



PITTSBURGH, PENNSYLVANIA
**2021 POPULAR ANNUAL
FINANCIAL REPORT**



FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021
PREPARED BY: MICHAEL E. LAMB, CITY CONTROLLER



In This Report

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Council Member District Telephone

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

Elected Officials

Mayor: WILLIAM PEDUTO

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

Controller: MICHAEL E. LAMB

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

City Council Members

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

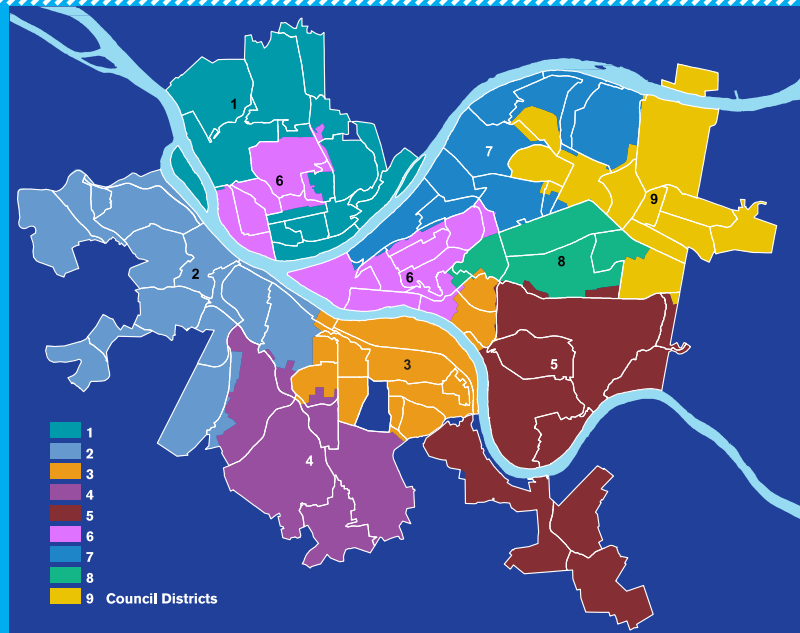
Citizens of the City of Pittsburgh

City Controller

City Council

Mayor

- ◆ Management & Budget
- ◆ Citiparks
- ◆ Public Works
- ◆ City Planning
- ◆ Department of Mobility & Infrastructure
- ◆ Public Safety
- ◆ Human Resources & Civil Service
- ◆ Citizens Police Review Board
- ◆ Innovation & Performance
- ◆ Finance
- ◆ Human Relations Commission
- ◆ Law
- ◆ Office of Municipal Investigations
- ◆ Equal Opportunity Review Commission
- ◆ Equipment Leasing Authority
- ◆ Permits, Licenses and Inspections



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

A Message From The City Controller



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

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

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

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

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

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

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

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

Sincerely,

Michael E. Lamb

City Controller



Government Finance Officers Association

Award for
Outstanding
Achievement in
Popular Annual
Financial Reporting

Presented to

City of Pittsburgh
Pennsylvania

For its Annual Financial Report
for the Fiscal Year Ended

December 31, 2020

Christopher P. Morrell
Executive Director/CEO

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



About Pittsburgh



Demographic and Economic Statistics

Estimated City Population	302,971
▪ Male	49%
▪ Female	51%
Median Age	
▪ City Median Resident Age	33.4 years
▪ Pennsylvania Median Age	40.6 years
Race	
▪ White	63%
▪ Black or African American	23%
▪ Asian	7%
▪ Hispanic	3%
▪ Other	4%
Language Spoken at Home	
▪ English Only	89%
▪ Language other than English	11%
Educational Attainment	
▪ No Degree	6%
▪ High School	25%
▪ Some College	23%
▪ Bachelor's Degree	24%
▪ Graduate Degree	22%
Estimated Median Household Income	
▪ Pittsburgh	\$50,536
▪ Pennsylvania	\$63,627
Housing Units	
▪ Owner-Occupied	47%
▪ Renter-Occupied	53%

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

Source: City of Pittsburgh, Employees as of December 2021

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

https://www.bis.gov/regions/mid-atlantic/news-release/areaunemployment_pittsburgh-pa.htm

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

Source: U.S. Bureau of Labor Statistics
* Rate is not seasonally adjusted

Per Capita Income	\$35,093
Persons Below Poverty Line	
▪ Pittsburgh	19.7%
▪ Pennsylvania	12.0%

Source: U.S. Census 2020 ACS 5-Year Survey
<https://worldpopulationreview.com/us-cities/pittsburgh-pa-population>

Pittsburgh Public Schools Statistics

Pittsburgh Public Schools 2020-21	
▪ Total Enrollment	21,603
▪ K-12 Enrollment	20,438
▪ Early Childhood Enrollment	1,165
▪ 2021 Graduates	1,338
▪ Number of Teachers	2,070
▪ Number of Schools	54
▪ Spending per Student (20 ACFR)	\$31,265
▪ PA average spending per student** (\$18,291 (2020))	

** Per Pennsylvania School Boards Association
Source: PA Department of Education

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

Source: Pittsburgh Public Schools

Fast Facts: 2020 Census

In July 2021, decennial census data was released reflecting a City snapshot over the last 10 years

302,971	+ 6,371	- 10,500	+ 10,300
Pittsburgh's population as of 2020, representing less than a 1% drop since 2010	Pittsburgh's growth of the Asian community, the largest demographic shift	The number of Black Pittsburghers who left the city over the last decade	The gain of the number of residents who identified as multiracial



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

Pittsburgh Education, Culture & Business



Colleges and Universities in the City*

Carlow University
Carnegie Mellon University
Chatham University
Community College of Allegheny County
Duquesne University
Point Park University
University of Pittsburgh

Museums in the City*

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

2021 Fortune 500 Companies Headquartered in Pittsburgh

Alcoa Corporation
Arconic
The PNC Financial Services Group, Inc.
PPG Industries, Inc.
United States Steel Corporation
WESCO International, Inc.
Westinghouse Air Brake, Wabtec Corp.

Source: 2021 Fortune Magazine, Fortune 500

Largest Health and Social Service Nonprofits*

Achieva
Baptist Homes Society
Brother's Brother Foundation
Center for Organ Recovery & Education
Goodwill of Southwestern Pennsylvania
Jewish Federation of Greater Pittsburgh
Life Pittsburgh
Pittsburgh Mercy
Pressley Ridge
United Way of Southwestern Pennsylvania
Vincentian Collaborative System
Wesley Family Services

Largest Arts and Humanities Nonprofits*

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

*Source: 2021 Pittsburgh Business Times Book of Lists



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



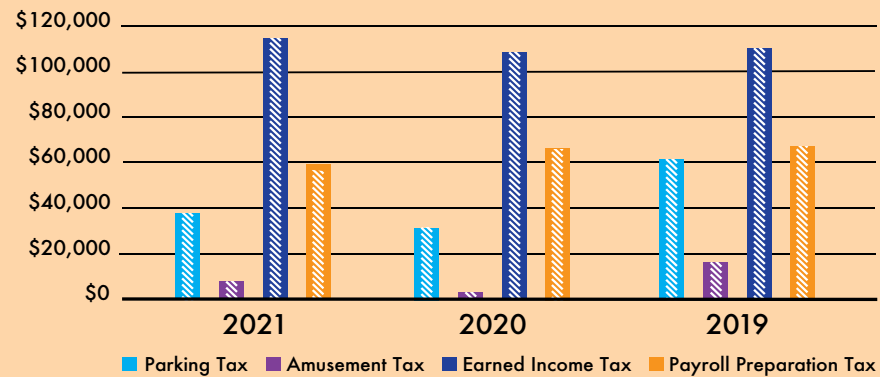
How the City is Financially Recovering From the Pandemic



COVID-19 Financial Recovery

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

Impact of COVID-19 on City Revenue Sources (in thousands)



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

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

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

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

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

Photos: From top left: The Market Street Pier on the North Side near Heinz Field, photo by John Altdorfer; Strolling through PPG Plaza; Market Square's famous Nicholas Coffee Company; Some of the ever-popular open-air street vendors in the Strip District.

American Rescue Plan



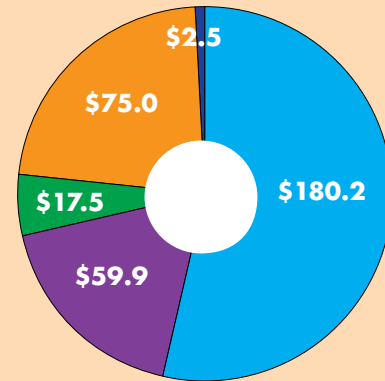
The major goals listed by the Mayor and City Council's ARP fund allocations through the Equity First Spending Plan (Resolution #2021-1652, signed by Mayor Peduto on July 12, 2021):

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

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

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

Equity Spending Plan: City Council's Major Allocations of American Rescue Plan Funds (in millions)



■ Operating Budget ■ Capital Budget ■ Pittsburgh Water and Sewer Authority
■ Urban Redevelopment Authority ■ OnePGH/Guaranteed Basic Income

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

2021 ARP EXPENSES AS PER OMB REPORT

Project Name	Total Encumbered as of 31 DEC 2021	Total Expenditure as of 31 DEC 2021	2021 Remaining Balance - Operating
Eliminate the Anticipated Workforce Reduction	\$ 25,626,772	(\$ 25,626,772)	-
3% Wage Increases for Non-Union Positions	\$ 1,116,032	(\$ 1,116,032)	-
Restoration of Additional Public Works Non-Personnel Lines	\$ 1,354,477	(\$ 1,354,477)	-
Restoration of Non-Personnel Lines	\$ 297,525	(\$ 297,525)	-
Restore Some Vacant Positions (9/1 start for 2021 only)	\$ 1,930,874	(\$ 1,930,874)	-
Community Public Safety Facilities	\$ 500,000	(\$ 500,000)	-
Land Maintenance for City & 3TB-Owned Properties	\$ 1,500,000	(\$ 1,500,000)	-
New Non-Personnel Lines	(\$ 231,333)	\$ 231,333	-
New Non-Personnel Lines for I&P Needs	\$ 926,900	(\$ 926,900)	-
New Non-Personnel Lines for Public Works Needs	\$ 584,090	(\$ 584,090)	-
New Positions/Mid-Year Swaps (9/1 start for 2021 only)	\$ 142,819	(\$ 142,819)	-
TOTAL Operating Budget	\$ 33,748,156	(\$ 33,748,156)	-
Project Name	Total Encumbered as of 31 DEC 2021	Total Expenditure as of 31 DEC 2021	2021 Remaining Balance - Capital
Demolition of Structures	\$ 2,000,000	(\$ 627,320)	\$ 1,372,680
Cowley Rec Center Facility Upgrades	\$ 200,000	-	\$ 200,000
Paulson Rec Center Facility Upgrades	\$ 300,000	-	\$ 300,000
Paulson Rec Center Tech Upgrades	\$ 30,526	-	\$ 30,526
Public Works Fourth Division Construction	\$ 1,400,000	-	\$ 1,400,000
Robert E. Williams Rec Center Facility Upgrades	\$ 500,000	-	\$ 500,000
Robert E. Williams Rec Center Tech Upgrades	\$ 30,526	-	\$ 30,526
Green Fleet Improvements	\$ 7,606,000	(\$ 2,784,253)	\$ 4,821,747
57th Street Steps	\$ 598,116	-	\$ 598,116
Frazier Street Steps	\$ 400,000	-	\$ 400,000
Hill District Corridor Enhancements	\$ 1,500,000	-	\$ 1,500,000
North Avenue Streetscape Rehabilitation (Safety & Signal)	\$ 1,000,000	-	\$ 1,000,000
Public Step Improvement Projects	\$ 700,000	-	\$ 700,000
TOTAL Capital Budget	\$16,265,168	(\$ 3,411,573)	\$ 12,853,595
Project Name	Total Encumbered as of 31 DEC 2021	Total Expenditure as of 31 DEC 2021	2021 Remaining Balance - Trust Fund Admin
Maher Duessel contract (Administration)	\$ 200,000	(\$ 38,331)	\$ 161,669
TOTAL Administration (MD contract)	\$ 200,000	(\$ 38,331)	\$ 161,669
2021 ARP Trust Fund Total	\$ 50,213,324	(\$ 37,198,060)	\$ 13,015,264



Community Support for Vaccination Efforts



Vaccinate at the Plate: Allegheny Health Network & the Pittsburgh Pirates

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

Giant Eagle & the Pittsburgh Steelers

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

PPS Staff Gets Vaxxed

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

Local Brewers Offer a "Shot for a Shot"

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

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

Central Outreach Wellness Center

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

Allegheny County Health Department (ACHD)

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

Local Universities

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



Photos: Above left to right: The first mass vaccination event Pitt hosted in March offered essential protection to patient-facing health care providers and students, in partnership with ACHD and UPMC, photo by Aimee Obidzinski, University of Pittsburgh; A CMU student shows proof he got his vaccine, photo by Carnegie Mellon University.

Pittsburgh Government



Bureau of Emergency Medical Services

The Bureau of Emergency Medical Services is dedicated to the health and safety of residents and visitors through the provision of advanced life support, pre-hospital care, medically-directed technical rescue, and transportation of the ill and injured.

Bureau of Fire

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

Bureau of Police

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

Citiparks

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

City Controller

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

City Planning

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

Department of Finance/City Treasurer

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

Department of Mobility and Infrastructure

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

What Your Government Does

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



Department of Public Works

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

Human Resources and Civil Service

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

Office of Management and Budget

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

Permits, Licenses and Inspections

The Department of Permits, Licenses and Inspections is responsible for the administration and enforcement of the Pittsburgh building code and zoning code and also enforces the City's various business and trade licenses.

Photos: Clockwise from top left: Ongoing downtown roadwork; Homewood Vaccination Clinic, photo University of Pittsburgh; A Pittsburgh Parking Officer making her rounds; A wheelchair occupant easily crosses Wood Street using the corner ramps.



Pittsburgh's City Controller

The City Controller is one of two independently elected, citywide offices in the City of Pittsburgh, the other being the Mayor. It is the job of the Controller to protect city government-related tax dollars from waste, fraud, and abuse. The Controller audits all city government-related expenditures (the City also has a Finance Department and Treasurer who are responsible for collecting and auditing all City revenues), and conducts audits of all City departments and authorities.

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



Fiscal Focus Pittsburgh

As the saying goes, "a picture is worth a thousand words."

Fiscal Focus Pittsburgh is an online data platform that gathers the City's complex financial information and organizes it into clear graphics.

This site offers three separate applications that provide a guided view into the City's financial data:

- Budget Explorer
- CheckbookPGH
- Payroll Explorer

The charts, graphs, and tables are all highly interactive. Users can analyze and download reports based on data from the City's budget, and monthly spending, as well as City employee compensation and demographics. We invite you to explore this transparent look at where your money goes. For more information, please visit:

<https://fiscalfocus.pittsburghpa.gov> or
Twitter @FiscalFocusPGH



OpenBook Pittsburgh

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

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



Unclaimed Property

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

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

For more information, and to search the City of Pittsburgh's unclaimed funds database, please visit:

<http://pittsburghpa.gov/unclaimed-property/index.html> or Twitter @Unclaimed PGH



PGH Watchdog

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

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

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

Pittsburgh's City Controller



Office Divisions

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

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

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

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

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



Audits Released in 2021

2021 Fiscal Audits:

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

2021 Performance Audits:

- Citizen Police Review Board
- Pittsburgh Community Television
- Department of Public Safety Animal Care and Control

Photos: From top: Crossing the Monongahela River to downtown Pittsburgh from the Fort Pitt Tunnel; Pittsburgh Police Officers patrol local areas and neighborhoods easily on bikes; Time for school in the Northview Heights neighborhood, photo by John Altdorfer; A beautiful way to enjoy a summer evening at the Northeast Fountain in Allegheny Commons Park in the North Side, photo by John Altdorfer; Two friends talk on the bridge walkway of the Sixteenth Street Bridge as it passes over the Strip District.





General Fund Revenues

When assessing the financial results of the City, it is important that we focus on the City's General Fund. It is used to account for all regular day-to-day operations, revenues, and expenditures of the City, except those required to be accounted for in another fund. In this section, we will discuss General Fund revenues, the largest of which are taxes.

General Fund Revenue Fluctuations

Total General Fund revenues and transfers increased approximately \$67.7 million or by 11.2%, from 2020 to 2021.

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

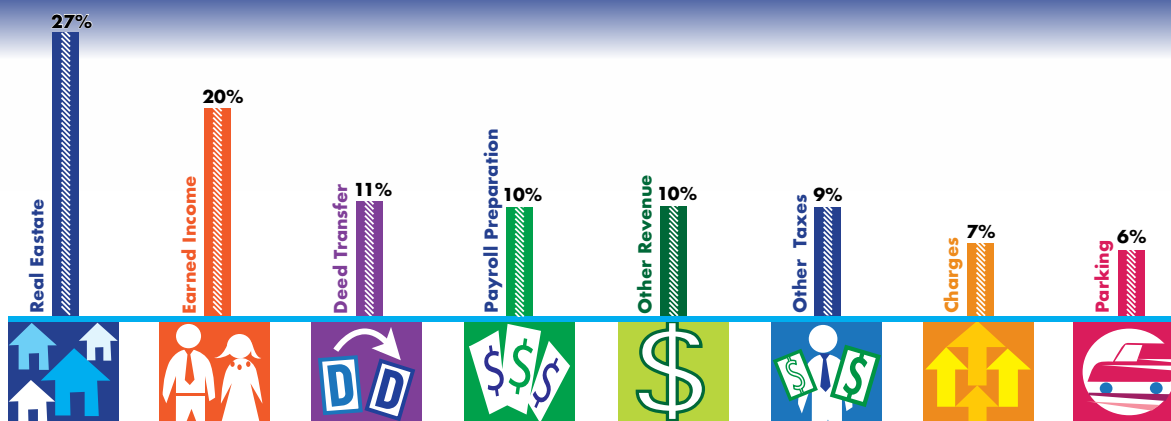
Total General Fund revenues decreased approximately \$50.8 million or by 9.8%, from 2019 to 2020.

The net decrease of about \$50.8 million is attributal mainly to decreases of \$29.3 million in parking taxes, \$7.8 million in other taxes, \$19.3 million in other revenues, and \$10.6 million in charges. The decreases were partially offset by increases of \$7.8 million in grants, and \$7.1 million in deed transfers.

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

Where Our Money Comes From

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



The following are the descriptions of the major types of taxes the City levies:

Major Taxes Assessed by the City

Real Estate Taxes

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

Earned Income Taxes

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

Payroll Preparation Taxes

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

Parking Taxes

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

Deed Transfer Taxes

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

Other Taxes

Other taxes assessed by the City include the Amusement Tax, the Institution Service Privilege Tax, the Local Services Tax, and the Facility Usage Fee.

General Fund Expenditures



During the years ended December 31, 2021, 2020 and 2019, the City expended its funds as shown to the right. The per capita amounts represent the amount that the City expended on each type of service per resident, while the aggregate represents the total amount spent.

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

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

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

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

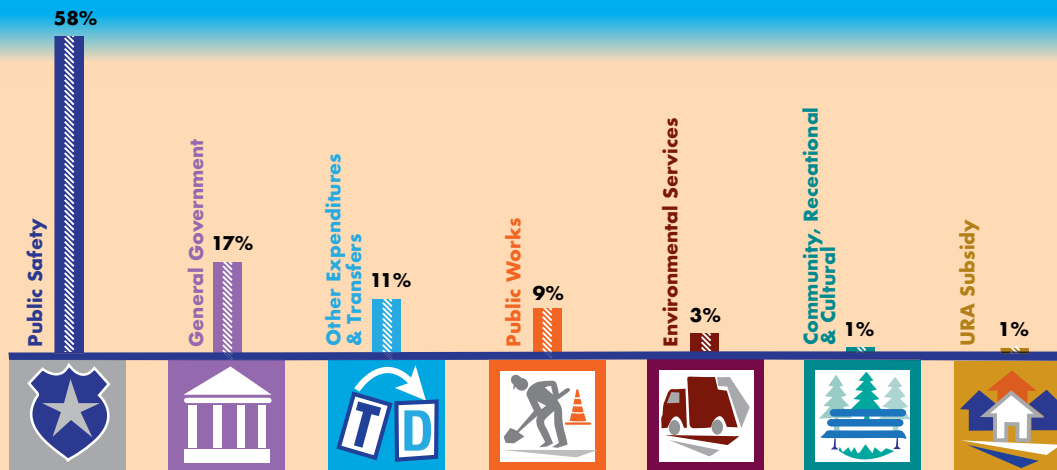
Where Your Money Goes

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

General Fund Expenditures and Transfers

Expenditures	Aggregate (in thousands)			Per Capita*		
	2021	2020	2019	2021	2020	2019
Government	\$96,442	\$97,614	\$90,034	\$318	\$323	\$299
Public Safety	336,404	345,715	326,097	1,110	1,144	1,083
Public Works	49,642	53,296	52,839	164	176	176
Environmental Services	20,256	20,731	19,744	67	69	66
Community, Recreational and Cultural	6,328	5,830	6,854	21	19	23
Urban Redevelopment Authority Subsidy	3,246	2,136	4,590	11	7	15
Other Expenditures	589	2,826	2,096	2	9	7
Total Expenditures	\$512,907	\$528,148	\$502,254	\$1,693	\$1,747	\$1,669
Transfers						
Transfers to Capital Projects	5,542	14,625	15,000	18	48	50
Transfers to Debt Service	56,285	43,845	50,462	186	145	168
Other Transfers	6,836	2,075	2,629	23	7	9
Total Transfers	\$68,663	\$60,545	\$68,091	\$227	\$200	\$227
Grand Total	\$581,570	\$588,693	\$570,345	\$1,920	\$1,947	\$1,896

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



General Government Expenditures

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

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

Public Works expenditures include administration and street and parks maintenance.

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

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

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

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

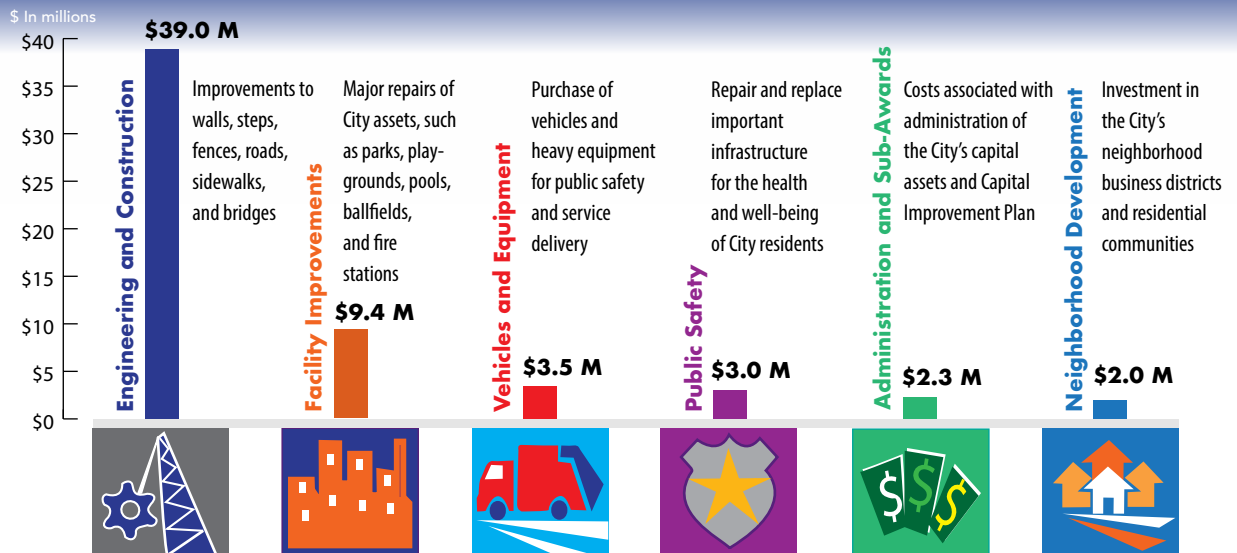
Transfers are funds provided by the General Fund to support other funds of the City.



Pittsburgh's Capital Spending

The City maintains a separate Capital Projects Fund to account for the financial transactions and resources used by the City for the acquisition or construction of major capital assets. During 2021, the City spent \$59.2 million on Capital Projects.

By Function



By Area

- Citywide: \$48.1 million (81.3%)
- Neighborhood: \$9.0 million (15.2%)
- Central Business District: \$2.1 million (3.5%)

Largest Citywide Projects

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

Largest Neighborhood Projects

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

Largest Central Business District Projects

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



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

2021 Financial Highlights



Outlook for City Finances

The City's Cash Position

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

Long-Term Debt

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

City's Outstanding Bonds

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

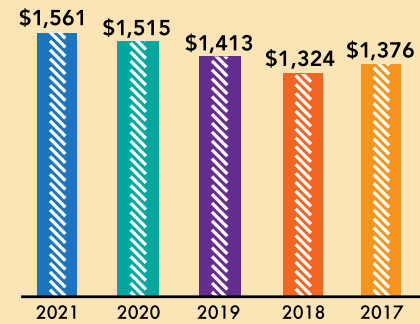
Pension Funding

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

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

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

Bonded Debt Per Capita *



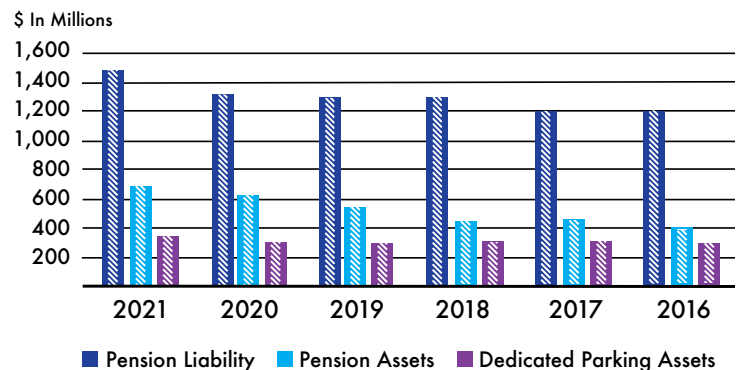
* Amounts represent the City's total bonded debt divided by the estimated City population.



Pittsburgh Parking Authority Grant Street Transportation Center.

Despite having the parking tax as a source of revenue, the fund remains underfunded and will require additional funding commitments and cost recutions moving forward. As of the end of 2021, with revenue from the City's parking tax, the City's pension fund held approximately 69% of the funds needed.

Pension Funding Status



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Although this report is largely based on the City's 2021 Annual Comprehensive Financial Report, this report is not prepared in accordance with generally accepted accounting principles ("GAAP"). Only the financial data for the general government is included in this report and, therefore, all of the City's discretely presented component units are excluded. Additionally, information is presented in a summarized manner and certain financial statements and note disclosures required by GAAP are omitted. A copy of this PAFR as well as the City's audited 2021 Annual Report, which is prepared in accordance with GAAP, is located at www.pittsburghpa.gov/controller/controller.html.

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



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