



# PITTSBURGH LAND BANK

412 Boulevard of the Allies, Suite 901  
Pittsburgh, PA 15219

July 3, 2025

Andrew Sheaf  
Deputy Executive Director  
PA Department of Community & Economic Development  
Governor's Center for Local Government Services  
Commonwealth Keystone Building  
400 North Street, 4th Floor  
Harrisburg, PA 17120-0225

Via E-mail: [RA-DCLANDBANKORD@pa.gov](mailto:RA-DCLANDBANKORD@pa.gov)

Re: 2024 Audit for Pittsburgh Land Bank, Entity # 4271506

Mr. Sheaf:

The Pittsburgh Land Bank (PLB) was formed via Local Ordinance 2014-0025 in the City of Pittsburgh, with its Certificate of Incorporation dated April 30<sup>th</sup>, 2014. Its fiscal year runs concurrent with the calendar year January 1 - December 31<sup>st</sup>.

Enclosed is the completed audit of the PLB's finances and records for its activities in FY2024 as well as our 2024 Annual Report summarizing our annual activities submitted to DCED per the regulations outlined in PA Act 153 of 2012, 68 Pa.C.S.A §2101 et seq.

Please consider this letter and the attached audited financial statements as our formal acknowledgement and record of fulfilling our audit obligation for the 2024 fiscal year for the PLB.

Please direct any questions regarding this matter to Sally Stadelman at [sstadelman@ura.org](mailto:sstadelman@ura.org).

Respectfully,

Signed by:

E652AE28EDD246F...

Wanda Wilson

Treasurer, Pittsburgh Land Bank

CC: Hon. Ed Gainey, Mayor, City of Pittsburgh  
Damara Carter, Chief Financial Officer, Urban Redevelopment Authority of Pittsburgh  
Jennifer Gula, Director, Department of Finance, City of Pittsburgh  
Kimberly Clark-Baskin, Clerk, City of Pittsburgh  
Susheela Nemani-Stanger, Executive Director, URA

Attachments

Subject:

Date

Page | 2

2024 PLB ANNUAL REPORT



**PITTSBURGH LAND BANK**

**Financial Statements**

**For the Years Ended December 31, 2024 and 2023**

PITTSBURGH LAND BANK

Table of Contents

December 31, 2024 and 2023

	<u>Pages</u>
Independent Auditor's Report	1 – 2
Financial Statements:	
Statements of Net Position	3
Statements of Revenues, Expenses, and Changes in Net Position	4
Statements of Cash Flows	5
Notes to the Financial Statements	6 – 8



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Leslie A. McGee, C.P.A.

Lisa Maruca DiPardo, C.P.A.

**Independent Auditor's Report**

To the Board of Directors  
Pittsburgh Land Bank  
Pittsburgh, Pennsylvania

**Opinion**

We have audited the accompanying financial statements of Pittsburgh Land Bank (PLB), a component unit of the City of Pittsburgh, which comprise the statements of net position as of December 31, 2024 and 2023, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pittsburgh Land Bank as of December 31, 2024 and 2023, and the changes in its net position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinion**

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

**Responsibilities of Management for the Financial Statements**

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Pittsburgh Land Bank's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

## **Other Matters**

### ***Required Supplementary Information***

Management has omitted the Management's Discussion and Analysis (MD&A) that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

*McLee Maruca & Associates, P.C.*

Pittsburgh, Pennsylvania

April 22, 2025

Pittsburgh Land Bank  
Statements of Net Position  
December 31

	<u>Assets</u>	<u>2024</u>	<u>2023</u>
Current assets:			
Cash and cash equivalents		\$ 1,218,255	\$ 288,069
Property held for resale		289,485	-
Accounts receivable		-	5,411
Total current assets		<u>1,507,740</u>	<u>293,480</u>
Total assets		<u><u>\$ 1,507,740</u></u>	<u><u>\$ 293,480</u></u>

Liabilities and Net Position

Liabilities:			
Current liabilities:			
Accounts payable		\$ 196,161	\$ 84,942
Unearned revenue		900,000	-
Escrow options		1,000	2,000
Total liabilities		<u>1,097,161</u>	<u>86,942</u>
Net position:			
Unrestricted:			
Property held for resale		289,485	-
Operations		121,094	206,538
Total net position		<u>410,579</u>	<u>206,538</u>
Total liabilities and net position		<u><u>\$ 1,507,740</u></u>	<u><u>\$ 293,480</u></u>

See accompanying notes to financial statements.

Pittsburgh Land Bank  
Statements of Revenues, Expenses,  
and Changes in Net Position  
For the Years Ended December 31

	<u>2024</u>	<u>2023</u>
Operating revenue:		
Sale of real estate	\$ 60,630	\$ 94,845
ARPA grant revenue	<u>748,847</u>	<u>-</u>
Total operating revenue	<u>809,477</u>	<u>94,845</u>
Operating expenses:		
Acquistition costs	-	68,001
Closing fees	4,720	-
Insurance	8,055	3,750
Advertising	1,400	1,165
Administrative fees to the Urban Redevelopment Authority of Pittsburgh	341,955	261,473
Dues	325	150
Interest expense	-	7
Office expense	801	129
Professional development	625	1,732
Professional services	183,423	65,681
Maintenance expense	40,192	-
Miscellaneous expense	2,500	-
Recording fees	11,510	-
Travel/training/conference	3,979	580
Computer and software expense	5,374	5,286
Bank fees	<u>1,815</u>	<u>155</u>
Total operating expenses	<u>606,674</u>	<u>408,109</u>
Operating income (loss)	<u>202,803</u>	<u>(313,264)</u>
Non-operating revenue (expenses):		
Interest income	316	313
Miscellaneous revenue	<u>922</u>	<u>8,117</u>
Total non-operating revenue (expenses)	<u>1,238</u>	<u>8,430</u>
Change in net position	204,041	(304,834)
Net position:		
Beginning of period	<u>206,538</u>	<u>511,372</u>
End of period	<u><u>\$ 410,579</u></u>	<u><u>\$ 206,538</u></u>

See accompanying notes to financial statements.



Pittsburgh Land Bank  
Statements of Cash Flows  
For the Years Ended December 31

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from sale of real estate	\$ 65,041	\$ 91,434
Cash received from grants	1,648,847	-
Operating cash payments	<u>(784,940)</u>	<u>(323,241)</u>
Net cash provided (used) in operating activities	<u>928,948</u>	<u>(231,807)</u>
Cash flows from non-capital financing activities:		
Interest income	316	313
Miscellaneous revenue	<u>922</u>	<u>8,117</u>
	<u>1,238</u>	<u>8,430</u>
Increase (decrease) in cash and cash equivalents	930,186	(223,377)
Cash and cash equivalents:		
Beginning of period	<u>288,069</u>	<u>511,446</u>
End of period	<u><u>\$ 1,218,255</u></u>	<u><u>\$ 288,069</u></u>
Reconciliation of operating income (loss) to net cash provided (used) in operating activities:		
Operating income (loss)	\$ 202,803	\$ (313,264)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Decrease (increase) in accounts receivable	5,411	(5,411)
Increase in property held for resale	(289,485)	-
Increase in accounts payable	111,219	84,868
Increase in unearned revenue	900,000	-
(Decrease) increase in escrow options	<u>(1,000)</u>	<u>2,000</u>
Net cash provided (used) in operating activities	<u><u>\$ 928,948</u></u>	<u><u>\$ (231,807)</u></u>

See accompanying notes to financial statements.

## PITTSBURGH LAND BANK

## Notes to the Financial Statements

December 31, 2024 and 2023

**(1) Financial Reporting Entity**

Pittsburgh Land Bank (PLB) was authorized and organized as a Pennsylvania Land Bank in accordance with Commonwealth of Pennsylvania Act 153 of 2012, Chapter 21 of Title 68, known as the Land Banks Act. The City of Pittsburgh City Council adopted Ordinance #2014-0025 on April 14, 2014 creating the PLB. There has been minimal activity from inception through the end of 2018. The operations commenced in 2019 but were limited in 2020 through 2022 due to COVID restrictions. There was minimal operating revenue for 2023 but activity has substantially increased for 2024.

The mission of PLB is to return unproductive real property to beneficial reuse, through an equitable, transparent, and public process, revitalize neighborhoods to strengthen the City of Pittsburgh's tax base and support socially and economically diverse communities. PLB's specific role is to aid in neighborhood scale development, the recycling and repurposing of land suitable for single family infill development, the stabilization of standing structures supporting neighborhood commercial districts and vacant land suitable for community needs.

PLB is a component unit of the City of Pittsburgh. The City of Pittsburgh City Council appoints six of the nine board members of the PLB and the PLB operates autonomously of the City of Pittsburgh. PLB operates under all legislation approved by the Pittsburgh City Council and the Commonwealth of Pennsylvania. Under the terms of a memorandum of agreement dated March 22, 2021, the Urban Redevelopment Authority of Pittsburgh (URA) is responsible for providing staffing support and services for the benefit of PLB.

**(2) Summary of Significant Accounting Policies****(a) Basis of Accounting**

PLB operates as a business-type activity and, as such, presents its financial statements as an enterprise fund. Its accounts are maintained on the accrual basis of accounting. Under this method, revenues are recognized when earned, and expenses are recorded as liabilities when incurred, without regard to receipt or payment of cash.

PLB distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with PLB's principal ongoing operations. The principal operating revenues of PLB are proceeds from sales of properties. Operating expenses include the cost of site acquisition and improvements, operating and maintenance, insurance, utilities, professional services, and administrative expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

To date, all of PLB's resources are unrestricted. PLB has not yet developed a formal policy for what resources to use when an expense is incurred for purposes for which both restricted and unrestricted resources are available. PLB will do so in the future when it obtains restricted resources.

# PITTSBURGH LAND BANK

## Notes to the Financial Statements, continued

December 31, 2024 and 2023

### (2) **Summary of Significant Accounting Policies, continued**

#### (b) **Basic Financial Statements**

With the exception of the preparation of Management's Discussion and Analysis, PLB has adopted Governmental Accounting Standards Board (GASB) Statement No. 34, *"Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments."* Since PLB is only engaged in business-type activities, it is required to present only the financial statements required for the enterprise funds. For the PLB, the basic financial statements consist of:

#### Enterprise Fund Financial Statements:

Statement of Net Position

Statement of Revenues, Expenses, and Changes in Net Position

Statement of Cash Flows

Notes to the Financial Statements

#### (c) **Cash and Cash Equivalents**

PLB considers all highly liquid investments having an original maturity of three months or less when purchased to be cash equivalents.

#### (d) **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through an allowance for credit losses based on a review of all outstanding amounts. There were no material allowances for credit losses determined by management at December 31, 2024. There were no accounts receivable at December 31, 2024.

#### (e) **Federal Income Taxes**

PLB qualifies under the Internal Revenue Codes as a tax-exempt organization and, therefore, any income earned by PLB is exempt from federal income taxes. Accordingly, no federal income taxes have been provided for in the accompanying PLB financial statements.

#### (f) **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

#### (g) **Net Position**

Net position is the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Currently, all of PLB's net position is unrestricted.

## PITTSBURGH LAND BANK

## Notes to the Financial Statements, continued

December 31, 2024 and 2023

(3) **Cash and Cash Equivalents**

Under Section 2007.11 of the Pennsylvania Land Bank Act, the PLB is permitted to invest its monies at the discretion of the Board in instruments, obligations, securities, or property determined proper by the Board, and to name and use depositories for its money. Currently, PLB's cash is deposited into a bank account with a financial institution. There were no investments at December 31, 2024 or 2023.

(4) **Property Held for Resale**

Property held for resale is valued at the lower of cost or market. The properties are inventoried at the amount of acquisition costs for the properties plus any costs incurred for rehabilitation or demolition to a particular property which do not exceed market value. If the cost exceeds market value, the property is adjusted down to market value.

(5) **Custodial Credit Risk**

PLB maintains its cash at a single financial institution located in Pittsburgh, Pennsylvania. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2024, PLB had uninsured cash balances of \$973,255. At December 31, 2023, PLB had uninsured cash balances of \$38,069.

(6) **Revenues****ARPA Grant Revenue**

The Pittsburgh Land Bank entered into a subrecipient agreement with the Urban Redevelopment Authority of Pittsburgh (URA) on February 29, 2024 whereas the City of Pittsburgh received Coronavirus Local Fiscal Recovery Fund (FRF) monies not to exceed \$3,500,000 from the United States Department of Treasury and agreed to transfer FRF monies to the URA through a recipient agreement dated January 18, 2024, which funding is to be passed through to the Pittsburgh Land Bank. The Local Fiscal Recovery Fund (FRF) was established through Section 603 of the federal American Rescue Plan Act (ARPA). The Pittsburgh Land Bank received \$1,648,847 in ARPA grant funds for the year ended December 31, 2024, however only \$748,847 of those funds were spent and therefore the remaining \$900,000 is shown on the statement of net position as unearned revenue. That amount will be shown as revenue in the next year as expenses are incurred.

(7) **Subsequent Events**

Subsequent events were evaluated through the Independent Auditor's report date, which is the date the financial reports were available to be issued.