

# Comprehensive Annual Financial Report

## Fiscal Year Ended June 30, 2017



City of Pittsburg, California  
[www.ci.pittsburg.ca.us](http://www.ci.pittsburg.ca.us)

# City of Pittsburg California

## Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2017



Prepared by the Finance Department

Laura Mendez  
*Division Manager, Financial Reporting*

Brad Farmer  
*Director of Finance*





**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

**City of Pittsburg**  
**Basic Financial Statements**  
**For the Year Ended June 30, 2017**  
**Table of Contents**

---

**INTRODUCTORY SECTION:**

City Manager and Finance Director's Letter of Transmittal	i
Organization Chart	vii
Officials of the City of Pittsburg, California	viii
GFOA Certificate of Achievement for Excellence in Financial Reporting	ix
Map of the City	x

**FINANCIAL SECTION:**

<i>Independent Auditor's Report</i>	1
<i>Management's Discussion and Analysis</i>	5
<i>Basic Financial Statements:</i>	19
Government-Wide Financial Statements:	21
Statement of Net Position	23
Statement of Activities	24
Fund Financial Statements:	25
Governmental Funds:	27
Balance Sheet	28
Reconciliation of the Governmental Funds Balance Sheet with the	
Statement of Net Position	30
Statement of Revenues, Expenditures, and Changes in Fund Balances	32
Reconciliation of the Net Change in Fund Balances – Total Governmental Funds with	
the Statement of Activities	34
Proprietary Funds:	35
Statement of Net Position	36
Statement of Revenues, Expenses and Changes in Net Position	38
Statement of Cash Flows	40
Fiduciary Funds:	43
Statement of Fiduciary Net Position	44
Statement of Changes in Fiduciary Net Position	45
Notes to Basic Financial Statements	47
<i>Required Supplementary Information:</i>	121
Budgets and Budgetary Accounting	122
Budgetary Comparison Schedule:	
General Fund	124
Housing Authority (Section 8) Special Revenue Fund	125
Successor Agency Housing Special Revenue Fund	126

**City of Pittsburgh**  
**Basic Financial Statements**  
**For the Year Ended June 30, 2017**  
**Table of Contents, Continued**

---

*Required Supplementary Information (Continued):*

Defined Pension Plan:

Agent Multiple Employer Pension Plan:

Schedule of Changes in the Net Pension Liability and Related Ratios 127

Schedule of Contributions – Agent Multiple Employer Pension Plan 128

Cost-Sharing Defined Pension:

Schedule of Changes in the Net Pension Liability and Related Ratios 129

Schedule of Contributions – A Cost Sharing Defined Pension Plan 130

Other Post-Employment Benefit Plan – Schedule of Funding Progress 131

*Supplementary Information:* 133

Non-Major Governmental Funds: 135

Combining Balance Sheets 140

Combining Statements of Revenues, Expenditures, and Changes in Fund Balances 148

Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances -  
Budget and Actual 156

Internal Service Funds: 173

Combining Statement of Net Position 174

Combining Statement of Revenues, Expenses and Changes in Fund Net Position 176

Combining Statement of Cash Flows 178

Fiduciary Funds: 181

Combining Statement of Changes in Fiduciary Net Position - Agency Funds 182

**STATISTICAL SECTION:** 185

Net Position by Component - Last Ten Fiscal Years 187

Changes in Net Position – Last Ten Fiscal Years 188

Fund Balances of Governmental Funds - First Four Fiscal Years 191

Fund Balances of Governmental Funds - Last Six Fiscal Years 192

Changes in Fund Balance of Governmental Funds - Last Ten Fiscal Years 193

Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years 194

Property Tax Rates - All Overlapping Governments - Last Ten Fiscal Years 195

Principal Property Taxpayers - Current Year and Nine Years Ago 196

Property Tax Levies and Collections as of June 30 – Last Ten Fiscal Years 197

Ratio of Outstanding Debt by Type - Last Ten Fiscal Years 198

Ratio of Pension Obligation Debt Outstanding - Last Ten Fiscal Years 199

Computation of Direct and Overlapping Debt - June 30, 2017 200

Computation of Legal Bonded Debt Margin - June 30, 2017 201

Revenue Bond Coverage Wastewater Revenue Bonds 202

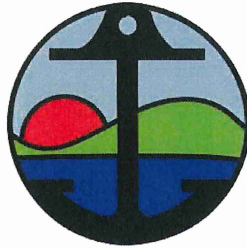
Revenue Bond Coverage 2016 (Refunded 1997, 2005 & 2008) Water Revenue Bonds 203



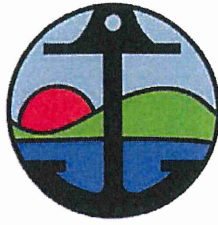
**City of Pittsburgh**  
**Basic Financial Statements**  
**For the Year Ended June 30, 2017**  
**Table of Contents, Continued**

---

Successor Agency Bonded Debt Pledged Revenue Coverage Tax Allocation Bonds - Last Ten Fiscal Years	204
Demographic and Economic Statistics - Last Ten Fiscal Years	205
Principal Employers - Current Year and Nine Years Ago	206
Full-Time Equivalent City Government Employees by Function - Last Ten Fiscal Years	207
Operating Indicators by Function/Program - Last Ten Fiscal Years	208
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	210



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*



**City of Pittsburg  
65 Civic Avenue  
Pittsburg, California 94565-3814**

December 1, 2017

Honorable Mayor  
Members of the City Council  
And Residents of Pittsburg

We are pleased to present the City of Pittsburg (City) Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2017. The information in this CAFR is prepared in accordance with "Generally Accepted Accounting Principles" (GAAP) and includes an unqualified opinion on the report by the City's independent certified public accountants. Although we rely on the standards and expertise of these external authorities, the City is responsible for the accuracy and fairness of this report, inclusive of all disclosures that are necessary to enable the reader to understand the City's operations.

For those readers interested in a more detailed review of the City's financial statements, a narrative section called Management's Discussion and Analysis (MDA) has been included as part of the Financial Section. The MDA reports on the financial highlights of the City and provides additional analysis on the variances and trends reported as part of the financial statements. The MDA also discloses significant items affecting the financial condition of the City and is designed to be read in conjunction with this letter of transmittal.

### **City Profile**

The City was incorporated in 1903 and is located along the Sacramento-San Joaquin River Delta, situated on the north side of Mount Diablo. Pittsburg is located in the northeast part of Contra Costa County.

While the City is a general law City, it operates utilizing the Council-Manager form of government. The five Council members are elected at large for staggered four-year terms to govern the City. Also elected to four-year terms are the City Treasurer and City Clerk. The City Council is responsible for establishing policies, adopting an annual budget, appointing commissions and committees, and hiring the City Manager and City Attorney. The City Manager is responsible for implementing the Council's policies, overseeing the day-to-day operations of the City and appointing the directors of the City's departments.



The City provides a full range of municipal services, including police, water treatment and distribution, sewer collection, streets, cultural and recreational facilities, golf course, public works and parks, economic development, planning, zoning, building inspection, code enforcement, housing assistance, marina operations, energy distribution, engineering, and general administration. The Contra Costa County Fire Protection District provides fire protection services for the City.

### **Reporting Entities**

The financial statements included in this CAFR present the City (the primary government) with all the City funds, Housing Authority, and the Pittsburg Power Company (Pittsburg Power) as component units. These three component units are separate legal entities; however, the members of the City Council also serve as members of the Housing Authority Board, the Successor Agency Board, the Southwest Pittsburg Geologic Hazard Abatement District II ("GHAD II") Board, and the Pittsburg Power Company Board. Therefore, the financial information for the Housing Authority, Successor Agency, GHAD II, and Pittsburg Power Company are blended with the City's financial information.

### **Economic Conditions and Outlook**

The City continues to see modest signs of recovery from the great recession. Pittsburg's population has grown to approximately 70,679. Unemployment rates have continued to drop from 17.4% at the peak of the recession to 5.0% in 2017. During this past year the City continued to see increases in revenue from sales, property and other taxes. Both Franchise and Motor Vehicle In-Lieu fees also increased, while the City saw decreased revenues from Gas Taxes due to low petroleum costs. The City's construction sector continues to see positive movement due to the addition of new single family housing units.

Sales taxes saw a modest two percent (2%) increase or \$259,000, while property tax revenue has saw an increased by of eight percent (8%) or \$273,000 due to increasing property assessment values and supplemental taxes collected on homes resold throughout the City.

While revenues continue to improve, staff throughout the City have continued to be diligent in maintaining a low level of costs to deliver the core services to both the residents and the business community.

In November 2016, the City of Pittsburg issued the 2016 Water Revenue Refunding Bonds totaling \$30,850,000. The proceeds were used to retire the 2008 Water Revenue Refunding Bonds which also eliminate the variable swap financing portion of this debt. Through this refunding the City was able to not only reduce the overall debt and lower the annual debt service requirements, but also increased the overall credit rating for the Water System of the City.

The City's Economic Development department continues to offer programs and incentives to attract new businesses, assist existing businesses, and collaborate with non-profit organizations to train and enable residents to find employment. The East County One-Stop Career Center and Future Build are two non-profit entities the City works with to provide businesses and residents with employment and training opportunities locally.

## **General Fund Condition and Long-term Plans**

To assist the City management and City Council plan the City's General Fund budget and use of the Budget Stabilization Fund, the City developed a 7-year General Fund Forecast and Balancing Plan ("7-Year Plan"). Periodically, the 7-year Plan is updated based on current revenue and expenditure information. The City's goal is to have a structurally balanced General Fund budget by the end of FY 2018-2019.

While the 7-Year Plan has been a great tool for City management and City Council to achieve a structurally balanced budget per the City's Fiscal Sustainability Ordinance, the City has also established a longer-range 20-Year forecast for the City's General Fund. This plan incorporates anticipated fluctuations of revenues and expenditures over a longer term, thus allowing the City to manage its affairs in a prudent fiscal manner, while providing services to residents and businesses necessary for a growing community.

These plans, in combination with the actual revenues and expenses, have resulted in the City utilizing less than 15% of the originally projected use of the Budget Stabilization Fund through FY 2016-2017.

## **Fiscal Sustainability Ordinance**

In June 2017, the City passed an updated Fiscal Sustainability Ordinance to ensure the City protects its revenues and to ensure proper fiscal responsibility. As part of the Ordinance, reserve levels and funding mechanics were mandated to provide for emergencies and ensure that proper fiscal reserve levels were maintained. Within the Ordinance, reserve levels were set at 30% of annual operating expenses for the City's General Fund, Internal Service Funds and Enterprise Funds. The reserve level was placed at a percentage of operating expenses rather than a static number to ensure adequate reserve levels are maintained over time. The City also established a Budget Stabilization Fund to provide a minimum of \$2 million or 5% of the City's annual General Fund operating expenses but no more than \$7.5 million or 25% of the annual City's General Fund operating expenses. Once the Budget Stabilization Fund is fully funded, excess funds are mandated to be allocated 75% toward the Infrastructure Repair and Replacement Fund and 25% toward the Other Post-employment Benefits (OPEB) Fund. Currently the Budget Stabilization Fund is fully funded.

## **Major Initiatives**

Projects completed in Fiscal Year 2016-17 include the following:

- 2016/17 CDBG ADA Sidewalk Replacement Project (segment along Buchanan Road)
- School Area Safety Improvements Project
- Water Treatment Plant Fuel Storage Tanks Removal/ Replacement
- Class I Bicycle Lane on Frontage Road
- Traffic Signal W. Leland Road at Oak Hills Drive
- 24" / 20" / 16" / 12" Water Main Buchanan Road
- Rossmoor Water Well Replacement
- John Buckley Square Improvements (Bocce Court/Restroom)
- Ambrose Park Master Plan & Improvements (Pool Replacement for Ambrose Recreation and Park District)

FY 2017-18 Major Initiatives:

***Capital Projects*** – The City has made great strides in redeveloping the downtown areas and infrastructure throughout the City. In FY 17-18, the City will continue these efforts with:

- Downtown Slurry Seal
- West 4<sup>th</sup> Street Sidewalk Gap Closure
- Class I Bicycle Lane along Power Avenue
- Multimodal Transfer Facility (in area of Pittsburg Center BART Station)
- Water Treatment Plant Intake Modifications
- Water Treatment Plant Facility Improvements Phase 1B
- Ray Giacomelli Community Park
- Re-Striping Pavement at San Marco Boulevard at West Leland Road

***BART Extension and Pittsburg Center Station*** – One of the most significant projects that began in September 2013 is the new BART Pittsburg Center Station located in central Pittsburg. The station is scheduled to open May 2018 and the City foresees additional transit-oriented development, higher density mixed-use housing and commercial development near the station.

## **OTHER INFORMATION**

The City is responsible for establishing and maintaining internal control structures designed to ensure that the assets be protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structures are 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 valuation of costs and benefits requires estimates and judgments by management.



## **Single Audit and Compliance**

As a recipient of federal and state financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the Finance staff of the City. In management's opinion, the City's internal controls adequately safeguard assets, and provide reasonable assurance of the proper recording of financial transactions. In addition, the results of the City's single audit for the fiscal year ended June 30, 2016 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

## **Budgetary Controls**

The City maintains budgetary controls to safeguard City assets and ensures compliance with legal provisions embodied in the annual appropriated budget as approved by the City Council. Activities of the General Fund, special revenue funds, and capital projects funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also applies and maintains an encumbrance accounting system as a technique to accomplishing budgetary control. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management. The City has received the "Government Finance Officers Association's Distinguished Budget Presentation" award for its budget document.

## **Appropriations Limit**

Proposition 4, the "Gann" initiative, was passed by California voters in 1978 and is intended to limit governmental General Fund appropriations. The appropriation limit is calculated each year based upon fiscal year 1978-79 appropriations, modified by the composite consumer price index, and population changes that have occurred in subsequent years. The City's General Fund appropriation limit for fiscal year 2016-17 amounted to \$143,703,948. The City's FY 2016-17 General Fund budget was \$41.3 million, which is below the appropriation limit.

## **Cash Management**

The City holds temporarily idle cash in the Local Agency Investment Fund (LAIF) as administered by the Treasurer of the State of California. LAIF invests in obligations of the United States Treasury, Federal Agency Coupons and Discount Notes, Medium Term Notes, and Certificates of Deposit. These investments, as permitted under an investment policy adopted by the City Council, defines eligible investments and maturities of the City's investment portfolio and requires securities to be held by the City or by a qualified custodial institution and registered in the name of the City. The quarterly return on LAIF pooled investments at June 30, 2017 was 0.92%, an increase of 0.44% compared to the same period of last fiscal year 0.55%. Total LAIF interest earnings were \$120,258 for the fiscal year 2016-17 an increase of \$73,343 from the fiscal year 2015-16.

## **Risk Management**

The City is self-insured for the first \$25,000 of each loss and maintains excess liability insurance through the Management Pooling Authority (MPA). The City is self-insured for liability occurrences over \$29 million per occurrence. The City also maintains statutory excess workers' compensation insurance through the Municipal Pooling Authority (MPA).

## **Independent Audit**

Maze & Associates, Certified Public Accountants, an independent public accounting firm, has examined the financial statements of the City and its affiliated agencies. Their opinion on the City's financial statements and supplemental information is included within this report.

## **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pittsburg for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. In order to receive the "Certificate of Achievement" award, a government agency must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

## **Acknowledgements**


The preparation of this report is the result of the concerted effort and dedication of all the employees of the City of Pittsburg Finance Department. However, we would like to acknowledge Laura Mendez and the extra effort she invested in completing this year's Audited Financial Statements.

Finally, we would like to thank the Mayor and members of the City Council for their support in planning and conducting the financial operations of the City in a responsible and transparent manner.

Respectfully submitted,

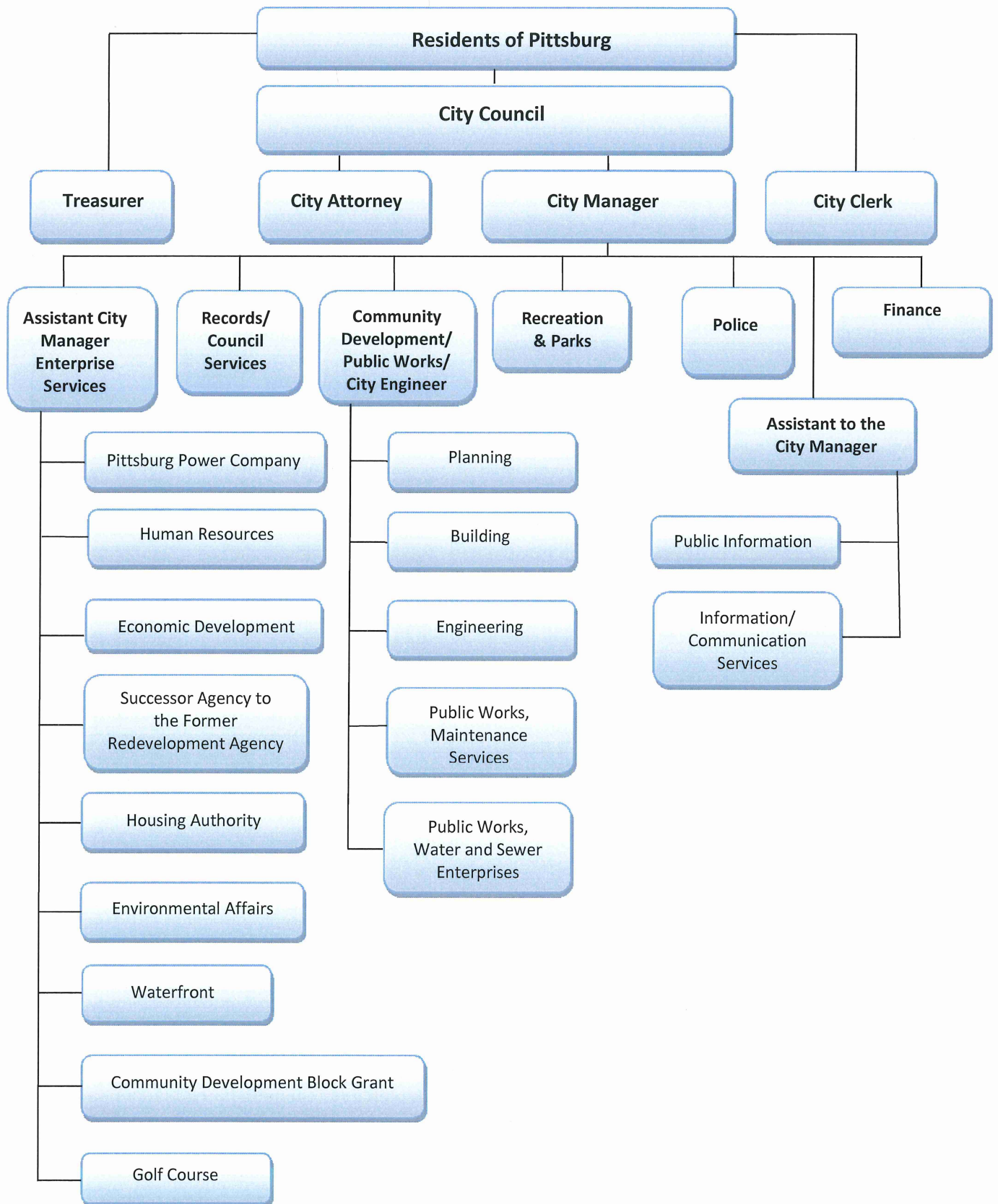


Joe Sbranti  
City Manager



Brad Farmer  
Director of Finance

## ➤ CITY GOVERNMENT ORGANIZATION





**City of Pittsburgh**  
**Comprehensive Annual Financial Report**  
**Fiscal Year Ended June 30, 2017**

**City Council**

Merl Craft, Mayor  
Pete Longmire, Vice Mayor  
Jelani Killings, Council Member  
Salvatore Evola, Council Member  
Juan Antonio Banales, Council Member

**Other Elected Officials**

Nancy L. Parent, City Treasurer  
Alice E. Evenson, City Clerk

**City Attorney**

Ruthann G. Ziegler, Esquire, City Attorney

**Management Staff**

Joe Sbranti, City Manager  
Garrett Evans, Assistant City Manager  
Brian Addington, Chief of Police  
Don Buchanan, Director of Recreation and Maintenance Services  
Alice E. Evenson, Director of Records and Council Services  
Brad Farmer, Director of Finance  
Sharon Jackson, Manager of Housing Authority  
Hilario Mata, Assistant Director of Public Works  
Fritz McKinley, Director of Community Development/City Engineer  
Van dePiero, Harbormaster



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Pittsburg  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO



## INDEPENDENT AUDITOR'S REPORT

To the Honorable City Council of the  
City of Pittsburg, California

### *Report on Financial Statements*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pittsburg, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information, as listed in the Table of Contents, be presented to supplement the basic financial statements. Such information, 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The Introductory Section, Supplementary Information, and Statistical Section listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary 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. Such 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.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

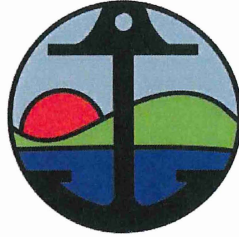
### *Other Reporting Required by Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Pleasant Hill, California  
November 28, 2017





**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Pittsburgh (the City), we offer readers this discussion and analysis of the City's financial performance for the Fiscal Year ended June 30, 2017. The accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures in this report, are the responsibility of the City. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standard Board (GASB). We encourage readers to consider the information presented here in conjunction with additional information which can be found in the introductory section of this report and within the City's financial statements, which follow this discussion.

**FINANCIAL HIGHLIGHTS**

- The assets & deferred outflow of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the Fiscal Year 2016-2017 by \$375.2 million (M) (*net position*).

The City's total net position of \$375.2M increased from the prior fiscal year 2015-2016 by \$0.6M. The increase was due to several attributes from the business or enterprise funds. See below for a detailed explanation.

As of June 30, 2017, the City's governmental fund balances decreased \$2.7M leaving a balance of \$40.5M compared to the prior fiscal year balance of \$43.2M. The reduction resulted from capital expenditures of \$3.7M which included the Pittsburgh Center Station BART construction project \$3.5M, and various other smaller capital projects. Offsetting these costs was an additional \$1M received in past-due pass through payments from the Successor Agency to the former Redevelopment Agency of the City of Pittsburgh.

The City's net position from business type activities (enterprise funds) increased by appropriately \$0.5M from \$129.8M to \$130.3M from operations. During the current year, enterprise funds increased their Capital Improvement Project (CIP) expenditures by \$10M. This is the result of several larger projects nearing completion during the current fiscal year. These projects include the Water Treatment Plant/Sludge Handling Facility project for \$5.8M, the Buchanan Road Waterline project for \$3.8M, and several small CIP projects for \$0.4M. The City also refinanced the 2008 Water Revenue Bonds, eliminating a variable interest rate swap component associated with the Bonds, resulting in a reduction of outstanding debt of \$1.9M and strengthening the bond rating of the water system.

- As of June 30, 2017, the fund balance (total assets minus total liabilities) for the General Fund, which includes the Budget Stabilization and Economic Development funds, was \$19.9M. Which consisted of \$2.4M designated as "Nonspendable" for items that are not in a spendable form such as deposits, interfund advances, and inventory; \$0.4M designated as "Assigned" for economic development activities and encumbrances, which is intended to be used for specific purposes designated by the City Council and \$17.0M unassigned. The unassigned balance consists of \$9.2M in General Fund operating reserve available to cover expenses in the event of an emergency and \$7.5M is in the Budget Stabilization Fund that can be used to balance future budgets, subject to the limits of the Fiscal Sustainability Ordinance.
- There are three major funds in the Governmental Funds section of the Comprehensive Annual Financial Report: 1) the General Fund, 2) Housing Authority (Section 8) and 3) Successor Agency Housing.
- There are five major enterprise funds in the Proprietary Funds section of the Comprehensive Annual Financial Report: (1) Water Utility, (2) Sewer Utility, (3) Marina, and (4) Pittsburgh Power Company (including Island Energy) and (5) Waterfront Operations.

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Management's Discussion and Analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report contains other supplementary information in addition to the basic financial statements.

**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. These statements consist of:

- The Statement of Net Position presents information on all the City's assets and deferred outflow of resources and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The Statement of Activities presents information reflecting any change in the government's net position during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change 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., earned but unused vacation and compensated leave of absence).

Both of the Government-Wide Financial Statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include legislative and legal, general government, public safety, public works, community development and recreation. The business-type activities of the City include Water, Sewer, Marina, Pittsburgh Power Company (includes Island Energy operation), and Waterfront Operations.

The Government-Wide Financial Statements include not only the City but the Housing Authority and Housing Successor Agency. Financial information for these component units are blended with the financial statements of the primary government itself.

**Fund Financial Statements** – A "fund" is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Pittsburgh, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds, and City's fiduciary funds.

- *Governmental Funds*: These funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the Government-Wide Financial Statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. However, this information does not encompass the additional long-term focus of the government-wide statements. Reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow each of the governmental funds statements.

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

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The City maintains 42 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for three funds that are considered to be major funds. These funds consist of the General Fund, Housing Authority (Section 8), and the Successor Agency Housing Fund. Data from the other 39 governmental funds, which are combined into a single, aggregated presentation under Other Governmental Funds, are considered as non-major funds.

A budgetary comparison statement has been provided for the funds that have an adopted budget to demonstrate compliance with this budget.

*Proprietary Funds:* The City maintains two different types of proprietary funds; Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report the same functions presented as “business-type activities” in the Government-Wide Financial Statements. The Enterprise Funds are used to account for Water, Sewer, Marina, Pittsburgh Power Company (including Island Energy) operations, and Waterfront Operations.

Internal Service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for maintaining its fleet of vehicles, building maintenance, information and communication systems, risk management/insurance, and employee fringe benefits activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within “governmental activities” in the government-wide financial statements.

Proprietary Funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Proprietary Fund Financial Statements provide separate information for the Water Fund, the Sewer Fund, the Marina Fund, Pittsburgh Power Company (including Island Energy), and Waterfront Operations, all of which are considered to be major funds. Conversely, Internal Service Funds are combined into a single, aggregated presentation in the Proprietary Fund Financial Statements.

- *Fiduciary Funds:* Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the Government-Wide Financial Statement because the resources of those funds are not available to support the City's own programs. The accounting used for Fiduciary Funds is much like that which is used for Proprietary Funds. The Assessment District Bonds Fund, the Environmental Impact Fee Fund and the Other Impact Fees Fund are held as Fiduciary Funds by the City. With the dissolution of Redevelopment Agency per ABX 1484, the activities of the Successor Agency to the Former Redevelopment Agency are reported as Private Purpose Trust Fund in the Fiduciary Fund section. Also, included in the Fiduciary Funds is the Miscellaneous Employee Retirement System.

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

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**Notes To The 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. This year, the City implemented the following GASB Pronouncements:

**GASB Statement 73** – Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68.

**GASB Statement 74** – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.

**GASB Statement 77** – Tax Abatement Disclosures.

**GASB Statement 78** – Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plan.

**GASB Statement 80** – Blending Requirements for Certain Component Units as amendment of GASB Statement No. 14.

**GASB Statement 82** – Pension Issues – and amendment of GASB Statements No. 67, No. 68 and No. 73.

For a detailed description of the all the pronouncements see Note 1R – Summary of Significant Accounting Policies.

**Other 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.

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Position** – As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, combined net position (government and business-type activities) totaled \$375.2M at the close of the Fiscal Year ending June 30, 2017, which is \$608,000 more than the Fiscal Year ending June 30, 2016.

The Government-Wide Financial Statements provide long-term and short-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole. The following table reflects the Summary of Net Position for the Fiscal Year ended June 30, 2017 with the comparative data for the Fiscal Year ended June 30, 2016.

**City of Pittsburgh**  
**Summary of Net Position**  
**As of June 30, 2017**

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Current Assets	\$ 92,202,117	\$ 90,658,271	\$ 54,390,686	\$ 48,031,830	\$ 146,592,803	\$ 138,690,101
Capital Assets	256,222,682	254,497,754	136,085,995	144,743,621	392,308,677	399,241,375
Total Assets	348,424,799	345,156,025	190,476,681	192,775,451	538,901,480	537,931,476
Deferred Outflow of Resources	9,387,226	12,562,159	7,820,995	2,445,189	17,208,221	15,007,348
Current Liabilities	10,606,118	11,773,638	8,012,332	7,867,897	18,618,450	19,641,535
Non-Current Liabilities	92,580,004	95,701,588	58,996,610	56,767,449	151,576,614	152,469,037
Total Liabilities	103,186,122	107,475,226	67,008,942	64,635,346	170,195,064	172,110,572
Deferred Inflows of Resources	97,598,965	5,316,375	1,564,521	293,466	99,163,486	5,609,841
Net Investment in Capital Assets	255,982,568	253,993,565	90,569,824	101,088,405	346,552,392	355,081,970
Restricted	27,990,550	24,280,860	45,659,407	28,553,531	73,649,957	52,834,391
Unrestricted	(39,107,180)	(33,347,842)	(6,475,018)	659,892	(45,582,198)	(32,687,950)
Total Net Position	\$ 244,865,938	\$ 244,926,583	\$ 129,754,213	\$ 130,301,828	\$ 374,620,151	\$ 375,228,411

Current assets are assets that are liquid in nature or can be converted into cash quickly. Current liabilities are outstanding liabilities that are due within one year.

The Statement of Net Position contains more detailed information on current assets, capital assets, deferred outflows of resources, current liabilities, non-current liabilities and deferred inflows of resources.

At the end of the Fiscal Year 2016-2017 the total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$375.2M.

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

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**Changes in Net Position** – In Fiscal Year 2016-2017, the City's total Governmental expenditures of \$77.36M was less than its revenues and transfers of \$77.42M by \$61,000. The City's expenses cover a range of services. Of the Governmental Activities, the largest expenses were in Public Safety \$26.0M, Community Development and Services \$23.3M, and Public Works \$15.8M. These expenses include capital outlays, which are now reflected in the City's capital assets. Further analysis is provided within the governmental and business-type sections on the following pages. For additional information on the Capital Assets, please refer to Note 6 – Capital Assets disclosure.

**Governmental Activities** – Governmental Activities reflect an increase of \$61,000 in net position, and Business Activities reflect an increase of \$0.5M in net position for the Fiscal Year 2016-17. A comparison of the cost of services by function for the City's Governmental Activities is shown below, along with the revenues used to cover the net expenses of the Governmental Activities, as well as comparative data from the Fiscal Year 2015-2016.



**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

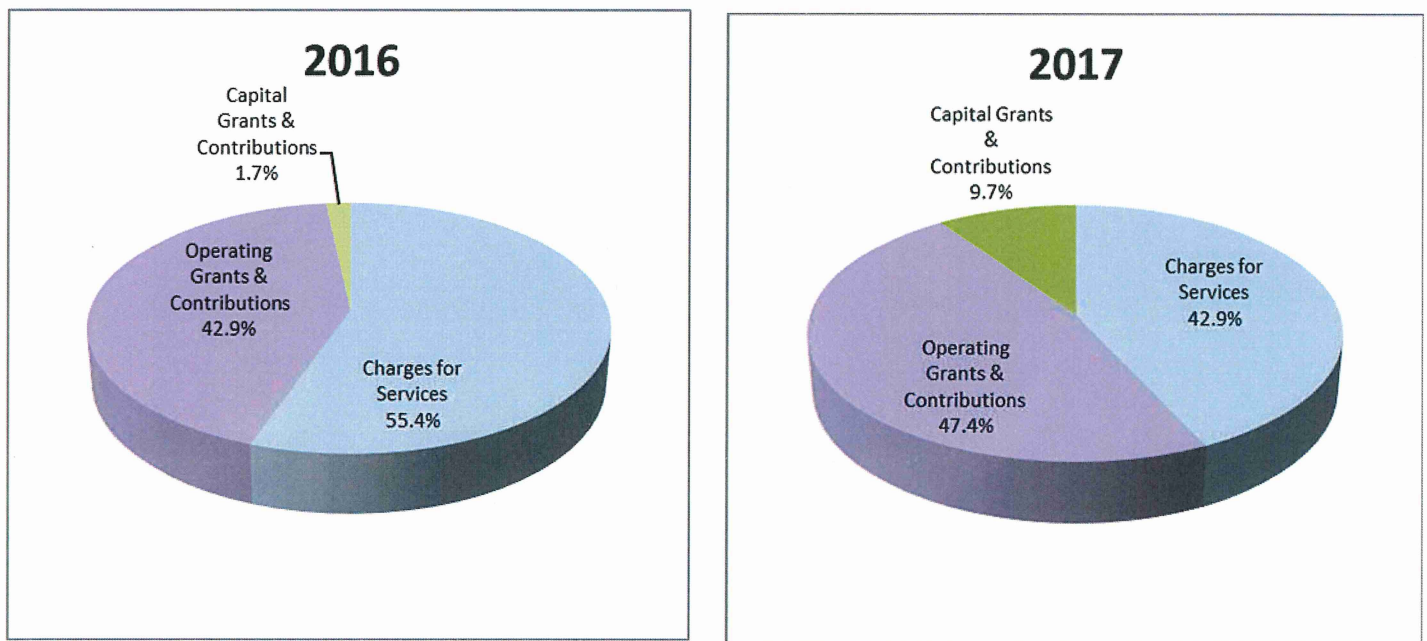
**Statement of Changes in Net position**  
**Fiscal Year Ended June 30, 2017**  
**With comparative data for fiscal year ended June 30, 2016**

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Revenue:						
<i>Program Revenues:</i>						
Charges for Services	\$ 17,614,456	\$ 16,441,762	\$ 35,326,234	\$ 36,333,258	\$ 52,940,690	\$ 52,775,020
Operating Grants and Contributions	13,641,846	18,154,961	270,931	200,127	13,912,777	18,355,088
Capital Grants and Contributions	545,127	3,705,925	1,780,581	6,026,102	2,325,708	9,732,027
Sub-Total	31,801,429	38,302,648	37,377,746	42,559,487	69,179,175	80,862,135
<i>General Revenues:</i>						
Property Taxes	3,300,776	3,573,822	-	-	3,300,776	3,573,822
Sales Tax	13,112,880	13,372,246	-	-	13,112,880	13,372,246
Franchise Fees	4,638,074	4,706,887	-	-	4,638,074	4,706,887
Motor Vehicle in lieu fees	4,422,099	4,544,316	-	-	4,422,099	4,544,316
Gas Taxes	1,401,377	1,319,101	-	-	1,401,377	1,319,101
Other Taxes	7,917,168	8,534,935	-	-	7,917,168	8,534,935
Investment Earnings- Unrestricted	743,082	329,042	665,412	325,437	1,408,494	654,479
Gain on Sale of Assets	-	(34,554)	-	96,473	-	61,919
Sub-Total	35,535,456	36,345,795	665,412	421,910	36,200,868	36,767,705
Total Revenues	67,336,885	74,648,443	38,043,158	42,981,397	105,380,043	117,629,840
Expenses:						
General Government	3,897,771	4,383,317	-	-	3,897,771	4,383,317
City Council	70,516	83,145	-	-	70,516	83,145
City Manager and City Clerk	777,722	524,118	-	-	777,722	524,118
City Attorney	321,554	459,224	-	-	321,554	459,224
Human Resources	969,397	569,682	-	-	969,397	569,682
Finance and Services	3,064,750	1,933,608	-	-	3,064,750	1,933,608
Community Development & Services	23,752,847	23,263,875	-	-	23,752,847	23,263,875
Public Safety	26,746,601	25,990,472	-	-	26,746,601	25,990,472
Public Works	19,237,901	15,776,982	-	-	19,237,901	15,776,982
Interest on Long-Term Debt	4,476,644	4,378,265	-	-	4,476,644	4,378,265
Water Utility	-	-	18,552,726	25,929,659	18,552,726	25,929,659
Sewer Utility	-	-	2,583,101	3,176,015	2,583,101	3,176,015
Marina	-	-	2,424,083	2,471,440	2,424,083	2,471,440
Pittsburg Power	-	-	6,597,065	6,569,528	6,597,065	6,569,528
Waterfront Operations	-	-	972,469	1,512,250	972,469	1,512,250
Total Expenses	83,315,703	77,362,688	31,129,444	39,658,892	114,445,147	117,021,580
Increase(Decrease) in Net Position before Transfers	(15,978,818)	(2,714,245)	6,913,714	3,322,505	(9,065,104)	608,260
Transfers	2,354,972	2,774,890	(2,354,972)	(2,774,890)	-	-
Change in Net Position	(13,623,846)	60,645	4,558,742	547,615	(9,065,104)	608,260
Net Position-Beginning of Year	258,489,784	244,865,938	125,195,471	129,754,213	383,685,255	374,620,151
Net Position-End of Year	\$ 244,865,938	\$ 244,926,583	\$ 129,754,213	\$ 130,301,828	\$ 374,620,151	\$ 375,228,411

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

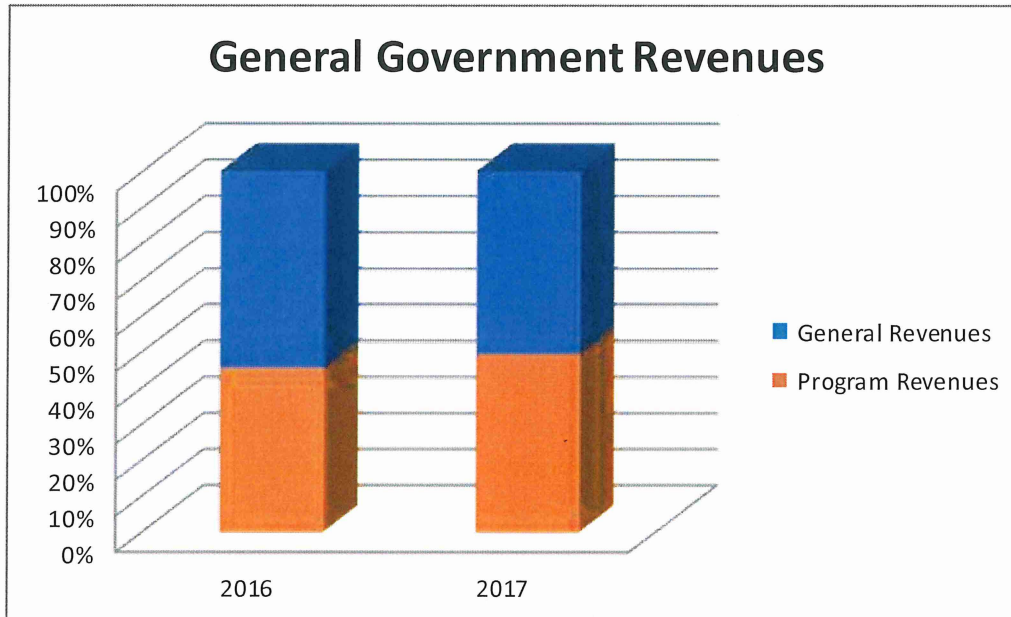
Total Program Revenues from Governmental Activities were \$38.3M in Fiscal Year 2016-2017. Per GASB 34, program revenues are derived directly from the program or from parties outside the reporting government's taxpayers or citizenry. Program Revenues reduce the net cost of the function to be financed from the government's general revenues. As reflected in the pie chart below, 42.9% of the Governmental Program Revenues came from Charges for Services (which includes licenses and permits, plan checking fees, developer fees and several other revenues), 47.4% from the Operating Grants and Contributions category (including restricted revenues such as Gas Tax, Measure J Tax, Asset Seizure fund and Federal/State Grants), and 9.7% from Capital Grants and Contributions. The Charges for Services decreased by \$1.17M primarily due to community development and service fee reductions. Operating Grants and Contributions increased by \$4.5M, Housing Authority reimbursements from HUD increased by \$2.5M and Park Dedication income accounted for \$2.0M. Capital Grants and Contributions increased by \$3.2M. The city received \$1.3M in contributed real property from the Successor Agency, \$1.0M from a Measure WW Grant, and \$0.9M in past-due pass through payments from the Successor Agency to the former Redevelopment Agency of the City of Pittsburgh.

Government Revenues by Program Type

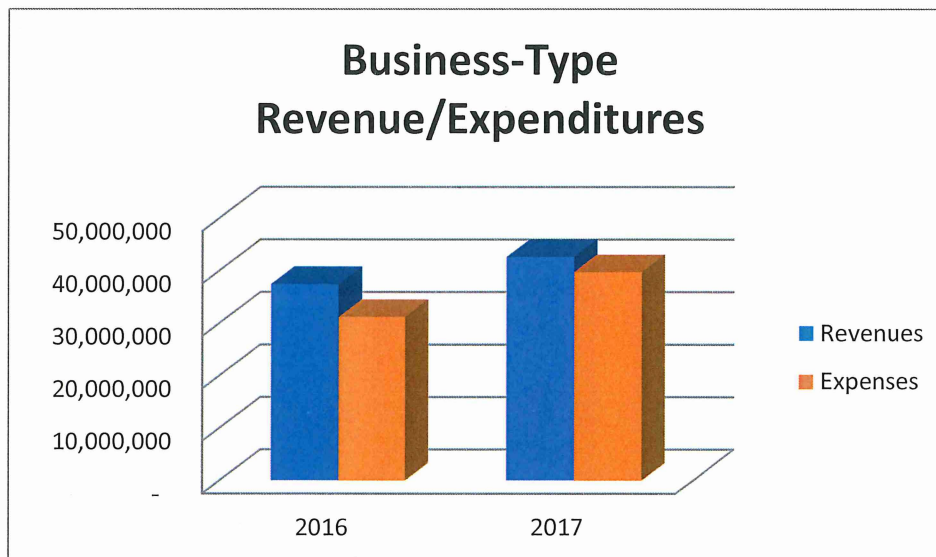


About 32% of General Government services in FY 2016-17 are funded by General Revenues. General Revenues are all other revenues not categorized as program revenues such as property taxes, sales taxes, intergovernmental and investment earnings. Interest on long-term debt is paid through general revenues. In addition, 79% of Public Safety services and 95% of Public Works services are supported through general revenues.

General revenues from Governmental Activities represented \$39.1M or 51% of total City revenues, and Program revenues reflected \$38.3M or 49% of total Governmental Activities revenues. Sales Taxes comprised the largest percentage of General Revenues, \$13.4M or 34.2%, received during the fiscal year.



**Business-Type Activities** – Net position for Business-Type Activities were \$130.3M, a net increase of \$0.5M over the prior fiscal year. Total program revenues for Business-Type Activities were \$42.6M. Total expenses for Business-Type Activities were \$39.7M for the Fiscal Year 2016-2017. The increase in both revenues and expenses are a reflection of the bond refinancing that incurred in the current year.



**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

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**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The focus of the City's Governmental Funds is to provide information on near-term inflows, outflows, and balances of spending 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 Housing Authority (Section 8), which is reported as a Special Revenue Fund, saw a decrease in fund balance of \$132,000. This decrease was a result in lower program funding received from U.S Department of Housing and Urban Department (HUD) to deplete the excess reserve balance previously held by the Authority.

**General Fund Budgetary Highlights** – The final amended budget totaled \$42.1M, including \$821,303 for prior fiscal year budget carry forward totals and new appropriation amendments to the originally adopted budget. These amendments are briefly summarized below.

The City Council approved the of the following budget carry-forwards and amendments during the current fiscal year:

Contractual & Professional Services	Engineering	\$ 83,501	Police	\$ 446,945
Contractual & Professional Services	Planning	62,000	Recreation	92,743
Capital Equipment	Engineering	61,586	Planning	84,160
Capital Equipment	Safety	46,170	City Attorney	68,243
Contractual Services	Safety	29,545	Human Resources	65,735
Contingencies	Non-Departmental	22,933	City Manager	13,696
Contractual Services	EOC	22,500	Transfers In/Out	12,093
Supplies	Public Works	21,000	City Council	8,722
Contractual & Professional Services	Public Works	14,183	Graffiti Removal Program	(5,504)
Part Time Salaries	Engineering	7,633	EOC	(5,550)
Contractual & Professional Services	Human Resources	7,625	Public Works	(6,591)
Contractual & Professional Services	City Manager	5,875	Engineering	(24,904)
Festivals and Events	Human Resources	2,305	City Clerk	(33,517)
			Finance/Utility Billing	(86,579)
			Non-Departmental	(195,245)
Total Budget Carryovers		<u>\$ 386,856</u>	Total Amendments	<u>\$ 434,447</u>
			Grand Total	<u><u>\$ 821,303</u></u>

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

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At the close of the fiscal year ended June 30, 2017, General Fund revenues exceeded the revised budget by \$2.0M. This increase is primarily attributable to higher sales tax collections due to continued economic recovery within the City.

General Fund Expenditures were \$405,000 higher than the original budget and \$1.3M lower than the revised budget. The reduced spending reflects staff's consistent efforts to maintain control over costs while awaiting the actual variable revenues to materialize such as sales and use taxes and pass-through payments. Staff has taken great care over the past several years to reduce or delay spending on non-critical items during the current fiscal year, in an effort to meet the requirements of the City's Budget Stabilization Ordinance. During the past year, the City saw savings in 1) contractual services of \$300,000; 2) salaries/wages of \$430,000; 3) health insurance of \$207,000; 4) legal of \$116,000; and 5) personnel expenses of \$250,000 due to staff cost recovery through capital projects. As a result of delayed spending, the City has \$150,000 in budgetary carry forwards to FY 2017-18. These carryovers reflect the City's continued commitment to reinvest in the areas of greatest need, while exercising care in the manner in which it spends available resources.

Deferred revenue in the General Fund is \$1.2M and consists of \$1M for future infrastructure construction projects and \$200,000 for various projects within the City. Please see Note 4 for a further explanation.

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

The City's Proprietary Funds provide the same type of information found in the Government-Wide Financial Statements, but with more detail. According to standardized Governmental reporting, the Water Fund, Sewer Fund, and Pittsburgh Power Company are major funds. The Marina and Waterfront Operations Fund are not considered to be major funds; however, the City has elected to continue to report the Marina and Waterfront Operations Funds as major funds.

Total net position of the Proprietary Funds at the end of the year were \$130.3M; an increase of \$0.5M from the prior fiscal year.

**Capital Asset and Debt Administration** – The City's investment in capital assets for its Governmental and Business Type activities as of June 30, 2017, was \$399.2M (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways, bridges, water lines, and sewer and storm systems. The total increase in the City's investment in capital assets net of depreciation was \$6.9M as compared to prior year.

**City of Pittsburgh**  
**Capital Assets**  
**(Net of Depreciation)**  
**June 30, 2017**

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Non-depreciable assets:						
Land	\$ 32,338,944	\$ 33,763,463	\$ 1,646,186	\$ 1,646,186	\$ 33,985,130	\$ 35,409,649
Construction in Progress	11,361,946	17,750,305	14,833,767	24,915,875	26,195,713	42,666,180
Total	43,700,890	51,513,768	16,479,953	26,562,061	60,180,843	78,075,829
Depreciable assets (net of depreciation):						
Buildings and improvements	54,536,317	51,071,509	14,749,307	14,525,188	69,285,624	65,596,697
Machinery and Equipment	2,637,911	3,202,405	6,675,307	6,312,234	9,313,218	9,514,639
Infrastructure	155,347,564	148,710,072	98,181,428	97,344,138	253,528,992	246,054,210
Total	212,521,792	202,983,986	119,606,042	118,181,560	332,127,834	321,165,546
Total	\$ 256,222,682	\$ 254,497,754	\$ 136,085,995	\$ 144,743,621	\$ 392,308,677	\$ 399,241,375

Please see more detailed information regarding the City's capital assets in Note 6 of the Basic Financial Statements.

**Debt Service Administration** – A complete detail of all outstanding debt is contained in Note 7 in the Notes to the Basic Financial Statements section. At the end of the fiscal year, the City had total long-term debt outstanding of \$34.1M for the 2006 Pension Obligation Bonds; \$343,000 for a loan from California Energy Resources Conservation and Development Commission loan for conversion of the City's light poles to more energy efficiency LED lights, and \$161,000 for a capital lease for a street sweeper. As of June 30, 2017, the \$43.7M in Business-Type Activities Long Term Debt comprised of two revenue bonds in the Water and Sewer Funds in the amount of \$32.7M and a California Infrastructure and Economic Development Bank (I-Bank) loan for financing the modifications of Pittsburgh Water Treatment Plant and other infrastructures in the amount of \$10.9M.



**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2017**

**City of Pittsburg**  
**Long-Term Debt**  
**June 30, 2017**

	Governmental Activities		Business-Type Activities		Total	
	2016	2017	2016	2017	2016	2017
Pension Obligation Bonds	\$ 34,036,850	\$ 34,104,558	\$ -	\$ -	\$ 34,036,850	\$ 34,104,558
Energy Conservation Loan	406,268	343,493	-	-	406,268	343,493
Capital Lease - VOIP	36,257	-	-	-	36,257	-
Capital Lease - Street Sweeper	203,857	160,696	-	-	203,857	160,696
2008 A Revenue Bonds	-	-	30,485,000	-	30,485,000	-
2016 Water Revenue Refunding Bonds	-	-	-	29,605,000	-	29,605,000
2014 Waste Water Revenue Bonds	-	-	3,864,000	3,111,000	3,864,000	3,111,000
2014 I-Bank Loan	-	-	11,167,171	10,939,216	11,167,171	10,939,216
Total	\$ 34,683,232	\$ 34,608,747	\$ 45,516,171	\$ 43,655,216	\$ 80,199,403	\$ 78,263,963

**2016A Water Revenue Refunding Bonds**

In November 2016, the City of Pittsburg issued 2016 Water Revenue Refunding Bonds in the amount of \$30,070,000 Series 2016A Tax Exempt, and \$780,000 Series 2016 Taxable Bonds, for a combined total of \$30,850,000. The proceeds from the Bonds were used to retire the 2008 Water Revenue Refunding Bonds. This bond refunding reduced required annual debt payments and eliminated the risk associated with the 2008 variable rate bonds while increased the City's enterprise credit rating.

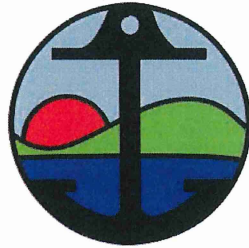
The City will continue to work hard to provide top quality services to its residents while being fiscally conservative. This approach implements the discipline that staff continually monitors expenses while exploring the use of alternative revenue sources and the Budget Stabilization Fund when necessary, and continued progress to a balanced General Fund by Fiscal Year 2018-19.

**Requests for Information** – This financial report is designed to provide a general overview of the finances for the City of Pittsburg. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Pittsburg Finance Department, 65 Civic Avenue, Pittsburg, California 94565.



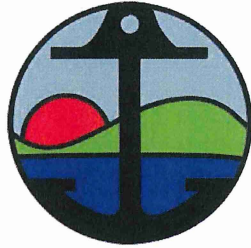
**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

# **BASIC FINANCIAL STATEMENTS**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

**GOVERNMENT-WIDE  
FINANCIAL  
STATEMENTS**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*



**City of Pittsburg**  
**STATEMENT OF NET POSITION**  
**June 30, 2017**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments (Note 2)	\$ 38,847,021	\$ 41,742,841	\$ 80,589,862
Restricted cash and investments (Note 2)	2,817,501	365,068	3,182,569
Receivables:			
Accounts	7,688,032	4,731,060	12,419,092
Interest	296,267	-	296,267
Loans/notes (Note 3)	40,729,207	-	40,729,207
Internal balances (Note 1H)	(604,336)	604,336	-
Inventory	841,325	303,126	1,144,451
Prepaid items and other assets	43,254	285,399	328,653
Total current assets	90,658,271	48,031,830	138,690,101
Noncurrent assets:			
Capital assets (Note 6):			
Land and nondepreciable assets	51,513,768	26,562,061	78,075,829
Depreciable capital assets, net of accumulated depreciation	202,983,986	118,181,560	321,165,546
Total capital assets, net	254,497,754	144,743,621	399,241,375
Total Assets	345,156,025	192,775,451	537,931,476
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related (Note 11)	12,562,159	2,455,189	15,017,348
Total Deferred Outflows of Resources	12,562,159	2,455,189	15,017,348
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	2,337,329	1,732,638	4,069,967
Salaries payable	1,751,549	-	1,751,549
Interest payable (Note 1J)	726,586	686,317	1,412,903
Refundable deposits	1,057,899	1,495,450	2,553,349
Taxes payable	8,147	135,929	144,076
Loans payable	131,813	-	131,813
Due to other agencies	12,281	-	12,281
Unearned revenue (Note 4)	1,536,811	1,437,125	2,973,936
Claims and judgment payable-due within one year (Note 10)	257,254	-	257,254
Compensated absences - due within one year (Note 1M)	1,754,940	428,480	2,183,420
Long-term debt - due within one year (Note 7)	2,199,029	1,951,958	4,150,987
Total current liabilities	11,773,638	7,867,897	19,641,535
Noncurrent liabilities:			
Compensated absences - due in more than one year (Note 1M)	584,313	142,818	727,131
Net pension liability (Note 11)	42,677,165	7,725,290	50,402,455
OPEB liability (Note 12)	20,030,392	7,196,083	27,226,475
Long-term debt - due in more than one year (Note 7)	32,409,718	41,703,258	74,112,976
Total noncurrent liabilities	95,701,588	56,767,449	152,469,037
Total Liabilities	107,475,226	64,635,346	172,110,572
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related (Note 11)	5,316,375	293,466	5,609,841
Total Deferred Inflows of Resources	5,316,375	293,466	5,609,841
<b>NET POSITION (Note 9)</b>			
Net investment in capital assets	253,993,565	101,088,405	355,081,970
Restricted for:			
Capital projects	12,896,095	17,577,521	30,473,616
Debt service	2,813,905	3,496,202	6,310,107
Special purpose projects (Note 9D)	8,570,860	693,260	9,264,120
Facility fee reserve		6,786,548	6,786,548
Total restricted net position	24,280,860	28,553,531	52,834,391
Unrestricted	(33,347,842)	659,892	(32,687,950)
Total Net Position	\$ 244,926,583	\$ 130,301,828	\$ 375,228,411

See accompanying notes to financial statements

**City of Pittsburgh**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2017**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Governmental Activities:</b>							
General government	\$ 4,383,317	\$ 7,802,751	\$ 1,000	\$ 2,702,088	\$ 6,122,522	-	\$ 6,122,522
City Council	83,145	-	-	-	(83,145)	-	(83,145)
City Manager and City Clerk	524,118	15	-	-	(524,103)	-	(524,103)
City Attorney	459,224	-	-	-	(459,224)	-	(459,224)
Human Resources	569,682	15,000	-	-	(554,682)	-	(554,682)
Finance and services	1,933,608	173,354	-	-	(1,760,254)	-	(1,760,254)
Community development and services	23,263,875	5,989,087	15,412,889	23,500	(1,838,399)	-	(1,838,399)
Public safety	25,990,472	1,793,282	2,687,243	973,220	(20,536,727)	-	(20,536,727)
Public works	15,776,982	668,273	53,829	7,117	(15,047,763)	-	(15,047,763)
Interest on long-term debt	4,378,265	-	-	-	(4,378,265)	-	(4,378,265)
<b>Total Governmental Activities</b>	<b>77,362,688</b>	<b>16,441,762</b>	<b>18,154,961</b>	<b>3,705,925</b>	<b>(39,060,040)</b>	<b>-</b>	<b>(39,060,040)</b>
<b>Business-type Activities:</b>							
Water Utility	25,929,659	20,352,786	163,487	5,867,517	-	\$ 454,131	454,131
Sewer Utility	3,176,015	5,241,131	-	-	-	2,065,116	2,065,116
Marina	2,471,440	2,011,270	-	-	-	(460,170)	(460,170)
Pittsburg Power	6,569,528	7,269,448	36,640	158,585	-	895,145	895,145
Water Front Operations	1,512,250	1,458,623	-	-	-	(53,627)	(53,627)
<b>Total Business-type Activities</b>	<b>39,658,892</b>	<b>36,333,258</b>	<b>200,127</b>	<b>6,026,102</b>	<b>-</b>	<b>2,900,595</b>	<b>2,900,595</b>
<b>Total</b>	<b>\$ 117,021,580</b>	<b>\$ 52,775,020</b>	<b>\$ 18,355,088</b>	<b>\$ 9,732,027</b>	<b>(39,060,040)</b>	<b>2,900,595</b>	<b>(36,159,445)</b>
<b>General revenues:</b>							
Taxes:							
Property taxes					3,573,822	-	3,573,822
Sales taxes					13,372,246	-	13,372,246
Franchise taxes					4,706,887	-	4,706,887
Gas taxes					1,319,101	-	1,319,101
Other taxes					8,534,935	-	8,534,935
Motor Vehicle in-lieu (unrestricted)					4,544,316	-	4,544,316
Investment earnings-unrestricted					329,042	325,437	654,479
Gain (loss) on sale of capital assets					(34,554)	96,473	61,919
Transfers (Note 5C)					2,774,890	(2,774,890)	-
<b>Total General Revenues and Transfers</b>					<b>39,120,685</b>	<b>(2,352,980)</b>	<b>36,767,705</b>
<b>Change in Net Position</b>					<b>60,645</b>	<b>547,615</b>	<b>608,260</b>
<b>Net Position-Beginning of Year</b>					<b>244,865,938</b>	<b>129,754,213</b>	<b>374,620,151</b>
<b>Net Position-End of Year</b>					<b>\$ 244,926,583</b>	<b>\$ 130,301,828</b>	<b>\$ 375,228,411</b>

See accompanying notes to financial statements

# FUND FINANCIAL STATEMENTS

*Governmental Fund Financial Statements*

*Proprietary Fund Financial Statements*

*Fiduciary Fund Financial Statements*



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

# GOVERNMENTAL FUND FINANCIAL STATEMENTS

*General Fund* is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources which are not accounted for in another fund. The General Fund includes the Budget Stabilization and Economic Development fund balances and activity.

*Housing Authority (Section 8) Special Revenue Fund* was established to administer grants from the Housing and Urban Development Department (HUD) to subsidize the rental costs of low-income families and homeless veterans.

*Successor Agency Housing Special Revenue Fund* was established to account for activities related to the assets assumed by the City as Housing Successor to the Pittsburgh Redevelopment Agency for the housing activities of the former Redevelopment Agency.

**City of Pittsburgh**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2017**

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
<b>ASSETS</b>			
Cash and investments (Note 2)	\$ 17,486,394	\$ 226,555	\$ 1,229,526
Restricted cash and investments (Note 2)	-	-	-
Receivables:			
Accounts	4,575,997	19,264	-
Interest	296,267	-	-
Loans and notes (Note 3)	3,388,399	-	32,738,692
Due from other funds (Note 5A)	80,270	-	-
Inventory	96,933	1,374	-
Prepaid items and other assets	19,128	-	-
Advances to other funds (Note 5B)	125,792	-	-
<b>Total Assets</b>	<b>\$ 26,069,180</b>	<b>\$ 247,193</b>	<b>\$ 33,968,218</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,053,749	\$ 15,294	\$ 16,731
Salaries payable	1,751,993	-	-
Taxes payable	8,147	-	-
Refundable deposits	942,429	6,105	-
Loans payable	-	-	-
Due to other agencies	-	-	-
Due to other funds (Note 5A)	-	-	-
Advances from other funds (Note 5B)	-	-	-
<b>Total Liabilities</b>	<b>3,756,318</b>	<b>21,399</b>	<b>16,731</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue (Note 4B)	2,430,105	134,757	32,738,692
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>6,186,423</b>	<b>156,156</b>	<b>32,755,423</b>
<b>Fund Balances (Note 9):</b>			
Nonspendable	2,410,696	1,374	-
Restricted	-	89,663	1,212,795
Committed	-	-	-
Assigned	434,778	-	-
Unassigned	17,037,283	-	-
<b>Total Fund Balances</b>	<b>19,882,757</b>	<b>91,037</b>	<b>1,212,795</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 26,069,180</b>	<b>\$ 247,193</b>	<b>\$ 33,968,218</b>

See accompanying notes to basic financial statements



Other Governmental Funds		Total Governmental Funds	
\$	15,090,472	\$	34,032,947
	2,817,501		2,817,501
	2,956,031		7,551,292
	-		296,267
	4,602,116		40,729,207
	-		80,270
	269,143		367,450
	1,726		20,854
	3,342,808		3,468,600
\$	29,079,797	\$	89,364,388

\$	915,124	\$	2,000,898
	-		1,751,993
	-		8,147
	109,365		1,057,899
	131,813		131,813
	12,281		12,281
	80,270		80,270
	3,843,600		3,843,600
	5,092,453		8,886,901

	4,661,808		39,965,362
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	9,754,261		48,852,263
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	270,869		2,682,939
	20,013,972		21,316,430
	2,756,478		2,756,478
	29,349		464,127
	(3,745,132)		13,292,151

	19,325,536		40,512,125
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\$	29,079,797	\$	89,364,388
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**City of Pittsburgh**  
**Reconciliation of the**  
**Governmental Funds Balance Sheet**  
**with the Statement of Net Position**  
**June 30, 2017**

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Total fund balances reported on the Governmental Funds Balance Sheet	\$ 40,512,125
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Amounts reported for Governmental Activities in the Statement of Net Position  
are different from those reported in the Governmental Funds above because of the following:

**CAPITAL ASSETS**

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	252,444,439
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**LONG TERM ASSETS AND LIABILITIES**

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Governmental Funds:

Long-term debt	(34,448,051)
Interest payable	(726,586)
Compensated absences	(2,279,099)
OPEB obligation	(20,030,392)
Net pension liability and related deferred inflows/outflows	(35,431,381)

**ACCRUAL OF NON-CURRENT ITEMS**

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as assets or liabilities in the Governmental Funds:

Unavailable revenue	38,428,551
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**ALLOCATION OF INTERNAL SERVICE FUND NET POSITION**

Internal Service Funds are not Governmental Funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance to individual Governmental Funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the following line items on the Statement of Net Position.

Cash and investments	4,814,074
Accounts receivable	136,740
Inventory	473,875
Prepaid/other assets	22,400
Capital assets	2,053,315
Accounts payable	(335,987)
Compensated absences	(60,154)
Advance from other funds	(229,336)
Claims and judgments payable	(257,254)
Capital lease	(160,696)

<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 244,926,583</u></b>
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See accompanying notes to financial statements



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

**City of Pittsburgh**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2017**

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
<b>REVENUES:</b>			
Property tax	\$ 3,573,822	\$ -	\$ -
Sales tax	13,372,246	-	-
Franchise tax	4,545,452	-	-
Other taxes	1,712,450	-	-
Intergovernmental revenues	7,494,882	14,362,955	-
Permits, licenses, and fees	1,056,906	-	-
Fines and forfeitures	292,235	-	-
Special assessments	-	-	-
Service fees	3,685,279	1,117,272	7,800
Use of money and property	142,904	(4,208)	67,388
Other revenues	2,103,960	74,488	696,013
<b>Total Revenues</b>	<b>37,980,136</b>	<b>15,550,507</b>	<b>771,201</b>
<b>EXPENDITURES:</b>			
Current:			
General government	3,143,562	-	-
City Council	83,145	-	-
City Manager and City Clerk	687,648	-	-
City Attorney	459,513	-	-
Human resources	880,116	-	-
Finance and services	2,850,111	-	-
Community development and services	5,829,914	15,681,924	601,922
Public safety	24,110,402	-	-
Public works - administration	92,639	-	-
Public works - streets	2,243,733	-	-
Public works - parks	131,094	-	-
Capital outlay and improvements	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	(17,254)	-
<b>Total Expenditures</b>	<b>40,511,877</b>	<b>15,664,670</b>	<b>601,922</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,531,741)</b>	<b>(114,163)</b>	<b>169,279</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in (Note 5C)	4,433,226	-	-
Transfers out (Note 5C)	(1,284,990)	(17,591)	(709)
<b>Total Other Financing Sources (uses)</b>	<b>3,148,236</b>	<b>(17,591)</b>	<b>(709)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>616,495</b>	<b>(131,754)</b>	<b>168,570</b>
<b>FUND BALANCES:</b>			
Beginning of year	19,266,262	222,791	1,044,225
End of year	\$ 19,882,757	\$ 91,037	\$ 1,212,795

See accompanying notes to basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,573,822
-	13,372,246
161,435	4,706,887
4,598,285	6,310,735
2,240,642	24,098,479
2,475,502	3,532,408
16,134	308,369
3,658,692	3,658,692
5,083,798	9,894,149
122,915	328,999
1,082,906	3,957,367
19,440,309	73,742,153
44,110	3,187,672
-	83,145
22,675	710,323
-	459,513
49,681	929,797
119,043	2,969,154
3,326,070	25,439,830
1,784,151	25,894,553
617,615	710,254
4,775,006	7,018,739
-	131,094
6,600,626	6,600,626
2,082,775	2,082,775
2,281,427	2,264,173
21,703,179	78,481,648
(2,262,870)	(4,739,495)
2,441,642	6,874,868
(3,489,307)	(4,792,597)
(1,047,665)	2,082,271
(3,310,535)	(2,657,224)
22,636,071	43,169,349
\$ 19,325,536	\$ 40,512,125

**City of Pittsburgh**  
**Reconciliation of the**  
**Net Change in Fund Balances-Total Governmental Funds**  
**with the Statement of Activities**  
**For the year ended June 30, 2017**

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (2,657,224)
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Amounts reported for Governmental Activities in the Statement of Activities are different because of the following:

**CAPITAL ASSETS TRANSACTIONS**

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital additions from the following departments are therefore added back to fund balance:

Capital outlay	6,600,626
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Amounts charged to Public Works department	643,760
--	---------

Depreciation expense is deducted from the fund balance (Depreciation expense is net of Internal Service Fund depreciation \$499,417 which has already been allocated to serviced funds.)	(10,988,971)
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Retirements of capital assets are deducted from the fund balance	122,992
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Land Contributions is added to the fund balance	1,335,756
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**LONG TERM DEBT AND PAYMENTS**

Repayment of debt principal is added back to fund balance	2,082,775
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Accreted interest is deducted from fund balance	(2,087,708)
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**ACCRUAL OF NON-CURRENT ITEMS**

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Interest payable	10,421
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Deferred revenue	(100,771)
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Compensated absences	151,389
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OPEB obligation	1,047,644
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Net pension liability, deferred inflows and deferred outflows	3,258,314
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**ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY**

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds.

The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds	641,642
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 60,645
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See accompanying notes to financial statements

# PROPRIETARY FUND FINANCIAL STATEMENTS

The enterprise funds account for activities that are financed and operated in a manner similar to private business enterprises. The City Council has determined that the costs of providing the following services to the public be recovered primarily through user charges.

***Water Utility Fund*** -This fund accounts for the revenues and expenses associated with management, operation, and maintenance of water treatment and distribution system to water customers of the City of Pittsburg. It also accounts for the maintenance of water plant, distribution reservoirs, and water lines.

***Sewer Utility Fund*** -This fund accounts for the revenues and expenses associated with the maintenance and repair of 126 miles of sewer mains, sewer lift stations and sewer laterals within the City's right-of-way.

***Marina Fund*** -This fund accounts for the revenues received from Marina berth rentals, from sales of gasoline, and expenditures from operation and maintenance.

***Pittsburg Power Fund*** - This fund was created by the Joint Powers Agreement between the City of Pittsburg and the Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. This fund also accounts for expenditures incurred in maintenance of the facilities, in distributing gas and electricity to the industries, schools, business, and residents of Mare Island, in Vallejo, and to account for revenues collected from services to customers.

***Water Front Operations Fund*** - This fund was created for the collection of rents and other trust revenues from the tidelands granted by the Contra Costa County Local Agency Formation Commission within Pittsburg's city limits. The City shall submit a plan indicating details of intended development, preservation, or other use of the trust lands. Any use of the trust lands shall be consistent with the plan as approved by the Commission.



**City of Pittsburgh**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2017**

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
<b>ASSETS</b>			
Current assets:			
Cash and investments (Note 2)	\$ 20,323,761	\$ 12,185,983	\$ 1,216,108
Restricted cash and investments (Note 2)	365,068	-	-
Receivables:			
Accounts	2,954,438	690,046	71,881
Inventory	153,783	39,823	9,149
Prepaid items and other assets	-	-	-
Total current assets	23,797,050	12,915,852	1,297,138
Noncurrent assets:			
Advance to other funds (Note 5B)	-	229,336	-
Capital assets (Note 6):			
Land and nondepreciable assets	23,964,003	806,433	-
Depreciable assets, net	69,590,806	26,983,206	13,012,037
Total noncurrent assets	93,554,809	28,018,975	13,012,037
<b>Total Assets</b>	117,351,859	40,934,827	14,309,175
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related (Note 11)	1,192,520	280,593	210,445
<b>Total Deferred Outflow of Resources</b>	1,192,520	280,593	210,445
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	1,236,799	80,867	32,699
Refundable deposits	1,206,400	5,000	82,332
Taxes payable	-	-	3,254
Accrued interest payable	682,299	4,018	-
Unearned revenue (Note 4)	-	-	-
Compensated absences payable - due within one year (Note 1M)	211,616	52,812	61,508
Claims and judgments payable - due within one year (Note 10C)	-	-	-
Long-term debt - due within one year (Note 7)	1,190,958	761,000	-
Total current liabilities	4,528,072	903,697	179,793
Noncurrent liabilities:			
Advance from other funds (Note 5B)	-	-	-
Compensated absences payable - due in more than one year (Note 1M)	70,538	17,597	20,502
Net pension liability (Note 11)	3,752,284	882,890	662,168
OPEB liability (Note 12)	3,972,032	995,587	624,176
Long-term debt - due in more than one year (Note 7)	39,353,258	2,350,000	-
Total noncurrent liabilities	47,148,112	4,246,074	1,306,846
<b>Total Liabilities</b>	51,676,184	5,149,771	1,486,639
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related (Note 11)	142,540	33,539	25,155
<b>Total Deferred Inflows of Resources</b>	142,540	33,539	25,155
<b>NET POSITION (Note 9)</b>			
Net investment in capital assets	53,010,593	24,678,639	13,012,037
Restricted for:			
Capital projects	6,309,307	9,705,979	41,208
Debt service	2,847,601	648,601	-
Special purpose	427,398	217,000	-
Facility fees	6,260,697	525,851	-
Unrestricted	(2,129,941)	256,040	(45,419)
<b>Total Net Position</b>	\$ 66,725,655	\$ 36,032,110	\$ 13,007,826

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities
Pittsburg Power	Water Front Operations		Internal Service Funds
\$ 6,605,941	\$ 1,411,048	\$ 41,742,841	\$ 4,814,074
-	-	365,068	-
1,014,083	612	4,731,060	136,740
100,371	-	303,126	473,875
181,889	103,510	285,399	22,400
7,902,284	1,515,170	47,427,494	5,447,089
375,000	-	604,336	-
1,791,625	-	26,562,061	-
8,400,172	195,339	118,181,560	2,053,315
10,566,797	195,339	145,347,957	2,053,315
18,469,081	1,710,509	192,775,451	7,500,404
631,334	140,297	2,455,189	-
631,334	140,297	2,455,189	-
340,724	41,549	1,732,638	336,431
37,600	164,118	1,495,450	(444)
132,675	-	135,929	-
-	-	686,317	-
919,574	517,551	1,437,125	-
80,931	21,613	428,480	45,116
-	-	-	257,254
-	-	1,951,958	44,357
1,511,504	744,831	7,867,897	682,714
-	-	-	229,336
26,977	7,204	142,818	15,038
1,986,503	441,445	7,725,290	-
1,248,353	355,935	7,196,083	-
-	-	41,703,258	116,339
3,261,833	804,584	56,767,449	360,713
4,773,337	1,549,415	64,635,346	1,043,427
75,463	16,769	293,466	-
75,463	16,769	293,466	-
10,191,797	195,339	101,088,405	1,892,619
1,521,027	-	17,577,521	-
-	-	3,496,202	-
-	48,862	693,260	-
-	-	6,786,548	-
2,538,791	40,421	659,892	4,564,358
\$ 14,251,615	\$ 284,622	\$ 130,301,828	\$ 6,456,977

**City of Pittsburgh**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2017**

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 18,216,233	\$ 5,015,193	\$ 1,253,459
Meter fees	56,429	-	-
Other fees	336,785	-	2,179
Facility reserve fees	854,438	132,601	-
Rent and concessions	-	-	68,499
Gas and oil sales	-	-	585,476
Other operating revenues	1,052,388	93,337	101,657
<b>Total Operating Revenues</b>	<b>20,516,273</b>	<b>5,241,131</b>	<b>2,011,270</b>
<b>OPERATING EXPENSES:</b>			
Salaries and wages	2,690,848	670,075	439,153
Department supplies	5,776,257	50,127	419,436
Rentals	15,995	107	17,473
Utilities	666,391	8,487	153,477
Maintenance and operations	5,844,459	114,251	200,635
Depreciation (Note 6)	1,588,010	864,247	520,329
Insurance premiums	-	-	-
Insurance deductible	96,567	29,309	20,046
Fringe benefits	3,983,557	1,168,122	559,138
Other operating expenses	1,021,598	214,304	141,753
<b>Total Operating Expenses</b>	<b>21,683,682</b>	<b>3,119,029</b>	<b>2,471,440</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(1,167,409)</b>	<b>2,122,102</b>	<b>(460,170)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Investment earnings	102,568	56,017	5,069
Interest and fiscal charges	(4,245,977)	(56,986)	-
Gain (loss) on disposal of assets	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(4,143,409)</b>	<b>(969)</b>	<b>5,069</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(5,310,818)</b>	<b>2,121,133</b>	<b>(455,101)</b>
<b>CONTRIBUTIONS AND TRANSFERS:</b>			
Capital contributions	5,867,517	-	-
Transfers in (Note 5C)	50,000	-	-
Transfers out (Note 5C)	(1,038,066)	(997,764)	(15,885)
<b>Total Contributions and Transfers</b>	<b>4,879,451</b>	<b>(997,764)</b>	<b>(15,885)</b>
<b>Change in Net Position</b>	<b>(431,367)</b>	<b>1,123,369</b>	<b>(470,986)</b>
<b>NET POSITION:</b>			
Beginning of Year	67,157,022	34,908,741	13,478,812
End of Year	<b>\$ 66,725,655</b>	<b>\$ 36,032,110</b>	<b>\$ 13,007,826</b>

See accompanying notes to basic financial statements

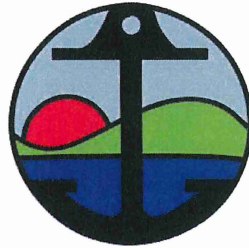
Major Enterprise Funds		Total Enterprise Funds	Governmental Activities Internal Service Funds
Pittsburg Power	Water Front Operations		
\$ 5,993,193	\$ 2,634	\$ 30,480,712	\$ 9,336,973
-	-	56,429	-
795,291	-	1,134,255	-
-	-	987,039	-
226,756	1,433,937	1,729,192	-
-	-	585,476	-
290,848	22,052	1,560,282	399,375
7,306,088	1,458,623	36,533,385	9,736,348
1,269,630	303,728	5,373,434	678,235
1,771,037	602	8,017,459	700,644
21,375	2,203	57,153	43,905
17,883	-	846,238	367,937
915,062	109,062	7,183,469	1,337,719
535,921	1,848	3,510,355	499,417
118,514	-	118,514	1,222,464
42,867	10,222	199,011	422,944
1,283,705	601,790	7,596,312	4,528,687
709,467	482,795	2,569,917	(16,878)
6,685,461	1,512,250	35,471,862	9,785,074
620,627	(53,627)	1,061,523	(48,726)
156,613	5,170	325,437	(36,805)
115,933	-	(4,187,030)	-
96,473	-	96,473	34,554
369,019	5,170	(3,765,120)	(2,251)
989,646	(48,457)	(2,703,597)	(50,977)
158,585	-	6,026,102	-
50,000	-	100,000	754,181
(818,449)	(4,726)	(2,874,890)	(61,562)
(609,864)	(4,726)	3,251,212	692,619
379,782	(53,183)	547,615	641,642
13,871,833	337,805	129,754,213	5,815,335
\$ 14,251,615	\$ 284,622	\$ 130,301,828	\$ 6,456,977

**City of Pittsburgh**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2017**

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 19,428,770	\$ 5,135,970	\$ 1,846,664
Cash payments to suppliers of goods and services	(13,419,837)	(375,572)	(987,488)
Cash payments to or on behalf of employees for services	(4,621,780)	(1,239,500)	(784,291)
Other operating revenues	1,052,388	93,337	101,657
Net cash provided (used) by operating activities	2,439,541	3,614,235	176,542
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Interfund receipts	607,998	-	-
Interfund payments	-	173,274	-
Transfers in	50,000	-	-
Transfers out	(1,038,066)	(997,764)	(15,885)
Net cash provided (used) by noncapital financing activities	(380,068)	(824,490)	(15,885)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Principal paid on long-term debt	(1,107,955)	(753,000)	-
Interest and fiscal charges paid on long-term debt	(3,815,020)	(57,770)	-
Payments made on capital lease	-	-	-
Proceeds from sale of capital assets	-	-	-
Capital contributions received	5,867,517	-	-
Acquisition of capital assets	(11,153,352)	(256,841)	(6,547)
Net cash provided (used) by capital and related financing activities	(10,208,810)	(1,067,611)	(6,547)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest on investments	102,568	56,017	5,069
Net cash provided (used) by investing activities	102,568	56,017	5,069
Net increase (decrease) in cash and cash equivalents	(8,046,769)	1,778,151	159,179
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of Year	28,735,598	10,407,832	1,056,929
End of Year	\$ 20,688,829	\$ 12,185,983	\$ 1,216,108
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (1,167,409)	\$ 2,122,102	\$ (460,170)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,588,010	864,247	520,329
Changes in operating assets and liabilities:			
Accounts receivable	(35,115)	(11,824)	(62,949)
Inventory	-	-	-
Prepaid items	-	-	-
Accounts payable	(168,120)	41,013	6,745
Salaries and wages payable	-	-	-
Refundable deposits	169,550	-	(2,618)
Taxes payable	-	-	(38,795)
Unearned revenue	-	-	-
Compensated absences	61,339	21,333	11,399
Due to retirement system	(254,206)	13,412	10,060
Insurance claims payable	-	-	-
Net cash provided (used) by operating activities	\$ 2,439,541	\$ 3,614,235	\$ 176,542

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities
Pittsburg Power	Water Front Operations		Internal Service Funds
\$ 6,747,905	\$ 905,283	\$ 34,064,592	\$ 9,206,777
(3,511,085)	(579,730)	(18,873,712)	(5,220,246)
(2,122,300)	(534,307)	(9,302,178)	(3,964,742)
290,848	22,052	1,560,282	399,375
1,405,368	(186,702)	7,448,984	421,164
-	-	607,998	-
402,610	-	575,884	210,345
50,000	-	100,000	754,181
(818,449)	(4,726)	(2,874,890)	(61,562)
(365,839)	(4,726)	(1,591,008)	902,964
-	-	(1,860,955)	-
115,933	-	(3,756,857)	-
-	-	-	(79,418)
87,762	-	87,762	34,554
158,585	-	6,026,102	-
(737,080)	(5,450)	(12,159,270)	(1,060,326)
(374,800)	(5,450)	(11,663,218)	(1,105,190)
156,613	5,170	325,437	(36,805)
156,613	5,170	325,437	(36,805)
821,342	(191,708)	(5,479,805)	182,133
5,784,599	1,602,756	47,587,714	4,631,941
\$ 6,605,941	\$ 1,411,048	\$ 42,107,909	\$ 4,814,074
\$ 620,627	\$ (53,627)	\$ 1,061,523	\$ (48,726)
535,921	1,848	3,510,355	499,417
(214,261)	(506)	(324,655)	(130,196)
-	-	-	-
(112,872)	132,696	19,824	-
72,086	29,272	(19,004)	7,236
-	-	-	(444)
6,200	(4,118)	169,014	-
6,834	-	(31,961)	-
59,798	(663,478)	(603,680)	-
4,045	8,569	106,685	(12,880)
185,787	6,707	(38,240)	-
-	-	-	106,757
\$ 1,405,368	\$ (186,702)	\$ 7,448,984	\$ 421,164



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*



# FIDUCIARY FUND FINANCIAL STATEMENTS

The fiduciary funds account for resources received and are held by the City in a fiduciary capacity. Disbursements are made in accordance with the trust agreement or applicable legislative enactment for each fund.

*Successor Agency to the Redevelopment Agency Private – Purpose Trust* – This fund was established to account for the activities of the Successor Agency to the former Redevelopment Agency of the City of Pittsburg.

*Miscellaneous Employee Retirement System (MERS) Pension Trust Fund* – This fund was established to account for the activities of the Miscellaneous Employees' Retirement System of 1962.

*Agency Funds* -These funds were created to account for all of the Assessment District Bonds, Environmental and Other Impact Fees. Special assessments received are used to meet the debt service requirements and to pay for the administrative costs. The environment impact fees are collected and utilized for environmental improvement projects and the other impact fees are collected on behalf of other agencies and remitted to them for their improvement projects. Other agencies include Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

**City of Pittsburg**  
**Statement of Fiduciary Net Position**  
**June 30, 2017**

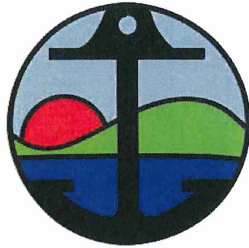
	Successor Agency to the Redevelopment Agency Private-Purpose Trust	MERS Pension Trust Fund	Agency Funds
<b>ASSETS</b>			
Cash and investments (Note 2)	\$ 2,024,312	\$ -	\$ 5,862,296
Cash and investments held by fiscal agent (Note 2)	41,688,533	-	2,768,905
Assessment receivable	-	-	2,095,330
Accounts receivable	2,816	-	-
Inventory	16,821	-	-
Loans receivable (Notes 14A)	9,586,876	-	-
Capital assets (Note 14B):			
Land and construction in progress	17,709,886	-	-
Depreciable capital assets, net	1,633,672	-	-
<b>Total Assets</b>	<b>72,662,916</b>	<b>-</b>	<b>\$ 10,726,531</b>
<b>LIABILITIES</b>			
Accounts payable	90,207	-	419,477
Interest payable	4,319,240	-	-
Refundable deposits	5,898	-	-
Deferred assessments	-	-	2,041,799
Due to other parties	-	-	40,285
Due to other governments	794,420	-	-
Due to bond-holders	-	-	8,224,970
Compensated absences payable:			
Due within one year	16,683	-	-
Due within more than one year	5,561	-	-
Long-term obligations (Note 14C):			
Due in one year	24,117,047	-	-
Due in more than one year	287,913,997	-	-
<b>Total Liabilities</b>	<b>317,263,053</b>	<b>-</b>	<b>\$ 10,726,531</b>
<b>NET POSITION</b>			
<b>Held in Trust for Private Purpose</b>	<b>\$ (244,600,137)</b>	<b>\$ -</b>	

See accompanying notes to financial statements

**City of Pittsburgh**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2017**

	Successor Agency to the Redevelopment Agency Private-Purpose Trust	MERS Pension Trust Fund
<b>ADDITIONS</b>		
Property tax	\$ 10,218,501	\$ -
Use of money and property	1,297,102	-
Employer contributions	-	3,077
Other revenues	960,101	-
Total Additions	12,475,704	3,077
<b>DEDUCTIONS</b>		
General administration	286,148	-
Pass-throughs	115,813	-
Benefit payments	-	3,077
Loss on disposition of capital assets (Note 14B)	31,994	-
Transfer of land to the City (Note 14B)	1,335,756	-
Depreciation expense (Note 14B)	43,541	-
Interest and fiscal charges	14,434,633	-
Total Deductions	16,247,885	3,077
Change in Net Position	(3,772,181)	-
<b>NET POSITION HELD IN TRUST</b>		
Beginning of Year	(240,827,956)	-
End of Year	\$ (244,600,137)	\$ -

See accompanying notes to financial statements



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of Pittsburg, California, (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

***A. Reporting Entity***

The City was incorporated under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such "General Law" cities. The City uses the City Council/Manager form of government. The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government's exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, as amended by No. 61. The City is the primary governmental unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The following entities have been accounted for as "blended" component units of the City. Despite being legally separate, these entities are so intertwined with the City that they are, in substance, part of the City's operations. Accordingly, the balances and transactions of these component units are reported within the funds of the City. Balances for these entities are reported as separate funds in the special revenue and enterprise funds. The following specific criteria are used in determining that these other entities are blended component units:

- The members of the City Council also act as the governing bodies of the entities.
- The entities are managed by employees of the City. A portion of the City's salary and overhead expenses are billed to the entities each year.
- The City and the entities are financially interdependent. The City makes loans to the entities for community development purposes and for operational purposes. General revenues of the agencies are used to repay the loans to the City.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

The following is a brief review of the component units included in the accompanying basic financial statements of the City:

*Housing Authority*

Housing Authority Section 8, in the accompanying financial statements, was established to account for Federal funds for low income housing under both certificate and voucher programs. The Housing Authority also administers the Veterans Affairs Supportive Housing (VASH), which provides rental and other clinical services to homeless veterans. The Housing Authority is reported as a blended component unit because the Board is made up of the City Council members, and the Housing Authority has a financial benefit/burden relationship with the City. The Housing Authority is reported in the special revenue fund of the City. No separate financial report is issued by the Housing Authority.

*Pittsburg Infrastructure Financing Authority*

The Public Infrastructure Financing Authority (PIFA) was established by a Joint Exercise of Powers Agreement dated December 5, 1994, by and among the City and the former Redevelopment Agency, and is qualified to issue bonds under the Mello-Roos Local Bond Pooling Act of 1985. The PIFA was formed to finance the acquisition of certain public improvements and to refinance prior outstanding special assessment district debt with City commitment. The PIFA is reported as a blended component unit because its governing body consists of City Council members, and the PIFA has a financial benefit/burden relationship with the City. The PIFA is currently inactive; therefore, no separate financial report is issued.

*Southwest Pittsburgh GHAD II*

The Southwest Pittsburgh GHAD II (GHAD) was established by City Council in order to provide maintenance of slope stability in the open spaces areas of Southwest Pittsburgh. Funding for the GHAD is provided through assessment fees levied on the property taxes of the homes built on the hillside areas. This fund centralizes the accounting for the revenues and expenses associated with GHAD as required by law.

*Pittsburg Power Company*

The Pittsburg Power Company (the Company) was established by a Joint Exercise of Powers Agreement dated September 23, 2006, by and among the City and the Agency. The Company was formed to establish a municipal utility for natural gas and electric service. The Company is reported in the Pittsburg Power enterprise fund of the City. No separate financial report is issued by the Company.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

*Pittsburg Arts and Community Foundation*

The Pittsburg Arts and Community Foundation (PACF) was created as an independent non-profit corporation set up to increase, support and encourage art, literacy, education, economic development, affordable housing and other community resources and programs to benefit the City of Pittsburgh and its residents.

Since the City of Pittsburgh and PACF have the same governing board, have a financial benefit/burden relationship and the City can impose its will on PACF, it is required to be reported as a blended component unit of the City. Its financial information can be found as a special revenue fund under non-major Governmental Funds. No separate financial report is issued by PACF.

***B. Basis of Accounting and Measurement Focus***

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. City resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

*Government-Wide Financial Statements*

The Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column.

These financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and deferred outflows and liabilities and deferred inflows, including capital assets, as well as infrastructure assets, and long-term liabilities and deferred inflows, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions reported as program revenues for the City are reported in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following inter-fund activities have been eliminated:

- Due to/from other funds
- Advances from/to other funds
- Transfers in/out

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect).

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-Wide financial statements. The City has presented all major funds that met the qualifications for major fund reporting. The following are descriptions of the major funds.

General Fund – This fund is used for all the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources which are not accounted for in another fund. To comply with GASB 54, the Budget Stabilization, Economic Development and California Theatre balances are combined and reported under the General Fund. Details are as follows:

<u>Fund</u>	<u>Balances</u>
General Fund	\$ 12,223,515
Budget Stabilization	7,500,000
Economic Development	159,242
Total	<u>\$ 19,882,757</u>

Housing Authority (Section 8) Special Revenue Fund – This fund was established to administer grants from Housing and Urban Development Department (HUD) to subsidize the rental costs of low-income families and veterans.

Successor Agency Housing Fund - This fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current position. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, charges for services, Federal and State grants, sales taxes and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach.

*Proprietary Fund Financial Statements*

Proprietary Fund Financial Statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental and business-type activities in the government-wide financial statements as appropriate.

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows, liabilities and deferred inflows (whether current or noncurrent) are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

The following are descriptions of the major enterprise funds.

Water Utility Fund – This fund accounts for the revenues and expenses associated with management, operation, and maintenance of water treatment and distribution system to water customers of the City of Pittsburg. It also accounts for the maintenance of water plant, distribution reservoirs, and water lines.

Sewer Utility Fund – This fund accounts for the revenues and expenses associated with the maintenance and repair of 126 miles of sewer mains, sewer lift stations and sewer laterals within the City's right-of-way.

Marina Fund – This fund accounts for the revenues received from Marina berth rentals, from sales of gasoline, and expenses from operation and maintenance.

Pittsburg Power Fund - This fund was created by the Joint Powers Agreement between the City of Pittsburg and the former Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. This fund also accounts for expenditures incurred in maintenance of the facilities, in distributing gas and electricity to the industries, schools, business, and residents of Mare Island, in Vallejo, and to account for revenues collected from services to customers.

Water Front Operations Fund - This fund was created for the collection of rents and other trust revenues from the tidelands granted by the Contra Costa County Local Agency Formation Commission within Pittsburg's city limits. The City shall submit a plan indicating details of intended development, preservation, or other use of the trust lands. Any use of the trust lands shall be consistent with the plan as approved by the Commission.

Internal service fund balances and activities have been combined with governmental activities in the government-wide financial statements, and are comprised of the following funds:

Fleet Maintenance Fund – Used to account for the costs of operating, maintaining, and replacing automotive equipment used by other departments. Rental rates charged to the using departments include operating costs and equipment depreciation.

Building Maintenance Fund – Used to account for the cost of maintaining all City governmental buildings.

Insurance Fund – Used to account for revenues from charges to operating departments sufficient to provide adequate reserve for future claims.

Information/Communication Services Fund – Used to account for the cost of operating, maintaining and replacing a data processing system. Rental rates charged to the using departments include operating cost and equipment depreciation.

Fringe Benefits Fund – Used to allocate fringe costs to various departments.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

Other Post-Employment Benefits (OPEB) Fund – Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses. This fund receives its funding from surplus funds beyond the maximum amount required for the Budget Stabilization reserve (25% of surplus) and from Citywide allocations based on salaries.

The City also reports fiduciary fund types.

Fiduciary Fund Financial Statements - Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Change in Fiduciary Net Position. The City's fiduciary funds represent a private purpose trust fund, a pension trust fund and agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

The Fiduciary funds are accounted for on the accrual basis of accounting as are the Proprietary funds explained above.

Successor Agency to the Redevelopment Agency Private Purpose Trust Fund (Successor Agency) – This fund was created to account for the accumulation of resources to be used for payments at appropriate amounts and times in the future.

Miscellaneous Employee Retirement System Pension Trust Fund – This fund was established to account for the activities of the Miscellaneous Employees' Retirement System of 1962.

Agency Funds – These funds were created to account for all of the Assessment District Bonds, Environmental and Other Impact Fees. Special assessments received are used to meet the debt service requirements and to pay for the administrative costs. The environmental impact fees are collected and utilized for environmental improvement projects and the other impact fees are collected on behalf of other agencies and remitted to them for their improvement projects. Other agencies include Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

**C. Use of Restricted/Unrestricted Net Position**

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

**D. Spending Policy**

The City's policy is to spend restricted fund balances first, before spending unrestricted fund balances, for expenditures incurred for purposes for which both restricted and unrestricted fund balances are available, except for instances wherein an Agency ordinance or resolution specifies the fund balance. The Agency's policy is that committed and assigned fund balances are considered to have been spent first before unassigned fund balances have been spent, when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used, except for instances wherein an Agency ordinance specifies the fund balance.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

***E. Cash and Investments***

The City pools its available cash for investment purposes. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with an original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

The City participates in an investment pool managed by the State of California, entitled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB No. 3)*, certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
- Overall Custodial Credit Risk
- Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

***F. Restricted Cash and Investments***

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

***G. Property Taxes***

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the county within sixty days after year-end.

Lien Date	January 1
Levy Date	July 1
Due Date	Secured: November 1 and February 1 Unsecured: July 1
Collection Date	Secured: December 10 and April 10 Unsecured: August 31

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the "alternate method of property tax distribution," known as the Teeter Plan, by the City and Contra Costa County. The Teeter Plan authorizes the Auditor/Controller of Contra Costa County to allocate 100% of the secured property taxes billed, but not yet paid.

***H. Interfund Balances/Internal Balances***

Advances to and advances from other funds represent inter-fund loans in the fund financial statements. Advances between funds are offset by a fund balance reservation or by deferred revenue in the applicable governmental funds to indicate that they are not expendable available financial resources.

Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as deferred revenue.

All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the Government-Wide Financial Statements as "internal balances."

***I. Capital Assets***

Capital assets, which include land, buildings, improvements other than buildings, machinery and equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Contributed capital assets are valued at their estimated acquisition value on the date contributed.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

City policy has set the capitalization thresholds for reporting capital assets as follows:

- General Capital Assets                      \$5,000
- Infrastructure Capital Assets              \$25,000

Depreciation is recorded on a straight-line method over the useful lives of the assets as follows:

- Building and Improvements              30 - 45 years
- Machinery and Equipment                5 - 20 years
- Infrastructure                                30 - 75 years

The GASB Statement No. 34 requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with GASB Statement No. 34, the City has included the value of all infrastructure assets in its Government-Wide Financial Statements.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include:

- Street system
- Site amenities such as parking and landscaped areas used by the City in the conduct of its business.
- Water and sewer plants

Each major infrastructure system can be divided into subsystems. For example the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. These subsystems were not delineated in the Government-Wide Financial Statements. The appropriate operating department maintains information regarding the subsystems.

For all infrastructure systems, the City has elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City conducted a valuation of its infrastructure assets as of July 1, 2002. This valuation determined the original cost using one of the following methods:

- 1) Use of historical records where available.
- 2) Standard unit costs appropriate for the construction/acquisition date of the asset.
- 3) Present replacement cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date.

The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date was computed on a straight-line method using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

Interest accrued during capital assets construction, if any, is capitalized for the business-type activities and proprietary funds as part of the asset cost.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

***J. Interest Payable***

In the government-wide financial statements, interest payable on long-term debt is recognized as the liability incurred for governmental fund types and proprietary fund types.

In the fund financial statements, propriety fund types recognize the interest payable when the liability is incurred.

***K. Long-Term Debt***

*Government-Wide Financial Statements*

Long-term debt and other financial obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable premium or discount.

*Fund Financial Statements*

The Governmental Fund Financial Statements do not present long-term debt, which are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Proprietary Fund Financial Statements use the same principles as those used in the Government-Wide Financial Statements.

***L. Unearned Revenue***

*Government-Wide Financial Statements*

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-Wide Financial Statements are unearned grants and prepaid charges for services.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

*Fund Financial Statements*

Unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which funds are not available to meet current financial obligations. Typical transactions for which unavailable revenue is recorded are grants received but not yet earned or available, interest on inter-fund advances receivable and long-term loans receivable.

***M. Compensated Absences***

City employees have vested interests in varying levels of vacation compensation. If vacation is not used by the employee during the term of employment, compensation is payable to the employee at the time of retirement or termination. Such compensation is calculated at the employee's then prevalent rate at the time of retirement or termination and compensated at 100% of accumulated hours. The City's liability for compensated absences is recorded in various Governmental funds or Proprietary funds as appropriate. The liability for compensated absences is determined annually. Compensated absences for governmental activities are liquidated primarily by the General Fund.

Governmental funds include only amounts expected to be paid after the end of the fiscal year for terminated employees. The long-term liabilities are recorded in the Statement of Net Position.

The change in compensated absences was as follows:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 2,503,522	\$ 464,613	\$ 2,968,135
Additions/(Payments), net	(164,269)	106,685	(57,584)
Ending Balance	<u>\$ 2,339,253</u>	<u>\$ 571,298</u>	<u>\$ 2,910,551</u>
Current Portion	<u>\$ 1,754,940</u>	<u>\$ 428,480</u>	<u>\$ 2,183,420</u>

***N. Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position or balance sheet reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has reported deferred outflows of resources in the Statement of Net Position and Proprietary Fund Statements for the pension-related adjustments.



**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

In addition to liabilities, the statement of net position or balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or 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 item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from loans. The City has reported deferred inflows of resources in the Statement of Net Position and Proprietary Fund Statements for pension-related adjustments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

***O. Fair Value Measurements***

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

***P. Estimates and Assumptions***

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Q. New and Closed Funds***

During fiscal year ended June 30, 2017, the City created the Fire District CFD Special Revenue Fund. The City also closed the Miscellaneous Employee Retirement System (MERS) Pension Trust Fund and the Energy Efficiency & Conservation Special Revenue Fund. In addition, the name of the Measure C Tax Special Revenue Fund changed to Measure J Tax Special Revenue Fund.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

***R. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements***

**GASB Statement No. 73** – *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*. This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, Accounting and Financial Reporting for Pensions, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, Financial Reporting for Pension Plans, and Statement 68 for pension plans and pensions that are within their respective scopes.

**GASB Statement No. 74** – *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

**GASB Statement No. 77** – *Tax Abatement Disclosures*. This Statement establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government's tax revenues. See Note 13 for further information.

**GASB Statement No. 78** – *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. This Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

**GASB Statement No. 80** – *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14.* This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

**GASB Statement No. 82** – *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*  
The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

**NOTE 2 - CASH AND INVESTMENTS**

The City pools cash from all sources and all funds except Cash and Investments held by Trustees so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

**A. Policies**

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City's name and places the City ahead of general creditors of the institution.

The City invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of their form. Individual investments are generally made by their City's fiscal agent as required under its debt issues, or through the City's Investment Advisor, Public Financial Management (PFM).

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

**B. Classification**

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or Agency agreements.

	Government-Wide Statement of Net Position			Separate	Total
	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds	
Cash and investments	\$ 38,847,021	\$ 41,742,841	\$ 80,589,862	\$ 7,886,608	\$ 88,476,470
Restricted cash and investments	2,817,501	365,068	3,182,569	44,457,438	47,640,007
Total cash and investments	\$ 41,664,522	\$ 42,107,909	\$ 83,772,431	\$ 52,344,046	\$ 136,116,477

**C. Investments Authorized by the California Government Code and the City's Investment Policy**

The City's Investment Policy and the California Government Code allow the City to invest in the following investments, provided the credit ratings of the issuers are acceptable to the City, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum per Issuer
U.S. Treasury Obligations	5 years	none	none	none
Federal Agency Obligations	5 years	none	none	25 %
Bankers' Acceptances	180 days	A1/P1	40 %	5 %
State and Local Obligations	5 years	"A"	30 %	5 %
Commercial Paper	270 days	A1/P1/F1	25 %	5 %
Negotiable Certificates of Deposit	5 years	Aa/AA	30 %	5 %
Certificates of Deposits	1 year	"A"	30 %	5 %
Repurchase Agreements	90 days	"A"	15 %	5 %
Medium-Term Notes	5 years	"A"	30 %	5 %
Asset-Backed Securities	5 years	"AA"	20 %	5 %
Supranational Securities	5 years	2 highest ratings	30 %	none
Money Market Funds	n/a	3 highest ratings	20 %	10 %
Local Agency Investment Fund (LAIF)	n/a	none	\$50 million	none
California Asset Management Program (CAMP)	n/a	n/a	none	none

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Pools*, investments were stated at fair value using the aggregate method.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

The City's investments with Local Agency Investment Fund (LAIF), a State of California external investment pool, at June 30, 2017, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

Structured Notes – debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or state maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities – generally mortgage-backed securities which entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

As of June 30, 2017, the City had \$33,764,195 invested in LAIF, which had invested 42.96% of the pool investment funds in Government Securities. The LAIF fair value factor of .998940671 was used to calculate the fair value of the investments in LAIF. The fair value of the City's position in the pool is materially equivalent to the value of the pool share. At June 30, 2017, these investments matured in an average of 194 days.

***D. Investments Authorized by Debt Agreements***

The City and Successor Agency to the Redevelopment Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the agencies fail to meet their obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
U.S. Treasury Obligations	n/a	none
U.S. Agencies	n/a	AAA
Bankers' Acceptances	360 days	A-1/A-1+/P1
Commercial Paper	270 days	A1/P1/F1
Money Market Fund	n/a	3 highest ratings
State of California Obligations	n/a	A
Municipal Obligations	n/a	AAA
Pre-refunded Municipal Obligations	n/a	AAA
Medium Term Notes	5 years	A
Certificates of Deposit	1 year	none
Guaranteed Investment Agreements	n/a	none
Repurchase Agreements	90 days	A
Local Agency Investment Fund (LAIF)	n/a	none
California Asset Management Program (CAMP)	n/a	none

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

***E. Fair Value Hierarchy***

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 fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2017:

	Level 1	Level 2	Total
<b>Investments by Fair Value Level:</b>			
U.S. Treasury	\$ 10,927,634	\$ -	\$ 10,927,634
Federal Agency Obligations	-	4,956,767	4,956,767
Commercial Paper	-	4,186,733	4,186,733
Corporate Notes	-	14,141,731	14,141,731
Certificates of Deposit	-	8,449,036	8,449,036
Asset-Backed Securities	-	3,482,607	3,482,607
Supranational Securities	-	1,686,411	1,686,411
Held by Trustee:			
Federal Agency Obligations	-	878,517	878,517
<b>Subtotal</b>	<u>\$ 10,927,634</u>	<u>\$ 37,781,802</u>	<u>48,709,436</u>
<b>Investments Measured at Net Asset Value Per Share:</b>			
Held by Trustee:			
California Asset Management Program Pool			136,148
<b>Investments Measured at Cost:</b>			
Money Market Funds			18,793
Held with Trustee:			
Money Market Funds			46,286,169
<b>Investments Exempt from Fair Value Hierarchy:</b>			
Local Agency Investment Fund			33,764,195
Cash in banks and on hand			6,862,566
Cash available at I-Bank			339,170
<b>Total Cash and Investments</b>			<u>\$ 136,116,477</u>

U.S. Treasury Notes classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets. Federal Agency Obligations, Commercial Paper, Medium Term Corporate Notes, and the Asset-Backed Security classified in Level 2 of the fair value hierarchy, are valued using pricing techniques of matrix pricing or market corroborated pricing, with inputs such as yield curves or indices.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

These prices are obtained from various pricing sources by the City's custodian bank. The Certificates of Deposit are valued using techniques of matrix pricing and multi-dimensional relational model and/or option adjusted spread provided by the City's custodian bank. The Supranational Securities, classified in Level 2 of the fair value hierarchy, is valued based on information gathered from market sources and integrate relative credit information, observed movements, and sector news into the evaluated pricings applications and models provided by the City's custodian bank.

The California Local Agency Investment Fund classified in Level 2 of the fair value hierarchy, is valued based on the fair value factor provided by the Treasurer of the State of California, which is calculated as the fair value divided by the amortized cost of the investment pool. Fair value is defined as the quoted market value on the last trading day of the period.

**F. Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity.

Investment Type	Investment Maturities (in years)		
	Less than 1 year	1 - 5 years	Total
U.S. Treasury & Federal Obligations	\$ 878,517	\$ 15,884,401	\$ 16,762,918
Commercial Paper	4,186,733	-	4,186,733
Corporate Notes	921,427	13,220,304	14,141,731
Certificates of Deposit	3,713,381	4,735,655	8,449,036
Asset-Backed Securities	-	3,482,607	3,482,607
Supranational Securities	-	1,686,411	1,686,411
CAMP	136,148	-	136,148
Local Agency Investment Fund	33,764,195	-	33,764,195
Money Market Funds	46,304,962	-	46,304,962
Total Investments	<u>\$ 89,905,363</u>	<u>\$ 39,009,378</u>	<u>128,914,741</u>
Cash in banks and on hand			6,862,566
Cash available at I-Bank			339,170
Total Cash and Investments			<u>\$ 136,116,477</u>

Money Market Funds are available for withdrawal on demand and at June 30, 2017 matured in an average of 37 days.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

**G. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2017 for each investment type as provided by Standard and Poor's investment rating system.

	Fair Value	AAA	AAAm	AA+	AA	AA- / A-1+	A+ / A / A-1	A- / A-2	Not Rated
U.S. Treasury & Federal Obligations	\$ 16,762,918	\$ -	\$ -	\$ 16,762,918	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial Paper	4,186,733	-	-	-	-	-	4,186,733	-	-
Corporate Notes	14,141,731	-	-	1,574,625	294,304	2,492,253	6,626,826	3,153,723	-
Certificates of Deposit	8,449,036	-	-	-	-	3,540,646	4,908,390	-	-
Asset-Backed Securities	3,482,607	2,417,987	-	-	-	-	-	-	1,064,620
Supranational Securities	1,686,411	1,686,411	-	-	-	-	-	-	-
CAMP	136,148	-	136,148	-	-	-	-	-	-
Local Agency Investment Fund	33,764,195	-	-	-	-	-	-	-	33,764,195
Money Market Funds	46,304,962	-	22,969,473	-	-	-	-	-	23,335,489
Total Investments	128,914,741	\$ 4,104,398	\$ 23,105,621	\$ 18,337,543	\$ 294,304	\$ 6,032,899	\$ 15,721,949	\$ 3,153,723	\$ 58,164,304
Cash in banks and on hand	6,862,566								
Cash available with I-Bank	339,170								
Total Cash and Investments	<u>\$ 136,116,477</u>								

**H. Concentration of Credit Risk**

As of June 30, 2017 the City did not have any significant investments in the securities of any individual issuers, other than U. S. Treasury securities, mutual funds and external investment pools exceed 5% of the City's total investments.



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 3 - LOANS AND NOTES RECEIVABLES**

As of June 30, 2017, loans and notes receivable consisted of the following:

Description	Balance
<i>Governmental Funds:</i>	
HUD Community Development Block Grant	\$ 263,844
CalHome Program Loans	484,626
Rehabilitation and Construction Loans	1,275,177
9th Street Associates (Santa Fe Commons Housing Development)	1,800,250
Century Plaza Corporation	1,060,304
Residential Loans on Vidrio	2,168,843
Other Assistance Loan	159,252
Fairfield Belmont, L.P. Loan	4,486,648
Steadfast Marina Heights L.P.	1,400,000
Mariner Walk Loan	180,000
Vista Del Mar Loans	250,000
Mercy Housing California Loan	4,565,818
Domus Development LLC	7,742,562
Low Income Families Loans	917,440
Presidio Village Senior Housing	706,912
Palm Plaza Group, LLC	145,600
Palm Plaza Development	188,000
Resources for Community Development Loan	6,904,382
Domus Development LLC Loan (Sienna Court)	5,251,330
PACF Loans	778,219
Total Governmental Funds - Loans and Notes Receivable	<u>\$ 40,729,207</u>

**A. HUD Community Development Block Grant (CDBG) Loans**

The HUD CDBG Special Revenue fund had a loans receivable balance of \$263,844 as of June 30, 2017, which consisted of \$116,813 in CDBG entitlement loans and \$147,031 in First Time Homebuyer loans.

**B. CalHome Program Loans**

CalHome Program funds of \$600,000 were awarded by the State of California and are used to provide first-time home buyer mortgage assistance as well as housing rehabilitation assistance for low income homeowners. Loans are payable upon sale or transfer of property, when the property ceases to be owner-occupied, or upon the CalHome loan maturity date. The outstanding balance as of June 30, 2017 was \$484,626.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

***C. Rehabilitation and Construction Loans***

Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. These residential loans are available from \$5,000 to \$25,000 per property at a loan term of 3% simple interest for 10 years. The property will be rehabilitated to be free from health and safety violations upon completion of the rehabilitation program. The outstanding balance of these loan types was \$1,275,177 as of June 30, 2017.

***D. Community Capital Improvement and Neighborhood Stabilization Program Loan***

This is a rehabilitation and construction loan to eliminate blight to a property owner to assist improvements and rehabilitation of properties that were vacant or underutilized.

During fiscal year 2011-2012, the City provided a property development loan of \$1,614,713 to 9th Street Associates LP to develop the units at Santa Fe Commons. The loan terms include 3% simple interest and is due in 55 years. The repayment will be made from residual receipts. The outstanding balance as of June 30, 2017 was \$1,800,250.

***E. Other Loans***

During fiscal year 2013-14, the City of Pittsburgh approved a loan to Century Plaza Corporation for anchor tenant retention and remodeling of the Century Plaza. The total approved loan amount was \$1,300,000 and will be disbursed in five years. Loan bears 2% annual interest and is due and payable on July 1, 2023. Century Plaza Corporation will receive a loan repayment credit effective July 1, 2019 if it is in compliance with the terms stipulated by the loan agreement. The accrued interest will be forgiven along with the loan credit. The outstanding amount as of June 30, 2017 was \$1,060,304.

During fiscal year 2010-2011, the City of Pittsburgh financed several residential loans to the homebuyers of Vidrio Condominium. The outstanding amount as of June 30, 2017 was \$2,168,843.

During fiscal year 2014-15, the City of Pittsburgh approved a loan of up to \$150,000 for the properties at 444 and 446 Railroad Avenue. The loan bears interest of 3% per annum. Payment is deferred until September 1, 2018 at which point monthly payments of principal and interest will be due for a term of 3 years. The outstanding amount as of June 30, 2017 was \$159,252.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

***F. Housing Successor Agency Loans***

During fiscal year 2004-2005, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$4,880,000 to the Fairfield Belmont, L.P. for the purchase and renovation of 224 affordable residential units located within the Redevelopment Project Area. The loan bears the lesser interest of 1% per year or the amount of the former Redevelopment Agency Receipts and provides for the Agency to receive 20% of the project's residual receipts annually. With the dissolution of the Redevelopment Agency effective February 1, 2012, the assets of the Agency, including this loan were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$4,486,648.

During fiscal year 2004-2005, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$1,400,000 to the Steadfast Marina Heights L.P. for the purchase and renovation of 200 affordable residential units located within the Redevelopment Project Area. The loan bears interest of 7% per year or the amount of Agency Receipts and provides for the Agency to receive 30% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, the assets of the Agency, including this loan were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$1,400,000.

During fiscal year 2005-2006, a Development and Disposition Agreement was entered into with Olson Urban Housing LLC (Developer) of up to \$1,000,000 and with Lyon Vista Del Mar 533, LLC (Developer) of up to \$800,000, to provide mortgage assistance for qualified moderate income households purchasing the affordable units. With the dissolution of the Agency effective February 1, 2012, the loans were assumed by the Housing Successor. The balance outstanding as of June 30, 2017 was \$180,000 and \$250,000, respectively, for the property owners.

During fiscal year 2005-2006, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$1,052,854 to Mercy Housing California for the development of a 64-unit dwelling and child care center located within the Redevelopment Project Area. During the fiscal year 2007-2008, an amendment was filed to increase the loan for a total of \$4,952,854. The loan bears interest of 1% per year and provides for the Agency to receive 50% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$4,565,818.

During fiscal year 2005-2006, the former Redevelopment Agency entered into a Development and Disposition Agreement with Domus Development LLC (Developer) of up to \$8,000,000 for the development of a 28-unit residential rental dwelling and an 8,000 square feet ground floor commercial space at the northeast corner of Railroad Avenue and 10th Street. Funding was provided by the Housing-Set Aside funds in the amount of \$6,000,000 and \$2,000,000 by future tax increments. During the fiscal year 2007-2008, an amendment was filed to increase the loan up to an additional \$800,000 and \$4,845,755 of the loan was disbursed to the Developer. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$7,742,562.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

During fiscal year 2006-2007 and 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds to low income families to purchase homes. The loans bear no interest and are deferred until the property changes title or are refinanced for cash. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$917,440.

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$566,150 to Pacific Community Services for prior construction of 104 units called the Presidio Village Senior Housing. The loan bears interest of 3% per year and provides for the Agency to receive 50% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance and accrued interest as of June 30, 2017 was \$706,912.

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund provided \$728,000 and \$940,000 to Palm Plaza Group, LLC and Palm Plaza Development, respectively, for the purchase and renovation of residential units located within the Redevelopment Project Area. With the dissolution of the Agency effective February 1, 2012, these loans were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$145,600 for Palm Plaza Group, LLC and \$188,000 for Palm Plaza Development, respectively, totaling \$333,600.

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$6,105,848 to Resources for Community Development for the development of 71 rental dwellings and a community center. During the fiscal year 2008-2009, an amendment was filed to increase the loan up to an additional \$350,000 and \$5,710,730 of the loan was disbursed to the Developer. The loan bears interest of 1% per annum and provides for the Agency to receive 50% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2017 was \$6,904,382.

During fiscal year 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned funds of \$250,000 to Domus Development LLC for the feasibility study of a senior affordable housing development (Sienna Court). The loan bears interest of 3% per annum. The Domus Development LLC loan was amended in fiscal year 2010-2011 to increase the loan by an additional \$850,000, and then further amended in fiscal year 2010-2011 bringing total loan funding to \$4,323,645. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor. The outstanding balance as of June 30, 2017 was \$5,251,330.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

**G. Pittsburgh Arts and Community Foundation (PACF) Loans**

During fiscal year 2010-2011, the PACF assumed a construction loan and lease due from a Pittsburgh resident. The loan will be repaid through lease payments on 159 4<sup>th</sup> Street, with a balloon payment due on December 1, 2023. During fiscal year 2011-2012, PACF assumed an NSP Home Buyer assistance program loan that was issued to a Pittsburgh resident. Loan payments are deferred for 10 years, expiring on March 24, 2020, and will be forgiven if certain terms are met. The outstanding amounts of these loans as of June 30, 2017 were \$753,797 and \$24,422, respectively, totaling \$778,219.

**NOTE 4 - UNEARNED AND UNAVAILABLE REVENUE**

**A. Government-Wide Financial Statements**

Unearned revenues in Government-Wide Financial Statements represent amounts for which revenues have not been earned. At June 30, 2017, unearned revenues in the Government-Wide Financial Statements consisted of unearned developer, donation, and grant revenues of \$1,536,811 in Governmental Activities and \$1,437,125 in Business-Type Activities.

**B. Fund Financial Statements**

At June 30, 2017, the following amounts were recorded in the Fund Financial Statements because either the revenues had not been earned or the funds were not available to finance expenditures of the current period:

Governmental Funds					
	General Fund	Housing Authority (Sec. 8)	Successor Agency Housing	Non-Major Governmental Funds	Total Governmental Funds
Unearned developer/ donation revenue	\$ 3,954	\$ -	\$ -	\$ -	\$ 3,954
Unearned service revenue	1,206,595	134,757	-	191,505	1,532,857
Sub-total	1,210,549	134,757	-	191,505	1,536,811
Loans receivable	1,219,556	-	32,738,692	4,470,303	38,428,551
Total	<u>\$ 2,430,105</u>	<u>\$ 134,757</u>	<u>\$ 32,738,692</u>	<u>\$ 4,661,808</u>	<u>\$ 39,965,362</u>

Business-Type			
	Pittsburg Power	Water Front Operations	Total
Unearned developer/ donation revenue	\$ 538,103	\$ -	\$ 538,103
Unearned service revenue	381,471	517,551	899,022
	<u>\$ 919,574</u>	<u>\$ 517,551</u>	<u>\$ 1,437,125</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 5 - INTERFUND TRANSACTIONS**

**A. Current Interfund Balances**

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. Current inter-fund balances are as follows:

<u>DUE FROM FUND:</u>	<u>DUE TO FUND:</u>	<u>AMOUNT</u>
Non-Major Governmental Funds:		
<i>Special Revenue Funds:</i>		
Measure J Tax	General Fund	\$ 6,400
Local Law Enforcement Block Grant	General Fund	25,628
Storm Water Utility (NPDES)	General Fund	40,134
Fire District CFD	General Fund	8,108
	Due to General Fund	<u>\$ 80,270</u>

**B. Interfund Advances**

At June 30, 2017, the following funds had advances that were not expected to be repaid within the next year:

<u>FROM FUND:</u>	<u>TO FUND :</u>	<u>AMOUNT</u>
GOVERNMENTAL FUNDS		
General Fund	Park Maintenance CFD 2007-1 Special Revenue Fund	\$ 125,792
Regional Traffic Mitigation Capital Projects Fund	Railroad Avenue Specific Area Plan Special Revenue Fund	3,342,808
ENTERPRISE FUNDS		
Pittsburg Power	Golf Course Special Revenue Fund	375,000
Sewer Utility	Building Maintenance Internal Service Fund	<u>229,336</u>
	TOTAL ADVANCES	<u>\$ 4,072,936</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 5 - INTERFUND TRANSACTIONS (Continued)**

During fiscal year 2006-2007, the General Fund advanced \$150,000 to the Park Maintenance CFD 2007-1 Special Revenue Fund to help to eliminate the deficit fund balance. Interest is accrued annually at the LAIF rate. The balance as of June 30, 2017 was \$125,792.

During fiscal year 2014-2015, the Regional Traffic Mitigation Capital Projects Fund advanced \$3,300,000 to the Railroad Avenue Specific Area Plan Special Revenue Fund to help fund the construction of the eBART Pittsburgh Center Station Project. The advance is to be repaid to the Regional Traffic Mitigation Fund by June 30, 2044 and bears simple interest at the average State Local Agency Investment Fund (LAIF) interest rate. The repayment began in fiscal year 2015 with annual payments in amount up to the accrued interest due, and the current balance as of June 30, 2017 was \$3,342,808.

During fiscal year 2002-2003, the Pittsburgh Power Enterprise Fund advanced \$375,000 to the Golf Course Special Revenue Fund for the replacement and improvements of golf carts. The advance is to be repaid within ten years provided the money is available in the Golf Fund. The current balance as of June 30, 2017 was \$375,000.

During fiscal year 2016-2017, the Sewer Utility Enterprise Fund advanced \$252,960 to the Building Maintenance Internal Service Fund to assist in financing the City Hall HVAC Chiller Replacement project. The advance is to be repaid within ten years and bears interest at 1.5% per year. The current balance as of June 30, 2017 was \$229,336.

During fiscal year 2011-2012, the Water Utility Enterprise Fund advanced \$3,800,000 to various funds as detailed in the table above, to apply towards the unfunded pension liability with Contra Costa County Employees' Retirement Association (CCCERA). The advance was to be repaid to the Water Utility fund by February 21, 2017 and bore interest at .3% per year. The repayments began in fiscal year 2012 - 2013 with interest only payments. This advance was completely paid off as of June 30, 2017.

During fiscal year 2014-2015, the Sewer Utility and Pittsburgh Power Enterprise Funds each advanced \$400,000, for a total of \$800,000, to the Park Dedication Capital Improvement Fund to help fund the Old Town Park Project. The advances were to be repaid no later than June 30, 2025 and bore simple interest at the average annual State Local Agency Investment Fund (LAIF) interest rate. The advances were paid off as of June 30, 2017.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 5 - INTERFUND TRANSACTIONS (Continued)**

**C. Interfund Transfers**

At June 30, 2017, the City had the following inter-fund transfers:

- A. Transfers to the General Fund were to fund General Fund operations and administrative services for which the other funds received services.
- B. Transfers to cover Citywide Lighting & Landscaping, Park Maintenance and Golf Course operating expenses.
- C. Transfers for road maintenance/repairs/improvements and water/sewer infrastructure repairs, and accounts for program income in CDBG.
- D. Transfers for Golf Course maintenance and repairs.
- E. Transfers to the Water Utility Enterprise Fund to subsidize senior discount.
- F. Transfers to cover Future Build program.
- G. Transfers to fund unfunded OPEB liabilities and interfund loan for Chiller Replacement.

FROM FUND:	TO FUND:	AMOUNT
Non-Major Governmental Funds		\$ 1,998,173
Water Utility Enterprise		915,455
Sewer Utility Enterprise		703,193
Pittsburg Power Enterprise		776,500
Internal Service Funds		39,905
	General Fund	4,433,226 A
General Fund		963,808 B
Water Utility Enterprise		21,500 C
Sewer Utility Enterprise		21,000 C
Pittsburg Power Enterprise		8,998 D
Non-Major Governmental Funds		1,426,336 C
	Non-Major Governmental Funds	2,441,642
	<i>Sub-total: Total Governmental Funds</i>	6,874,868
General Fund	Water Utility Enterprise	50,000 E
General Fund	Pittsburg Power Enterprise	50,000 F
General Fund	Internal Service Funds	221,182 G
Housing Authority (Section 8) Special	Internal Service Funds	17,591 G
Successor Agency Housing Special Revenue	Internal Service Funds	709 G
Non-Major Governmental Funds	Internal Service Funds	64,798 G
Water Utility Enterprise	Internal Service Funds	101,111 G
Sewer Utility Enterprise	Internal Service Funds	273,571 G
Marina Enterprise	Internal Service Funds	15,885 G
Pittsburg Power Enterprise	Internal Service Funds	32,951 G
Water Front Operations Enterprise	Internal Service Funds	4,726 G
Internal Service Fund	Internal Service Funds	21,657 G
	<i>Sub-total: Total Proprietary Funds</i>	854,181
	<b>TOTAL TRANSFERS</b>	<b>\$ 7,729,049</b>



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 6 - CAPITAL ASSETS**

**A. Government-Wide Financial Statements**

At June 30, 2017, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 33,763,463	\$ 1,646,186	\$ 35,409,649
Construction in progress	17,750,305	24,915,875	42,666,180
Total non-depreciable assets	51,513,768	26,562,061	78,075,829
Depreciable assets:			
Buildings and improvements	90,463,284	23,918,284	114,381,568
Machinery and equipment	15,821,582	10,144,708	25,966,290
Infrastructure	294,525,900	144,893,442	439,419,342
Total depreciable assets	400,810,766	178,956,434	579,767,200
Less accumulated depreciation:			
Buildings and improvements	(39,391,775)	(9,393,096)	(48,784,871)
Machinery and equipment	(12,619,177)	(3,832,474)	(16,451,651)
Infrastructure	(145,815,828)	(47,549,304)	(193,365,132)
Total accumulated depreciation	(197,826,780)	(60,774,874)	(258,601,654)
Total net depreciable assets	202,983,986	118,181,560	321,165,546
Total capital assets	\$ 254,497,754	\$ 144,743,621	\$ 399,241,375

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 6 - CAPITAL ASSETS (Continued)**

The following is a summary of capital assets for governmental activities:

	Balance at July 1, 2016	Additions	Deletions	Reclassifications	Balance at June 30, 2017
Non-depreciable assets:					
Land	\$ 32,338,944	\$ 1,424,519	\$ -	\$ -	\$ 33,763,463
Construction in progress	11,361,946	6,682,576	-	(294,217)	17,750,305
Total	43,700,890	8,107,095	-	(294,217)	51,513,768
Depreciable assets:					
Buildings and improvements	90,165,660	250,508	(157,500)	204,616	90,463,284
Machinery and equipment	14,781,687	1,472,357	(432,462)		15,821,582
Infrastructure	294,436,299	-	-	89,601	294,525,900
Total	399,383,646	1,722,865	(589,962)	294,217	400,810,766
Less accumulated depreciation:					
Buildings and improvements	(35,629,343)	(3,853,432)	91,000	-	(39,391,775)
Machinery and equipment	(12,143,776)	(907,863)	432,462	-	(12,619,177)
Infrastructure	(139,088,735)	(6,727,093)	-	-	(145,815,828)
Total	(186,861,854)	(11,488,388)	523,462	-	(197,826,780)
Total depreciable assets, net	212,521,792	(9,765,523)	(66,500)	294,217	202,983,986
Total capital assets, net	\$ 256,222,682	\$ (1,658,428)	\$ (66,500)	\$ -	\$ 254,497,754

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 6 - CAPITAL ASSETS (Continued)**

Governmental activities depreciation expense for capital assets for the year ended June 30, 2017 is as follows:

General government	\$ 1,350,345
City Manager and City Clerk	49,742
City Attorney	62
Human Resources	5,294
Finance and services	103,589
Community development and services	144,219
Public Safety	489,238
Public Works	9,345,899
Total depreciation expense	<u>\$ 11,488,388</u>

The following is a summary of capital assets for business-type activities:

	Balance at July 1, 2016	Additions	Deletions	Reclassifications	Balance at June 30, 2017
Non-depreciable assets:					
Land	\$ 1,646,186	\$ -	\$ -	\$ -	\$ 1,646,186
Construction in progress	14,833,767	11,254,140	-	(1,172,032)	24,915,875
Total	<u>16,479,953</u>	<u>11,254,140</u>	<u>-</u>	<u>(1,172,032)</u>	<u>26,562,061</u>
Depreciable assets:					
Buildings and improvements	23,643,301	89,984	-	184,999	23,918,284
Machinery and equipment	9,977,427	184,178	(16,897)		10,144,708
Infrastructure	143,354,675	648,390	(96,656)	987,033	144,893,442
Total	<u>176,975,403</u>	<u>922,552</u>	<u>(113,553)</u>	<u>1,172,032</u>	<u>178,956,434</u>
Less accumulated depreciation:					
Buildings and improvements	(8,893,994)	(499,102)	-	-	(9,393,096)
Machinery and equipment	(3,302,120)	(547,251)	16,897	-	(3,832,474)
Infrastructure	(45,173,247)	(2,464,002)	87,945	-	(47,549,304)
Total	<u>(57,369,361)</u>	<u>(3,510,355)</u>	<u>104,842</u>	<u>-</u>	<u>(60,774,874)</u>
Total depreciable assets, net	<u>119,606,042</u>	<u>(2,587,803)</u>	<u>(8,711)</u>	<u>1,172,032</u>	<u>118,181,560</u>
Total capital assets, net	<u>\$ 136,085,995</u>	<u>\$ 8,666,337</u>	<u>\$ (8,711)</u>	<u>\$ -</u>	<u>\$ 144,743,621</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 6 - CAPITAL ASSETS (Continued)**

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2017 are as follows:

Water Utility	\$	1,588,010
Sewer Utility		864,247
Marina		520,329
Pittsburg Power		535,921
Water Front Operations		1,848
Total	\$	<u>3,510,355</u>

**B. Fund Financial Statements**

The Governmental Fund Financial Statements do not present General Government Capital Assets. Consequently, capital assets are shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

The capital assets of the enterprise funds in the Proprietary Fund Financial Statements are the same as those shown in the business-type activities of the Government-Wide Financial Statements. Internal Service Funds capital assets are combined with governmental activities.

**NOTE 7 - LONG TERM DEBT**

**Governmental Activities**

The following is a summary of long-term debt transactions of the governmental activities for the year ended June 30, 2017:

Description	Original Issue Amount	Beginning Balance July 1, 2016	Additions	Retirements	Ending Balance June 30, 2017	Amounts Due Within One Year	Amounts Due in More Than One Year
<b>Governmental Activities:</b>							
2006 Pension Obligation Bonds	\$ 39,566,056	\$ 34,036,850	\$ 2,087,708	\$ 2,020,000	\$ 34,104,558	\$ 2,090,000	\$ 32,014,558
CEC Energy Conservation Loan	571,097	406,268	-	62,775	343,493	64,672	278,821
Capital Lease - VOIP	176,450	36,257	-	36,257	-	-	-
Capital Lease - Street Sweeper	225,000	203,857	-	43,161	160,696	44,357	116,339
<b>Total Governmental Activities</b>		<u>\$ 34,683,232</u>	<u>\$ 2,087,708</u>	<u>\$ 2,162,193</u>	<u>\$ 34,608,747</u>	<u>\$ 2,199,029</u>	<u>\$ 32,409,718</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 7 - LONG TERM DEBT (Continued)**

*Series 2006 Pension Obligation Bonds*

On June 15, 2006, the City issued \$39,566,056 of Series 2006 Taxable Pension Obligations Bonds bearing interest at 5.784-6.115% to prepay the City's unfunded accrued actuarial liability of the Miscellaneous and Safety plans through the California Public Employees' Retirement System. The City also prepaid the unfunded liability owed to Contra Costa County Employees Retirement Association (CCCERA) which amounted to \$12,700,000 as of June 30, 2006. The Bonds are issued as current interest bonds and capital interest bonds where the current interest is payable annually on July 1, and the capital appreciation bonds will accrete interest from the date of issuance and will be payable only upon maturity or redemption. The bonds are payable from any form of taxation. Annual principal and interest payments on the bonds are expected to require approximately 5% of city-wide revenues. The total principal and interest remaining to be paid on the bonds is \$74,144,982. For the current year, principal and interest paid were \$3,481,241 and city-wide revenues were \$75,043,393.

The Bonds unaccrued discount and the current year accretion totaled \$20,090,442 and \$2,087,708, respectively at June 30, 2017. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 5.85% and 6.12%. Repayment of the accreted principal commenced July 1, 2015. Final repayment will be July 1, 2036.

The annual debt service requirements to mature the Series 2006 Pension Obligation Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal (1)	Interest	Total
2018	\$ 2,090,000	\$ 1,440,995	\$ 3,530,995
2019	2,160,000	1,418,272	3,578,272
2020	2,240,000	1,392,911	3,632,911
2021	2,320,000	1,364,763	3,684,763
2022	2,405,000	1,333,684	3,738,684
2023-2027	13,465,000	6,090,259	19,555,259
2028-2032	14,705,000	5,077,013	19,782,013
2033-2037	14,810,000	1,832,085	16,642,085
Total	\$ 54,195,000	\$ 19,949,982	\$ 74,144,982

(1) Includes unaccrued discount in the total amount of \$20,090,442

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 7 - LONG TERM DEBT (Continued)**

*CEC Energy Conservation Loan*

On May 31, 2012, the City obtained a State of California Energy Resources Conservation and Development Commission loan from the California Energy Commission (CEC), in the amount of \$571,097, bearing an interest rate of 3.00% to convert all decorative lamp fixtures from High Pressure Sodium (HPS) to Light Emitted Diode (LED), including the installation of 621 LED lamps on 610 poles. The loan is repayable from general funds from savings in energy costs, and interest and principal payments are payable semiannually on June 22 and December 22, commencing December 22, 2013.

As of June 30, 2017, the outstanding principal balance on the loan was \$343,493.

The annual debt service requirements to mature the loan outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 64,672	\$ 9,825	\$ 74,497
2019	66,627	7,870	74,497
2020	68,626	5,871	74,497
2021	70,715	3,782	74,497
2022	72,853	1,645	74,498
Total	<u>\$ 343,493</u>	<u>\$ 28,993</u>	<u>\$ 372,486</u>

*Capital Lease for Governmental Activities*

On November 2, 2012, the City entered into a four-year tax-exempt lease agreement for a total principal cost of \$310,572 with Key Government Finance, Inc., the proceeds of which were used to upgrade the telephone voice over internet protocol (VOIP) system. The interest rate on the capital lease is 2.820% and principal and interest payments are due annually, commencing November 2, 2012, maturing on November 2, 2016. As of June 30, 2017, the outstanding principal balance was fully repaid.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 7 - LONG TERM DEBT (Continued)**

On November 5, 2015, the City entered into a five year lease agreement for a total principal cost of \$225,000 with Holman Capital Corporation for one street sweeper. The interest rate on the capital lease is 2.75% and principal and interest payments are due semi-annually, commencing May 5, 2015, maturing on November 5, 2020. As of June 30, 2017, the outstanding principal balance of the lease was \$160,696.

The annual debt service requirements to mature the lease outstanding at June 30, 2017, are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 44,357	\$ 4,117	\$ 48,474
2019	45,585	2,888	48,473
2020	46,847	1,626	48,473
2021	23,907	328	24,235
<b>Total</b>	<b>\$ 160,696</b>	<b>\$ 8,959</b>	<b>\$ 169,655</b>

***Business-Type Activities***

The following is a summary of long-term debt transactions of the business-type activities for the year ended June 30, 2017:

Description	Original Issue Amount	Beginning Balance July 1, 2016	Additions	Retirements	Ending Balance June 30, 2017	Amounts Due Within One Year	Amounts Due in More Than One Year
2008A Water Revenue Refunding Bonds	\$ 38,395,000	\$ 30,485,000	\$ -	\$ 30,485,000	\$ -	\$ -	\$ -
2014 Waste Water Revenue Refunding Bonds	5,342,000	3,864,000	-	753,000	3,111,000	761,000	2,350,000
2016 Water Revenue Refunding Bonds	30,850,000	-	30,850,000	1,245,000	29,605,000	955,000	28,650,000
2014 California Infrastructure and Economic Development Bank Loan	11,387,398	11,167,171	-	227,955	10,939,216	235,958	10,703,258
		<u>\$ 45,516,171</u>	<u>\$ 30,850,000</u>	<u>\$ 32,710,955</u>	<u>\$ 43,655,216</u>	<u>\$ 1,951,958</u>	<u>\$ 41,703,258</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 7 - LONG TERM DEBT (Continued)**

2008 Water Revenue Refunding Bonds

On May 8, 2008, the City issued \$38,395,000 of Series 2008 Water Revenue Refunding Bonds with multi-model interest rates, to refund, on a current basis, 2005 Water Revenue Bonds, to fund a debt service reserve account with respect to the 2008 Bonds and to pay certain costs of issuance of the 2008 Bonds. The bonds are authorized to be issued in a Weekly Interest Rate Period, a Daily Interest Rate Period, a Long-Term Interest Rate Period, an Index Interest Period or an Auction Rate Bond Interest Rate Period. A portion of the proceeds from the 2008 Bonds was placed in an irrevocable trust to provide for all future debt service payments on the defeased 2005 Bonds. The Bonds are payable solely from Water System revenues. Annual principal and interest payments on the bonds are expected to require less than 13% percent of net revenues. As of June 30, 2017, the outstanding amount of \$30,485,000 was fully refunded by the 2016A Water Revenue Refunding Bonds.

2016 Water Revenue Refunding Bonds

On November 15, 2016, the City issued 2016A Water Revenue Refunding Bonds in the amount of \$30,070,000 Series 2016A Tax Exempt and \$780,000 Series 2016-Taxable Bonds for a combined total of \$30,850,000. The proceeds from the Bonds were used to retire the 2008 Water Refunding Bond and to pay a Swap Termination Fee. The Tax-Exempt Bonds bear interest ranging from 2%-5% and the Taxable bonds bear interest of 0.87%. Interest on Tax-Exempt bonds is payable semi-annually each February 1<sup>st</sup> and August 1<sup>st</sup>. The Tax-Exempt bonds and taxable bond will mature on August 1, 2034 and February 1, 2017 respectively. As a result of this refinancing, the City reduced required annual debt payments but also eliminated the risk associated with the 2008 variable rate bonds and increased the City's Enterprise credit rating. The refunding resulted in an overall debt service savings of \$62,746, and the net present value of the debt service savings, called an economic loss, amounted to \$381,953.

The annual debt service requirements to mature the loan outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 955,000	\$ 1,244,000	\$ 2,199,000
2019	1,315,000	1,208,150	2,523,150
2020	1,360,000	1,154,650	2,514,650
2021	1,405,000	1,099,350	2,504,350
2022	1,450,000	1,042,250	2,492,250
Thereafter	23,120,000	6,218,575	29,338,575
Total	\$ 29,605,000	\$ 11,966,975	\$ 41,571,975



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 7 - LONG TERM DEBT (Continued)**

2014 Waste Water Revenue Refunding Bonds (Bank of the West Private Placement)

The City of Pittsburgh Financing Authority previously issued \$11,950,000 of Wastewater Revenue Refunding Bonds, Series 2004 pursuant to a Trust Agreement, a Master Installment Sale Agreement and a First Supplemental Installment Sale Agreement; all dated March 1, 2004. The bonds bore interest rates from 2.00%-4.25%.

To refinance the 2004 Bonds, the Financing Authority, with the City, entered into an installment sale agreement to provide funds in an aggregate principal amount of \$5,342,000. The financing was placed privately with Bank of the West. A portion of the proceeds of the Financing was deposited into an irrevocable escrow for full redemption of the 2004 Bonds. The installment sales payments bear an interest rate of 1.55% per annum with interest payments made semi-annually on June 1 and December 1 commencing December 1, 2014 through June 1, 2021. The installments are payable solely from Net Wastewater Revenues. Annual principal and interest payments are expected to require less than 15% percent of net revenues. The total principal and interest remaining to be paid is \$3,220,384. For the current year, principal and interest paid were \$809,970 and wastewater net revenues were \$2,121,133.

The annual debt service requirements to mature the loan outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 761,000	\$ 45,268	\$ 806,268
2019	772,000	33,434	805,434
2020	782,000	21,429	803,429
2021	796,000	9,253	805,253
<b>Total</b>	<b>\$ 3,111,000</b>	<b>\$ 109,384</b>	<b>\$ 3,220,384</b>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 7 - LONG TERM DEBT (Continued)**

2014 California Infrastructure and Economic Development Bank Installment Sale Agreement

On November 17, 2014, the City of Pittsburgh entered into an installment sale agreement (agreement) with the California Infrastructure and Economic Development Bank for financing the costs of modifications to the Pittsburgh Water Treatment Plant and installation of approximately 9,100 feet of transmission line and other related costs. The principal amount provided under the agreement is \$11,387,398 payable over a term of 30 years. Principal payments are made annually on August 1, commencing August 1, 2015 through August 1, 2044. The installment sales payments bear an interest rate of 3.51% per annum with interest payments made semi-annually on February 1 and August 1, commencing February 1, 2015 through August 1, 2044. The installments are payable from Water Charge Revenues. During fiscal year ended June 30, 2017, principal and interest paid was \$649,425 and water charge revenues were \$20,516,272.

The annual debt service requirements to mature the outstanding balance at June 30, 2017, were as follows:

Year Ending June 30,	Principal	Interest	Annual Fee	Total
2018	\$ 235,958	\$ 379,825	\$ 32,818	\$ 648,601
2019	244,240	371,398	32,110	647,748
2020	252,812	362,675	31,377	646,864
2021	261,686	353,645	30,619	645,950
2022	270,871	344,299	29,834	645,004
2023-2027	1,503,823	1,569,406	136,392	3,209,621
2028-2032	1,786,933	1,281,326	112,196	3,180,455
2033-2037	2,123,340	939,014	83,442	3,145,796
2038-2042	2,523,081	532,258	49,277	3,104,616
2043-2045	1,736,472	92,827	10,539	1,839,838
Total	\$ 10,939,216	\$ 6,226,673	\$ 548,604	\$ 17,714,493

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 8 - SPECIAL ASSESSMENT DISTRICT DEBT WITHOUT CITY COMMITMENT**

The City has sponsored special assessment debt issues under which it has no legal or moral liability with respect to repayment of the debt and therefore does not include this debt in the City's Governmental Activities. The activity for those issues for the year ended June 30, 2017, was as follows:

	Balance June 30, 2016	Retirements	Balance June 30, 2017
2001-03 Century Plaza A.D. Bonds	\$ 3,315,000	\$ 120,000	\$ 3,195,000
2011 Pittsburgh IFA Bonds	13,835,000	1,080,000	12,755,000
2015 Vista Del Mar A.D. Refunding Bonds	9,655,000	295,000	9,360,000
Total	<u>\$ 26,805,000</u>	<u>\$ 1,495,000</u>	<u>\$ 25,310,000</u>

**2001-03 Century Plaza Assessment District Bonds** - The Century Plaza Bonds bear interest rates between 2.40% and 5.88% with interest payments made semi-annually on March 2 and September 2. The Century Plaza Bonds are to be paid from annual assessment installments. Proceeds from the Century Plaza Bonds were used to finance the construction and acquisition of certain public improvements within the City's Assessment District No. 2001-03. The outstanding balance at June 30, 2017 amounted to \$3,195,000.

**2011 Pittsburgh Infrastructure Financing Authority Bonds** - In August 2011, the City refinanced the 1998 Marina Walk Assessment District Bonds, 1998 Pittsburgh Infrastructure Financing Authority Bonds, 2001-01 San Marco Assessment District Bonds and 2001-02 Oak Hills South Assessment District Bonds. These Districts were consolidated into one Reassessment District No. 2011-1. The true interest cost of the refunded bonds is 4.5%. The outstanding balance at June 30, 2017 amounted to \$12,755,000.

**2015 Vista Del Mar Assessment District Special Tax Refunding Bonds** - In June 2015, the City refunded and defeased the 2005 Vista Del Mar Assessment District Bonds. The 2015 Vista Del Mar Bonds bear interest rates between 2.00% and 5.00% with interest payments made semi-annually on March 1 and September 1. The Vista Del Mar Bonds are to be paid from special taxes which are levied by the City on taxable real property within the boundaries of the District. The outstanding balance at June 30, 2017, amounted to \$9,360,000.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 9 - NET POSITION AND FUND BALANCES**

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis.

***A. Net Position***

Net Position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

In the Government-Wide Financial Statements, net positions are classified in the following categories.

*Net Investment in Capital Assets*, describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

*Restricted* describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income purposes.

*Unrestricted* describes the portion of Net Position which is not restricted to use.

***B. Fund Balances***

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The City's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

*Nonspendables* represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

*Restricted* fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

*Committed* fund balances have constraints imposed by formal action of the City Council through City Resolution, which may be altered only by formal action (Resolution) of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

*Assigned* fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed through City Resolution, Ordinance, or through language in the adopted budget, by the City Council or its designee (City Manager for items from \$75,000 to \$150,000 and Senior Executive Team members for items below \$75,000) and may be changed at the discretion of the City Council or its designee.

*Unassigned* fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

To comply with GASB 54 requirements, the Budget Stabilization, Economic Development and California Theatre activities are consolidated within the General Fund. The following table provides details of the General Fund's fund balance at June 30, 2017:

Fund/Activity	Nonspendable	Assigned	Unassigned	Total
General	\$ 2,410,696	\$ 275,536	\$ 9,537,283	\$ 12,223,515
Budget stabilization	-	-	7,500,000	7,500,000
Economic development	-	159,242	-	159,242
Total	\$ 2,410,696	\$ 434,778	\$ 17,037,283	\$ 19,882,757

***Budget Stabilization Arrangement***

City Council adopted a Resolution establishing a Budget Stabilization Fund for the City's General Fund and requires the City to deposit year-end surpluses into it. The funds can only be used to help balance future budgets. As of June 30, 2017, the Budget Stabilization, which is reported within the unassigned fund balance of the General Fund, had a balance of \$7,500,000.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

Detailed classifications of the City's Fund Balances, as of June 30, 2017, are listed below:

Fund Balance Classifications	General Fund	Special Revenue		Other Governmental Funds	Total
		Housing Authority Section 8	Successor Agency Housing		
<b>Nonspendables:</b>					
Items not in spendable form:					
Prepaid Items & Other Assets	\$ 19,128	\$ -	\$ -	\$ 1,726	\$ 20,854
Interfund Advances	125,792	-	-	-	125,792
Loans and Notes Receivable	2,168,843	-	-	-	2,168,843
Inventory	96,933	1,374	-	269,143	367,450
<b>Total Nonspendable Fund Balances</b>	<b>2,410,696</b>	<b>1,374</b>	<b>-</b>	<b>270,869</b>	<b>2,682,939</b>
<b>Restricted for:</b>					
Special Revenue	-	-	-	5,374,899	5,374,899
Debt Service	-	-	-	2,818,842	2,818,842
Low Income Housing	-	89,663	1,212,795	662,569	1,965,027
Capital Projects	-	-	-	11,157,662	11,157,662
<b>Total Restricted Fund Balances</b>	<b>-</b>	<b>89,663</b>	<b>1,212,795</b>	<b>20,013,972</b>	<b>21,316,430</b>
<b>Committed to:</b>					
Capital Improvement	-	-	-	1,737,547	1,737,547
Field Replacement	-	-	-	489,616	489,616
Public Education	-	-	-	529,315	529,315
<b>Total Committed Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,756,478</b>	<b>2,756,478</b>
<b>Assigned to:</b>					
Reserved for Operations, Carryover Budget	146,525	-	-	-	146,525
Reserved for Police Buys	1,220	-	-	-	1,220
Reserved for Leisure Service	6,656	-	-	-	6,656
Reserved for Inventory	98,213	-	-	-	98,213
Payroll Imprest Fund Balance	22,922	-	-	-	22,922
For Economic Development	159,242	-	-	-	159,242
Public Safety	-	-	-	29,349	29,349
<b>Total Assigned Fund Balances</b>	<b>434,778</b>	<b>-</b>	<b>-</b>	<b>29,349</b>	<b>464,127</b>
<b>Unassigned:</b>					
General fund	9,537,283	-	-	-	9,537,283
Stabilization Arrangements	7,500,000	-	-	-	7,500,000
Other governmental funds	-	-	-	(3,745,132)	(3,745,132)
<b>Total Unassigned Fund Balances</b>	<b>17,037,283</b>	<b>-</b>	<b>-</b>	<b>(3,745,132)</b>	<b>13,292,151</b>
<b>Total Fund Balances</b>	<b>\$ 19,882,757</b>	<b>\$ 91,037</b>	<b>\$ 1,212,795</b>	<b>\$ 19,325,536</b>	<b>\$ 40,512,125</b>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

***C. Deficit Fund Balance/Net Position***

At June 30, 2017, the following funds had deficit fund balances:

Fund	Amount
<i>Special Revenue Funds:</i>	
Park Maintenance CFD 2007-1	\$ 62,021 (a)
Railroad Avenue Specific Area Plan	3,309,868 (b)
Fire District CFD	8,196 (c)
Golf Course	365,047 (d)

- (a) The deficits will be reduced with future years' assessment revenues.
- (b) The deficit is caused by the completion of the eBart project and will be reduced by future assessment revenues.
- (c) The deficit is caused by the administration fees for the fire district and will be reduced by future special taxes.
- (d) The deficit is caused by the recategorization of the Golf Course from an Enterprise Fund to a Special Revenue fund, as capital assets are no longer recorded within the fund, and will be reduced with future revenues.

***D. Restricted Net Position for Special Projects and Programs***

At June 30, 2017, the City has the following restricted net position for special projects and programs approved by Resolution 17-13376:

Measure C Fund	\$ 3,393,616
Gas Tax Fund	1,567,895
NPDES Fund	23,761
Local Traffic Mitigation Fund	353,134
Park Dedication Fund	239,938
City Capital Improvement Project Fund	907,979
Kirker Creek Drainage Fund	24,921
Community Capital Improvement Fund	1,404,035
Regional Traffic Mitigation Fund	617,704
Community Development Block Grant Fund	20,214
Golf Course Fund	17,663
	\$ 8,570,860

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 10 - RISK MANAGEMENT**

**A. General Liability Insurance**

The City is self-insured for the first \$25,000 of each loss and maintains excess liability insurance through Municipal Pooling Authority (MPA). The City is not insured for liability occurrences over \$29,000,000 per occurrence.

**B. Workers' Compensation**

The City maintains statutory excess workers' compensation insurance through MPA, and is insured for an individual accident resulting in claims up to statutory limits. The City is not self-insured for any initial portion of a claim but is self-insured for claims exceeding statutory limits.

**C. Estimated Reserves for Claims**

Municipalities are required to record their liability for uninsured claims and to reflect the current portion of this liability as expenditure in their financial statements. As discussed below, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion, of these claims.

The City reports all claims as a current liability based on historical results. The City's liability for uninsured claims, based on claims history, was computed as follows and is recorded in the Insurance Internal Service Fund:

For the Years Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
2010	\$ 208,770	\$ (95,076)	\$ (29,519)	\$ 84,175
2011	84,175	69,494	-	153,669
2012	153,669	(27,629)	(8,327)	117,713
2013	117,713	47,199	(36,027)	128,885
2014	128,885	88,503	(22,323)	195,065
2015	195,065	202,195	(148,208)	249,052
2016	249,052	90,846	(189,401)	150,497
2017	150,497	506,110	(399,353)	257,254



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 10 - RISK MANAGEMENT (Continued)**

***D. Purchased Insurance***

MPA provides additional coverage for the following risks incurred by the City:

<u>Coverage Type</u>	<u>Deductible</u>	<u>Coverage Limits</u>
All Risk Fire and Property	\$ 25,000	\$ 1,000,000,000
Flood	150,000	25,000,000
Boiler and Machinery	5,000	100,000,000
All Vehicles (Physical Damage)	2,000	250,000
Police Vehicles (Physical Damage)	3,000	250,000
Workers' Compensation	None	Statutory Limits
Liability	25,000	29,000,000
Employment Liability	50,000	2,000,000
Cyber Liability	50,000	2,000,000
Public Entity Pollution Liability	100,000	1,000,000
Government Crime Coverage	10,000	1,000,000

MPA is governed by a Board consisting of representatives from member municipalities.

The Board controls the operations of MPA, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

The City's deposits with MPA are in accordance with formulas established by MPA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

Audited financial statements can be obtained from Municipal Pooling Authority at 1911 San Miguel Drive #200, Walnut Creek, CA 94596-5332.

***E. Adequacy of Protection***

During the past three fiscal (claims) years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLANS**

**A. Plan Descriptions and Summary of Balances by Plan**

The City has three defined benefit pension plans, a Miscellaneous Plan, Safety Plan, and the Miscellaneous Employees' Retirement System of 1962 of the City of Pittsburgh, California (MERS). The Miscellaneous Plan is an Agent-Multiple Employer Plan and the Safety Plan is a Cost-Sharing Employer Plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City Ordinance.

All qualified permanent and probationary employees are eligible to participate in the separate Safety Plan, cost-sharing multiple employer defined benefit pension plan and Miscellaneous (all other) Plan, an agent multiple-employer defined benefit pension plan, administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Below is a summary of the deferred outflows of resources, net pension liabilities and deferred inflows of resources by Plan:

Plan	Deferred Outflows of Resources	Net Pension Liability/ Proportionate Share of Net Pension	Deferred Inflows of Resources	Pension Expense
CalPERS Plans:				
Miscellaneous	\$ 7,014,822	\$ 22,072,256	\$ 838,470	\$ 3,429,517
Safety	8,002,526	21,519,369	4,771,371	3,442,677
CCCERA Closed Plan	-	6,810,830	-	(4,501,523)
Total	<u>\$ 15,017,348</u>	<u>\$ 50,402,455</u>	<u>\$ 5,609,841</u>	<u>\$ 2,370,671</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

Each Plan is discussed in detail below.

**B. CalPERS Miscellaneous Plan**

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CalPERS and hired after December 31, 2012.

The Plans’ provisions and benefits in effect at June 30, 2017, are summarized as follows:

	<b>Miscellaneous</b>		
	Prior to July 10, 2011	On or after July 10, 2011	On or after January 1, 2013
Hire date			
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	62	62
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.092% to 2.418%	1.000% to 2.500%
Required employee contribution rates	7%	7%	6.25%
Required employer contribution rates	15.918%	15.918%	15.918%

**Employees Covered** – As of the June 30, 2015 actuarial valuation date, the following employees were covered by the benefit terms for the Plan:

	<b>Miscellaneous</b>
Inactive employees or beneficiaries currently receiving benefits	115
Inactive employees entitled to but not yet receiving benefits	147
Active employees	164
Total	426

As of June 30, 2017, the City had 180 active employees in the Miscellaneous Plan.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**Net Pension Liability** - The City’s net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Changes in Net Pension Liability** - The changes in the Net Pension Liability for the Miscellaneous Plan follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2015</b>	<b>\$ 77,691,371</b>	<b>\$ 61,130,408</b>	<b>\$ 16,560,963</b>
<b>Changes in the year:</b>			
Service cost	1,885,618	-	1,885,618
Interest on the total pension liability	5,954,324	-	5,954,324
Differences between actual and expected experience	696,901	-	696,901
Contribution - employee (paid by employer)	-	1,875,971	(1,875,971)
Contribution - employee	-	902,130	(902,130)
Net investment income	-	284,705	(284,705)
Administrative expenses	-	(37,256)	37,256
Benefit payments, including refunds of employee contributions	(2,993,564)	(2,993,564)	-
<b>Net changes</b>	<b>5,543,279</b>	<b>31,986</b>	<b>5,511,293</b>
<b>Balance at June 30, 2016</b>	<b>\$ 83,234,650</b>	<b>\$ 61,162,394</b>	<b>\$ 22,072,256</b>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* – The following presents the net pension liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

		<u>Miscellaneous</u>
1% Decrease		6.50%
Net Pension Liability	\$	34,360,910
Current Discount Rate		7.50%
Net Pension Liability	\$	22,072,256
1% Increase		8.50%
Net Pension Liability	\$	12,007,560

*Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions* - Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings on investments – 5 year straight-line amortization

All other amounts – Straight-line amortization over the average expected remaining services lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARS�) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

For the year ended June 30, 2017, the City recognized pension expense of \$3,429,517. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,094,191	\$ -
Differences between actual and expected experience	518,208	(110,618)
Changes in assumptions	-	(727,852)
Net differences between projected and actual earnings on plan investments	3,402,423	-
Total	<u>\$ 7,014,822</u>	<u>\$ (838,470)</u>

\$3,094,191 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2018	\$ 239,554
2019	283,683
2020	1,685,025
2021	873,899

Actuarial assumptions and information regarding the discount rate are discussed in Note 11D below.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

**C. CalPERS Safety Plan**

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2017, are summarized as follows:

	<b>Safety</b>		
	<b>Prior to</b>	<b>On or after</b>	<b>On or after</b>
Hire date	<b>July 10, 2011</b>	<b>July 10, 2011</b>	<b>January 1, 2013</b>
Benefit formula	3.0% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50	50
Monthly benefits, as a % of eligible compensation	3%	2.7%	2.7%
Required employee contribution rates	9%	9%	11.5%
Required employer contribution rates	21.628%	16.656%	12.082%

**Contributions** – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2017, the contributions recognized as part of pension expense for each Plan were as follows:

	<b>Safety</b>
Contributions - employer	\$ 2,573,034

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions* - As of June 30, 2017, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Total Safety Net Pension Liability	\$ 21,519,369

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2016, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2016 and 2017 was as follows:

	Safety All Tiers
Proportion - June 30, 2015	0.39815%
Proportion - June 30, 2016	0.46609%
Change - Increase (Decrease)	0.06794%



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

For the year ended June 30, 2017, the City recognized pension expense of \$3,442,677. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,573,034	\$ -
Differences between actual and expected experience	-	(181,897)
Changes in assumptions	-	(793,087)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	310,697	-
Change in proportion	1,222,396	(3,796,387)
Net differences between projected and actual earnings on plan investments	3,896,399	-
Total	\$ 8,002,526	\$ (4,771,371)

\$2,573,034 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended		Total
	June 30	
2018	\$	(526,376)
2019		(1,360,716)
2020		1,530,867
2021		1,014,346

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate -*

The following presents the City's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Total</u>
1% Decrease	6.65%
Net Pension Liability	\$ 33,160,223
Current Discount Rate	7.65%
Net Pension Liability	\$ 21,519,369
1% Increase	8.65%
Net Pension Liability	\$ 11,963,422

Actuarial assumptions and information regarding the discount rate are discussed in Note 11D below.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

***D. Information Common to the Miscellaneous and Safety Plans***

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous and Safety (1)
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Actuarial Assumptions:	
Discount Rate	7.5% (Miscellaneous), 7.65% Safety
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase	3.2% - 12.2% (2)
Investment Rate of Return	7.5% (3)
Mortality	Derived using CalPers Membership Data for all Funds (4)

(1) Actuarial assumptions are the same for all benefit tiers (Tier I-Classic, Tier II, and Tier III-PEPRA)

(2) Depending on age, service and type of employment

(3) Net of pension plan investment expenses, includes inflation

(4) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the CalPERS 2014 experience study report available on CalPERS' website.

GASB 68, paragraph 68, states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% and 7.65% used for the June 30, 2015 measurement date was net of administrative expenses.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.5% for the Miscellaneous Plan and 7.65% for the Safety Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current discount rates are appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.5% and 7.65% is applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS' website under the GASB 68 section.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

The long-term expected rate of return on pension 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.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2015.

Asset Class	New Strategic Allocation	Real Return	
		Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

***Pension Plan Fiduciary Net Position*** – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

***E. Contra Costa County Employees' Retirement Association***

Between July 1, 1973 and June 30, 2001, the City provided retirement benefits to its employee groups by contracting with the Contra Costa County Employees' Retirement Association (CCCERA). The City of Pittsburgh converted to the CalPERS retirement system effective July 1, 2001 and entered into a Termination Withdrawal Agreement with CCCERA that resulted in the following consequences: CCCERA retained the obligation to provide future benefits to the City's past retirees and vested members that had left the City's employment prior to July 1, 2001.

The City would provide CalPERS retirement benefits for its then current and future employees. The Termination Withdrawal Agreement stated that as of June 30, 2001, the City accrued liability and allocated assets was determined at \$31,483,218. The Termination Withdrawal Agreement also stated that due to market fluctuation and the uncertainty with other actuarial assumptions, the unfunded accrued liability will be recomputed every three years as CCCERA's triennial experience studies are completed. In addition, CCCERA is required to annually submit to the City a cash accounting update of the City of Pittsburgh Bookkeeping Asset Account. If the ratio of the balance of the City's Bookkeeping Asset Account to its triennial updated termination unfunded liability is below 95% or exceeds 105%, the resulting obligation (if not paid in full) or surplus, will be amortized as a level amount over 15 years at a 7.75% annual interest rate.

In January 2006, the City received correspondence from CCCERA indicating that the City had an updated unfunded liability of \$11,902,898 that had been re-determined as of December 31, 2003. In June 2006, the City issued Pension Obligation bonds for a total amount of \$39,566,055; upon completion of this transaction the City utilized these bond proceeds to prepay the unfunded liability owed to CCCERA which amounted to \$12,700,000 as of June 30, 2006. The balance of bond funds in the amount of \$25,977,758 was used to prepay the City's unfunded accrued liability for both the miscellaneous and safety plans to the Public Employees Retirement System (PERS).

Almost a year later the City received a letter from CCCERA dated August 23, 2007, providing the December 31, 2006 withdrawal liability update. In summary, the update reported the funding ratio of the present value of benefits (\$47.9 million) to allocated market assets (\$45.4 million) as 94.8%. The August 23, 2007 letter stated that since this ratio is below 95% this triggers a lump sum payment as of December 31, 2006 for \$2,505,433 plus interest at the rate of 7.8% to date of payment or an annual payment of \$289,144 to be amortized over 15 years starting with the first payment due on December 31, 2007.

In December of 2010, CCCERA sent a letter to the City regarding the triennial update of the City of Pittsburgh's withdrawal liability as of December 31, 2009. The City of Pittsburgh's unfunded termination liability of \$15,877,533 was calculated by The Segal Company, which would result in an annual payment of \$1,826,746 or approximately \$1.5 million more than CCCERA's previous 2006 calculated annual payment of \$289,144. In response to CCCERA's December 2010 calculated triennial update of the City's withdrawal liability, the City worked with CCCERA to amend the City's Termination Agreement to (1) allow the calculation be prepared on an Actuarial rather than Market value of assets basis, and (2) create an 18-month lag between the valuation date and the date the contribution is due which lowered the December 31, 2009 unfunded obligation from \$15.9 million to \$9.9 million.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

In addition, the City borrowed \$3.8 million from the City's Water Fund balance at the LAIF annual interest rate to repay a portion of the City's CCCERA unfunded liability and used \$1,980,096 of various fund balances to help reduce the City's CCCERA unfunded liability. Thus, through FY 2013-14, the City reduced its CCCERA unfunded liability by \$5,780,096 leaving \$4.1 million to be repaid over 15 years at the 7.75% annual interest rate.

In December of 2013, CCCERA sent a triennial update of the City Of Pittsburg's pension liability with CCCERA. The liability increased to \$11,312,353 resulting in 14 annual payments of \$1,306,656 at an interest rate of 7.25% per annum.

In December of 2015, CCCERA sent a triennial update of the City Of Pittsburg's pension liability with CCCERA. The liability decreased to \$6,810,830 resulting in 15 annual payments of \$773,523 at an interest rate of 7% per annum.

**F. Miscellaneous Employees' Retirement System of 1962**

The Miscellaneous Employees' Retirement System of 1962 of the City of Pittsburg, California (MERS), a single-employer defined benefit plan, was established effective July 1, 1962 for employees who entered the City's service on or after July 1, 1962, or who transferred from the Retirement System of 1948. The Plan is a government pension plan and is not subject to the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The City and employees both contributed to the establishment of a reserve for the purpose of paying an annuity at age sixty-five of one-one hundred fortieth of the final compensation for each year of service after entry into the system. The Plan is a terminated plan and as such, all participants are fully vested.

The funded status of the Plan as of June 30, 2014, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a percentage of Covered Payroll ((b-a)/c)
June 30, 2014	\$ 3,502	\$ 15,768	\$ 12,266	22.2%	N/A	N/A

The Schedule of Funding Progress, presented as required supplementary information ("RSI") following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of Plan assets are increasing or decreasing over time relative to the AAL for benefits. Additionally, the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

The most recent actuarial valuation for the Plan was performed as of June 30, 2015. A 3.0% increase in the cost of living adjustment (COLA) was recommended for the current year.

Assumptions and methods used for the valuation were as follows:

Inflation	3.00%
Interest rate	0 - 4.25%
Mortality Table	RP-2000 Projected with MP 2014

The last retired participant remaining in the plan passed away in January 2017, and therefore, the trust is closed as of June 30, 2017.

**NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS**

**Plan Description.** The City of Pittsburgh Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the City. The plan provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its management employees, and unions representing City employees.

The City allows eligible retirees to continue in the City medical plans, currently Kaiser and Health Net. The City contributes up to a percentage of the single or dual Kaiser Retiree premium based on years of City service. No dental, vision, or life insurance benefits are provided.

On December 24, 2013, the City established an agreement with the California Public Employees' Retirement System (CalPERS) to set aside funds and deposit into the California Employer's Retiree Benefit Trust (CERBT) fund to accumulate, and distribute assets for the exclusive benefit of retirees and their beneficiaries. Plan assets are irrevocable and may not be used for any purpose other than funding post-retirement health care. The CERBT fund is an agent multiple employer plan and in order to ensure that the CERBT fund remains compliant with all reporting requirements, the CalPERS is responsible for publishing aggregate GASB 43 compliance Financial Statements, Notes, and Required Supplementary Information (RSI). The information may be found on CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Funding Policy.** There is no statutory requirement for the City to prefund its OPEB obligation. The City has currently chosen to prefund OPEB. There are no employee contributions.

For fiscal year 2016-2017, the City contributed \$2,106,521 in healthcare plan benefits, including \$1,403,301 in premium payments for retirees, \$222,000 for implied subsidies and \$481,220 for contributions to CERBT fund.

For fiscal year 2016-2017, the City received no reimbursements from the CERBT fund for premium payments for retirees.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)**

The City allows retirees to participate in the same City medical plans (Kaiser and Health Net) as active employees. For the Kaiser medical plan, retiree premium rates are the same as the active employees. Because this premium rate is a "blended" rate, retiree premiums payments are lower than what they would pay if the retirees were in a standalone medical plan, resulting in an implied subsidy for retirees under GASB Statement 45. The Annual Required Contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC is equal to the normal cost plus a 30-year amortization of the unfunded actuarial liability.

**Annual OPEB Cost and Net OPEB Obligation.** The following table, based on the City's most recent actuarial valuation dated October 27, 2015, as of June 30, 2015, shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's Net OPEB obligation:

Annual Required Contribution	\$ 5,426,000
Interest on net OPEB obligation	1,210,000
Adjustment to annual required contribution	<u>(1,978,000)</u>
Annual OPEB cost (expense)	4,658,000
Payments made on current retiree premiums	(1,403,301)
Contributions to CERBT	(481,220)
Implied subsidy payments	<u>(222,000)</u>
Increase in net OPEB obligation	2,551,479
Net OPEB obligation - beginning of year	<u>24,674,996</u>
Net OPEB obligation - end of year	<u><u>\$ 27,226,475</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation
June 30, 2015	\$ 4,618,000	23.1%	\$ 22,111,508
June 30, 2016	4,603,000	28.8%	24,674,996
June 30, 2017	4,658,000	30.1%	27,226,475



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)**

*Funded Status and Funding Progress.* The funded status of the plan as of June 30, 2015, the plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 49,903,000
Actuarial value of plan assets	(2,162,000)
Unfunded actuarial accrued liability (UAAL)	<u>\$ 47,741,000</u>
Funded ratio (actuarial value of plan assets/AAL)	<u>4%</u>
Projected covered payroll (active Plan members)	\$ 16,869,000
UAAL as a percentage of covered payroll	283.0%

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Actuarial Methods and Assumptions.* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used are consistent with the long-term perspective of the calculations.

In the June 30, 2015 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 5.00% investment rate of return (net of administrative expenses), and a 3.25% general inflation assumption. Premiums were assumed to increase with a Non-Medicare medical cost increase rate of 7.5% for 2016 and grading down to 5.0% for 2021 and thereafter. The Medicare premiums were assumed to increase at a rate of 7.8% and grading down to 5.0% for 2021 and thereafter. The initial UAAL was amortized as a level percentage of projected payrolls over a fixed 30-year period from June 30, 2010 and will be amortized as a level dollar amortization over a 25 year period from June 30, 2015.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 13 - COMMITMENTS AND CONTINGENCIES**

***A. Grants from Other Governments***

The City participates in a number of Federal, State, and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2017, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

***B. Litigation***

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)**

**C. Construction Commitments**

As of June 30, 2017, the City has construction commitments to various capital projects as shown in the table below:

Project	Amount
2010/11 Sewer Replacement Program	\$ 6,104,503
2014/15 CCTV/Inspection/Sewer Replacement	3,386,489
Multimodal Transit Station Access Impr 2013-19	3,056,001
Main W Leland (WTP to SW Hills)	3,000,000
Total of Construction Commitments < \$100,000	1,266,525
Water Treatment Plant Sludge Handling Facility	1,150,126
Water Main Installation	739,100
Seismic Retrofit Bridge	639,016
West High Friction Lighting	605,177
James Donlon Extension Project	598,689
West Leland Street Lighting	574,794
Mare Island Residential Units - Gas Electric Meters	497,012
Citywide Storm Drain Improvements (2009-01)	415,229
IE Facility Relocation Project	399,730
Waterliner School Street between Harbor/Vincent	381,300
W. Leland Pavement Marker/Speed Sign	373,008
Railroad Ave. Building Improvements	276,633
Water Main - Buchanan Road	263,900
San Marco Blvd Class I Trail	262,681
W. Leland Delinatioin/Crosswalk	262,574
16/17 Sludge Removal	250,000
Railroad Ave Pavement Rehab (2009-28)	226,545
Capital Reinvestment Projects	217,053
2013/14 WTP Capital Repairs & Improvements	197,504
City Hall Chiller	189,900
Railroad Avenue (3rd-8thST) Improvements	180,000
West 4th Street Sidewalk Gap Closure	177,235
Ambrose Park Master Plan & Improvements (2008-21)	153,957
San Marco/Santa Teresa Signal	150,479
2016/17 Cable Replacement	141,464
Highway 4 Trunk Line Relief (2007-09)	133,113
Pavement Repair Project 2016-08	123,861
South Island RA Switch Removal	104,664
Delta Diablo Recycled Water-Buckley Parl	102,500
Gas Line Removal and Replacement	100,000
Total Construction Commitments	<u>\$ 26,700,762</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)**

***D. Sales Tax Participation Agreements***

The City negotiates sales tax participation agreements on an individual basis. The City has sales tax participation agreements with three entities as of June 30, 2017:

Entity	Tax Abated	Gross Dollar Amount of Abatement in Fiscal Year 2017	Commitments made
Contra Costa County	i) 50% of Sales Tax Revenue from annexation area; ii) 100% PG&E Franchise Fee to City in the Annexation Area	\$57,299	Upon annexation of the northwest inclusion Mirant Power Plant, the City would receive an increased share of the County's property tax revenue of 50% of all sales and use tax revenues from the Annexation Area.
Private Company (Confidential)*	25% of Sales Tax Revenue of the parcel not to exceed \$1,850,000 over 10 years from 10/15/2012 through 10/14/2022	108,824	Relocation of business
Contra Costa County	\$150,000 to County if Sales Tax Revenues that the City receives from the annexation area is greater than \$250,000/year. If Sales Tax Revenue is less than \$250,000, then the amount to be transferred to the County shall be reduced by the amount the sales revenue that fell short of \$250,000.	150,000	None

\*Pursuant to the Sales and Use Tax law (chapter 8 – Article 1 – section 7056), in order to protect the confidential information of sales taxes collected and abatements provided to each of the specific agencies, the City has presented the aggregate amount abated during the current fiscal year for this entity.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

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**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES**

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency. Activities of the Successor Agency are as follows:

**A. *Notes and Loans Receivable***

The various rehabilitation and construction loans including deferred and accrued interest balance is \$9,586,876 as of June 30, 2017. These loans have been made to individual homeowners, businesses and developers within the Redevelopment Project Area. The terms of these loans are specific to the borrower and interest rates, as well as usage and repayment requirements, vary according to the loan type. The following are descriptions of the various loans:

- Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. These residential loans are available from \$5,000 to \$25,000 per property at a loan term of 3% simple interest for 10 years. The property will be rehabilitated to be free from health and safety violations upon completion of the rehabilitation program. The outstanding balance of these loan types as of June 30, 2017 was \$314,126.
- In 2005, a long agreement was entered into with the Mt. Diablo Unified School District (District) in the amount of \$6,178,936 for capital improvements. The funding was provided with the 2003A Bond proceeds. The District will repay the loan from school impact fees collected until the Agency is fully reimbursed or 35 years, whichever occurs first. The balance outstanding as of June 30, 2017 was \$4,206,971.
- The remaining loans receivable of \$5,065,779 as of June 30, 2017 represent a number of small business and property owner rehabilitation and construction loans to eliminate blight by assisting improvements and rehabilitation of properties that were vacant or underutilized.

**B. *Capital Assets***

Capital assets are valued at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. The Agency's policy has set the capitalization threshold for general capital assets at \$5,000 and infrastructure capital assets at \$25,000 for reporting purposes. The Successor Agency has recorded all its public domain (infrastructure) capital assets, which include landscape, storm, street, and traffic systems.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Successor Agency has assigned the useful lives and capitalization thresholds listed below to capital assets.

Depreciation is recorded on a straight-line method over the useful lives of the assets as follows:

- Building and Improvements      30 - 45 years
- Machinery and Equipment      5 - 20 years
- Infrastructure      30 - 75 years

***Capital Asset Additions, Retirements and Balances***

	Balance at June 30, 2016	Additions	Deletions	Transfers to City	Balance at June 30, 2017
Capital assets not being depreciated:					
Land	\$ 19,077,636	\$ -	\$ (31,994)	\$ (1,335,756)	\$ 17,709,886
Total capital assets not being depreciated	19,077,636	-	(31,994)	(1,335,756)	17,709,886
Capital assets being depreciated:					
Buildings and Improvements	1,919,494	157,500	(157,500)	-	1,919,494
Total capital assets being depreciated	1,919,494	157,500	(157,500)	-	1,919,494
Less accumulated depreciation for:					
Buildings and Improvements	(242,281)	(43,541)	-	-	(285,822)
Net capital assets being depreciated	1,677,213	113,959	(157,500)	-	1,633,672
Total capital assets, net	\$ 20,754,849	\$ 113,959	\$ (189,494)	\$ (1,335,756)	\$ 19,343,558

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

During fiscal year 2016-2017, the Successor Agency transferred land valued at \$1,335,756 to the City's Governmental Activities.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

**C. Long-Term Debt**

The Successor Agency' long term debt activities for fiscal year ended June 30, 2017 are as follows:

Description	Original Issue Amount	Balance June 30, 2016	Additions	Retirements	Balance June 30, 2017	Amounts Due Within One Year	Amounts Due in More Than One Year
Tax Allocation Bonds:							
1999 RDA Bonds	\$ 30,106,357	\$ 34,177,865	\$ 3,417,206	\$ -	\$ 37,595,071	\$ -	\$ 37,595,071
2006A RDA Housing Set-Aside Bonds	11,020,000	9,100,000	-	240,000	8,860,000	255,000	8,605,000
2014 RDA Tax Allocation Refunding Bonds	67,445,000	64,800,000	-	7,960,000	56,840,000	9,145,000	47,695,000
2016A RDA Housing Set-Aside Bonds	13,845,000	13,845,000	-	665,000	13,180,000	845,000	12,335,000
2016A RDA Subordinated Refunding Bonds	120,085,000	120,085,000	-	-	120,085,000	-	120,085,000
2016B RDA Subordinated Refunding Bonds	26,690,000	26,690,000	-	11,385,000	15,305,000	11,065,000	4,240,000
2016C RDA Subordinated Refunding Bonds	37,755,000	37,755,000	-	-	37,755,000	-	37,755,000
Sub-total		306,452,865	3,417,206	20,250,000	289,620,071	21,310,000	268,310,071
Unamortized premium on 2016A RDA		25,381,765	-	2,970,792	22,410,973	2,807,047	19,603,926
<b>Total Successor Agency Del</b>		<b>\$ 331,834,630</b>	<b>\$ 3,417,206</b>	<b>\$ 23,220,792</b>	<b>\$ 312,031,044</b>	<b>\$ 24,117,047</b>	<b>\$ 287,913,997</b>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)**

1999 Redevelopment Agency Tax Allocation Bonds

1999 Redevelopment Agency Tax Allocation Bonds (1999 RDA Bonds) outstanding at June 30, 2017 amounted to \$95,795,000. The bonds bear interest at rates between 4.1 % and 6.2% with interest payments made semi-annually on February 1 and August 1. The bonds mature on August 1 of each year. The proceeds of the bonds were used to provide money for certain public capital improvements located within the Agency's Project Area, to fund a reserve account, and to pay cost of issuance incurred in connection with the issuance. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 20% from these revenues. The total principal and interest remaining to be paid on the bonds is \$95,795,000. For FY 2016-17, there were no principal and interest payments. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

In June 2014, the City issued the 2014 Successor Agency to the Redevelopment Agency of the City of Pittsburgh Bonds which partially refunded \$6,110,000 of currently outstanding Current Interest Bonds of the 1999 bonds.

The Bonds unaccreted discount and the current year accretion totaled \$58,199,929 and \$3,417,206 respectively at June 30, 2017. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 6.10% and 6.20%. Repayment of the accreted principal will commence August 1, 2019. Final repayment will be August 1, 2030.

The annual debt service requirements to mature the Capital Appreciation Bond portion of the 1999 RDA Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal (1)	Interest	Totals
2018	\$ -	\$ -	\$ -
2019	-	-	-
2020	5,150,000	-	5,150,000
2021	5,150,000	-	5,150,000
2022	5,150,000	-	5,150,000
2023-2027	43,765,000	-	43,765,000
2028-2031	36,580,000	-	36,580,000
Totals	\$ 95,795,000	\$ -	\$ 95,795,000

(1) Includes unaccreted discount in the total amount of \$58,199,929



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

2006 Series A Housing Set Aside Redevelopment Agency Tax Allocation Bonds

2006 Series A Housing Set Aside Tax Allocation Bonds (2006A HSA RDA Bonds) outstanding at June 30, 2017 amounted to \$8,860,000. On November 30, 2006, the Agency issued \$11,020,000 of Series 2006A Bonds bearing interest at 5.12-5.31% to fund low and moderate income housing of benefit to the Agency's Los Medanos Redevelopment Project, to fund a reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2006A RDA bonds. The bonds with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2007 through August 1, 2036. Annual principal and interest payments on the bonds are expected to require less than 22% from these revenues. The total principal and interest remaining to be paid on the bonds is \$14,464,136. For FY 2016-17, principal and interest paid were \$715,641. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the Series 2006A Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 255,000	\$ 462,855	\$ 717,855
2019	265,000	449,296	714,296
2020	280,000	435,085	715,085
2021	295,000	420,092	715,092
2022	310,000	404,168	714,168
2023-2027	1,815,000	1,747,984	3,562,984
2028-2032	2,360,000	1,196,837	3,556,837
2033-2037	3,280,000	487,819	3,767,819
Total	<u>\$ 8,860,000</u>	<u>\$ 5,604,136</u>	<u>\$ 14,464,136</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

2014 Redevelopment Agency Tax Allocation Refunding Bonds

2014 Series Successor Agency to the Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (2014 STAB Bonds) outstanding at June 30, 2017 amounted to \$56,840,000. The 2014 STAB Bonds bear interest at rates between 4.00% and 5.00% with interest payments made semi-annually on February 1 and August 1. The 2014 STAB Bonds mature annually from 2016 to 2030 on August 1 in amounts ranging from \$2,645,000 to \$6,335,000. Proceeds from the 2014 STAB Bonds were used to refund \$74,049,000 of the Agency's 2003A RDA Bonds, partially refund the 1999 RDA Bonds, and to pay costs of issuance incurred in connection with the issuance, sales and delivery of 2014 STAB Bonds. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 14% from these revenues. The total principal and interest remaining to be paid on the bonds is \$70,235,250. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bond.

The annual debt service requirements to mature the Series 2014 Bonds outstanding at June 30, 2017 were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 9,145,000	\$ 2,603,375	\$ 11,748,375
2019	8,735,000	2,156,375	10,891,375
2020	5,755,000	1,794,125	7,549,125
2021	6,040,000	1,504,250	7,544,250
2022	6,335,000	1,199,875	7,534,875
2023-2027	13,115,000	3,545,875	16,660,875
2028-2030	7,715,000	591,375	8,306,375
Total	\$ 56,840,000	\$ 13,395,250	\$ 70,235,250

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

2016 Series A Housing Set Aside Successor Agency Tax Allocation Refunding Bonds

In February 2016, the Successor Agency issued 2016 Series A Set Aside Tax Allocation Refunding Bonds (2016A HSA Bonds) in the original principal amount of \$13,845,000 and \$26,690,000, respectively. The proceeds of the bonds were used to refund and defease all of the outstanding 2004 Series A Housing Set-Aside Redevelopment Agency Tax Allocation Bonds. The 2016 Series A Bonds bear interest rates between 1.323% and 3.984% with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2016 through August 1, 2029. The Bonds are secured by an irrevocable pledge of the Pledged Tax Revenues to be derived from Los Medanos II and Los Medanos III subareas and an irrevocable pledge of certain moneys in the Redevelopment Property Tax Trust Fund.

The annual debt service requirements to mature the Series 2016A HSA Bonds outstanding at June 30, 2017, were as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 845,000	\$ 467,747	\$ 1,312,747
2019	860,000	449,419	1,309,419
2020	880,000	427,344	1,307,344
2021	905,000	402,490	1,307,490
2022	930,000	375,005	1,305,005
2022-2026	5,150,000	1,353,562	6,503,562
2027-2030	3,610,000	258,790	3,868,790
Total	<u>\$ 13,180,000</u>	<u>\$ 3,734,357</u>	<u>\$ 16,914,357</u>

2016 Series A and B Subordinate Tax Allocation Refunding Bonds

In February 2016, the Successor Agency issued 2016 Series A and B Subordinate Tax Allocation Refunding Bonds in the original principal amount of \$120,085,000 and \$26,690,000, respectively. The Bonds bear an interest rate of 5% with interest payments made semi-annually on March 1 and September 1 each year commencing September 1, 2016 through September 1, 2029.

The 2016 Series A Bond proceeds were used to refund the outstanding balance of the 2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds in the amount of \$101,195,000. The issuance of the Bond terminated the swap agreement in connection with the 2004 Series A Bond. The 2016 Series A Bond proceeds were also used to refund and defease a portion of the outstanding 2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

The annual debt service payments on the 2016 Series A Subordinate Tax Allocation Refunding Bonds outstanding at June 30, 2017, are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ -	\$ 6,004,250	\$ 6,004,250
2019	-	6,004,250	6,004,250
2020	-	6,004,250	6,004,250
2021	-	6,004,250	6,004,250
2022	6,175,000	5,849,875	12,024,875
2022-2026	65,440,000	20,708,250	86,148,250
2027-2030	48,470,000	3,716,250	52,186,250
Total	\$ 120,085,000	\$ 54,291,375	\$ 174,376,375

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The 2016 Series B Bond proceeds were used to refund the outstanding balance of the 2006 Series B Redevelopment Agency Subordinate Tax Allocation Bonds in the amount of \$22,470,000 and also used to refund and defease a portion of the outstanding 2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds.

The annual debt service payments on the 2016 Series B Subordinate Tax Allocation Refunding Bonds outstanding at June 30, 2017, are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ 11,065,000	\$ 226,551	\$ 11,291,551
2019	4,240,000	54,548	4,294,548
Total	\$ 15,305,000	\$ 281,099	\$ 15,586,099

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2017**

**NOTE 14 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

*2016 Series C Successor Agency Subordinate Tax Allocation Refunding Bonds*

In June 2016, the Successor Agency issued 2016 Series C Tax Allocation Refunding Bonds in the original principal amount of \$37,755,000. The proceeds of the bonds were used to refund all the outstanding balance of the 2006 Series C Redevelopment Agency Subordinate Tax Allocation Refunding Bonds. The 2016 Series C Bonds bear an interest rate of 5% with interest payments made semi-annually on March 1 and September 1 each year commencing on September 1, 2016 through September 1, 2021. The Bonds are secured by an irrevocable pledge of the Subordinate Pledged Tax Revenues to be derived from the Project Area and an irrevocable pledge of all the moneys in the Redevelopment Property Tax Trust Fund.

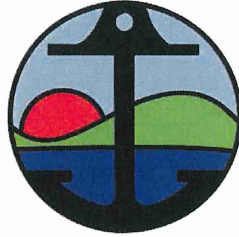
The annual debt service requirements on the 2016 Series C Successor Agency Subordinate Tax Allocation Refunding Bonds outstanding as of June 30, 2017 are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$ -	\$ 1,887,750	\$ 1,887,750
2019	8,250,000	1,681,500	9,931,500
2020	11,300,000	1,192,750	12,492,750
2021	11,880,000	613,250	12,493,250
2022	6,325,000	158,125	6,483,125
Total	\$ 37,755,000	\$ 5,533,375	\$ 43,288,375

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

***D. Commitments and Contingencies***

The activities of the former Redevelopment Agency and the Successor Agency are subject to further examination by the State of California and the amounts, if any, of transfers or expenditures may be disallowed. The State Controller's Office conducted a review of propriety of asset transfers between the former Redevelopment Agency or the Successor agency and any public agency that occurred on or after January 1, 2011 and issued an opinion on July 30, 2015 requesting two parcels be transferred back to the Successor Agency from the City. The City transferred the two parcels in question back to the Successor Agency in March 2016.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

**REQUIRED  
SUPPLEMENTARY  
INFORMATION**

**City of Pittsburgh**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2017**

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**1. BUDGETS AND BUDGETARY ACCOUNTING**

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Public hearings are conducted at the City to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.
2. Budgets for the General Fund, Special Revenue Funds, Capital Projects Funds and Debt Service Funds are adopted on a basis consistent with GAAP.
3. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2017, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
4. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and re-appropriated amounts for prior year encumbrances. The City Manager must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.
5. Appropriations lapse at the end of the fiscal year and then are re-budgeted for the coming year. Beginning with the FY 2014-2015 budget, capital project appropriations continue appropriations until the project is completed.



**City of Pittsburgh**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2017**

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**1. BUDGETS AND BUDGETARY ACCOUNTING (Continued)**

Under encumbrance accounting, purchase orders, contracts, and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary accounting. Since encumbrances do not yet constitute expenditures or liabilities, encumbrances outstanding at year-end are reported as reservations of fund balances.

The following funds had expenditures in excess of appropriation:

Housing Authority (Section 8) Special Revenue Fund	\$	674,498	(a)
Assets Seizure Special Revenue Fund		875	(b)
Pittsburg Arts & Community Foundation Special Revenue Fund		140,125	(c)
Railroad Avenue Specific Area Plan Special Revenue Fund		24,788	(d)
Project Amenities Management Special Revenue Fund		29,024	(e)

- (a) The excess was due to unexpected tenant repairs, maintenance and additional staff time to cover community events.
- (b) There was no expenditure budget created for this fund as the amount of revenue for the fund is uncertain.
- (c) The excess expenditure was covered by developer deposits.
- (d) The excess was due to the interest accrual on the interfund loan from the Regional Transportation Mitigation Fund to fund the e-Bart Pittsburg Center Station construction. One-time special tax revenues from CFD 2014-1 over several years will pay back the interfund loan.
- (e) The excess was due to higher expenditures related to police services provided to the community.

**City of Pittsburgh**  
**General Fund**  
**Schedule of Revenues and Expenditures**  
**and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Positive (Negative)
REVENUES:				
Property tax	\$ 3,534,000	\$ 3,569,000	\$ 3,573,822	\$ 4,822
Sales tax	12,045,971	12,264,600	13,372,246	1,107,646
Franchise tax	3,943,000	4,456,292	4,545,452	89,160
Other taxes	6,785,000	1,658,000	1,712,450	54,450
Intergovernmental revenues	1,779,242	7,264,221	7,494,882	230,661
Permits, licenses, and fees	1,827,667	983,050	1,056,906	73,856
Fines and forfeitures	616,600	219,432	292,235	72,803
Service fees	2,103,727	3,557,671	3,685,279	127,608
Use of money and property	502,250	96,090	142,904	46,814
Other revenues	2,431,261	1,928,333	2,103,960	175,627
Total revenues	35,568,718	35,996,689	37,980,136	1,983,447
EXPENDITURES:				
Current:				
General government	4,052,629	3,146,107	3,143,562	2,545
City Council	88,161	96,883	83,145	13,738
City Manager and City Clerk	745,538	731,592	687,648	43,944
City Attorney	406,541	474,784	459,513	15,271
Human resources	921,156	996,821	880,116	116,705
Finance and services	3,035,749	2,955,706	2,850,111	105,595
Community development and services	4,219,519	6,185,165	5,829,914	355,251
Public safety	24,121,516	24,644,176	24,110,402	533,774
Public works - administration	103,636	103,636	92,639	10,997
Public works - streets	2,295,000	2,323,672	2,243,733	79,939
Public works - parks	117,046	126,816	131,094	(4,278)
Total expenditures	40,106,491	41,785,358	40,511,877	1,273,481
OTHER FINANCING SOURCES (USES)				
Transfers in	6,530,411	6,592,411	4,433,226	2,159,185
Transfers (out)	(2,709,559)	(2,785,918)	(1,284,990)	(1,500,928)
Total other financing sources (uses)	3,820,852	3,806,493	3,148,236	658,257
NET CHANGE IN FUND BALANCE	\$ (716,921)	\$ (1,982,176)	616,495	\$ 2,598,671
FUND BALANCE:				
Beginning of year			19,266,262	
End of year			\$ 19,882,757	

# City of Pittsburgh

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Housing Authority (Section 8) - Special Revenue Fund

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 13,603,330	\$ 13,603,330	\$ 14,362,955	\$ 759,625
Service fee	1,285,511	1,285,511	1,117,272	(168,239)
Use of money and property	2,000	2,000	(4,208)	(6,208)
Other revenues	57,266	57,266	74,488	17,222
<b>Total revenues</b>	<b>14,948,107</b>	<b>14,948,107</b>	<b>15,550,507</b>	<b>602,400</b>
<b>EXPENDITURES:</b>				
Community development and services	14,399,537	14,990,172	15,664,670	(674,498)
<b>Total expenditures</b>	<b>14,399,537</b>	<b>14,990,172</b>	<b>15,664,670</b>	<b>(674,498)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(17,591)	(17,591)	(17,591)	-
<b>Total other financing sources (uses)</b>	<b>(17,591)</b>	<b>(17,591)</b>	<b>(17,591)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 530,979</b>	<b>\$ (59,656)</b>	<b>(131,754)</b>	<b>\$ (72,098)</b>
<b>FUND BALANCE:</b>				
Beginning of year			222,791	
End of year			\$ 91,037	

# City of Pittsburgh

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

### Successor Agency Housing

For the Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>REVENUES:</b>				
Service fees	\$ 7,500	\$ 7,500	\$ 7,800	\$ 300
Use of money and property	4,120	4,120	67,388	63,268
Other revenues	272,511	272,511	696,013	423,502
<b>Total revenues</b>	<b>284,131</b>	<b>284,131</b>	<b>771,201</b>	<b>487,070</b>
<b>EXPENDITURES:</b>				
Community development and services	387,071	728,801	601,922	126,879
<b>Total expenditures</b>	<b>387,071</b>	<b>728,801</b>	<b>601,922</b>	<b>126,879</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	314,547	-	(314,547)
Transfers (out)	(709)	(709)	(709)	-
<b>Total other financing sources (uses)</b>	<b>(709)</b>	<b>313,838</b>	<b>(709)</b>	<b>(314,547)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (103,649)</b>	<b>\$ (130,832)</b>	<b>168,570</b>	<b>\$ 299,402</b>
<b>FUND BALANCE:</b>				
Beginning of year			1,044,225	
End of year			\$ 1,212,795	

**CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER PENSION PLAN**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**

As of fiscal year ending June 30, 2017

Last 10 Years\*

Measurement Date	2014	2015	2016
<b>Total Pension Liability</b>			
Service Cost	\$ 1,857,954	\$ 1,843,426	\$ 1,885,618
Interest on total pension liability	5,258,464	5,559,084	5,954,324
Differences between expected and actual experience	-	(227,056)	696,901
Changes in assumptions	-	(1,494,012)	-
Changes in benefits	-	-	-
Benefit payments, including refunds of employee contributions	(2,752,016)	(2,914,360)	(2,993,564)
<b>Net change in total pension liability</b>	<b>4,364,402</b>	<b>2,767,082</b>	<b>5,543,279</b>
<b>Total pension liability - beginning</b>	<b>70,559,887</b>	<b>74,924,289</b>	<b>77,691,371</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 74,924,289</b>	<b>\$ 77,691,371</b>	<b>\$ 83,234,650</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 1,519,402	\$ 1,631,437	\$ 1,875,971
Contributions - employee	873,360	1,036,916	902,130
Net investment income	8,949,231	1,323,594	284,705
Administrative expense	-	(68,782)	(37,256)
Benefit payments, including refunds of employee contributions	(2,752,016)	(2,914,360)	(2,993,564)
<b>Net change in plan fiduciary net position</b>	<b>8,589,977</b>	<b>1,008,805</b>	<b>31,986</b>
<b>Plan fiduciary net position - beginning</b>	<b>51,531,626</b>	<b>60,121,603</b>	<b>61,130,408</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 60,121,603</b>	<b>\$ 61,130,408</b>	<b>\$ 61,162,394</b>
<b>Net pension liability - ending (a)-(b)</b>	<b>\$ 14,802,686</b>	<b>\$ 16,560,963</b>	<b>\$ 22,072,256</b>
 Plan fiduciary net position as a percentage of the total pension liability	 80.24%	 78.68%	 73.48%
 Covered payroll	 \$ 12,627,215	 \$ 11,526,481	 \$ 11,958,650
 Net pension liability as percentage of covered-employee payroll	 117.23%	 143.68%	 184.57%

**Notes to Schedule:**

**Benefit changes:** The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (aka. Golden Handshakes).

**Changes in assumptions:** The discount rate was changed from 7.65% (net of administrative expense) to 7.5%.

\* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

**CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER PENSION PLAN**  
**SCHEDULE OF CONTRIBUTIONS**  
**As of fiscal year ending June 30, 2017**  
Last 10 Years\*

	2015	2016	2017
Actuarially determined contribution	\$ 2,464,100	\$ 2,745,066	\$ 3,094,191
Contributions in relation to the actuarially determined contributions	(2,464,100)	(2,745,066)	(3,094,191)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 12,627,215	\$ 11,526,481	\$ 11,958,650
Contributions as a percentage of covered-employee payroll	19.51%	23.82%	25.87%

**Notes to Schedule**

Valuation date: June 30, 2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	For details, see June 30, 2015 Funding Valuation Report.
Asset valuation method	Actuarial Value of Assets. For details, see June 30, 2015 Funding Valuation Report
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment rate of return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

\* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

**CITY OF PITTSBURGH, A COST-SHARING DEFINED PENSION PLAN**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**

Last 10 Years\*

As of fiscal year ending June 30, 2017

Measurement Date	Safety Plan		
	6/30/2014	6/30/2015	6/30/2016
Plan's Proportion of the Net Pension Liability/ Asset	0.37777%	0.39815%	0.46609%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$14,169,983	\$16,405,587	\$21,519,369
Plan's Covered Payroll	\$12,627,215	\$13,134,628	\$14,209,375
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of it's Covered-Employee Payroll	112.22%	124.90%	151.44%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	81.42%	79.38%	74.91%
Plan's Proportionate Share of Aggregate Employer Contributions	\$1,757,817	\$2,148,293	\$2,219,565

\* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

**CITY OF PITTSBURG, A COST-SHARING DEFINED PENSION PLAN**  
**SCHEDULE OF CONTRIBUTIONS**  
**As of fiscal year ending June 30, 2017**  
**Last 10 Years\***

Fiscal Year Ended June 30	Safety Plan		
	2015	2016	2017
Actuarially determined contribution	\$ 2,924,602	\$ 2,449,689	\$ 2,573,034
Contributions in relation to the actuarially determined contributions	(2,924,602)	(2,449,689)	(2,573,034)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$13,134,628	\$14,209,375	\$ 10,647,118
Contributions as a percentage of covered payroll	22.27%	17.24%	24.17%
<b>Notes to Schedule</b>			
Valuation date:	June 30, 2013	June 30, 2014	June 30, 2015

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Investment rate of return	7.5% for 2015 and 7.65% for 2016 & 2017, net of pension plan investment and administrative expenses, including inflation
Retirement age	55 yrs. Tier I, 55 yrs. Tier II, 62 yrs. Tier III
Mortality	The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2014 CalPERS Experience Study. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB.

\* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.



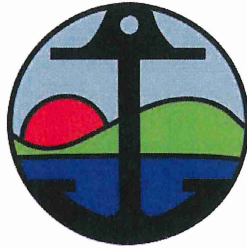
**CITY OF PITTSBURG  
OTHER POST-EMPLOYMENT BENEFIT PLAN  
SCHEDULE OF FUNDING PROGRESS  
As of fiscal year ending June 30, 2017  
Last Three Actuarial Valuations**

Actuarial Valuation Date	Actuarial Asset Value (A)	Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B-A)/C)
1/1/2011	\$ -	\$ 49,439,000	\$ 49,439,000	0%	\$ 17,911,000	276.0%
6/30/2013	-	46,094,000	46,094,000	0%	17,985,000	256.3%
6/30/2015	2,162,000	49,903,000	47,741,000	4%	16,869,000	283.0%



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

# **SUPPLEMENTARY INFORMATION**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

# NON-MAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS:

*Small Cities Grants Fund* - This fund was established to account for direct grants received for housing and rental rehabilitation programs, which are program income and used to supplement housing rehabilitation costs.

*Gas Tax Fund* - This fund represents the Highway Users Tax apportionments from the State of California for street and road purposes under the provisions of Streets and Highways Code Maintenance.

*Measure J Tax Fund* - This fund receives 18% of the collected half-cent sales tax, which is based on the population and road mileage, to fund regional transportation and transit related projects.

*Lighting & Landscape Fund* - Receipts of the assessments from residential and commercial properties are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks within the City.

*Lighting & Landscape Oak Hills Fund* - Receipts of the special assessments from residential and commercial properties, in the Oak Hill area, are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks.

*Miscellaneous Grants Fund* - This fund receives various small grants to administer the police, recreation, and public services.

*Assets Seizure Fund* - This fund was established to administer the seized assets from criminal activities.

*Marina Vista Field Replacement Fund* - This fund accounts for the collection of rents (maximum of \$60,000 annually) from the Athletic Fields rentals of the Marina Vista School fields as set forth in the Construction and Use Agreement for the contingent turf replacement of the fields.

*Local Law Enforcement Block Grant Fund* - This fund accounts for the funds provided by Department of Justice to supplement local crime prevention and public safety efforts.

*Southwest Pittsburg GHAD II Fund* - Southwest Pittsburg Geological Hazard Abatement fund was created to account for the maintenance district of which responsibilities are restricted to mitigation/abatement of geologic landslide and erosion hazards. The fund receives revenues from assessments levied on the properties located on the hillside areas for its operation costs.

*Storm Water Utility (NPDES) Fund* - This fund accounts for property assessments collected by the County of Contra Costa on behalf of the City to provide funding for National Pollutant Discharge Elimination System (NPDES) and general drainage maintenance activities within the Pittsburg Storm Water Utility Area to reduce pollutants.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## SPECIAL REVENUE FUNDS, Continued:

*HUD Community Development Block Grant Fund* - Receives annual entitlement from Department of HUD to finance public services, housing activities, economic development projects, public facility projects, program planning and administration.

*NSP Neighborhood Stabilization Program Fund* - This fund accounts for the funding by the California Department of Housing and Community Development for purchases and redevelopment of foreclosed homes, the purchase and rehabilitation of abandoned or foreclosed homes, the demolition of blighted structures, and the redevelopment of demolished or vacant property within the City.

*CalHome Program Fund* - This fund was established to account for the funding from the California Department of Housing and Community Development for mortgage assistance and owner-occupied housing rehabilitation loans.

*California Energy Conservation Program* - This fund is funded by the Energy Efficiency and Conservation Block Grant to enable the City to pursue the City's LED streetlight retrofit, to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions within the City.

*San Marco CFD 2004-01 Fund* - The receipts of this fund provide funding for the increased demand of police services in the San Marco subdivision of the Community Facilities District.

*Solid Waste Fund* - This fund has been established to finance City activities associated with AB 939 compliance such as the annual reporting of recycling programs, hazardous waste collection and the coordination of public education programs. In addition this fund finances the City's solid waste facility Local Enforcement Program (LEA) for permitting, inspection and enforcement of State regulations governing operational, closed and illegal landfills and refuse processing facilities. These revenues will also provide for litter abatement and other similar services to mitigate the impact on the City of Pittsburg associated with hosting the Material Recovery and Transfer Station (MRTS) which services the entire region. The Solid Waste Fund revenues are generated by a \$1.50 surcharge on each ton of solid waste received at the Material Recovery and Transfer Station.

*Vista Del Mar CFD 2005-2 Fund* - The receipts of the fund provided funding for financing increasing demands for police services in and for the Vista Del Mar CFD 2005-2.

*Public Safety Services CFD 2005-1 Fund* - The receipts of this fund provide funding for financing increasing demands for public safety services within this Community Facilities District.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## SPECIAL REVENUE FUNDS, Continued:

**Park Maintenance CFD 2007-1 Fund** - The receipts of this fund provide funding for financing increasing demands for park maintenance services within this Community Facilities District.

**Cops Hiring Recovery Fund** - This fund was established to account for Grants received from law enforcement agencies to create and preserve jobs and to increase their community policing capacity and crime-prevention efforts.

**Pittsburg Arts & Community Foundation** - This fund was created for an independent non-profit corporation set up to increase, support and encourage art, literacy, education, economic development, affordable housing, and other community resources and programs to benefit the City of Pittsburg and its residents.

**Hillview Jr. High Athletic Field** - This fund was established to account for Grants received from Measure WW for financing, construction and joint use of an athletic field at Hillview Junior High School with Pittsburg Unified School District.

**Public, Education and Government Fees (PEG)** - The City is given authority from California Public Utilities Code to levy State Franchise Holder. The revenue of this fund supports Public Education and Government (PEG) channel facilities.

**Railroad Avenue Specific Area Plan** - This fund was created to account for the funding and financing of facilities according to the Railroad Avenue Specific Plan.

**Project Amenities Management Fund** - This fund was created to account for continuous maintenance and management of various project amenities for Greystone Place such as stormwater treatment facilities, sanitary sewer lift stations, emergency vehicle access and gates.

**Golf Course Fund** - This fund was established to account for revenues and expenditures associated with providing golfing facilities and services to our community.

**Fire District CFD 2017-01 Fund** - The funds will be used solely for supplemental services and facilities of the Fire District that benefited City of Pittsburg.

## DEBT SERVICE FUND:

**Pension Obligations Fund** accounts for the accumulation of resources for payment of principal, interest and related costs of the Pension Obligation Bonds long-term debt and for payments to the Contra Costa County Employees' Retirement Association for unfunded accrued pension obligations.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## CAPITAL PROJECTS FUNDS:

*Inclusionary Housing Fund* - This fund was established to account for fees paid by developers in the form of "in-lieu" fees that would be used for the construction of affordable housing.

*Traffic Impact Fair Share Fund* - This fund was established to account for developer fees as a condition of development to mitigate future traffic impacts.

*Kirker Creek Drainage Fees Fund* - This fund was established to account for the drainage fees collected from developers to finance drainage improvement projects.

*Traffic Mitigation Fund* - Fees collected from developers are used by this fund to finance the capital improvement projects that mitigate the traffic impact.

*Capital Improvement Fund* - This fund accounts for most capital improvement projects in the City that have various funding sources. Revenues received from various sources are used for related project costs.

*Park Dedication Fund* - This fund was established to account for the fees collected from developers and used for design, development, construction of new park projects and the rehabilitation of existing parks.

*Regional Traffic Mitigation Fund* - This fund was established to account for the fees collected from new development in the City to support the regional transportation improvement projects through the Pittsburgh Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program.

*Infrastructure Repair & Replacement* - This fund was established to fund repair and capital improvement projects related to the City's infrastructure including streets, roads, parking lots and storm drains.

*Community Capital Improvement* - This fund was established to administer the Cooperative and Repayment Agreement between the Redevelopment Agency of the City of Pittsburgh and the City of Pittsburgh. The goal of this agreement is to utilize the City personnel and facilities more effectively to control the Agency's planning and administrative costs for redevelopment activities in the established redevelopment project areas.

*Bailey Road Maintenance* - This fund was created to account for surcharges collected from Keller Canyon Landfill Company to fund repair and maintenance of Bailey Road from Highway 4 to the Landfill entrance.





**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

City of Pittsburgh  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2017

	Special Revenue			
	Small Cities Grants	Gas Tax	Measure J Tax Fund	Lighting & Landscape
<b>ASSETS</b>				
Cash and investments	\$ 3,178	\$ 598,534	\$ -	\$ 95,298
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	123,667	882,106	844
Loans/notes	1,275,177	-	-	-
Inventory	-	-	-	43,411
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,278,355</b>	<b>\$ 722,201</b>	<b>\$ 882,106</b>	<b>\$ 139,553</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 2,171	\$ 255,477	\$ 42,654
Refundable deposits	-	-	-	-
Loans payable - current	15,000	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	6,400	-
Advance from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>15,000</b>	<b>2,171</b>	<b>261,877</b>	<b>42,654</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	1,260,177	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,260,177</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	43,411
Restricted	3,178	720,030	620,229	53,488
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (deficit)</b>	<b>3,178</b>	<b>720,030</b>	<b>620,229</b>	<b>96,899</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,278,355</b>	<b>\$ 722,201</b>	<b>\$ 882,106</b>	<b>\$ 139,553</b>

Special Revenue						
Lighting & Landscape Oak Hills	Miscellaneous Grants	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II	Storm Water Utility (NPDES)
\$ 16,132	\$ 126,917	\$ 55,113	\$ 254,401	\$ 19,396	\$ 3,267,879	\$ -
-	-	-	-	-	-	-
-	10,559	-	724	47,287	89,124	415,214
-	-	-	-	-	-	-
-	69,709	15,874	-	31,848	-	1,829
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 16,132</u>	<u>\$ 207,185</u>	<u>\$ 70,987</u>	<u>\$ 255,125</u>	<u>\$ 98,531</u>	<u>\$ 3,357,003</u>	<u>\$ 417,043</u>
\$ 100	\$ 1,607	\$ 2,477	\$ -	\$ 9,895	\$ 16,000	\$ 5,167
-	-	23,287	-	-	1,130	-
-	-	-	-	-	-	-
-	12,281	-	-	-	-	-
-	-	-	-	25,628	-	40,134
-	-	-	-	-	-	-
<u>100</u>	<u>13,888</u>	<u>25,764</u>	<u>-</u>	<u>35,523</u>	<u>17,130</u>	<u>45,301</u>
-	123,588	-	-	31,160	-	-
-	123,588	-	-	31,160	-	-
-	69,709	15,874	-	31,848	-	1,829
16,032	-	-	-	-	3,339,873	369,913
-	-	-	255,125	-	-	-
-	-	29,349	-	-	-	-
-	-	-	-	-	-	-
<u>16,032</u>	<u>69,709</u>	<u>45,223</u>	<u>255,125</u>	<u>31,848</u>	<u>3,339,873</u>	<u>371,742</u>
<u>\$ 16,132</u>	<u>\$ 207,185</u>	<u>\$ 70,987</u>	<u>\$ 255,125</u>	<u>\$ 98,531</u>	<u>\$ 3,357,003</u>	<u>\$ 417,043</u>

(Continued)

City of Pittsburg  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2017

	Special Revenue			
	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program	CalHome Program	California Energy Conservation Program
<b>ASSETS</b>				
Cash and investments	\$ 6,519	\$ 44,174	\$ 119,669	\$ 4
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	136,607	-	-	-
Loans/ notes	263,844	1,800,250	484,626	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 406,970</b>	<b>\$ 1,844,424</b>	<b>\$ 604,295</b>	<b>\$ 4</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 36,712	\$ -	\$ -	\$ -
Refundable deposits	-	-	-	-
Loans payable - current	116,813	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
<b>Total liabilities</b>	<b>153,525</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	147,031	1,800,250	484,626	-
<b>Total Deferred Inflows of Resources</b>	<b>147,031</b>	<b>1,800,250</b>	<b>484,626</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	106,414	44,174	119,669	4
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>106,414</b>	<b>44,174</b>	<b>119,669</b>	<b>4</b>
<b>Total Liabilities, Deferred Inflows of     Resources and Fund Balances</b>	<b>\$ 406,970</b>	<b>\$ 1,844,424</b>	<b>\$ 604,295</b>	<b>\$ 4</b>

Special Revenue						
San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Cops Hiring Recovery	Pittsburg Arts & Community Foundation
\$ 6,835	\$ 138,266	\$ 70,086	\$ 107,573	\$ 27,025	\$ -	\$ 282,944
-	-	-	-	-	-	-
448	142,541	126	26	36,779	-	12,012
-	-	-	-	-	-	778,219
-	1,448	-	-	-	-	104,138
-	-	-	-	-	-	1,726
-	-	-	-	-	-	-
<u>\$ 7,283</u>	<u>\$ 282,255</u>	<u>\$ 70,212</u>	<u>\$ 107,599</u>	<u>\$ 63,804</u>	<u>\$ -</u>	<u>\$ 1,179,039</u>
\$ -	\$ 49,867	\$ -	\$ -	\$ 33	\$ -	\$ 40,302
-	-	-	-	-	-	25,724
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	125,792	-	-
-	49,867	-	-	125,825	-	66,026
-	-	-	-	-	-	784,061
-	-	-	-	-	-	784,061
-	1,448	-	-	-	-	105,864
7,283	230,940	70,212	107,599	-	-	223,088
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(62,021)	-	-
<u>7,283</u>	<u>232,388</u>	<u>70,212</u>	<u>107,599</u>	<u>(62,021)</u>	<u>-</u>	<u>328,952</u>
<u>\$ 7,283</u>	<u>\$ 282,255</u>	<u>\$ 70,212</u>	<u>\$ 107,599</u>	<u>\$ 63,804</u>	<u>\$ -</u>	<u>\$ 1,179,039</u>
(Continued)						

City of Pittsburgh  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2017

	Special Revenue			
	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)	Railroad Avenue Specific Area Plan	Project Amenities Management
<b>ASSETS</b>				
Cash and investments	\$ 232,736	\$ 504,062	\$ 32,940	\$ 16,359
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	1,756	39,953	-	-
Loans/notes	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 234,492</b>	<b>\$ 544,015</b>	<b>\$ 32,940</b>	<b>\$ 16,359</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 14,702	\$ -	\$ -
Refundable deposits	-	-	-	11,015
Loans payable - current	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	3,342,808	-
<b>Total Liabilities</b>	<b>-</b>	<b>14,702</b>	<b>3,342,808</b>	<b>11,015</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	5,344
Committed	234,492	529,313	-	-
Assigned	-	-	-	-
Unassigned	-	-	(3,309,868)	-
<b>Total Fund Balances (deficit)</b>	<b>234,492</b>	<b>529,313</b>	<b>(3,309,868)</b>	<b>5,344</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 234,492</b>	<b>\$ 544,015</b>	<b>\$ 32,940</b>	<b>\$ 16,359</b>

Special Revenue		Debt Service		Capital Projects		
Fire District CFD 2017-01	Golf Course	Pension Obligations	Inclusionary Housing	Traffic Impact Fair Share	Kirker Creek Drainage Fees	Traffic Mitigation
\$ -	\$ 11,116	\$ 1,339	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,493,759
-	-	2,817,501	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ 11,116	\$ 2,818,840	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,493,759
\$ 88	\$ 248	\$ -	\$ -	\$ -	\$ -	\$ 2,793
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,108	-	-	-	-	-	-
-	375,000	-	-	-	-	-
8,196	375,248	-	-	-	-	2,793
-	915	-	-	-	-	-
-	915	-	-	-	-	-
-	-	-	-	-	-	-
-	-	2,818,840	389,133	487,174	408,774	2,490,966
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(8,196)	(365,047)	-	-	-	-	-
(8,196)	(365,047)	2,818,840	389,133	487,174	408,774	2,490,966
\$ -	\$ 11,116	\$ 2,818,840	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,493,759

(Continued)

City of Pittsburgh  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2017

	Capital Projects			
	Capital Improvement	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement
<b>ASSETS</b>				
Cash and investments	\$ 242,494	\$ 826,877	\$ 1,683,187	\$ 906,392
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	4,145	973,220	-	-
Loans/notes	-	-	-	-
Inventory	-	886	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	3,342,808	-
<b>Total assets</b>	<b>\$ 246,639</b>	<b>\$ 1,800,983</b>	<b>\$ 5,025,995</b>	<b>\$ 906,392</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 14,634	\$ 410,481	\$ 9,716	\$ -
Refundable deposits	48,209	-	-	-
Loans payable - current	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>62,843</b>	<b>410,481</b>	<b>9,716</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	886	-	-
Restricted	-	1,389,616	5,016,279	-
Committed	183,796	-	-	906,392
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (deficit)</b>	<b>183,796</b>	<b>1,390,502</b>	<b>5,016,279</b>	<b>906,392</b>
<b>Total Liabilities, Deferred Inflows of     Resources and Fund Balances</b>	<b>\$ 246,639</b>	<b>\$ 1,800,983</b>	<b>\$ 5,025,995</b>	<b>\$ 906,392</b>



Capital Projects		
Community Capital Improvement	Bailey Road Maintenance	Non-Major Governmental Funds
\$ 638,467	\$ 975,720	\$ 15,090,472
-	-	2,817,501
38,893	-	2,956,031
-	-	4,602,116
-	-	269,143
-	-	1,726
-	-	3,342,808
<u>\$ 677,360</u>	<u>\$ 975,720</u>	<u>\$ 29,079,797</u>

\$ -	\$ -	\$ 915,124
-	-	109,365
-	-	131,813
-	-	12,281
-	-	80,270
-	-	3,843,600
-	-	5,092,453
30,000	-	4,661,808
30,000	-	4,661,808
-	-	270,869
-	975,720	20,013,972
647,360	-	2,756,478
-	-	29,349
-	-	(3,745,132)
647,360	975,720	19,325,536
<u>\$ 677,360</u>	<u>\$ 975,720</u>	<u>\$ 29,079,797</u>

# City of Pittsburgh

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

### Non-Major Governmental Funds

For the year ended June 30, 2017

	Special Revenue			
	Small Cities Grants	Gas Tax	Measure J Tax Fund	Lighting & Landscape
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	1,319,101	787,106	-
Intergovernmental revenues	-	-	67,505	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	2,836,116
Service fees	-	-	-	3,731
Use of money and property	(104)	2,166	37	143
Other revenues	65,913	304	-	20,262
<b>Total Revenues</b>	<b>65,809</b>	<b>1,321,571</b>	<b>854,648</b>	<b>2,860,252</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	44,110
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	380,041	-
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	337,003	-	3,929,298
Capital outlay and improvements	-	-	387,422	30,000
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>337,003</b>	<b>767,463</b>	<b>4,003,408</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>65,809</b>	<b>984,568</b>	<b>87,185</b>	<b>(1,143,156)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	111,198	880,999	1,105,002
Transfers out	(65,913)	(1,095,083)	(701,530)	(66,969)
<b>Total other financing sources (uses)</b>	<b>(65,913)</b>	<b>(983,885)</b>	<b>179,469</b>	<b>1,038,033</b>
<b>Net change in fund balances</b>	<b>(104)</b>	<b>683</b>	<b>266,654</b>	<b>(105,123)</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year	3,282	719,347	353,575	202,022
End of Year	\$ 3,178	\$ 720,030	\$ 620,229	\$ 96,899

Special Revenue						
Lighting & Landscape Oak Hills	Miscellaneous Grants	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II	Storm Water Utility (NPDES)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	786,343	1,046,485
-	257,685	-	-	67,213	-	-
-	-	-	-	-	-	-
-	-	15,679	-	-	-	-
33,959	-	-	-	-	-	-
-	-	-	31,717	-	-	-
61	518	191	1,064	40	12,904	720
-	15,000	-	-	-	84,472	1,837
34,020	273,203	15,870	32,781	67,253	883,719	1,049,042
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	10,000	-	-	-	-	-
-	-	-	-	-	-	-
-	9,692	-	-	28,804	681,536	-
-	253,511	875	-	38,449	-	-
-	-	-	-	-	-	543,921
32,130	-	-	-	-	-	413,106
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	6,972
32,130	273,203	875	-	67,253	681,536	963,999
1,890	-	14,995	32,781	-	202,183	85,043
-	-	-	-	-	-	100,000
-	-	-	-	-	(3,256)	(60,409)
-	-	-	-	-	(3,256)	39,591
1,890	-	14,995	32,781	-	198,927	124,634
14,142	69,709	30,228	222,344	31,848	3,140,946	247,108
\$ 16,032	\$ 69,709	\$ 45,223	\$ 255,125	\$ 31,848	\$ 3,339,873	\$ 371,742

(Continued)

# City of Pittsburgh

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

### Non-Major Governmental Funds

For the year ended June 30, 2017

	Special Revenue			
	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program	CalHome Program	California Energy Conservation Program
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	615,015	-	-	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	-	-	-
Use of money and property	392	186	12,109	-
Other revenues	429	-	73,560	-
<b>Total Revenues</b>	<b>615,836</b>	<b>186</b>	<b>85,669</b>	<b>-</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	526,596	-	-	-
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	62,775
Interest and fiscal charges	(236)	-	-	11,722
<b>Total Expenditures</b>	<b>526,360</b>	<b>-</b>	<b>-</b>	<b>74,497</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>89,476</b>	<b>186</b>	<b>85,669</b>	<b>(74,497)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	65,913	-	-	36,093
Transfers out	(154,332)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(88,419)</b>	<b>-</b>	<b>-</b>	<b>36,093</b>
<b>Net change in fund balances</b>	<b>1,057</b>	<b>186</b>	<b>85,669</b>	<b>(38,404)</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year	105,357	43,988	34,000	38,408
End of Year	\$ 106,414	\$ 44,174	\$ 119,669	\$ 4

Special Revenue						
San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Cops Hiring Recovery	Pittsburg Arts & Community Foundation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	285,993	373,257	-	-	-
-	-	-	-	36,779	129,626	22,425
-	529,484	-	-	-	-	-
-	-	-	-	-	-	455
692,804	-	-	-	62,894	-	-
-	805	-	-	-	-	103,946
(55)	727	22	386	104	-	21,146
-	1,234	-	-	-	-	594,895
692,749	532,250	286,015	373,643	99,777	129,626	742,867
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	296,242	-	-	-	-	818,547
687,896	122,350	283,251	273,106	-	-	-
-	-	-	-	-	-	-
-	-	-	-	63,469	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
13,812	-	-	3,936	7,642	-	-
701,708	418,592	283,251	277,042	71,111	-	818,547
(8,959)	113,658	2,764	96,601	28,666	129,626	(75,680)
-	-	-	-	-	-	-
(7,982)	(101,917)	(2,232)	(2,914)	(761)	(129,626)	-
(7,982)	(101,917)	(2,232)	(2,914)	(761)	(129,626)	-
(16,941)	11,741	532	93,687	27,905	-	(75,680)
24,224	220,647	69,680	13,912	(89,926)	-	404,632
\$ 7,283	\$ 232,388	\$ 70,212	\$ 107,599	\$ (62,021)	\$ -	\$ 328,952

(Continued)

# City of Pittsburgh

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

### Non-Major Governmental Funds

For the year ended June 30, 2017

	Special Revenue			
	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)	Railroad Avenue Specific Area Plan	Project Amenities Management
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ 161,435	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	-	-	-	-
Licenses, permits, and fees	-	-	-	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	32,919	-
Service fees	58,329	-	-	8,616
Use of money and property	1,025	2,209	-	-
Other revenues	-	-	-	25,000
<b>Total Revenues</b>	<b>59,354</b>	<b>163,644</b>	<b>32,919</b>	<b>33,616</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	43,559	-	29,024
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	-	-	3,476,846	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	24,788	-
<b>Total Expenditures</b>	<b>-</b>	<b>43,559</b>	<b>3,501,634</b>	<b>29,024</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>59,354</b>	<b>120,085</b>	<b>(3,468,715)</b>	<b>4,592</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>59,354</b>	<b>120,085</b>	<b>(3,468,715)</b>	<b>4,592</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year	175,138	409,228	158,847	752
End of Year	\$ 234,492	\$ 529,313	\$ (3,309,868)	\$ 5,344

Special Revenue		Debt Service		Capital Projects		
Fire District CFD 2017-01	Golf Course	Pension Obligations	Inclusionary Housing	Traffic Impact Fair Share	Kirker Creek Drainage Fees	Traffic Mitigation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	198,531
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	4,854,654	-	-	-	-
-	128	1,373	1,641	2,067	1,716	9,549
-	-	-	-	-	-	-
-	128	4,856,027	1,641	2,067	1,716	208,080
-	-	-	-	-	-	-
-	-	22,675	-	-	-	-
-	-	39,681	-	-	-	-
-	-	119,043	-	-	-	-
8,196	12,989	187,069	-	-	-	-
-	-	124,713	-	-	-	-
-	-	73,694	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,330	92,713
-	-	2,020,000	-	-	-	-
-	-	2,206,252	-	-	-	-
8,196	12,989	4,793,127	-	-	1,330	92,713
(8,196)	(12,861)	62,900	1,641	2,067	386	115,367
-	13,052	-	-	-	1,473	-
-	-	-	-	(27,048)	(17,301)	(392,864)
-	13,052	-	-	(27,048)	(15,828)	(392,864)
(8,196)	191	62,900	1,641	(24,981)	(15,442)	(277,497)
-	(365,238)	2,755,940	387,492	512,155	424,216	2,768,463
\$ (8,196)	\$ (365,047)	\$ 2,818,840	\$ 389,133	\$ 487,174	\$ 408,774	\$ 2,490,966

(Continued)

# City of Pittsburgh

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

### Non-Major Governmental Funds

For the year ended June 30, 2017

	Capital Projects			
	Capital Improvement	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	60,946	973,220	-	-
Licenses, permits, and fees	-	1,590,900	17,176	-
Fines and forfeitures	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	22,000	-	-
Use of money and property	881	3,755	34,349	4,369
Other revenues	100,000	100,000	-	-
<b>Total Revenues</b>	<b>161,827</b>	<b>2,689,875</b>	<b>51,525</b>	<b>4,369</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	-	113,307
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	258,144	2,200,157	154,014	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	6,539	-	-
<b>Total Expenditures</b>	<b>258,144</b>	<b>2,206,696</b>	<b>154,014</b>	<b>113,307</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(96,317)</b>	<b>483,179</b>	<b>(102,489)</b>	<b>(108,938)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	127,912	-	-	-
Transfers out	-	-	(580,999)	(57,310)
<b>Total other financing sources (uses)</b>	<b>127,912</b>	<b>-</b>	<b>(580,999)</b>	<b>(57,310)</b>
<b>Net change in fund balances</b>	<b>31,595</b>	<b>483,179</b>	<b>(683,488)</b>	<b>(166,248)</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year	152,201	907,323	5,699,767	1,072,640
End of Year	\$ 183,796	\$ 1,390,502	\$ 5,016,279	\$ 906,392



Capital Projects		
Community Capital Improvement	Bailey Road Maintenance	Total Non-Major Governmental Funds
\$ -	\$ -	\$ 161,435
-	-	4,598,285
10,228	-	2,240,642
-	139,411	2,475,502
-	-	16,134
-	-	3,658,692
-	-	5,083,798
2,787	4,309	122,915
-	-	1,082,906
13,015	143,720	19,440,309
-	-	44,110
-	-	22,675
-	-	49,681
-	-	119,043
190,468	-	3,326,070
-	-	1,784,151
-	-	617,615
-	-	4,775,006
-	-	6,600,626
-	-	2,082,775
-	-	2,281,427
190,468	-	21,703,179
(177,453)	143,720	(2,262,870)
-	-	2,441,642
(20,861)	-	(3,489,307)
(20,861)	-	(1,047,665)
(198,314)	143,720	(3,310,535)
845,674	832,000	22,636,071
\$ 647,360	\$ 975,720	\$ 19,325,536

# City of Pittsburg

## Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

### Budget and Actual

### Non-Major Governmental Funds

For the year ended June 30, 2017

	SPECIAL REVENUE					
	SMALL CITIES GRANTS			GAS TAX		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	1,352,500	1,319,101	(33,399)
Intergovernmental revenues	-	-	-	647,920	-	(647,920)
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	72	(104)	(176)	10,200	2,166	(8,034)
Other revenues	-	65,913	65,913	-	304	304
<b>Total revenues</b>	<b>72</b>	<b>65,809</b>	<b>65,737</b>	<b>2,010,620</b>	<b>1,321,571</b>	<b>(689,049)</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	1,903,130	337,003	1,566,127
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,903,130</b>	<b>337,003</b>	<b>1,566,127</b>
<b>REVENUES OVER (UNDER)</b>	<b>72</b>	<b>65,809</b>	<b>65,737</b>	<b>107,490</b>	<b>984,568</b>	<b>877,078</b>
<b>EXPENDITURES</b>	<b>72</b>	<b>65,809</b>	<b>65,737</b>	<b>107,490</b>	<b>984,568</b>	<b>877,078</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	218,889	111,198	(107,691)
Transfers out	-	(65,913)	(65,913)	(1,095,083)	(1,095,083)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(65,913)</b>	<b>(65,913)</b>	<b>(876,194)</b>	<b>(983,885)</b>	<b>(107,691)</b>
<b>Net change in fund balances</b>	<b>\$ 72</b>	<b>(104)</b>	<b>\$ (176)</b>	<b>\$ (768,704)</b>	<b>683</b>	<b>\$ 769,387</b>
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		3,282			719,347	
End of year		<u>\$ 3,178</u>			<u>\$ 720,030</u>	

SPECIAL REVENUE								
MEASURE J TAX			LIGHTING AND LANDSCAPE			LIGHTING AND LANDSCAPING OAK HILL		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
725,000	787,106	62,106	-	-	-	-	-	-
1,500,005	67,505	(1,432,500)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	2,875,000	2,836,116	(38,884)	33,959	33,959	-
-	-	-	163	3,731	3,568	-	-	-
1,610	37	(1,573)	520	143	(377)	-	61	61
-	-	-	19,762	20,262	500	-	-	-
2,226,615	854,648	(1,371,967)	2,895,445	2,860,252	(35,193)	33,959	34,020	61
-	-	-	-	44,110	(44,110)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
549,171	380,041	169,130	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	4,157,756	3,929,298	228,458	32,406	32,130	276
3,619,996	387,422	3,232,574	30,000	30,000	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,169,167	767,463	3,401,704	4,187,756	4,003,408	184,348	32,406	32,130	276
(1,942,552)	87,185	2,029,737	(1,292,311)	(1,143,156)	149,155	1,553	1,890	337
2,260,000	880,999	(1,379,001)	1,117,095	1,105,002	(12,093)	-	-	-
(701,530)	(701,530)	-	(75,376)	(66,969)	8,407	-	-	-
1,558,470	179,469	(1,379,001)	1,041,719	1,038,033	(3,686)	-	-	-
\$ (384,082)	266,654	\$ 650,736	\$ (250,592)	(105,123)	\$ 145,469	\$ 1,553	1,890	\$ 337
	353,575			202,022			14,142	
	\$ 620,229			\$ 96,899			\$ 16,032	

(Continued)

**City of Pittsburg**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2017**

	SPECIAL REVENUE					
	MISCELLANEOUS GRANTS			ASSETS SEIZURE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	638,090	257,685	(380,405)	-	-	-
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	15,679	15,679
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	518	518	-	191	191
Other revenues	5,000	15,000	10,000	-	-	-
<b>Total revenues</b>	<b>643,090</b>	<b>273,203</b>	<b>(369,887)</b>	<b>-</b>	<b>15,870</b>	<b>15,870</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	5,000	10,000	(5,000)	-	-	-
Finance	-	-	-	-	-	-
Community services	18,097	9,692	8,405	-	-	-
Public safety	635,730	253,511	382,219	-	875	(875)
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	<b>658,827</b>	<b>273,203</b>	<b>385,624</b>	<b>-</b>	<b>875</b>	<b>(875)</b>
<b>REVENUES OVER (UNDER)</b>						
<b>EXPENDITURES</b>	<b>(15,737)</b>	<b>-</b>	<b>15,737</b>	<b>-</b>	<b>14,995</b>	<b>14,995</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(72,000)	-	72,000	-	-	-
<b>Total other financing sources (uses)</b>	<b>(72,000)</b>	<b>-</b>	<b>72,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (87,737)</b>	<b>-</b>	<b>\$ 87,737</b>	<b>\$ -</b>	<b>14,995</b>	<b>\$ 14,995</b>
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		69,709			30,228	
End of year		<u>\$ 69,709</u>			<u>\$ 45,223</u>	

SPECIAL REVENUE								
MARINA VISTA FIELD REPLACEMENT			LOCAL LAW ENFORCEMENT BLOCK GRANT			SOUTHWEST PITTSBURG GHAD II		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	763,504	786,343	22,839
-	-	-	85,300	67,213	(18,087)	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
30,000	31,717	1,717	-	-	-	-	-	-
830	1,064	234	-	40	40	11,400	12,904	1,504
-	-	-	-	-	-	20,000	84,472	64,472
30,830	32,781	1,951	85,300	67,253	(18,047)	794,904	883,719	88,815
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	55,607	28,804	26,803	723,424	681,536	41,888
-	-	-	52,197	38,449	13,748	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	107,804	67,253	40,551	723,424	681,536	41,888
30,830	32,781	1,951	(22,504)	-	22,504	71,480	202,183	130,703
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(3,256)	(3,256)	-
-	-	-	-	-	-	(3,256)	(3,256)	-
\$ 30,830	32,781	\$ 1,951	\$ (22,504)	-	\$ 22,504	\$ 68,224	198,927	\$ 130,703
222,344			31,848			3,140,946		
\$ 255,125			\$ 31,848			\$ 3,339,873		

(Continued)

# City of Pittsburgh

## Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

### Budget and Actual

### Non-Major Governmental Funds

For the year ended June 30, 2017

	SPECIAL REVENUE					
	STORM WATER UTILITY NPDES			HUD COMMUNITY DEVELOPMENT BLOCK GRANT		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	905,176	1,046,485	141,309	-	-	-
Intergovernmental revenues	-	-	-	708,789	615,015	(93,774)
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	1,010	720	(290)	101	392	291
Other revenues	-	1,837	1,837	-	429	429
<b>Total revenues</b>	<b>906,186</b>	<b>1,049,042</b>	<b>142,856</b>	<b>708,890</b>	<b>615,836</b>	<b>(93,054)</b>
<b>EXPENDITURES:</b>						
Current:						
General government	15,143	15,379	(236)	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	561,341	526,596	34,745
Public safety	-	-	-	-	-	-
Public works - administration	540,894	528,542	12,352	-	-	-
Public works - streets	468,100	413,106	54,994	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	16,943	6,972	9,971	3,741	(236)	3,977
<b>Total expenditures</b>	<b>1,041,080</b>	<b>963,999</b>	<b>77,081</b>	<b>565,082</b>	<b>526,360</b>	<b>38,722</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(134,894)</b>	<b>85,043</b>	<b>219,937</b>	<b>143,808</b>	<b>89,476</b>	<b>(54,332)</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	100,000	100,000	-	-	65,913	65,913
Transfers out	(60,409)	(60,409)	-	(154,332)	(154,332)	-
<b>Total other financing sources (uses)</b>	<b>39,591</b>	<b>39,591</b>	<b>-</b>	<b>(154,332)</b>	<b>(88,419)</b>	<b>65,913</b>
<b>Net change in fund balances</b>	<b>\$ (95,303)</b>	<b>124,634</b>	<b>\$ 219,937</b>	<b>\$ (10,524)</b>	<b>1,057</b>	<b>\$ 11,581</b>
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		247,108			105,357	
End of year		<u>\$ 371,742</u>			<u>\$ 106,414</u>	

(Continued)

**City of Pittsburg**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2017**

	SPECIAL REVENUE					
	SAN MARCO CFD 2004-1			SOLID WASTE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	460,000	529,484	69,484
Fines and forfeitures	-	-	-	-	-	-
Special assessments	697,183	692,804	(4,379)	-	-	-
Service fees	-	-	-	200	805	605
Use of money and property	260	(55)	(315)	1,075	727	(348)
Other revenues	-	-	-	-	1,234	1,234
<b>Total revenues</b>	<b>697,443</b>	<b>692,749</b>	<b>(4,694)</b>	<b>461,275</b>	<b>532,250</b>	<b>70,975</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	310,671	296,242	14,429
Public safety	708,036	687,896	20,140	181,440	122,350	59,090
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	23,279	13,812	9,467	-	-	-
<b>Total expenditures</b>	<b>731,315</b>	<b>701,708</b>	<b>29,607</b>	<b>492,111</b>	<b>418,592</b>	<b>73,519</b>
<b>REVENUES OVER (UNDER)</b>						
<b>EXPENDITURES</b>	<b>(33,872)</b>	<b>(8,959)</b>	<b>24,913</b>	<b>(30,836)</b>	<b>113,658</b>	<b>144,494</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(7,982)	(7,982)	-	(101,917)	(101,917)	-
<b>Total other financing sources (uses)</b>	<b>(7,982)</b>	<b>(7,982)</b>	<b>-</b>	<b>(101,917)</b>	<b>(101,917)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (41,854)</b>	<b>(16,941)</b>	<b>\$ 24,913</b>	<b>\$ (132,753)</b>	<b>11,741</b>	<b>\$ 144,494</b>
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		24,224			220,647	
End of year		<u>\$ 7,283</u>			<u>\$ 232,388</u>	



SPECIAL REVENUE

VISTA DEL MAR CFD 2005-2			PUBLIC SAFETY CFD 2005-1			PARK MAINTENANCE CFD 2007-1		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
302,241	285,993	(16,248)	294,199	373,257	79,058	-	-	-
-	-	-	-	-	-	28,000	36,779	8,779
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	53,112	62,894	9,782
-	-	-	-	-	-	-	-	-
-	22	22	-	386	386	210	104	(106)
-	-	-	-	-	-	-	-	-
302,241	286,015	(16,226)	294,199	373,643	79,444	81,322	99,777	18,455
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
368,750	283,251	85,499	298,207	273,106	25,101	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	74,868	63,469	11,399
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	5,700	3,936	1,764	5,500	7,642	(2,142)
368,750	283,251	85,499	303,907	277,042	26,865	80,368	71,111	9,257
(66,509)	2,764	69,273	(9,708)	96,601	106,309	954	28,666	27,712
-	-	-	-	-	-	-	-	-
(2,232)	(2,232)	-	(2,914)	(2,914)	-	(761)	(761)	-
(2,232)	(2,232)	-	(2,914)	(2,914)	-	(761)	(761)	-
\$ (68,741)	532	\$ 69,273	\$ (12,622)	93,687	\$ 106,309	\$ 193	27,905	\$ 27,712
69,680			13,912			(89,926)		
\$ 70,212			\$ 107,599			\$ (62,021)		

**City of Pittsburgh**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2017**

	SPECIAL REVENUE					
	COPS HIRING RECOVERY			PITTSBURG ARTS & COMMUNITY FOUNDATION		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	125,000	129,626	4,626	21,000	22,425	1,425
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	455	455
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	46,000	103,946	57,946
Use of money and property	-	-	-	22,000	21,146	(854)
Other revenues	-	-	-	483,171	594,895	111,724
<b>Total revenues</b>	<b>125,000</b>	<b>129,626</b>	<b>4,626</b>	<b>572,171</b>	<b>742,867</b>	<b>170,696</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	678,422	818,547	(140,125)
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>678,422</b>	<b>818,547</b>	<b>(140,125)</b>
<b>REVENUES OVER (UNDER)</b>						
<b>EXPENDITURES</b>	<b>125,000</b>	<b>129,626</b>	<b>4,626</b>	<b>(106,251)</b>	<b>(75,680)</b>	<b>30,571</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(125,000)	(129,626)	(4,626)	-	-	-
<b>Total other financing sources (uses)</b>	<b>(125,000)</b>	<b>(129,626)</b>	<b>(4,626)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>	<b>\$ (106,251)</b>	<b>(75,680)</b>	<b>\$ 30,571</b>
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		-			404,632	
End of year		<b>\$ -</b>			<b>\$ 328,952</b>	

SPECIAL REVENUE								
HILLVIEW JR. HIGH ATHLETIC FIELD			PUBLIC, EDUCATION, AND GOVERNMENT FEES (PEG)			RAILROAD AVENUE SPECIFIC AREA PLAN		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ 157,000	\$ 161,435	\$ 4,435	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	32,919	32,919
14,000	58,329	44,329	-	-	-	-	-	-
620	1,025	405	2,060	2,209	149	-	-	-
-	-	-	-	-	-	-	-	-
14,620	59,354	44,734	159,060	163,644	4,584	-	32,919	32,919
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	195,000	43,559	151,441	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,476,846	3,476,846	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	24,788	(24,788)
-	-	-	195,000	43,559	151,441	3,476,846	3,501,634	(24,788)
14,620	59,354	44,734	(35,940)	120,085	156,025	(3,476,846)	(3,468,715)	8,131
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
\$ 14,620	59,354	\$ 44,734	\$ (35,940)	120,085	\$ 156,025	\$ (3,476,846)	(3,468,715)	\$ 8,131
175,138			409,228			158,847		
\$ 234,492			\$ 529,313			\$ (3,309,868)		

(Continued)

**City of Pittsburgh**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2017**

	SPECIAL REVENUE					
	PROJECT AMENITIES MANAGEMENT			GOLF COURSE		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	8,616	8,616	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	-	-	-	128	128
Other revenues	-	25,000	25,000	-	-	-
<b>Total revenues</b>	-	33,616	33,616	-	128	128
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	29,024	(29,024)	61,528	12,989	48,539
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	-	29,024	(29,024)	61,528	12,989	48,539
<b>REVENUES OVER (UNDER)</b>	-	4,592	4,592	(61,528)	(12,861)	48,667
<b>EXPENDITURES</b>	-	4,592	4,592	(61,528)	(12,861)	48,667
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	62,928	13,052	(49,876)
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	-	-	-	62,928	13,052	(49,876)
<b>Net change in fund balances</b>	\$ -	4,592	\$ 4,592	\$ 1,400	191	\$ (1,209)
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		752			(365,238)	
End of year		\$ 5,344			\$ (365,047)	

DEBT SERVICE FUND			CAPITAL PROJECTS					
PENSION OBLIGATION			INCLUSIONARY HOUSING			TRAFFIC IMPACT FAIR SHARE		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
4,854,654	4,854,654	-	-	-	-	-	-	-
310	1,373	1,063	-	1,641	1,641	-	2,067	2,067
-	-	-	-	-	-	-	-	-
4,854,964	4,856,027	1,063	-	1,641	1,641	-	2,067	2,067
-	-	-	-	-	-	-	-	-
4,854,654	22,675	4,831,979	-	-	-	-	-	-
-	119,043	(119,043)	-	-	-	-	-	-
-	39,681	(39,681)	-	-	-	-	-	-
-	187,069	(187,069)	-	-	-	-	-	-
-	124,713	(124,713)	-	-	-	-	-	-
-	73,694	(73,694)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	2,020,000	(2,020,000)	-	-	-	-	-	-
-	2,206,252	(2,206,252)	-	-	-	-	-	-
4,854,654	4,793,127	61,527	-	-	-	-	-	-
310	62,900	62,590	-	1,641	1,641	-	2,067	2,067
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(27,048)	(27,048)	-
-	-	-	-	-	-	(27,048)	(27,048)	-
\$ 310	62,900	\$ 62,590	\$ -	1,641	\$ 1,641	\$ (27,048)	(24,981)	\$ 2,067
2,755,940			387,492			512,155		
\$ 2,818,840			\$ 389,133			\$ 487,174		

(Continued)

# City of Pittsburgh

## Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -

### Budget and Actual

### Non-Major Governmental Funds

For the year ended June 30, 2017

	CAPITAL PROJECTS					
	KIRKER CREEK DRAINAGE FEES			TRAFFIC MITIGATION		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Licenses, permits, and fees	-	-	-	-	198,531	198,531
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	1,716	1,716	-	9,549	9,549
Other revenues	-	-	-	99,015	-	(99,015)
<b>Total revenues</b>	-	1,716	1,716	99,015	208,080	109,065
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	26,393	1,330	25,063	448,492	92,713	355,779
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	26,393	1,330	25,063	448,492	92,713	355,779
<b>REVENUES OVER (UNDER)</b>						
<b>EXPENDITURES</b>	(26,393)	386	26,779	(349,477)	115,367	464,844
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	16,393	1,473	(14,920)	-	-	-
Transfers out	(17,301)	(17,301)	-	(476,014)	(392,864)	83,150
<b>Total other financing sources (uses)</b>	(908)	(15,828)	(14,920)	(476,014)	(392,864)	83,150
<b>Net change in fund balances</b>	\$ (27,301)	(15,442)	\$ 11,859	\$ (825,491)	(277,497)	\$ 547,994
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		424,216			2,768,463	
End of year		\$ 408,774			\$ 2,490,966	

CAPITAL PROJECTS								
CAPITAL IMPROVEMENT			PARK DEDICATION			REGIONAL TRAFFIC MITIGATION		
Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
796,529	60,946	(735,583)	1,127,177	973,220	(153,957)	-	-	-
-	-	-	-	1,590,900	1,590,900	-	17,176	17,176
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	22,000	22,000	-	-	-	-
-	881	881	-	3,755	3,755	-	34,349	34,349
-	100,000	100,000	100,000	100,000	-	-	-	-
796,529	161,827	(634,702)	1,249,177	2,689,875	1,440,698	-	51,525	51,525
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,039,028	258,144	780,884	2,440,094	2,200,157	239,937	773,959	154,014	619,945
-	-	-	-	-	-	-	-	-
-	-	-	-	6,539	(6,539)	-	-	-
1,039,028	258,144	780,884	2,440,094	2,206,696	233,398	773,959	154,014	619,945
(242,499)	(96,317)	146,182	(1,190,917)	483,179	1,674,096	(773,959)	(102,489)	671,470
226,656	127,912	(98,744)	-	-	-	-	-	-
-	-	-	-	-	-	(580,000)	(580,999)	(999)
226,656	127,912	(98,744)	-	-	-	(580,000)	(580,999)	(999)
\$ (15,843)	31,595	\$ 47,438	\$ (1,190,917)	483,179	\$ 1,674,096	\$ (1,353,959)	(683,488)	\$ 670,471
152,201			907,323			5,699,767		
\$ 183,796			\$ 1,390,502			\$ 5,016,279		

(Continued)

**City of Pittsburgh**  
**Combining Schedule of Revenues, Expenditures and Changes in Fund Balances -**  
**Budget and Actual**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2017**

	CAPITAL PROJECTS					
	INFRASTRUCTURE REPAIR & REPLACEMENT			COMMUNITY CAPITAL IMPROVEMENT		
	Final Budget	Actual	Variance Positive (Negative)	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>						
Franchise tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-
Intergovernmental revenues	-	-	-	649,243	10,228	(639,015)
Licenses, permits, and fees	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Service fees	-	-	-	-	-	-
Use of money and property	-	4,369	4,369	2,100	2,787	687
Other revenues	-	-	-	-	-	-
<b>Total revenues</b>	-	4,369	4,369	651,343	13,015	(638,328)
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
City Manager and City Clerk	-	-	-	-	-	-
Human resources	-	-	-	-	-	-
Finance	-	-	-	-	-	-
Community services	528,536	113,307	415,229	1,392,251	190,468	1,201,783
Public safety	-	-	-	-	-	-
Public works - administration	-	-	-	-	-	-
Public works - streets	-	-	-	-	-	-
Capital outlay and improvements	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
<b>Total expenditures</b>	528,536	113,307	415,229	1,392,251	190,468	1,201,783
<b>REVENUES OVER (UNDER)</b>						
<b>EXPENDITURES</b>	(528,536)	(108,938)	419,598	(740,908)	(177,453)	563,455
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	(544,376)	(57,310)	487,066	(40,000)	(20,861)	19,139
<b>Total other financing sources (uses)</b>	(544,376)	(57,310)	487,066	(40,000)	(20,861)	19,139
<b>Net change in fund balances</b>	\$ (1,072,912)	(166,248)	\$ 906,664	\$ (780,908)	(198,314)	\$ 582,594
<b>FUND BALANCES (DEFICITS):</b>						
Beginning of year		1,072,640			845,674	
End of year		\$ 906,392			\$ 647,360	



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CAPITAL PROJECTS

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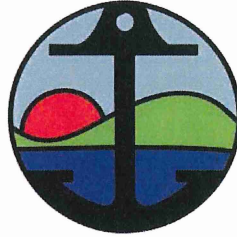
## BAILEY ROAD MAINTENANCE

Final Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -
-	-	-
-	-	-
150,000	139,411	(10,589)
-	-	-
-	-	-
-	-	-
-	4,309	4,309
-	-	-
150,000	143,720	(6,280)

[illegible]

-	-	-
-	-	-
-	-	-
\$ 150,000	143,720	\$ (6,280)

	832,000
	<hr/>
\$	975,720
	<hr/> <hr/>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

# INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a reimbursement basis. There are five funds as follows:

***Fleet Maintenance Fund*** - Used to account for the costs of operating, maintaining, and replacing automotive equipment used by other departments. Rental rates charged to the using departments include operating costs and equipment depreciation.

***Building Maintenance Fund*** - Used to account for the cost of maintaining all City governmental buildings.

***Insurance Fund*** - Used to account for revenues from charges to operating departments sufficient to provide adequate reserve for future claims.

***Information/Communication Services Fund*** - Used to account for the cost of operating, maintaining and replacing a data processing system. Rental rates charged to the using departments include operating cost and equipment depreciation.

***Fringe Benefits Fund*** - Used to allocate fringe costs to various departments.

***Other Post-Employment Benefits (OPEB) Fund*** - Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses.

**City of Pittsburgh**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2017**

	Fleet Maintenance	Building Maintenance	Insurance
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 872,299	\$ 1,200,528	\$ 513,960
Receivables:			
Accounts	6,507	123,177	6,207
Inventory	38,558	15,725	-
Prepaid items	-	-	-
Total current assets	917,364	1,339,430	520,167
Noncurrent assets:			
Capital assets:			
Depreciable assets, net	1,474,575	475,711	-
Total noncurrent assets	1,474,575	475,711	-
<b>Total Assets</b>	<b>2,391,939</b>	<b>1,815,141</b>	<b>520,167</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	47,947	205,982	15,907
Salaries payable	-	-	-
Claims and judgments payable - due within one year	-	-	257,254
Compensated absences - due within one year	18,436	26,680	-
Long-term-debt - due within one year	44,357	-	-
Advance from other funds	-	229,336	-
Total current liabilities	110,740	461,998	273,161
Noncurrent liabilities:			
Compensated absences - due in more than one year	6,145	8,893	-
Long-term-debt - due in more than one year	116,339	-	-
Total noncurrent liabilities	122,484	8,893	-
<b>Total Liabilities</b>	<b>233,224</b>	<b>470,891</b>	<b>273,161</b>
<b>NET POSITION</b>			
Net investment in capital assets	1,313,879	475,711	-
Unrestricted	844,836	868,539	247,006
<b>Total Net Position</b>	<b>\$ 2,158,715</b>	<b>\$ 1,344,250</b>	<b>\$ 247,006</b>

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 1,233,752	\$ 665,673	\$ 327,862	\$ 4,814,074
462	-	387	136,740
419,592	-	-	473,875
-	22,400	-	22,400
1,653,806	688,073	328,249	5,447,089
103,029	-	-	2,053,315
103,029	-	-	2,053,315
1,756,835	688,073	328,249	7,500,404
5,841	41,624	19,130	336,431
-	(63)	(381)	(444)
-	-	-	257,254
-	-	-	45,116
-	-	-	44,357
-	-	-	229,336
5,841	41,561	18,749	912,050
-	-	-	15,038
-	-	-	116,339
-	-	-	131,377
5,841	41,561	18,749	1,043,427
103,029	-	-	1,892,619
1,647,965	646,512	309,500	4,564,358
\$ 1,750,994	\$ 646,512	\$ 309,500	\$ 6,456,977

**City of Pittsburgh**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2017**

	Fleet Maintenance	Building Maintenance	Insurance
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 1,730,140	\$ 1,506,958	\$ 1,067,651
Other operating revenues	34,356	189,866	150,498
<b>Total operating revenues</b>	<b>1,764,496</b>	<b>1,696,824</b>	<b>1,218,149</b>
<b>OPERATING EXPENSES:</b>			
Salaries and wages	294,830	314,565	-
Department supplies	626,812	69,230	-
Rentals	43,486	419	-
Utilities	9,374	358,563	-
Maintenance and operations	100,076	331,213	-
Depreciation and amortization	400,621	36,401	-
Insurance premiums	21,175	155,866	1,045,423
Insurance deductible	10,331	11,036	399,353
Fringe benefits	236,120	267,656	-
Other operating expenses	(31,782)	10,622	-
<b>Total operating expenses</b>	<b>1,711,043</b>	<b>1,555,571</b>	<b>1,444,776</b>
<b>OPERATING INCOME (LOSS)</b>	<b>53,453</b>	<b>141,253</b>	<b>(226,627)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Gain (loss) on sale of assets	34,554	-	-
Investment income	(53,859)	17,488	-
<b>Total nonoperating revenues</b>	<b>(19,305)</b>	<b>17,488</b>	<b>-</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>34,148</b>	<b>158,741</b>	<b>(226,627)</b>
<b>TRANSFERS:</b>			
Transfers in	-	272,960	-
Transfers out	(9,189)	(10,893)	-
<b>Transfers in (out)</b>	<b>(9,189)</b>	<b>262,067</b>	<b>-</b>
<b>Change in net position</b>	<b>24,959</b>	<b>420,808</b>	<b>(226,627)</b>
<b>NET POSITION:</b>			
Beginning of year	2,133,756	923,442	473,633
End of year	<b>\$ 2,158,715</b>	<b>\$ 1,344,250</b>	<b>\$ 247,006</b>

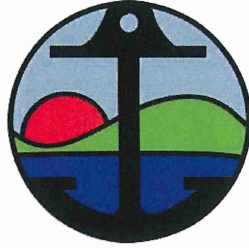
Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 1,346,762	\$ 2,054,273	\$ 1,631,189	\$ 9,336,973
24,333	322	-	399,375
1,371,095	2,054,595	1,631,189	9,736,348
68,840	-	-	678,235
4,602	-	-	700,644
-	-	-	43,905
-	-	-	367,937
890,825	15,605	-	1,337,719
62,395	-	-	499,417
-	-	-	1,222,464
2,224	-	-	422,944
49,141	2,005,477	1,970,293	4,528,687
4,282	-	-	(16,878)
1,082,309	2,021,082	1,970,293	9,785,074
288,786	33,513	(339,104)	(48,726)
-	-	-	34,554
(742)	-	308	(36,805)
(742)	-	308	(2,251)
288,044	33,513	(338,796)	(50,977)
-	-	481,221	754,181
(1,575)	(39,905)	-	(61,562)
(1,575)	(39,905)	481,221	692,619
286,469	(6,392)	142,425	641,642
1,464,525	652,904	167,075	5,815,335
\$ 1,750,994	\$ 646,512	\$ 309,500	\$ 6,456,977

**City of Pittsburgh**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2017**

	Fleet Maintenance	Building Maintenance	Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers/other funds	\$ 1,723,633	\$ 1,387,827	\$ 1,061,444
Cash payments to suppliers for goods and services	(804,054)	(827,691)	(1,327,499)
Cash payments to employees for services	(533,819)	(585,548)	-
Other operating revenues	34,356	189,866	150,498
Net cash provided (used) by operating activities	420,116	164,454	(115,557)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Interfund payments	(8,309)	222,664	-
Transfers in	-	272,960	-
Transfers (out)	(9,189)	(10,893)	-
Net cash provided (used) by noncapital financing activities	(17,498)	484,731	-
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>			
Payments made on capital lease	(43,161)	-	-
Proceeds from sale of capital assets	34,554	-	-
Net changes in capital assets	(690,228)	(370,099)	-
Net cash provided (used) by capital financing activities	(698,835)	(370,099)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest revenue	(53,859)	17,488	-
Net cash provided (used) by investing activities	(53,859)	17,488	-
Net increase (decrease) in cash and cash equivalents	(350,076)	296,574	(115,557)
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	1,222,375	903,954	629,517
End of year	\$ 872,299	\$ 1,200,528	\$ 513,960
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ 53,453	\$ 141,253	\$ (226,627)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	400,621	36,401	-
Changes in operating assets and liabilities:			
Accounts receivable	(6,507)	(119,131)	(6,207)
Accounts payable	(24,582)	109,258	10,520
Salaries and wages payable	-	-	-
Compensated absences	(2,869)	(3,327)	-
Insurance claims payable	-	-	106,757
Net cash provided (used) by operating activities	\$ 420,116	\$ 164,454	\$ (115,557)



Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 1,346,300	\$ 2,054,677	\$ 1,632,896	\$ 9,206,777
(998,130)	(29,694)	22,326	(3,964,742)
(124,665)	(2,005,540)	(1,970,674)	(5,220,246)
24,333	322	-	399,375
247,838	19,765	(315,452)	421,164
(4,010)	-	-	210,345
-	-	481,221	754,181
(1,575)	(39,905)	-	(61,562)
(5,585)	(39,905)	481,221	902,964
(36,257)	-	-	(79,418)
-	-	-	34,554
1	-	-	(1,060,326)
(36,256)	-	-	(1,105,190)
(742)	-	308	(36,805)
(742)	-	308	(36,805)
205,255	(20,140)	166,077	182,133
1,028,497	685,813	161,785	4,631,941
\$ 1,233,752	\$ 665,673	\$ 327,862	\$ 4,814,074
\$ 288,786	\$ 33,513	\$ (339,104)	\$ (48,726)
62,395	-	-	499,417
(462)	404	1,707	(130,196)
(96,197)	(14,089)	22,326	7,236
-	(63)	(381)	(444)
(6,684)	-	-	(12,880)
-	-	-	106,757
\$ 247,838	\$ 19,765	\$ (315,452)	\$ 421,164



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

# FIDUCIARY FUND FINANCIAL STATEMENTS

## *Agency Funds:*

*Assessment Districts Agency Fund* accounts for the collection of property taxes and the payments to bondholders.

*Environmental Impact Agency Fund* accounts for the collection of builders' fees to be used for related environmental improvement projects.

*Other Impact Fees Agency Fund* accounts for the collection of developer fees on behalf of the Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

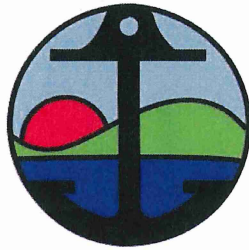
*Vista Del Mar & San Marco CFD's* accounts for funds used to construct and acquire certain public improvements, consisting of roadway, water and other infrastructure improvements necessary for the development of property within the district, as well as park improvements.

**City of Pittsburgh**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended June 30, 2017**

	Beginning Balance July 1, 2016	Additions	Deletions	Ending Balance June 30, 2017
<b><u>Assessment Districts Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 3,057,864	\$ 2,085,981	\$ 2,029,064	\$ 3,114,781
Cash and investments held by fiscal agent	2,053,601	1,982,441	1,993,003	2,043,039
Assessment receivable	2,068,566	26,764	-	2,095,330
<b>Total assets</b>	<b>\$ 7,180,031</b>	<b>\$ 4,095,186</b>	<b>\$ 4,022,067</b>	<b>\$ 7,253,150</b>
<b>Liabilities:</b>				
Accounts payable	\$ 27,872	\$ 38,265	\$ 40,148	\$ 25,989
Deferred assessment	2,068,566		26,767	2,041,799
Due to bondholders	5,083,593	3,449,862	3,348,093	5,185,362
<b>Total liabilities</b>	<b>\$ 7,180,031</b>	<b>\$ 3,488,127</b>	<b>\$ 3,415,008</b>	<b>\$ 7,253,150</b>
<b><u>Environmental Impact Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,073	\$ 9	\$ 1,082	\$ -
<b>Total assets</b>	<b>\$ 1,073</b>	<b>\$ 9</b>	<b>\$ 1,082</b>	<b>\$ -</b>
<b>Liabilities:</b>				
Due to bondholders	\$ 1,073	\$ -	\$ 1,073	\$ -
<b>Total liabilities</b>	<b>\$ 1,073</b>	<b>\$ -</b>	<b>\$ 1,073</b>	<b>\$ -</b>
<b><u>Other Impact Fees Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 315,799	\$ 2,930,097	\$ 2,805,585	\$ 440,311
<b>Total assets</b>	<b>\$ 315,799</b>	<b>\$ 2,930,097</b>	<b>\$ 2,805,585</b>	<b>\$ 440,311</b>
<b>Liabilities:</b>				
Accounts payable	\$ 270,457	\$ 2,927,602	\$ 2,804,571	\$ 393,488
Due to other parties	39,738	2,928,170	2,927,623	40,285
Due to bondholders	5,604	934	-	6,538
<b>Total liabilities</b>	<b>\$ 315,799</b>	<b>\$ 5,856,706</b>	<b>\$ 5,732,194</b>	<b>\$ 440,311</b>
<b><u>Vista Del Mar &amp; San Marco CFD's</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,357,599	\$ 1,623,009	\$ 673,404	\$ 2,307,204
Cash and investments held by fiscal agent	739,999	660,509	674,642	725,866
<b>Total assets</b>	<b>\$ 2,097,598</b>	<b>\$ 2,283,518</b>	<b>\$ 1,348,046</b>	<b>\$ 3,033,070</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 20,745	\$ 20,745	\$ -
Due to bondholders	2,097,598	2,014,039	1,078,567	3,033,070
<b>Total liabilities</b>	<b>\$ 2,097,598</b>	<b>\$ 2,034,784</b>	<b>\$ 1,099,312</b>	<b>\$ 3,033,070</b>

**City of Pittsburgh**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended June 30, 2017**

<u>Total Agency Funds</u>	Beginning Balance July 01, 2016	Additions	Deletions	Ending Balance June 30, 2017
<b>Assets:</b>				
Cash and investments	\$ 4,732,335	\$ 6,639,096	\$ 5,509,135	\$ 5,862,296
Cash and investments held by fiscal agent	2,793,600	2,642,950	2,667,645	2,768,905
Assessment receivable	2,068,566	26,764	-	2,095,330
<b>Total assets</b>	<b>\$ 9,594,501</b>	<b>\$ 9,308,810</b>	<b>\$ 8,176,780</b>	<b>\$ 10,726,531</b>
<b>Liabilities:</b>				
Accounts payable	\$ 298,329	\$ 2,986,612	\$ 2,865,464	\$ 419,477
Deferred assessment	2,068,566	-	26,767	2,041,799
Due to other parties	39,738	2,928,170	2,927,623	40,285
Due to bondholders	7,187,868	5,464,835	4,427,733	8,224,970
<b>Total liabilities</b>	<b>\$ 9,594,501</b>	<b>\$ 11,379,617</b>	<b>\$ 10,247,587</b>	<b>\$ 10,726,531</b>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*

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# STATISTICAL SECTION

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This part of the City of Pittsburg's comprehensive annual financial report presents detailed information in a statistical format as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information is conveying about the City of Pittsburg's overall financial status.

The major points of emphasis are:

## **Financial Trends**

These schedules contain trend information to help the CAFR reader understand how the City of Pittsburg's financial performance and economic status have changed over time.

## **Revenue Capacity**

These schedules contain information to help the CAFR reader evaluate factors affecting the City of Pittsburg's ability to generate its property and sales taxes and other major revenues.

## **Debt Capacity**

These schedules present information to help the CAFR reader assess the affordability of the City of Pittsburg's current levels of outstanding debt and the City's ability to issue additional debt in the future.

## **Demographic and Economic Information**

These schedules offer demographic and economic indications to help the CAFR reader understand the environment within which the City of Pittsburg's financial activities occur.

## **Operating Information**

These schedules contain information about the City of Pittsburg's operations and resources to help the CAFR reader understand how the City's financial information relates to the services the City provides and the activities it performs.

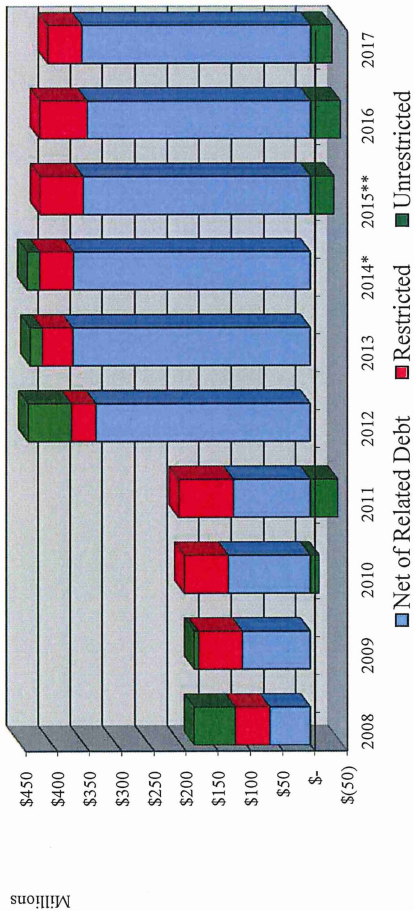
\*Due to the State of California's adoption of ABx1 26 on June 28, 2011, and amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolves redevelopment agencies as of January 31, 2012, there will be large variances between the fiscal years 2010-2011 and fiscal year 2011-2012 for some of the statistical references. The City of Pittsburg has assumed the responsibilities as the Successor Agency to administer all post activities for the former Pittsburg Redevelopment Agency.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*



**CITY OF PITTSBURG**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**



Fiscal Year Ended June 30,

	2008	2009	2010	2011	2012	2013	2014*	2015**	2016	2017
<b>Governmental activities</b>										
Net Investment in Capital Assets	\$ 18,733,410	\$ 32,357,570	\$ 59,908,182	\$ 46,442,103	\$ 252,487,708	\$ 281,680,787	\$ 275,604,919	\$ 268,580,073	\$ 255,982,568	\$ 253,993,565
Restricted	28,890,295	46,826,571	51,627,971	63,967,311	14,746,589	25,904,321	31,094,899	27,662,593	27,990,550	24,280,860
Unrestricted	50,069,992	(5,009,852)	(38,861,513)	(62,825,341)	58,656,185	6,994,639	8,632,467	(37,752,882)	(39,107,180)	(33,347,842)
Total governmental activities net position	\$97,693,697	\$74,174,289	\$72,674,640	\$47,584,073	\$325,890,482	\$314,579,747	\$315,332,285	\$258,489,784	\$244,865,938	\$244,926,583
<b>Business-type activities</b>										
Net Investment in Capital Assets	\$ 44,780,703	\$ 73,704,658	\$ 67,603,197	\$ 73,188,754	\$ 79,796,698	\$ 87,252,264	\$ 92,058,482	\$ 84,084,664	\$ 90,569,824	\$ 101,088,405
Restricted	24,190,306	20,189,744	16,057,202	20,709,344	23,822,298	21,659,904	21,038,895	39,342,518	45,659,407	28,553,531
Unrestricted	12,931,446	11,345,116	25,075,506	20,765,153	8,802,052	11,726,531	11,513,401	1,768,289	(6,475,018)	659,892
Total business-type activities net position	\$81,902,455	\$105,239,518	\$108,735,905	\$114,663,251	\$112,421,048	\$120,638,699	\$124,610,778	\$125,195,471	\$129,754,213	\$130,301,828
<b>Primary government</b>										
Net Investment in Capital Assets	\$ 63,514,113	\$ 106,062,228	\$ 127,511,379	\$ 119,630,857	\$ 332,284,406	\$ 368,933,051	\$ 367,663,401	\$ 352,664,737	\$ 346,552,392	\$ 355,081,970
Restricted	53,080,601	67,016,315	67,683,173	84,676,655	38,568,887	47,564,225	52,133,794	67,005,111	73,649,957	52,834,391
Unrestricted	63,001,438	6,335,264	(13,786,007)	(42,060,188)	67,458,237	18,721,170	20,145,868	(35,984,593)	(45,582,198)	(32,687,950)
Total primary government net position	\$179,596,152	\$179,413,807	\$181,410,545	\$162,247,324	\$438,311,530	\$435,218,446	\$439,943,063	\$383,685,255	\$374,620,151	\$375,228,411

\* FY 2013-2014 Fund balances had been restated as a result of reclass of Golf Course Fund from Enterprise Fund to Special Revenue Fund. See FY 2014-15 Note 9E for details.

\*\* FY 2014-15, THE City adopted GASB 68 and 71. See FY 2014-15 Note 11 for details.

**CITY OF PITTSBURG**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	
<b>Expenses</b>											
Governmental Activities:											
General Government	\$ 21,504,808	\$ 11,842,142	\$ 18,568,935	\$ 14,788,317	\$ 7,933,936	\$ 6,684,607	\$ 7,027,878	\$ 10,232,271	\$ 8,089,040	\$ 6,933,634	
Public Safety	19,147,330	37,075,329	20,844,081	20,111,317	22,929,002	20,955,624	22,683,125	24,833,843	26,746,601	25,990,472	
Public Works	16,356,492	15,020,101	13,685,011	19,975,441	16,741,235	19,679,890	16,305,801	18,213,277	19,237,901	15,776,982	
Community Development	31,332,797	37,032,108	22,565,100	25,958,714	26,418,644	23,214,430	18,705,444	21,998,387	23,752,847	23,263,875	
Culture and Recreation	1,854,555	1,741,484	733,417	476,739	595,285	699,730	806,965	862,068	1,012,670	1,019,460	
Interest on Long Term Debt	23,435,995	35,950,401	19,671,322	23,519,241	13,717,168	1,026,639	1,574,056	4,074,415	4,476,644	4,378,265	
Total Governmental Activities Expenses	113,631,977	138,661,565	96,067,866	104,829,769	88,335,270	72,260,920	67,103,269	80,214,261	83,315,703	77,362,688	
Business-Type Activities:											
Water	14,316,223	14,013,116	13,614,034	14,449,902	14,884,762	15,518,027	16,513,159	17,477,524	18,552,726	25,929,659	
Wastewater	1,972,310	2,218,519	2,407,534	2,317,726	2,442,521	2,212,309	2,490,191	2,264,022	2,583,101	3,176,015	
Marina	2,112,615	2,320,709	2,139,241	2,168,789	2,405,288	2,448,483	2,230,133	2,352,274	2,424,083	2,471,440	
Pittsburg Power*	-	-	-	-	-	-	5,659,707	6,670,282	6,597,065	6,569,528	
Other-Non-Major Enterprise Funds	7,430,302	7,607,155	7,563,600	5,552,384	5,147,173	4,984,797	821,344	750,765	972,469	1,512,250	
Total Business-Type Activities Expenses	25,831,450	26,159,499	25,724,409	24,488,801	24,879,744	25,163,616	27,714,534	29,514,867	31,129,444	39,658,892	
Total Primary Government Expenses	\$139,463,427	\$164,821,064	\$121,792,275	\$129,318,570	\$113,215,014	\$97,424,536	\$94,817,803	\$109,729,128	\$114,445,147	\$117,021,580	

<b>Program Revenues</b>											
Governmental Activities:											
Charges for Services:											
General Government	\$ 114,718	\$ 2,165,995	\$ 6,451,351	\$ 5,614,500	\$ 6,852,057	\$ 5,190,861	\$ 4,736,292	\$ 7,595,331	\$ 7,331,129	\$ 7,079,265	
Public Safety	750,286	1,054,367	1,287,433	987,348	1,044,743	842,598	1,072,098	1,206,225	1,472,062	1,793,282	
Public Works	2,930,076	1,186,331	5,733,983	2,755,943	3,596,128	4,356,858	905,135	524,555	772,724	668,273	
Community Development	4,318,365	8,392,107	5,914,983	6,498,599	19,229,249	8,189,144	7,054,779	4,685,299	7,203,571	5,989,087	
Culture and Recreation	419,320	198,873	212,184	257,627	420,047	685,418	762,357	733,235	834,970	911,855	
Operating Grants and Contributions	18,175,592	15,252,456	14,022,072	16,926,790	12,661,954	12,104,023	13,133,883	12,699,542	13,641,846	18,154,961	
Capital Grants and Contributions	5,243,189	2,193,823	1,119,989	929,465	3,997,403	314,203	979,706	48,709	545,127	3,705,925	
Total Government Activities Program Revenues	31,951,546	30,443,952	34,741,995	33,970,272	47,801,581	31,683,105	28,644,250	27,492,896	31,801,429	38,302,648	

Continued

**CITY OF PITTSBURG**  
**Changes in Net Position**  
**(continued)**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-Type Activities:										
Charges for Services:										
Water	15,780,234	15,121,036	16,695,089	16,880,039	17,276,044	19,605,199	19,640,140	18,979,002	19,559,288	20,352,786
Wastewater	3,305,065	3,846,151	4,471,813	4,373,309	4,566,645	5,049,987	4,918,873	5,123,475	5,264,897	5,241,131
Marina	1,732,960	1,829,397	1,681,500	1,850,375	1,942,681	1,914,502	2,020,396	2,071,214	1,931,707	2,011,270
Pittsburg Power Co.*	-	-	-	-	-	-	5,913,071	6,919,807	7,162,170	7,269,448
WaterFront Operations**	-	-	-	-	-	-	-	863,297	1,408,172	1,458,623
Other-Non-Major Enterprise Funds***	7,369,613	7,965,358	6,915,483	10,513,007	5,966,340	6,204,779	519,498	-	-	-
Operating Grants and Contributions	-	-	-	-	-	-	40,000	-	270,931	200,127
Capital Grants and Contributions	331,649	18,110,472	591,456	309,021	205,675	2,019,849	748,904	2,145,271	1,780,581	6,026,102
Total Business-Type Activities Program Revenue	28,519,521	46,872,414	30,355,341	33,925,751	29,957,385	34,794,316	33,800,882	36,102,066	37,377,746	42,559,487
Total Primary Government Program Revenues	\$60,471,067	\$77,316,366	\$65,097,336	\$67,896,023	\$77,758,966	\$66,477,421	\$62,445,132	\$63,594,962	\$69,179,175	\$80,862,135

189

**Net (Expense)/Revenue**

Governmental Activities	(\$81,680,431)	(\$108,217,613)	(\$61,325,871)	(\$70,859,497)	(\$40,533,689)	(\$40,577,815)	(\$38,459,019)	(\$52,721,365)	(\$51,514,274)	(\$39,060,040)
Business-Type Activities	2,688,071	20,712,915	4,630,932	9,436,950	5,077,641	9,630,700	6,086,348	6,587,199	6,248,302	2,900,595
Total Primary Government Net Expense	(\$78,992,360)	(\$87,504,698)	(\$56,694,939)	(\$61,422,547)	(\$35,456,048)	(\$30,947,115)	(\$32,372,671)	(\$46,134,166)	(\$45,265,972)	(\$36,159,445)

\*Pittsburg Power Co. was reported as Non-Major Enterprise Funds prior to FY 2014.

\*\*Waterfront Operation was reported as Non-Major Enterprise Funds prior to FY 2015.

\*\*\*Golf Course was reported as Non-Major Enterprise Funds prior to FY 2014 and had been reclassified to Special Revenue Fund in FY 2015.

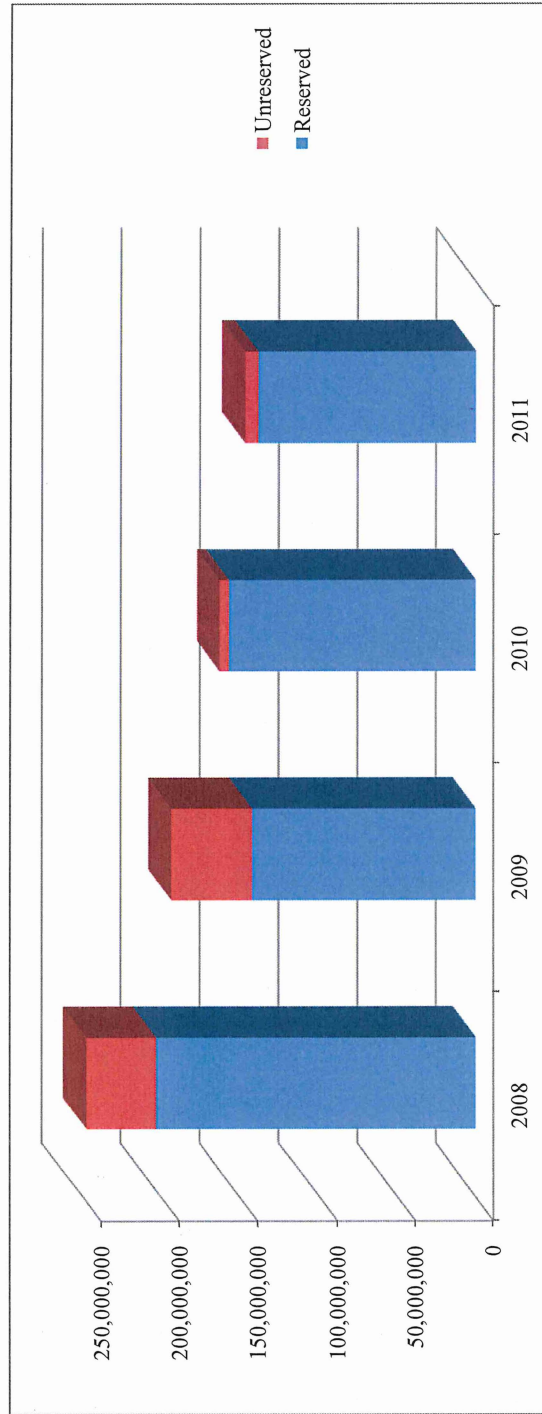
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**CITY OF PITTSBURG**  
**Changes in Net Position**  
**(continued)**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position</b>										
Governmental Activities:										
Taxes:										
Property Taxes	\$51,782,902	\$49,448,715	\$39,995,052	\$40,456,473	\$23,507,704	\$2,176,998	\$2,613,321	\$3,204,965	\$3,300,776	\$3,573,822
Sales Taxes	7,295,549	7,167,394	5,998,652	5,438,354	6,168,690	11,232,622	12,563,378	11,745,524	13,112,880	13,372,246
Motor Vehicle In-Lieu	4,871,681	4,714,411	4,019,459	3,936,649	4,470,104	3,727,494	3,795,560	4,169,031	4,422,099	4,544,316
Transient Occupancy Tax	172,734	185,120	256,226	279,852	361,238	447,537	503,265	645,115	710,501	758,814
Nonregulatory Franchise and Business	3,544,661	3,025,968	2,378,602	2,660,883	3,103,823	3,890,567	4,063,561	4,327,160	4,638,074	4,706,887
Interest Earnings	11,718,198	10,602,828	2,414,528	2,314,878	1,583,156	74,095	600,555	539,473	743,082	329,042
Other	940,352	1,166,245	3,309,593	7,375,344	6,822,671	8,252,592	13,172,704	8,556,333	8,608,044	9,095,222
Transfers	10,773,070	6,242,560	1,454,110	3,957,110	273,042,911	1,681,364	2,342,747	2,677,386	2,354,972	2,774,890
Gain (loss) on sale of assets	-	-	-	(18,539,878)	-	-	-	-	-	(34,554)
Total Government Activities	91,099,147	82,553,241	59,826,222	47,879,665	319,060,297	31,483,269	39,655,091	35,864,987	37,890,428	39,120,685
Business-Type Activities:										
Interest Earnings	1,961,224	1,093,600	321,967	447,506	400,199	268,315	129,786	440,462	665,412	325,437
Transfers	(8,688,861)	(6,242,560)	(1,454,110)	(3,957,110)	(7,720,043)	(1,681,364)	(2,342,747)	(2,677,386)	(2,354,972)	(2,774,890)
Gain (loss) on sale of assets	-	-	-	-	-	-	98,692	63,754	-	96,473
Total Business-Type Activities	(6,727,637)	(5,148,960)	(1,132,143)	(3,509,604)	(7,319,844)	(1,413,049)	(2,114,269)	(2,173,170)	(1,689,560)	(2,352,980)
Total Primary Government	\$84,371,510	\$77,404,281	\$58,694,079	\$44,370,061	\$311,740,453	\$30,070,220	\$37,540,822	\$33,691,817	\$36,200,868	\$36,767,705
<b>Change in Net Position</b>										
Governmental Activities	\$9,418,716	(\$25,664,372)	(\$1,499,649)	(\$22,979,832)	\$278,126,409	(\$9,094,546)	\$1,196,072	(\$16,856,378)	(\$13,623,846)	\$60,645
Business-Type Activities	(4,039,566)	15,563,955	3,498,789	5,927,346	(2,242,203)	8,217,651	3,972,079	4,414,029	4,558,742	547,615
Total Primary Government	5,379,150	(10,100,417)	1,999,140	(17,052,486)	275,884,206	(876,895)	5,168,151	(12,442,349)	(9,065,104)	608,260
Prior Period Adjustment (See Note 9F)	-	-	-	-	-	-	-	(44,258,992)	-	-
Total Primary Government after adjustment	\$5,379,150	(\$10,100,417)	\$1,999,140	(\$17,052,486)	\$275,884,206	(\$876,895)	\$5,168,151	(\$56,701,341)	(\$9,065,104)	\$608,260

Due to the dissolution of Redevelopment Agency in Jan. 2012, trend information might be shrewd due to this one time event.  
In FY 2014-15, implementation of GASB 68 & 71 resulted in prior period adjustments.

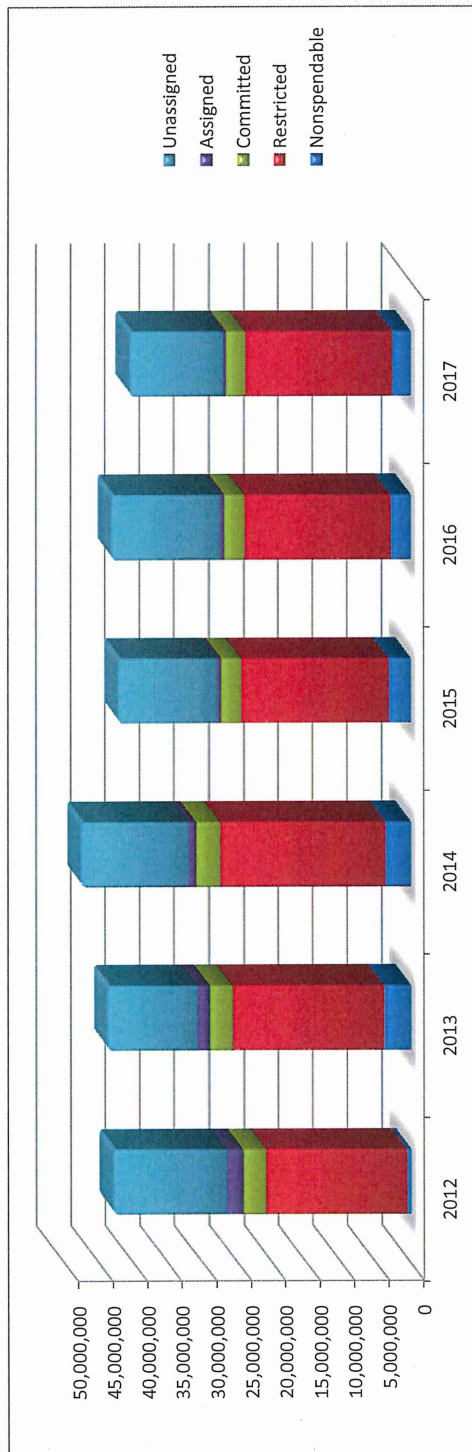
**CITY OF PITTSBURG**  
**Fund Balances of Governmental Funds**  
**First Four Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**(Pre GASB 54 Implementation)**



	2008	2009	2010	2011
<b>General Fund</b>				
Reserved	\$ 208,767	\$ 202,586	\$ 215,249	\$ 2,339,015
Unreserved	10,793,012	6,428,850	6,798,062	16,456,660
Total General Fund	11,001,779	6,631,436	7,013,311	18,795,675
<b>All Other Governmental Funds</b>				
Reserved	203,272,346	142,074,124	156,737,984	136,320,414
Unreserved, designated	33,855,453	45,107,266	(777,130)	(8,180,337)
Unreserved, reported in:				
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Total all other governmental funds	237,127,799	187,181,390	155,960,854	128,140,077
<b>Total Government Funds</b>				
Reserved	203,481,113	142,276,710	156,953,233	138,659,429
Unreserved	44,648,465	51,536,116	6,020,932	8,276,323
Total Government Funds	\$ 248,129,578	\$ 193,812,826	\$ 162,974,165	\$ 146,935,752



**CITY OF PITTSBURG**  
**Fund Balances of Governmental Funds**  
**Last Six Fiscal Years**  
**(Post GASB 54 FY2011 Implementation)**



	Fiscal Year Ended June 30,					
	2012	2013	2014	2015	2016	2017
<b>General Fund</b>						
Nonspendable	\$ 305,497	\$ 3,054,208	\$ 3,370,929	\$ 2,904,078	\$ 2,642,564	\$ 2,410,696
Assigned	2,254,797	1,574,732	1,057,673	538,194	666,486	434,778
Unassigned	16,513,473	13,544,751	16,185,068	14,613,983	15,957,212	17,037,283
<b>Total General Fund</b>	<b>19,073,767</b>	<b>18,173,691</b>	<b>20,613,670</b>	<b>18,056,255</b>	<b>19,266,262</b>	<b>19,882,757</b>
<b>All Other Governmental Funds</b>						
Nonspendable	288,763	823,003	294,491	291,360	272,138	272,243
Restricted	20,415,122	21,970,943	23,930,077	21,381,490	21,194,534	21,316,430
Committed	3,317,275	3,228,348	3,399,608	2,875,776	2,877,225	2,756,478
Assigned	86,405	220,995	56,642	47,972	14,354	29,349
Unassigned	(271,836)	(677,255)	(706,698)	(486,548)	(455,164)	(3,745,132)
<b>Total all other governmental funds</b>	<b>23,835,729</b>	<b>25,566,034</b>	<b>26,974,120</b>	<b>24,110,050</b>	<b>23,903,087</b>	<b>20,629,368</b>
<b>Total Government Funds</b>						
Nonspendable	594,260	3,877,211	3,665,420	3,195,438	2,914,702	2,682,939
Restricted	20,415,122	21,970,943	23,930,077	21,381,490	21,194,534	21,316,430
Committed	3,317,275	3,228,348	3,399,608	2,875,776	2,877,225	2,756,478
Assigned	2,341,202	1,795,727	1,114,315	586,166	680,840	464,127
Unassigned	16,241,637	12,867,496	15,478,370	14,127,435	15,502,048	13,292,151
<b>Total Fund Balances</b>	<b>\$ 42,909,496</b>	<b>\$ 43,739,725</b>	<b>\$ 47,587,790</b>	<b>\$ 42,166,305</b>	<b>\$ 43,169,349</b>	<b>\$ 40,512,125</b>

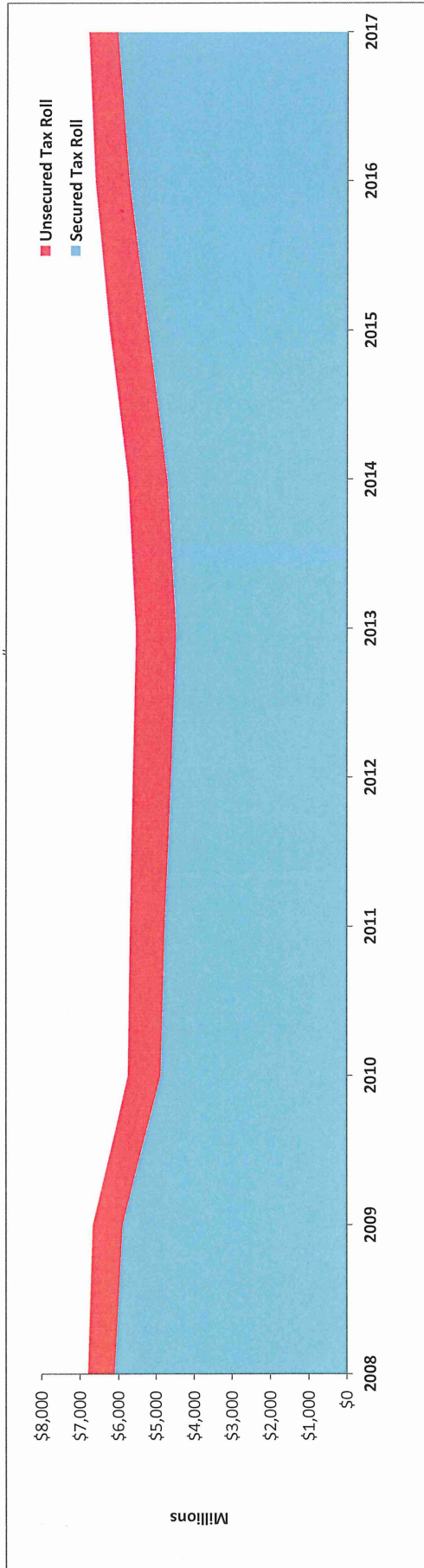
\* See Note on Statistics Introduction Tab which explains the Jan 2012 RDA Dissolution by State of California  
For additional Detail on Fund Classifications, see Note 9 of Notes to Basic Financial Statements

**CITY OF PITTSBURG**  
**Changes in Fund Balance of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
 {in thousands}

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues</b>										
Taxes	\$ 65,453	\$ 62,819	\$ 54,174	\$ 56,023	\$ 40,582	\$ 29,727	\$ 31,968	\$ 32,648	\$ 34,792	\$ 31,624
Licenses, permits and fees	2,091	599	1,145	2,120	2,794	3,633	1,888	1,635	2,566	3,532
Fines and forfeitures	880	670	185	175	187	168	187	172	325	308
Use of money and property	11,444	10,602	2,780	2,764	1,689	61	615	542	743	329
Intergovernmental revenues	25,119	23,692	21,089	23,118	27,584	17,627	16,060	14,135	15,455	24,098
Charges for services	4,810	5,705	4,879	6,205	4,071	7,333	7,400	9,984	10,126	9,894
Other	2,360	2,641	7,470	3,738	7,557	3,484	3,432	3,027	4,019	3,957
<b>Total Revenues</b>	<b>112,157</b>	<b>106,728</b>	<b>91,722</b>	<b>94,143</b>	<b>84,464</b>	<b>62,033</b>	<b>61,550</b>	<b>62,143</b>	<b>68,026</b>	<b>73,742</b>
<b>Expenditures</b>										
Current:										
General government	20,127	18,473	16,766	13,528	12,496	3,869	5,454	8,217	6,740	7,321
Public safety	18,141	18,819	19,334	19,253	19,536	19,580	20,842	23,149	24,797	25,895
Public works	8,889	8,295	8,394	11,947	6,609	5,849	7,371	8,469	7,107	7,859
Community development	37,243	33,465	23,809	38,541	29,535	27,909	22,388	22,286	22,393	25,440
Culture and recreation	1,855	1,741	733	476	595	1,855	733	700	862	1,019
Capital outlay	49,763	29,245	24,467	10,262	4,901	1,446	813	3,474	2,738	6,600
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal repayment	7,550	9,311	8,269	9,667	11,485	375	450	589	2,016	2,083
Interest and fiscal charges	25,261	32,089	23,205	23,121	13,598	1,609	1,588	2,890	2,315	2,264
<b>Total Expenditures</b>	<b>168,829</b>	<b>151,438</b>	<b>124,977</b>	<b>126,795</b>	<b>98,755</b>	<b>62,492</b>	<b>59,639</b>	<b>69,774</b>	<b>68,968</b>	<b>78,481</b>
Excess (deficiency) of revenues over (under) expenditures	<b>(56,672)</b>	<b>(44,710)</b>	<b>(33,255)</b>	<b>(32,652)</b>	<b>(14,291)</b>	<b>(459)</b>	<b>1,911</b>	<b>(7,631)</b>	<b>(942)</b>	<b>(4,739)</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	94,537	87,911	111,605	68,170	45,327	7,235	5,084	6,547	6,814	6,875
Transfers (out)	(83,373)	(82,193)	(110,316)	(63,633)	(37,343)	(5,950)	(3,169)	(4,499)	(4,869)	(4,793)
Capital Contributions	(15)	-	-	-	-	-	-	-	-	-
Refunding tax allocation bonds	-	(79,665)	-	-	-	-	-	-	-	-
Payment to escrow Account	-	-	-	-	-	-	-	-	-	-
Tax allocation bonds issued	-	61,661	-	-	-	-	-	-	-	-
Bond Issuance Costs	(13)	-	-	-	-	-	-	-	-	-
Sale of capital assets	2,315	2,680	1,127	(18,553)	2,211	4	22	4	0	0
<b>Total other financing sources (uses)</b>	<b>13,451</b>	<b>(9,606)</b>	<b>2,416</b>	<b>(14,016)</b>	<b>10,195</b>	<b>1,289</b>	<b>1,937</b>	<b>2,052</b>	<b>1,945</b>	<b>2,082</b>
<b>Net Change in fund balances before</b>	<b>\$ (43,221)</b>	<b>\$ (54,316)</b>	<b>\$ (30,839)</b>	<b>\$ (46,668)</b>	<b>\$ (4,096)</b>	<b>\$ 830</b>	<b>\$ 3,848</b>	<b>\$ (5,579)</b>	<b>\$ 1,003</b>	<b>\$ (2,657)</b>
<i>Extraordinary Items (Note 4)</i>										
Assets Transferred to Housing Successor					\$ (2,002)					
Liabilities Assumed by Successor Agency					(97,928)					
<b>NET Change in Fund Balances</b>					<b>\$ (104,026)</b>					
Debt service as a percentage of noncapital expenditures	26.6%	29.2%	32.7%	31.9%	25.9%	3.3%	3.5%	5.2%	6.5%	6.0%

\* Intergovernmental Revenues Re-classified to Program Income & Other Taxes  
 RDA no longer classified as Government fund due to dissolution in FY 2011-2012.

**CITY OF PITTSBURG**  
Assessed and Estimated Actual  
Value of Taxable Property  
Last Ten Fiscal Years



Fiscal Year	Secured Tax Roll			Unsecured Tax Roll	GROSS Tax Roll	LESS: Exemptions		NET Assessed Valuation (a)	Total Direct Tax Rate (b)
	Land	Improvements	Personal Property			HOPTR (1)	Others		
2008	\$ 2,079,929,185	\$ 3,998,818,379	\$ 27,034,992	\$ 692,059,619	\$ 6,797,842,175	\$ 66,662,966	\$ 129,436,694	\$ 6,601,742,515	0.74171
2009	1,886,619,969	3,977,346,545	29,871,943	782,213,672	6,676,052,129	66,141,210	138,181,611	6,471,729,308	0.74057
2010	1,355,858,246	3,488,509,274	35,030,993	868,770,588	5,748,169,101	65,495,515	148,448,271	5,534,225,315	0.73534
2011	1,271,652,002	3,468,075,002	32,556,725	921,168,099	5,693,451,828	64,704,851	174,568,314	5,454,178,663	0.73265
2012	1,199,342,285	3,380,327,868	29,398,082	1,000,793,072	5,609,861,307	62,930,462	163,259,839	5,383,671,006	0.73307
2013	1,154,280,061	3,284,318,842	29,454,784	1,058,290,739	5,526,344,426	61,050,228	167,858,949	5,297,435,249	0.72809
2014	1,244,373,590	3,426,800,074	29,431,527	1,030,705,786	5,731,310,977	58,985,158	184,163,403	5,488,162,416	0.17411
2015	1,431,988,767	3,744,776,351	29,751,906	1,033,971,545	6,240,488,569	57,725,918	187,268,875	5,995,493,776	0.14854
2016	1,596,856,457	4,088,152,986	28,100,163	905,755,131	6,618,864,737	57,212,685	195,920,004	6,365,732,048	0.15020 <sup>2</sup>
2017	1,734,578,352	4,271,018,852	31,382,377	763,128,074	6,800,107,655	56,350,900	203,066,563	6,540,690,192	0.15142

(1) Homeowners' Property Tax Relief

(2) Direct Tax Rate for FY 14-15 has been updated to reflect the ABR adjustment for the first time on 2014-15 tax roll after CAFR was issued.

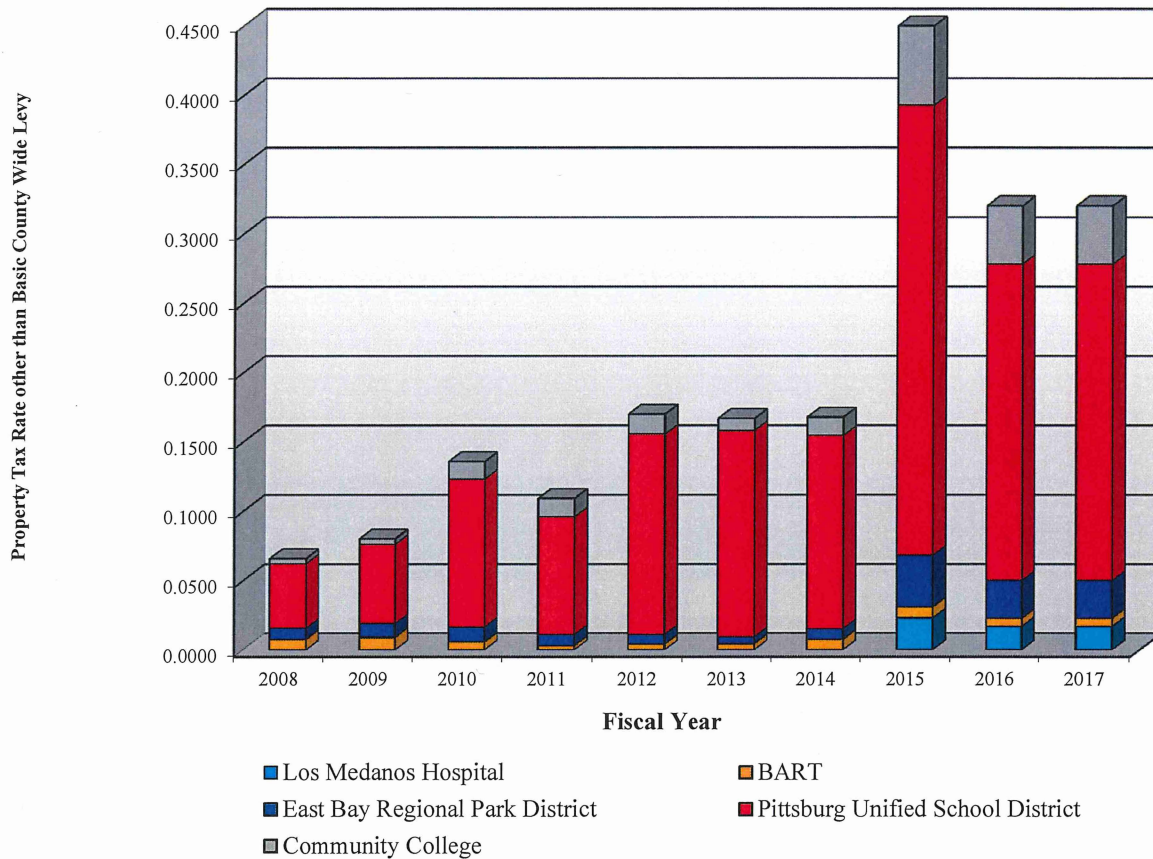
(a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

(b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. Beginning in 2013/14 the total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations



**CITY OF PITTSBURG**  
**Property Tax Rates**  
**All Overlapping Governments**  
**Last Ten Fiscal Years**



Fiscal Year	Basic County Wide Levy	Pittsburg Direct Rate*	Los Medanos Hospital	Bay Area Rapid Transit	East Bay Regional Park District	Pittsburg Unified School District	Community College	Total
2008	1.0000	0.74171	0.0000	0.0076	0.0080	0.0465	0.0038	1.8000
2009	1.0000	0.74057	0.0000	0.0090	0.0100	0.0571	0.0040	1.8117
2010	1.0000	0.73534	0.0000	0.0057	0.0108	0.1066	0.0126	1.8653
2011	1.0000	0.73265	0.0000	0.0031	0.0080	0.0848	0.0133	1.8388
2012	1.0000	0.73307	0.0000	0.0041	0.0071	0.1443	0.0144	1.8989
2013	1.0000	0.72809	0.0000	0.0043	0.0051	0.1487	0.0087	1.8906
2014	1.0000	0.17411	0.0000	0.0075	0.0078	0.1391	0.0133	1.3343
2015	1.0000	0.14854	0.0231	0.0079	0.0373	0.3241	0.0572	1.5902
2016 <sup>1</sup>	1.0000	0.15020	0.0170	0.0058	0.0273	0.2280	0.0419	1.4644
2017	1.0000	0.15142	0.0170	0.0058	0.0273	0.2280	0.0419	1.4656

\* Pittsburg Direct Rate = the weighted average of City's Share of 1% levy & Redevelopment Rate

1. Direct Tax Rate for FY 14-15 has been updated to reflect the AB8 adjustment for the first time on 2014-15 tax roll after CAFR was issued.

Source: Contra Costa County Assessors Office & Hdl Coren & Cone

**CITY OF PITTSBURG**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

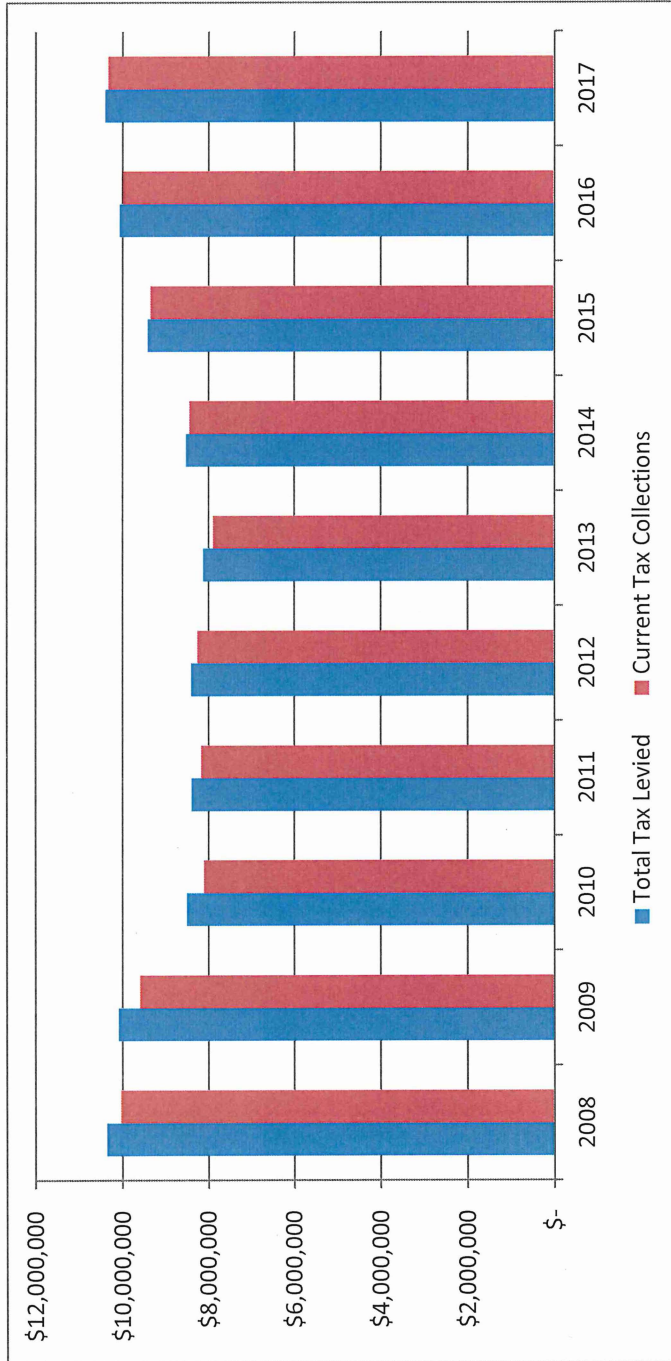
<b>Taxpayer</b>	<b>2016-17</b>			<b>2007-08</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
USS - Posco Industries	\$ 249,394,692	1	3.78%	\$ 291,217,340	3	4.37%
Delta Energy Center	241,534,000	2	3.66%	405,100,000	1	6.07%
Calpine Corporation	231,000,000	3	3.50%	381,750,000	2	5.72%
Dow Agrosiences LLC	181,211,141	4	2.75%	219,089,341	4	3.29%
K2 Pure Solution	135,666,346	5	2.06%			
Dow Chemical Company	121,545,946	6	1.84%			
Sierra Pacific Properties	112,443,277	7	1.70%	94,024,792	5	1.41%
KW Kirker Creek LLC	99,878,586	8	1.51%	76,080,329	6	1.14%
Century Plaza Corporation	68,597,551	9	1.04%	56,134,235	8	0.84%
San Marco Properties LLC	64,738,924	10	0.98%			
Seecon Financial				65,042,049	7	0.98%
Ora Vineyard 162 LLC				37,467,500	9	0.56%
Ora Victory 125 LLC				32,038,900	10	0.48%
Subtotal	<u>\$ 1,506,010,463</u>		<u>22.83%</u>	<u>\$ 1,657,944,486</u>		<u>24.86%</u>

Total Net Assessed Valuation:

Fiscal Year 2016-17	\$6,597,041,092
Fiscal Year 2007-08	\$6,668,451,676

Source: Hdl Coren & Cone

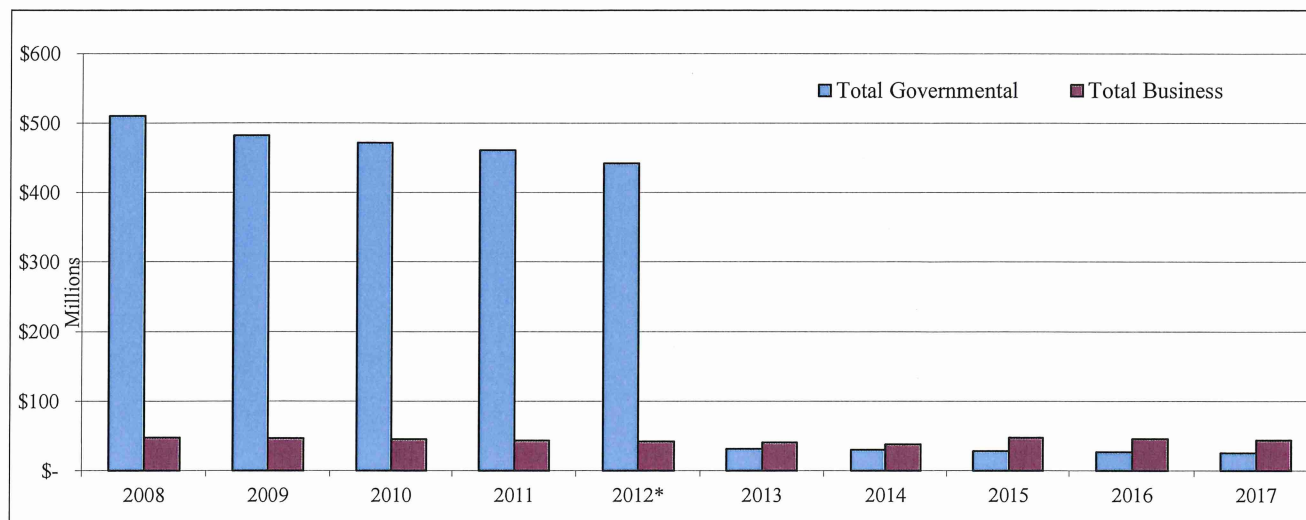
**CITY OF PITTSBURG**  
**Property Tax Levies and Collections June 30**  
**Last Ten Fiscal Years**



Fiscal Year	Total Tax Levied	Current Tax		Percent of Levy		Delinquent Tax Collections <sup>1</sup>	Total Tax Collections	Percent of Total Tax	
		Collections	Amount	County Collected <sup>1</sup>	%			To Tax Levy	Delinquent Amount
2008	\$ 10,360,164	\$ 10,027,449	\$ 332,716	96.79%	-	\$ 10,027,449	96.79%	3.21%	
2009	10,091,171	9,594,691	496,480	95.08%	-	9,594,691	95.08%	4.92%	
2010	8,502,712	8,099,570	403,142	95.26%	-	8,099,570	95.26%	4.74%	
2011	8,398,671	8,171,082	227,589	97.29%	-	8,171,082	97.29%	2.71%	
2012	8,399,298	8,255,063	144,235	98.28%	-	8,255,063	98.28%	1.72%	
2013	8,119,308	7,891,110	228,198	97.19%	-	7,891,110	97.19%	2.81%	
2014	8,520,700	8,441,966	78,734	99.08%	-	8,441,966	99.08%	0.92%	
2015	9,425,580	9,353,530	72,050	99.24%	-	9,353,530	99.24%	0.76%	
2016	10,060,215	9,991,126	72,008	99.31%	-	9,991,126	99.31%	0.72%	
2017	10,398,911	10,327,316	71,496	99.31%	-	10,327,316	99.31%	0.69%	

<sup>1</sup> The County provides the City 100% of its tax levy under the "Teeter Plan", an agreement which allows the County to keep all interest and delinquency charges collected.

**CITY OF PITTSBURG**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**



Fiscal Year	Governmental Activities			
	Tax Allocation Bonds	Pass Through Obligations	Special Assessment Debt	Special Assessment Debt
2008	\$ 465,191,354	\$ 8,186,499	\$ 36,655,000	\$ 510,032,853
2009	438,152,213	8,050,000	35,675,000	481,877,213
2010	430,167,213	6,488,051	34,650,000	471,305,264
2011	420,857,213	6,342,224	33,580,000	460,779,437
2012*	409,672,213	-	32,490,000	442,162,213
2013	-	-	31,175,000	31,175,000
2014	-	-	29,815,000	29,815,000
2015	-	-	27,975,000	27,975,000
2016	-	-	26,805,000	26,805,000
2017	-	-	25,310,000	25,310,000

Fiscal Year	Business-Type Activities				Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	Water Revenue Bonds	Sewer Revenue Bonds	I-Bank Loan	Total			
2008	\$ 37,945,000	\$ 9,740,000	\$ -	\$ 47,685,000	\$ 557,717,853	0.00%	\$ 8,762
2009	37,260,000	9,185,000	-	46,445,000	528,322,213	0.00%	8,178
2010	36,425,000	8,615,000	-	45,040,000	516,345,264	0.00%	7,948
2011	35,515,000	8,025,000	-	43,540,000	504,319,437	0.00%	8,021
2012	34,580,000	7,420,000	-	42,000,000	484,162,213	0.00%	7,488
2013	33,620,000	6,800,000	-	40,420,000	71,595,000	0.00%	1,090
2014	32,610,000	5,342,000	-	37,952,000	67,767,000	0.00%	1,016
2015	31,575,000	4,601,000	11,387,398	47,563,398	75,538,398	0.00%	1,109
2016	30,485,000	3,864,000	11,167,171	45,516,171	72,321,171	0.00%	1,042
2017	29,605,000	3,111,000	10,939,216	43,655,216	68,965,216	0.00%	976

Note : Debt amounts exclude any premiums, discounts, or other amortization amounts.

\*With the dissolution of RDA in January 2012, the debts related to Former RDA moved to Successor Agency

Sewer Revenue Bond was fully defeased as of June 30, 2014. It has been replaced with a private placement debt.

Please refer to Note 7 for further information.

Sources: City of Pittsburgh

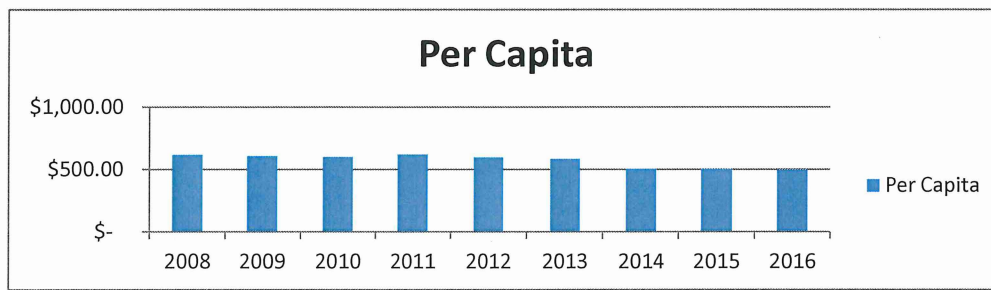
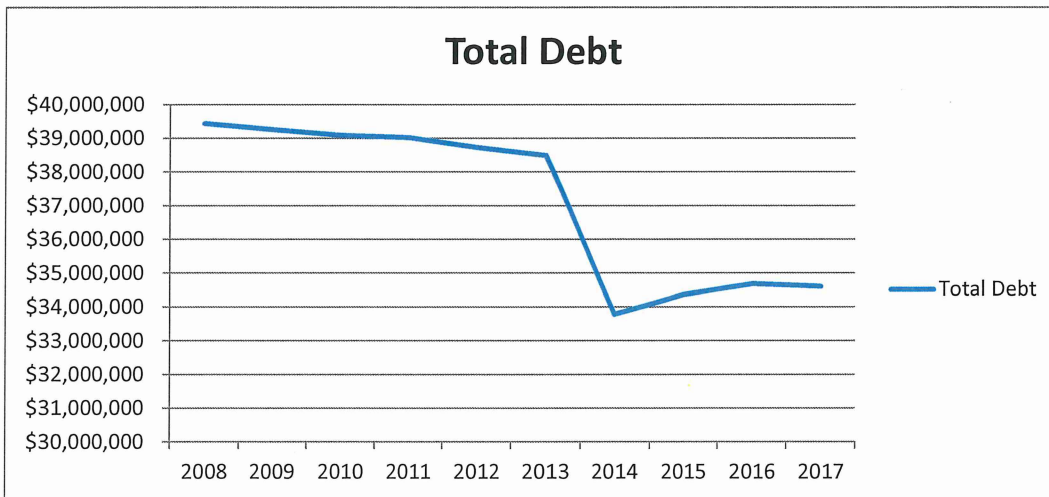
State of California, Department of Finance (population)

U.S. Department of commerce, Bureau of the Census (income)

(a) See Schedule of Demographic and Economic Statistics for personal income and population data.



**CITY OF PITTSBURG**  
**Ratio of Pension Obligation Debt Outstanding**  
**Last Ten Fiscal Years\***



General Government Debt Outstanding					Percentage of		
Fiscal Year	POB Bonds	Capital Lease	CEC Energy	Total Debt	Total Gross Revenue	Per Capita	Debt Per Assessed Value
2008	\$ 39,441,056	\$ -	\$ -	\$ 39,441,056	35.17%	\$ 619.64	0.60%
2009	39,266,056	-	-	39,266,056	36.79%	607.83	0.61%
2010	39,091,056	-	-	39,091,056	42.62%	601.71	0.71%
2011	39,026,056	-	-	39,026,056	41.45%	620.67	0.72%
2012	38,726,056	-	-	38,726,056	45.85%	598.92	0.72%
2013	38,351,056	139,171	-	38,490,227	62.05%	586.17	0.73%
2014	33,157,051	105,815	526,313	33,789,179	54.90%	506.62	0.62%
2015	33,826,975	71,520	467,166	34,365,661	55.30%	504.34	0.57%
2016	34,036,850	240,114	406,268	34,683,232	50.99%	499.59	0.54%
2017	34,104,558	160,696	343,493	34,608,747	50.88%	489.66	0.53%

Pension Obligation Bonds (POB) issued June 2006.

The POB Bonds service schedule includes the accreted amount of Capital Appreciation Bonds.

**CITY OF PITTSBURG**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2017**

2016-17 Assessed Valuation (2)

\$2,271,410,220

	Total Debt Outstanding 6/30/2016	Percentage Applicable To City of Pittsburg (1)	Amount Applicable To City of Pittsburg
<u>Direct Debt</u>			
2006 Pension Obligation Bonds	\$ 32,016,850	100.000%	\$ 32,016,850
Capital Lease - Street Sweeper / VOIP	160,696	100.000%	160,696
SUB-TOTAL Direct Debt			<u>32,177,546</u>
<u>Overlapping Debt</u>			
Contra Costa County Pension Debt	185,830,000	3.610%	6,708,421
CCC PFA 1998A Lease Revenue Bonds	11,555,000	3.610%	417,133
CCC PFS 1999A Lease Revenue Bonds	9,050,000	3.610%	326,703
CCC PFS 2002A Lease Revenue Bonds	6,185,000	3.610%	223,277
CCC PFS 2002B Lease Revenue Bonds	2,825,000	3.610%	101,982
CCC PFS 2003A Lease Revenue Bonds	5,065,000	3.610%	182,845
CCC PFS 2007A Lease Revenue Bonds	121,185,000	3.610%	4,374,751
CCC PFS 2007B Lease Revenue Bonds	3,655,000	3.610%	131,945
CCC PFS 2009A Lease Revenue Bonds	13,738,985	3.610%	495,974
CCC PFS 2010A-1 Lease Revenue Bonds	3,120,000	3.610%	112,631
CCC PFS 2010A-2 Lease Revenue Bonds	13,130,000	3.610%	473,990
CCC PFS 2010A-3 Lease Revenue Bonds	20,700,000	3.610%	747,265
CCC PFS 2010B Lease Revenue Bonds	11,170,000	3.610%	403,234
CCC PFS 2012 Lease Revenue Bonds	9,839,621	3.610%	355,208
CCC PFS 2015A&B Lease Revenue Bonds	63,090,000	3.610%	2,277,535
CCC PFS 2017A Lease Revenue Bonds	99,810,000	3.610%	3,603,118
CCC PFS 2017B Lease Revenue Bonds	100,285,000	3.610%	3,620,266
Contra Costa Fire	75,540,000	7.862%	5,938,917
BART	250,836,245	3.610%	9,055,131
East Bay Regional Park Bond	53,895,650	3.610%	1,945,621
Antioch USD SFID 1	62,533,791	3.381%	2,114,574
Antioch USD SFID 1 2012	53,565,000	3.381%	1,811,295
Mt. Diablo 2002 Bond	310,025,000	3.693%	11,450,256
Mt. Diablo 2010 Bond	318,515,433	3.693%	11,763,836
Pittsburg Unified 2004	79,415,000	97.885%	77,735,222
Pittsburg Unified 2006	154,810,000	97.885%	151,534,474
Pittsburg Unified 2010	97,763,211	97.885%	95,695,333
Pittsburg Unified 2014	46,970,000	97.885%	45,976,495
Contra Costa Community College 2002 Bond	174,490,000	3.623%	6,322,457
Contra Costa Community College 2006 Bond	291,710,000	3.623%	10,569,798
Contra Costa Community College 2014 Bond	84,440,000	3.623%	3,059,592
Sub-Total Overlapping Debt			<u>459,529,279</u>
Total Direct and Overlapping Debt			<u>\$ 491,706,825</u>

DEBT TO ASSESSED VALUATION RATIOS

Direct Debt	1.42%
Overlapping Debt	20.23%
Total Debt	21.65%

(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

(2) Net of \$4,325,630,872 Redevelopment Incremental Valuation

Source: HDL Coren & Cone, Contra Costa County Assessor and Auditor combined 2016/17 Lien Date Tax Rolls

**CITY OF PITTSBURG**  
**Computation of Legal Bonded Debt Margin**  
**June 30, 2017**

ASSESSED VALUATION:

All property assessed value, net of exempt real property	\$ 2,271,410,220 (1)
---	----------------------

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)	\$ 85,177,883
---	---------------

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt	\$ -
Less Tax Allocation Bonds and Sales Tax Revenue Bonds, Certificate of Participation not subject to limit	-
Amount of debt subject to limit	-

LEGAL BONDED DEBT MARGIN	\$ 85,177,883
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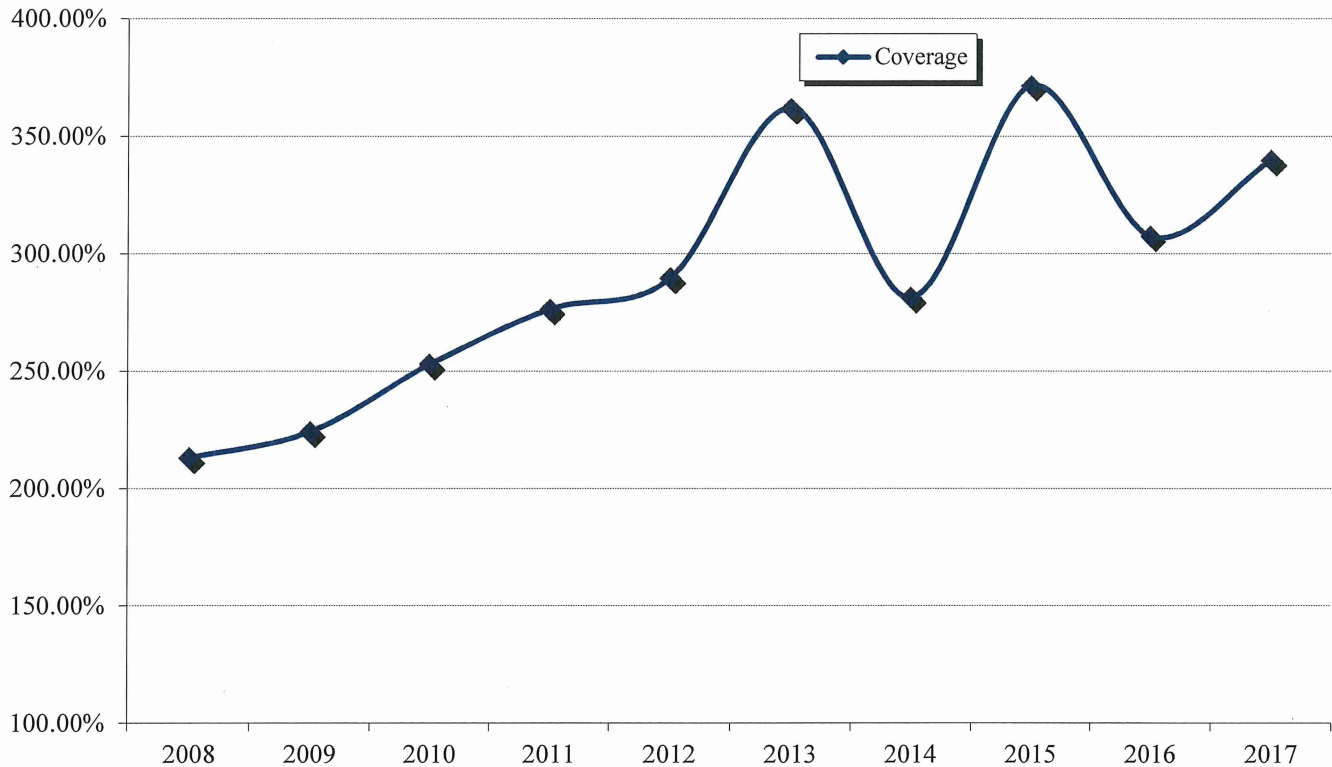
Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2008	\$ 80,491,813	\$ -	\$ 80,491,813	0.00%
2009	79,517,400	-	79,517,400	0.00%
2010	69,553,156	-	69,553,156	0.00%
2011	68,710,034	-	68,710,034	0.00%
2012	67,444,590	-	67,444,590	0.00%
2013	66,188,501	-	66,188,501	0.00%
2014	72,867,133	-	72,867,133	0.00%
2015	80,190,642	-	80,190,642	0.00%
2016	83,934,464	-	83,934,464	0.00%
2017	85,177,883	-	85,177,883	0.00%

NOTE:

(1) Net of \$4,325,630,872 Redevelopment Incremental Valuation

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

**CITY OF PITTSBURG**  
**Revenue Bond Coverage**  
**Wastewater Revenue Bonds**



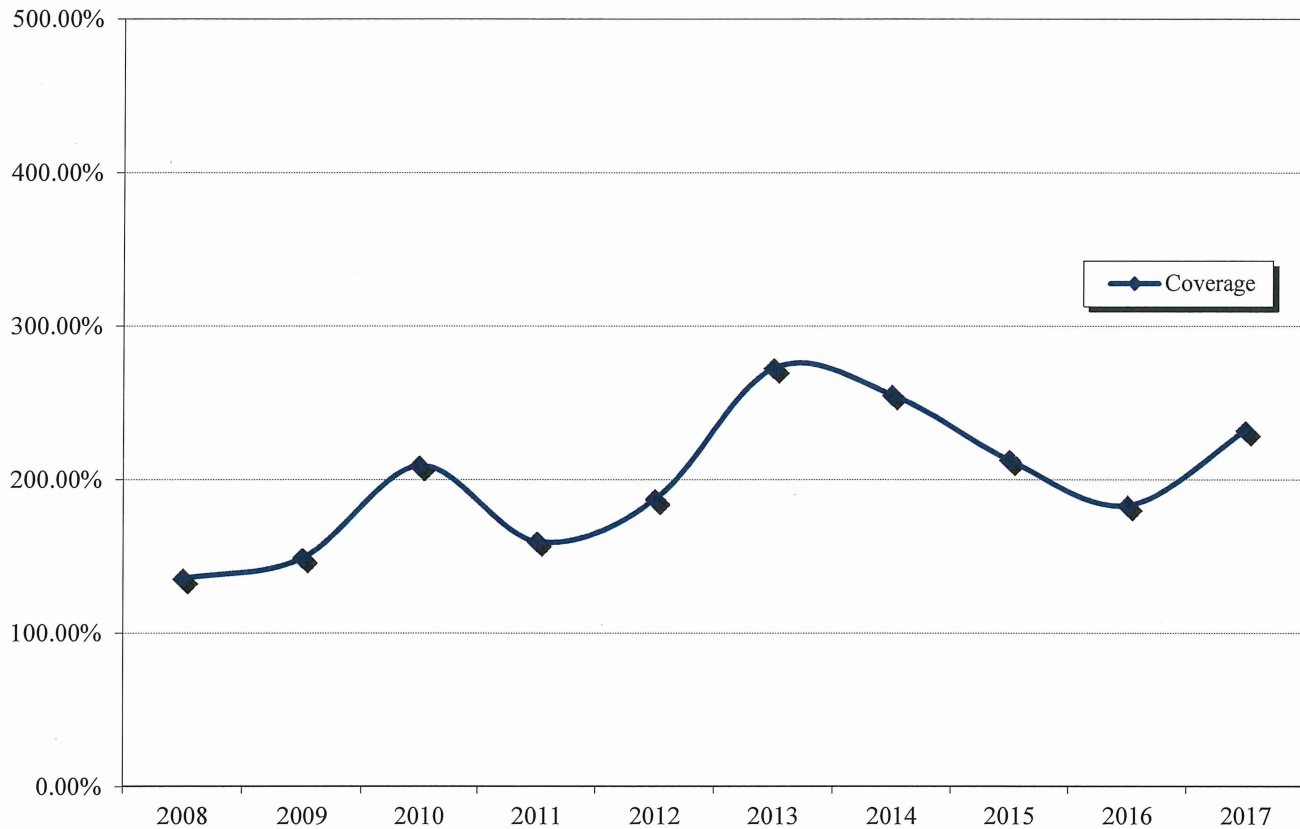
Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	\$ 3,534,174	\$1,571,582	\$ 1,962,592	\$ 545,000	\$ 376,049	\$ 921,049	2.13
2009	3,951,296	1,887,607	2,063,689	555,000	365,802	920,802	2.24
2010	4,431,558	2,032,469	2,399,089	570,000	378,784	948,784	2.53
2011	4,407,092	1,846,762	2,560,330	590,000	336,436	926,436	2.76
2012	4,651,016	1,971,734	2,679,282	605,000	320,198	925,198	2.90
2013	5,111,678	1,799,354	3,312,324	620,000	295,207	915,207	3.62
2014	4,917,728	1,992,182	2,925,546	640,000	399,786	1,039,786	2.81
2015	5,022,745	1,965,165	3,057,580	741,000	81,986	822,986	3.72
2016	5,024,185	2,547,410	2,476,775	737,000	68,464	805,464	3.07
2017	5,107,869	2,355,218	2,752,651	753,000	56,986	809,986	3.40

Notes: Interest is lowered due to the refunding of the 2004 Wastewater Bond (per Resolution 14-0270 dated 6/6/14. The City executed a private Installment Sale Agreement with Bank of the West for a lower interest rate of 1.55% per annum.

Source: City of Pittsburgh Annual Financial Statements as analyzed by Finance Division Revenue Manager



**CITY OF PITTSBURG**  
**Revenue Bond Coverage**  
**2016 (Refunded 1997, 2005, and 2008) Water Revenue Bonds**

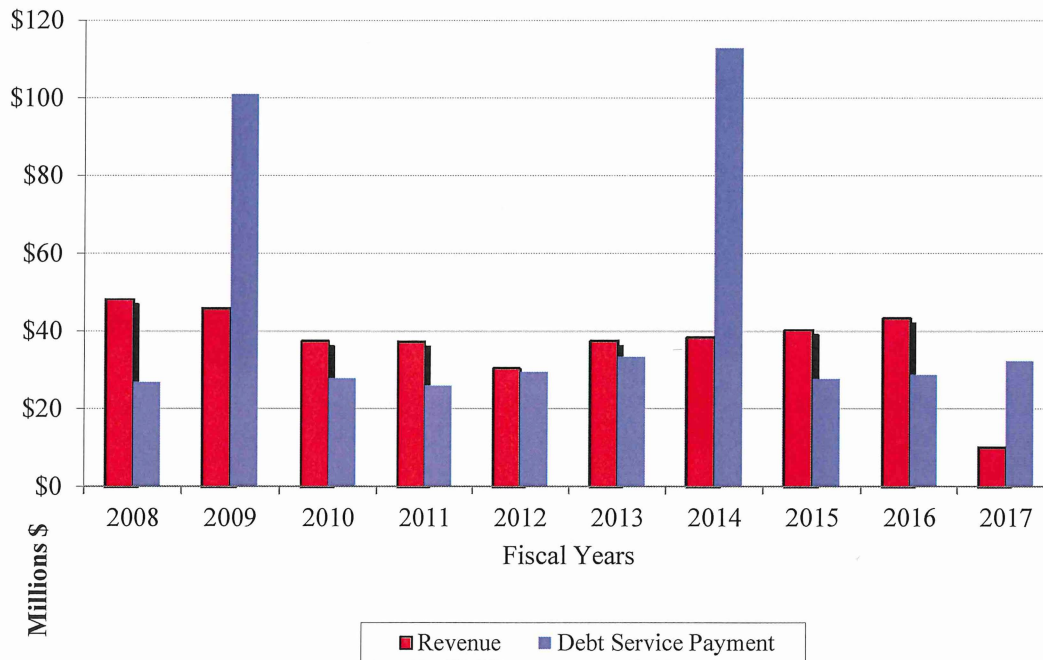


Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	\$15,416,932	\$11,777,521	\$ 3,639,411	\$ 450,000	\$ 2,231,718	\$ 2,681,718	1.36
2009	15,261,927	11,776,223	3,485,704	450,000	1,887,100	2,337,100	1.49
2010	16,489,040	11,380,669	5,108,371	685,000	1,756,422	2,441,422	2.09
2011	16,622,010	11,087,014	5,534,996	835,000	2,626,509	3,461,509	1.60
2012	17,149,663	12,120,679	5,028,984	910,000	1,773,709	2,683,709	1.87
2013	19,205,915	12,279,325	6,926,590	960,000	1,580,278	2,540,278	2.73
2014	18,991,247	12,777,146	6,214,101	1,010,000	1,421,992	2,431,992	2.56
2015	18,272,979	12,379,283	5,893,696	1,035,000	1,734,374	2,769,374	2.13
2016	18,592,332	13,088,660	5,503,672	1,310,226	1,691,311	3,001,537	1.83
2017	19,331,187	12,933,557	6,397,630	1,472,956	1,283,708	2,756,664	2.32

Notes: This Schedule has been modified to reconcile to the Revenue Manager's Analysis for annual Bond Disclosures

Source: City of Pittsburgh Annual Financial Statements as Analyzed by the Finance Division Revenue Manager

**CITY OF PITTSBURG**  
**Successor Agency Bonded Debt Pledged Revenue Coverage**  
**Tax Allocation Bonds**  
**Last Ten Fiscal Years**



Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest <sup>3</sup>	Total	
2008	\$ 48,211,302	\$ 7,550,000	\$ 19,390,241	\$ 26,940,241	1.79
2009	45,913,508	84,335,000 <sup>1</sup>	16,727,258	101,062,259	0.45
2010	37,493,101	7,985,000	19,873,150	27,858,150	1.35
2011	37,342,837	9,310,000	16,683,580	25,993,580	1.44
2012	30,497,707	11,185,000	18,391,950	29,576,950	1.03
2013	37,580,423	15,595,000	17,812,924	33,407,924	1.12
2014	38,486,428	93,635,000 <sup>2</sup>	19,250,447	112,885,447	0.34
2015	40,387,530	13,355,000 <sup>3</sup>	14,415,839	27,770,839	1.45
2016	43,371,250	16,655,000	12,113,046	28,768,046	1.51
2017	10,218,501	20,250,000	12,125,192	32,375,192	0.32

<sup>1</sup> The 2006 Series A Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.

<sup>2</sup> The 2014 Tax Allocation Refunding Bond was issued to refunded in full 2003A Bonds and partly refunded the 1999 CIP portion. Refer to Note 14 for additional information on refunding.

The 2016 Refunding Bond was excluded for trending purpose

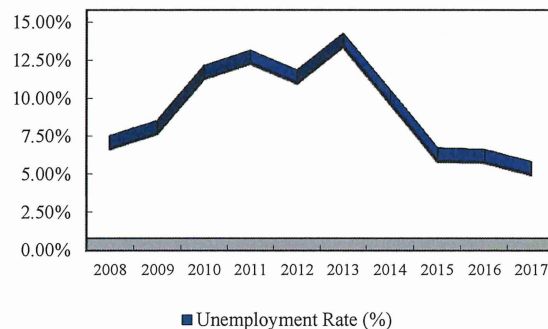
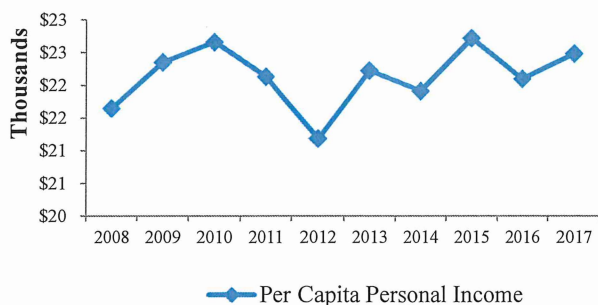
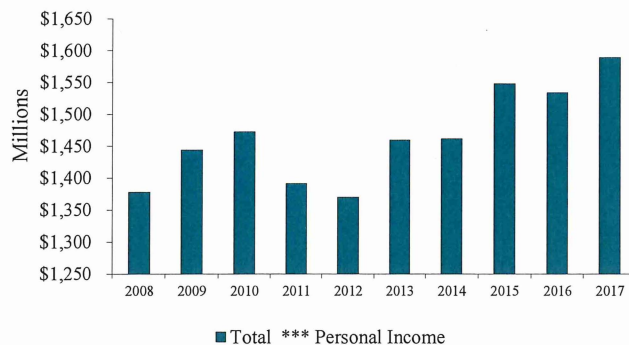
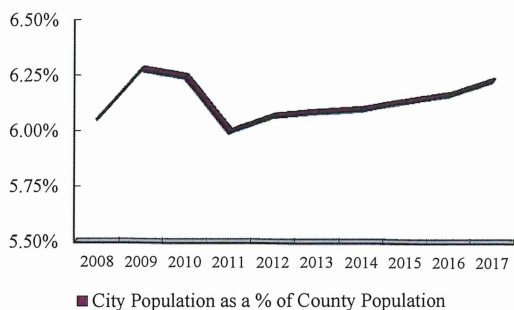
<sup>3</sup> The interest amount excludes the Letter of Credit fees and costs associated with 2016 bond refunding

Source: City of Pittsburgh Annual Financial Statements

# CITY OF PITTSBURG

## Demographic and Economic Statistics

### Last Ten Fiscal Years



Fiscal Year	City * Population	Total *** Personal Income	Per Capita Personal Income	Unemployment*** Rate (%)	Contra Costa * County Population	Pittsburg Population % of County
2008	63,652	\$ 1,378,043,000	21,650	6.7%	\$ 1,051,674	6.05%
2009	64,600	1,444,296,000	22,358	7.7%	1,029,703	6.27%
2010	64,967	1,472,579,000	22,667	11.3%	1,041,274	6.24%
2011	62,877	1,391,528,000	22,131	12.3%	1,049,025	5.99%
2012	64,660	1,370,214,000	21,191	11.0%	1,066,096	6.07%
2013	65,664	1,459,608,000	22,228	13.4%	1,079,597	6.08%
2014	66,695	1,461,822,000	21,918	9.7%	1,094,000	6.10%
2015	68,140	1,548,229,000	22,721	5.9%	1,111,339	6.13%
2016	69,424	1,534,225,000	22,099	5.8%	1,126,745	6.16%
2017	70,679	1,589,374,000	22,487	5.0%	1,135,127	6.23%

Source: Quickfacts.census.gov

\* from americanfactfinder.com

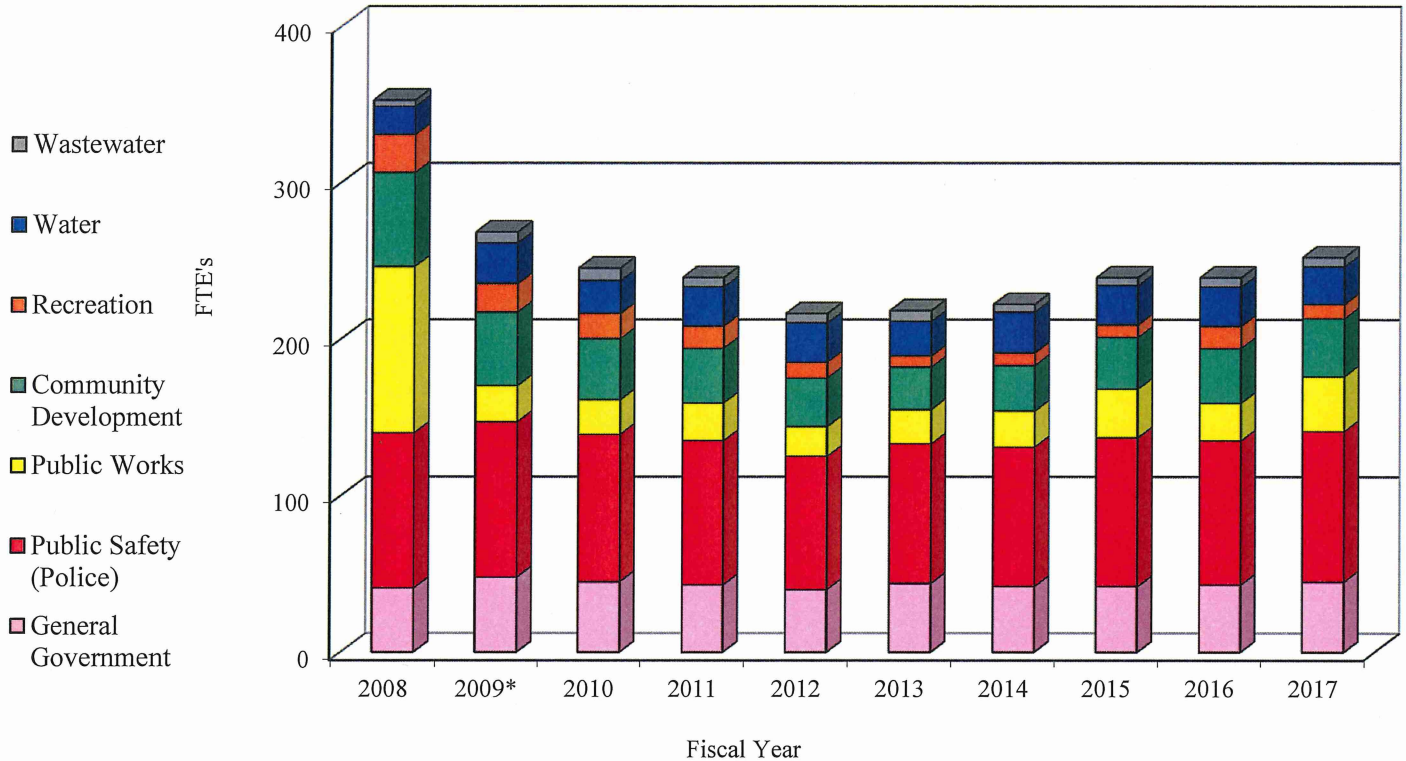
\*\* from HDL Coren Report

**CITY OF PITTSBURG**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<u>Employer</u>	<u>2016-17</u>			<u>2007-08</u>	
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>
Pittsburg Unified School District	1,175	1	3.3%	720	2
Los Medanos Community College	592	2	1.7%	480	3
USS - Posco Industries	621	3	1.7%	1,000	1
Dow Chemical Company	350	4	1.0%	400	4
City of Pittsburg	387	5	1.1%		
Walmart	300	6	0.8%	220	5
Ramar Foods	173	7	0.5%	220	5
Angelica Corporation (Laundry)	222	8	0.6%	220	5
Target	100	9	0.3%	160	8
WinCo Foods	151	10	0.4%	200	6
Home Depot				180	7
Safeway				150	9
Redwood Painting				120	10
Subtotal	<u>4,071</u>		<u>11.4%</u>	<u>4,070</u>	
Total Employees working in the City	<u>35,701</u>				

Source: Telephone Survey by Finance Staff  
2007-08 data from CAFR (Chamber of Commerce)

**CITY OF PITTSBURG**  
**Full-Time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**



Function	Actual for Fiscal Year Ended June 30,									
	2008	2009*	2010	2011	2012	2013	2014	2015	2016	2017
General Government	41	48	45	43	40	44	42	42	45	45
Public Safety (Police)	99	99	94	92	85	89	89	95	98	96
Public Works	106	23	22	24	19	22	23	31	33	35
Community Development	60	47	39	35	31	27	29	33	37	37
Recreation	24	18	16	14	10	7	8	8	8	9
Water	18	26	21	25	25	22	26	25	25	24
Wastewater	4	7	8	6	6	7	5	5	7	6
<b>Total</b>	<b>352</b>	<b>268</b>	<b>245</b>	<b>239</b>	<b>216</b>	<b>218</b>	<b>222</b>	<b>239</b>	<b>253</b>	<b>252</b>

\*2009 was a realignment of staff time and also elimination of many part-time PW staff

Source: City of Pittsburgh

**CITY OF PITTSBURG**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2008	2009	2010	2011
<b>Function/Program</b>				
Public safety:				
Police:				
Police calls for Service	70,707	74,487	69,078	70,623
Law violations:				
Part I and Part II crimes	8,117	8,545	7,568	8,084
Physical arrests (adult and juvenile)	3,955	4,406	3,512	4,708
Traffic violations (VC14601 & VC12500)	1,163	1,613	1,502	1,986
(Fire Protection is Contra Costa County)				
Public works				
Street Re-surfacing (Miles)				
Streets Repaired (square feet)	133,103	86,553	71,809	84,420
Leisure Services:				
Community Services:				
Swim Participants	9,134	*	*	*
Softball Participants	465	*	*	*
Small World Park Gate Attendance	17,376	*	15,833	*
Senior Center Nutrition/Exercise Class Participants	15,735	*	16,777	18,186
Water				
Number of Meters Served	16,579	16,718	17,097	17,254
Water Main Breaks	76	65	74	45
Average Daily Consumption (millions of gallons)	10.4	8.9	8.5	7.9
Wastewater				
Miles of Sewer Line (Excluding line operated by Delta Diablo District 7-A)	159	159	171	172
Solid Waste				
Refuse Landfilled (tons per year)	85,700	77,817	49,978	45,106
Recyclables Processed (tons per year)	43,425	25,750	33,948	35,868

\*Leisure Services Data not Available due to City Reorganization and Early Retirement.

\*\* FY 2013 & FY 2014 Number corrected. Prior CAFR reported number of classes, updated to reflect number of Participants.

\*\*\* FY 2016 Numbers corrected.

Source: City of Pittsburg Divisions & Prior Year CAFR's

Fiscal Year					
2012	2013	2014	2015	2016	2017
67,779	64,573	73,915	77,947	72,918	75,603
8,044	7,412	7,477	8,168	7,575 ***	7,333
4,558	3,401	3,227	3,204	2,825 ***	2,935
1,950	1,007	935	735	932 ***	873
84,001	14.26 82,314	13.41 24,404	1.55 46,905	0.80 52,503	0 44,795
264	1,980	2,320	3,100	1,600 ***	2,379
2,300	580	850	731	590	650
19,783	24,732	25,780	28,420	27,666	25,050
13,786	14,980 **	19,339 **	22,423	20,014	11,305
17,444	17,664	17,880	18,094	18,359	18,574
60	50	59	71	80	46
8.5	9.1	8.2	7.8	7.3	8.6
172	175	177	171	176	178
46,892	52,722	53,753	51,564	63,500	59,559
37,784	42,213	44,213	39,313	48,500	48,500

**CITY OF PITTSBURG**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2008	2009	2010	2011	2012
<b>Function/Program</b>					
Public safety:					
Police stations	1	1	1	1	1
Police patrol units (Includes Unmarked)	52	52	52	52	52
Public works					
Miles of streets (Center Line)	156.80	156.80	157.00	157.00	165.35
Street lights (Total)	4,008	4,107	4,194	4,278	2,041
Traffic Signals	60	60	61	61	61
Culture and recreation:					
Community services:					
City Parks	21	21	21	21	23 *
City parks acreage	145	145	145	145	145
Roadway landscaping acreage	15	17	19	19	19
Regional park acreage	56	56	56	56	56
Regional park facilities:					
Golf courses (18 holes)	1	1	1	1	1
Marina Fuel Station	1	1	1	1	1
Community Civic Center	1	1	1	1	1
Senior centers	1	1	1	1	1
Swimming pools	1	1	1	1	1
Tennis courts	1	1	3	3	3
Water					
Storage capacity (millions of gallons)	16.9	16.3	19.3	19.3	19.3
Miles of Water Mains	219	221	222	222	224
Wastewater					
Miles of Storm Drains	89	91	92	93	94

Note: n/a denotes information is not available.

\*FY 2012 # OF City Parks Corrected. 2-School Soccer Fields not included in City parks number.

\*\* In 2016, the City remeasured all water lines using the new GIS System

Source: City of Pittsburgh Staff & Prior Year CAFR's



**Fiscal Year**

<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
1 55	1 63	1 64	1 67	1 69
165.35 2,122 60	165.35 4,331 61	163.79 4,358 61	164.63 4,287 63	169.90 4,287 63
23 145	23 145	24 147	24 147	24 147
19 56	20 56	22 56	22 56	22 56
1	1	1	1	1
1	1	1	1	1
1 1	1 1	1 1	1 1	1 1
1 3	1 3	1 3	1 3	1 3
19.3 225	19.3 227	19.3 229	19.3 224	19.3 227
95	95	101	101	103

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**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2017*