



# PITTSBURGH, PENNSYLVANIA POPULAR ANNUAL FINANCIAL REPORT



PREPARED BY:

**RACHAEL HEISLER, CITY CONTROLLER**

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

## 20|24



# IN THIS ANNUAL REPORT



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## ELECTED OFFICIALS

### Mayor: EDWARD C. GAINEY

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

### Controller: RACHAEL HEISLER

TERM: 4 Years  
RESPONSIBILITY: Financial oversight, financial reporting and auditing

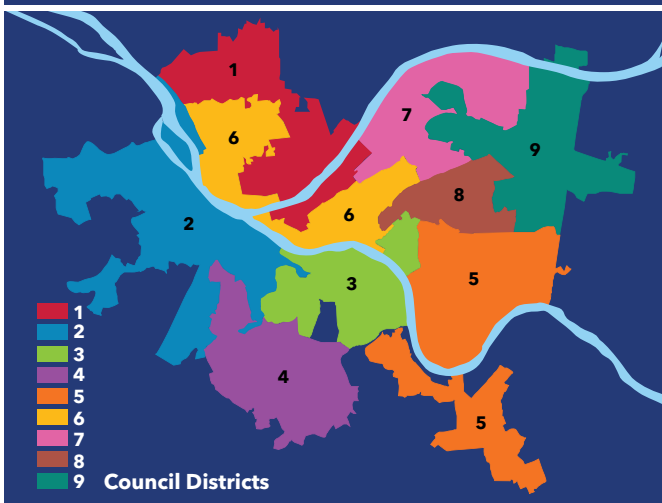
CONTACT INFO: 414 Grant Street, 1st Floor  
Pittsburgh, PA 15219  
(412) 255-2054

## CITY COUNCIL MEMBERS

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

## CITIZENS OF THE CITY OF PITTSBURGH

## CITY OF PITTSBURGH—COUNCIL DISTRICTS



### City Controller

### City Council

#### MAYOR

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



# 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, 2024. The purpose of the PAFR is to increase awareness of the financial condition of the City of Pittsburgh. In addition to providing information on City finances and government operations, this report also helps demonstrate what makes Pittsburgh a great place to live, study, and work.

Now in my second year as City Controller, I'm proud to continue this office's tradition of transparent public accountability, responsible fiscal management, and clear communication. This is why we create the PAFR: to cut through the weeds and give you the facts about how the City is doing financially and how public funds are spent. For the 14th consecutive year, the 2023 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 2024 Annual Comprehensive Financial Report, which is available on the Controller's website.

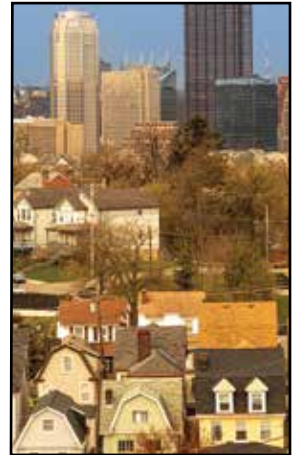
**This year's report tells a simple but serious story: Costs are rising faster than revenues, we are spending money faster than we are bringing it in, and this trend is not sustainable.** Since the pandemic, Amusement Taxes and Parking Taxes have bounced back strong, but Real Estate and Deed Transfer Taxes are still struggling. Our "rainy-day" reserve fund is healthy now, but it won't carry us forever, especially as federal American Rescue Plan (ARPA) relief ends and we're back to balancing budgets without that safety net. You can see the detailed breakdown of these trends on pages 12 and 13.

This is not a crisis, but it is a call to action. Everyone who cares about this city has a role to play in planning ahead, making smart choices, and putting Pittsburgh in the best position to thrive. My commitment is to keep the financial facts clear, hold City leaders accountable, and ensure your voice remains part of the process. As we move forward, my office will keep pushing for thoughtful, data-driven decisions and keep you informed every step of the way.

I welcome any feedback, comments, or concerns regarding the information included in this report. Whether you are a resident, business owner, community leader, or simply someone invested in the prosperity of Pittsburgh, we value your participation and encourage your engagement. Your input and insights are invaluable in shaping our fiscal policies and priorities for the future.

Sincerely,

**Rachael Heisler**  
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, 2023

*Christopher P. Howell*  
Executive Director/CEO

*Photos: Top to bottom: A visual contrast of our neighborhoods with downtown Pittsburgh, photo by John Altdorfer; A view from high on Mt. Washington, looking past the point and its impressive fountain to the North Shore and its stadiums and science center.*



# PITTSBURGH AT A GLANCE

## DEMOGRAPHICS AND ECONOMIC STATISTICS

<b>Estimated City Population</b>	302,971
■ Male	48%
■ Female	52%

<b>Median Age</b>	
■ City Median Resident Age	34.1 years
■ Pennsylvania Median Age	41.1 years

<b>Race</b>	
■ White	63%
■ Black or African American	23%
■ Asian	6%
■ Hispanic	4%
■ Other	5%

<b>Language Spoken at Home</b>	
■ English Only	87%
■ Language other than English	13%

<b>Educational Attainment</b>	
■ No Degree	4%
■ High School	23%
■ Some College	23%
■ Bachelor's Degree	25%
■ Graduate Degree	25%

<b>Estimated Median Household Income</b>	
■ Pittsburgh	\$66,219
■ Pennsylvania	\$73,824

<b>Housing Units</b>	
■ Owner-Occupied	49%
■ Renter-Occupied	51%

<b>City Staffing</b>	
■ Total City Employees	3,607
■ Number of Police Officers	910
■ Number of Fire Fighters	679
■ Number of Paramedics	219
■ Other City Department Personnel	1,799

Source: City of Pittsburgh, ACFR

<b>Employment</b>	
■ Service	26%
■ Production, Transportation & Material Moving	25%
■ Management, Business, Science & Arts	23%
■ Sales and Office	21%
■ Natural Resources, Construction, & Maintenance	5%
■ Total Employees all Occupations	1,216,400

Source: U.S. Bureau of Labor Statistics Economy at a Glance  
[https://www.bls.gov/eag/eag.pa\\_pittsburgh\\_msa.htm](https://www.bls.gov/eag/eag.pa_pittsburgh_msa.htm)

<b>Unemployment Rates</b>	
■ Nation (Dec 2024)	4.1%
■ Pennsylvania (Dec 2024)	3.6%
■ Pittsburgh (Dec 2024)	3.3%

Source: U.S. Bureau of Labor Statistics Economy at a Glance  
\*Rate is not seasonally adjusted

<b>Per Capita Income</b>	\$43,590
<b>Persons Below Poverty Line</b>	
■ Pittsburgh	19.9%
■ Pennsylvania	12%

Source: U.S. Census 2020 ACS 5-Year Survey  
U.S. Census Bureau, 2021 ACS 5-Year Estimates  
U.S. Census Bureau, Population Estimates Program (PEP)  
<https://www.census.gov/quickfacts/fact/table/pittsburghcitypennsylvania/INC110222>

## PITTSBURGH PUBLIC SCHOOL STATISTICS



### Pittsburgh Public Schools 2023-24

■ Total Enrollment	19,764
■ K-12 Enrollment	18,380
■ Early Childhood Enrollment	1,384
■ 2023-2024 Graduates	1,484
■ Number of Teachers	1,848
■ Number of Schools	54
■ Spending per Student (23 ACFR)*	\$38,018
■ PA Average Spending per Student (2023-2024)**	\$22,000

\* Pittsburgh Public Schools <https://www.pghschool>

\*\* 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	58

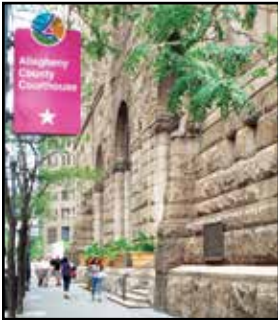
Source: Pittsburgh Public Schools



Photos: Left column top to bottom: Senior Celebration Day at Soldiers and Sailors Memorial Hall; 2025 Girls basketball championship high school game; Right column top to bottom: Swim Championships at Pittsburgh Allderdice High School; First week of elementary school. Photos from Pittsburgh Public Schools.



**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.



## 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 pages 6-7 for the 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.

## 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 Services (HRCS) is responsible for overseeing the 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.





## ABOUT THE CONTROLLER'S OFFICE

**The City Controller** is one of two independently elected, citywide offices in the City of Pittsburgh, the other being the Mayor. The term of office for the City Controller is four years, and is not term limited.

The City Controller is the fiscal watchdog for the citizens of the City of Pittsburgh. It is the job of the Controller to protect City tax dollars from waste, fraud, and abuse. The Controller does this by auditing all city government-related expenditures (the City also has a Finance Department and Treasurer who collect and are responsible for auditing all City revenue).



The Controller also conducts audits of all City departments and City component units such as the Urban Redevelopment Authority (URA), Pittsburgh Parking Authority, Pittsburgh Water and Sewer Authority, and the Sports and Exhibition Authority of Pittsburgh and Allegheny County.

Through audits of City departments and authorities, the Controller makes recommendations on how to make those departments more effective, efficient and how to better spend City tax dollars.

In addition to auditing City departments, the City Controller reviews and approves City contracts and is also charged with reporting to the citizens of Pittsburgh, the Mayor, and City Council the state of the City's fiscal condition.

Every year, the City Controller issues the Annual Comprehensive Financial Report (ACFR). The ACFR provides detailed information on Pittsburgh's short-term and long-term financial outlook.

Lastly, the City Controller sits on the board of the City's Comprehensive Municipal Pension Trust Fund.

### 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.

*Photo by John Altdorfer*



## 2024 FISCAL AUDITS

The power of the Controller permits the ongoing review of the financial operations that involve the City's trust funds. The procedures of fiscal auditing allow for the discovery of opportunities to strengthen budgetary governance and reduce the risks of error, fraud, or inefficiency.



- **Office of Management and Budget:**  
*American Rescue Plan Trust Fund*
- **Department of Parks & Recreation, Department of Public Works:**  
*Phipps Conservatory Trust Fund*
- **Department of Finance:**  
*Tax Abatement Programs (TAPs)*
- **Department of Parks:**  
*2024 Follow-Up: Schenley Park Rink Trust Fund (SPRFT)*

## 2024 PERFORMANCE AUDITS

The City Controller's Office conducts Performance Audits of City departments and authorities to ensure that program goals and objectives are being met, test for compliance with applicable laws, and to make constructive recommendations for improvement.

- **Pittsburgh Parking Authority**
- **URA Housing Opportunity Fund Audit 2024**

## 2024 SPECIAL REPORTS

- **City Construction Contract with The Garland Company, Inc.**
- **Letter in Support of House Bill 1632**
- **Update to City Council on P-Card Investigation**
- **City Contracting & Waiver Procedures**
- **Update on City Water Fountains**
- **Pittsburgh Public Schools Board of Directors:**  
*Best Practices to Support Board Effectiveness*
- **Homewood House Report**

## OPEN BOOK 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](http://www.openbookpgh.com)

## UNCLAIMED PROPERTY

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

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

<http://pittsburghpa.gov/unclaimed-property/index.html>



## 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.

For more information, please visit:

<https://fiscalfocus.pittsburghpa.gov>







## —DOWNTOWN BUSINESSES PROPERTY ASSESSMENTS—

**For the second year in a row**, Downtown property reassessments have reduced total real estate tax revenues collected by the City of Pittsburgh. Downtown properties account for about a quarter of all real estate taxes collected by the City, underscoring the urgent need for solutions that stabilize its market.

Two main factors have been driving this ongoing trend. First, many employers that once occupied large office buildings have adopted telework, reducing or eliminating the need for in-person office space. Second, a ruling by the Court of Common Pleas in January 2024 required the County to adopt a lower standard for calculating taxes owed by property owners. This standard, known as the Common Level Ratio (CLR), was reduced by nearly 29%, causing a shortfall in expected revenues by the three taxing bodies: Allegheny County, the City of Pittsburgh, and Pittsburgh Public Schools (PPS). This means that total revenues that can be collected from Downtown properties have declined.

The City of Pittsburgh collected \$145.2 million in real estate taxes in 2024, down from the \$147.3 million collected in 2019 before pandemic-era disruptions. Though a slight decline overall, it represents a sharp reversal from the upward trends observed before the pandemic. Downtown office buildings are a significant share of the City's taxable property base, with 24 buildings assessed at \$25 million or more. According to the *Pittsburgh Business Times*, the 34 largest buildings were assessed at \$2.1 billion in 2023 but fell to \$1.6 billion by 2024.

The vacancy rate for Downtown office buildings was nearly 30% in March 2024 and is projected to increase to 46% by 2028. Seeking to incentivize the conversion of these empty spaces into new residential or commercial uses, Pittsburgh City Council passed a new tax abatement program in May 2024 specific to Downtown using existing authority under the Local Economic Revitalization Tax Assistance (LERTA) program. Under the new abatement, developers whose projects redevelop vacant spaces into productive uses like housing are eligible for a 10-year reduction in their real estate taxes.

In October 2024, Governor Josh Shapiro and city leaders unveiled an approximately \$600 million plan to revitalize Downtown and reorient it toward a “live-work” environment. The proposal would involve contributions from the public, private, and nonprofit sectors to reprioritize the neighborhood as a residential destination.

It remains to be seen whether these efforts will succeed in reversing the erosion of the local tax base. As local leaders grapple with narrow fiscal margins in the years ahead, adapting the City's Golden Triangle to meet modern needs will likely remain a major fiscal challenge.



The Union Trust building, center, is a striking Flemish-Gothic-style building, built in 1915-1916 by the Pittsburgh industrialist Henry Clay Frick. When built, it featured 240 shops and galleries, designed around a central rotunda and capped by a stained glass dome.



# — DOWNTOWN BUSINESSES PROPERTY ASSESSMENTS —



## 2024 REASSESSMENTS

Property Name	Address	2019 Assessment	2024 Assessment	% Difference
EQT Plaza	625 Liberty Avenue	\$79,000,000	\$31,116,300	-60.6%
BNY Mellon Center	500 Grant Street	\$214,000,000	\$149,909,600	-29.9%
525 William Penn Place	525 William Penn Place	\$58,850,000	\$28,365,600	-51.8%
Dollar Bank Corporate Center	20 Stanwix Street	\$25,860,000	\$27,069,029	-4.5%
One PNC Plaza	249 Fifth Avenue	\$60,000,000	\$37,269,600	-37.9%
Two PNC Plaza	620 Liberty Avenue	\$53,000,000	\$33,851,100	-36.1%
PNC Firstside Center	500 Fifth Avenue	\$85,041,400	\$43,501,400	-48.8%
PPG Place	1 PPG Place	\$179,400,000	\$142,527,600	-20.6%
Union Trust Building	501 Grant Street	\$60,000,000	\$46,078,200	-23.2%
11 Stanwix Street	11 Stanwix Street	\$66,625,000	\$45,481,900	-31.7%
K&L Gates Center	210 Sixth Avenue	\$75,800,000	\$44,450,000	-40.7%

Source: <https://www.bizjournals.com/pittsburgh/news/2024/03/28/worst-yet-to-come-downtown-assessments.html>



Photos: Left to right: The EQT headquarters in downtown Pittsburgh, located at 625 Liberty Avenue; BNY Mellon Center located at 500 Grant Street; Dollar Bank Corporate headquarters located at 20 Stanwix Street; PPG Place, located at 1 PPG Place.



# AMERICAN RESCUE PLAN 2024

**In 2024, the City of Pittsburgh** continued putting its \$335 million in American Rescue Plan Act (ARPA) funds to work, focusing on helping neighborhoods, small businesses, and industries most affected by the COVID-19 pandemic. Many of these projects were designed to support communities that have faced long-standing challenges. As we move forward, the Controller's Office will keep making sure these dollars are spent wisely and are helping people across the city.

Under federal guidelines, all ARPA funds had to be **obligated**—which means officially committed to a project or contract—by **December 31, 2024**. While the money can still be spent through **December 31, 2026**, no new projects can be added or reallocated after the obligation deadline.

Over the past four years, the City directed 53% of its \$335 million ARPA allocation (totaling \$178.4 million) to support the General Fund.

Looking ahead, finishing projects on time is more important than ever. The Controller's Office will continue to audit the ARPA Trust Fund and specific projects using this money until all funds are spent.

## Key highlights from 2024 include:

- \$46.5M went into City's 2024 Operating (General Fund) helping to sustain essential public services.
- Funding went to projects in housing, infrastructure, the arts, and public services.
- Programs helped small and historically disadvantaged businesses.
- City Council approved a final push to commit all remaining ARPA funds before the December 31, 2024 deadline.
- Transfers and final commitments from the ARPA Trust Fund happened right up to the last day of the year.

## \$13.28M IS STILL IN THE ARPA TRUST FUND TO BE SPENT BY END OF 2026

Project Name	Budget Allocation Total	Total Dispersed through End of 2024	Remaining Unspent End of 2024
Food Justice Initiatives	\$3,000,000.00	\$(80,000.00)	\$2,920,000.00
Housing—Development of affordable units through PHDC (URA)	\$4,000,000.00	\$(2,000,000.00)	\$2,000,000.00
Pittsburgh Land Bank support (URA)	\$3,500,000.00	\$(1,648,847.29)	\$1,851,152.71
Mellon Square storefront support (PPA)	\$1,536,398.11	—	\$1,536,398.11
Lead line replacement (PWSA)	\$17,000,000.00	\$(15,690,467.86)	\$1,309,532.14
Funding for the arts	\$2,049,800.69	\$(924,638.54)	\$1,125,162.15
Medical Debt Relief	\$900,000.00	—	\$900,000.00
Lead safety initiatives (County)	\$600,000.00	—	\$600,000.00
Mobile restroom project	\$600,000.00	—	\$600,000.00
Bridge asset management program	\$2,500,100.00	\$(2,236,141.36)	\$263,958.64
Compost & Recycling Roadmap to Zero Waste	\$100,000.00	—	\$100,000.00
EV charger support (PPA)	\$56,616.80	—	\$56,616.80
Maher Duessel contract	\$100,000.00	\$(83,697.20)	\$16,302.80
<b>Total Remaining</b>			<b>\$13,279,123.35</b>



# THE CITY'S NET POSITION



## NET POSITION

The City's net position is the difference between the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, and is one way to measure the City's financial health, or position. The City's net position is affected by program revenues and expenses and general revenues.

At December 31, 2024, the City reported a \$1.0 billion net deficit, largely in part due to GASB 68 and 75 reporting requirements of Net Pension Liability and Other Postemployment Benefits, as well as the City's debt burden outstanding. Although the City's net position remains at a deficit, the balance did increase by approximately \$78 million during the year. The graph to the right highlights the City's net position over the previous five fiscal years.

## GENERAL FUND BALANCE

The City's fund financial statements provide readers with a detailed short-term view of how financial assets can be spent in the near future to finance the City's programs. The General Fund is the chief operating fund of the City, where the City's unassigned fund balance, or net resources available for spending is allocated. The City's General Fund balance and unassigned fund balance has experienced steady growth over the recent fiscal years, as illustrated on the chart at right.

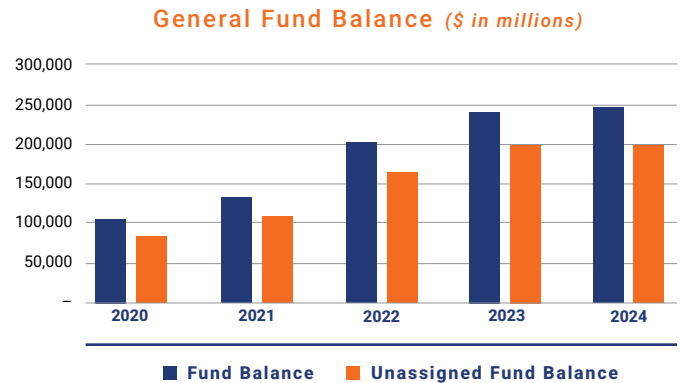
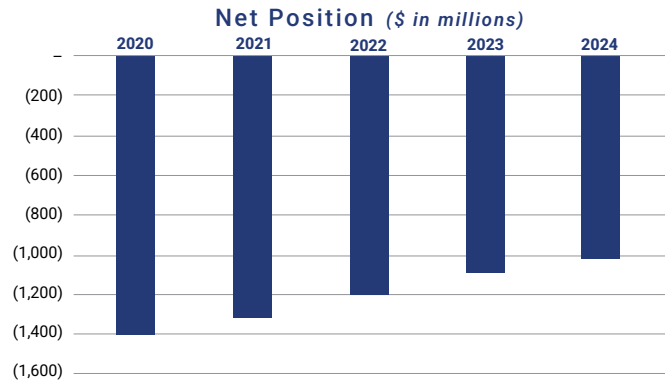


Photo by John Altdorfer



# GENERAL FUND REVENUES

**When assessing City finances**, 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

**From 2023-2024, the General Fund Revenues & Transfers increased approximately \$19.7 million or by 2.8%.**

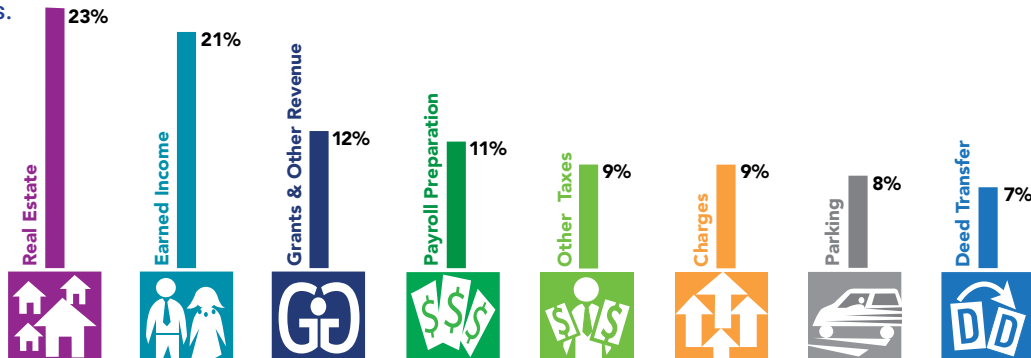
The net increase in revenues and transfers is about \$19.7 million. This can be attributed to increases of \$8.3 million in Grants, \$6.2 million in Earned Income Taxes, \$5.5 million in Charges, \$7.0 million in Subscription-based IT Arrangements, and \$4.2 million in Deed Transfer Taxes. The increases in various revenue streams is partially offset by a decrease of \$9.9 million in Leases and \$4.5 million in Other Taxes. In 2024, \$46.5 million from the City's American Rescue Plan Trust Fund were transferred into the General Fund.

**From 2022-2023, the General Fund Revenues & Transfers increased approximately \$9.5 million or by 1.4%.**

The net increase in revenue is about \$123,000. This can be attributed to increases of \$16.5 million in Other Revenue, \$6.0 million in Charges, \$4.8 million in Other Taxes, \$7.0 million in Earned Income Taxes, \$6.4 million in Parking Taxes, and \$7.9 million in Leases. The increases in various revenue streams is partially offset by a decrease of \$20.2 million in Deed Transfer Taxes and \$13.5 million in Grant revenue. In 2023, \$49.6 million from the City's American Rescue Plan Trust Fund were transferred into the General Fund.

## WHERE OUR MONEY GOES

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 is 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 REVENUES AND TRANSFERS

(\$ in thousands)

	2024	2023	2022
Real Estate Taxes	\$151,769	\$147,284	\$155,413
Earned Income Taxes	138,504	132,307	125,294
Payroll Preparation Taxes	75,715	76,462	75,331
Parking Taxes	56,538	52,638	46,201
Deed Transfer Taxes	48,935	44,694	64,857
Other Taxes	63,669	68,218	63,415
<b>Total Taxes</b>	<b>\$535,130</b>	<b>\$521,603</b>	<b>\$530,511</b>
Charges	59,561	54,091	48,070
Grants	47,348	39,014	52,495
Other Revenue	30,499	32,148	15,657
<b>Total Revenue</b>	<b>\$672,538</b>	<b>\$646,856</b>	<b>\$646,733</b>
<b>Other Financing Sources and Uses</b>			
Subscription-based IT Arrangements	7,037	--	--
Leases	--	9,874	1,982
Transfers In	50,484	53,585	52,046
<b>Total Other Financing Sources and Uses</b>	<b>57,521</b>	<b>63,459</b>	<b>54,028</b>
<b>Grand Total</b>	<b>\$730,059</b>	<b>\$710,315</b>	<b>\$700,761</b>



# GENERAL FUND EXPENDITURES



In 2022, 2023 and 2024, the City expended its funds as shown below 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 and Transfers

From 2023-2024, General Fund Expenditures increased approximately \$29.0 million or by 4.9%.

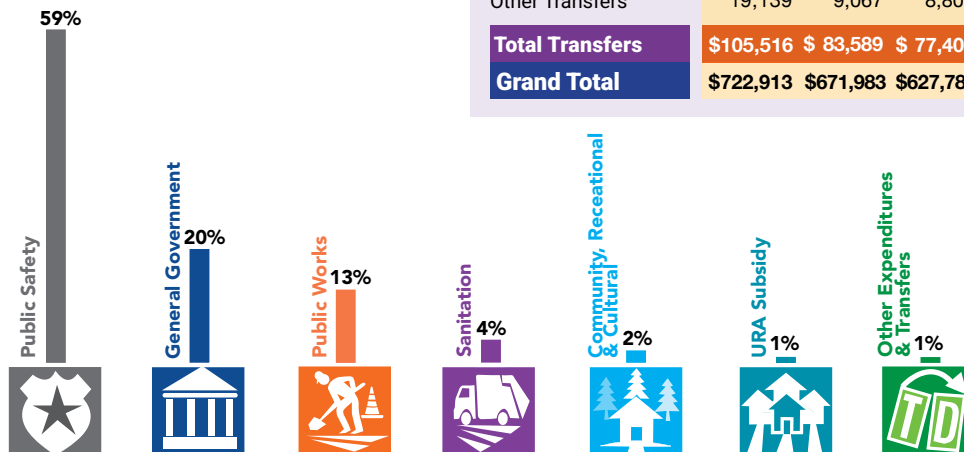
Elements of this increase include a 28.5% increase in Public Works, a 15.9% increase in Government, and a 0.8% increase in Public Safety. Transfers to other funds increased by 26.2%, made up of increases in transfers to the Capital Projects Fund, Debt Service Fund, and additional other transfers.

From 2022-2023, General Fund Expenditures increased approximately \$38.01 million or by 6.9%.

Elements of this increase include an 8.6% increase in Government, a 9.0% increase in Public Works, a 263.2% increase in Other Expenditures, and a 21.2% increase in Community, Recreational and Cultural. Transfers to other funds increased 8.0%, made up of increases in transfers to the Capital Projects Fund and additional other transfers.

## 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 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.

## GENERAL FUND EXPENDITURES AND TRANSFERS

(\$ in thousands)

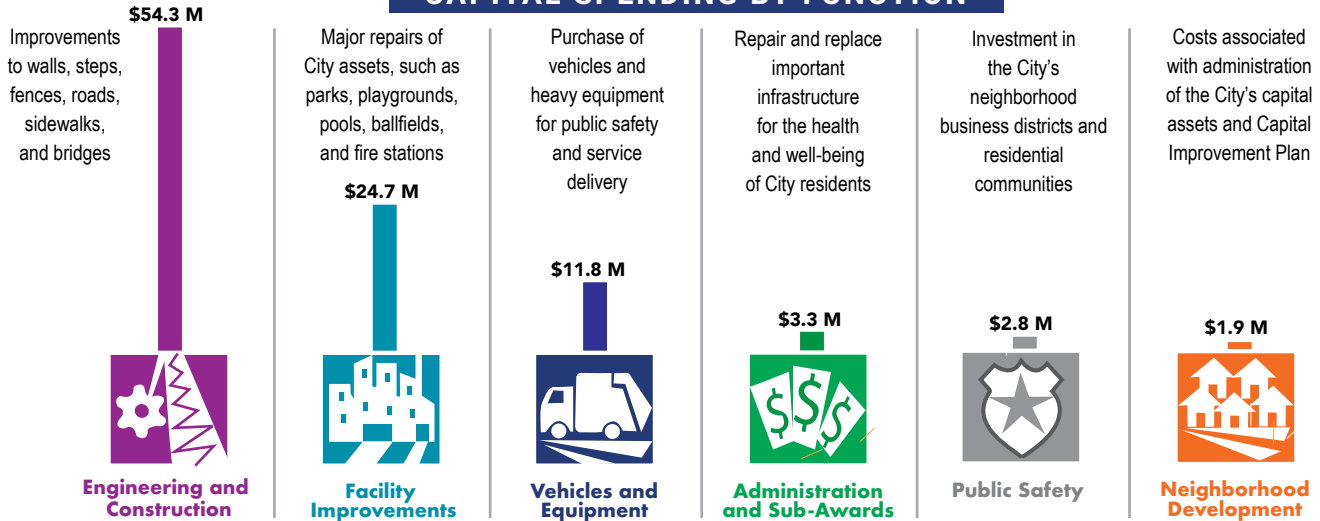
Expenditures	Aggregate			Per Capita*		
	2024	2023	2022	2024	2023	2022
Government	\$ 126,877	\$ 109,435	\$ 100,788	\$ 419	\$ 361	\$ 333
Public Safety	363,324	360,440	353,650	1,199	1,190	1,167
Public Works	82,689	64,365	59,052	273	212	195
Sanitation	22,567	21,747	20,817	74	72	69
Community, Recreational, and Cultural	9,871	8,729	7,203	33	29	24
Urban Redevelopment Authority Subsidy	3,781	3,246	3,246	12	11	11
Other Expenditures	8,288	20,432	5,625	27	67	19
<b>Total Expenditures</b>	<b>\$617,397</b>	<b>\$588,394</b>	<b>\$550,381</b>	<b>\$2,037</b>	<b>\$1,942</b>	<b>\$1,818</b>
<b>Transfers</b>						
Transfers to Capital Projects	23,531	15,051	9,000	78	50	30
Transfers to Debt Service	62,846	59,471	59,599	207	196	197
Other Transfers	19,139	9,067	8,805	63	30	29
<b>Total Transfers</b>	<b>\$105,516</b>	<b>\$83,589</b>	<b>\$77,404</b>	<b>\$348</b>	<b>\$276</b>	<b>\$256</b>
<b>Grand Total</b>	<b>\$722,913</b>	<b>\$671,983</b>	<b>\$627,785</b>	<b>\$2,385</b>	<b>\$2,218</b>	<b>\$2,074</b>



# 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 2024, the City spent \$98.8 million on Capital Projects.

## CAPITAL SPENDING BY FUNCTION



## CAPITAL SPENDING BY LOCATION

■ Citywide: \$81.5 M    ■ Neighborhoods: \$11.0 M    ■ Central Business District: \$6.3 M

## LARGEST CITYWIDE PROJECTS

■ Street Resurfacing:	\$14.6 M	■ Slope Failure Remediation:	\$5.3 M	■ Facility Improvements (Public Safety Facilities):	\$3.8 M
■ Capital Equipment Acquisition:	\$11.8 M	■ Facility Improvements (Recreation and Senior Centers):	\$4.1 M	■ Bridge Upgrades:	\$3.5 M
■ Ramp and Public Sidewalk:	\$ 7.6 M	■ Park Reconstruction:	\$4.0 M	■ Information Systems Modernization:	\$2.7 M
■ Facility Improvements (City Facilities):	\$ 6.3 M				

## LARGEST NEIGHBORHOOD PROJECTS

■ Charles Anderson Bridge:	\$ 5.3 M	■ Liberty Avenue:	\$0.5 M	■ California Avenue Bridge:	\$0.3 M
■ South Side Signals:	\$ 1.0 M	■ Penn Avenue Reconstruction (Phase 2):	\$0.4 M	■ West Carson Street Bridge:	\$0.2 M
■ Swindell Bridge:	\$ 0.9 M	■ 28th Street Bridge:	\$0.3 M	■ Penn Avenue Signal Improvements:	\$0.2 M
■ Four Mile Run:	\$ 0.8 M				

## LARGEST CENTRAL BUSINESS DISTRICT PROJECTS

■ CBD Signal Upgrades: \$5.3 M    ■ Smithfield Street: \$1.0 M



Photos: From left to right: **The Stanton Avenue Complete Street Phase 2** This project spans from Dillworth Academy (at Meadow/Heberton) to Chislett Street and includes improved intersection elements, pedestrian crossing improvements, and other traffic calming measures including speed tables which improve roadway safety; **The Mount Washington Landslide and Remediation** In coordination with FEMA/FEMA, this project stabilized Williams Street and Greenleaf Street, protecting a vital connection to Mt. Washington while also making the hillside more resilient; **Negley Avenue & Black Street Signal Upgrade** This project included replacement of the traffic signal at the intersection of Black Street and Negley Avenue, in addition to new strain poles, 12" LED vehicular signal heads with backplates, pedestrian countdown signal, leading pedestrian intervals, accessible pedestrian signals, and a 4-head flashing yellow arrow unit; **Schenley Avenue Matilda Street Critical Sidewalk Gap** Critical sidewalk gap projects aim to develop safe, accessible pedestrian connections to essential community resources such as schools, transit stops, business districts, and parks.



# 2024 FINANCIAL HIGHLIGHTS



## OUTLOOK FOR CITY FINANCES

### Long-Term Debt

In 2024, the City's debt increased by \$3.3 million to \$511.6 million. The increase was due to the City's borrowing for past capital projects.

### Pension Funding

The City of Pittsburgh has made significant progress stabilizing the Comprehensive Municipal Pension Fund over the past decade and is now considered generally stable.

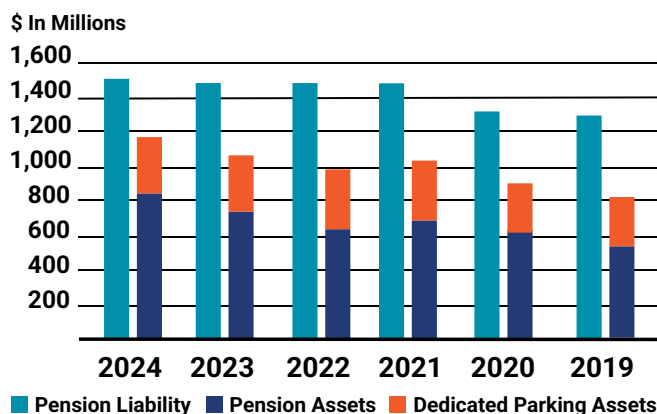
Commonwealth of Pennsylvania Act 44 of 2009 required the City's aggregate pension funding level to be at least 50 percent by December 31, 2010, to avoid having the City's pension fund seized and administered by the Pennsylvania Municipal Retirement System. The City's plan to meet this level of funding includes transferring dedicated parking tax revenues through 2046 in addition to employee and City-obligated contributions.

From 2011 to 2017 the City contributed \$13.4 million in parking tax revenue every year and will continue to contribute \$26.8 million per year through 2046. The City contributed \$106.1 million in 2023 and \$109.3 million in 2024. These higher-than-expected payments were made with interest earnings on the Fund's investments.

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.

At the end of 2024, with revenue from the City's parking tax, the City's pension held 75.6% of the funds needed. Current projections anticipate slow but stable growth toward fully funded status.

## PENSION FUNDING STATUS



## VOLUNTARY PAYMENTS FROM OUR LARGE NONPROFIT PARTNERS

In 2022, the City and County Controllers issued a joint report in favor of payment-in-lieu-of-taxes (PILOT) agreements with the region's largest nonprofit institutions. The report found that the City would earn at least \$17 million per year in 2022 through strong PILOT agreements with the five biggest nonprofits, a value that has likely increased over time. Given the City's current budget imbalance, reaching a voluntary agreement with those institutions would alleviate strain on finances over the next five years.

Nonprofit organizations are exempt from real estate taxes under Pennsylvania law. The number of properties held by large medical and education nonprofits has rapidly increased in recent decades, leaving local governments including the City with a shrinking taxable inventory.



**PILOT** agreements represent one sustainable solution to this problem. Nonprofits voluntarily agree to provide set amounts to local governments in recognition of the public services they benefit from—most significantly police and fire protection, emergency medical services, and basic infrastructure.

In 2024, the City received \$613,000 (non-GAAP basis) from existing PILOT agreements, none of which include the five largest regional nonprofits. This is in line with past year collections and far below what peer Pennsylvania cities like Erie collect through similar arrangements. Given the potential loss of other local revenue sources like the Sports Facility and Usage Fee, which remained in litigation at the end of 2024, securing PILOT commitments could mean the difference between maintaining or cutting vital services in the years ahead.



Although this report is largely based on the City's 2024 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 2024 Annual Report, which is prepared in accordance with GAAP, is located at [www.pittsburghpa.gov/controller](http://www.pittsburghpa.gov/controller).

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

**Front cover photo:** This aerial view of downtown Pittsburgh captures not only the three rivers merging at the point, but also our magnificent Point State Park fountain fed by the famous "fourth river" (Wisconsin Glacial Flow) located about fifty-five feet below ground. Also shown is the foundation outline of old Fort Pitt, along with just a few of the 446 bridges of Pittsburgh, including the three Sister Bridges connecting downtown with the Northside, photo by Dustin McGrew.

**Back cover photos:** Left to right: Heinz Hall continues to provide Pittsburgh with a variety of entertainment in the Cultural District, photo by John Altdorfer; Unique homes in the historic Mexican War Streets area in Pittsburgh's Northside; Mt. Oliver neighborhood; Randyland, a unique art museum located on Arch Street on the Northside, was initially created using recycled materials, and then covered in colorful designs.