)	-
Sanitation	17,391,630	-	442,009	-	(16,949,621)	-
Economic development (includes debt subsidies to URA of $3,246,015)	10,386,837	-	417,779	5,161,652	(4,807,406)	-
Culture and recreation	11,427,566	718,311	2,234,018	636,193	(7,839,044)	-
Interest on long-term debt and amortization of premiums and discounts	16,609,375	-	-	-	(16,609,375)	-
Total primary government	$ 625,367,419	$ 61,439,555	$ 91,485,798	$ 48,743,407	(423,698,659)	-
Total component units	$ 345,078,290	$ 329,986,761	$ 34,277,129	$ 1,914,000		21,099,600
General revenues:						
Real estate taxes					153,691,697	-
Earned income taxes					114,451,864	-
Local services tax					13,763,964	-
Payroll preparation tax					60,104,180	-
Parking tax					36,776,148	-
Sales taxes from the Regional Asset District					33,401,478	-
Deed transfer tax					64,187,289	-
Park tax					9,746,160	-
Amusement tax					7,514,533	-
Facilities usage tax					3,816,958	-
Public service privilege					1,508,001	-
Nonprofit payment in lieu of taxes					596,913	-
Unrestricted investment earnings					277,547	349,691
Gain on sale of assets					148,602	-
Miscellaneous					542,523	13,975
Stadium Authority capital transferred to the Sports and Exhibition Authority					-	(9,807,746)
Donations and endowments					3,801,827	-
Total general revenues, capital transfer and donations and endowments					504,329,684	(9,444,080)
Special Item:						
Private lead line replacement					-	(3,088,000)
Total special item					-	(3,088,000)
Change in Net Position					80,631,025	8,567,520
Net position - beginning					(1,398,033,839)	397,305,980
Net position - ending					$ (1,317,402,814)	$ 405,873,500

See accompanying notes to financial statements.

FUND FINANCIAL STATEMENTS

CITY OF PITTSBURGH, PENNSYLVANIA

BALANCE SHEET
GOVERNMENTAL FUNDS

DECEMBER 31, 2021

Assets	General	Debt Service	Special Revenue CDBG	Capital Projects	Special Revenue American Rescue Plan Act Fund	Total Nonmajor Funds	Total Governmental Funds
Cash and cash equivalents	$ 84,763,458	$ 1,126,256	$ 6,869,731	$ 34,863,314	$ 117,483,456	$ 65,006,815	$ 310,113,030
Cash and cash equivalents - restricted	347,352	-	-	108,159,431	-	-	108,506,783
Receivables:							
Real estate taxes (net of allowances for uncollectible accounts of $21,136,761)	16,927,205	-	-	-	-	-	16,927,205
Taxpayer - assessed taxes receivable	54,845,717	-	-	-	-	-	54,845,717
Other receivables	23,717,723	-	-	-	-	6,885,906	30,603,629
Accrued interest	8,554	101,567	-	-	-	235	110,356
Advance to other fund	-	-	-	1,364,873	-	-	1,364,873
Due from other governments	-	-	1,640,287	12,126,315	-	-	13,766,602
Due from other funds	331,705	-	-	-	-	209,556	541,261
Total Assets	$ 180,941,714	$ 1,227,823	$ 8,510,018	$ 156,513,933	$ 117,483,456	$ 72,102,512	$ 536,779,456

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2021
(Continued)

Liabilities, Deferred Inflows of Resources, and Fund Balance	General	Debt Service	Special Revenue CDBG	Capital Projects	Special Revenue American Rescue Plan Act Fund	Total Nonmajor Funds	Total Governmental Funds
Liabilities:							
Accounts payable	$ 2,961,987	$ -	$ 123,257	$ 75,887	$ -	$ 83,332	$ 3,244,463
Accrued liabilities	21,264,326	-	3,410,865	4,020,497	-	3,022,706	31,718,394
Self-funded health insurance	2,418,000	-	-	-	-	-	2,418,000
Advance from other fund	-	-	1,364,873	-	-	-	1,364,873
Due to other funds	26,739	-	163,881	-	-	350,641	541,261
Due to other governments	598,012	-	-	-	-	1,249,014	1,847,026
Due to component unit	-	-	-	218,625	-	-	218,625
Unearned revenue	-	-	3,362,525	12,853,595	117,483,456	15,129,286	148,828,862
Accrued claims and judgments	2,855,000	-	-	-	-	-	2,855,000
Total Liabilities	30,124,064	-	8,425,401	17,168,604	117,483,456	19,834,979	193,036,504
Deferred Inflows of Resources:							
Unavailable revenue - taxes	20,843,953	-	-	-	-	-	20,843,953
Total Deferred Inflows of Resources	20,843,953	-	-	-	-	-	20,843,953
Fund Balance:							
Restricted:							
Capital Projects	-	-	-	107,658,731	-	-	107,658,731
Endowment earnings - expendable	1,720,252	-	-	-	-	-	1,720,252
Employee Benefits	6,637,929	-	-	-	-	-	6,637,929
State and Federal Purpose Grants	-	-	84,617	-	-	16,490,456	16,575,073
Committed:							
Interfund Advance	-	-	-	1,364,873	-	-	1,364,873
Specified Program Services	-	-	-	-	-	34,186,458	34,186,458
Assigned:							
General Government	14,784,374	-	-	-	-	-	14,784,374
Debt Service	-	1,227,823	-	-	-	-	1,227,823
Capital Projects	-	-	-	30,321,725	-	-	30,321,725
Public Safety	-	-	-	-	-	1,069,254	1,069,254
Community Recreation and Cultural	-	-	-	-	-	521,365	521,365
Unassigned	106,831,142	-	-	-	-	-	106,831,142
Total Fund Balance	129,973,697	1,227,823	84,617	139,345,329	-	52,267,533	322,898,999
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	$ 180,941,714	$ 1,227,823	$ 8,510,018	$ 156,513,933	$ 117,483,456	$ 72,102,512	$ 536,779,456

(Concluded)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2021

Total Fund Balance - Governmental Funds		$ 322,898,999
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets including construction-in-progress used in governmental activities are not current financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is $538,773,207 and the accumulated depreciation is $342,546,687.		196,226,520
Property taxes receivable and other revenues will be collected in the future, but are not available to pay for the current period's expenditures and, therefore, are treated as deferred inflows in the funds. Receivable amounts are shown net of allowances, but are not deferred inflows in the government-wide financial statements.		20,843,953
Long-term receivables, including loan receivable from other entity and due from component unit, are not due in the current period and, therefore, are not reported as receivable in the funds.		17,552,847
The net pension liability, and deferred inflows and outflows of resources for pension are not recorded on the fund financial statements.		(807,100,422)
The net OPEB liabilities, and deferred inflows and outflows of resources for OPEBs are not recorded on the fund financial statements.		(451,823,771)
The deferred outflows related to long-term debt are not reported in the funds.		8,687,895
Long-term liabilities, including notes and bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Bonds payable, net of unamortized premiums/discounts	$ (472,710,995)	
Capital lease liability	(7,422,843)	
Accrued workers' compensation	(94,892,686)	
Accrued compensated absences	(31,767,924)	
Accrued interest payable	(5,991,387)	
Accrued claims and judgments	(11,903,000)	(624,688,835)
Total Net Position - Governmental Activities		$ (1,317,402,814)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2021

	General	Debt Service	Special Revenue CDBG	Capital Projects	Special Revenue American Rescue Plan Act Fund	Total Nonmajor Funds	Total Governmental Funds
Revenues:							
Taxes, including penalties and interest	$ 477,671,084	$ -	$ -	$ 3,006,724	$ -	$ 16,010,563	$ 496,688,371
Payment in lieu of taxes	596,913	-	-	-	-	-	596,913
Interest and dividends	98,236	177,242	-	-	-	2,070	277,548
Fines and forfeits	6,685,046	-	-	-	-	1,047,602	7,732,648
Intergovernmental revenues	40,252,794	-	26,537,482	22,601,145	33,786,486	19,335,504	142,513,411
Charges for user services	41,523,892	-	-	-	-	12,183,015	53,706,907
Other	1,460,189	-	-	432,893	-	2,450,968	4,344,050
Total revenues	568,288,154	177,242	26,537,482	26,040,762	33,786,486	51,029,722	705,859,848
Expenditures:							
Current:							
General government	96,442,039	-	18,103,288	4,213,057	38,330	9,028,981	127,825,695
Public safety	336,404,225	-	-	327,047	-	12,081,078	348,812,350
Public works	49,641,672	-	2,461,150	53,795,643	-	16,741,703	122,640,168
Sanitation	20,256,008	-	-	538,000	-	-	20,794,008
Community, recreational, and cultural	6,328,060	-	750,001	-	-	3,346,044	10,424,105
Economic and physical development	-	-	5,223,043	1,500,000	-	417,779	7,140,822
Claims and judgments	588,888	-	-	-	-	-	588,888
Debt service:							
Principal retirement of bonds	-	39,115,000	-	-	-	-	39,115,000
Interest on bonds	-	17,334,082	-	-	-	-	17,334,082
Bond issuance costs	-	-	-	286,287	-	-	286,287
Urban Redevelopment Authority subsidy	3,246,015	-	-	-	-	-	3,246,015
Total expenditures	512,906,907	56,449,082	26,537,482	60,660,034	38,330	41,615,585	698,207,420
Excess (Deficiency) of Revenues Over Expenditures	55,381,247	(56,271,840)	-	(34,619,272)	33,748,156	9,414,137	7,652,428
Other Financing Sources (Uses):							
Issuance of debt	-	-	-	46,010,000	-	-	46,010,000
Bond premium	-	-	-	9,276,287	-	-	9,276,287
Transfers from other funds	37,748,156	56,284,690	-	5,542,000	-	10,536,159	110,111,005
Transfers to other funds	(68,663,190)	-	-	(3,534,151)	(33,748,156)	(4,165,508)	(110,111,005)
Total other financing sources (uses)	(30,915,034)	56,284,690	-	57,294,136	(33,748,156)	6,370,651	55,286,287
Net Change in Fund Balances	24,466,213	12,850	-	22,674,864	-	15,784,788	62,938,715
Fund Balances:							
Beginning of year	105,507,484	1,214,973	84,617	116,670,465	-	36,482,745	259,960,284
End of year	$ 129,973,697	$ 1,227,823	$ 84,617	$ 139,345,329	$ -	$ 52,267,533	$ 322,898,999

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

Net Change in Fund Balance - Governmental Funds		$ 62,938,715
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays less net deletions in the current period:		
Capital outlays	$ 12,890,083	
Less: net deletions	148,601	
Less: depreciation expense	(13,781,254)	(742,570)
Some levied taxes and other revenues will not be collected for several months after the City's year-end, they are not considered as "available" revenues in the governmental funds. Deferred inflows changed by this amount during the year.		568,730
Long-term receivables, including loan receivable from other entity and due from component unit, are not due in the current period and, therefore, are not reported as receivable in the funds. Long-term receivables changed by this amount during the year.		(578,737)
Changes in the net pension liability and related deferred inflows and outflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements.		3,930,163
Changes in the net OPEB liabilities and related deferred inflows and outflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements.		27,644,873
The issuance of long-term obligations (e.g., notes and bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on the statement of activities. Also, governmental funds report the effect of premiums, discounts, interest, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.		(13,154,595)
In the statement of activities, certain expenses - workers' compensation, compensated absences, and claims and judgments are measured by the amounts incurred during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This amount represents the difference between the amount incurred versus the amount used.		24,446
Change in Net Position of Governmental Activities		$ 80,631,025

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND

YEAR ENDED DECEMBER 31, 2021
(Amounts expressed in thousands)

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Taxes, net of refunds and banking fees:				
Real estate	$ 148,575	$ 148,162	$ 151,001	$ 2,839
Non-profit payment for services	439	435	524	89
Payroll preparation	67,965	53,255	56,411	3,156
Amusement	12,605	7,270	7,449	179
Earned income	93,704	110,604	110,544	(60)
Deed transfer	45,463	50,821	62,154	11,333
Parking	52,621	54,733	31,859	(22,874)
Occupation Privilege	-	(11)	(17)	(6)
Local Services Tax	14,569	14,340	11,644	(2,696)
Institution and service privilege	649	590	510	(80)
Facility usage fee	2,865	3,625	3,423	(202)
Public service	1,214	1,026	983	(43)
Penalties and interest	968	1,194	995	(199)
Act 77 - tax relief	22,652	22,434	24,108	1,674
Total taxes, net of refunds and banking fees	464,289	468,478	461,588	(6,890)
Interest earnings	5,044	227	113	(114)
Fines and forfeits	3,722	7,454	3,136	(4,318)
Licenses and fees:				
Liquor and malt beverage	423	24	51	27
General government	13,417	11,534	13,368	1,834
Rentals and charges	37,292	36,364	32,159	(4,205)
Total licenses and fees	51,132	47,922	45,578	(2,344)
Federal and state grants	5,155	8,643	9,645	1,002
Reimbursement, CDBG	180	191	191	-
Public Parking Authority	1,900	1,900	1,900	-
Housing Authority City of Pittsburgh	2,333	3,890	2,498	(1,392)
Urban Redevelopment Authority	523	523	523	-
State utility tax	442	416	419	3
Miscellaneous	101	86	136	50
State aid - pension	25,139	25,139	24,130	(1,009)
2% Local share of slots revenue	10,000	10,000	10,000	-
Operating transfer	-	33,748	33,748	-
Total other revenues	45,773	84,536	83,190	(1,346)
Total budgeted revenues	569,960	608,617	593,605	(15,012)

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND

YEAR ENDED DECEMBER 31, 2021
(Amounts expressed in thousands)
(Continued)

	Original Adopted Budget	Amendments, Transfers and Prior Year Carryover	Final Budget	Expenditures	Encumbrances	Total Actual	Variance
Expenditures:							
Current Operating-General Government							
City Council and City Clerk's Office:							
City Council:							
Salaries/Employee Benefits	2,321	347	2,668	2,398	-	2,398	270
Non-salaries	40	-	40	3	-	3	37
Total City Council	2,361	347	2,708	2,401	-	2,401	307
City Clerk's Office:							
Salaries/Employee Benefits	835	182	1,017	909	-	909	108
Non-salaries	430	23	453	232	42	274	179
Total City Clerk's office	1,265	205	1,470	1,141	42	1,183	287
Total City Council and City Clerk's office	3,626	552	4,178	3,542	42	3,584	594
Mayor's Office:							
Office of the Mayor							
Salaries/Employee Benefits	1,110	225	1,335	1,241	-	1,241	94
Non-salaries	39	4	43	(4)	-	(4)	47
Total Office of the Mayor	1,149	229	1,378	1,237	-	1,237	141
Office of Equity							
Salaries/Employee Benefits	1,031	209	1,240	1,057	-	1,057	183
Non-salaries	271	126	397	142	10	152	245
Total Office of Equity	1,302	335	1,637	1,199	10	1,209	428
Office of Management and Budget							
Salaries/Employee Benefits	1,862	190	2,052	1,952	-	1,952	100
Non-salaries	14,741	167	14,908	14,389	353	14,742	166
Total Office of Management and Budget	16,603	357	16,960	16,341	353	16,694	266
Office of Community Health & Safety							
Salaries/Employee Benefits	-	-	-	-	-	-	-
Non-salaries	20	-	20	19	-	19	1
Total Office of Community Health & Safety	20	-	20	19	-	19	1
Total Mayor's Office	19,074	921	19,995	18,796	363	19,159	836
Innovation & Performance:							
Salaries/Employee Benefits	5,266	733	5,999	5,527	-	5,527	472
Non-salaries	10,309	4,437	14,746	8,216	4,595	12,811	1,935
Total Innovation & Performance	15,575	5,170	20,745	13,743	4,595	18,338	2,407
Commission on Human Relations:							
Salaries/Employee Benefits	435	62	497	442	-	442	55
Non-salaries	43	-	43	19	18	37	6
Total Human Relations	478	62	540	461	18	479	61
Office of City Controller:							
Salaries/Employee Benefits	4,293	115	4,408	3,681	-	3,681	727
Non-salaries	208	41	249	87	66	153	96
Total Office of City Controller	4,501	156	4,657	3,768	66	3,834	823
Department of Finance:							
Salaries/Employee Benefits	5,610	2,811	8,421	7,982	-	7,982	439
Non-salaries	15,269	2,048	17,317	14,851	481	15,332	1,985
Pension	101,038	-	101,038	101,018	-	101,018	20
Debt service	56,964	(514)	56,450	56,285	-	56,285	165
Total Department of Finance	178,881	4,345	183,226	180,136	481	180,617	2,609
Department of Law							
Salaries/Employee Benefits	2,839	292	3,131	3,016	-	3,016	115
Non-salaries	2,357	477	2,834	2,353	443	2,796	38
Total Law	5,196	769	5,965	5,369	443	5,812	153

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND

YEAR ENDED DECEMBER 31, 2021
(Amounts expressed in thousands)
(Continued)

	Original Adopted Budget	Amendments, Transfers and Prior Year Carryover	Final Budget	Expenditures	Encumbrances	Total Actual	Variance
Current Operating-General Government, cont:							
Department of Law - Ethics Board:							
Salaries/Employee Benefits	108	-	108	60	-	60	48
Non-salaries	62	19	81	31	31	62	19
Total Department of Law - Ethics Board	170	19	189	91	31	122	67
Total Department of Law	5,366	788	6,154	5,460	474	5,934	220
Department of OMI:							
Salaries/Employee Benefits	527	75	602	579	-	579	23
Non-salaries	82	-	82	18	-	18	64
Total - Department of OMI	609	75	684	597	-	597	87
Department of Human Resources and Civil Service:							
Service Commission:							
Salaries/Employee Benefits	30,583	766	31,349	25,240	117	25,357	5,992
Non-salaries	2,723	894	3,617	2,022	591	2,613	1,004
Total Department of Human Resources and Civil Service	33,306	1,660	34,966	27,262	708	27,970	6,996
Department of City Planning:							
Salaries/Employee Benefits	3,151	401	3,552	3,249	-	3,249	303
Non-salaries	159	637	796	522	257	779	17
Total Department of City Planning	3,310	1,038	4,348	3,771	257	4,028	320
Department of Permits, Licenses, & Inspection:							
Salaries/Employee Benefits	5,151	865	6,016	5,661	-	5,661	355
Non-salaries	236	407	643	280	290	570	73
Total Department of Permits, Licenses, & Inspection	5,387	1,272	6,659	5,941	290	6,231	428
Total General Government	269,504	15,964	285,468	262,880	7,294	270,174	15,294
Public Safety - Department of Public Safety:							
Bureau of Administration:							
:Salaries/Employee Benefits	5,200	819	6,019	5,832	-	5,832	187
Non-salaries	10,550	1,137	11,687	10,743	671	11,414	273
Total Bureau of Administration	15,750	1,956	17,706	16,575	671	17,246	460
Bureau of Emergency Medical Services:							
:Salaries/Employee Benefits	21,996	2,088	24,084	24,347	-	24,347	(263)
Non-salaries	2,342	80	2,422	717	1,625	2,342	80
Total Bureau of Emergency Medical Services	24,338	2,168	26,506	25,064	1,625	26,689	(183)
Bureau of Police:							
:Salaries/Employee Benefits	99,831	9,003	108,834	107,865	-	107,865	969
Non-salaries	6,299	882	7,181	6,119	669	6,788	393
Total Bureau of Police	106,130	9,885	116,015	113,984	669	114,653	1,362
Bureau of Fire:							
:Salaries/Employee Benefits	81,269	6,312	87,581	88,581	-	88,581	(1,000)
Non-salaries	2,172	186	2,358	1,889	250	2,139	219
Total Bureau of Fire	83,441	6,498	89,939	90,470	250	90,720	(781)
Public Safety Animal Control							
Salaries/Employee Benefits	928	140	1,068	1,058	-	1,058	10
Non-salaries	570	75	645	366	172	538	107
Total Public Safety Animal Control	1,498	215	1,713	1,424	172	1,596	117
Total Public Safety - Department of Public Safety	231,157	20,722	251,879	247,517	3,387	250,904	975

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND

YEAR ENDED DECEMBER 31, 2021
(Amounts expressed in thousands)
(Continued)

	Original Adopted Budget	Amendments, Transfers and Prior Year Carryover	Final Budget	Expenditures	Encumbrances	Total Actual	Variance
Department of Public Works:							
Administration:							
Salaries/Employee Benefits	1,017	116	1,133	994	-	994	139
Non-salaries	16	4	20	6	-	6	14
Total Administration	1,033	120	1,153	1,000	-	1,000	153
Operations:							
Salaries/Employee Benefits	16,314	2,400	18,714	16,083	-	16,083	2,631
Non-salaries	2,453	1,111	3,564	2,926	491	3,417	147
Total Operations	18,767	3,511	22,278	19,009	491	19,500	2,778
Environmental Services:							
Salaries/Employee Benefits	10,933	1,499	12,432	12,644	-	12,644	(212)
Non-salaries	5,228	532	5,760	4,134	483	4,617	1,143
Total Environmental Services	16,161	2,031	18,192	16,778	483	17,261	931
Facilities:							
Salaries/Employee Benefits	4,932	886	5,818	5,214	-	5,214	604
Non-salaries	11,178	3,440	14,618	9,013	2,874	11,887	2,731
Total Facilities	16,110	4,326	20,436	14,227	2,874	17,101	3,335
Total Department of Public Works	52,071	9,988	62,059	51,014	3,848	54,862	7,197
Community, Recreational, and Cultural - Department of Parks and Recreation:							
Administration:							
Salaries/Employee Benefits	3,419	414	3,833	3,243	-	3,243	590
Non-salaries	457	4	461	198	32	230	231
Total Community, Recreational, and Cultural - Department of Parks and Recreation	3,876	418	4,294	3,441	32	3,473	821
Mobility & Infrastructure:							
Salaries/Employee Benefits	6,485	1,059	7,544	6,832	-	6,832	712
Non-salaries	616	175	791	621	170	791	-
Total Mobility & Infrastructure	7,101	1,234	8,335	7,453	170	7,623	712
Citizens Review Board:							
Salaries/Employee Benefits	488	5	493	433	-	433	60
Non-salaries	158	44	202	125	53	178	24
Total Citizens Review Board	646	49	695	558	53	611	84
Total Expenditures	564,964	48,450	613,414	573,460	14,784	588,244	25,170
Excess (Deficiency) of Revenues over Expenditures	$ 4,996		$ (4,797)			$ 5,361	$ 10,158
Beginning budget basis fund balance	$ 75,646					$ 75,646	
Non-departmental Operating transfer out	5,542	1,000	6,542	5,542	-	5,542	1,000
Total expenditures and transfers - budgetary basis				$ 579,002			$ 11,158
Ending budget basis fund balance	$ 75,100					$ 75,465	

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) GENERAL FUND

YEAR ENDED DECEMBER 31, 2021
(Amounts expressed in thousands)
(Continued)

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

Sources/Inflows of Resources:

Actual amounts (budgetary basis) revenues from the statement of revenues, expenditures, and changes in fund balance - actual and budget.	$ 593,605
Actual amounts not included on budgetary basis.	1,227
Transfer in	4,000
The adjustments to convert to GAAP basis, recording of receivables and revenues, not included in budget.	7,205
Total General Fund revenue and other financing sources on GAAP basis as reported on the statement of revenues, expenditures, and changes in fund balance.	$ 606,037

Uses/Outflows of Resources:

Actual amounts (budgetary basis) "total expenditures" and budgeted transfers from the statement of revenues, expenditures, and changes in fund balance - budget and actual.	$ 579,002
Actual amounts not included on budgetary basis.	1,910
The adjustments to convert to GAAP basis, recording of expenditures and liabilities not included in budget.	658
Total General Fund expenditures and transfers out as reported on the statement of revenues, expenditures, and changes in fund balance.	$ 581,570

(Concluded)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) COMMUNITY DEVELOPMENT FUND

YEAR ENDED DECEMBER 31, 2021

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 45,591,860	$ 45,591,860	$ 13,115,038	$ (32,476,822)
Total revenues	45,591,860	45,591,860	13,115,038	(32,476,822)
Expenditures:				
General government:				
Council and City Clerk's Office	4,265,173	4,265,173	1,720,968	2,544,205
Department of Personnel and Human Relations	1,114,335	1,114,335	515,888	598,447
Department of City Planning	865,431	865,431	90,911	774,520
Office of Management and Budget	4,367,034	4,367,034	1,800,161	2,566,873
Permits, Licenses & Inspections	5,933,658	5,933,658	891,878	5,041,780
Public works:				
Public works	699,467	699,467	78,967	620,500
Facilities	3,762,858	3,762,858	718,030	3,044,828
Mobility and Infrastructure	2,748,704	2,748,704	1,398,956	1,349,748
Community, recreational, and cultural programs	800,074	800,074	636,193	163,881
Intergovernmental programs	21,035,126	21,035,126	5,556,843	15,478,283
Total expenditures	45,591,860	45,591,860	13,408,795	32,183,065
Excess (Deficiency) of Revenues Over Expenditures	$ -	$ -	$ (293,757)	$ (293,757)

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) COMMUNITY DEVELOPMENT FUND

YEAR ENDED DECEMBER 31, 2021
(Amounts expressed in thousands)
(Continued)

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

Sources/Inflows of Resources:

Actual amounts (budgetary basis) revenues from the statement of revenues, expenditures, and changes in fund balance - actual and budget.	$	13,115
Actual amounts not included on budgetary basis.		16,666
The adjustments to convert to GAAP basis, recording of receivables and revenues, not included in budget.		(3,244)
Total Community Development Fund revenue on GAAP basis as reported on the statement of revenues, expenditures, and changes in fund balance.	$	26,537

Uses/Outflows of Resources:

Actual amounts (budgetary basis) "total charges to appropriations" from the statement of revenues, expenditures, and changes in fund balance - actual and budget.	$	13,409
Actual amounts not included on budgetary basis.		11,540
The adjustments to convert to GAAP basis, recording of expenditures and liabilities not included in budget.		1,588
Total Community Development Fund expenditures and other financing uses as reported on the statement of revenues, expenditures, and changes in fund balance.	$	26,537

(Concluded)

See accompanying notes to financial statements.

FIDUCIARY FUND STATEMENTS

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF NET POSITION
FIDUCIARY FUNDS

DECEMBER 31, 2021

	Pension and OPEB Trust Funds	Private-Purpose Trust Funds	Custodial Funds
Assets			
Cash and cash equivalents	$ 39,181,220	$ 27,399,972	$ 3,461,489
Investments:			
Common stock	102,919,736	-	-
U.S. government and agency obligations	25,915,794	-	-
Corporate and other obligations	29,312,300	-	-
Mutual funds:			
U.S. equities	221,870,149	-	-
Non-U.S. equities	118,890,344	-	-
Fixed income	60,648,506	-	-
Hedge funds	72,712,112	-	-
Real estate funds	44,681,269	-	-
Alternative strategies	1,260,797	-	-
Private equity	21,724,762	-	-
Other assets	-	224,398	-
Other receivables	-	157,536	1,721,426
Accrued interest and dividend receivables	386,838	-	-
Total Assets	739,503,827	27,781,906	5,182,915
Liabilities			
Benefits and related withholdings payable	2,102,976	-	-
Pool participants	-	8,456,529	-
Accounts payable	270,962	-	-
Deposits held for others	-	-	4,009,673
Accrued liabilities and other payables	31,970	-	1,173,242
Total Liabilities	2,405,908	8,456,529	5,182,915
Net Position			
Restricted for Pension	699,241,865	-	-
Restricted for OPEB	37,856,054	-	-
Restricted for Other Benefits	-	19,325,377	-
Total Net Position	$ 737,097,919	$ 19,325,377	$ -

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS

YEAR ENDED DECEMBER 31, 2021

	Pension and OPEB Trust Fund	Private-Purpose Trust Funds	Custodial Funds
Additions:			
Contributions:			
Employer - pension benefits	$ 74,766,070	$ -	$ -
Employer - other benefits	29,930,687	71,988,263	750
State Aid	24,053,575	-	-
Plan members	14,218,587	-	-
Other	-	-	-
Total contributions	142,968,919	71,988,263	750
Investment income:			
Net increase (decrease) in fair value of investments	87,542,244	-	-
Interest and dividends	9,453,338	828,197	-
Total investment income (loss)	96,995,582	828,197	-
Investment expense	(1,131,252)	-	-
Net investment income (loss)	95,864,330	828,197	-
Other:			
Collection of taxes for other entities	-	-	6,402,532
Other	194,203	4,256,266	1,602,162
Total additions	239,027,452	77,072,726	8,005,444
Deductions:			
Benefit payments - pension	98,830,805	-	-
Benefit payments - other benefits	27,387,103	87,643,210	1,625
Refund of employee contributions - pension	1,249,672	-	-
Administrative expense	1,389,988	2,782,341	-
Payment of taxes to other entites	-	-	6,402,532
Other	-	2,125,204	1,601,287
Total deductions	128,857,568	92,550,755	8,005,444
Change in Net Position	110,169,884	(15,478,029)	-
Net Position:			
Beginning of year	626,928,035	34,803,406	-
End of year	$ 737,097,919	$ 19,325,377	$ -

See accompanying notes to financial statements.

COMBINING STATEMENTS OF DISCRETE COMPONENT UNITS

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS

DECEMBER 31, 2021

	URA	Pittsburgh Water and Sewer Authority	Stadium Authority	Public Parking Authority	Total
Assets					
Current assets:					
Cash and cash equivalents	$ 86,477,656	$ 76,422,000	$ 281,826	$ 391,647	$ 163,573,129
Cash and cash equivalents - restricted	-	-	6,023,612	9,245,247	15,268,859
Investments - unrestricted	37,884,406	-	-	15,582,645	53,467,051
Investments - restricted	-	-	-	19,231,490	19,231,490
Accounts receivable, net	-	26,568,000	-	961,468	27,529,468
Due from other governments	4,528,021	-	-	-	4,528,021
Due from component unit	218,625	-	-	-	218,625
Notes receivable	-	-	-	15,592	15,592
Inventory	-	2,028,000	-	-	2,028,000
Accrued interest receivable and other assets	-	-	47	322,335	322,382
Other receivables	3,128,753	-	7,014,456	-	10,143,209
Prepaids	-	1,747,000	39,855	-	1,786,855
Total current assets	132,237,461	106,765,000	13,359,796	45,750,424	298,112,681
Noncurrent assets:					
Restricted assets:					
Cash and cash equivalents	-	16,785,000	-	-	16,785,000
Investments	-	9,099,000	-	13,849,974	22,948,974
Deposits held for development fund	-	-	-	-	-
Reserve/loans escrow	-	-	2,269,500	-	2,269,500
Total restricted assets	-	25,884,000	2,269,500	13,849,974	42,003,474
Investments - unrestricted	-	-	-	9,515,802	9,515,802
Capital assets:					
Buildings and building improvements	60,437,028	-	54,328,988	-	114,766,016
Land and land improvements	6,581,726	-	-	26,243,842	32,825,568
Parking facilities	-	-	-	182,007,933	182,007,933
Machinery and equipment	-	-	43,588	15,292,704	15,336,292
Utility assets	-	1,200,536,000	-	-	1,200,536,000
Non-utility assets	-	11,059,000	-	-	11,059,000
Infrastructure	-	-	2,241,369	-	2,241,369
Construction-in-progress	2,083,383	158,128,000	-	1,909,099	162,120,482
Less: accumulated depreciation	(23,056,182)	(354,352,000)	(15,478,482)	(114,959,292)	(507,845,956)
Total net capital assets	46,045,955	1,015,371,000	41,135,463	110,494,286	1,213,046,704
Leasehold improvements, net	-	-	-	7,002,442	7,002,442
Other assets	2,866,147	-	-	-	2,866,147
Property held for redevelopment	17,549,137	-	-	-	17,549,137
Loans/notes receivable, net	63,051,368	-	-	3,098,931	66,150,299
Net pension asset	-	-	-	6,093,566	6,093,566
Prepaid bond insurance	-	-	-	321,805	321,805
Total noncurrent assets	129,512,607	1,041,255,000	43,404,963	150,376,806	1,364,549,376
Total Assets	261,750,068	1,148,020,000	56,764,759	196,127,230	1,662,662,057
Deferred Outflows of Resources					
Accumulated decrease in fair value of hedging derivatives	-	21,465,000	-	-	21,465,000
Deferred outflows related to OPEB plan	-	-	-	43,691	43,691
Deferred outflows related to pension plan	-	-	-	461,443	461,443
Deferred charge on refunding	-	84,644,000	-	3,350,633	87,994,633
Total Deferred Outflows of Resources	-	106,109,000	-	3,855,767	109,964,767

(Continued)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS

DECEMBER 31, 2021
(Continued)

	URA	Pittsburgh Water and Sewer Authority	Stadium Authority	Public Parking Authority	Total
Liabilities					
Current liabilities:					
Bonds and loans payable, current portion	1,493,933	34,442,000	1,043,598	3,770,000	40,749,531
Accrued payroll and related obligations	-	911,000	-	-	911,000
Accounts payable - City of Pittsburgh	-	-	-	6,072,153	6,072,153
Accounts payable - wastewater treatment	-	21,459,000	-		21,459,000
Unearned revenue	2,575,271	-	-	999,446	3,574,717
Other liabilities	-	-	-	12,725	12,725
Accounts payable and other accrued expenses	6,956,728	26,744,000	561,435	2,647,088	36,909,251
Accrued interest payable	-	10,891,000	899	127,242	11,019,141
Total current liabilities	11,025,932	94,447,000	1,605,932	13,628,654	120,707,518
Noncurrent liabilities:					
Unearned revenue	-	121,000	-	-	121,000
Other liabilities	446,731	-	-	3,748,910	4,195,641
Accrued payroll and related obligations	-	739,000	-	-	739,000
Swap liability	-	21,465,000	-	-	21,465,000
Bonds and loans payable, net of current portion	10,715,302	1,111,829,000	22,432,270	40,752,354	1,185,728,926
Due to primary government	8,299,614	-	-	-	8,299,614
Advances from the City of Pittsburgh	-	-	22,775,168	-	22,775,168
Total noncurrent liabilities	19,461,647	1,134,154,000	45,207,438	44,501,264	1,243,324,349
Total Liabilities	30,487,579	1,228,601,000	46,813,370	58,129,918	1,364,031,867
Deferred Inflows of Resources					
Deferred inflows related to OPEB plan	-	-	-	32,395	32,395
Deferred inflows related to pension plan	-	-	-	2,689,062	2,689,062
Total Deferred Inflows of Resources	-	-	-	2,721,457	2,721,457
Net Position					
Net investment in capital assets	30,840,949	(5,776,000)	27,312,911	73,151,771	125,529,631
Restricted for:					
Capital projects	-	-	5,091,965	8,187,993	13,279,958
Debt service	-	-	-	5,037,943	5,037,943
Indenture funds	-	-	-	24,134,073	24,134,073
Pension	-	-	-	3,869,889	3,869,889
Sustainability Initiatives	-	-	-	244,022	244,022
Operating reserve	-	19,466,000	-	-	19,466,000
Urban development	47,884,718	-	-	-	47,884,718
Lending programs	106,028,944	-	-	-	106,028,944
Housing program	2,831,574	-	-	-	2,831,574
Unrestricted	43,676,304	11,838,000	(22,453,487)	24,505,931	57,566,748
Total Net Position	$ 231,262,489	$ 25,528,000	$ 9,951,389	$ 139,131,622	$ 405,873,500

(Concluded)

See accompanying notes to financial statements.

CITY OF PITTSBURGH, PENNSYLVANIA

STATEMENT OF ACTIVITIES

COMPONENT UNITS

YEAR ENDED DECEMBER 31, 2021

		Program Revenues			Net (Expense) Revenue and Changes in Net Position						
					Urban Redevelopment Authority						
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	URA Component Unit	Water and Sewer Authority	Stadium Authority	Public Parking Authority	Total
Urban Redevelopment Authority:											
Governmental activities:											
Urban development	$ 36,921,900	$ 4,339,093	$ 31,555,893	$ -	$ (1,026,914)	$ -	$ -	$ -	$ -	$ -	$ (1,026,914)
General government	10,759,302	3,228,657	2,160,038	-	(5,370,607)	-	-	-	-	-	(5,370,607)
Interest on long-term debt	285,561	-	-	-	(285,561)	-	-	-	-	-	(285,561)
Total governmental activities	47,966,763	7,567,750	33,715,931	-	(6,683,082)	-	-	-	-	-	(6,683,082)
Business-type activities:											
Lending programs	1,494,752	1,111,389	-	-	-	(383,363)	-	-	-	-	(383,363)
Property management	3,698,449	2,936,546	-	-	-	(761,903)	-	-	-	-	(761,903)
Total business-type activities	5,193,201	4,047,935	-	-	-	(1,145,266)	-	-	-	-	(1,145,266)
URA Component Unit	1,360,206	922,020	561,198	-	-	-	123,012	-	-	-	123,012
Total URA	54,520,170	12,537,705	34,277,129	-	(6,683,082)	(1,145,266)	123,012	-	-	-	(7,705,336)
Pittsburgh Water and Sewer Authority	243,717,000	269,121,000	-	1,914,000	-	-	-	27,318,000	-	-	27,318,000
Stadium Authority	5,142,417	6,787,959	-	-	-	-	-	-	1,645,542	-	1,645,542
Public Parking Authority	41,698,703	41,540,097	-	-	-	-	-	-	-	(158,606)	(158,606)
Total Component Units	$ 345,078,290	$ 329,986,761	$ 34,277,129	$ 1,914,000	(6,683,082)	(1,145,266)	123,012	27,318,000	1,645,542	(158,606)	21,099,600
General revenues:											
Investment income, net					27,543	130,990	-	24,000	1,571	165,587	349,691
Capital transferred to the Sports and Exhibition Authority					-	-	-	-	(9,807,746)	-	(9,807,746)
Miscellaneous revenue (expense)					-	-	-	-	-	13,975	13,975
Transfer in (out)					(1,501,169)	1,501,169	-	-	-	-	-
Total general revenues					(1,473,626)	1,632,159	-	24,000	(9,806,175)	179,562	(9,444,080)
Special Item:											
Private lead line replacement					-	-	-	(3,088,000)	-	-	(3,088,000)
Total special item					-	-	-	(3,088,000)	-	-	(3,088,000)
Change in Net Position					(8,156,708)	486,893	123,012	24,254,000	(8,160,633)	20,956	8,567,520
Net position - beginning					132,585,426	103,515,304	2,708,562	1,274,000	18,112,022	139,110,666	397,305,980
Net position - ending					$ 124,428,718	$ 104,002,197	$ 2,831,574	$ 25,528,000	$ 9,951,389	$ 139,131,622	$ 405,873,500

See accompanying notes to financial statements.

NOTES TO
FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Primary Government Disclosures:

Description of City

The City of Pittsburgh, Pennsylvania (City or primary government) 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), highways and streets, sanitation, economic development, cultural and recreational, public improvements, planning and zoning, and general administrative services.

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

(A) The Financial Reporting Entity

The criteria used by the City to evaluate the possible inclusion of related entities (Authorities, Boards, Councils, etc.) outside of the legal City entity within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given case, the City reviews the applicability of the following criteria:

The City is financially accountable for:

1. Legally separate organizations if City officials appoint a voting majority of the organization's governing body and the City is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

a. Impose its Will – If the City can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

b. Financial Benefit or Burden – Exists if the City (1) is entitled to the organization's resources, (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization, or (3) is obligated in some manner for the debt of the organization.

2. Legally separate organizations that are fiscally dependent on the City and a financial benefit or burden relationship are present. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges or issue bonded debt without approval by the City.

Based on the foregoing criteria, the reporting entity has been defined to include all the legally separate-government entities for which the City is financially accountable or for which there is a significant relationship (component units). 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 organizations in the City's financial statements are provided in the following paragraphs. Audited financial statements for all of the component units are available for public inspection in the City Controller's office.

(B) Net Position Deficit and Liquidity

As of December 31, 2021, the City had a general fund unassigned fund balance of $106.8 million and a general fund cash balance of $85.1 million. The City will continue to focus on strategies to fund long-term obligations, principally net pension obligations, net other post-employment obligations, general obligation debt and reduce its net position deficit of $1.32 billion at December 31, 2021.

(C) Individual Component Unit Disclosures

Blended Component Units

Some component units, despite being legally separate from the City government, are so intertwined with the City government, whether through sharing common governing boards with the City or through providing services solely to the City that they are, in substance, the same as the City government and are reported as part of the City government. The blended component units reported in this way are the following:

City of Pittsburgh Equipment Leasing Authority
City Pension Trust

City of Pittsburgh Equipment Leasing Authority (ELA)

The ELA was incorporated in 1980 to serve as a financing vehicle for the acquisition of equipment. The Board consists of the Chief Operating Officer & Chief Financial Officer of

the Pittsburgh Water and Sewer Authority, the City's Chief Operating and Administrative Officer, the President of Pittsburgh City Council, the Budget Director for City Council and the City's Director of the Department of Public Safety.

Although it is legally separate from the City, the ELA is reported as if it were part of the City government, because its sole purpose is to finance the City equipment needs. Its operations are included within other government funds. It operates on a December 31 fiscal year.

City Pension Trust

As described in Note 7, the City has a comprehensive pension trust for financial reporting purposes that is comprised of three defined benefit pension plans: the Municipal Pension Plan (Municipal); the Policemen's Relief and Pension Plan (Police); and the Firemen's Relief and Pension Plan (Fire), which together cover substantially all City employees. As required by Pennsylvania Law, a comprehensive Board oversees funding and investing activities. This Board consists of seven members, four of whom are appointed by the Mayor.

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 operate on a fiscal year ending December 31. Their operations are included in the Pension Trust Fund, as a fiduciary fund.

Discretely Presented Component Units

Discretely presented component units are entities that are legally separate from the primary government but the omission of which would cause the primary government's financial statements to be misleading or incomplete. As these component units do not meet the criteria for blended presentation, they are reported separately from the primary government. The component units presented in this manner are the following:

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

Pittsburgh Water and Sewer Authority (PWSA)

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

The City and PWSA agreed to terminate the 1984 Lease and Management Agreement in July 1995 and concurrently entered into a Cooperation Agreement and a Capital Lease Agreement (collectively referred to as the Agreements). The effect of these Agreements was to substantially transfer financial and management responsibility for the System to PWSA. The renegotiated Cooperation Agreement is more fully described in Note 4.

PWSA is legally separate from the City and is reported as a component unit. A Board of Directors recommended by a nominating committee, appointed by the Mayor of the City, and approved by City Council, governs PWSA. A financial benefit/burden relationship exists between the City and PWSA. PWSA operates on a fiscal year ending December 31.

Prior to April 1, 2018, the PWSA had the right to establish user fees and charges without being subject to the approval of any department, board, or agency of Pennsylvania or the City. Effective April 1, 2018, the Public Utility Commission (PUC) began oversight of PWSA. PUC oversight requires compliance and conformity with their established regulations regarding administration, finances, operations, reporting, capital expenditures, and customer service for water and wastewater utilities. The PUC now approves all PWSA rates and fees through tariff filings.

Stadium Authority of the City of Pittsburgh (Stadium Authority)

The Stadium Authority was organized on March 9, 1964 to provide increased commerce and prosperity and to promote educational, cultural, physical, civic, social, and moral welfare to the general public.

The Stadium Authority was responsible for the management of the former Three Rivers Stadium (Stadium) located in the City. The Stadium was home to the Pittsburgh Pirates (Pirates) and Pittsburgh Steelers (Steelers) professional sports teams and was also utilized

for various concerts and other events until it was razed in February 2001. Subsequent to the razing of the Stadium, the Stadium Authority is responsible for development of the land between Heinz Field and PNC Park.

The Board of Directors (Board) of the Stadium Authority, a five-member group, is appointed by the Mayor of the City. The Board is responsible for all the activities and operations of the Stadium Authority. The City is the guarantor of the Authority's debt. The Stadium Authority operates on a fiscal year ending December 31.

Public Parking Authority of Pittsburgh (Parking Authority)

The Parking Authority was created for the purpose of conducting the necessary activity to plan, acquire, construct, improve, maintain and operate, and own and lease land and facilities devoted to the parking of vehicles. In addition, the Parking Authority is responsible for the enforcement of city and state parking codes throughout the City, including the responsibility for the operations of parking court. 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. As discussed further in Note 13, the City and the Parking Authority are governed by the 2015 Governmental Cooperation Agreement. Payments made to the City under this agreement during 2021 totaled approximately $9.7 million. This agreement expires January 31, 2050. Accordingly, the City derives a financial benefit from the Parking Authority. Note 13 describes related transactions between the Parking Authority and the City.

Urban Redevelopment Authority of Pittsburgh (URA)

The URA was established in 1946 under the Pennsylvania Urban Redevelopment Law. The URA acquires and clears blighted property; initiates rebuilding with the private sector; negotiates with the federal, state, county, and local governments for public funds and facilities; and works to maintain and improve the City's neighborhoods and business districts. Funding for the URA projects and programs is obtained primarily through revenue bonds and intergovernmental grants.

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

The reporting entity of the URA includes the accounts of all URA operations as well as two entities that qualify as component units of the URA. The component units of the URA are

the Pittsburgh Housing Development Corporation (PHDC) and Pittsburgh Urban Initiatives (PUI).

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

Administrative Offices

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

Pittsburgh Water and Sewer Authority
Penn Liberty Plaza I
1200 Penn Avenue
Pittsburgh, PA 15222

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

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

Stadium Authority of the City
of Pittsburgh
171 10th Street, 2nd Floor
Pittsburgh, PA 15222

Urban Redevelopment Authority
of Pittsburgh
412 Boulevard of the Allies
Pittsburgh, PA 15219

Joint Venture

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

The Public Auditorium Authority of Pittsburgh and Allegheny County (Authority) was incorporated on February 3, 1954 pursuant to the Public Auditorium Law Act of July 29, 1953 as a joint authority organized by the City and Allegheny Country to provide educational, cultural, physical, civic, and social events for the benefit of the general public. Effective November 1999, the Public Auditorium Authority legally changed its name to the Sports and Exhibition Authority of Pittsburgh and Allegheny County (SEA). SEA is currently responsible for the management of the David L. Lawrence Convention Center (Convention Center) and leases the PPG Paints Arena, the Benedum Center and the John Heinz History

Center to other entities located in the City. SEA was also responsible for the construction of the Pittsburgh Steelers Sports, Inc. (Pittsburgh Steelers) football stadium (Heinz Field), the Pittsburgh Associates' (Pittsburgh Pirates) baseball park (PNC Park), the Convention Center expansion project, PPG Paints Arena, and various associated infrastructure improvements referred to collectively as the Regional Destination Financing Plan. For the year ended December 31, 2021, SEA's operating loss was $45.1 million, and the change in net position was a decrease of $14.2 million. SEA had total net position of $302 million.

The Board of Directors (Board) of SEA, a seven-member group, is appointed by the City and Allegheny County. Each executive appoints three members and the Mayor and County Executive jointly appoint the seventh member. The Board is responsible for the overall activities and operations of SEA. The Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations, and primary accountability for fiscal matters.

In 2004, SEA borrowed $20 million from local banks to be used for both operating and capital needs. These borrowing were refinanced with the 2010 Bank Loans. The following revenues are pledged for repayment of this loan: parking revenues generated at the Convention Center and North Shore parking garages and two North Shore lots, gaming revenues, and residual/discretionary hotel tax receipts. Additionally, as part of the transaction, the City and Allegheny County reaffirmed their responsibilities under a 1978 Cooperation Agreement to finance the Convention Center's operating deficits. The 2010 Bank Loans were refinanced on May 1, 2017, then again on November 30, 2017 with the SEA and Allegheny County Parking System Revenue Bonds, Series of 2017.

SEA has suffered operating deficits and has indicated that it may require funding from the City and Allegheny County in the future. No liability has yet been recorded for any such payments as the City does not anticipate payment during 2022 and no future payments are currently deemed more likely than not.

SEA operates on a fiscal year ending December 31. Complete financial statements for SEA can be obtained from its administrative office at 171 10th Street, 2nd Floor, Pittsburgh, PA 15222.

Related Organizations

Housing Authority of the City of Pittsburgh (HACP)

HACP 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.

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

HACP operates on a fiscal year ended December 31.

Pittsburgh Land Bank (Land Bank)

The Land Bank is a separate legal entity created for the purpose of acting as a land bank under the Land Bank Act (Pennsylvania Act 153-2012). The Land Bank is administered by a nine-member Board, three appointed by the Mayor, three appointed by the City Councilperson representing the districts with the most distressed and vacant parcels, and three community members elected by the first six. There was minimal operational activity during 2021. There were no land transactions made during the year ended December 31, 2021. The City will not have ownership interest in real property owned by the Land Bank.

Jointly Governed Organizations

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

East Liberty Transit Revitalization Investment District Revitalization Authority (ELTRIDRA) is a governmental authority which was formed to manage the East Liberty Revitalization Investment District. ELTRIDRA's five-member Board of Directors includes one representative each from the URA, the City, Pittsburgh Public Schools, Port Authority of Allegheny County, and Allegheny County. The URA provides administrative support to

ELTRIDRA. ELTRIDRA is considered a related entity of the representative entities. Financial information is available for ELTRIDRA at the URA's offices.

(D) Financial Statement Presentation

Government–Wide Financial Statements – Financial statements prepared using the economic resources measurement focus and full accrual basis of accounting for all the government's activities are required. These statements include all assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues, and expenses of the primary government and its component units, excluding fiduciary activities.

The effect of City inter-fund activity has been eliminated from these statements. The City does not allocate indirect expenses. The government-wide statements segregate governmental activities, which are normally supported by taxes and intergovernmental revenues, and business-type activities, if any, which rely on user fees and charges for support. Component units, which are legally separate and discretely presented, are also segregated.

Statement of Net Position – presents both governmental and business-type activities, if any, on the full accrual, economic resource basis, which incorporates long-term assets and receivables; deferred outflows of resources; long-term debt and obligations; and deferred inflows of resources.

Statement of Activities – presents the net cost of each individual function. Program revenues are presented as a reduction of the total cost of providing program services. Program revenues include charges for services, operating grants and contributions and capital grants that are directly associated with a specific function. Taxes and other revenue sources not reported as program revenue are included as general revenue.

Fund Financial Statements – The City's accounts are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operation of each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, deferred inflows of resources, fund balances or net position, revenues, and expenditures or expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the basic financial statements in this report into two broad fund categories as follows:

Governmental Funds account for expendable financial resources. Governmental fund types use the flow of current financial resources measurement focus. The major governmental funds are:

General Fund – The General Fund is the general operating fund of the City. It finances the regular day-to-day operations of the City. It is used to account for all financial revenues and expenditures, except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and related costs.

Special Revenue Community Development Block Grant Fund – Community Development Block Grant Fund is used 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 (CDBG) program. A substantive portion of the funds received under the program have been allocated to the Urban Redevelopment Authority of Pittsburgh.

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

Special Revenue American Rescue Plan Act Fund – American Rescue Plan Act Fund is used to account for financial resources to be used for expenditures allowable under the American Rescue Plan Act.

Nonmajor Governmental Funds – These funds include all other non-major governmental funds.

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals and other governmental units. The fiduciary funds are:

Pension Trust Fund – The Comprehensive Fund accounts for the operations of the City's pension plans as described in Note 7. This is accounted for in the same manner as a proprietary fund type. Measurement focus is upon determination of the change in net position and financial position.

OPEB Trust Fund - Used to report resources held in trust for post-employment benefits other than pension benefit for both the OPEB retiree plan and disabled firefighters plan.

Private-Purpose Trust Fund - Accounts for assets held in trust for healthcare and worker's compensation benefits.

Custodial Funds – Accounts for assets held for, and due to, deposits collected for others. These funds are custodial in nature and do not involve measurement of results of operations.

The basic financial statements also include the statement of net position and statement of activities of the following component units:

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

Budgetary Comparison Statements – The statements are presented to demonstrate whether resources were obtained and used in accordance with the government's legally adopted budget for the General Fund and the Community Development Fund. The City revises the original budget over the course of the year for various reasons. Under the current reporting model, budgetary information continues to be provided and includes a comparison of the government's original adopted budget to the current comparison of final budget and actual results. The City's budget is prepared on a non-GAAP basis as described in Note 2.

(E) Basis of Accounting

Basis of accounting refers to the point at which revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Governmental activities in the government-wide statement are presented using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recognized when earned, and expenses are recognized when a liability has been incurred, regardless of the timing of related cash flows.

Governmental funds are accounted for using the current resource measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become

measurable and available. General Fund tax revenues are considered measurable when they have been levied. To be considered available and thus susceptible to accrual, the real estate taxes must be collected within the City's period of availability of sixty (60) days. The portion of uncollected real estate taxes that are deemed to be collectible at the end of this period are reported as deferred inflows of resources. Interest income and intergovernmental receivables (state and federal grants to the extent of allowable expenditures) are considered susceptible to accrual. The City considers all non-real estate taxes and other revenues reported in the governmental fund to be available if the revenues are collected within sixty (60) days. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, debt service expenditures and other long-term liabilities, such as workers' compensation, accrued claims and judgments, and both short- and long-term compensated absences are recorded only when payment is due and payable.

The City generally uses restricted assets first for expenses incurred for which both restricted and unrestricted assets are available. The City may defer the use of restricted assets based on a review of the specific situation.

Non-exchange transactions, in which the City receives value without directly giving value in return, include real estate and other taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

(F) Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments, including trust and restricted assets, with an original maturity of three months or less. Note 3, Deposits and Investments, provides a detailed disclosure regarding cash, cash equivalents, and investments held by the City.

(G) Investments

Investments in all funds are carried at fair value or amortized cost, as applicable. Investments consist of a variety of investments including direct obligations of the U.S. government, money market funds, corporate and other obligations, guaranteed investments, money market trust funds, and repurchase agreements. Note 3, Deposits and Investments, provides a detailed disclosure regarding cash, cash equivalents, and investments.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

(H) Due To/From Other Governments

Outstanding balances between the City and other governments are reported as due to/from other governments.

(I) Taxpayer Assessed Taxes Receivable

Local wage taxes, payroll preparation tax, parking tax and other miscellaneous City taxes are recorded in the City's accounts as taxpayer assessed receivables and revenue at the time of the underlying transactions. In the governmental fund statements, taxes for which there is an enforceable legal claim as of December 31, 2021 which were levied to finance fiscal year 2021 operations have been recorded as deferred inflows of resources until such time as the taxes become available on a modified accrual basis. Local wage taxes are collected by a third party in accordance with PA Act 32.

(J) Other Receivables

Other City accounts receivable, primarily charges for services, are recorded in the City's accounts as other receivables when earned, less an allowance for uncollectible accounts.

(K) Capital Assets

Capital assets acquired or constructed by the City are reported in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost. Capital assets with an initial individual cost of more than $5,000 and estimated useful life in excess of one year. Gifts or contributions are recorded at acquisition value when received. Depreciation is recorded on a straight-line basis over the estimated useful life of each capital asset. No depreciation expense is recorded for land and construction-in-progress. The value of the City's art collection is indeterminable and would not be material to capital assets as a whole. The estimated useful lives for capital assets are as follows:

Furniture and fixtures	3-5 years
Building and structures	25-50 years
Equipment	2-10 years
Infrastructure	20-50 years
Vehicles	2-10 years

(L) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net assets and/or fund balance that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City and component units have four items that qualify for reporting in this category:

- The accumulated decrease in fair value of hedging derivatives.

- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

- In conjunction with pension accounting requirements, the changes of assumptions are recorded as a deferred outflow of resources related to pensions. These amounts are determined based on the actuarial valuation performed for the plan as described further in Note 7. In addition, the difference between expected and actual experience related to the Municipal and Firemen pension fund is recorded as a deferred outflow of resources related to pensions.

This amount is determined based on the actuarial valuation performed for the plan as described further in Note 7.

- In conjunction with OPEB accounting requirements, changes of assumptions are recorded as a deferred outflow of resources related to OPEB. These amounts are determined based on the actuarial valuation performed for the plans as described further in Note 8.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets/fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, payroll preparation taxes and other taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Under the full accrual basis, the City and component units have items that qualify for reporting in these categories:

- In conjunction with pension accounting requirements, the difference between expected and actual experience for the pension plan related to the Police and Firemen funds and the net differences between projected and actual earnings on pension investments related to the Municipal, Police, and Fire Pension funds are recorded as a deferred inflows of resources related to pensions. These amounts are determined based on the actuarial valuation performed for the plan as described further in Note 7.

- In conjunction with OPEB accounting requirements, the difference between expected and actual experience for the OPEB plans, changes in assumptions, and the net difference between projected and actual earnings on OPEB plan investments are recorded as a deferred inflow of resources related to OPEB. These amounts are determined based on the actuarial valuation performed for the plans as described further in Note 8.

(M) Workers' Compensation and Other Risk Management

The City is self-insured for purposes of workers' compensation benefits. Both short-and-long-term amounts payable are reported within the government-wide financial statements only.

In order to qualify for and maintain self-insurance status, the City must comply with certain Commonwealth requirements. The requirements for 2021 are as follows:

- Maintain an irrevocable trust fund. The City's contribution to the fund is determined annually in negotiations with the Commonwealth Department of Labor.
- Satisfy the financial responsibility requirements of the Commonwealth of Pennsylvania.
- Establish liability reserves based upon expected future payments for all claims outstanding one year or more at the end of any fiscal year.

Presently, the irrevocable trust may be used by the State of Pennsylvania only in the event of default by the City under the self-insurance regulations. No risk financing activity is currently being recorded in this trust fund.

The City is self-insured for purposes of health insurance coverage. An estimate of incurred but not reported liability is reported within the general fund.

Component Unit:

PWSA is also self-insured for general liability coverage and has established a Self-Insured Escrow Fund (general liability) to cover potential liability claims.

(N) Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused compensated absences. For government-wide reporting, a liability is recorded for compensated absences when services are rendered, and employees have earned the right to receive compensation for such services.

Liabilities for compensated absences are not liquidated until leave is actually taken by employees or leave balances are paid upon termination. Accordingly, in the fund financial statements for governmental funds, no expenditure is reported for compensated absences

until they are due and payable. Current and non-current portions of compensated absences totaling $31,767,924 are recorded in the government-wide financial statements and represent a reconciling item between the government-wide and fund presentations.

(O) Pensions and Other Post-Employment Benefits

In the government-wide financial statements, the City recognizes pension and other post-employment expenses in accordance with applicable standards. These expenditures are recognized under the modified accrual basis within governmental funds to the extent of the City contributions. Contributions made to the Pension Plan represent 100% of the PA Act 205 minimum municipal obligation plus, starting in 2010, additional contributions to increase the funding level of the Plan. See Note 7 for pension and Note 8 for other post-employment benefits for further disclosures.

(P) Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in governmental activities in the statement of net position in the government-wide financial statements. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method that approximates the effective interest method or the effective interest method itself. Bond premiums and discounts are recorded as current period costs in the governmental funds.

(Q) Interfund Transactions

On fund financial statements, receivables and payables resulting from outstanding balances are classified as "Interfund receivables/payables." These amounts are eliminated in the governmental column of the statement of net position. Flow of cash or goods from one fund to another without a requirement for repayment is reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds.

(R) Encumbrances

The City uses encumbrance accounting for budgetary reporting, wherein purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation. Funding for all encumbrances lapses at year-end and re-appropriation is required by the City Council with the exception of capital fund project encumbrances.

(S) Net Position

Net position represents the difference between assets, deferred outflows and inflows of resources and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and related debt used in the acquisition or construction of capital assets. Net position is reported as restricted when there are limitations imposed on its use through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available. Unrestricted net position is available for use in the current period. The City may defer the use of restricted assets based on a review of the specific situation.

(T) Use of Estimates

Management of the City has made a number of estimates and assumptions relating to the reporting of assets, liabilities, deferred inflows and outflows, revenues, expenses, and the disclosure of contingent assets and liabilities to prepare their financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results may differ from those estimates, particularly given the significant ongoing social and economic disruptions and uncertainties, and such differences may be material.

(U) Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of restriction placed upon the funds. These levels are as follows:

- Nonspendable – This category represents funds that are not in spendable form.

- Restricted – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties. This category includes funds that are legally restricted for endowment earnings, employee benefits, state and federal specific grants purposes, and for capital projects.

- Committed – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending imposed by City Council. Such commitment is made via a Council resolution and must be made prior to the end of the fiscal year. Removal of this commitment requires an equal action

by Council. Committed funds include funds for specified program services as defined by the creation of the fund and interfund advance.

- Assigned – This category represents intentions of the City to use the funds for specific purposes. This category includes encumbrances and funds remaining for debt service. The City's Charter requires City Council to approve a Resolution to set up encumbrances. The encumbrances are then submitted to individual department Directors for execution.

- Unassigned – This category represents all other funds not otherwise defined for the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance amount.

It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

(V) Pending Pronouncements

GASB has issued the following statements that will become effective in future years as shown below. Management has not yet determined the impact of these statements on the City's financial statements:

GASB Statement No. 87, *"Leases,"* as delayed, is effective for fiscal years beginning after June 15, 2021. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

GASB Statement No. 91, *"Conduit Debt Obligations,"* as delayed, is effective for fiscal years beginning after December 15, 2021. This statement provides a single method of reporting conduit debt obligations by issuers by clarifying the definition of a conduit debt obligations and improving required note disclosures.

GASB Statement No. 92, *"Omnibus 2020,"* as delayed, is effective for fiscal years beginning after June 15, 2021, except requirements related to GASB 87 and Implementation Guide 2019-3 which are effective upon issuance. This statement includes additional guidance related to intra-entity transfers, GASB Statement 84 and measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition.

GASB Statement No. 94, *"Public-Private and Public-Public Partnerships and Availability Payment Arrangements,"* is effective for fiscal years beginning after June 15, 2022. This statement addresses issues related to public-private and public-public partnership arrangements and provides guidance on accounting and reporting for availability payment arrangements.

GASB Statement No. 96, *"Subscription-Based Information Technology Arrangements,"* is effective for fiscal years beginning after June 15, 2022. This statement provides guidance on accounting and financial reporting for subscription-based information technology arrangements for government end users.

GASB Statement No. 97, "Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," is effective for fiscal years beginning after June 15, 2021. This statement provides guidance on accounting and financial reporting for Section 457 plans and determining whether a primary government if financially accountable for a potential component unit when there is absence of a governing board.

(W) Adoption of Pronouncements

GASB Statement No. 89, *"Accounting for Interest Costs Incurred Before the End of a Construction Period,"* requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred. This statement had no significant impact on the City's financial statements for the year ended December 31, 2021.

GASB Statement No. 93, *"Replacement of Interbank Offered Rates (IBOR),"* is effective for fiscal years beginning after June 15, 2020, except for the removal of LIBOR as an

appropriate benchmark interest rate, which is effective for reporting periods ending after December 31, 2021. This statement addresses derivative instruments, leases and other accounting and financial reporting implications that result from the replacement of an IBOR. This statement had no significant impact on the City's financial statements for the year ended December 31, 2021.

GASB Statement No. 98, *"The Annual Comprehensive Financial Report,"* replaces comprehensive annual financial report (CAFR) with annual comprehensive financial report (ACFR). The provisions of this statement have been adopted.

Component Unit Disclosures:

Property Held for Redevelopment

Property held for redevelopment relates mainly to land and buildings held by the URA that is available for redevelopment. Depending on the nature of the redevelopment activity, the transfer of this property may consist of many forms: grant, subsidized or below-market sale, or an independent, market-based sale. This property is held at cost or estimated net realizable value, if less than cost. Estimated net realizable value is calculated once plans or disposition agreements are in place to dispose of property at less than cost. When assets are sold, the proceeds are either returned to the program to further its purposes or returned to the grantor agency that funded the original purchase.

Loans Receivable

URA loans receivable are recognized when the loan is established for loans with terms of thirty years or less. Loans with amortization terms greater than thirty years or which are repayable on a contingent basis, such as the sale of the property or completion of development, are treated as grants for accounting purposes and are recorded as expenditures when disbursed or are fully reserved.

It is the URA's policy to provide for future losses on loans based on an evaluation of the current loan portfolio, current economic conditions, and such other factors which, in the URA's judgment, may impact collectability. As of December 31, 2021, the total allowance for uncollectible loans, including those only repayable on a contingent basis and fully reserved at the time of issuance, was $177 million.

Other Long-term Liabilities

An Agreement of Sale in Lieu of Condemnation (Agreement) was executed on April 14, 2004 between the Public Parking Authority and Greyhound Lines, Inc. (Greyhound). As stipulated in the Agreement, the Public Parking Authority purchased from Greyhound the property located at the corner of Liberty Avenue and 11th street for the purchase price of $6,242,000, which was immediately remitted to the Public Parking Authority for the construction of the bus terminal. Greyhound leases the bus terminal from the Public Parking Authority for an annual base rent of $1 for an initial term of 30 years. There are three consecutive 10-year extension terms, each with an annual base rent of $100,000. The $6,242,000 is being recognized as revenue over the term of the lease, which commenced on October 1, 2008. The balance of unearned rent/revenue at December 31, 2021 is $3,485,115.

Special Item

The PWSA has recorded a special item for private line lead replacements. In accordance with GASB No. 34, a special item is defined as an expenditure within control of management and either unusual or infrequent in occurrence. The PWSA has determined that private lead line replacements qualify as a special item.

2. Budgets and Budgetary Accounting

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 statement:

a. On the second Monday of November preceding the fiscal year, the Mayor presents to City Council a General Fund and Community Development Fund 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 these budgets.

c. Before the beginning of the fiscal year, City Council adopts, by resolution, these 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 City Council at any time.

f. City Council at all times may, by resolution, transfer funds from one account to another if the total operating budget amount is not exceeded. No revision to the budget may be made without City Council approval. The operating budget shall in any event, remain balanced at all times.

g. The capital budget is generally based on a proposed six-year capital program, which must be updated each year and submitted to City Council by the Mayor at least 30 days prior to the day the operating budget is submitted. The capital budget also includes appropriations for the Community Development Fund. Budget and actual data for the Community Development Fund is reflected in the Community Development Fund. The remainder of the capital budget is reflected in the Capital Projects Fund.

h. Formal budgetary integration is employed as management control device for the General, the Community Development, and the Capital Projects Funds. Formal budgetary integration is not employed for the debt service fund since effective budgetary control is alternatively achieved through general obligation bond indenture provisions, nor for the other governmental funds since control is prepared on a project basis. For the American Rescue Plan Act Fund, the City has prepared a City Council approved spending plan based on allowable expenditures. The General, Community Development, and Capital Projects Funds have legally adopted annual budgets.

i. All budgets are prepared and controlled at the department level by subclass. The Budget Office reviewed all budget deficits and monitored budget to actual by subclass during the year. Further refinement of the budget control matters is expected to be addressed in a future year. Due to the voluminous number of projects, separately issued line item capital budget reports are available from the City Controller's Office.

j. Operating appropriations lapse at year-end. City Council can, however, authorize, by resolution, the carryover of appropriations to the following year. The Community Development and Capital Projects Funds appropriations carry over to subsequent years without formal re-appropriation.

k. Operation budget figures are amended by City Council with Mayoral approval. These budget amendments represent additional unanticipated federal funding, line item transfers between expenditures accounts and carryover of appropriations from the previous year. The approved original General Fund budget includes revenues of $570.0 million and expenditures of approximately $565.0 million in 2021. The budgetary expenditures, as amended, include carryover appropriation and other changes approved by City Council during 2021 of $14.7 million and $33.7 million of additional federal funds.

2. Budgetary Basis of Accounting - The General Fund budget is adopted on a cash basis. Budgeted encumbrances for purchase commitments are treated as restrictions of available cash and as expenditures. Budgets in Capital Projects Funds are also adopted on a cash basis, except that budgets for each project are adopted on a project basis, which may encompass a period longer than one year. Accordingly, budget figures, as amended, for Community Development and Capital Projects Funds reflect current year appropriations and unexpended prior year's appropriations.

3. Excess Expenditures over Appropriations - The City had negative variances for in the salaries and benefits line item for two public safety departments (Emergency Medical Services and Bureau of Fire) and Environmental Services in the General Fund where the amount spent exceeded the budget.

The excess expenditures were covered primarily by expenditures under budgeted appropriations in other line items. In this case, the City decided to show the variances rather than amend the budget.

3. Deposits and Investments

Both Pennsylvania statutes and City code provide guidelines for investment of governmental funds into certain authorized investment types including U.S. Treasury bills, other short-term U.S. and Pennsylvania government obligations, short term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. Both allow the pooling of funds for investment purposes. Neither the statutes, nor City code prescribe regulations related to demand deposits; however, all depositories of City funds must meet qualifying criteria set forth in Section 223 of the City code.

The investment policy of the City compliments state statutes and adheres to prudent business practice. There were no investment transactions during the year that were in violation of either the state statutes or the policy of the City.

(A) Primary Government Funds and Custodial 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 balance sheet represent the undivided interest of each respective fund in the pooled accounts.

Investment policies 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 are 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 the U.S. Treasury securities and marked to market. In order to participate in the repurchase agreement market, a depository must execute a master repurchase agreement contract with the City.

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

approved in writing by the Director of Finance.

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

As of December 31, 2021, cash and cash equivalents include PLGIT, PA INVEST, and money market funds for presentation on the statement of net position and governmental funds balance sheet. PLGIT and PA INVEST are reported at amortized cost, which approximates market. The City can withdraw PLGIT and PA INVEST funds without limitations or fees.

Governmental Funds

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank or counterparty failure, the City's funds may not be returned to it. The City policy does not specifically address custodial credit risk. As of December 31, 2021, $418,393,274 of the City's combined bank balances of $420,643,274 subject to custodial credit risk were exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

Interest Rate Risk – The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates; the City investments must have maturities no greater than ten years within the constraint of meeting cash flow requirements. As of December 31, 2021, the City's exposure to interest rate risk was limited to $49,201,575, 12% of deposit and investment funds available, with a weighted average maturity period of 156 days.

Credit Risk – The City's investment policy limits its investment choices based on government backed instruments and credit ratings by nationally recognized statistical rating organizations.

Private-Purpose Trust and Custodial Funds

Custodial Credit Risk – As of December 31, 2021, $37,146,798 of the City Private-Purpose and Custodial Funds' combined bank balances of $37,896,798 were exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

Interest Rate Risk – The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates; the City's investments must have maturities no greater than ten years within the constraint of meeting cash flow requirements. As of December 31, 2021, the City's Private-Purpose Trust and Custodial Funds had no exposure to interest rate risk.

Credit Risk – The City's investment policy limits its investment choices based on government backed instruments and credit ratings by nationally recognized statistical rating organizations. $8,500,000 of the City's Private-Purpose Trust and Custodial Funds cash and cash equivalents are held in U.S. Treasuries and are therefore not exposed to this type of risk.

(B) Pension Trust

Deposits are maintained by all entities within the Funds. The Comprehensive Municipal Pension Trust Fund (CMPTF) holds all investment vehicles on behalf of the Funds. The CMPTF was established on January 1, 1988 by combining the assets and liabilities of the three prior investment plans representing the City of Pittsburgh Police and Fire Departments and Non-uniformed Municipal workers in order to provide a consolidated investment strategy to support the City of Pittsburgh pension obligation.

The CMPTF is governed by a formal investment policy established by its Board of Directors (Board). The policy dictates that investments must be managed in a manner consistent with the Pennsylvania Municipal Pension Plan Funding Standard and Recovery Act (Act 205) and the Pennsylvania Fiduciaries Code. The policy covers the two components of the CMPTF: 1) the Operating Fund and 2) the Long-Term Assets. The Operating Fund is a liquidity pool to accept employee, employer and supplemental state contributions and to make benefit disbursements. As such, the Operating Fund investments are restricted to high quality, very short duration fixed income instruments whose average maturity must not exceed six months and whose quality is restricted to investment grade and above securities. The Long-Term Asset component includes restrictions on both fixed income and equity investments as discussed below in further detail in this footnote.

Deposits

Custodial Credit Risk – For a deposit, custodial credit risk is the risk that in the event of a bank failure, the combined deposits of the City's pension funds may not be returned to it. There are no formal deposit policies specifically addressing custodial credit risk.

As of December 31, 2021, $779,942 of the City's pension cash account deposits of the $4,298,556 combined bank balance was insured by the Federal Deposit Insurance Corporation. The remaining bank balance was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. $3,893,387 of cash and cash equivalents were held at December 31, 2021 in the separate pension funds.

Investments

Long-term investments are all held by the CMPTF and are stated at fair value. These investments are assigned to professional asset managers that specialize in certain types of investments with oversight by an outside investment consultant and the Board in order to achieve an appropriate, diversified and balanced asset class mix to minimize portfolio risk.

The Investment Policy of the CMPTF dictates an allocation of 60% equity, 40% fixed income with a variation of 10% above or below these targets for each classification. At December 31, 2021, the CMPTF had been in compliance with this policy. Within each investment category there are specific policies to further address various types of risk compared to return. The investment advisors monitor compliance with the City's investment policy on a granular level that is different from the table below.

The CMPTF's pension trust fund categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The pension trust funds have the following recurring fair value measurements at December 31, 2021:

Investments by Fair Value Level	Total	Fair Value Measurements Level 1	Level 2	Level 3
Money market funds	$ 34,401,596	$ 34,401,596	$ -	$ -
Debt securities:				
Corporate and other obligations:				
Corporate	27,295,421	-	27,295,421	-
Other	2,016,879	-	2,016,879	-
Total corporate and other obligations	29,312,300	-	29,312,300	-
U.S. government and agency obligations:				
U.S. Treasury Notes	10,701,559	10,701,559	-	-
Agency (GNMA, FNMA, FHLM)	15,214,235	-	15,214,235	-
Total U.S. government and agency obligations	25,915,794	10,701,559	15,214,235	-
Total debt securities	55,228,094	10,701,559	44,526,535	-
Mutual funds:				
U.S. equities - large-cap core	201,098,406	201,098,406	-	-
Non-U.S. equities:				
Large-cap core	108,308,560	108,308,560	-	-
Emerging markets	10,581,784	10,581,784	-	-
Total Non-U.S. equities	118,890,344	118,890,344	-	-
Fixed income:				
Core fixed income	32,032,628	32,032,628		
Short-term	15,585,653	15,585,653	-	-
Total Fixed Income	47,618,281	47,618,281	-	
Total mutual funds	367,607,031	367,607,031	-	-
Common stocks:				
Industrials	26,437,175	26,437,175	-	-
Consumer Discretionary	11,024,199	11,024,199	-	-
Consumer Staples	1,435,042	1,435,042	-	-
Energy	1,104,758	1,104,758	-	-
Financials	7,586,421	7,586,421	-	-
Materials	15,188,708	15,188,708	-	-
Information Technology	18,794,265	18,794,265	-	-
Real Estate	3,783,792	3,783,792	-	-
Utilities	221,571	221,571	-	-
Health Care	12,828,482	12,828,482	-	-
Telecommunications	4,334,341	4,334,341	-	-
Unclassified	180,982	180,982	-	-
Total common stocks	102,919,736	102,919,736	-	-
Private equity - partnerships	21,724,762	-	-	21,724,762
Total investments by fair value level	581,881,219	$ 515,629,922	$ 44,526,535	$ 21,724,762
Investments measured at NAV:				
Hedge funds	72,712,112			
Real estate funds	42,774,217			
	115,486,329			
Total investments measured at fair value	$ 697,367,548			

Money market funds, mutual funds, U.S. treasury notes, and common stocks are valued using prices quoted in active markets for those securities and are included in the Level 1 fair value hierarchy. Corporate debt is valued using a matrix pricing model and are included in the Level 2 fair value hierarchy. The fair values of FNMA, GNMA, and FHLM securities are priced by third party pricing services using observable market data and are included in the Level 2 fair value hierarchy. As the yields for the risk-free yield curve and the spreads for

these securities are observable market inputs, the fair values are included in the Level 2 fair value hierarchy.

For Level 3 items, the CMPTF's valuation is determined in good faith from information provided by the General Partner of the limited partnerships. Fair value for the limited partnerships is based on the best information available and is determined using information including, but not limited to, the following: projected sales, net earnings, earnings before interest, taxes, depreciation and amortization, balance sheets, public or private transactions, valuations for publicly-traded comparable companies, and/or other measures, and consideration of any other pertinent information including the types of securities held and restrictions on disposition. Quantitative unobservable inputs of Level 3 items are not developed by the CMPTF for measuring fair value.

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient:

Instrument	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
ABS Emerging Markets	$ 13,664,709	None	Monthly	45 days
ABS Offshore SPC Global	17,437,312	None	Monthly	45 days
Entrust Three Rivers Partnership	27,125,724	None	Quarterly	90 days
Parametric Defensive Equity Fund	14,484,367	None	Monthly	1 to 2 weeks
RREEF America REIT II	21,934,842	None	Quarterly	45 days
Barings Core Property Fund	20,839,375	None	Quarterly	45 days
Total	$ 115,486,329			

These investments have the following strategies:

The *ABS Emerging Markets Fund* is an exclusive emerging markets fund of hedge funds.

The *ABS Offshore SPC Global Fund* is a portfolio of several direct hedge fund investments, all in long/short equity strategies.

Entrust Three Rivers Partnership is a multi-strategy hedge fund of funds.

The *Parametric Defensive Equity Fund* seeks to outperform S&P 500 index, reduce volatility versus the S&P 500 Index, and reduce magnitude of drawdowns and recover faster from stress events.

RREEF America REIT II is a real estate investment trust launched and managed by RREEF America L.L.C. The fund invests in the real estate markets of the United States.

Barings Core Property Fund is a real estate fund that specializes in property investments in United States.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of the future fair values. Furthermore, although the trust fund believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Concentration of Credit Risk – The Comprehensive Trust investment guidelines address this risk by requiring diversity and investment percentage limits. With the exception of Federal Government and Agency obligations, no one issue will comprise more than 10% of the aggregate fixed-income portfolio without the Board's prior approval. In addition, equity investment concentration in any single industry and in any company shall not exceed 25% and 5%, respectively, of the market value of the plan assets. To further reduce risk, diversification will also be achieved by using multiple managers whose styles and strategies are sufficiently distinctive. International managers may be allocated up to 30% of the plan's equity assets, and up to 50% of this allocation may be allocated to emerging markets investments. As of December 31, 2021, the Comprehensive Trust is in compliance with these limits.

Interest Rate Risk - The Comprehensive Trust has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The schedule below details maturity by investment type.

Cash or Investment Type	Fair Value	Investment Maturities from December 31, 2020: Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years
U.S. government and agency obligations	$ 25,915,794	$ -	$ 5,871,067	$ 3,814,252	$ 16,230,475
Corporate debt	27,295,421	904,013	10,741,214	8,879,651	6,770,544
Other	2,016,879	343,469	114,656	446,663	1,112,091
Total debt securities	$ 55,228,094	$ 1,247,482	$ 16,726,937	$ 13,140,566	$ 24,113,110

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The policy guidelines of the Comprehensive Trust limit investments to Federal Government and Agency issues and corporate issues having a Moody's rating of Aaa to Baa, with the exception that up to 20% of the fixed income assets may be allocated to high yield fixed-income securities. The Pension Trust Fund's December 31, 2021 investments in fixed income securities have received the following ratings from Moody's; the City's remaining investments were unrated:

Fair Value	Moody's Credit Rating	% of Fixed Income Investments
$ 11,918,729	Aaa	21.58%
618,782	Aa1	1.12%
858,318	Aa2	1.55%
351,668	Aa3	0.64%
1,465,404	A1	2.65%
1,924,073	A2	3.48%
3,870,567	A3	7.01%
14,364,913	Baa1 - Baa3	26.01%
403,711	Ba1 - Ba3	0.73%
19,451,930	Unrated	35.22%
$ 55,228,094		100.0%

The City's investment in mutual funds and U.S. Government agencies implicitly guaranteed by the U.S. Government were unrated.

Private Equity Capital Commitments

The CMPTF has entered into agreements to commit capital into various private equity funds. The callable capital can be requested at any time by the fund. The remaining capital commitments as of December 31, 2021 are estimated as follows:

	Amount Committed	Amount Drawn	Amount Distributed	Remaining Capital Commitment	
Birchmere Ventures III	$ 1,000,000	$ 1,000,000	$ 893,418	$ -	
Draper Triangle Ventures II	1,000,000	1,000,000	1,300,576	-	
Draper Triangle Ventures III	2,000,000	2,000,000	72,316	-	*
Crescent Mezz Partners VI	10,000,000	10,000,000	12,998,161	757,498	**
Crescent Mezz Partners VII	10,000,000	9,891,610	5,274,553	1,746,426	**
Siguler Guff Small Buyout IV	15,000,000	7,597,500	257,606	7,413,192	**
Crescent Credit Solutions VIIIA	10,000,000	2,713,259	-	7,286,741	**
	$ 49,000,000	$ 34,202,369	$ 20,796,630	$ 17,203,857	

* The investment period of this fund has ended. As such, no further capital can be called.

** A portion of this fund's distributions can be recalled.

(C) OPEB Trusts

The City's OPEB trust funds (all assets are related to the Retiree and Fire OPEB plans discussed in Note 8) categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. As of December 31, 2021, the OPEB trust funds had the following recurring fair value measurements:

		Fair Value Measurements		
Investments by Fair Value Level	Total	Level 1	Level 2	Level 3
Bond mutual funds	$ 11,498,513	$ 11,498,513	$ -	$ -
Equity mutual funds	20,771,743	20,771,743	-	-
U.S. Treasury Notes	1,531,712	1,531,712	-	-
Real Estate ETF	1,907,052	1,907,052	-	-
Alternative Fund	1,260,797	1,260,797	-	-
Total investments	36,969,817	$ 36,969,817	$ -	$ -
Cash and cash equivalents	886,237			
Total OPEB Trusts	$ 37,856,054			

Mutual funds, U.S. Treasury Notes, real estate exchange traded funds and money market funds are classified in Level 1 are valued using prices quoted in active markets for those securities.

The following is a description of the OPEB Trust Funds deposit and investment risks:

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The OPEB Trust Funds' investment policy dictates that investments shall include Federal Government and Agency issues and corporate issues having a Standard and Poor's rating of BBB to AAA or a Moody's rating of Baa to Aaa with the exception that up to 20% of fixed income assets may be allocated to high yield fixed-income securities. The target S&P credit rating of the aggregate portfolio shall be A or better.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the value of investments. Through its investment policy, the OPEB Trust Funds manage exposure to interest rate risk by utilizing certain criteria in selecting particular investment funds. U.S. government and agency funds mature in 1-9 years.

The asset allocation policies shall seek to produce a net, inflation adjusted, positive total return. The asset allocation policy shall be consistent with the investment objectives of the plan and based on the capital market assumptions.

The Investment Policy of each OPEB Trust Fund dictates an allocation for the Long-Term Assets of 60% equity, 40% fixed income with a variation of 10% above or below these targets for each classification. At December 31, 2021, the OPEB Trust Funds had been in compliance with this policy. Within each investment category there are specific policies to further address various types of risk compared to return.

The OPEB Trust Funds' investment in mutual funds was unrated.

(D) Pittsburgh Water and Sewer Authority (PWSA)

PWSA is authorized to invest in obligations of the U.S. government and government-sponsored agencies and instrumentalities; fully insured or collateralized certificates of deposit; commercial paper of the highest rating; repurchase agreements collateralized by government obligations or securities and highly rated bank promissory notes or investment funds or trusts; and, as to trusteed assets, as otherwise permitted by the trust indenture as supplemented and amended in 2020. Throughout the year ended December 31, 2021, PWSA invested its funds in such authorized investments. PWSA has a formal investment policy that addresses custodial credit risk, interest rate risk, credit risk, or concentration of credit risk.

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, PWSA's deposits may not be returned to it. As of December 31, 2021, $81,979,000 of PWSA's bank balance of $82,229,000 was exposed to custodial credit risk. $81,979,000 of these amounts are collateralized in accordance with Act 72 of the Pennsylvania state legislature which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have a carrying amount of $76,422,000 as of December 31, 2021, all of which is reported as current assets in the statement of net position.

At December 31, 2021, PWSA held the following investment balances (in 000s):

	Carrying value	Maturity in years: Less than 1 year
PA INVEST	$ 9,099	$ 9,099
Money market	16,785	16,785
Total Investments	$ 25,884	$ 25,884

The carrying value of PWSA's investments is the same as their fair value amount.

PWSA's investments in money markets and PA INVEST (external investment pool) are the same as the value of the pool shares and are reported at amortized cost, which approximates market. All investments in an external investment pool that are not SEC-registered are subject to oversight by the Commonwealth. The PWSA can withdraw funds from INVEST without limitations or fees.

Interest Rate Risk – Interest rate risk, the risk that changes in the interest rates will adversely affect the fair value of the PWSA's investments. PWSA is not subject to interest rate risk, as all of its investments at December 31, 2021 had maturities of less than one year.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As of December 31, 2021, PWSA's investments in PA INVEST were rated AAAm by S&P Global Ratings.

Concentration of Credit Risk – Concentrations of credit risk is the risk of loss attributed to the magnitude of a government's investments in a single issuer. PWSA places limits on the amount it may invest in any one issuer. PWSA was in compliance with the established limits at December 31, 2021.

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

The Stadium Authority's policy is to maintain all cash deposits in qualified public depositories and is authorized to invest in securities of the United States government, other instruments that are collateralized by United States government securities, repurchase agreements subject to certain restrictions and other debt instruments set forth by the office of the State Treasurer of the Commonwealth.

Interest Rate Risk – The Stadium Authority limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All the Stadium Authority's investments have maturities of one year or less.

Credit Risk – The Stadium Authority is subject to credit risk on investments. The maximum amount of loss the Stadium Authority would incur, if any, if the parties failed to perform on their obligation is limited to the amount recorded in the financial statements. The Stadium Authority does not hold any type of collateral on these investments.

Concentration of Credit Risk – The Stadium Authority places no limit on the amount that may be invested in any one institution. The Stadium Authority maintains its cash and cash equivalent balances at three financial institutions. At December 31, 2021, all of the Stadium Authority's cash and cash equivalent deposits were either insured under federal insurance programs or collateralized.

(F) Public Parking Authority of Pittsburgh (Parking Authority)

Cash and Deposits

The Parking Authority's cash deposits are insured by the Federal Deposit Insurance Corporation or were not insured or collateralized in the Parking Authority's name but were collateralized in accordance with Act 72 of the Pennsylvania State Legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. At December 31, 2021, the Parking Authority had a bank and book balance of $9,292,704 and $9,636,894 (including $9,245,247 of restricted cash), respectively.

Investments

As of December 31, 2021, the Parking Authority had the following investments, of which $33,081,464 is restricted as to their use.

				December 31, 2020 Rating	
Investment	Amount	Percentage of Total Investment	Maturity	Standard & Poor's	Moody's Investors Service
Blackrock Treasury Trust Fund	$ 27,916,280	48.0%	n/a	AAAm	Aaa-mf
Blackrock FedFund	25,098,446	43.1%	n/a	AAAm	AAA-mf
Morgan Stanley Liquid Trust Fund	5,165,185	8.9%	n/a	AAAm	Aaa-mf
Total	$ 58,179,911	100%			

Mutual funds are valued using quoted market prices (Level 1 inputs).

Interest Rate Risk – The Parking Authority does not have a formal investment policy that limits investments maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk – The Parking Authority has no investment policy that limits its investment choices. The deposit and investment strategy of the Parking Authority adheres to State statutes, related trust indentures, and prudent business practice.

Concentration of Credit Risk – The Parking Authority places no limit on the amount the Parking Authority may invest in any one issuer.

(G) Urban Redevelopment Authority (URA)

The URA is authorized to make investments of the following types pursuant to the Redevelopment Act which requires investments meet a "reasonable man" standard. Under the URA's policy, authorized investments include (1) United States Treasury bills, (2) short-term obligations of the United States government or its agencies or instrumentalities, (3) deposits in savings accounts or time deposits or share accounts of institutions which are insured, (4) obligations of the Commonwealth of Pennsylvania or any of its agencies or instrumentalities or any political subdivision thereof, and (5) shares of an investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, provided that the investments of that company meet the criteria of (1) through (4) above.

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

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the URA's deposits may not be returned to it. The URA does not have a formal policy for custodial credit risk. As of December 31, 2021, $85,119,129 of the URA's bank balance of $86,386,234 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the

institution's name. As of December 31, 2021, the carrying amounts of the URA's deposits were $86,360,449.

As of December 31, 2021, none of the component unit's bank balance was exposed to custodial credit risk. As of December 31, 2021, the carrying amounts of the component unit's deposits were $117,207.

In addition to the deposits noted above, included in the investments were the following:

		Maturity in years				
	Fair market value	Less than 1 year	1-5 years	6-10 years	11-15 years	16-20 years
Money Market Funds	$ 35,404,207	$ 35,404,207	$ -	$ -	$ -	$ -
U.S. Treasury Bonds	1,272,423	1,272,423	-	-	-	-
Freddie Mac	299,835	-	-	-	245,045	54,790
GNMA	830,138	830,138	-	-	-	-
FNMA	77,803	-	24,789	-	53,014	-
Total	$ 37,884,406	$ 37,506,768	$ 24,789	$ -	$ 298,059	$ 54,790

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the URA's investments. The URA's policy is to attempt to match its investments with anticipated cash flow requirements. Unless matched to specific cash flow requirements, the URA will not directly invest in securities maturing more than five years from the date of purchase or in accordance with state and local statutes and ordinances.

Freddie Mac, FNMA, and GNMA investments are comprised of assets securitized in the secondary market from loans issued from the loan programs. The maturities noted in the table above reflect the final maturity of the respective security and does not take into consideration non-routine repayments on principal as it is not possible to forecast these repayments. It is management's intention to hold these securities until maturity. Interest rates on these investments are fixed and principal and interest repayments from these investments will be used to repay the related debt service.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The URA has an investment policy that limits its investment choices based on credit qualifications by investment type. As of December 31, 2021, the URA's investments in Money Market Funds and U.S. Treasury Bond Funds were rated AAAm

by Standard and Poor's. The URA's remaining investments were not rated as of as of December 31, 2021.

Concentration of Credit Risk – There is no limit on the amount that may be invested in any one issuer. None of the URA's investments are more than 5% with the same issuer.

Money Market Funds and U.S. Treasury Bond Funds are valued using quoted market prices (Level 1 inputs). The fair values of Freddie Mac, GNMA, and FNMA securities are priced by third party pricing services using observable market data and are included in the Level 2 fair value hierarchy.

4. Transactions with the Pittsburgh Water and Sewer Authority (PWSA)

In July 1995, the City entered into a Cooperation Agreement and a Capital Lease Agreement (collectively referred to as the Agreements with PWSA). The Cooperation Agreement was renegotiated by the PWSA Board of Directors and the City Mayor's Office.

(A) Cooperation Agreement

Under the terms of the original Cooperation Agreement, City Water Department employees became employees of the PWSA. As a result, the PWSA assumed various obligations from the City. The City and the PWSA provided various services to each other in accordance with the Cooperation Agreement, and the PWSA reimbursed the City for direct and indirect costs attributed by the City to the operation and maintenance of the System.

Under the original Agreement, PWSA provided up to 600 million gallons of water annually for the City's use without charge. Also, the PWSA assumed the City's obligation for the cost of subsidizing water service to those residents of the City situated beyond PWSA's service area so that those water users pay charges that mirror the rates of PWSA.

On February 4, 2019, PWSA's Board issued a resolution that the existing Cooperation Agreement shall be terminated in accordance with the terms of the agreement, 90 days after the approval of the resolution. City and PWSA officials have collaborated on a New Cooperation Agreement to further implement efficiencies and improvements, including: permitting PWSA to reimburse the City for pension costs for PWSA employees covered by the City's pension plans, allowing the City to charge the PWSA the usual rates that other utilities pay for permit fees, and charging the City for water, wastewater, and ALCOSAN usage, with a five-year phase-in starting in 2020 for water and wastewater charges only.

The PWSA board implemented the new Cooperation Agreement as of October 3, 2019. This agreement has been filed with the Pennsylvania Public Utility Commission (Commission) according to Title 66, §507 of the Public Utility Code, and can be modified by order of the Commission. On July 23, 2020, Pennsylvania Act 70 (Act 70) was signed into law. Act 70 provides that the Cooperation Agreement shall have the force and effect of law until January 1, 2025, or an earlier termination date to which the City and the PWSA mutually agree.

(B) System Lease

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

(C) Pension

As of December 31, 2003, the City has retained the pension obligation for PWSA's employees who participate in the City's Municipal Pension Plan. The extent of PWSA's participation in such obligation with respect to these employees whose membership continued upon becoming employees of PWSA, as well as new members, is determined by the Cooperation Agreement.

The City and PWSA determined upon a payment of approximately $4.6 million for the PWSA's share of the City's current pension costs for the year-ended December 31, 2021. The PWSA's payment was calculated based on the percentage of its covered payroll to the total covered payroll, which approximates 17.1%.

See additional related party transaction disclosures for the URA, Stadium Authority, and Parking Authority in Note 13.

5. Real Estate Taxes

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 Allegheny County Office of Property Assessment

pursuant to the terms of the General County Assessment Law and the Second Class County Assessment Law, which require property to be assessed at actual market value. Property is assessed by the Board at 100% of fair market value. The taxable assessed value for 2021 was $21,151,734,000.

A unified tax levy for land and buildings is made annually on January 1 and collected by the City. Taxes are payable annually or in three installments, at the taxpayers' option, normally due the last day of February, April 30, and July 31. A 2% discount is allowed on either the first installment or the full year tax payment, normally if paid by February 10. If no payment is received by the last day of February, the installment payment privilege is forfeited, and the entire tax for the year is considered delinquent. Penalty and interest are imposed on the property at time of lien.

Property Tax Reassessments

The City taxes land and building at the same unified rate and plans to maintain a unified rate unless land values are reassessed in the future. A court-ordered reassessment for Allegheny County, including the City of Pittsburgh, occurred during 2012. These reassessed values will continue to be used until the next reassessment. No "windfall" to the municipality can occur due to state law.

City and School Real Estate Taxes (property taxes) are based on the assessed value of the property as determined by the Allegheny County Board of Assessors. The assessed value of a property is broken down by land value and building value. For 2021, the City's tax rate was 8.06 mills for general purposes and 0.50 for parks on the assessed value of the property. The School District of Pittsburgh's tax rate was 9.84 mills on the assessed value. A mill is 1/10 of a cent. For example, on a property assessed at $1,000, the City Real Estate tax would be $8.56. The School District of Pittsburgh Real Estate Tax would be $9.84.

Taxes are billed on a calendar year.

The City has accrued for tax refunds and tax credits within accounts payable on the statement of net position and governmental funds balance sheet (General Fund) for payments received that are subject to refund.

Tax Abatements

The City's tax abatements are authorized by City Council ordinance. Recipients are eligible for tax abatement for various reasons such as development costs, property location, or

renovations that would otherwise result in increased property assessment. All tax abatements are a set dollar amount and are received as tax credits with the exception of Act 42 abatements which reduce the assessed value. The following are City's tax abatement programs:

- 3-year Act 42 - available Citywide for residential properties for sale or rental;
- 10-year Act 42 Enhanced - available in 28 defined Targeted Growth zones for residential properties for sale or rental;
- 5-year Commercial LERTA - available Citywide for commercial properties or industrial properties for sale or rental;
- 10-year Residential LERTA - available in 4 defined areas for residential properties rental or hotels;
- 10-year Residential Enhanced LERTA - available in 4 defined areas for residential properties separately assessed units;
- 5-year Visitability Credit (Disability Access) - available Citywide for residential properties single family, duplex, triplex, adaptive reuse (none at December 31, 2021);
- 10-year Local Economic Stimulus - available citywide for large developments - residential properties, commercial properties or industrial properties.

The City's tax abatement agreements do not contain recapture provisions for non-compliance. There were no amounts received or receivable from other governments in association with the forgone taxes. The City did not make other commitments other than to reduce taxes as part of the tax abatement agreements.

During 2021, real estate tax abatements were as follows:

Act 42	$	24,289
Act 42 Enhanced		683,075
Commercial LERTA		95,824
Residential LERTA		3,149,887
Residential Enhanced LERTA		534,447
Local Economic Stimulus		1,137,384
Total tax abatements	$	5,624,906

Other Tax Arrangements

Other tax arrangements include the following:

- Homestead – Exemption for first $15,000 of assessed value for residential property that is owner occupied. The Homestead application must be filed at the Allegheny County office of Property Assessment.

- Tax Increment Financing – Real estate tax revenue is diverted to another entity to cover bond payments for debt used for redevelopment and other community improvement projects.

- Act 77 – Senior Tax Relief - The City offers a senior tax relief program for eligible owner occupants. Current qualifications are: (A) at least 60 years of age; (B) must have owned and occupied a home in Allegheny County for ten consecutive years preceding application; (C) total household income cannot exceed $30,000 (using 50% of your social security benefits); (D) owner must be a natural person.

During 2021, other real estate tax arrangements as defined above resulted in the following forgone tax amounts:

Homestead Exemption	$	6,181,354
Tax Increment Financing		2,483,163
Act 77 Exemption		1,387,353
Total tax other arrangements	$	10,051,870

6. Capital Assets

	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Governmental activities:				
Non-depreciable assets:				
Land	$ 45,602,091	$ -	$ -	$ 45,602,091
Construction-in-progress	41,197,714	10,646,946	(7,607,547)	44,237,113
Total	86,799,805	10,646,946	(7,607,547)	89,839,204
Depreciable assets:				
Buildings and systems	90,391,265	-	-	90,391,265
Accumulated depreciation	(88,796,975)	(81,905)	-	(88,878,880)
Net	1,594,290	(81,905)	-	1,512,385
Furniture and fixtures	4,845,984	-	-	4,845,984
Accumulated depreciation	(4,845,984)	-	-	(4,845,984)
Net	-	-	-	-
Machinery and equipment	9,163,387	-	-	9,163,387
Accumulated depreciation	(5,236,234)	(1,166,935)	-	(6,403,169)
Net	3,927,153	(1,166,935)	-	2,760,218
Vehicles	94,104,818	4,284,365	(4,272,764)	94,116,419
Accumulated depreciation	(70,569,608)	(7,182,138)	4,421,365	(73,330,381)
Net	23,535,210	(2,897,773)	148,601	20,786,038
Infrastructure	229,415,976	5,566,319	-	234,982,295
Accumulated depreciation	(150,746,677)	(4,578,543)	-	(155,325,220)
Net	78,669,299	987,776	-	79,657,075
Capitalized leases	15,434,653	-	-	15,434,653
Accumulated depreciation	(12,991,320)	(771,733)	-	(13,763,053)
Net	2,443,333	(771,733)	-	1,671,600
Total depreciable assets	443,356,083	9,850,684	(4,272,764)	448,934,003
Total accumulated depreciation	(333,186,798)	(13,781,254)	4,421,365	(342,546,687)
Net	110,169,285	(3,930,570)	148,601	106,387,316
Governmental activities, capital assets, net	$ 196,969,090	$ 6,716,376	$ (7,458,946)	$ 196,226,520

Depreciation expense was charged to functions/programs of the primary government as follows:

General government	$ 204,356
Public safety	5,332,470
Highways, streets, and other capital improvements	6,780,034
Sanitation	1,303,129
Public works	52,879
Culture and recreation	57,109
Mobility and infrastructure	51,277
	$ 13,781,254

Component unit's capital asset activity as presented for the year ended December 31, 2021 was as follows:

	Balance January 1, 2021	Additions	Transfers/ Deletions	Balance December 31, 2021
Component Units:				
Non-depreciable assets:				
Land	$ 32,825,568	$ -	$ -	$ 32,825,568
Construction-in-progress	158,065,487	119,863,557	115,808,562	162,120,482
Total	190,891,055	119,863,557	115,808,562	194,946,050
Depreciable assets:				
Building and building improvements	114,183,328	582,688	-	114,766,016
Parking facilities	181,754,187	521,849	268,103	182,007,933
Machinery and equipment	15,419,311	79,198	162,217	15,336,292
Utility assets	1,089,954,000	114,784,000	4,202,000	1,200,536,000
Non-utility assets	11,978,000	245,000	1,164,000	11,059,000
Infrastructure	2,241,369	-	-	2,241,369
Total	1,415,530,195	116,212,735	5,796,320	1,525,946,610
Less: accumulated depreciation	(480,414,411)	(33,553,581)	(6,122,036)	(507,845,956)
Net	$ 1,126,006,839	$ 202,522,711	$ 115,482,846	$ 1,213,046,704

7. Pension Plans

(A) Organization and Description of Plans

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

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

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

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

Key provisions of the Municipal Pension Fund, the Policemen's Fund, and the Firemen's Fund are summarized below. The actual plan provisions should be reviewed to capture all the details.

The Municipal Pension Plan

The Municipal Pension Plan of the City of Pittsburgh (Municipal Plan) was established by Act 259 of May 28, 1915, P.L. 596. Every full-time employee of the City and the PWSA who is not covered by the Policemen's Plan or the Firemen's Plan is required to join the Municipal Plan after serving a 90-day probationary period. Participation in the Municipal Plan is closed to non-union PWSA employees hired after March 1, 2019. The Municipal Plan is a single employer defined benefit plan, and its purpose is to provide retirement, disability, and other benefits to its members. The City and members of the Municipal Plan are required to make contributions to the Municipal Plan for the purpose of paying benefits and administrative expenses. At January 1, 2021, the date of the most recent actuarial valuation, the Municipal Fund has 3,599 total members, of which 1,826 are active members; 1,685 are inactive plan members or beneficiaries currently receiving benefits; and 88 are inactive plan members entitled to but not yet receiving benefits.

Effective January 1, 1995, the City terminated employment of the 255 employees of its Water Department. As part of a Cooperation Agreement with PWSA, the 255 terminated employees became employees of PWSA. The PWSA employees' membership in the Municipal Plan continued with no break in service, as provided for by the Municipal Pension Act, because PWSA had no retirement plan. The City considers PWSA a part of the reporting entity and thus the plan continues to be a single employer plan. Contributions are calculated based on the Cooperation Agreement. As of the date of these financial statements, the Plan has not reported or attributed measurements of assets or the net pension liability on the basis of the group of members who are PWSA employees. As of December 31, 2021, the PWSA and the City have not determined the ultimate amount to be paid (the PWSA's proportion of the City's net pension liability) by the PWSA pending completion of an actuarial study. The PWSA is estimating their proportion of the net pension liability to be between $20 and $30 million.

As discussed in Note 4, on February 4, 2019, the PWSA's Board issued a resolution that the existing Cooperation Agreement shall be terminated in accordance with the terms of the agreement, 90 days after the approval of the resolution. City and PWSA officials have collaborated on a New Cooperation Agreement to further implement efficiencies and improvements, including requiring the PWSA to reimburse the City for pension costs for PWSA employees covered by the City's pension plan, with a five-year-phase-in starting in 2020. The PWSA Board implemented the new Cooperation Agreement as of October 3, 2019. The City and PWSA determined upon a payment of approximately $4.6 million for the PWSA's share of the City's pension costs, prior to adjustment for the PWSA's portion of the state aid received by the City for pension costs, for the year-ended December 31, 2021. The

PWSA's payment was calculated based on the percentage of its covered payroll to the total covered payroll, which approximates 17.1%.

Retirement benefits are available, for all employees other than Emergency Medical Services, at the employee's option upon the later of attainment of age 60 or completion of 8 years of service, normal retirement. For Emergency Medical Service employees, normal retirement is available at the later of attainment of age 55 or 8 years of service. A plan member is eligible for early retirement upon attainment of age 50 and completion of eight years of service. For early retirees, benefit payments may be deferred until 60 years of age, or paid immediately at reduced amounts, as defined by the Plan. Upon completion of eight years of service and attainment of age 40, an employee may terminate and remain eligible to receive benefits by continuing to make contributions to age 50. An employee who was a member prior to January 1, 1975 may terminate at any age after 15 years of service and be vested by continuing contributions to age 50.

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

Normal monthly retirement benefit is equal to 50% of average compensation (as defined) and service increment, if any. The service increment is an additional monthly benefit of 1 percent of average compensation for each completed year of service in excess of 20 years to a maximum of $100 per month. The monthly benefit is prorated for service less than 20 years. On a limited basis, reductions could apply for certain plan members related to social security benefits received after reaching 65 years of age and certain other benefit provisions could apply for members hired prior to January 1, 1975.

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.

Prior to January 1, 2002, upon termination and prior to vesting, a member's contributions were refundable without interest to the member. Beginning January 1, 2002, contributions were refundable with 5% interest for certain classes of employees. Employee contributions

to the Plan are 5% of pre-tax pay for employees hired prior to January 1, 1988 and 4% of pre-tax pay for those hired thereafter. Effective January 1, 2022, the Plan was amended to require member contributions of 6% for employees hired on or after January 1, 2022 and to allow members to elect for the computation of benefits without the offset for Social Security benefits.

The Policemen's Relief and Pension Plan

The Policemen's Relief and Pension Plan of the City of Pittsburgh (Policemen Plan) was established by Act 99 of May 25, 1935, P.L. 233. The Policemen 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 and members of the Policemen Plan to make contributions to the Policemen 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 Plan. At January 1, 2021, the date of the most recent actuarial valuation, the Policemen's Fund has 2,418 total members, of which 986 are active members; 1,415 are inactive plan members or beneficiaries currently receiving benefits; and 17 are inactive plan members entitled to but not yet receiving benefits.

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

The normal monthly retirement benefit is equal to 50% of average compensation (as defined) plus service increment, if any.

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

An employee, who terminates employment after 20 years of service, and before age 50, may collect the normal retirement benefit based on average compensation at termination,

providing the terminated member continues contributions at the rate in effect at termination. The benefit is deferred until age 50. If contributions continue at the same rate in effect at termination and continue to age 50, member may receive monthly benefit based on rate of pay in effect had the officer worked until the age of 50. If a member terminates employment before completing 20 years of service, accumulated employee contributions are refundable.

Employee contributions to the Policemen Fund are 6% of pay plus $1 per month, until age 65. Those electing the surviving spouse benefit contribute an additional 1/2% of pay.

The Firemen's Relief and Pension Plan

The Firemen's Relief and Pension Plan of the City of Pittsburgh (Firemen Plan) was established by Act of May 25, 1933, P.L. 1050. The Firemen Plan is a single employer defined benefit plan. Its purpose is to provide retirement, disability, and other benefits to its members. P.L. 1050 requires the City and members of the Firemen Plan to make contributions to the Firemen Plan for the purpose of paying benefits and administrative expenses.

Any uniformed employee of City of Pittsburgh Bureau of Fire is eligible for membership in the Firemen Plan. At January 1, 2021, the date of the most recent actuarial valuation, the Fund has 1,749 total members, of which 670 are active members; 1,079 are inactive plan members or beneficiaries currently receiving benefits; and there are no inactive plan members entitled to but not yet receiving benefits.

Normal retirement benefits are available at the employee's option upon completion of 20 years of service for any participant employed before January 1, 1976, or for those years employed thereafter, the later of completion of 20 years of service or 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 average compensation (as defined). A service increment of $20 per month for each year of service in excess of 20, excluding years of service after age 65, is also payable for those members hired before January 1, 2005. For those hired on or after January 1, 2005, the service increment is $10 per month for each completed year of service in excess of 20 years, excluding years of service after age 65. The service increment is only payable after age 50. A surviving spouse benefit may also be

elected by plan participants. A lump-sum death benefit of $1,200 is paid to the beneficiary of any deceased member.

Normal vesting occurs upon attainment of 20 years of service. If a retiree is under the age of 50, they must make contributions to the plan until the age of 50 to qualify for a monthly pension at age 50. Upon termination of employment, a member's contributions, without accumulation of interest, are refundable.

Employee contributions to the Firemen Plan are 6.5% of pay plus $1 per month until age 65. Those electing the surviving spouse benefit contribute an additional 1/2% of pay.

(B) Funding Status and Progress

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

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

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

The Plans are funded by the City on an annual basis pursuant to the provisions of Act 205. Act 205 requires that annual contributions be based upon the calculation of the Minimum Municipal Obligation (MMO). Employees are not required to contribute under Act 205; such contributions are subject to collective bargaining and can be reduced or eliminated each year by Ordinance or Resolution subject to the Plans meeting certain financial conditions. The Commonwealth of Pennsylvania (Commonwealth) allocates certain funds to assist in pension funding. Any financial requirement established by the MMO which exceeds the Commonwealth of Pennsylvania allocation must be funded by the City. The MMOs for each of the three plans for December 31, 2021 were $15,153,834 Municipal, $15,096,572 Policemen, and $22,014,395 Firemen.

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 included transferring approximately $45 million to the Comprehensive Trust Fund which was in the Debt Service Reserve Fund in 2010 and dedicating parking tax revenues for the next 31 years per Council legislation. During 2021, Council legislation extended the parking tax payments five more years. The City contributed parking tax revenues of $13.4 million per year from 2011 through 2017 and $26.8 million from 2018 through 2021. The City will continue to contribute $26.8 million per year from 2022 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 and the City was determined to have met the required funding level to avoid takeover of the City pensions by the Pennsylvania Municipal Retirement System and the parking revenue stream continues to be treated as an actuarial asset for funding purposes.

For the year ended December 31, 2021, on an accrual basis, the City did contribute $102.5 million to the Pension Trust Fund paid from the General Fund. Contribution funding by the General Fund is consistent with prior years. Contributions made to the Plan represent 100% of the Act 205 MMO of $52.3 million plus additional contributions of $50.2 million including $26.8 million of dedicated parking tax revenue, $19.8 million in gaming funds, and $3.6 million related to other benefits.

Net Pension Liability (NPL)

The components of the net pension liability of the City at December 31, 2021, were as follows:

	Municipal	Policemen	Firemen	Total
Total pension liability	$ 450,553,825	$ 517,377,464	$ 553,326,177	$ 1,521,257,466
Plan fiduciary net position (allocated)	(244,440,461)	(211,011,531)	(243,789,873)	(699,241,865)
Net pension liability	$ 206,113,364	$ 306,365,933	$ 309,536,304	$ 822,015,601
Plan fiduciary net position as a percentage of the total pension liability	54.25%	40.78%	44.06%	45.96%

The plan fiduciary net position allocations are based on the method provided in Act 205.

Changes in the NPL

As indicated earlier in this footnote, in accordance with Governmental Accounting Standards, the City is considered to be administering a single plan for financial reporting purposes.

Changes in the net pension liability of the City for the year ended December 31, 2021, were as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 12/31/20	$ 1,371,826,009	$ 595,457,524	$ 776,368,485
Changes for the year:			
Service cost	33,674,837	-	33,674,837
Differences between expected and actual experience	17,366,912	-	17,366,912
Changes in assumptions	86,274,492	-	86,274,492
Changes in benefit terms	9,347,482	-	9,347,482
Interest	102,848,211	-	102,848,211
Contributions - employer		74,766,070	(74,766,070)
Contributions - member		14,218,587	(14,218,587)
Contributions - state aid		24,053,575	(24,053,575)
Net investment income (loss)		92,022,236	(92,022,236)
Benefit payments, including refunds of member contributions	(100,080,477)	(100,080,477)	-
Administrative expense		(1,389,853)	1,389,853
Other Changes		194,203	(194,203)
Balances at 12/31/21	$ 1,521,257,466	$ 699,241,865	$ 822,015,601

Actuarial assumptions - The total pension liability was determined by an actuarial valuation on January 1, 2021 and rolled forward to December 31, 2021 using the following actuarial assumptions, applied to all periods in the measurement:

	Municipal	Policemen	Firemen
Actuarial valuation date	1/1/2021	1/1/2021	1/1/2021
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Actuarial assumptions:			
Investment rate of return	7.00%	7.00%	7.00%
Projected salary increases	4.50%	4.75%	6.00%
Underlying inflation rate	2.75%	2.75%	2.75%

Actuarial assumptions based on the actuarial experience study for the period from January 1, 2017 to December 31, 2020

General Pub-2010 amount weighted table with generational projection using MP2020 with adjustment to reflect Pension Plan mortality experience as confirmed by experience studies

Changes in actuarial assumptions – The actuarial assumptions have been updated for all funds to reflect the changes detailed in the most recent experience study for the period from January 1, 2017 to December 31, 2020. This includes updates to the assumed rate of return, mortality rates, salary scale, retirement rates, disability rates, termination rates, and asset smoothing method. Retirement rates were adjusted from the experience study to reflect recently changed plan provisions for the Municipal fund. The changes in assumptions resulted in an increase to the total pension liability of approximately $86 million.

Changes in benefit terms – Newly hired non-represented Municipal employees or those hired after June 29, 2004 who elect to increase their employee contributions will no longer have a Social Security offset applied to their benefit. All eligible members are assumed to elect the removal of the Social Security offset. The change in benefit terms resulted in an increase to the total pension liability of approximately $9.3 million. There were no changes to benefit terms made in connection with the 1/1/2021 actuarial valuations for the Fire and Police funds.

Long-Term Expected Rate of Return – The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the Plans' target asset allocation as of December 31, 2021:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	40.00%	4.5-5.4%
International equity	20.00%	5.0-5.4%
Real estate/Alternative	5.00%	4.8-8.5%
Fixed income	30.00%	0.3-2.3%
Cash	5.00%	0.0-0.5%
	100.00%	

Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2021, the annual money-weighted rate of return on the Plan investments, net of investment expense, was 13.06%.

Discount Rate - The discount rate used to measure the total pension liability for the Municipal, Policemen, and Firemen funds was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate, parking tax revenue will be deposited in accordance with Ordinances 42 and 44 of 2010, and that the City's contributions will be made equal to the yearly MMO calculation. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (i.e. no depletion is projected to occur).

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the City calculated using the discount rates described above, as well as what the City's net pension liabilities would be if they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rates:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Municipal	$ 249,023,035	$ 206,113,364	$ 165,986,821
Policemen	361,677,016	306,365,933	260,299,658
Firemen	364,862,104	309,536,304	256,015,477
Total	$ 975,562,155	$ 822,015,601	$ 682,301,956

Pension Expense and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2021, the City recognized pension expense of $94,877,662. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Municipal	Policemen	Firemen	Total
Deferred outflows of resources:				
Changes of assumptions	$ 12,118,178	$ 17,861,041	$ 44,643,277	$ 74,622,496
Difference between expected and actual experience	7,285,879	-	16,541,835	23,827,714
Total deferred outflows of resources	$ 19,404,057	$ 17,861,041	$ 61,185,112	$ 98,450,210
Deferred inflows of resources:				
Net difference between projected and actual earnings on pension plan investments	$ (22,219,908)	$ (19,171,394)	$ (21,675,200)	$ (63,066,502)
Difference between expected and actual experience	-	(17,001,127)	(3,467,402)	(20,468,529)
Total deferred inflows of resources	$ (22,219,908)	$ (36,172,521)	$ (25,142,602)	$ (83,535,031)

Amounts reported as deferred outflows and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	Municipal	Policemen	Firemen	Total
2022	$ 895,765	$ (5,588,307)	$ 11,128,582	$ 6,436,040
2023	(3,220,473)	(9,192,885)	4,405,791	(8,007,567)
2024	311,064	(2,715,366)	7,785,687	5,381,385
2025	(802,207)	(1,327,699)	10,024,053	7,894,147
2026	-	512,777	2,698,397	3,211,174
Thereafter	-	-	-	-
	$ (2,815,851)	$ (18,311,480)	$ 36,042,510	$ 14,915,179

Component Units:

Single-Employer Defined Benefit Plan – Parking Authority

General Information. The Parking Authority established the Public Parking Authority of Pittsburgh Pension Plan (PPA Plan) effective January 1, 1980. The PPA Plan is a defined benefit plan covering substantially all employees not covered by another plan and is funded by employer and employee contributions.

Changes in Net Pension Asset. Changes in the Parking Authority's net pension asset are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at 12/31/20	$ 15,800,686	$ 20,818,339	$ (5,017,653)
Changes for the year:			
Service cost	395,763	-	395,763
Interest	1,004,460	-	1,004,460
Experience (gain) loss	-	-	-
Assumption (gain) loss	-	-	-
Employer contributions	-	137,379	(137,379)
Member contributions	-	162,402	(162,402)
Net investment income	-	2,178,218	(2,178,218)
Benefit payments	(1,090,678)	(1,090,678)	-
Other	-	(1,863)	1,863
Balances at 12/31/21	$ 16,110,231	$ 22,203,797	$ (6,093,566)

Multiple-Employer Defined Benefit Plan – Parking Authority

The Parking Authority had 40 facility employees in the year ended December 31, 2021, who are participants in a cost-sharing multiple-employer defined benefit plan administered through the Western Pennsylvania Teamsters and Employers Pension Fund that is not a state or local governmental pension plan; provides defined benefit pensions both to employees of local governments and to employees of employers that are not governmental employers; and the plan has no predominant local governmental employer. The Parking Authority contributed $244,722 to this plan for the year ended December 31, 2021.

Additional pension information, deemed to be immaterial for City reporting purposes, can be found in the Parking Authority's separate financial statements.

Urban Redevelopment Authority

Defined Contribution Plan - The URA provides a defined contribution retirement plan, the Urban Redevelopment Authority of Pittsburgh Retirement Savings Plan (Plan), covering all employees who have completed one year of service. The Plan is administered by ICMA Retirement Corporation. All plan provisions were approved by the URA Board of Directors and any significant changes to those provisions will be made via Board approval and Resolution. This plan was amended effective March 14, 2013. The total contribution for any plan participant is 10% of their base salary. Participants who were employed on or after January 1, 1985 and were not participants in the URA Employee's Pension Trust on

December 31, 1997, contribute 5% of their base salary and receive a matching contribution by the URA. Participants hired before January 1, 1985 or were participants in the URA Employees' Pension Trust on December 31, 1997 and became participants in this plan on January 1, 1998, make no contribution to the plan as the URA funds the entire 10% contribution. Employer contributions for the year ended December 31, 2021 were $236,092 and employee contributions were $521,567.

Under the defined contribution plan, the participants become vested at 25% per year in the second year of service. Upon termination of employment, the non-vested portion of a participant's account is returned to the URA and credited against current expenses. Upon attainment of age 65, the participants become 100% vested regardless of the number of years of service.

Pittsburgh Water and Sewer Authority

During 2019, the PWSA established a 401(a) profit-sharing plan available to all full-time employees (part-time employees with over 1,000 hours of service) who do not participate in the City's Plan. As part of its fiduciary role, the PWSA has an obligation of due care in selecting the third-party administrator. The PWSA does not control the assets of the 401(a) profit-sharing plan and thus the plan is not considered a fiduciary fund of the PWSA.

Benefit terms are established and amended by the PWSA. Employee contributions are made after-tax and the PWSA offers a single match rate up to 5%. Employees become vested after three years. For the year ended December 31, 2021, the PWSA contributed $170,000 to the 401(a) profit-sharing plan.

8. Other Postemployment Benefits

The City maintains two separate single-employer defined benefit plans that are used to provide postemployment benefits other than pensions (OPEB): (a) the retiree OPEB plan (retiree plan) and (b) the disabled firefighters plan (fire plan). The plans are described below and are administered in accordance with the terms of their applicable employment contracts. Management of the OPEB plans is vested with City Council.

Net OPEB Liability, OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

The City reported a net OPEB liability at December 31, 2021 composed of the following:

Retiree plan	$ 363,432,580
Fire plan	31,932,282
Total net OPEB Liability (Asset)	$ 395,364,862

The components of the net OPEB liability at December 31, 2021 were as follows:

	Retiree Plan	Fire Plan
Total OPEB liability	$ 401,144,244	$ 32,076,672
Plan Fiduciary Net Position	37,711,664	144,390
Net OPEB Liability (Asset)	$ 363,432,580	$ 31,932,282
Plan fiduciary net position as a percentage of the total pension liability	9.40%	0.45%

The net OPEB liabilities were measured as of December 31, 2021 and the total OPEB liabilities used to calculate the net OPEB liabilities were determined by an actuarial valuation as of January 1, 2020, rolled forward to December 31, 2021.

For the year ended December 31, 2021, the City recognized OPEB expense as follows:

Retiree plan	$ (6,645,579)
Fire plan	5,300,214
Total OPEB expense	$ (1,345,365)

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions:		
Retiree plan	$ 14,349,436	$ (27,717,104)
Fire plan	7,472,717	-
Net difference between projected and actual earnings on OPEB plan investments:		
Retiree plan	-	(3,134,908)
Fire plan	-	(13,359)
Differences between expected and actual experience:		
Retiree plan	-	(42,802,730)
Fire plan	-	(4,612,961)
Total	$ 21,822,153	$ (78,281,062)

Amounts reported as deferred outflows and deferred inflows of resources related to OPEBs will be recognized in expense as follows:

	Retiree Plan	Fire Plan	Total
2022	$ (31,657,063)	$ 219,530	$ (31,437,533)
2023	(9,988,275)	219,530	(9,768,745)
2024	(15,303,216)	219,532	(15,083,684)
2025	(2,356,752)	221,989	(2,134,763)
2026	-	223,485	223,485
Thereafter	-	1,742,331	1,742,331
	$ (59,305,306)	$ 2,846,397	$ (56,458,909)

Additional Required Disclosures for the City's Retiree Plan

Plan Description

The City administers a single-employer defined benefit healthcare plan to provide additional postemployment benefits to all eligible retirees not covered by another plan. Benefits are paid on a pay-as-you-go basis. Those hired prior to January 1, 2005 are eligible for this benefit.

Plan Benefits

In addition to the pension benefits disclosed in Note 7, resolutions of City Council, State statutes, and labor agreements have provided for certain postemployment benefits, other than pension benefits, known as ("OPEB") to be provided to retirees or their beneficiaries. Such benefits are primarily funded through annual appropriations from the City's General Fund and trusts designated for those purposes. Post-retirement benefits consist of health care benefits, Medicare reimbursements and life insurance for firefighters and police officers and life insurance for certain municipal employees. Benefit provisions for the retiree plan are established and amended through negotiations between the City and the respective unions. Separate financial statements are not available.

Plan Membership

At January 1, 2020, that date of the most recent actuarial valuation, the OPEB retiree plan membership consisted of the following:

	Health Insurance	Life Insurance
Active participants	1,615	1,615
Vested former participants	-	-
Retired participants	1,478	2,154
Total	3,093	3,769

Changes in the Net OPEB Liability

As indicated earlier in this footnote, in accordance with Governmental Accounting Standards, the City is considered to be administering a single plan for financial reporting

purposes for all eligible retiree groups other than the recently negotiated fire disability plan discussed later in this note.

Changes in the net OPEB liability for the retiree plan for the year ended December 31, 2021, were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at 12/31/20	$ 407,655,899	$ 31,383,883	376,272,016
Changes for the year:			
Service cost	3,007,655	-	3,007,655
Differences between expected and actual experience	(9,894,898)	-	(9,894,898)
Changes in assumptions	-	-	-
Interest	23,943,087	-	23,943,087
Contributions - employer	-	26,067,149	(26,067,149)
Contributions - member	-	-	-
Contributions - state aid	-	-	-
Net investment income (loss)	-	3,845,293	(3,845,293)
Benefit payments, including refunds of member contributions	(23,567,499)	(23,567,499)	-
Administrative expense	-	(17,162)	17,162
Changes of benefit terms	-	-	-
Other Changes	-	-	-
Balances at 12/31/21	$ 401,144,244	$ 37,711,664	$ 363,432,580

Actuarial Assumptions

The total OPEB retiree plan liability was determined by an actuarial valuation as of January 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	1/1/2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	28 year closed period
Actuarial assumptions:	
Investment rate of return	6.00%
Inflation rate	2.75%

Mortality tables:

Active: RP-2000 Mortality Tables

Municipal Retirees: RP-2000 Mortality for Healthy Annuitants adjusted by blue collar ratios set forward 1 year for healthy retirees and 6 years for disabled retirees.

Police and Fire Retirees: RP-2000 Mortality for Healthy Annuitants adjusted by blue collar ratios set forward 3 years for disabled retirees.

Healthcare cost trend rates:

	Medical/Rx Costs	Medicare Part B Premiums
Year	Annual Trend Rate	Annual Trend Rate
2021	5.40%	2.87%
2022	5.10%	5.71%
2025	5.19%	5.66%
2030-2050	5.18%	5.18%
2060	4.84%	4.84%
2070	4.38%	4.38%
2075+	4.04%	4.04%

There were no changes to benefits made in connection with the 1/1/20 actuarial valuations.

Changes in Actuarial Assumptions

Health care trend rates have been updated which caused a decrease in the City's OPEB liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB retiree plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation

percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class included in the target asset allocation as of December 31, 2021 are summarized as follows:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Equity	55.00%	6.6%
Fixed income	32.00%	2.3%
Cash	3.00%	1.3%
Real Assets	5.00%	4.5%
Alternative Strategies	5.00%	4.2%
	100.00%	

Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 4.83% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The final equivalent single discount rate used to measure the total OPEB retiree plan liability was 6.00% percent for 2021 with the expectation that the City will continue to fund the full pay-go costs plus an additional $2.5 million in the future. The forward-looking assumption (and current funding policy) is for ongoing costs to be paid out of the General Fund.

Sensitivity of the Net OPEB Retiree Plan Liability to Changes in the Discount Rate

The following presents the net OPEB retiree plan liability (asset) of the City, as well as what City's net OPEB retiree plan liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability (Asset) - Retiree	$ 414,065,137	$ 363,432,580	$ 322,329,926

Sensitivity of the Net OPEB Retiree Plan Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB retiree plan liability (asset) of the City, as well as what City's net OPEB retiree plan liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Rates	1% Increase
Net OPEB Liability (Asset) - Retiree	$ 319,439,140	$ 363,432,580	$ 417,476,585

Funding Policy

Consistent with prior years, the City's contribution is based on projected pay-as-you-go financing requirements and is funded through the General Fund. For fiscal year 2021, the City contributed $23,567,499 to the plan directly to pay benefits. During the year ended December 31, 2021, the City contributed an additional $2.5 million into the OPEB retiree plan irrevocable trust above the need for benefits.

Contribution

OPEB retiree plan contribution rates are based on an actuarially determined rate. Employees are not required to make contributions for basic life insurance. Employees contribute to health care costs at a flat rate based on wages and family size.

Investments

Through its investment policy, the OPEB Retiree Plan Trust Fund manages its exposure to risk by utilizing certain criteria in selecting particular investment funds. The asset allocation policies seek to produce a net, inflation adjusted, positive total return. The asset allocation policy is to be consistent with the investment objectives of the plan and based on the capital market assumptions.

Financial Statements

Retiree Plan OPEB Trust Fund Statement of Net Position and Statement of Changes in Net Position for the year-ended December 31, 2021.

	Statement of Net Position
Assets	
Cash and short-term investments	$ 877,198
Mutual funds:	
U.S. equities	20,681,975
Fixed income	12,992,934
Real estate funds	1,902,697
Alternative strategies	1,256,860
Total Assets	37,711,664
Net Position Restricted for OPEB	$ 37,711,664

	Statement of Changes in Net Position
Additions:	
Contributions - Employer	$ 26,067,149
Investment income:	
Net increase in fair value of investments	2,859,734
Interest and dividends	985,559
Total investment income (loss)	3,845,293
Investment expense	(17,162)
Net investment income	3,828,131
Total additions	29,895,280
Deductions:	
Benefit payments	23,567,499
Transfer out	-
Administrative expenses	-
Total deductions	23,567,499
Net Increase (Decrease) in Net Position	6,327,781
Net Position:	
Beginning of year	31,383,883
End of year	$ 37,711,664

Additional Required Disclosures for the City's Fire Plan

Plan Description

The City administers a single-employer defined benefit medical and prescription drug plan to provide additional postemployment benefits to eligible disabled firefighters. Benefits are paid on a pay-as-you-go basis. Eligible disabled firefighters and their dependents may continue health care coverage through the City for life. The plan covers eligible disabled firefighters and their dependents who elect to participate and pay any required contributions.

Plan Benefits

In addition to the pension benefits disclosed in Note 7, resolutions of City Council, State statutes, and labor agreements have provided for certain postemployment benefits, other than pension benefits, known as ("OPEB") to be provided to retirees or their beneficiaries. Such benefits are primarily funded through annual appropriations from the City's General

Fund and trusts designated for those purposes. Firefighters hired on or after January 1, 2005 who become disabled in the line of duty are eligible for lifetime retiree health benefits. There is no age or service requirement for this benefit. Coverage continues to surviving spouses of disabled retirees upon the member's death. Surviving spouse coverage is non-contributory. Benefit provisions for the plan are established and amended through negotiations between the City and the respective unions. Separate financial statements are not available.

Plan Membership

At January 1, 2020, that date of the most recent actuarial valuation, the OPEB fire plan membership consisted of the following:

Active members	472
Inactive Members Entitled to But Not Yet Receiving Benefits	-
Inactive Members or Beneficiaries Currently Receiving Benefits	7
Total	479

Changes in the Net OPEB Fire Plan Liability

Changes in the net OPEB liability for the fire plan for the year ended December 31, 2021, were as follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at 12/31/20	$ 26,708,126	$ 86,628	$ 26,621,498
Changes for the year:			
Service cost	4,428,921	-	4,428,921
Differences between expected and actual experience	-	-	-
Changes in assumptions	469,931	-	469,931
Interest	658,119	13,964	644,155
Contributions - employer	-	232,359	(232,359)
Contributions - member	-	-	-
Net investment income (loss)	-	-	-
Benefit payments	(188,425)	(188,425)	-
Administrative expense	-	(136)	136
Changes of benefit terms	-	-	-
Other Changes	-	-	-
Balance at 12/31/21	$ 32,076,672	$ 144,390	$ 31,932,282

Actuarial Assumptions

The total OPEB fire plan liability was determined by an actuarial valuation as of January 1, 2020 and rolled forward to a measurement date of December 31, 2021, using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	1/1/2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Asset valuation method	Tabular Smoothing
Actuarial assumptions:	
Investment rate of return	6.00%
Discount rate	2.12%
Salary increases	2.75%
Inflation rate	2.75%
Mortality table	Active: RP-2000 Mortality Tables; Fire Retirees: RP-2000 Mortality for Healthy Annuitants adjusted by blue collar ratios set forward 3 years for disabled retirees All mortality tables are projected using SSA 2015 mortality improvement scale

Healthcare cost trend rates:

	Medical/Rx Costs	Medicare Part B Premiums
Year	Annual Trend Rate	Annual Trend Rate
2021	5.40%	2.87%
2022	5.10%	5.71%
2025	5.19%	5.66%
2030-2050	5.18%	5.18%
2060	4.84%	4.84%
2070	4.38%	4.38%
2075+	4.04%	4.04%

There were no changes to benefits made in connection with the 1/1/20 actuarial valuations.

Changes in Actuarial Assumptions

Health care trend rates were updated and there was a decrease in the discount rate from 2.74% to 2.12%. These changes caused an increase in liability during the year.

Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 4.83% percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Long-Term Expected Rate of Return

Starting in 2020, long-term expected rate of return on OPEB fire plan investments will be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major class are projected to be included in the target asset allocation are summarized as follows:

Asset Class	Target Allocation	Long Term Expected Real Rate of Return
Equity	55.00%	6.6%
Fixed income	32.00%	2.3%
Cash	3.00%	1.3%
Real Assets	5.00%	4.5%
Alternative Strategies	5.00%	4.2%
	100.00%	

Discount Rate

The final equivalent single discount rate used to measure the total OPEB liability was 2.05% with the expectation that the City will continue to fund the full pay-go cost plus an additional discretionary contribution in the future.

Sensitivity of the Net OPEB Fire Plan Liability to Changes in the Discount Rate

The following presents the net OPEB fire plan liability (asset) of the City, as well as what City's net OPEB fire plan liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (1.05%)	Current Discount Rate (2.05%)	1% Increase (3.05%)
Net OPEB Liability (Asset) - Disabled Firefighters	$ 39,708,055	$ 31,932,282	$ 25,976,351

Sensitivity of the Net OPEB Fire Plan Liability to Changes in the Healthcare Cost Trend Rate

The following presents the net OPEB fire plan liability (asset) of the City, as well as what City's net OPEB fire plan liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Rates	1% Increase
Net OPEB Liability (Asset) - Disabled Firefighters	$ 24,517,632	$ 31,932,282	$ 42,655,512

Funding Policy

Consistent with prior years, the City's contribution is based on projected pay-as-you-go financing requirements and is funded through the General Fund. For fiscal year 2021, the City contributed $188,425 to the plan directly to pay benefits. $43,934 of additional contributions were made into the OPEB fire plan irrevocable trust during the year ended December 31, 2021.

Contribution

OPEB fire plan contributions rates are based on an actuarially determined rate.

Investments

Through its investment policy starting in 2020, the Fire Plan OPEB Trust Fund manages its exposure to risk by utilizing certain criteria in selecting particular investment funds. The asset allocation policies seek to produce a net, inflation adjusted, positive total return. The asset allocation policy is consistent with the investment objectives of the plan and based on the capital market assumptions.

Financial Statements

Fire Plan OPEB Trust Fund Statement of Net Position and Statement of Changes in Net Position for the year-ended December 31, 2021.

	Statement of Net Position
Assets	
Cash and short-term investments	$ 9,039
Mutual funds:	
U.S. equities	89,768
Fixed income	37,291
Real estate funds	4,355
Alternative strategies	3,937
Total Assets	144,390
Net Position Restricted for OPEB	$ 144,390

	Statement of Changes in Net Position
Additions:	
Contributions - Employer	$ 232,359
Investment income:	
Net increase in fair value of investments	7,407
Interest and dividends	6,556
Total investment income (loss)	13,963
Investment expense	-
Net investment income	13,963
Total additions	246,322
Deductions:	
Benefit payments	188,425
Administrative expenses	135
Total deductions	188,560
Net Increase (Decrease) in Net Position	57,762
Net Position:	
Beginning of year	86,628
End of year	$ 144,390

Component Unit:

Parking Authority

The Public Parking Authority of Pittsburgh Post-Employment Healthcare Plan is a single-employer defined benefit healthcare plan administered by the Parking Authority. There is no separate audit requirement. The Parking Authority has not accumulated assets for the Plan in a trust. The plan provides medical, dental, and life insurance benefits to eligible retirees and their spouses. Benefits are provided according to retirees' date of retirement and the benefits allotted as of the plan benefits at that date. The retiree is responsible for any premium cost in excess of the provided benefit. Payments to retirees are made on a reimbursement basis.

At December 31, 2021, participants in the Plan were as follows:

Active - Medical	3
Active - Life Only	53
Retirees and spouses - pre 95 with medical	2
Retirees - post 95 with medical	4
Retirees - life insurance only	9

Benefits Provided

Retirees as of December 31, 1994 – Continue medical and dental coverage received under prior Plan which includes both pre-Medicare and Medicare coverage for retiree and spouse. Medicare coverage consists of Medicare Part B plus the participant elects either Security 65 Plan B or Security Blue HMO.

Active Participants as of December 31, 1994 – Entitled to the single active premium at retirement date. This amount shall be frozen at retirement date and provided until age 65. Retirees age 65 and over shall receive the 65 Special Premium and Medicare Part B premium at retirement date, such amount also being frozen at date of retirement. No medical coverage shall be provided to a participant who elects a lump sum option under the Pension Plan. The Authority pays up to $1,750 of the deductible for each retiree entitled to post-retirement medical insurance prior to age 65.

Life Insurance – For all employees of the Authority retiring on or after age 60, the Authority pays for half the cost of a $6,000 life insurance policy provided the employee pays for the other half.

Total OPEB Liability

The components of the total OPEB liability of the Plan at December 31, 2021 were as follows:

Total OPEB liability	$ 442,210
Plan fiduciary net position	-
Net OPEB liability	$ 442,210
Plan fiduciary net position as a percentage of the total OPEB liability	0%

Changes in the Total OPEB Liability

The changes in the total OPEB liability of the Authority for the year ended December 31, 2021 were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2020	$ 455,889	$ -	$ 455,889
Changes for the year:			
Service cost	4,342	-	4,342
Interest	8,373	-	8,373
Experience losses (gains)	-	-	-
Changes of assumptions	-	-	-
Contributions - employer	-	26,394	(26,394)
Benefits paid	(26,394)	(26,394)	-
Net changes	(13,679)	-	(13,679)
Balances at December 31, 2021	$ 442,210	$ -	$ 442,210

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation performed on December 31, 2021 using the following actuarial assumptions, applied to all periods in the measurement:

- Actuarial cost method – Entry Age Normal, level percentage of pay;
- Retirement rates – 100% upon attaining retirement eligibility of age 65;
- Plan participation – Life Insurance 20%; Pre 65 Medical Benefit 100%; Post 65 Medical Benefit 100%;
- Mortality – Healthy Annuitant: SOA PubG-2010 Headcount Weighted Healthy Mortality Table with MP-2020 mortality improvement; Contingent Survivor: SOA PubG-2010 Headcount Weighted Contingent Survivor Mortality Table with MP-2020 mortality improvement; Disabled Lives: SOA PubG-2010 Headcount Weighted Disabled Mortality Table with MP-2020 mortality improvement;
- Salary increase – 4.50% per annum;
- Discount rate: 1.93% per annum;

- Healthcare cost trend rate – Medical: 6.25% to 5.75% over two years, and then following the Getzen model thereafter; Dental 5%

Changes in Actuarial Assumptions – The discount rate is 1.93% based on the S&P 500 High Grade 20 Year Municipal Bond Index as of December 31, 2020, compared to the prior discount rate of 3.64% based on the S&P Municipal Bond 20 Year High Grade Rate Index. The mortality assumption was updated to the SOA PubG-2010 Headcount Weighted Mortality Table for Health, Contingent Survivor and Disabled Lives with MP-2020 mortality improvement from the RP-2014 Fully Generational Blue Collar Mortality Table with MP-2018 mortality improvement, and trend was updated to health care cost trend rate to be 6.25% in 2020, grading down to 5.75% uniformly over two years, and then following the Getzen model thereafter. The prior trend was the healthcare cost trend rate assumed to be 7.5% in 2018, grading down to 6.75% uniformly over four years, and then following the Getzen model thereafter.

Discount Rate - The discount rate used to measure the total OPEB liability was 1.93%.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following represents the total OPEB liability calculated using the stated discount rate, as well as what the total OPEB liability would be if it was calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

1% Decrease (0.93%)	Current Discount Rate (1.93%)	1% Increase (2.93%)
$ 487,019	$ 442,210	$ 404,033

Sensitivity of the Total OPEB Liability to Changes in the medical trend rate – The following presents the total OPEB liability calculated using the stated medical trend assumption, as well as what the total OPEB liability would be if it was calculated using a medical trend rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

1% Decrease in Getzen Model	Current Getzen Model	1% Increase Getzen Model
$ 440,546	$ 442,210	$ 443,947

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended December 31, 2021, the recognized OPEB expense is $16,479. At December 31, 2021, the Authority reported $43,691 in deferred outflows of resources and ($32,395) in deferred inflows of resources in relation to the OPEBs. Amounts reported as deferred outflows and deferred inflows of resources related to OPEBs will be recognized in OPEB expense of approximately $3,800 each year 2022-2024.

9. Long-Term Liabilities

The maximum amount payable for future maturities of bond and interest on general long-term debt at December 31, 2021 and changes in bond principal for the year then ended are summarized below:

	Principal				
	Outstanding at December 31, 2020	Bonds and Notes paid or defeased and premiums amortized during 2021	Bonds and notes issued during 2021	Outstanding at December 31, 2021	Interest
Council and Public Election General Obligation Bonds and Notes:					
Nine general obligation bond issues and notes with rates ranging from 0.50% to 6.60%. The bonds are payable from general revenues.					
2021	$ 39,115,000	$ 39,115,000	$ -	$ -	$ -
2022	42,610,000	-	5,000	42,615,000	15,172,746
2023	45,295,000	-	5,000	45,300,000	13,960,627
2024	47,545,000	-	5,000	47,550,000	11,629,022
2025	49,280,000	-	5,000	49,285,000	10,111,815
2026	50,210,000	-	5,000	50,215,000	9,194,912
2027-2031	75,170,000	-	12,035,000	87,205,000	34,063,718
2032-2036	59,810,000	-	15,270,000	75,080,000	17,130,660
2037-2041	23,520,000	-	18,680,000	42,200,000	4,355,500
Subtotal	432,555,000	39,115,000	46,010,000	439,450,000	115,619,000
Adjust for:					
Unamortized bond (discounts)/premiums	26,039,820	2,055,112	9,276,287	33,260,995	-
	$ 458,594,820	$ 41,170,112	$ 55,286,287	$ 472,710,995	$ 115,619,000

Discretely Presented Component Units

The following is a summary of changes in long-term obligations of the URA for the year ended December 31, 2021:

	Balance at December 31, 2020	Additions	Retirements	Balance at December 31, 2021
URA:				
Mortgage Revenue Bond Program	$ 3,215,000	$ -	$ 755,000	$ 2,460,000
Bank loan	6,753,915	-	243,743	6,510,172
Total proprietary fund debt	9,968,915	-	998,743	8,970,172
HUD Section 108 loans	2,505,000	-	352,000	2,153,000
Compensated absences	698,705	93,383	101,245	690,843
Total debt and other long-term obligations	13,172,620	93,383	1,451,988	11,814,015
URA Component Units:				
Pittsburgh Housing Development Corporation:				
Loans payable to Schenley Heights Collaborative	30,754	-	-	30,754
Bank construction loans	445,171	136,275	165,469	415,977
Total Component Unit Debt	475,925	136,275	165,469	446,731
Total debt and other long-term obligations - reporting entity	$ 13,648,545	$ 229,658	$ 1,617,457	$ 12,260,746

Parking Authority Debt

Future maturities of bond and note principal on Parking Authority indebtedness at December 31, 2021 are as follows:

	Principal				
	Outstanding at December 31, 2020	Bonds paid or defeased and discount amortized during 2021	Bonds and notes issued during 2021	Outstanding at December 31, 2021	Interest
Parking Authority Revenue Bonds and Notes:					
Two revenue bond issues with interest rates ranging from 3.0% to 5.0%. These bonds are payable from revenue from Parking Authority operations.					
2021	$ 1,395,000	$ 1,395,000	$ -	$ -	$ -
2022	3,770,000	-	-	3,770,000	1,526,913
2023	3,820,000	-	-	3,820,000	1,338,413
2024	3,870,000	-	-	3,870,000	1,147,413
2025	3,925,000	-	-	3,925,000	953,913
2026	3,985,000	-	-	3,985,000	757,663
2027-2031	19,700,000	-	-	19,700,000	1,923,157
2032	3,790,000	-	-	3,790,000	101,572
Subtotal	44,255,000	1,395,000	-	42,860,000	7,749,044
Plus: Bond premium	2,393,731	731,377	-	1,662,354	-
Total	$ 46,648,731	$ 2,126,377	$ -	$ 44,522,354	$ 7,749,044

Pittsburgh Water and Sewer Authority Debt

Future maturities of bond and note principal on PWSA indebtedness at December 31, 2021 are as follows:

	Principal				
	Outstanding at December 31, 2020	Bonds paid or defeased and discount amortized during 2021	Bonds and notes issued during 2021	Outstanding at December 31, 2021	Interest
Pittsburgh Water and Sewer Authority Revenue Bonds:					
Five revenue refunding bonds with interest rates ranging from .700% to 5.310%, seventeen state loans, revolving line of credit, and three swap borrowings with variable interest rates. The bonds are payable from revenue from Water and Sewer operations.					
2021	$ 31,318,000	$ 31,318,000	$ -	$ -	$ -
2022	35,541,000	-	1,927,000	37,468,000	35,527,000
2023	62,969,000	-	71,645,000	134,614,000	34,039,000
2024	36,893,000	-	2,599,000	39,492,000	32,468,000
2025	38,644,000	-	2,626,000	41,270,000	30,841,000
2026	41,447,000	-	2,633,000	44,080,000	29,213,000
2027-2031	143,408,000	-	13,578,000	156,986,000	205,711,000
2032-2036	248,062,000	-	14,363,000	262,425,000	90,378,000
2037-2041	237,008,000	-	2,808,000	239,816,000	38,260,000
2042-2046	45,788,000	-	1,643,000	47,431,000	8,795,000
2047-2050	19,890,000	-	-	19,890,000	2,028,000
Subtotal	940,968,000	31,318,000	113,822,000	1,023,472,000	507,260,000
Net bond (discount)/premium	81,324,000	5,835,000	-	75,489,000	-
Accretion on 1998 bonds	43,934,000		3,376,000	47,310,000	(47,310,000)
Total	$ 1,066,226,000	$ 37,153,000	$ 117,198,000	$ 1,146,271,000	$ 459,950,000

Included in the maturity schedule above is $265,244,000 of debt issued as direct borrowings.

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

General Obligation Bonds – Series of 2021

On March 25, 2021, the City issued $46,010,000 of General Obligation Bonds, Series 2021. These consisted of serial bonds all bearing a fixed rate from 3.0% to 5.0% % with maturities commencing on September 1, 2022 and continuing annually through September 2041. Net proceeds of $55,000,000 (including a premium of $9,276,287 and bond issuance costs of $286,287) will be used to fund the acquisition and/or construction of various capital projects.

General Obligation Refunding Bonds – Series of 2020 A&B

On August 5, 2020, the City issued $32,580,000 of General Obligation Bonds, Series 2020A and $121,515,000 of General Obligation Bonds, Series 2020B. Series A consisted of serial bonds all bearing a fixed rate from 3.0% to 5.0% with maturities commencing on September 1, 2021 and continuing annually through September 2033. Net proceeds of the Series 2020A Bonds of $38,797,497 (including a premium of $6,358,604 and bond issuance cost of $141,107) were used to advance refund the General Obligation Note, Series 2018 that were for the purchase of a building and renovation costs.

Series 2020B consisted of $121,515,000 in serial bonds all bearing a fixed rate from 0.5% to 1.9% with maturities commencing on September 1, 2021 and continuing annually through September 2032. The net proceeds of the Series B Bonds of $121,028,458 (including bond issuance costs of $486,542) were used to advance refund all of the General Obligation Bonds, Series 2012B and advance refund a portion of the General Obligation Bonds, Series 2012A and Series 2014.

General Obligation Bonds – Series of 2020

On April 13, 2020, the City issued $43,555,000 of General Obligation Bonds, Series 2020. These consisted of serial bonds all bearing a fixed rate from 3.0% to 5.0% % with maturities commencing on September 1, 2021 and continuing annually through September 2040. Net proceeds of $50,000,000 (including a premium of $6,749,080 and bond issuance costs of $304,080) will be used to fund the acquisition and/or construction of various capital projects.

General Obligation Bonds – Series of 2019

On February 14, 2019, the City issued $55,420,000 of General Obligation Bonds, Series 2019 with an average interest rate of 4.5%. These consisted of serial bonds all bearing a fixed rate from 3.5% to 5.0% % with maturities commencing on September 1, 2019 and continuing annually through September 2039. Net proceeds of $60,000,000 (including a premium of $4,920,489 and bond issuance costs of $340,489) will be used to fund the acquisition and/or construction of various capital projects.

General Obligation Bonds – Series of 2017

On April 27, 2017, the City issued $54,635,000 of General Obligation Bonds, Series 2017 with an average interest rate of 4.5%. These consisted of serial bonds all bearing a fixed rate from 3.0% to 5.0% with maturities commencing on September 1, 2018 and continuing annually through September 2036. Net proceeds of $60,000,000 (including a premium of $6,603,677, bond issuance costs of $371,504, and capitalized interest of $867,173) were used to fund capital projects budgeted in 2017 and 2018.

General Obligation Bonds – Series of 2014

On August 28, 2014, the City issued $44,470,000 of General Obligation Bonds, Series 2014. These consisted of serial bonds all bearing a fixed rate from 3.0% to 5.0% with maturities commencing on September 1, 2017 and continuing annually through September 2032. Net proceeds of $50,000,000 (including a premium of $5,915,402 and bond issuance costs of $385,402) were used to fund capital projects budgeted in 2015 and 2016. A portion of Series 2014 was refunded by Series 2020B.

General Obligation Bonds – Series of 2012 A & B

On February 28, 2012, the City issued $43,220,000 of General Obligation Bonds, Series 2012A with an average interest rate of 4.266% and $71,275,000 of General Obligation Bonds, Series 2012B with an average interest rate of 5.0%. These consisted of serial bonds all bearing a fixed rate from 2.0% to 5.0% with maturities commencing on September 1, 2012 and continuing annually through September 2026. Net proceeds of the Series A Bonds of $47,858,645 (including a premium of $4,833,135 and bond issuance cost of $194,490) were used to advance refund the General Obligation Bonds, Series 2002A with a remaining amount due of $46,455,000, with an average interest rate of 5.3%. A portion of Series 2012A and all of 2012B was refunded by Series 2020B.

The 1998 Series ABC bonds were issued to fund the City's Pension Fund.

Below is a schedule of the City's General Obligation Bonds and Notes as of December 31, 2021:

Serial Bonds	Coupon or Ceiling Rate of Interest	Amount Outstanding	Amount due within one year
1998A, B, C	6.50% - 6.60%	$ 78,395,000	$ 24,425,000
2012 A	2.00%-5.00%	5,060,000	5,060,000
2014	3.00%-5.00%	16,860,000	2,720,000
2017	3.00%-5.00%	48,345,000	2,285,000
2019	3.50%-5.00%	51,870,000	1,880,000
2020	3.00%-5.00%	42,140,000	1,460,000
2020 A	3.00%-5.00%	32,385,000	2,145,000
2020 B	0.50%-1.90%	118,385,000	2,635,000
2021	3.00%-5.00%	46,010,000	5,000
Subtotal		439,450,000	$ 42,615,000
Adjust for: Unamortized bond (discounts)/premiums		33,260,995	
Total general obligation bonds and notes payable		$ 472,710,995	

The City's Bond Debt ratings are Fitch's AA- and Standard & Poor's AA- as of December 31, 2021.

From 1998 through 2020, the City refunded certain bonds by placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the refunded bonds. Accordingly, neither the assets held in trust nor the refunded bonds appear in the accompanying financial statements. The outstanding balance of defeased bonds at December 31, 2021 is $189,705,000.

Subsequent to year-end, the City expects to issue $65 million in general obligation bonds for various capital projects and to pay the costs and expenses of issuing the bonds.

(B) Stadium Authority

On November 30, 2017, SEA issued the Sports & Exhibition Authority of Pittsburgh and Allegheny County Parking System Revenue Bonds, Series of 2017 (Parking Bonds). The

Parking Bonds are payable from, and are secured solely by, net revenues of a "Parking System." The Parking System is made up of specified parking facilities of SEA and specified parking facilities of the Stadium Authority. Pursuant to the Collateral Assignment Agreement, (Collateral Assignment Agreement) and a Joinder Agreement (Joinder Agreement), each dated as of November 1, 2017, and each between the Stadium Authority and Zions Bank, as bond trustee, the Stadium Authority has agreed to pledge the net revenues of its parking facilities and abide by all of the obligations and duties imposed upon the Stadium Authority by the bond trust. The proceeds of the Parking Bonds were used to refund Stadium Authority Bank Notes and SEA Bank Notes, and fund a bond reserve fund and pay costs of issuing the Parking Bonds. The balance of the note payable at December 31, 2021 is $19,155,000. There are deferred issuance premiums associated with this debt as well.

On August 22, 2005, the Stadium Authority entered into an Infrastructure Development Program loan of $1,250,000. The loan has a term of 20 years with a 2% interest rate. The balance of the loan payable at December 31, 2021 is $539,619.

(C) Pittsburgh Water and Sewer Authority

Series 1998

In March 1998, the PWSA issued $36,440,000 Series B First Lien Revenue Bonds ("1998 Series B Bonds"), the proceeds of which are dedicated to a capital improvements program.

The 1998 Series B Bonds are capital appreciation bonds with an original issuance amount of $36,440,000. During 2017, $12,406,000 (par) of the 1998 Series B Bonds with an accreted value of $34,625,000 were refunded with the Series 2017 A bonds. The remaining 1998 Series B Bonds have maturity values ranging from $26.93 million to $14.66 million from 2027 to 2030. The bonds were issued to yield rates from 5.18% to 5.3%. The 1998 Series B Bonds accrue and compound interest on a semi-annual basis and are carried at cost plus accrued interest. Total maturity value of the 1998 Series B Bonds is $95,450,000.

The 1998B Bonds at December 31, 2021 have carrying amounts of $66,454,000.

Series 2013

During December 2013, the PWSA issued $130,215,000 Series A First Lien Revenue Refunding Bonds ("2013 Series A Bonds"), the proceeds of which were used to defease through current refunding the entire balance of the Series 2003, Series 2007 B-1, and Series

2007 B-2 and pay certain amounts in respect of termination of certain interest rate swap agreement related to the Series 2007 B-1 and B-2 bonds; $86,695,000 Series B First Lien Revenue Bonds ("2013 Series B Bonds"), the proceeds of which are to fund certain water and sewer system capital improvement projects.

The 2013 Bonds were issued at a bond premium of $14,828,000, which is being amortized as an adjustment to interest expense over the life of the bonds.

During 2017, $42,340,000 of Series 2013 B bonds outstanding were currently refunded with Series 2017 A bonds.

The 2013 Bonds at December 31, 2021 have carrying amounts of $97,990,000.

Series 2017

During December 2017, the PWSA issued $165,390,000 First Lien Revenue Refunding Bonds composed of Series A (159,795,000) and Series B (taxable) ($5,595,000). The proceeds of the bonds were used to fund the costs of the refunding of all or a portion of the PWSA's outstanding Series of 1998B, 2008A, 2008D-1, and 2013B water and sewer system revenue bonds.

The 2017 A and B Bonds were issued at a bond premium of $23,374,000, which is being amortized as an adjustment to interest expense over the life of the bonds.

The 2017 A Bonds at December 31, 2021 have a carrying amount of $115,960,000. The 2017 B Bonds were paid off during 2018.

During December 2017, the PWSA issued $218,805,000 Series C First Lien Revenue Refunding Bonds, the proceeds of which were used to fund the costs of refunding the PWSA's outstanding Series 2008 B-1, B-2, and D-2 Water and Sewer System Revenue Bonds. The Bonds bear interest at the LIBOR index rate. As noted below, the 2017 C Bonds were remarketed with the issuance of the 2020 A Bonds to convert the cash flows of the PWSA's outstanding fixed payer swap portfolio from 70% 1-month LIBOR to the Weekly SIFMA Index (plus a third payment leg that includes a fixed rate component of the PWSA paying 0.118%) between the Overlay Swap's effective date of December 1, 2020 and termination date of December 1, 2023. When LIBOR is no longer published, the interest rate will be replaced by the Federal Funds Rate if not renegotiated.

The 2017 C Bonds at December 31, 2021 have a carrying amount of $218,805,000.

Series 2019

During June 2019, the PWSA issued $109,855,000 Series A First Lien Revenue Bonds, the proceeds of which were used to refund interim debt incurred by the PWSA to fund costs of capital projects; and $104,290,000 Series B Subordinate Revenue Refunding Bonds, the proceeds of which were used to currently refund all of the PWSA's outstanding Series of 2008 C-1 and C-2 bonds, including swap termination payments on interest rate swaps associated with the refunded bonds.

The 2019 A and B Bonds were issued at a bond premium of $45,090,000, which is being amortized as an adjustment to interest expense over the life of the bonds.

The 2019 A and B Bonds at December 31, 2021 have carrying amounts of $105,145,000 and $104,290,000, respectively.

Series 2020

During December 2020, the PWSA issued $890,000 Series A First Lien Revenue Bonds (Federally Taxable), the proceeds of which were used to remarket the 2017 C Bonds; and $91,520,000 Series B First Lien Revenue Bonds, the proceeds of which were used to refinance the capital revolving line of credit described below.

The 2020 B Bonds were issued at a bond premium of $16,665,000, which is being amortized as an adjustment to interest expense over the life of the bonds.

The 2020 A and B Bonds have carrying amounts of $890,000 and $91,520,000 at December 31, 2021, respectively.

Capital Revolving Line of Credit – Direct Borrowing

In June 2020, the PWSA obtained a $150 million revolving line of credit to finance certain capital projects. The capital revolving line of credit is secured by the receipts and revenues of the PWSA's water and sewer system on a subordinate basis. The PWSA has until June 23, 2023 to request revolving advances on the line of credit, at which time the PWSA has the option to convert the unpaid principal balance to a term loan. The capital revolving line of credit contains a provision that in the event of default, the lender shall be under no further obligation to make loans to the PWSA and the outstanding amount under this line of credit becomes immediately due. Each revolving advance bears interest per annum equal to the sum of 79% of the daily LIBOR rate plus the applicable margin (1.61% to 1.78%). The

agreement includes a LIBOR replacement rider for determining an alternative rate of interest in the event LIBOR is no longer available. At December 31, 2021, the interest rate was 2%. At December 31, 2021, the PWSA had $95,792,000 in outstanding revolving advances.

State Loans – Direct Borrowing

The PWSA has several loans outstanding from PENNVEST for various capital projects and water and sewer improvement projects, with carrying amounts of $110,450,000 at December 31, 2021. Interest rates vary from 1.00% to 3.25%. The State Loans are secured by the project collateral related to each loan. In an event of default on the State Loans, the entire unpaid principal, plus accrued interest, plus all other amounts due and payable to PENNVEST shall at the option of PENNVEST become due and payable immediately upon request.

Capital Lease

During 2015, the PWSA entered into a lease agreement as lessee for financing the acquisition of a utility assets valued at $7,445,000. The utility assets have a ten-year estimated useful life. Depreciation on the utility assets began in 2016, with accumulated depreciation totaling $4,469,000 for the year ended December 31, 2021. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the value of future minimum lease payments as of the inception date. At December 31, 2021, the outstanding balance of the capital lease was $4,484,000.

Swap Borrowing – Direct Borrowing

During December 2017, the PWSA terminated the original 2008 Series B-1, B-2, and D swaps and reissued and restructured the swaps to bear interest based upon 70% of one-month LIBOR. Upon the phase out of LIBOR in 2021, the interest rate will be replaced by the Federal Funds Rate if not renegotiated prior to the phase out. At termination, those derivative instruments had an aggregate fair value of ($70,869,000), which is considered a swap borrowing from the counterparty. The swap borrowing is being amortized over the remaining life of the bond. At December 31, 2021, the unamortized balance is $59,002,000.

Swap Transactions

Current Notional Amount	Effective Date	Maturity Date	Interest Rate Paid	Interest Rate Received	Counterparty Credit Rating	Underlying Bonds	12/31/2021 Fair Value *
Hedging derivatives, Cash flow hedges, Receive variable - Pay fixed, Interest rate swaps:							
$ 72,747,500	12/28/2017	9/1/2039	1.732%	70% 1mo LIBOR	A-	Series 2017 C	$ (6,804,176) **
72,747,500	12/28/2017	9/1/2039	1.732%	70% 1mo LIBOR	A+	Series 2017 C	(6,804,176) **
71,225,000	12/28/2017	9/1/2040	1.735%	70% 1mo LIBOR	A+	Series 2017 C	(7,307,899) **
Hedging derivatives, Cash flow hedge, Receive variable - pay variable, Interest rate swap (Overlay Swap):							
216,720,000	12/1/2020	12/1/2023	70% 1mo LIBOR & 0.118%	SIFMA	A-	Series 2017 C	(548,614) **
Total							(21,464,865)

* - The fair value is an estimated net present value of the expected cash flows calculated using relevant mid-market data inputs and based on the assumption of no unusual market conditions or forced liquidation.

** - Reported as hedging derivative - interest rate swap and swap liability on the Statement of Net Position.

When LIBOR is no longer published, the interest rate will be replaced by the Federal Funds Rate if not renegotiated. One-week and two-month LIBOR ceased being published at the end of 2021, while overnight, 1-month, 3-month, 6-month, and 12-month maturities will continue to be published through June 2023.

Description of 2017 C Swaps

During fiscal year 2017, the PWSA restructured three pay-fixed, receive-variable interest rate swap contracts. The original interest rate swaps were effective June 12, 2008. Beginning December 28, 2017, the PWSA will make semi-annual interest payments on the 1st of each March and September through September 1, 2039 (two swaps); and September 1, 2040 (for one swap), respectively. The Counterparties make monthly interest payments on the 1st of each calendar month, which begin February 2018 through September 1, 2039 for two of the swaps; and September 1, 2040 for one swap.

The intention of the 2017 swaps restructuring is to effectively change the PWSA's variable interest rate on the $216,720,000, Water and Sewer System First Lien Revenue Refunding Bonds Series C of 2017 with notional amounts of $71,225,000, $72,747,500, and $72,747,500 to fixed rates of 3.8255%, 3.770%, and 3.7835%, respectively.

The bonds will accrue interest at a weekly rate that is determined by a remarketing agent on each effective rate date. The interest rate on the bonds may not exceed 12%. Per the interest rate swap agreements, the PWSA will receive 70% of one-month LIBOR.

The interest payments on the interest rate swaps are calculated based on notional amounts, all of which reduce beginning on September 2032, so that the notional amounts approximate the principal outstanding on the respective bonds. The interest rate swaps expire consistent with the final maturity of the respective bonds.

On November 12, 2020, the PWSA entered into a new swap transaction (the "Overlay Swap") associated with the 2017 Series C variable rate bonds (the "Bonds" or the "2017C Bonds"). The Overlay Swap's purpose was to convert the cash flows of the PWSA's outstanding fixed payer swap portfolio from 70% one-month LIBOR to the Weekly SIFMA Index (plus a third payment leg that includes a fixed rate component of the PWSA paying 0.118%) between the Overlay Swap's effective date of December 1, 2020 and termination date of December 1, 2023. The notional amount of the Overlay Swap is $216,720,000 matching 100% of the aggregate notional amount of the PWSA's outstanding fixed payer swap portfolio. The Overlay Swap was entered into in alignment with the PWSA's successful remarketing of the Bonds on December 1, 2020 from a 70% one-month LIBOR mode into a Weekly SIFMA Index mode.

Accounting and Risk Disclosures

During the year ended December 31, 2021, the PWSA paid $6,907,000 fixed and received $155,000 variable related to their outstanding swap agreements.

As noted in the tables above, current period changes in fair value for the interest rate swaps that are accounted for as hedges are recorded on the statements of net position as an adjustment to hedging derivative – interest rate swap, deferred outflows or deferred inflows. Additionally, current period changes in fair value for the interest rate swap accounted for as an investment is recorded on the statements of revenues, expenses, and changes in net position as a component of investment income. The fair value of the outstanding interest rate swaps as of December 31, 2021 is reported on the statements of net position as a swap liability. The swaps are valued using significant other observable inputs (Level 2 inputs).

The PWSA has the ability to early terminate the interest rate swaps and to cash settle the transaction on any business day by providing at least two business days' written notice to the counterparty. Evidence that the PWSA has sufficient funds available to pay any amount

payable to the counterparty must be provided at the time notice is given. At early termination, the PWSA will be required to pay or receive a settlement amount which is comprised of the fair value of the terminated transaction(s) based on market quotations and any amounts accrued under the contract(s).

Through the use of derivative instruments such as interest rate swaps, the PWSA is exposed to a variety of risks, including credit risk, interest rate risk, termination risk, basis risk, and rollover risk.

- Credit risk is the risk that a counterparty will not fulfill its obligations. The credit ratings by S&P Global Ratings, a nationally recognized statistical rating organization for the respective counterparties are listed in the table above. If a counterparty failed to perform according to the terms of the interest rate swap agreement, there is some risk of loss to the PWSA, up to the fair value of the swaps.

The PWSA currently does not enter into master netting arrangements with its counterparties. As such, each derivative instrument should be evaluated on an individual basis for credit risk. As of December 31, 2021, the Series 2017 C derivative instruments currently have a negative fair value position to PWSA; therefore, PWSA is not exposed to credit risk.

Concentration of credit risk: The PWSA's outstanding market value as of December 31, 2021 is $(14,112,000) with one counterparty and $(7,353,000) with the second counterparty. Both counterparties operate in the same markets and could be similarly impacted by changes in economic or other conditions.

It is the PWSA's policy to require counterparty collateral posting provisions in its non-exchange traded derivative instruments. Their terms require collateral to be posted if the respective counterparty's credit rating falls below BBB- by S&P Global Ratings and the swap insurer becomes bankrupt. The amount of collateral to be posted is calculated based on derivatives in asset positions to the PWSA. As of year-end, the counterparties had not and were not required to post collateral for these transactions.

- Termination risk is the risk that a derivative's unscheduled end will affect the PWSA's asset/liability strategy or will present the PWSA with potentially significant unscheduled termination payments to the counterparty. The counterparties to the interest rate swaps do not have the ability to voluntarily terminate the interest rate swap; however, the PWSA is exposed to termination risk in the event that one or more of the counterparties defaults. The PWSA has the ability to voluntarily

terminate the swaps with prior written consent of the insurer by providing between 2 and 20 business days notice to the counterparty. The PWSA must demonstrate the ability to pay all amounts due to the counterparty on the termination date.

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of a government's financial instruments or cash flows. The interest rate swaps are highly sensitive to changes in interest rates; changes in the variable rate will have a material effect on the swap's fair value.

- Basis risk is the risk that arises when variable interest rates on a derivative and an associated bond or other interest-paying financial instrument are based on different indexes. The PWSA is subject to basis risk on the overlay swap to the extent SIFMA differs from 70% of one-month LIBOR or the federal funds rate. Although expected to correlate, the relationships between different indexes vary and that variance could adversely affect the PWSA's calculated payments, and as a result cost savings or synthetic interest rates may not be realized.

The PWSA is further subject to basis risk in the event that the underlying bonds become fixed rate Bank Bonds or that the maturity of the underlying bonds is accelerated.

- Rollover risk is the risk that a derivative associated with the PWSA's debt does not extend to the maturity of that debt. When the derivative terminates, the associated debt will no longer have the benefit of the derivative. The PWSA is not exposed to rollover risk as the swap agreements terminate on the same day the last payment is due on the respective bonds.

Contingencies

All of the PWSA's derivative instruments include provisions that require the PWSA to post collateral in the event that the credit ratings of its credit support provider's senior long term, unsecured debt credit rating falls below BBB- by S&P Global Ratings and FSA, the swap insurer, becomes bankrupt. The collateral is to be posted in the form of cash, U.S. Treasuries or other approved securities. As of year-end, the PWSA was not required to post collateral for these transactions.

(D) Debt Related to Urban Redevelopment Authority of Pittsburgh (URA) supported by the City

Urban Redevelopment Authority of Pittsburgh (URA) Tax Increment Financing Bonds and Notes – Noncommitment Debt (Debt not recorded in the Separate URA financial statements)

Tax Increment financing bonds are used to finance economic development within the City. The Bond proceeds are used to fund various construction projects within the City. Real estate value is thus increased and will provide increased future tax revenue to the City. Under a Tax Increment Financing Cooperative Agreement (the TIF Agreement) with the City, County, and the School District of Pittsburgh, each entity agrees to assign its respective rights to the incremental taxes derived from the TIF project to the URA for the term of the Bonds. The difference in the amount of real estate taxes attributable to the TIF property prior to and subsequent to the development of the property constitutes the "increment" that is available to pay debt service on the Bonds.

The Bonds are not guaranteed by the full faith and credit of the City, and as a result of being jointly funded are not recorded in the City's financial statements.

In the event that real estate tax revenues generated under the TIF Agreements are insufficient at any time to pay debt service on the Bonds, the respective parties under the Minimum Payment Agreements have agreed to make payments sufficient to remedy such shortfalls. Amounts payable under the Minimum Payment Agreements correspond to debt service requirements on the respective Bonds. Pursuant to the Tenant Agreement, each tenant has agreed to guarantee the full and punctual payment when due of all obligations. As of December 31, 2021, the balance of TIF Bonds and Notes outstanding was $34.0 million.

(E) Urban Redevelopment Authority of Pittsburgh (URA) Debt Recorded by URA and not Supported by the City

The URA has various Bonds and Loans, which are the obligation of the URA and are not guaranteed or financed by the City. The proceeds of these Bonds and Loans are used to provide mortgages, loans, or grants to individuals or companies within the City to be used for urban redevelopment. The Bonds and Loans are payable from repayment of mortgages and loans and from other revenue and grants received by the URA. Debt issued for the URA as of December 31, 2021 is as follows:

Mortgage Revenue Bonds

The Mortgage Revenue Bond Program was created to provide below market rate mortgages for the purchase and rehabilitation of residential property within the City. The 2006 C Series bonds, including various serial and term bonds, bear interest at rates from 4.40% to 4.80% and mature through 2028. At December 31, 2021, $2,460,000 is outstanding. $465,000 is due on these bonds in 2022.

Bank Loan

During 2014, the URA received a bank loan totaling $8,005,000. The proceeds of the loan were used to partially consolidate and refinance the debt on the South Side Works garages' loans and to provide financing for the Open-Hearth Garage in the South Side Works. The loan is fixed at an interest rate of 3.83%. At December 31, 2021, $6,510,172 is outstanding. Final maturity is January 1, 2025. Monthly payments are based on a 10-year amortization with a balloon payment due at maturity. $258,713 is due on this loan in 2022. In the event of default, outstanding amounts become due immediately.

Annual debt service requirements on outstanding bonds and loans of the URA's enterprise funds are as follows:

	Bonds		Bank Loans	
Years	Principal	Interest	Principal	Interest
2022	$ 465,000	$ 112,560	$ 258,713	$ 243,005
2023	470,000	90,120	268,798	232,920
2024	470,000	67,560	279,275	222,442
2025	350,000	46,080	5,703,386	18,051
2026	315,000	30,120	-	-
2027-2028	390,000	18,480	-	-
	$ 2,460,000	$ 364,920	$ 6,510,172	$ 716,418

HUD Section 108 Loans

During 2008, the URA received two HUD Section 108 loans to provide funding for the Pittsburgh Technology Center. The first loan, in the original principal amount of $3 million is for site improvements and streets and utilities relocation. The loan bears interest at 4.8% with semiannual principal and interest payments due February 1 and August 1. The loan

matures on August 1, 2026. At December 31, 2020, $1,292,000 is outstanding. $225,000 is due in 2022.

The second loan, in the original principal amount of $2 million is for the construction of a 160-space parking condominium. The loan bears interest at 4.8% with semiannual principal and interest payments due February 1 and August 1. The loan matures on August 1, 2026. At December 31, 2021, $861,000 is outstanding. $150,000 is due in 2022.

Annual debt service requirements on outstanding bonds and loans of the URA's governmental funds are as follows:

	HUD 108 Loans		
Years	Principal	Interest	Total
2022	$ 375,000	$ 113,010	$ 488,010
2023	401,000	93,776	494,776
2024	428,000	72,964	500,964
2025	457,000	50,492	507,492
2026	492,000	26,270	518,270
	$ 2,153,000	$ 356,512	$ 2,509,512

In August of 2020, the URA entered into a Non-Revolving Line Note (Note) with The PNC Foundation in the amount of $10 million. The Note bears interest at 0%. The proceeds of the Note are to be used for the Emergency Recovery Loan Fund, Invest PGH, Inc. and Catapult: Start-up to Storefront Program. Non-repayable Funds in the Note include Administrative, Invest PGH, and Catapult expenses as well as funds invested into projects, programs, and loans where a return on investment is not anticipated or loan repayments are not received. At December 31, 2021, $6.5 million of Note proceeds were received by the URA and as of December 31, 2021, $2.6 million of this amount is recorded as unearned revenue and approximately $2.1 million is recorded as accounts payable representing the potentially repayable portion of the proceeds.

During 2021 the URA entered into Equity Equivalent Investment Agreements (Agreements) with local banks whereby the banks agree to advance funds totaling $3.5 million to be used for community development activities. These advances bear interest at 2%, payable semiannually. The initial term of these agreements ends in 2026 with automatic three-year renewal periods unless either party elects not to renew. Upon non-renewal of the Agreements, the advances are to be repaid by the URA of a five-year period. At December 31, 2021 $2.5 million is outstanding under these agreements.

URA Component Unit Debt consists of the following:

PHDC-Bank Construction Loans

The PHDC had outstanding construction loans payable to banks of $415,977. Interest accrues on the loans at a range of 3.25% to 4.75%. Loans are due on demand.

PHDC Schenley Heights Collaborative Construction Loans

The PHDC had outstanding construction loans payable to Schenley Heights Collaborative of $30,754. Interest accrues on the loans at 0.00%. Loans are due when units are sold or August 2022, whichever occurs first. The loan is secured by the mortgage on the property.

Future Maturities

Loans receivable to the URA from PHDC are $1,520,440. The loans are non-interest bearing. The loans are due upon the sale of related project units. The loans are secured by a third lien position on real property and improvements. For reporting purposes, this activity is netted on the Combining Statement of Net Position – Component Units.

PHDC had outstanding construction loans payable to the URA of $1,520,440. The loans are non-interest bearing. The loans are due upon the sale of related project units but are scheduled to mature in 2022 or 2023. The loans are secured by a third lien position on real property and improvements.

All interest expense on loans of the URA and its component units is reported as program expense as the borrowings are essential to the programs and the financial statements would be misleading to exclude these charges as direct expenses.

(F) Pittsburgh Parking Authority

2015 Series Bonds

On October 29, 2015, the Parking Authority issued $67,395,000 in Parking System Revenue Refunding Bonds, Series A of 2015.

Proceeds from the Series A of 2015 was used to (1) refund on a current refunding basis a portion of the Parking Authority's outstanding Parking System Revenue Bonds, Series A of 2005, (2) refund on a current refunding basis a portion of the Parking Authority's

outstanding Parking System Revenue Bonds, Series B of 2005, (3) refund on an advance refunding basis a portion of the 2005B Bonds, (4) refund on a current refunding basis all of the Parking Authority's outstanding Parking System Revenue Bonds, Refunding Series A of 2005 and Parking System Revenue Bonds, Refunding Series B of 2005, (5) fund a Debt Service Reserve Fund Requirement relating to the 2015 Refunding Bonds by paying a premium on a Municipal Bond Debt Service Reserve Policy, and (6) pay a portion of costs of issuance of the 2015 Refunding bonds.

2020 Series Bonds

In November 2020, the Parking Authority issued $23,490,000 in Federally Taxable Parking System Revenue Refunding Bonds, Series of 2020. Proceeds from the Series of 2020 were used to (1) advance refund a portion ($15,735,000) of the outstanding Series A of 2015 Bonds, (2) current refund a portion ($4,370,000) of the outstanding Series A of 2015 Bonds, (3) fund the Debt Service Reserve Fund requirement relating to the 2020 Bonds, and (4) pay the costs of issuing and insuring the 2020 Bonds. The Authority will make interest only payments on the Series 2020 bonds until 2026. The Series 2020 bonds will fully mature in 2032.

(G) Other Long-term Obligations

The following is a summary of transactions affecting other long-term obligations of the City during 2021:

	Accrued Workers' Compensation	Accrued Compensated Absences	Accrued Claims and Judgments	Capital Lease Obligation
Balance, January 1, 2021	$ 102,741,922	$ 26,328,134	$ 14,084,000	$ 9,428,542
Additions	5,947,150	69,509,737	2,385,000	-
Reductions/payments	(13,796,386)	(64,069,947)	(1,711,000)	(2,005,699)
Balance, December 31, 2021	94,892,686	31,767,924	14,758,000	7,422,843
Less amounts accrued within short-term	(11,387,123)	(18,745,335)	(2,855,000)	(2,090,972)
Long-term portion, December 31, 2021	$ 83,505,563	$ 13,022,589	$ 11,903,000	$ 5,331,871

1. The General Fund is used to liquidate the workers' compensation, compensated absences, claims and judgments, and capital lease obligations.

2. Commencing on July 3, 2002, the City entered into a twenty year, noncancelable (unless there is a default of the terms by either party) lease for office space to be used by the Department of Public Safety, Police Bureau. The lease includes additional renewal options to extend the lease for four consecutive terms of five years each. The terms of the lease did not start until the Police Bureau took possession of the property in March 2004. The first lease payment was made for March 2004. $15,434,653 is included in capital assets as capital leases.

3. During 2020, the City entered into a lease agreement for nine fire trucks with annual payments of $977,240 for the first five years and $546,888 for the last two years. The first lease payment is due in February 2021, then annually thereafter through 2027. $6 million in included in capital assets as capital leases.

4. The minimum future rental payments required by capital leases are as follows:

Year Ended December 31	
2022	$ 2,417,402
2023	2,433,329
2024	924,941
2025	941,442
2026	527,885
Thereafter	537,302
Total	7,782,301
Less interest:	(359,458)
Present value	$ 7,422,843

10. Due From/To Other Governments

(A) Due From Other Governments

The City receives funds from various government agencies as reimbursements for their share of City projects and as grants for City programs. The following amounts, as described below, are due from other governments at December 31, 2021:

Special Revenue CDBG:	
Housing and Urban Development	$ 1,640,287
Capital Projects:	
Commonwealth of Pennsylvania - Highway Fund	1,818,947
Federal Government - Highway Fund	10,307,368
	12,126,315
Total due from other governments - governmental funds	$ 13,766,602

(B) Due To Other Governments

Funds are collected by the City on behalf of other governments. The following amounts, as described below, are due to other governments at December 31, 2021:

General Fund:	
Carnegie Library	$ 52,403
Pittsburgh Board of Education	545,609
	598,012
Other Governmental Funds:	
Commonwealth of Pennsylvania	1,249,014
	1,249,014
Total due to other governments - governmental funds	$ 1,847,026

11.Interfund Receivable and Payable Balances

	Due From			
	General	Other Governmental	Special Revenue CDBG	Total
Due To:				
General	$ -	$ 331,705	$ -	$ 331,705
Other Governmental	26,739	18,936	163,881	209,556
Capital Projects	-	-	1,364,873	1,364,873
	$ 26,739	$ 350,641	$ 1,528,754	$ 1,906,134

Except as described below, interfund balances represent timing differences resulting from the difference between the dates that (1) interfund goods and services are provided or

reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments are made.

The Capital Projects Fund advanced funds to the CDBG Special Revenue Fund in the amount of $1.3 million, which is included in the total above.

12.Transfers

Transfers between primary government funds:

	Transfer From			
	General	Capital Projects	American Rescue Plan Act Fund	Other Governmental
Transfer To:				
General Fund	$ -	$ -	$ 33,748,156	$ 4,000,000
Debt Service	56,284,690	-	-	-
Capital Projects	5,542,000	-	-	-
Other Governmental	6,836,500	3,534,151	-	165,508
Total	$ 68,663,190	$ 3,534,151	$ 33,748,156	$ 4,165,508

Transfers are used (1) to move revenues from the funds that are required by statute or budget to collect them to the funds that are required by statute or budget to spend them, (2) to move receipts restricted for debt service from the funds collecting them to the Debt Service Fund as debt service payments become due and (3) to move unrestricted revenues collected in the General Fund, which finance various programs accounted for in other funds in accordance with budgetary authorizations.

13.Related Party Transactions

(A) Under the terms of agreements dated July 1, 1965 and amended on various dates through June 17, 1992, the City of Pittsburgh made total grants of $22,775,168 to the Stadium Authority to cover the excess of the aggregate cost of operation and maintenance of the stadium and debt service on the stadium bonds over the total funds available to the Stadium Authority for those purposes, to be repaid if funds are available. The Stadium Authority has this reflected as a long-term note due to the City. However, the City does not have a corresponding receivable recorded due to the unlikelihood of collection.

(B) On December 14, 2020, the Stadium Authority Board approved a funding agreement with the SEA for $10 million in support of SEA 2021 operating costs. As of December 31, 2021, the Stadium Authority transferred approximately $9 million to the SEA to pay SEA 2021 operating costs.

(C) On January 1, 2015, the City and the Parking Authority entered into the 2015 Governmental Cooperation Agreement (Agreement). In September 2021, the Agreement was amended a second time (Second Amended Agreement). Under the terms of the Second Amended Agreement, the Parking Authority will receive the first $5.6 million of on-street meter revenue, as well as the operating expenses associated with the on-street multi-space parking meters including credit card fees. The City will receive 100% of the net revenues of the Pittsburgh Parking Court (net of all expenses).

Under the terms of the Second Amended Agreement, payment in lieu of taxes payable by the Parking Authority will be abated entirely for ten calendar years, beginning with the 2021 calendar year. Payment in lieu of taxes will be reinstated in full in calendar year 2031. Before the Second Amended Agreement, the payment in lieu of taxes payable by the Parking Authority had previously been $1.9 million.

The City and the Parking Authority have also agreed, in the event that total amounts of all payments from the Parking Authority to the City (excluding parking tax payments), exceeds $18.5 million with respect to any fiscal year of the Parking Authority, any such excess amounts will be split equally by the City and the Parking Authority. The City's share of the excess was $0 for the year ended December 31, 2021. These terms were not modified by the Second Amended Agreement.

(D) During 2018, the City, HACP (a related entity) and the URA (a component unit) agreed to enter into a joint ownership of a new facility. As part of this joint transaction, the City issued $40 million in notes to fund the purchase and renovation of a building for HACP, the URA, and City departments currently located in the Civic Building. HACP and the URA have each entered into a legally binding agreement with the City to fund their portion of the debt related to the building purchase and renovations. As of December 31, 2021, the outstanding amount due from HACP of $8.858 million and the amount due from the URA of $8.695 million for related proceeds drawn are reflected in the financial statements. The repayment schedules for the amounts receivable coincide with the City's debt payment schedule. The new building was purchased during 2018 for approximately $27.5 million and renovations will be ongoing through 2022. The URA's portion of the debt related to the build out approximated $2.6 million, which is included in the outstanding amount due from the URA. At December 31, 2021, $218,000 is due to the URA from the City for build out costs. No

requests for reimbursement of build out costs have yet been made by the HACP as of December 31, 2021.

(E) In December 2017, the City committed $10 million per year for 12 years to source a Housing Opportunity Fund (HOF). The Mayor appointed a 17-person Advisory Board to administer the fund in June 2018 and entered into a cooperation agreement with the URA to hold and manage the fund. The URA's Housing Opportunity Fund Department staffs this initiative. The HOF staff and Advisory Board creates an annual allocation plan and monitors programs and program guidelines. The new HOF programs established are:

- Down Payment and Closing Cost Assistance (DPCCAP) provides financing to first-time homebuyers in the City to help make the purchase of a home affordable. This program is designed to help stimulate housing investment in the City by providing financial assistance to potential homebuyers for the purpose of purchasing an existing or newly constructed residential unit.
- Homeowner Assistance Program (HAP) provides financial and technical assistance to eligible homeowners for rehabilitating and improving residential owner -occupied properties citywide.
- Rental Gap Program (RGP) will be used to help fund the creation of new affordable housing and/or preserve existing affordable housing in the City. The HOF RGP provides loans to developers for the creation and/or preservation of affordable units.
- Housing Stabilization Program (HSP) provides one-time or short-term (no more than 12 months) funding to help with emergency housing expenses such as rent and utilities. It is designed to assist participants to stabilize their current housing, or facilitate access to appropriate housing, and prevent homelessness. The program will also allow for legal eviction prevention services, including legal consultation and representation for eviction defense and/or related supportive services.
- For-Sale Development Program (FSDP) provides construction financing to developers with non-profit applicants for the substantial rehabilitation or new construction of for-sale housing.

14.Construction and Commitments

As of December 31, 2021, the City had the following commitments with respect to unfinished capital projects:

Capital Project	Commitment
579 Cap Construction	$ 1,435,961
Smallman St Contr. #2	1,317,443
West Ohio/Ridge Ave Bridges	1,158,175
Allegheny Commons Conversion	929,821
CBD Signals Phase 3	565,908
Followfield Ave Wall	351,732
Streets Run Channel	286,119
Schenley Park Ice Skating Rink Elect.	282,363
Cowley Goettman Slide	172,517
Eads St. Wall	156,596
Police Zone 3 Roof	131,793
Blvd. of the Allies Elevator	129,020
Blvd. of the Allies Elevator Mod	125,393
Moore Pool	97,215
Rialto St. Steps	94,122
Wentzell- Carnahan Rehab	91,985
List St. Slide	86,042
Vista St Steps	83,382
Gap to the Point Bike Way	81,578
20 other projects	629,603
	$ 8,206,768

Encumbrances

As of December 31, 2021, the City had the following encumbered amounts:

Fund	Encumbrances
General	$ 14,784,374
Capital Projects	30,321,725
American Rescue Plan Act Fund	161,669
Public Safety	1,069,254
Community Recreation and Cultural	521,365
	$ 46,858,387

Component Units:

PWSA is proceeding with a capital improvement program which the PWSA's independent engineer has estimated will entail expenditure of the existing construction funds and potential future bond issues.

The URA had outstanding contract commitments of approximately $32.0 million at December 31, 2021.

15.Regional Asset District Revenues

In December 1993, the Commonwealth legislature approved Act 77 of 1993 authorizing the creation of RAD by Allegheny County. RAD is a special purpose district whose primary purpose is to provide support and financing for regional community assets that were historically funded by the City, Allegheny County, or local municipalities. The City does not include RAD within its reporting entity since the City is not financially accountable for RAD's operations. These community assets include regional parks of the City and Allegheny County, municipal libraries, the Pittsburgh Zoo, the National Aviary, Phipps Conservatory, the old Three Rivers Stadium debt, PNC Park, Heinz Field, and community cultural facilities.

RAD revenue allocated to the City totaled approximately $33.4 million in 2021. The City allocated approximately $1.0 million to park operations, $3.0 million to capital projects and $5.3 million to public works.

16.Contingencies

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

There are currently a number of real estate appeals in process for which the outcome and possible further reduction in the real estate tax levy cannot be determined at this time. The City has accrued an estimate for tax refunds within accounts payable on the statement of net position and governmental funds (general) balance sheet.

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. Any contingent liability accrual deemed appropriate has been reflected in the financial statements as presented.

Component Units:

Consent Order - PWSA

The PWSA is subject to federal regulation under the Clean Water Act (1977) and regulations adopted under that Act. Among the specific requirements applicable to the PWSA's system are those imposed by the United States Environmental Protection Agency's Combined Sewer Overflow (CSO) Policy (1994). On January 29, 2004, the PWSA and the City executed a Consent Order and Agreement (Order) regarding wet weather sewer overflows within the City. The other signatories to the Order are the Pennsylvania Department of Environmental Protection (DEP) and the Allegheny County Health Department (ACHD).

Generally, the Order requires the PWSA and the City to assess the City sewers to develop a plan with ALCOSAN to address wet weather sewer overflows within the City. The Order is part of a sewer assessment program for all municipalities served by ALCOSAN. To date, assessment activities have been completed for all accessible critical sewers and separate sanitary sewers with the exception of any additional sewers discovered through continued research and investigation. Critical sewers were defined in the Order as: trunk sewers that are a final conveyance to the ALCOSAN Sewer System, sewers associated with areas of chronic basement flooding, sewers associated with areas of chronic maintenance, sewers associated with chronic surcharge, sewers downstream of diversion structures, sewers where additional information is necessary for model development, and sewers deemed a priority for inspection by a professional engineer. Ongoing pipe and manhole repairs are being completed to provide CCTV access to remaining inaccessible critical/sanitary sewer pipes. Assessment activities for non-critical sewers are to be completed on a longer schedule. The majority of accessible non-critical manholes have been inspected with ongoing efforts to complete any remaining or newly identified accessible non-critical manholes. The required Wet Weather Feasibility Study (WWFS) was submitted to the DEP and ACHD on time in July of 2013. This long-term control plan outlined system-wide improvements, including Green Infrastructure (GI) that PWSA would implement over the next 20 years.

As this Order with the DEP expired in March 2015, the U.S. Environmental Protection Agency (USEPA) became the main regulatory body to which the PWSA is responsible. On

January 21, 2016, the USEPA issued a Clean Water Act Section 308 Information Request to the PWSA. The USEPA 308 request required the PWSA to submit detailed information on past Order performance and activities. It also required the PWSA to conduct a source reduction analysis for the entire service area, followed by GI demonstration projects.

PWSA hired two engineering firms to assess and model the sewer system, responding to the first phase of the USEPA 308 request by the due date March 31, 2016. The second phase of the request was responded to by the submission of a source reduction study by the due date of December 1, 2016 and the submission of project performance evaluations for certain construction GI demonstration projects by the due date of December 1, 2017. An additional 308 request from the USEPA was received in October 2016 seeking more detailed information and further actions regarding the assessment of the PWSA's sewer system. The response to the October 2016 request from the USEPA was delivered in January 2017.

In addition to the assessment, the USEPA 308 request also requires the PWSA and the City to continue implementing the Nine Minimum Controls to reduce combined sewer overflows, and to perform repairs and maintenance of deficiencies revealed by the assessment. The PWSA maintains an expedited response to significant structural failures of the sewer system where imminent structural failures are determined by a professional engineer and prioritized for repair. Ongoing sewer line replacement, point repair, and trenchless rehabilitation projects have been implemented to address structural deficiencies. The USEPA 308 request also requires the submission of information on an ongoing, rolling basis, updating the progress of the evaluations and improvements, as well as water quality impacts. These reports are submitted monthly.

The PWSA has begun negotiations with EPA, the U.S. Department of Justice (DOJ), and DEP over the terms of a consent decree (CD) that will address the control of sanitary and combined sewer overflows within the City. Such a decree will likely set out an enforceable framework for bringing the PWSA's sanitary and combined sewer systems into compliance with applicable requirements of the federal Clean Water Act and Pennsylvania Clean Streams Law.

Given the broad scope of a potential CD, the size of the sewer system in the City, and the various conditions and/or deficiencies that may be discovered by the assessment, it is difficult to predict the total cost of compliance with the CD. Moreover, it is difficult to predict what, if any, largescale and/or regional capital improvements may be required after the completion of the assessment to address wet weather sewer overflows in the City and in the ALCOSAN service area. Costs associated with CD and COA compliance will be

reflected in the capital improvement program and funded by proceeds of potential future bond issuances.

Lead Mitigation - PWSA

The PWSA continued its critical initiatives to comply with the Consent Order and Agreement, and other requirements mandated by the Pennsylvania Department of Environmental Protection (PADEP) and the Pennsylvania Public Utilities Commission (PUC). These initiatives include: (1) a water treatment program to mitigate lead corrosion so as to comply with current water quality standards, (2) a lead service line replacement program, and (3) a lead service line identification program to be completed by 2020 for residential service line connections and a 2022 update to include all service line connections. These requirements are stipulated in the PADEP Consent Order and Agreement with the PWSA dated November 2017.

Water Treatment: Chemical treatment testing of orthophosphate application to the PWSA's finished water demonstrated rapid mitigation of lead and copper corrosion to levels well below any current federal drinking water standard. The PWSA fully implemented the introduction of orthophosphate to the drinking water system in April 2019, and since then has had two consecutive 6-month rounds of lead monitoring results below Federal action level of 15.0 parts per billion (ppb), along with a recently completed third round of lead monitoring. [Action levels are the EPA's established standard for water system compliance with the Federal Lead and Copper Rule.] The results were 10.0 ppb in the monitoring that ended in December 2019, 5.1 ppb for the monitoring that ended in June 2020, and 7.1 ppb for the round that ended in December 2021. These levels put the Authority's lead program in compliance with the Lead and Copper Rule for the first time since 2016. The second round of results below the action level removed the mandated requirement to replace lead service lines.

Lead Service Line Replacement: The PWSA was ordered by PADEP to replace 1,341 public owned lead service lines by June 30, 2018 and an additional 7 percent of the public owned lead service lines by December 31, 2018 (a total of about 2,200). By the end of 2018 a total of 2,765 public lead service lines had been replaced. In addition, the PWSA was required to continue to replace 7 percent of the initial number of lead service lines in the system (revised to 855 based upon PWSA data) until two consecutive 6-month monitoring period sampling events were below the lead action level (where this replacement requirement ended in June 2020 as described above). As of the date of this report, over 8,850 public, along with over 5,380 private lead service lines have been replaced.

In October 2020, the PWSA completed work on the 2019 Neighborhood LSLR project with $49.1 million in funding through PENNVEST, of which $35.4 million was a loan and $13.7 million was a grant. This program replaced over 4,738 public and 3,008 private lead service lines (as of March 18, 2022), well above the anticipated amounts of 3,400 public and 2,800 private replacements. In June 2020, the PWSA transitioned into the next phase of the LSLR program by replacing lead service lines in concert with a water main replacement program. In this manner, the PWSA minimizes the overall cost for water main and service line replacements. Most of the remaining lead service lines are connected to the oldest water mains in the system, most subject to breakage and failure. The PWSA will strive to implement this program at the lowest possible cost to the PWSA, while addressing those water mains that have the highest likelihood of failure. The PWSA's investment in water main replacement will continue unabated to ensure that the PWSA can mitigate the amount of annual pipe breaks and minimize the risk of service disruption to its customers. The PWSA's program intends to achieve an average water main life more in line with national standards. In summary, as of March 18, 2022, the PWSA has replaced a total of 8,850 public and 5,830 private lead service lines under all programs involving the removal of lead service lines, including the Lead Service Line Replacement Program (2016 through 2019 Contracts) and Small Diameter Water Main Replacement Program.

Small Diameter Water Main Replacement Program: The ongoing Small Diameter Water Main Replacement (SDWMR) Program consists of a series of annual projects designed to replace aging and undersized water mains in neighborhoods with a high likelihood of having lead service lines.

The 2020 SDWMR projects consisted of three individual construction contracts totaling nearly 15 miles of new water main. These projects were completed in December 2021 and, inclusive of design and construction, cost approximately $56 million.

Construction for the next phase of SDWMR projects, awarded as two individual construction contracts under the 2021 SDWMR Program, is expected to begin in late March 2022 and be completed by April 2023. This work consists of the construction of over 6 miles (33,500 LF) of new water mains and associated work. Contracts for both projects were awarded to a single contractor at a cost of just under $25 million.

The third phase of SDWMR projects (2022 SDWMR) are currently in the design phase with anticipation of bidding in July 2022 and an expected construction start date in late 2022 (September). These projects are expected to replace nearly 9 miles (46,700 LF) of water main at an estimated cost of $50 million.

The 2023, 2024, 2025, and 2026 contracts are currently in the 2022 CIP with a total cumulative value of $231 million, which equates to approximately 64 miles of small diameter water main to be replaced.

Lead Service Line Identification Program: The lead service line identification program determines the materials of manufacture for each existing water service line in the PWSA's system. The first phase of that program was completed with the digitization of existing records. The second phase, which has evolved since the signing of the consent order, consists of a combination of verification inspections and replacement records of ongoing infrastructure programs, video inspection of accessible residential service lines to evaluate the materials of manufacture, identification of private service lines while replacing meters, the development of a machine-learning predictive model in conjunction with the University of Pittsburgh and further records-mining with the PWSA, the City and Allegheny County Plumbing Department. This phase was completed in December 2020 and submitted to the PADEP, in compliance with the Consent Order and Agreement. The third phase includes identifying service line materials for non-residential customers and providing an update for all locations. This effort is due to PADEP in December 2022.

The Identification Program will culminate in a complete digital file and mapping of all service lines within the PWSA's service territory. All updated records are made publicly available on the PWSA's website within one month of the data being collected.

Attorney General Criminal Complaint - PWSA

In June 2016 the PWSA exceeded the drinking water lead action level established under the Pennsylvania Safe Drinking Water Act. As the PWSA attempted to meet federal Environmental Protection Agency (EPA) and Pennsylvania Department of Environmental Protection (DEP) service line replacement requirements, the PWSA violated the Safe Water Drinking Act in 2016 and 2017 by failing to provide 45-day advanced notice of partial service lead line replacement to customers at some homes and failing to provide post-construction test kits. In November 2017, the PWSA entered into a Consent Order Agreement with DEP related to these violations that included a civil penalty of $2.4 million. The portion of the Attorney General misdemeanor counts described in the subsequent paragraph that relate to partial lead line replacements and lack of customer notices are duplicative to the violations that resulted in the aforementioned Consent Order Agreement with the DEP.

On April 17, 2019, the Pennsylvania Office of the Attorney General completed a filing in the Allegheny County Court of Common Pleas, Docket CP-02-CR-0002636-2019, alleging

161 third-degree misdemeanor counts under the Pennsylvania Safe Drinking Water Act, which were later reduced to 152 counts. The misdemeanors addressed the PWSA's violations relating to the PWSA's unauthorized changes to its corrosion control treatment and its public water system by substituting corrosion control treatment chemicals without first obtaining the appropriate permit from the Pennsylvania Department of Environmental Protection. Also, the PWSA performed partial lead service line replacements, which can result in an increase in lead contamination for residences, without providing its customers with the advance notice and follow-up sampling required under the state and federal safe drinking water regulations.

The PWSA entered into a form of probation agreement, a Pre-Disposition Remediation Agreement ("PDR") with the Office of the Attorney General, which was approved by the Court on July 16, 2020. The PDR provides a 24-month probationary period, and further requires: (1) appointment of a Compliance Monitor during the probationary period with comprehensive compliance oversight and reporting responsibilities, (2) a donation of $500 to organizations and programs that protect Pittsburgh residents from lead contamination, and (3) public apology from the PWSA.

Environmental Protection Agency - PWSA

PWSA has been cooperating with the Environmental Protection Agency ("EPA") in an investigation related to the PWSA's Aspinwall Water Treatment Plant for nearly three years. The PWSA and EPA have negotiated a resolution that addresses the violations alleged by EPA. On January 15, 2021, pursuant to a plea agreement, the Court entered the PWSA's plea of guilty to two counts of violations of the Clean Water Act. The terms of the settlement are contained in a plea letter dated December 30, 2020 and executed by the PWSA on January 12, 2021. Sentencing occurred on September 14, 2021 and included seven standard conditions of supervision and reference to the requirements established in the Plea Agreement. A U.S. Probation Officer has been assigned to the PWSA and the PWSA is required to provide monthly updates to the probation officer.

EPA's Suspension and Debarment Division, placed the PWSA on its Suspension and Debarment list upon the PWSA's guilty plea on September 14, 2021. EPA and the PWSA entered into an Administrative Agreement, which allowed the PWSA to be promptly removed from the list on the same day.

Arena Land Agreement - URA

On September 11, 2014, the URA entered into a Comprehensive Option Agreement (the "Agreement") with the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the "SEA") and Pittsburgh Arena Real Estate Redevelopment LP (the "Redeveloper") that replaced previous agreements regarding the redevelopment of the approximately 28-acre site comprised of the former Civic Arena and surrounding parking lots. Approximately 9 acres of the site are owned by the URA. On June 20, 2018, the parties to the Agreement executed an amended and restated Option Agreement which amends and replaces the Agreement. Pursuant to the "Amended Agreement", the URA and the SEA have certain joint development Obligations. If those obligations are not met, the URA and SEA have a maximum joint liability of $6,000,000.

17. Risk Management and Uncertainties

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The risk of loss to which the City is exposed for the above-mentioned items is handled through various insurance coverages. As of December 31, 2021, there were no settlements exceeding coverage for the past three years. The City also covers certain claim settlements and judgments from its General and Capital Projects Fund resources due to the prohibitive cost of carrying certain commercial insurance. The City currently reports all risk management activities out of its General Fund. Claims liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. Provisions are recorded within current liabilities for amounts payable within one year. Amounts not payable within one year are reported within long-term liabilities.

Changes in the accrued claims and judgments liability for the past two fiscal periods (calendar year 2021 and 2020) are as follows:

	2021	2020
Accrued claims and judgments, January 1	$ 14,084,000	$ 12,204,046
Current year claims	2,385,000	4,704,915
Claim payments/Reduction in estimate	(1,711,000)	(2,824,961)
Accrued claims and judgments, December 31	$ 14,758,000	$ 14,084,000

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

Also, the City is fully self-insured for workers' compensation benefits. The City monitors its liability through periodic actuarial studies. A self-insurance reserve fund in the amount of $347,352 (classified as restricted within the General Fund) is maintained, due to a legal requirement under self-insurance regulations of the State of Pennsylvania, in the General Fund.

Changes in the accrued workers' compensation liability during the year ended December 31, 2021 are as follows:

Accrued worker's compensation, January 1	$ 102,741,922
Current year claims	4,947,150
Claim payments	(12,796,386)
Accrued worker's compensation, December 31	$ 94,892,686

The City is self-insured for losses and liabilities related to health insurance claims. Losses are accrued based upon the City's estimate of the aggregate liability for claims incurred using certain actuarial assumptions followed in the insurance industry and based on the City's experience. Specific and aggregate stop-loss insurance policies limit the City's exposure to large claims. Incurred but not reported costs are estimated to be $2.4 million at December 31, 2021.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE CITY'S NET PENSION LIABILITY AND RELATED RATIOS

PENSION PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:								
Service cost	$ 33,674,837	$ 25,786,609	$ 25,786,609	$ 24,416,693	$ 24,416,693	$ 22,585,569	$ 21,696,487	$ 22,015,630
Interest	102,848,211	96,094,613	94,428,326	94,327,979	92,674,935	90,581,077	88,838,894	87,049,771
Changes of benefit terms	9,347,482	-	-	-	-	-	-	-
Differences between expected and actual experience	17,366,912	-	(22,766,475)	-	(11,650,203)	-	2,283,418	-
Changes of assumptions	86,274,492	-	-	-	58,685,088	-	-	-
Benefit payments, including refunds of member contributions	(100,080,477)	(97,650,178)	(96,890,857)	(95,069,031)	(93,539,764)	(89,489,804)	(86,946,857)	(87,394,443)
Net Changes in Total Pension Liability	149,431,457	24,231,044	557,603	23,675,641	70,586,749	23,676,842	25,871,942	21,670,958
Total Pension Liability - Beginning	1,371,826,009	1,347,594,965	1,347,037,362	1,323,361,721	1,252,774,972	1,229,098,130	1,203,226,188	1,181,555,230
Total Pension Liability - Ending (a)	$ 1,521,257,466	$ 1,371,826,009	$ 1,347,594,965	$ 1,347,037,362	$ 1,323,361,721	$ 1,252,774,972	$ 1,229,098,130	$ 1,203,226,188
Plan Fiduciary Net Position:								
Contributions - employer	$ 98,819,645	$ 99,099,273	$ 95,189,427	$ 86,414,394	$ 70,487,381	$ 73,149,762	$ 63,758,477	$ 51,914,297
Contributions - member	14,218,587	14,372,925	12,415,212	11,915,736	11,372,391	10,907,326	10,900,701	10,909,251
Net investment income (loss)	92,022,236	60,841,066	82,119,356	(21,783,037)	59,629,520	30,739,535	(680,514)	24,302,368
Benefit payments, including refunds of member contributions	(100,080,477)	(97,650,178)	(96,890,857)	(95,069,031)	(93,539,764)	(89,489,804)	(86,946,857)	(87,394,443)
Administrative expense	(1,389,853)	(1,335,891)	(1,404,248)	(1,359,120)	(1,299,205)	(1,287,145)	(1,294,544)	(1,271,604)
Other	194,203	109,774	-	-	-	-	-	3,263,901
Net Change in Plan Fiduciary Net Position	103,784,341	75,436,969	91,428,890	(19,881,058)	46,650,323	24,019,674	(14,262,737)	1,723,770
Plan Fiduciary Net Position - Beginning	595,457,524	520,020,555	428,591,665	448,472,723	401,822,400	377,802,726	392,065,463	390,341,693
Plan Fiduciary Net Position - Ending (b)	$ 699,241,865	$ 595,457,524	$ 520,020,555	$ 428,591,665	$ 448,472,723	$ 401,822,400	$ 377,802,726	$ 392,065,463
Net Pension Liability - Ending (a-b)	$ 822,015,601	$ 776,368,485	$ 827,574,410	$ 918,445,697	$ 874,888,998	$ 850,952,572	$ 851,295,404	$ 811,160,725
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	45.96%	43.41%	38.59%	31.82%	33.89%	32.07%	30.74%	32.58%
Covered Payroll	$ 244,889,900	$ 207,900,314	$ 198,814,274	$ 204,883,102	$ 184,625,860	$ 215,018,989	$ 211,962,778	$ 202,853,143
Net Pension Liability as a Percentage of Covered Payroll	335.67%	373.43%	416.26%	448.28%	473.87%	395.76%	401.62%	399.88%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules.

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S CONTRIBUTIONS
AND INVESTMENT RETURNS

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

Schedule of City's Contributions	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 52,264,801	$ 51,519,387	$ 51,011,799	$ 49,662,394	$ 49,202,651	$ 43,073,288	$ 42,860,296	$ 31,438,297
Contributions in relation to the actuarially determined contribution	98,819,645	99,099,273	95,189,427	86,414,394	70,487,381	73,149,762	63,758,477	51,914,297
Contribution deficiency (excess)	$ (46,554,844)	$ (47,579,886)	$ (44,177,628)	$ (36,752,000)	$ (21,284,730)	$ (30,076,474)	$ (20,898,181)	$ (20,476,000)
Covered payroll	$ 244,889,900	$ 207,900,314	$ 198,814,274	$ 204,883,102	$ 184,625,860	$ 215,018,989	$ 211,962,778	$ 202,853,143
Contributions as a percentage of covered payroll	40.35%	47.67%	47.88%	42.18%	38.18%	34.02%	30.08%	25.59%
Investment Returns								
Annual money-weighted rate of return, net of investment expense	13.06%	11.70%	19.34%	-5.03%	14.96%	8.43%	0.04%	6.48%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules.

CITY OF PITTSBURGH, PENNSYLVANIA

NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

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

Actuarial Methods and Assumptions Used in Calculation of Actuarially Determined Contribution

The 2021 contribution and contribution rate information presented in the required supplementary schedules was determined as part of the January 1, 2019 actuarial valuations. Additional information as of the January 1, 2019 valuation follows:

CITY OF PITTSBURGH, PENNSYLVANIA

NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

	Municipal	Policemen	Firemen
Actuarial valuation date	1/1/2019	1/1/2019	1/1/2019
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar Closed	Level Dollar Closed	Level Dollar Closed
Remaining amortization period	20 years (aggregate)	20 years (aggregate)	20 years (aggregate)
Asset valuation method	Tabular Smoothing	Tabular Smoothing	Tabular Smoothing
Actuarial assumptions:			
Investment rate of return	7.25%	7.25%	7.25%
Projected salary increases	4.00%	4.50%	5.50%
Underlying inflation rate	2.75%	2.75%	2.75%
Mortality table	RP-2000 Healthy Annuitant, With Adjustments to Reflect Plan Mortality Experience	RP-2000 Healthy Annuitant, With Adjustments to Reflect Plan Mortality Experience	RP-2000 Healthy Annuitant, With Adjustments to Reflect Plan Mortality Experience

There have been no benefit changes made since the 1/1/2013 actuarial valuation.

Changes in Actuarial Assumptions – In 2017, the investment rate of return was lowered from 7.50% to 7.25% for all funds to provide a more conservative assumption. The rates of employee turnover (increased by 20% for the first five years of employment), disability (reduced by 20% at all ages), and retirement and mortality improvement assumptions for the Municipal fund were changed. The mortality, rates of employee turnover (increased by 25%), rates of disability (decreased at most ages) and retirement (increased at ages 60, 62, and 64) assumptions were changed for the Policemen's fund. The salary increase (lowered from 5.75% to 5.50% per year), retirement and mortality assumptions were changed for the Firemen's fund. There have been no other changes in actuarial assumptions made since the 1/1/2013 actuarial valuation.

CITY OF PITTSBURGH, PENNSYLVANIA

NOTES TO SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED DECEMBER 31, 2021

The actuarially determined contributions are based on the City's actuarially prepared Minimum Municipal Obligation under PA Act 205, as amended. The contribution excess for each year includes payments originating from (in millions):

	Dedicated parking tax revenue	Gaming revenue
2021	$26.8	$19.8
2020	$26.8	$20.8
2019	$26.8	$16.6
2018	$26.8	$10.0
2017	$13.4	$7.9
2016	$13.4	$11.2
2015	$13.4	$2.9
2014	$13.4	$7.1

As permitted by GASB Statement No. 82, covered payroll was not restated for prior years as it was not deemed practical due to the complex nature of the City's payroll structure.

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS FOR ITS RETIREE PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2021	2020	2019	2018	2017
Total OPEB Liability:					
Service cost	$ 3,007,655	$ 3,659,948	$ 3,326,808	$ 7,460,587	$ 7,792,888
Interest	23,943,087	27,363,576	28,154,776	22,449,821	22,199,364
Changes of benefit terms	-	-	-	1,393,658	-
Differences between expected and actual experience	(9,894,898)	(51,315,119)	(6,849,751)	(6,789,196)	-
Changes of assumptions	-	(11,541,316)	35,873,590	(103,961,562)	-
Benefit payments	(23,567,499)	(25,450,945)	(24,521,263)	(24,481,663)	(23,066,786)
Net Change in Total OPEB Liability	(6,511,655)	(57,283,856)	35,984,160	(103,928,355)	6,925,466
Total OPEB Liability - Beginning	407,655,899	464,939,755	428,955,595	532,883,950	525,958,484
Total OPEB Liability - Ending (a)	$ 401,144,244	$ 407,655,899	$ 464,939,755	$ 428,955,595	$ 532,883,950
Plan Fiduciary Net Position:					
Contributions - employer	$ 26,067,149	$ 26,076,181	$ 27,049,808	$ 26,981,663	$ 25,566,786
Net investment income (loss)	3,845,293	3,529,471	3,938,049	(1,017,618)	2,240,768
Benefit payments	(23,567,499)	(25,450,945)	(24,521,263)	(24,481,663)	(23,066,786)
Administrative expense	(17,162)	(15,376)	(15,052)	(22,401)	(49,551)
Other	-	(29,092)	-	-	-
Net Change in Plan Fiduciary Net Position	6,327,781	4,110,239	6,451,542	1,459,981	4,691,217
Plan Fiduciary Net Position - Beginning	31,383,883	27,273,644	20,822,102	19,362,121	14,670,904
Plan Fiduciary Net Position - Ending (b)	$ 37,711,664	$ 31,383,883	$ 27,273,644	$ 20,822,102	$ 19,362,121
Net OPEB Liability - Ending (a-b)	$ 363,432,580	$ 376,272,016	$ 437,666,111	$ 408,133,493	$ 513,521,829
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.40%	7.70%	5.87%	4.85%	3.63%
Covered Employee Payroll	$ 112,794,687	$ 110,225,944	$ 100,838,441	$ 98,139,602	$ 96,139,602
Net OPEB Liability as a Percentage of Covered Employee Payroll	322.21%	341.36%	434.03%	415.87%	534.14%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules.

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S CONTRIBUTIONS AND INVESTMENT RETURNS - OPEB FOR ITS RETIREE PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2021	2020	2019	2018	2017
Schedule of City's Contributions					
Actuarially determined contribution	$ 31,670,840	$ 36,526,177	$ 35,788,786	$ 35,106,521	$ 38,115,212
Contributions in relation to the actuarially determined contribution	26,067,149	26,076,181	27,049,808	26,981,663	25,566,786
Contribution deficiency (excess)	$ 5,603,691	$ 10,449,996	$ 8,738,978	$ 8,124,858	$ 12,548,426
Covered employee payroll	$ 112,794,687	$ 110,225,944	$ 100,838,441	$ 98,139,602	$ 96,139,602
Contributions as a percentage of covered employee payroll	23.11%	23.66%	26.82%	27.49%	26.59%
Investment Returns					
Annual money-weighted rate of return, net of investment expense	4.83%	2.70%	2.70%	4.87%	14.35%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules.

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS FOR ITS DISABLED FIREFIGHTERS PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2021	2020	2019
Total OPEB Liability:			
Service cost	$ 4,428,921	$ 3,454,046	$ 2,476,316
Interest	658,119	759,564	776,991
Changes of benefit terms	-	-	16,513,129
Differences between expected and actual experience	-	(4,250,409)	(1,100,128)
Changes of assumptions	469,931	2,581,819	5,874,543
Benefit payments	(188,425)	(206,939)	(170,806)
Net Change in Total OPEB Liability	5,368,546	2,338,081	24,370,045
Total OPEB Liability - Beginning	26,708,126	24,370,045	-
Total OPEB Liability - Ending (a)	$ 32,076,672	$ 26,708,126	$ 24,370,045
Plan Fiduciary Net Position:			
Contributions - employer	$ 232,359	$ 250,873	$ 170,806
Net investment income (loss)	13,964	13,602	-
Benefit payments	(188,425)	(206,939)	(170,806)
Administrative expense	(136)	-	-
Other	-	29,092	-
Net Change in Plan Fiduciary Net Position	57,762	86,628	-
Plan Fiduciary Net Position - Beginning	86,628	-	-
Plan Fiduciary Net Position - Ending (b)	$ 144,390	$ 86,628	$ -
Net OPEB Liability - Ending (a-b)	$ 31,932,282	$ 26,621,498	$ 24,370,045
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.45%	0.32%	0.00%
Covered Employee Payroll	$ 49,112,204	$ 31,459,781	$ 25,173,632
Net OPEB Liability as a Percentage of Covered Employee Payroll	65.02%	84.62%	96.81%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available. There is no activity for this Plan prior to 2019, as it is a new Plan.

See accompanying notes to required supplementary schedules.

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF THE CITY'S CONTRIBUTIONS AND INVESTMENT RETURNS - OPEB FOR ITS DISABLED FIREFIGHTERS PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2021	2020	2019
Schedule of City's Contributions			
Actuarially determined contribution	$ 3,422,743	$ 2,639,562	$ 2,253,230
Contributions in relation to the actuarially determined contribution	232,359	250,873	170,806
Contribution deficiency (excess)	$ 3,190,384	$ 2,388,689	$ 2,082,424
Covered employee payroll	$ 49,112,204	$ 31,459,781	$ 25,173,632
Contributions as a percentage of covered employee payroll	0.47%	0.80%	0.68%
Investment Returns			
Annual money-weighted rate of return, net of investment expense	4.83%	2.70%	2.70%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available. There is no activity for this Plan prior to 2019, as it is a new Plan.

See accompanying notes to required supplementary schedules.

CITY OF PITTSBURGH, PENNSYLVANIA

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2021

Actuarial Methods and Assumptions for the Retiree OPEB Plan

The methods and assumptions used to determine contribution rates for the retiree plan are based on the 1/1/2020 valuation and are as follows:

Actuarial valuation date	1/1/2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	28 year closed period
Actuarial assumptions:	
Investment rate of return	6.00%
Inflation rate	2.75%

Mortality tables:

Active: RP-2000 Mortality Tables

Municipal Retirees: RP-2000 Mortality for Healthy Annuitants adjusted by blue collar ratios set forward 1 year for healthy retiees and 6 years for disabled retirees.

Police and Fire Retirees: RP-2000 Mortality for Healthy Annuitants adjusted by blue collar ratios set forward 3 years for disabled retirees.

Healthcare cost trend rates:

	Medical/Rx Costs	Medicare Part B Premiums
Year	Annual Trend Rate	Annual Trend Rate
2021	5.40%	2.87%
2022	5.10%	5.71%
2025	5.19%	5.66%
2030-2050	5.18%	5.18%
2060	4.84%	4.84%
2070	4.38%	4.38%
2075+	4.04%	4.04%

There have been no benefit changes made since the 1/1/2020 actuarial valuation.

Changes in Actuarial Assumptions

Based upon actuarial valuations performed as of January 1, 2020, the Health care trend rates have been updated which caused a decrease in the City's OPEB liability.

CITY OF PITTSBURGH, PENNSYLVANIA

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2021

Actuarial Methods and Assumptions for the Disabled Firefighter OPEB Plan

The methods and assumptions used to determine contribution rates for the Fire plan are based on the 1/1/2020 valuation and are as follows:

Actuarial valuation date	1/1/2020
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Asset valuation method	Tabular Smoothing
Actuarial assumptions:	
Investment rate of return	6.00%
Discount rate	2.12%
Salary increases	2.75%
Inflation rate	2.75%
Mortality table	Active: RP-2000 Mortality Tables; Fire Retirees: RP-2000 Mortality for Healthy Annuitants adjusted by blue collar ratios set forward 3 years for disabled retirees All mortality tables are projected using SSA 2015 mortality improvement scale

Healthcare cost trend rates:

	Medical/Rx Costs	Medicare Part B Premiums
Year	Annual Trend Rate	Annual Trend Rate
2021	5.40%	2.87%
2022	5.10%	5.71%
2025	5.19%	5.66%
2030-2050	5.18%	5.18%
2060	4.84%	4.84%
2070	4.38%	4.38%
2075+	4.04%	4.04%

Changes in Actuarial Assumptions

Certain assumptions were updated from the January 1, 2020 valuation, health care trend rates where updated and there was a decrease in the discount rate from 2.74% to 2.12%. These changes caused an increase in liability during the year.

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL OTHER FUND STATEMENTS AND SCHEDULES

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

DECEMBER 31, 2021

	Equipment Leasing Authority	Liquid Fuels Tax	EARN	Public Safety	Civic and Cultural	Grants and Donations	Total
Assets							
Cash and cash equivalents	$ 1,447,546	$ 10,895,933	$ 5,668,356	$ 16,588,321	$ 22,566,182	$ 7,840,477	$ 65,006,815
Other receivables	-	-	359,970	934,546	1,478,415	4,112,975	6,885,906
Accrued interest	-	89	-	-	-	146	235
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	-	-	9,021	186,921	13,614	209,556
Total Assets	$ 1,447,546	$ 10,896,022	$ 6,028,326	$ 17,531,888	$ 24,231,518	$ 11,967,212	$ 72,102,512
Liabilities and Fund Balance							
Liabilities:							
Account payable	$ -	$ -	$ 64,695	$ 13,206	$ 5,431	$ -	$ 83,332
Accrued liabilities	58,417	502,710	106,986	610,155	400,189	1,344,249	3,022,706
Unearned revenue			5,630,161	-	-	9,499,125	15,129,286
Due to other funds	-	-	201,914	100,000	25,687	23,040	350,641
Due to other governments	-	-	-	1,249,014	-	-	1,249,014
Total Liabilities	58,417	502,710	6,003,756	1,972,375	431,307	10,866,414	19,834,979
Fund Balance:							
Restricted - State and Federal Purpose Grant	-	10,393,312	24,570	2,926,281	3,146,293	-	16,490,456
Committed - Specified Program Services	1,389,129	-	-	11,563,978	20,132,553	1,100,798	34,186,458
Assigned:						-	-
Public Safety	-	-	-	1,069,254	-	-	1,069,254
Community Recreation and Cultural	-	-	-	-	521,365	-	521,365
Total Fund Balance	1,389,129	10,393,312	24,570	15,559,513	23,800,211	1,100,798	52,267,533
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 1,447,546	$ 10,896,022	$ 6,028,326	$ 17,531,888	$ 24,231,518	$ 11,967,212	$ 72,102,512

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2021

	Equipment Leasing Authority	Liquid Fuels Tax	EARN	Public Safety	Civic and Cultural	Grants and Donations	Total
Revenues:							
Taxes, including penalties and interest	$ -	$ -	$ -	$ -	$ 16,010,563	$ -	$ 16,010,563
Interest and dividends	-	1,924	-	-	-	146	2,070
Fines and forfeits	-	-	-	1,047,602	-	-	1,047,602
Intergovernmental revenues	586,653	8,053,150	2,329,112	650,426	2,280,418	5,435,745	19,335,504
Charges for user services	-	-	-	9,191,699	2,991,316	-	12,183,015
Other	411,070	-	-	43,116	-	1,996,782	2,450,968
Total revenues	997,723	8,055,074	2,329,112	10,932,843	21,282,297	7,432,673	51,029,722
Expenditures:							
General government	5,715,483	-	2,329,112	-	612,701	371,685	9,028,981
Public safety	-	-	-	11,214,005	-	867,073	12,081,078
Public works		3,426,263	-	-	6,979,749	6,335,691	16,741,703
Community, recreational, and cultural	-	-	-	-	3,319,500	26,544	3,346,044
Economic and physical development	-	-	-	-	-	417,779	417,779
Total expenditures	5,715,483	3,426,263	2,329,112	11,214,005	10,911,950	8,018,772	41,615,585
Excess (Deficiency) of Revenues Over Expenditures	(4,717,760)	4,628,811	-	(281,162)	10,370,347	(586,099)	9,414,137
Other Financing Sources (Uses):							
Transfers in	4,779,509	-	-	5,756,650	-	-	10,536,159
Transfers out	-	(4,000,000)	-	(165,508)	-	-	(4,165,508)
Total other financing sources (uses)	4,779,509	(4,000,000)	-	5,591,142	-	-	6,370,651
Net Change in Fund Balance	61,749	628,811	-	5,309,980	10,370,347	(586,099)	15,784,788
Fund Balance:							
Beginning of year	1,327,380	9,764,501	24,570	10,249,533	13,429,864	1,686,897	36,482,745
End of year	$ 1,389,129	$ 10,393,312	$ 24,570	$ 15,559,513	$ 23,800,211	$ 1,100,798	$ 52,267,533

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING STATEMENT OF NET POSITION
PENSION AND OPEB TRUST FUNDS

DECEMBER 31, 2021

	Pension Trust Fund					OPEB Trust Funds			
	Comprehensive Trust	Municipal Fund	Policemen's Fund	Firemen's Fund	Total Pension Trust Fund	Retiree Trust Fund	Firefighter Trust Fund	Total OPEB Trust Funds	Total
Assets									
Cash and short-term investments, at cost, which approximates fair value	$ 34,401,596	$ 135,431	$ 3,721,113	$ 36,843	$ 38,294,983	$ 877,198	$ 9,039	$ 886,237	$ 39,181,220
Investments, at fair value:									
Common stock	102,919,736	-	-	-	102,919,736	-	-	-	102,919,736
U.S. government and agency obligations	25,915,794	-	-	-	25,915,794	-	-	-	25,915,794
Corporate and other obligations	29,312,300	-	-	-	29,312,300	-	-	-	29,312,300
Mutual funds:									
U.S. equities	201,098,406	-	-	-	201,098,406	20,681,975	89,768	20,771,743	221,870,149
Non-U.S. equities	118,890,344	-	-	-	118,890,344	-	-	-	118,890,344
Fixed income	47,618,281	-	-	-	47,618,281	12,992,934	37,291	13,030,225	60,648,506
Hedge funds	72,712,112	-	-	-	72,712,112	-	-	-	72,712,112
Real estate funds	42,774,217	-	-	-	42,774,217	1,902,697	4,355	1,907,052	44,681,269
Alternative strategies	-	-	-	-	-	1,256,860	3,937	1,260,797	1,260,797
Private equity	21,724,762	-	-	-	21,724,762	-	-	-	21,724,762
Due from (to) other fund	(435,783)	-	435,783	-	-	-	-	-	-
Accrued interest and dividends receivable	386,838	-	-	-	386,838	-	-	-	386,838
Total Assets	697,318,603	135,431	4,156,896	36,843	701,647,773	37,711,664	144,390	37,856,054	739,503,827
Liabilities									
Benefits and related withholdings payable	-	-	2,102,976	-	2,102,976	-	-	-	2,102,976
Accrued liabilities and other payables	236,009	55,864	-	-	291,873	-	-	-	291,873
Due to City of Pittsburgh Trust Fund	-	-	6,640	4,419	11,059	-	-	-	11,059
Total Liabilities	236,009	55,864	2,109,616	4,419	2,405,908	-	-	-	2,405,908
Net Position									
Restricted for Pension	697,082,594	79,567	2,047,280	32,424	699,241,865	-	-	-	699,241,865
Restricted for OPEB	-	-	-	-	-	37,711,664	144,390	37,856,054	37,856,054
Total Net Pension	$ 697,082,594	$ 79,567	$ 2,047,280	$ 32,424	$ 699,241,865	$ 37,711,664	$ 144,390	$ 37,856,054	$ 737,097,919

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING STATEMENT OF CHANGES IN NET POSITION
PENSION AND OPEB TRUST FUNDS

YEAR ENDED DECEMBER 31, 2021

	Pension Trust Fund					OPEB Trust Funds			
	Comprehensive Trust	Municipal Fund	Policemen's Fund	Firemen's Fund	Total Pension Trust Fund	Retiree Trust Fund	Firefighters Trust Fund	Total OPEB Trust Funds	Total
Additions:									
Contributions:									
Employer - pension benefits	$ 74,766,070	$ -	$ -	$ -	$74,766,070	$ -	$ -	$ -	$74,766,070
Employer - other benefits	2,380,824	-	1,250,355	-	3,631,179	26,067,149	232,359	26,299,508	29,930,687
Commonwealth of Pennsylvania - State Aid	24,053,575	-	-	-	24,053,575	-	-	-	24,053,575
Plan members	14,218,587	-	-	-	14,218,587	-	-	-	14,218,587
Total contributions	115,419,056	-	1,250,355	-	116,669,411	26,067,149	232,359	26,299,508	142,968,919
Investment income (loss):									
Net increase (decrease) in fair value of investments	84,675,103	-	-	-	84,675,103	2,859,734	7,407	2,867,141	87,542,244
Interest and dividends	8,459,499	-	-	1,724	8,461,223	985,559	6,556	992,115	9,453,338
Total investment income (loss)	93,134,602	-	-	1,724	93,136,326	3,845,293	13,963	3,859,256	96,995,582
Investment expense	(1,114,090)	-	-	-	(1,114,090)	(17,162)	-	(17,162)	(1,131,252)
Net investment income (loss)	92,020,512	-	-	1,724	92,022,236	3,828,131	13,963	3,842,094	95,864,330
Miscellaneous:									
Transfer in	-	30,665,292	36,702,694	36,325,000	103,692,986	-	-	-	103,692,986
Other	162,215	22,455	-	9,533	194,203	-	-	-	194,203
Total additions	207,601,783	30,687,747	37,953,049	36,336,257	312,578,836	29,895,280	246,322	30,141,602	342,720,438
Deductions:									
Benefit payments	-	27,745,086	35,205,542	35,880,177	98,830,805	-	-	-	98,830,805
Benefit payments - other benefits	-	1,890,071	1,615,097	126,011	3,631,179	23,567,499	188,425	23,755,924	27,387,103
Refund of employee contributions	-	869,794	378,249	1,629	1,249,672	-	-	-	1,249,672
Transfer out	103,692,986	-	-	-	103,692,986	-	-	-	103,692,986
Administrative expenses	375,886	286,085	400,428	327,454	1,389,853	-	135	135	1,389,988
Total deductions	104,068,872	30,791,036	37,599,316	36,335,271	208,794,495	23,567,499	188,560	23,756,059	232,550,554
Net Increase (Decrease) in Net Position	103,532,911	(103,289)	353,733	986	103,784,341	6,327,781	57,762	6,385,543	110,169,884
Net Position:									
Beginning of year	593,549,683	182,856	1,693,547	31,438	595,457,524	31,383,883	86,628	31,470,511	626,928,035
End of year	$ 697,082,594	$ 79,567	$ 2,047,280	$ 32,424	$ 699,241,865	$ 37,711,664	$ 144,390	$ 37,856,054	$ 737,097,919

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING STATEMENT OF NET POSITION
PRIVATE PURPOSE TRUST FUNDS AND CUSTODIAL FUNDS

DECEMBER 31, 2021

	Private-Purpose Trust Funds			Custodial Funds		
	Healthcare VEBA	Workers' Compensation VEBA	Total Private-Purpose Trust Fund	Deposits	Other	Total Custodial Funds
Assets						
Cash and cash equivalents	$ 10,743,443	$ 16,656,529	$ 27,399,972	$ 1,995,500	$ 1,465,989	$ 3,461,489
Other assets	224,398	-	224,398	-	-	-
Other receivables	157,536	-	157,536	1,721,426	-	1,721,426
Total Assets	11,125,377	16,656,529	27,781,906	3,716,926	1,465,989	5,182,915
Liabilities						
Pool participants	-	8,456,529	8,456,529	-	-	-
Deposits held for others	-	-	-	2,543,684	1,465,989	4,009,673
Accrued liabilities and other payables	-	-	-	1,173,242	-	1,173,242
Total Liabilities	-	8,456,529	8,456,529	3,716,926	1,465,989	5,182,915
Net Position						
Restricted for Other Benefits	11,125,377	8,200,000	19,325,377	-	-	-
Total Net Pension	$ 11,125,377	$ 8,200,000	$ 19,325,377	$ -	$ -	$ -

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING STATEMENT OF CHANGES IN NET POSITION
PRIVATE PURPOSE TRUST FUNDS AND CUSTODIAL FUNDS

YEAR ENDED DECEMBER 31, 2021

	Private-Purpose Trust Funds			Custodial Funds		
	Healthcare VEBA	Workers' Compensation VEBA	Total Private-Purpose Trust Fund	Deposits	Other	Total Custodial Funds
Additions:						
Contributions:						
Employer - other benefits	$ 52,839,342	$ 19,148,921	$71,988,263	$ 750	$ -	$ 750
Interest and dividends	819,573	8,624	828,197	-	-	-
Other:						
Collection of taxes to other entities	-	-	-	6,402,532	-	6,402,532
Other	2,484,343	1,771,923	4,256,266	1,163,152	439,010	1,602,162
Total additions	56,143,258	20,929,468	77,072,726	7,566,434	439,010	8,005,444
Deductions:						
Benefit payments - other benefits	65,764,837	21,878,373	87,643,210	1,625	-	1,625
Administrative expenses	-	2,782,341	2,782,341	-	-	-
Payment of taxes to other entities	-	-	-	6,402,532	-	6,402,532
Other	1,992,575	132,629	2,125,204	1,162,277	439,010	1,601,287
Total deductions	67,757,412	24,793,343	92,550,755	7,566,434	439,010	8,005,444
Net Increase (Decrease) in Net Position	(11,614,154)	(3,863,875)	(15,478,029)	-	-	-
Net Position:						
Beginning of year	22,739,531	12,063,875	34,803,406	-	-	-
End of year	$ 11,125,377	$ 8,200,000	$ 19,325,377	$ -	$ -	$ -

CITY OF PITTSBURGH, PENNSYLVANIA

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

CAPITAL PROJECTS FUND

YEAR ENDED DECEMBER 31, 2021

	Budget	Actual	Variance
Revenues:			
Taxes	$ -	$ 2,048,508	$ 2,048,508
Intergovernmental	8,801,582	6,753,074	(2,048,508)
Total revenues	8,801,582	8,801,582	-
Expenditures:			
Capital projects:			
General Governent	10,791,095	4,475,526	6,315,569
Public Safety	1,202,767	391,847	810,920
Public Works:			
Public Works	31,201,266	9,589,568	21,611,698
Public Works-Facilties	59,152,320	6,467,238	52,685,082
Mobility and Infrastructure	108,605,390	32,951,100	75,654,290
Community, Recreation. and Culture:			
Parks and Recreation	18,152	-	18,152
Intergovernmental	16,191,660	5,034,151	11,157,509
Total expenditures	227,162,650	58,909,430	168,253,220
Excess (Deficiency) of Revenues Over Expenditures	(218,361,068)	(50,107,848)	168,253,220
Other Financing Sources (Uses):			
Debt Proceeds	55,000,000	55,000,000	-
Transfers in	21,807,168	21,807,168	-
Total other financing sources (uses)	76,807,168	76,807,168	-
Net Change in Fund Balance	$ (141,553,900)	$ 26,699,320	$ 168,253,220

CITY OF PITTSBURGH, PENNSYLVANIA

BUDGETARY COMPARISON SCHEDULE

CAPITAL PROJECTS FUND

YEAR ENDED DECEMBER 31, 2021
(Amounts expressed in thousands)

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

Sources/Inflows of Resources:

Actual amounts (budgetary basis) revenues, debt proceeds and transfers in from the budgetary comparison statement.	$	85,609
The adjustments to convert to GAAP basis, recording of receivables, and revenues not included in budget.		1,260
Total Capital Projects Fund revenue and other financing sources on GAAP basis as reported on the statement of revenues, expenditures, and changes in fund balance.	$	86,869

Uses/Outflows of Revenues:

Actual amounts (budgetary basis) of expenditures from the budgetary comparison statement.	$	58,909
The adjustments to convert to GAAP basis, recording of expenditures, liabilities, and transfers out not included in budget.		5,285
Total Capital Projects Fund expenditures and other financing uses as reported on the statement of revenues, expenditures, and changes in fund balance.	$	64,194

STATISTICAL SECTION

Statistical Section

This section of the City of Pittsburgh (City) Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says

Contents	Page
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	155
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue sources, the property tax, and the earned income tax.	161
Debt Capacity	
These schedules present information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.	166
Demographic and Economic Information	
These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	175
Operating Information	
This schedule contains service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	178

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

Table 1

CITY OF PITTSBURGH, PENNSYLVANIA

NET POSITION BY COMPONENT
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Primary Governmental Activities:										
Net Investment in Capital Assets	$ 163,765,463	$ 158,701,570	$ 164,681,719	$ 144,771,633	$ 153,629,477	$ 102,439,691	$ 91,521,494	$ 48,597,817	$ 40,908,517	$ 30,418,047
Restricted	24,933,254	22,325,663	20,360,698	21,651,925	85,878,821	48,307,064	42,816,766	83,924,440	35,528,918	80,232,094
Unrestricted	(1,506,101,531)	(1,579,061,072)	(1,608,250,997)	(1,624,397,355)	(1,379,305,726)	(1,365,984,973)	(1,425,259,836)	(554,343,879)	(500,286,687)	(535,262,684)
Total Primary Government Net Position	$ (1,317,402,814)	$ (1,398,033,839)	$ (1,423,208,580)	$ (1,457,973,797)	$ (1,139,797,428)	$ (1,215,238,218)	$ (1,290,921,576)	$ (421,821,622)	$ (423,849,252)	$ (424,612,543)

Note: 2015 is the first year of GASB No. 68 implementation.
Note: 2018 is the first year of GASB No. 75 implementation.

Table 2

CITY OF PITTSBURGH, PENNSYLVANIA

CHANGES IN NET POSITION
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Expenses:										
Governmental Activities:										
General government	$ 140,836,243	$ 110,861,739	$ 104,814,151	$ 107,097,053	$ 79,890,619	$ 90,146,429	$ 92,461,452	$ 74,786,585	$ 84,139,729	$ 76,848,176
Public safety	309,449,862	301,337,720	342,668,931	303,944,132	310,299,262	317,747,418	307,202,644	300,400,845	283,064,565	247,872,443
Highways and streets	119,265,906	116,992,005	109,108,492	101,336,377	81,409,654	79,833,995	79,548,977	76,957,600	84,122,828	70,901,338
Sanitation	17,391,630	18,258,895	18,633,881	20,981,178	23,206,671	17,484,337	18,213,380	15,237,555	16,179,754	13,934,766
Economic development	10,386,837	9,686,517	11,310,505	15,251,094	14,510,872	13,236,871	12,630,440	23,201,566	25,125,815	23,355,059
Cultural and recreation	11,427,566	8,688,208	10,056,293	12,520,755	9,181,844	11,052,602	11,889,380	16,047,636	14,061,771	12,102,441
Interest on long-term debt and debt subsidies	16,609,375	16,218,984	19,984,134	19,366,707	18,747,955	20,913,636	23,075,567	33,349,335	29,031,125	33,561,747
Total primary government expenses	$ 625,367,419	$ 582,044,068	$ 616,576,387	$ 580,497,296	$ 537,246,877	$ 550,415,288	$ 545,021,840	$ 539,981,122	$ 535,725,587	$ 478,575,970
Program Revenues:										
Governmental Activities:										
Charges for services:										
General government	$ 30,958,194	$ 28,644,162	$ 41,656,914	$ 36,067,403	$ 40,462,204	$ 41,875,773	$ 42,874,193	$ 19,717,129	$ 23,756,687	$ 22,041,417
Public safety	23,583,391	17,623,237	25,561,885	22,757,420	22,811,937	19,740,506	13,341,178	27,234,697	21,042,591	20,474,148
Highway and streets	6,179,659	3,946,530	4,179,885	3,892,263	3,694,774	3,817,125	3,194,577	2,743,102	2,943,398	3,271,768
Sanitation	-	-	-	-	107,400	124,725	96,652	132,200	96,425	77,555
Culture and recreation	718,311	526,572	1,186,695	1,223,382	2,037,664	1,385,204	1,039,706	1,477,166	1,511,920	2,058,061
Operating grants and contributions	91,485,798	65,485,704	61,501,829	58,326,721	56,121,298	73,533,483	48,060,084	53,690,940	59,058,978	67,020,105
Capital grants and contributions	48,743,407	36,568,346	19,391,451	21,713,899	22,904,318	32,621,061	24,605,003	24,519,082	32,275,773	25,776,563
Total primary government program revenues	$ 201,668,760	$ 152,794,551	$ 153,478,659	$ 143,981,088	$ 148,139,595	$ 173,097,877	$ 133,211,393	$ 129,514,316	$ 140,685,772	$ 140,719,617
Net (Expense) Revenue:										
Governmental activities	$ (423,698,659)	$ (429,249,517)	$ (463,097,728)	$ (436,516,208)	$ (389,107,282)	$ (377,317,411)	$ (411,810,447)	$ (410,466,806)	$ (395,039,815)	$ (337,856,353)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Real estate	$ 153,691,697	$ 154,017,792	$ 147,859,058	$ 147,825,494	$ 143,161,069	$ 142,546,732	$ 137,884,011	$ 129,918,499	$ 125,749,849	$ 139,203,730
Earned income	114,451,864	108,303,323	109,821,901	99,881,265	96,635,845	92,272,255	88,904,431	86,925,234	82,711,518	75,358,073
Business privilege	-	-	17,601	1,334	4,253	4,517	2,751	17,851	39,539	103,906
Local services	13,763,964	13,063,282	13,877,364	15,540,585	14,017,903	14,238,005	13,984,697	14,022,784	13,901,193	14,227,654
Payroll preparation	60,104,180	64,242,014	66,299,547	66,870,167	63,274,223	61,157,691	73,930,205	56,416,555	54,366,168	51,833,425
Parking	36,776,148	31,268,412	60,567,613	60,364,178	58,758,563	58,419,897	55,065,134	53,248,377	51,986,310	50,920,051
Sales tax from Regional Asset District	33,401,478	28,683,859	29,219,572	29,659,664	27,346,010	28,313,592	26,227,370	27,018,069	24,608,395	26,032,524
Deed transfer	64,187,289	43,985,432	36,861,527	37,028,657	29,763,117	27,976,052	22,331,381	20,114,616	20,739,834	15,575,701
Parks test	9,746,160	-	-	-	-	-	-	-	-	-
Amusement	7,514,533	2,504,756	16,173,664	17,392,207	17,341,213	16,656,474	16,168,807	14,348,201	13,716,588	11,282,494
Nonprofit payment for municipal services	596,913	325,309	738,735	503,416	391,491	433,714	378,932	2,267,059	2,010,873	4,894,760
Other	5,324,959	4,360,012	7,141,922	7,117,527	6,788,191	6,712,484	8,416,329	6,026,456	5,801,064	4,960,016
Unrestricted investment earnings	277,547	1,669,623	6,195,062	3,892,727	1,795,367	640,854	292,395	182,305	97,006	204,587
Donations and endowments	3,801,827	1,681,066	2,161,106	1,445,614	4,745,585	2,443,318	777,080	829,298	1,731,297	53,282
Gain(loss) on sale of assets	148,602	108,032	-	-	(124,887)	-	-	-	-	-
Miscellaneous	542,523	211,346	928,273	1,704,577	650,129	1,185,186	730,099	1,159,132	1,597,830	1,200,809
Total primary government	$ 504,329,684	$ 454,424,258	$ 497,862,945	$ 489,227,412	$ 464,548,072	$ 453,000,771	$ 445,093,622	$ 412,494,436	$ 399,057,464	$ 395,851,012
Change in Net Position:										
Primary government - governmental activities	$ 80,631,025	$ 25,174,741	$ 34,765,217	$ 52,711,204	$ 75,440,790	$ 75,683,360	$ 33,283,175	$ 2,027,630	$ 4,017,649	$ 57,994,659

Table 3

CITY OF PITTSBURGH, PENNSYLVANIA

PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Governmental Activities:										
General government	$ 101,800,556	$ 55,105,681	$ 63,896,303	$ 50,707,579	$ 56,529,600	$ 52,908,014	$ 73,670,656	$ 55,325,989	$ 64,910,815	$ 73,130,821
Public safety	50,671,954	47,837,678	53,939,061	55,574,960	58,558,543	69,917,263	29,014,391	43,029,190	40,131,320	36,962,644
Highways and streets	39,586,288	40,265,508	29,485,339	25,938,432	23,080,841	41,166,791	23,762,756	20,902,347	25,098,423	19,951,205
Sanitation	442,009	-	378,679	1,160,005	1,280,753	3,036,512	424,350	983,805	529,956	452,759
Economic development	5,579,431	6,407,614	2,086,224	5,977,925	5,239,068	2,408,059	3,704,451	6,350,537	6,556,494	6,614,201
Cultural and recreation	3,588,522	3,178,070	3,693,053	4,622,187	3,450,790	3,661,238	2,634,789	2,922,448	3,458,764	3,607,987
Total primary government	$ 201,668,760	$ 152,794,551	$ 153,478,659	$ 143,981,088	$ 148,139,595	$ 173,097,877	$ 133,211,393	$ 129,514,316	$ 140,685,772	$ 140,719,617

Table 4

CITY OF PITTSBURGH, PENNSYLVANIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Fund:										
Restricted	$ 8,358,181	$ 8,619,704	$ 9,312,848	$ 11,183,194	$ 13,163,423	$ 13,059,755	$ 5,868,149	$ 5,600,297	$ 10,022,616	$ 7,696,849
Assigned	14,784,374	11,529,075	13,116,845	9,916,168	8,189,298	2,626,144	2,316,420	3,774,771	3,646,559	3,004,873
Unassigned	106,831,142	85,358,705	133,468,962	114,069,887	110,422,643	98,793,635	69,121,488	53,754,570	82,030,086	81,410,445
Total General Fund	129,973,697	105,507,484	155,898,655	135,169,249	131,775,364	114,479,534	77,306,057	63,129,638	95,699,261	92,112,167
All Other Governmental Funds:										
Restricted	124,233,804	90,369,280	75,129,154	66,771,282	72,715,398	35,247,309	36,948,617	76,637,391	25,506,302	72,535,265
Committed	35,551,331	22,592,447	25,333,593	21,411,913	18,839,789	17,383,882	16,336,309	13,751,375	12,799,191	9,768,475
Assigned	33,140,167	41,491,073	36,355,476	21,280,075	19,288,370	23,756,536	39,805,850	29,454,428	26,317,580	16,151,126
Total All Other Governmental Funds	192,925,302	154,452,800	136,818,223	109,463,270	110,843,557	76,387,727	93,090,776	119,843,194	64,623,073	98,454,866
Total Governmental Funds	$ 322,898,999	$ 259,960,284	$ 292,716,878	$ 244,632,519	$ 242,618,921	$ 190,867,261	$ 170,396,833	$ 182,972,832	$ 160,322,334	$ 190,567,033

Table 5

CITY OF PITTSBURGH, PENNSYLVANIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

LAST TEN YEARS
(MODIFIED ACCRUAL BASIS)

($'s in Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Revenues:										
Taxes	$ 496,688	$ 448,910	$ 487,743	$ 485,000	$ 452,752	$ 451,757	$ 435,520	$ 406,059	$ 397,548	$ 388,218
Payment in lieu of taxes	597	325	739	504	391	434	379	2,267	2,011	4,894
Interest earnings	278	1,670	6,195	3,893	1,795	641	292	182	97	205
Fines and forfeits	7,733	5,403	10,886	9,386	9,177	10,586	12,293	7,646	9,699	11,491
Intergovernmental	118,384	76,940	54,868	58,308	57,109	86,366	54,033	59,946	73,308	75,897
Charges for user services	53,707	45,337	61,699	54,414	59,486	55,655	50,905	41,383	39,652	36,432
Pension state aid	24,129	25,509	26,420	21,905	22,129	20,491	18,255	18,264	18,027	16,900
Miscellaneous	4,344	2,139	3,197	2,237	5,634	3,700	1,719	2,237	1,885	1,268
Total revenues	705,860	606,233	651,747	635,647	608,473	629,630	573,396	537,984	542,227	535,305
Expenditures:										
General government	127,826	123,913	111,979	133,190	87,827	92,108	99,861	79,622	82,485	82,947
Public safety	348,812	353,775	339,290	319,799	300,472	295,499	274,235	270,581	268,116	258,272
Public works	122,640	129,249	115,151	96,916	96,185	90,665	79,841	68,324	77,625	67,664
Sanitation	20,794	20,731	21,307	19,364	18,643	17,247	17,145	16,193	16,014	15,181
Community, recreational, and cultural	10,424	9,184	10,613	15,741	9,376	9,746	11,589	15,499	13,524	12,510
Claims and judgments	589	2,825	2,097	2,991	2,612	1,984	1,381	4,644	2,443	568
Economic and physical development	7,141	7,550	6,721	4,628	8,796	7,769	5,596	8,946	11,621	8,786
Bond issue costs	286	932	340	138	372	99	-	758	-	358
Debt service/authorities:										
Interest	17,334	17,506	20,725	21,310	21,662	24,568	27,889	30,296	33,062	32,981
Principal	39,115	27,730	31,190	53,000	66,173	63,835	61,135	56,705	53,805	49,280
Debt subsidies to component units	3,246	2,136	4,590	6,556	5,842	5,738	7,300	14,524	13,776	14,836
Total expenditures	698,207	695,531	664,003	673,633	617,960	609,258	585,972	566,092	572,471	543,383
Excess (Deficiency) of Revenues Over Expenditures	7,653	(89,298)	(12,256)	(37,986)	(9,487)	20,372	(12,576)	(28,108)	(30,244)	(8,078)

(Continued)

Table 5

CITY OF PITTSBURGH, PENNSYLVANIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS (1)

LAST TEN YEARS
(MODIFIED ACCRUAL BASIS)

($'s in Thousands)
(Continued)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Other Financing Sources (Uses):										
Bond issuance	46,010	43,555	55,420	40,000	54,635	-	-	44,470	-	114,495
Refunding bond issuance	-	154,095	-	-	-	23,723	-	62,920	-	-
Bond premium	9,276	13,108	4,920	-	6,604	-	-	12,226	-	13,613
Capital lease proceeds	-	5,610	-	-	-	-	-	-	-	-
Insurance proceeds	-	-	-	-	-	-	-	-	-	-
Transfers from other funds	110,111	69,778	79,842	111,391	111,145	108,729	114,740	115,579	110,369	92,654
Payments to escrow agents	-	(159,826)	-	-	-	(23,624)	-	(68,858)	-	(47,725)
Transfers to other funds	(110,111)	(69,778)	(79,842)	(111,391)	(111,145)	(108,729)	(114,740)	(115,579)	(110,369)	(92,654)
Total other financing sources (uses)	55,286	56,542	60,340	40,000	61,239	99	-	50,758	-	80,383
Net Change in Fund Balance	$ 62,939	$ (32,756)	$ 48,084	$ 2,014	$ 51,752	$ 20,471	$ (12,576)	$ 22,650	$ (30,244)	$ 72,305
Debt service (principal and interest) as a percentage of noncapital expenditures	8.3%	6.8%	8.0%	11.3%	15.2%	15.1%	15.8%	15.6%	15.4%	15.2%

Notes:
(1) Includes General, Special Revenue, Debt Service, and Capital Projects Funds.

(Concluded)

Table 6

CITY OF PITTSBURGH, PENNSYLVANIA

GOVERNMENTAL FUND TAX REVENUES BY SOURCES

LAST TEN YEARS

($'s in Thousands)

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Real estate tax	$ 151,951	$ 151,813	$ 147,340	$ 147,239	$ 143,238	$ 141,102	$ 137,316	$ 127,354	$ 127,606	$ 137,411
Mercantile tax	-	-	-	-	-	-	-	-	6	-
Amusement tax	7,500	2,502	16,125	17,360	17,285	16,624	16,160	14,338	13,714	11,280
Payroll preparation tax	58,779	64,095	65,788	69,459	57,779	65,025	66,130	55,972	54,151	51,553
Earned income tax	114,450	108,300	109,713	99,874	96,627	92,241	88,853	86,860	84,103	75,228
Facilities usage fee	3,803	2,785	5,311	5,396	5,234	5,090	5,893	4,688	4,287	3,333
Deed transfer tax	64,187	43,985	36,862	37,029	29,763	27,976	22,332	20,115	20,740	15,576
Parking tax	36,695	31,258	60,552	60,353	58,663	57,747	55,001	53,233	51,977	50,911
Local/Emergency services tax	13,731	12,994	13,761	15,444	13,912	14,155	13,873	13,907	13,831	14,128
Business privilege tax	-	-	16	-	2	-	-	3	20	57
Institution/service tax	510	573	643	522	587	559	586	480	494	457
Parks tax	9,746	-	-	-	-	-	-	-	-	-
Penalties and interest	941	925	1,238	1,469	1,361	1,924	1,237	1,273	1,023	2,250
Public service privilege	993	996	1,174	1,195	955	1,000	1,911	818	989	1,165
Regional Asset District	33,402	28,684	29,220	29,660	27,346	28,314	26,228	27,018	24,608	24,869
Total tax revenues	$ 496,688	$ 448,910	$ 487,743	$ 485,000	$ 452,752	$ 451,757	$ 435,520	$ 406,059	$ 397,549	$ 388,218

Note: In 2005, the occupation privilege tax was replaced by the local service tax. The business privilege tax was reduced.
Two additional revenues were the payroll preparation tax and the facility usage tax. The mercantile tax was eliminated.
Note: In 2021, the parks tax was implemented.

Table 7

CITY OF PITTSBURGH, PENNSYLVANIA

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST TEN YEARS

($'s in Thousands)

Year	Total Assessed Value	Less: Tax-Exempt Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Estimated Actual Value (1)	Taxable Rate (mills)	Taxable Value
2012	$ 22,380,149	$ 8,737,987	$ 13,642,162	$ 15,955,745	85.50%	10.800	$ 147,335
2013	32,939,892	12,707,501	20,232,391	22,282,369	90.80%	7.560	152,957
2014	31,120,498	12,457,503	18,662,995	20,285,864	92.00%	7.560	141,092
2015	31,189,789	12,503,501	18,686,288	21,453,832	87.10%	8.060	150,611
2016	31,490,413	12,233,050	19,257,363	22,134,900	87.00%	8.060	155,214
2017	31,056,787	11,480,853	19,575,934	22,316,565	87.72%	8.060	157,782
2018	31,486,950	11,472,414	20,014,536	22,873,755	87.50%	8.060	161,317
2019	32,039,380	11,536,260	20,518,990	23,785,522	86.27%	8.060	165,255
2020	32,389,680	11,485,355	20,904,326	23,890,658	87.50%	8.060	168,489
2021	32,830,398	11,678,664	21,151,734	26,081,049	81.10%	8.560	170,483

Note: Information by major component of assessed value is not available.
(1) - Pennsylvania State Tax Equilization Board - Common Level Ratio

Table 8

CITY OF PITTSBURGH, PENNSYLVANIA

PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN YEARS

Fiscal Year	City of Pittsburgh			School district millage	County millage	Total Millage
	Operating millage	Parks millage (1)	Total Direct Rate			
2012	10.800	-	10.800	13.920	4.690	29.410
2013	7.560	-	7.560	9.650	4.730	21.940
2014	7.560	-	7.560	9.650	4.730	21.940
2015	8.060	-	8.060	9.840	4.730	22.630
2016	8.060	-	8.060	9.840	4.730	22.630
2017	8.060	-	8.060	9.840	4.730	22.630
2018	8.060	-	8.060	9.840	4.730	22.630
2019	8.060	-	8.060	9.840	4.730	22.630
2020	8.060	-	8.060	9.950	4.730	22.740
2021	8.060	0.500	8.560	9.950	4.730	23.240

Notes:

(1) For 2021, the City implemented a 0.50 millage park tax.

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

Table 9

CITY OF PITTSBURGH, PENNSYLVANIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2021 Taxable Assessed Value	2021 Rank	2021 Percentage of Total City Taxable Assessed Value	2012 Taxable Assessed Value	2012 Rank	2012 Percentage of Total City Taxable Assessed Value
PNC	$ 428,471,200	1	2.03%	$ 276,789,000	2	2.03%
Buncher Company	305,387,300	2	1.44%	188,247,974	4	1.38%
500 Grant St. Assoc/Mellon Bank	273,176,400	3	1.29%	349,940,300	1	2.57%
600 GS Prop LP	233,211,300	4	1.10%	175,000,000	6	1.28%
Holdings Acqui Sition Co LP	225,014,800	5	1.06%	203,091,800	3	1.49%
HRLP Fourth Avenue LLC	179,400,000	6	0.85%	-		
IX Liberty Center Owner LP	120,000,000	7	0.57%	-		
Pittsburgh CBD LLC	118,000,000	8	0.56%	-		
Hertz Gateway Center LP.	91,750,000	9	0.43%	-		
Liberty Avenue Holdings LLC	79,000,000	10	0.37%	62,100,000	10	0.46%
Market Assoc. Limited	-			185,000,000	5	1.36%
Oxford Development	-			115,000,000	7	0.84%
Grant Liberty Dev. Group	-			110,000,000	8	0.81%
North Shore Developers	-			64,297,550	9	0.47%
	$ 2,053,411,000		9.71%	$ 1,729,466,624		12.68%
Total Taxable Assessed Valuation	$ 21,151,734,000			$ 13,642,162,000		

Note: Information obtained from Real Estate Department assessments.

Table 10

CITY OF PITTSBURGH, PENNSYLVANIA

ASSESSED VALUE, TAX RATE, LEVY, AND COLLECTIONS

LAST TEN YEARS

($'s in Thousands)

Fiscal Year	Taxable Assessed valuation of land and buildings	Land millage	Building millage	Original net levy	Adjusted net levy (1)	Budgeted	Year of original levy				Delinquent taxes		
							(2) Receipts	Percent of original net levy collected	Percent of adjusted net levy collected	Percent of budget collected	Collection Budget	Collection Receipts	Percent of budget collected
2012	13,642,162	10.80	10.80	147,579	131,841	130,578	126,821	85.9	96.2	97.1	3,525	5,551	157.5
2013	7,553,463	7.56	7.56	153,382	123,150	130,578	122,632	80.0	99.6	93.9	3,406	5,144	151.0
2014	18,616,498	7.56	7.56	141,411	121,775	128,770	120,087	84.9	98.6	93.3	4,673	5,114	109.4
2015	18,686,288	8.06	8.06	150,679	131,834	133,355	130,470	86.6	99.0	97.8	4,597	4,714	102.5
2016	19,257,363	8.06	8.06	155,214	136,149	134,126	136,210	87.8	100.0	101.6	3,500	4,424	126.4
2017	19,575,934	8.06	8.06	158,050	137,657	140,082	136,840	86.6	99.4	97.7	3,371	4,694	139.2
2018	20,014,536	8.06	8.06	161,322	139,945	143,845	140,924	87.4	100.7	98.0	3,668	6,162	168.0
2019	20,518,989	8.06	8.06	165,383	143,390	147,533	142,448	86.1	99.3	96.6	5,264	5,021	95.4
2020	20,904,326	8.06	8.06	168,493	149,148	150,080	144,571	85.8	96.9	96.3	4,112	6,246	151.9
2021	21,151,734	8.56	8.56	170,511	150,158	148,757	146,005	85.6	97.2	98.2	4,132	5,600	135.5

Notes:

(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) Receipts are net of refunds.

Table 11

CITY OF PITTSBURGH, PENNSYLVANIA

RATIOS OF OUTSTANDING DEBT - BY TYPE

LAST TEN YEARS

Fiscal Year	Obligation Bonds (1)	Capital Leases	Outstanding Debt	Percentage of Personal Income (2)	Population (3)	Debt per Capita
	Governmental Activities:					
2012	$ 612,114,556	$ 10,780,033	$ 622,894,589	4.25%	305,704	$ 2,038
2013	565,180,727	10,080,874	575,261,601	4.00%	305,704	1,882
2014	558,081,184	9,338,590	567,419,774	3.88%	305,704	1,856
2015	492,843,748	8,550,523	501,394,271	3.42%	305,704	1,640
2016	425,637,037	7,713,856	433,350,893	2.95%	305,704	1,418
2017	416,627,243	6,825,565	423,452,808	2.87%	305,704	1,385
2018	400,277,135	5,882,500	406,159,635	2.80%	305,704	1,329
2019	427,597,805	4,881,271	432,479,076	2.90%	305,704	1,415
2020	458,594,820	9,428,542	468,023,362	1.26%	300,286	1,559
2021	472,710,995	7,422,843	482,232,861	1.33%	302,971	1,592

1. Presented net of original issuance discounts and premiums
2. Personal income is disclosed on Table 19
3. United States Census Bureau

Table 12

CITY OF PITTSBURGH, PENNSYLVANIA

RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA

LAST TEN YEARS

($'s in Thousands)

Fiscal Year	Population	Assessed value	General bonded debt	Less debt service funds	Net general bonded debt	Ratio of net general bonded debt to assessed value	Net general bonded debt per capita
2012	306	$ 13,642,162	$ 612,115	$ -	$ 612,115	4.49%	$ 2,000
2013	306	20,232,391	565,181	-	565,181	2.79%	1,847
2014	306	18,662,995	558,081	-	558,081	2.99%	1,824
2015	306	18,686,289	492,844	-	492,844	2.64%	1,611
2016	306	19,257,363	425,637	-	425,637	2.21%	1,391
2017	306	19,575,934	416,627	-	416,627	2.13%	1,362
2018	306	20,014,536	400,277	-	400,277	2.00%	1,308
2019	306	20,518,989	427,598	-	427,598	2.08%	1,397
2020	300	20,904,326	458,595	-	458,595	2.19%	1,529
2021	303	21,151,734	472,711	-	472,711	2.23%	1,560

Table 13

CITY OF PITTSBURGH, PENNSYLVANIA

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT (1) TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES

LAST TEN YEARS

($'s in Thousands)

Fiscal Year	Principal	Interest (2)	Total debt service	Total general governmental expenditures	Ratio of debt to general governmental expenditures
2012	$ 49,280	$ 32,981	$ 82,261	$ 543,383	15.14%
2013	53,805	33,061	86,866	572,471	15.17%
2014	56,705	30,295	87,000	566,092	15.37%
2015	61,135	27,889	89,024	585,972	15.19%
2016	63,835	24,569	88,404	609,258	14.51%
2017	66,173	20,795	86,968	617,960	14.07%
2018	53,000	21,310	74,310	673,633	11.03%
2019	31,190	20,725	51,915	664,003	7.82%
2020	27,730	17,506	45,236	699,642	6.47%
2021	39,115	17,334	56,449	698,207	8.08%

Notes:

(1) City of Pittsburgh bonds only.

(2) Excludes bond issuance and other costs.

Table 14

CITY OF PITTSBURGH, PENNSYLVANIA

COMPUTATION OF DIRECT AND OVERLAPPING DEBT

DECEMBER 31, 2021

($s in Thousands)

Jurisdiction	Debt outstanding	Percentage applicable to City		Amount applicable to City
Direct debt:				
City of Pittsburgh:				
General obligation	$ 472,711	100%		$ 472,711
Capital lease	7,423	100%		7,423
Total direct debt	480,134			480,134
Overlapping debt:				
Pittsburgh Water and Sewer Authority	1,146,271	0%	(1)	-
Parking Authority	44,522	100%		44,522
The School District of Pittsburgh	304,584	100%		304,584
Allegheny County	982,452	25%	(2)	245,613
Total overlapping	2,477,829			594,719
Total direct and overlapping debt	$ 2,957,963			$ 1,074,853

(1) - Direct obligations of the Pittsburgh Water and Sewer Authority are not considered debt of the City of Pittsburgh.
(2) - Based on percent of population of the City of Pittsburgh compared to Allegheny County

Table 15

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, 2021

	Nonelectoral debt	Lease rental debt
Gross debt (1):		
Principal amount of bonds issued and outstanding:		
General obligation	$ 439,450,000	$ -
Capital Leases	-	7,422,843
Total gross debt	439,450,000	7,422,843
Items deductible from gross debt:		
Cash and legal investments held in sinking fund for payment of bonds and notes	1,126,256	-
Delinquent real estate taxes	11,726,249	-
Self-liquidating and subsidized debt:		
Taxable General Obligation Pension Bonds, 1998ABC	78,395,000	-
Total deductions	91,247,505	-
Net debt	$ 348,202,495	$ 7,422,843

(Continued)

(1) Direct obligations of the Pittsburgh Water and Sewer Authority in the amount of $1,146,271,000 are not considered debt of the City of Pittsburgh for purposes of this calculation.

Table 15

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, 2021
(Continued)

Allocation of Total Net Debt

Net nonelectoral debt	$ 348,202,495
Net lease rental debt	7,422,843
Net nonelectoral and lease rental debt	$ 355,625,338

Debt Incurring Margin

	2019	2020	2021
Total net revenue of the City	$ 562,124,042	$ 523,532,618	$ 562,348,743
Borrowing base (arithmetic average of total net revenue for said three fiscal years)			$ 549,335,134

	Net nonelectoral debt (borrowing base x 250%)	Net nonelectoral and lease rental debt (borrowing base x 350%)
Debt limitations	$ 1,373,337,836	$1,922,672,970
Less existing net debt	(348,202,495)	(355,625,338)
Remaining debt incurring margin	$ 1,025,135,341	$1,567,047,632

(Concluded)

Table 16

CITY OF PITTSBURGH, PENNSYLVANIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS
(dollars in thousands)

	Debt limit	Total Net Debt applicable to limit	Legal debt margin	Legal debt margin %
2021	$ 1,373,338	$ (348,202)	$ 1,025,136	74.65%
2020	1,355,090	(318,267)	1,036,823	76.51%
2019	1,350,030	(272,931)	1,077,099	79.78%
2018	1,305,292	(229,387)	1,075,905	82.43%
2017	1,253,251	(229,025)	1,024,226	81.73%
2016	1,200,164	(218,682)	981,482	81.78%
2015	1,152,411	(267,452)	884,959	76.79%
2014	1,121,402	(341,154)	780,248	69.58%
2013	1,108,747	(338,265)	770,482	69.49%
2012	1,092,625	(372,206)	720,419	65.93%

Note: The State of Pennsylvania's Local Government Unit Debt Act determines the calculation of the Legal Debt Margin. See Table 15.

Table 17

CITY OF PITTSBURGH, PENNSYLVANIA

REVENUE BOND COVERAGE
PITTSBURGH WATER AND SEWER AUTHORITY

LAST TEN YEARS

($'s in Thousands)

Fiscal Year	Gross revenues	(1) Operating expenses	Net revenue available for debt service	Principal	Interest	Total	Coverage
2012	$144,138	$ 93,305	$ 50,833	$ 15,064	$ 37,243	$ 52,307	0.97
2013	142,657	95,823	46,834	144,184	33,053	177,237	0.26
2014	164,255	111,454	52,801	19,249	37,146	56,395	0.94
2015	174,164	116,908	57,256	21,201	36,865	58,066	0.99
2016	180,727	131,936	48,791	22,004	36,966	58,970	0.83
2017	202,996	157,220	45,776	22,481	34,913	57,394	0.80
2018	231,734	153,180	78,554	24,603	34,365	58,968	1.33
2019	249,049	165,230	83,819	23,140	38,740	61,880	1.35
2020	241,997	169,507	72,490	26,842	37,463	64,305	1.13
2021	269,121	179,900	89,221	27,879	39,431	67,310	1.33

(1) Total operating expenses exclusive of depreciation and amortization.

Table 18

CITY OF PITTSBURGH, PENNSYLVANIA

REVENUE BOND COVERAGE
THE STADIUM AUTHORITY OF THE CITY OF PITTSBURGH (1)

LAST TEN YEARS

($'s in Thousands)

Fiscal Year	Gross revenues (2)	Operating expenses (3)	Net revenue available for debt service	Debt service requirements (4) Principal	Interest	Total	Coverage (5)
2012	$ 4,750	$ 2,262	$ 2,488	$ 841	$ 1,238	$ 2,079	1.20
2014	6,366	2,237	4,129	757	643	1,400	2.95
2015	6,632	2,285	4,347	780	616	1,396	3.11
2016	7,532	2,407	5,125	3,189	570	3,759	1.36
2017	7,591	2,621	4,970	678	564	1,242	1.36
2018	10,474	3,981	6,493	973	940	1,913	3.39
2019	10,956	4,281	6,675	1,040	875	1,915	3.49
2020	5,317	2,362	2,955	1,695	845	2,540	1.16
2021	6,790	2,764	4,026	846	813	1,659	2.43

(1) Figures presented are for the fiscal year end of March 31 (2012-2017) and fiscal year end December 31 (2018-2021).
(2) Total revenues including interest.
(3) Total operating expenses exclusive of depreciation, interest, baseball lease credit adjustments, and loss on disposal of turf.
(4) Debt service payments on notes are excluded.
(5) The City of Pittsburgh guarantees the payment of Stadium Authority debt service and/or operating losses.

Table 19

CITY OF PITTSBURGH, PENNSYLVANIA

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN YEARS

Fiscal Year	(1) Population	(2) Per capita income	(5) Personal income	(1) Median age	(3) School enrollment	(4) Unemployment rate percentage
2012	305,704	$ 42,787	$ 47,969	35.6	24,997	8.1%
2013	305,704	49,700	47,063	33.2	24,525	6.7%
2014	305,704	51,798	47,880	33.2	24,103	4.6%
2015	305,704	49,349	47,986	33.4	23,639	4.3%
2016	305,704	50,756	48,092	33.2	23,286	5.2%
2017	305,704	51,187	48,199	33.5	22,362	4.5%
2018	305,704	58,521	48,305	32.9	23,331	3.8%
2019	305,704	58,383	48,411	34	23,152	4.6%
2020	300,286	58,472	48,713	32.9	21,603	4.4%
2021	302,971	58,289	50,536	33.3	20,350	5.3%

Data Sources:

(1) Census Bureau
(2) U.S. Bureau of Economic Analysis
(3) School District of Pittsburgh
(4) U.S. Department of Labor, Bureau of Labor Statistics
(5) www.opendatanetwork.com

Table 20

CITY OF PITTSBURGH, PENNSYLVANIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2021			2012		
Employer	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
University of Pittsburgh Medical Center	53,375	1	20.91 %	42,900	1	13.94 %
Highmark Health	20,295	2	7.95	5,100	10	1.66
U.S. Government	18,564	3	7.27	19,416	2	6.31
Commonwealth of Pennsylvania	12,055	4	4.72	13,600	3	4.42
PNC Financial Services Group, Inc.	12,000	6	4.70	-		-
University of Pittsburgh	13,451	5	5.27	12,448	4	4.04
Giant Eagle	10,569	7	4.14	11,119	5	3.61
Wal-Mart Stores, Inc.	9,000	8	3.53	-		-
Allegheny County	6,880	9	2.69	6,817	8	2.22
BNY Mellon	7,000	10	2.74	7,600	7	2.47
West Penn Allegheny Health System	-		-	10,117	6	3.29
Westinghouse Electric	-		-	5,600	9	1.82
Total	163,189		63.92 %	134,717		43.77 %
Total Employees	255,300			307,764		

Source: Pittsburgh Business Times

Table 21

CITY OF PITTSBURGH, PENNSYLVANIA

PROPERTY VALUE, CONSTRUCTION, AND BANK DEPOSITS

LAST TEN YEARS

Fiscal Year	($'s in Thousands) Property value (1)	Number of permits issued (2)	Dollar value (3)	($'s in Thousands) Bank deposits (4)
2012	$ 13,642,162	2,488	$ 394,669	$ 129,951,213
2013	20,232,391	3,044	593,153	73,876,193
2014	18,662,995	3,485	567,714	77,659,293
2015	18,686,289	7,046	903,678	115,371,109
2016	19,257,363	12,721	1,398,555	119,405,732
2017	19,575,934	12,645	1,077,385	100,669,655
2018	20,014,536	10,659	1,087,786	102,570,651
2019	20,518,990	10,888	1,292,202	127,346,163
2020	20,904,326	9,306	1,439,361	147,897,908
2021	21,151,734	10,555	1,681,806	171,611,729

Notes:

(1) Assessed value from Table 7

Data Sources:

(2) Bureau of Permits, Licensing and Inspection (City of Pittsburgh)

(3) Value of Construction Project and Permits from Department of Permits, Licenses, and Inspection

(4) FDIC, Reports and Analysis (As of June 30th)

Table 22

CITY OF PITTSBURGH, PENNSYLVANIA

CITY EMPLOYMENT

LAST TEN YEARS

Fiscal Year	Regular budgeted positions	Actual subsequent January payroll
2012	3,303	3,128
2013	3,301	3,077
2014	3,303	3,067
2015	3,250	3,134
2016	3,255	3,106
2017	3,281	3,233
2018	3,309	3,369
2019	3,373	3,298
2020	3,394	3,387
2021	3,390	3,225

Table 23

CITY OF PITTSBURGH, PENNSYLVANIA

FULL-TIME EQUIVALENT MUNICIPAL EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN YEARS

Function/program	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General Government:										
City Council-City Clerk	41	41	41	40	40	41	41	41	39	39
Mayor's Office	14	14	14	14	14	15	16	16	16	16
Innovation & Performance (C.I.S.)	78	78	72	66	63	62	62	61	60	59
Human Relations Commission	8	7	7	8	8	5	5	5	8	8
City Controller	57	57	57	54	55	56	56	56	53	58
Finance Department	52	52	52	57	59	75	75	83	99	98
Finance-Fleet & General Services	0	0	0	0	0	0	0	0	20	20
Law	44	43	41	40	39	42	42	42	42	44
Human Resources & Civil Service	57	57	56	56	55	62	62	64	68	80
City Planning	58	58	61	57	57	41	40	52	49	47
Bureau of Neighborhood Empowerment	15	15	14	13	12	10	10	10	0	0
Bureau of Management & Budget	24	24	24	25	25	23	24	24	0	0
Permits, Licenses, and Inspections	89	89	89	84	79	74	72	0	0	0
Public Safety:										
Administration	65	64	62	60	49	24	23	23	17	17
Police	1062	1063	1065	1057	1056	1070	1073	1091	1092	1090
Emergency Medical Services	211	211	206	199	199	180	180	180	180	180
Fire	670	670	670	659	659	664	664	674	674	674
Bureau of Building Inspection	0	0	0	0	0	0	0	76	76	75
Animal Control	16	16	15	15	15	17	17	16	16	16
Public Works:										
Administration	13	13	13	16	13	14	14	14	13	13
Operations	342	341	336	334	419	351	348	346	327	320
Environmental Services	193	193	196	196	198	200	200	201	201	196
Engineering	0	0	0	0	62	65	61	61	37	37
Facilities	91	91	93	91	0	0	0	0	39	42
Mobility and Infrastructure	97	97	95	74	4	0	0	0	0	0
Parks and Recreation	87	88	88	88	95	158	159	160	168	167
Non-Departmental										
Citizens Review Board	6	6	6	6	6	6	6	7	7	7
Totals:	3390	3388	3373	3309	3281	3255	3250	3303	3301	3303

Note:

In 2015, Bureau of Building Inspection was moved to General Government and renamed Permits, Licenses, and Inspections.

In 2018, Engineering was moved to Mobility and Infrastructure.

Source:

Payroll Department

Table 24

CITY OF PITTSBURGH, PENNSYLVANIA

OPERATING INDICATORS

LAST NINE FISCAL YEARS

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014	2013
Public Safety									
Police									
Traffic Stops	10,243	9,912	20,562	23,818	29,196	17,517	19,086	24,396	28,894
Arrests	7,405	7,833	14,205	12,499	13,517	12,520	12,481	15,672	18,541
Calls for services	218,881	227,877	247,267	249,913	244,525	230,000	268,403	262,912	230,497
EMS									
Total # of Dispatches	80,882	66,788	63,096	72,592	73,323	73,415	70,591	67,911	66,755
On-Scene Response	58,807	51,611	54,079	56,301	57,537	57,688	56,446	50,356	54,828
Transports for all Units	40,124	28,196	41,719	41,101	42,120	42,405	41,998	41,290	41,401
Average Unit Hour Utilization	0.29	0.38	0.58	0.41	0.46	0.46	0.46	0.46	0.46
Total Ambulance Billings Receipts	*$ 13,203,288*	*$ 11,284,590*	*$ 13,055,377*	*$ 11,682,761*	*$ 7,528,152*	*$ 8,651,606*	*$ 11,913,016*	*$ 11,801,149*	*$ 10,924,412*
Fire									
Total # of Incidents	34,854	33,590	49,660	50,009	50,192	49,475	48,001	46,005	44,901
Total # of Arson Investigations	453	401	487	419	413	478	529	514	568
Public Works									
Environmental Services									
Residential Refuse Collection-Tonnage	94,322	96,640	88,490	86,257	89,218	86,664	86,837	88,940	86,257
Recycling Tonnage	15,389	13,665	14,401	15,769	16,171	16,047	16,250	16,218	16,078
Recycling Revenue	228,595	10,612	NA	*$ 8,363*	*$ 7,750*	*$ 13,777*	*$ 10,138*	*$ 11,038*	*$ 331,292*
Parks and Recreation									
Skating Rink-Attendance	15,793	6,136	NA(1)	NA	14,884	18,741	10,344	18,324	17,120
Public Pools-Attendance	95,641	7,144	166,496	179,132	183,778	218,010	235,924	181,561	207,394
Recreation-Attendance	15,143	25,573	107,667	120,821	139,691	152,160	173,161	161,594	166,968
Tennis Fees	*$ 360,013*	*$ 235,934*	*$ 446,130*	*$ 440,919*	*$ 365,066*	*$ 367,720*	*$ 388,172*	*$ 379,678*	*$ 365,512*

Source: City Departments
NA - not available for Annual Report issuance
NA(1) - closed for renovation

Table 25

CITY OF PITTSBURGH, PENNSYLVANIA

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM

LAST EIGHT FISCAL YEARS

Function/Program	2021	2020	2019	2018	2017	2016	2015	2014
Public Safety								
Police Vehicles	295	304	299	219	338	329	300	310
Fire Trucks	38	38	38	37	39	39	39	39
Fire Stations	36	36	36	36	36	36	36	36
Environmental Services								
Tractors	36	35	35	31	38	26	36	36
Mowers	31	31	31	31	31	21	31	33
Recycling Trucks	11	8	8	8	8	8	8	8
Parks and Recreation								
Recreation Centers	10	10	10	10	10	10	10	10
Senior Community Centers	13	13	13	13	13	13	13	13
Tennis Courts	75	87	87	87	87	87	87	87
Swimming Pools	18	18	18	18	18	18	18	18
Playgrounds	128	128	128	128	128	128	128	128

Source: City Departments

OTHER SECTION

CITY OF PITTSBURGH, PENNSYLVANIA

SALARIES AND SURETY BONDS OF PRINCIPAL OFFICIALS

YEAR ENDED DECEMBER 31, 2021

Official	Budgeted Annual Salary	Amount of Surety Bond
Mayor	$ 121,027	$ 250,000
Director, OMB	114,720	250,000
Director of Finance	97,512	250,000
Controller	79,987	250,000
Members of City Council (9)	72,211	-

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
General Obligation Bonds, 1998 Series ABC	3/01/1998	$ 255,865,000	$ 78,395,000	$24,425,000 in 2022	6.60	$ 4,368,045	$ 24,425,000
				$26,095,000 in 2023	6.60		
				$27,875,000 in 2024	6.60		
General Obligation Bonds, 2012 Series A	2/07/2012	39,235,000	5,060,000	$5,060,000 in 2022	5.00	243,000	5,060,000
General Obligation Bonds, 2014	08/28/14	44,470,000	16,860,000	$2,720,000 in 2022	5.00	722,300	2,720,000
				$2,855,000 in 2023	5.00		
				$2,840,000 in 2024	5.00		
				$2,410,000 in 2025	5.00		
				$2,545,000 in 2026	5.00		
				$3,490,000 in 2027	5.00		
General Obligation Bonds, 2017	04/27/17	54,635,000	48,345,000	$2,285,000 in 2022	5.00	2,244,300	2,285,000
				$2,400,000 in 2023	5.00		
				$2,520,000 in 2024	5.00		
				$2,645,000 in 2025	5.00		
				$2,780,000 in 2026	5.00		
				$2,915,000 in 2027	5.00		
				$3,065,000 in 2028	5.00		
				$3,215,000 in 2029	3.00		
				$3,315,000 in 2030	5.00		
				$3,480,000 in 2031	4.00		
				$3,620,000 in 2032	4.00		
				$3,765,000 in 2033	4.00		
				$3,915,000 in 2034	5.00		
				$4,110,000 in 2035	5.00		
				$4,315,000 in 2036	5.00		
Carry forward			148,660,000			7,577,645	34,490,000

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021
(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
Brought Forward			148,660,000			7,577,645	34,490,000
General Obligation Bonds, 2019	02/14/19	55,420,000	51,870,000	$1,880,000 in 2022	5.00	2,271,975	1,880,000
				$1,975,000 in 2023	5.00		
				$2,075,000 in 2024	5.00		
				$2,180,000 in 2025	5.00		
				$2,285,000 in 2026	5.00		
				$2,400,000 in 2027	5.00		
				$2,520,000 in 2028	5.00		
				$2,645,000 in 2029	5.00		
				$2,780,000 in 2030	5.00		
				$2,920,000 in 2031	5.00		
				$3,065,000 in 2032	4.00		
				$3,185,000 in 2033	4.00		
				$3,315,000 in 2034	4.00		
				$3,445,000 in 2035	4.00		
				$3,585,000 in 2036	4.00		
				$3,730,000 in 2037	4.00		
				$3,875,000 in 2038	4.00		
				$4,010,000 in 2039	4.00		
General Obligation Bonds, 2020	04/13/20	43,555,000	42,140,000	$1,460,000 in 2022	4.00	1,824,300	1,460,000
				$1,520,000 in 2023	4.00		
				$1,580,000 in 2024	4.00		
				$1,635,000 in 2025	4.00		
				$1,705,000 in 2026	5.00		
				$1,790,000 in 2027	5.00		
				$1,880,000 in 2028	5.00		
				$1,970,000 in 2029	5.00		
				$2,070,000 in 2030	5.00		
				$2,175,000 in 2031	5.00		
				$2,280,000 in 2032	5.00		
				$2,395,000 in 2033	4.00		
				$2,490,000 in 2034	4.00		
				$2,590,000 in 2035	4.00		
				$2,695,000 in 2036	4.00		
				$2,805,000 in 2037	4.00		
				$2,915,000 in 2038	4.00		
				$3,030,000 in 2039	4.00		
				$3,155,000 in 2040	4.00		
Carry forward			242,670,000			11,673,920	37,830,000

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021
(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
Brought Forward			242,670,000			11,673,920	37,830,000
General Obligation Bonds, 2020A	08/05/20	32,580,000	32,385,000	$2,145,000 in 2022	4.00	133,950	2,145,000
				$1,765,000 in 2023	4.00		
				$2,300,000 in 2024	4.00		
				$2,420,000 in 2025	5.00		
				$2,540,000 in 2026	5.00		
				$2,665,000 in 2027	5.00		
				$2,800,000 in 2028	5.00		
				$2,940,000 in 2029	4.00		
				$3,060,000 in 2030	4.00		
				$3,180,000 in 2031	4.00		
				$3,305,000 in 2032	3.00		
				$3,265,000 in 2033	3.00		
General Obligation Bonds, 2020B	08/05/20	121,515,000	118,385,000	$2,635,000 in 2022	0.51	1,347,076	2,635,000
				$8,685,000 in 2023	0.66		
				$8,355,000 in 2024	0.84		
				$37,990,000 in 2025	0.97		
				$38,355,000 in 2026	1.19		
				$615,000 in 2027	1.36		
				$4,220,000 in 2028	1.56		
				$4,285,000 in 2029	1.62		
				$4,350,000 in 2030	1.68		
				$4,425,000 in 2031	1.80		
				$4,470,000 in 2032	1.91		
General Obligation Bonds, 2021	03/25/21	46,010,000	46,010,000	$5,000 in 2022	3.00	2,017,800	5,000
				$5,000 in 2023	4.00		
				$5,000 in 2024	4.00		
				$5,000 in 2025	5.00		
				$5,000 in 2026	5.00		
				$2,180,000 in 2027	5.00		
				$2,285,000 in 2028	5.00		
				$2,400,000 in 2029	5.00		
				$2,520,000 in 2030	5.00		
				$2,650,000 in 2031	5.00		
				$2,780,000 in 2032	5.00		
				$2,920,000 in 2033	5.00		
				$3,065,000 in 2034	4.00		
				$3,190,000 in 2035	4.00		
				$3,315,000 in 2036	4.00		
				$3,450,000 in 2037	4.00		
				$3,585,000 in 2038	4.00		
				$3,730,000 in 2039	4.00		
				$3,880,000 in 2040	4.00		
				$4,035,000 in 2041	4.00		
Subtotal			439,450,000			15,172,746	42,615,000
Plus: Net bond premiums/discounts			33,260,995				
Total: General obligation bonds payable			$ 472,710,995			$ 15,172,746	$ 42,615,000

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021
(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
Parking Authority Refunding Bonds, Series 2015 A	10/15/15	$ 67,395,000	$ 19,370,000	$3,770,000 in 2022	5.00	$ 968,500	$ 3,770,000
				$3,820,000 in 2023	5.00		
				$3,870,000 in 2024	5.00		
				$3,925,000 in 2025	5.00		
				$3,985,000 in 2026	5.00		
Parking Authority Refunding Bonds, Series 2020	11/19/20	23,490,000	23,490,000	$4,045,000 in 2027	1.99	558,413	-
				$3,985,000 in 2028	2.23		
				$3,935,000 in 2029	2.33		
				$3,890,000 in 2030	2.48		
				$3,845,000 in 2031	2.58		
				$3,790,000 in 2032	2.68		
Subtotal			42,860,000			1,526,913	3,770,000
Plus: Bond premium			1,662,354				
Total Public Parking Authority Bonds and Notes Payable			$ 44,522,354			$ 1,526,913	$ 3,770,000

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021
(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
Water and Sewer Authority Bonds							
First Lien Revenue Bonds, 1998 Series B (zero coupon bonds)	3/1/1998	$ 36,440,070	$ 66,454,000	$26,930,000 in 2027	5.31	-	-
				$26,930,000 in 2028	5.28		
				$26,930,000 in 2029	5.30		
				$14,660,000 in 2030	5.23		
First Lien Revenue Refunding Bonds, 2013 Series A	12/12/13	130,215,000	59,230,000	$8,530,000 in 2022	5.00	2,812,075	8,530,000
				$8,885,000 in 2023	5.00		
				$7,390,000 in 2024	5.00		
				$7,840,000 in 2025	5.00		
				$350,000 in 2026	3.88		
				$375,000 in 2027	4.00		
				$360,000 in 2028	4.13		
				$385,000 in 2029	4.25		
				$9,535,000 in 2030	5.00		
				$9,765,000 in 2031	5.00		
				$2,860,000 in 2032	4.50		
				$2,955,000 in 2033	4.50		
First Lien Revenue Bonds, 2013 Series B	12/12/13	86,695,000	38,760,000	$4,025,000 in 2033	5.25	2,034,900	-
				$4,235,000 in 2034	5.25		
				$4,455,000 in 2035	5.25		
				$4,690,000 in 2036	5.25		
				$4,935,000 in 2037	5.25		
				$5,195,000 in 2038	5.25		
				$5,470,000 in 2039	5.25		
				$5,755,000 in 2040	5.25		
Carry forward			164,444,000			4,846,975	8,530,000

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021

(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
Brought Forward			164,444,000			4,846,975	8,530,000
First Lien Revenue Refunding Bonds, 2017 Series A	12/21/17	159,795,000	115,960,000	$14,360,000 in 2022	5.00	5,619,400	14,360,000
				$15,225,000 in 2023	5.00		
				$17,180,000 in 2024	5.00		
				$18,540,000 in 2025	5.00		
				$28,535,000 in 2026	5.00		
				$3,060,000 in 2027	5.00		
				$3,210,000 in 2028	5.00		
				$3,375,000 in 2029	5.00		
				$3,545,000 in 2030	5.00		
				$5,105,000 in 2031	3.00		
				$3,825,000 in 2032	3.00		
First Lien Revenue Refunding Bonds, 2017 Series C	12/28/17	218,805,000	218,805,000	$750,000 in 2032	4.25	8,271,820	-
				$915,000 in 2033	5.25		
				$4,000,000 in 2034	5.25		
				$27,400,000 in 2035	5.25		
				$34,020,000 in 2036	5.25		
				$35,520,000 in 2037	5.25		
				$37,085,000 in 2038	5.25		
				$38,675,000 in 2039	5.25		
				$40,440,000 in 2040	5.25		
Pennvest Revolving Loan	Various	162,379,526	110,450,000	$6,825,000 in 2022	Variable	1,271,000	6,825,000
				$6,716,000 in 2023			
				$6,625,000 in 2024			
				$6,286,000 in 2025			
				$6,276,000 in 2026			
				$6,361,000 in 2027			
				$6,446,000 in 2028			
				$6,533,000 in 2029			
				$6,633,000 in 2030			
				$5,937,000 in 2031			
				$5,327,000 in 2032			
				$5,380,000 in 2033			
				$5,435,000 in 2034			
				$5,225,000 in 2035			
				$5,089,000 in 2036			
				$5,141,000 in 2037			
				$3,967,000 in 2038			
				$1,617,000 in 2039			
				$1,634,000 in 2040			
				$1,651,000 in 2041			
				$1,668,000 in 2042			
				$1,565,000 in 2043			
				$1,571,000 in 2044			
				$542,000 in 2045			
Carry forward			609,659,000			20,009,195	29,715,000

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021
(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
Brought Forward			609,659,000			20,009,195	29,715,000
SWAP Borrowing, 2017	12/28/17	70,869,000	59,002,000	$3,027,000 in 2022	3.80	1,437,196	3,027,000
				$3,102,000 in 2023	3.80		
				$3,179,000 in 2024	3.80		
				$3,258,000 in 2025	3.80		
				$3,339,000 in 2026	3.80		
				$3,421,000 in 2027	3.80		
				$3,506,000 in 2028	3.80		
				$3,593,000 in 2029	3.80		
				$3,683,000 in 2030	3.80		
				$3,774,000 in 2031	3.80		
				$3,865,000 in 2032	3.80		
				$3,954,000 in 2033	3.80		
				$4,012,000 in 2034	3.80		
				$3,800,000 in 2035	3.80		
				$3,268,000 in 2036	3.80		
				$2,634,000 in 2037	3.80		
				$1,953,000 in 2038	3.80		
				$1,216,000 in 2039	3.80		
				$418,000 in 2040	3.80		
Subordinate Revenue Refunding Bonds, 2019 Series B	06/18/19	104,290,000	104,290,000	$2,990,000 in 2030	5.00	4,877,900	-
				$15,405,000 in 2031	5.00		
				$25,600,000 in 2032	5.00		
				$26,635,000 in 2033	5.00		
				$27,880,000 in 2034	4.00		
				$5,780,000 in 2035	4.00		
Carry forward			772,951,000			26,324,291	32,742,000

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021
(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements	
						Interest	Principal
Brought Forward			772,951,000			26,324,291	32,742,000
First Lien Revenue Bonds, 2019 Series A	06/18/19	109,855,000	105,145,000	$2,540,000 in 2022	5.00	5,257,250	2,540,000
				$2,665,000 in 2023	5.00		
				$2,800,000 in 2024	5.00		
				$2,940,000 in 2025	5.00		
				$3,085,000 in 2026	5.00		
				$3,240,000 in 2027	5.00		
				$3,400,000 in 2028	5.00		
				$3,570,000 in 2029	5.00		
				$3,750,000 in 2030	5.00		
				$3,935,000 in 2031	5.00		
				$4,135,000 in 2032	5.00		
				$4,340,000 in 2033	5.00		
				$4,560,000 in 2034	5.00		
				$4,785,000 in 2035	5.00		
				$5,025,000 in 2036	5.00		
				$5,275,000 in 2037	5.00		
				$5,540,000 in 2038	5.00		
				$5,815,000 in 2039	5.00		
				$6,105,000 in 2040	5.00		
				$6,410,000 in 2041	5.00		
				$6,735,000 in 2042	5.00		
				$7,070,000 in 2043	5.00		
				$7,425,000 in 2044	5.00		
First Lien Revenue Bonds, 2020 Series A	11/12/20	890,000	890,000	$890,000 in 2022	0.70	6,230	890,000
Carry forward			878,986,000			31,587,771	36,172,000

(Continued)

CITY OF PITTSBURGH, PENNSYLVANIA

SCHEDULE OF BONDS AND NOTES PAYABLE

YEAR ENDED DECEMBER 31, 2021

(Continued)

Serial Bonds	Date of Issue	Amount Sold	Amount Outstanding	Maturity Information	Coupon or Ceiling Rate of Interest	2022 Maximum Debt Service Requirements Interest	2022 Maximum Debt Service Requirements Principal
Brought Forward			878,986,000			31,587,771	36,172,000
First Lien Revenue Bonds, 2020 Series B	11/12/20	91,520,000	91,520,000	$795,000 in 2022	3.00	3,793,950	795,000
				$1,710,000 in 2023	4.00		
				$1,780,000 in 2024	4.00		
				$1,850,000 in 2025	4.00		
				$1,920,000 in 2026	5.00		
				$2,020,000 in 2027	5.00		
				$2,120,000 in 2028	5.00		
				$2,225,000 in 2029	5.00		
				$2,335,000 in 2030	5.00		
				$2,455,000 in 2031	5.00		
				$2,575,000 in 2032	5.00		
				$2,705,000 in 2033	5.00		
				$2,840,000 in 2034	5.00		
				$2,980,000 in 2035	4.00		
				$3,100,000 in 2036	4.00		
				$3,225,000 in 2037	4.00		
				$3,355,000 in 2038	4.00		
				$3,490,000 in 2039	3.00		
				$3,595,000 in 2040	3.00		
				$3,700,000 in 2041	4.00		
				$3,850,000 in 2042	4.00		
				$4,005,000 in 2043	4.00		
				$4,165,000 in 2044	4.00		
				$4,330,000 in 2045	4.00		
				$4,505,000 in 2046	4.00		
				$4,685,000 in 2047	4.00		
				$4,870,000 in 2048	4.00		
				$5,065,000 in 2049	4.00		
				$5,270,000 in 2050	4.00		
Capital Lease, 2015	01/01/15	7,445,050	4,484,000	$502,000 in 2022	3.40	144,712	502,000
				$519,000 in 2023	3.40		
				$538,000 in 2024	3.40		
				$556,000 in 2025	3.40		
				$575,000 in 2026	3.40		
				$595,000 in 2027	3.40		
				$616,000 in 2028	3.40		
				$583,000 in 2029	3.40		
Revolving Line of Credit	10/31/18		95,792,000	$95,792,000 in 2023	LIBOR	-	-
Gross Water and Sewer Authority Revenue Bonds and other borrowings			1,070,782,000			35,526,433	37,469,000
Plus: Net bond premium			75,489,000			-	-
Net Water and Sewer Authority Revenue Bonds and other borrowings			$ 1,146,271,000			$ 35,526,433	$ 37,469,000

(Concluded)