



REQUEST FOR PROPOSAL

2024-RFP-324

DEVELOPMENT AND PRINTING OF POPULAR ANNUAL FINANCIAL REPORT

City of Pittsburgh
City-County Building
Pittsburgh, PA 15219

RELEASE DATE: November 15, 2024

DEADLINE FOR QUESTIONS: November 29, 2024

RESPONSE DEADLINE: December 13, 2024, 2:00 pm

RESPONSES MUST BE SUBMITTED ELECTRONICALLY TO:

Request for Proposal #2024-RFP-324

Title: Development and Printing of Popular Annual Financial Report

<https://secure.procurenow.com/portal/pittsburghpa>

City of Pittsburgh
REQUEST FOR PROPOSAL

Development and Printing of Popular Annual Financial Report

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Attachments:

A - 2023 PAFR

B - 2022 PAFR

1. Introduction

1.1. Summary

The City of Pittsburgh Office of Management and Budget, on behalf of the City Controller's Office, is soliciting proposals from qualified firms for the production and printing of the Popular Annual Financial Report (PAFR).

1.2. Background

The Popular Annual Financial Report (PAFR) is a condensed, digestible version of the City's Annual Comprehensive Financial Report (ACFR). The PAFR is widely distributed to community members to increase public awareness of City finances. It is typically 16 pages in length. Production requires drafting the PAFR based on the ACFR, coordinating with the City Controller's Office as to content and scope, printing the PAFR, and shipment/delivery.

1.3. Contact Information

Jacob Goldmann

Sourcing Specialist

414 Grant Street

Room 502

Pittsburgh, PA 15219

Email: jacob.goldmann@pittsburghpa.gov

Phone: [\(412\) 255-2422](tel:(412)255-2422)

Department:

Office of the Controller

1.4. Timeline

The following represents the tentative schedule for this project. Any change in the scheduled dates for the Pre Proposal Conference (if applicable), Deadline for Submission of Written Questions, or Proposal Submission Deadline will be advertised in the form of an addendum to this RFP. The schedule for the evaluation process and other future dates may be adjusted without notice.

RFP Released	November 15, 2024
Question Submission Deadline	November 29, 2024, 5:00pm
Proposal Submission Deadline	December 13, 2024, 2:00pm
Proposal Review and Supplier Scoring	December 2024

Contract Award	December 2024
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2. Instructions to Bidders

2.1. Submittal Requirements

All proposals must be submitted electronically. No proposal shall be accepted in person, by U.S. Mail, by private courier service, via oral or email communication, telephone or fax transmission.

Respondents are required to provide one (1) electronic copy of their proposal in either MS Word or PDF by the submission deadline.

If additional hard copies are requested, the proposal should be bound or contained in a loose leaf binder. Document pages shall be 8-1/2 inches by 11 inches in size or folded to such a size. Use section dividers, tabbed in accordance with this Section as specified below. All proposals will need to be provided electronically so the following format will apply for the electronic submittal through the Beacon website.

2.2. Additional Submission Considerations

Late proposals will not be accepted or considered. Respondents should allow enough time to register company on the City's e-Procurement Portal, search the solicitation they wish to respond to and complete the submission process online before the deadline.

The City of Pittsburgh shall not be responsible for proposals delivered to a person or location other than that specified herein.

All submittals, whether selected or rejected, shall become the property of the City of Pittsburgh and will not be returned.

All costs associated with proposal preparation shall be borne by the applicant.

3. Scope of Work

3.1. [Scope of Work Overview](#)

The PAFR must be drafted in compliance with the Government Finance Officers' Association guidelines. Responsive vendors should have adequate familiarity with government accounting principles, including GAAP basis. Vendor will base the content of the PAFR on the Annual Comprehensive Financial Report, released by the City Controller's Office at the beginning of May each year.

3.2. [Scope of Work - Contents](#)

Additional content may be sourced from the City of Pittsburgh's website or other references as needed. The PAFR is typically sixteen (16) pages and contains the following elements:

- Cover Page
- Table of Contents
- Introductory Section/Letter (written by City Controller's Office)
- Demographic and Economic Statistics
- Overview of Education, Culture, and Business
- Description of City Government
- Description of Financial Initiatives/Challenges
- Overview of Revenues
- Overview of Expenditures
- Overview of Capital Spending
- Overview of Fund Balance and Net Income
- Back Cover

Additional pages may be requested based on the relevant financial priorities of the City of Pittsburgh.

3.3. [Coordination with the City Controller's Office](#)

Vendor will be required to coordinate regularly with the City Controller's Office. Prior to drafting, Vendor must meet with the City Controller's Office to discuss topics, specific information, and sources of information required for the PAFR. Vendor must also submit all drafts to the City Controller's Office for approval. The City Controller's Office will review drafts for accuracy of information and provide revisions as needed. The PAFR will not be printed without the final approval of the City Controller's Office.

3.4. [Printing](#)

Vendor will be responsible for printing one thousand (1,000) copies of the PAFR. The PAFR should utilize high quality gloss paper, be printed in color with bright visual elements, and be bound along the left spine. Previous publications have been printed horizontally on 17" x 11" paper, center bound along the spine with staples to make final product 8.5" x 11".

3.5. [Time Frame](#)

PAFR creation commences once the Annual Comprehensive Financial Report is finalized at the beginning of May. The deadline for delivery of the completed PAFR is June 23rd. The City Controller's Office seeks to submit the PAFR to the GFOA for consideration of an award in financial reporting excellence by June 30th.

3.6. [Shipping and Delivery](#)

Shipping and delivery costs must be included with vendor's submitted response pricing under the Pricing Proposals section. The City of Pittsburgh will not pay for nor reimburse separate shipping, handling, or delivery fees.

Chosen respondent must mail individual copies to specified recipients. A list will be provided by the Controller's Office.

All other copies shall be delivered to the Controller's Office and received by a designated representative from the Controller's Office.

Purchase orders placed under an awarded contract will be F.O.B. Destination.

3.7. [Anticipated Contract Term](#)

The City of Pittsburgh anticipates a 2 year contract term, however contract terms will be discussed during the contract negotiation phase.

4. Proposal Format Requirements

4.1. Response Format

All submitted responses shall follow the formatting below, and all proposals will need to be provided electronically through the City's e-Procurement Portal. Each numbered section is to be uploaded as a separate file. If hard copies of submissions are required, each numbered section shall be a removable tab. Document pages shall be 8-1/2 inches by 11 inches in size or folded to such a size.

Response to Scope

Firm's Qualifications, Experience and References

Describe the firm and provide a statement of the firm's qualifications for providing the scope of services. Identify the services which would be completed by your firm's staff and those that would be provided by sub-consultants, if any. Identify any sub-consultants you proposed to utilize to supplement your firm's staff.

Provide a summary of the firm's experience in providing these or similar services. Provide a minimum of three references for related projects, including dates, contact person, phone number, email, and a brief description of the project or scope of work.

Qualifications of Project Team

Provide a brief summary of the qualifications and experience of each team member assigned to this project, including length of service with the firm and resume/bio, and the qualifications /experience of any sub-consultant staff on your project team.

Project Approach and Plan

Provide a detailed discussion of your firm's approach to the successful completion of the scope of services outlined in this RFP. Include thorough discussions of methodologies you believe are essential to accomplishing this project or completing the scope of services. Include a proposed work schedule to accomplish all of the required tasks within the desired timeline. Identify the staff roles who would be assigned to each major task, including sub-consultants.

Cost Proposal

Provide a total cost proposal for all services to be delivered, and a breakdown of costs delineated by major phase and/or deliverable as described in your project plan. Include a schedule of hourly rates for all proposed staff and the amount of time each person will be devoted to this project. Define any

reimbursable expenses (e.g., travel) requested to be paid by the City. Note: If travel expenses are included, the rate assumptions generally should not exceed the United States General Services Administration (GSA) rates for Pittsburgh.

PLEASE NOTE: The City does not agree to late fees, penalties, interest, attorney's fees or other contingent liability. In no event shall the City be liable for special, indirect, incidental, reliance, lost profits or other business interest damages.

Demonstration of Good Faith Effort

Include statements of assurance regarding the following requirements detailed in the Equal Opportunity section of this solicitation:

- A. Solicit certified MBE/WBE/Veteran-Owned companies for various service categories where opportunities exist to subcontract within their company's business model.
- B. Complete MWDBEVOSB Commitment Form to document good faith effort. Please provide scope of services to be delivered by each subcontractor. If a subcontractor is not chosen, a justification is required describing why services could not be rendered by a sub-contractor.
- C. Provide email documentation of solicitation correspondence with MBE/WBE/Veteran-Owned companies.

Failure to include all of the elements specified may be cause for rejection. Additional information may be provided, but should be succinct and relevant to the goals of this RFP. Excessive information will not be considered favorably.

5. Evaluation Phases

Selection Procedure

Your Proposal will be evaluated by a Proposal Committee comprised of the Director or other supervisor of the Using Department, one or more members of the Director’s staff, at least one member of the Office of Management & Budget and any other department representatives as deemed necessary.

Submittals will be reviewed for responsiveness, and responsive submittals will further be screened by a selection committee in accordance with the criteria listed below. The firm(s) submitting the highest rated proposal may be invited for interviews.

No.	Evaluation Criteria	Scoring Method	Weight (Points)
1.	<p>Firm’s Qualifications, Experience and References</p> <p>Vendor response demonstrated that the firm has the experience and capabilities to successfully perform the scope of services, including providing references for clients of similar size and scope.</p>	Points Based	15 <i>(15% of Total)</i>
2.	<p>Qualifications of Project Team</p> <p>Vendor response provided a brief summary of the qualifications and experience of each team member assigned to this project, including length of service with the firm and resume/bio, and the qualifications /experience of any sub-consultant staff on your project team.</p>	Points Based	15 <i>(15% of Total)</i>
3.	<p>Project Approach and Plan</p> <p>Vendor response demonstrated a firm understanding of the scope of services, the response included thorough and complete responses to the items outlined in the Section 4, and the vendor has the appropriate expertise, procedures, and methods in place to perform the scope of services.</p>	Points Based	30 <i>(30% of Total)</i>
4.	<p>Cost Proposal</p> <p>Vendor response provided a total cost proposal for all services to be delivered, a breakdown of costs delineated by major phase and/or a schedule of hourly rates.</p>	Reward Low Cost	30 <i>(30% of Total)</i>

5.	MWDBE/VOSB Good Faith Effort Vendor response was detailed and demonstrated clear Good Faith Effort to obtain MWDBE & VOSB Participation.	Points Based	10 <i>(10% of Total)</i>
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6. Equal Opportunity Review Commission Terms

6.1. MWE/DBE

The City of Pittsburgh is committed to the ideal of providing all citizens an equal opportunity to participate in City and its Authorities' contracting opportunities. It is therefore the City's goal to encourage increased participation of women and minority groups in all City contracts. The City requires that all respondents demonstrate good faith efforts to obtain the participation of Minority-Owned Business Enterprises (MBE's) and Women-Owned Business Enterprises (WBE's) in work to be performed under City contracts. The levels of MBE and WBE participation will be monitored by the City of Pittsburgh's Equal Opportunity Review Commission (EORC). In order to ensure that there are opportunities for historically disadvantaged minority groups and women to participate on Covered Contracts, and consistent with the City's current equal employment opportunity practice and goals, the EORC will review contracts to include an evaluation of a developer/contractors employment of minority groups and women, encourage goals of eighteen (18) percent and seven (7) percent respectively.

6.2. Veteran-Owned and LGBTQIA+ Small Business Goals

It is also the City's goal to encourage participation by veteran-owned and LGBTQIA+ small businesses in all contracts. The City of Pittsburgh shall have an annual goal of not less than five (5) percent participation by veteran-owned small businesses and not less than three (3) percent participation by LGBTQIA+ businesses in all contracts. The participation goal shall apply to the overall dollar amount expended with respect to the contracts. The City requires that all respondents demonstrate good faith efforts to obtain the participation of veteran-owned small business in work to be performed under City contracts. The levels of participation will be monitored by the City of Pittsburgh's EORC.

6.3. Good Faith Commitment

In order to demonstrate good faith commitment to these goals, all respondents are required to complete and submit with their bids the attached MWDBE/Veteran-Owned/LGBTQIA+ Solicitation and Commitment Form (which details the efforts made by the respondents to obtain such participation). Failure to submit a properly completed form along with documentation of Good Faith Commitment may result in rejection of the bid. Participants are encouraged to contact the Equal Opportunity Review Commission at 412-255-8804 to assist further. For further information, including definitions and additional requirements, please see Chapter 177A (Sections 177A.01 et. seq.) of the City Code and Section 161.40 of the City Code.

7. Award and Contract

7.1. Award

After the City has received all Proposals and conducted its initial Evaluation, described above, the Proposal Committee may invite one or more Respondents to a follow-up interview to further discuss their Proposal(s).

The Proposal Committee may decide to accept the Proposal of one or more Respondents. It may decide to reject all proposals. Once a Proposal is accepted, the contract negotiation process will commence. This RFP and your response to it, in the form of your entire Proposal, will become part of the Contract. If a real or apparent conflict should arise between this RFP/Proposal and other language contained in the final Contract, the language of the final Contract shall control.

7.2. Contracting Process

Successful Respondents will be required to enter into a Contract with the City of Pittsburgh, contingent upon the approval of City Council. This Contract will be directed and managed by the issuing department and the Office of Management & Budget.

Work cannot commence on the Scope of the RFP until it a contract is fully executed. The City cannot process invoices nor approve payments until this Contract has been fully executed by the Respondent and all required City signatories, including the issuing department, the Law Department, and the City Controller.

City laws and policies mandate the incorporation of various custom terms and conditions into all City contracts. For this reason the City will not sign any standard contract proffered by the respondent.

An agreement shall not be binding or valid with the City unless and until it is fully executed by authorized representatives of the City and of the Proposer. Once the Contract is fully executed the City will notify Respondent in writing and give the order to proceed.

8. General Terms & Conditions

8.1. Examination of Proposal Documents

- A. The submission of a proposal shall be deemed a representation and certification by the Respondent that they:
1. Have carefully read and fully understand the information that was provided by the City to serve as the basis for submission of the proposal.
 2. Have the capability to successfully undertake and complete the responsibilities and obligations of the proposal being submitted.
 3. Represent that all information contained in the proposal is true and correct.
 4. Did not, in any way, collude; conspire to agree, directly or indirectly, with any person, firm, corporation or other proposer in regard to the amount, terms or conditions of this proposal.
 5. Acknowledge that the City has the right to make any inquiry it deems appropriate to substantiate or supplement information supplied by a proposer, and proposer hereby grants the City permission to make these inquiries, and to provide any and all related documentation in a timely manner.
- B. No request for modification of the proposal shall be considered after its submission on the grounds that the proposer was not fully informed to any fact or condition.

8.2. RFP Term

Respondent's proposal shall remain firm and effective, subject to the City's review and approval, for a period of one hundred twenty (120) days from the closing date for the receipt of proposals.

The City may enter into negotiations with one or more Respondents during the one hundred twenty (120) day period during which all proposals will stay effective. The purpose of such negotiations will be to address questions and identify issues as the parties move towards the execution of a final contract or contracts.

8.3. RFP Communications

Unauthorized contact regarding this RFP with employees or officials of the City of Pittsburgh other than the RFP Coordinator named in the header section of this solicitation may result in disqualification from this procurement process.

Neither Respondent(s) nor any person acting on Respondent(s)'s behalf shall attempt to influence the outcome of the award by the offer, presentation or promise of gratuities, favors, or anything of value to any appointed or elected official or employee of the City of Pittsburgh, their families or staff members. All inquiries regarding the solicitation are to be directed to the designated RFP Coordinator. Outside of

pertinent RFP questions directed to the City of Pittsburgh as specified above, any other attempts to contact any City of Pittsburgh personnel regarding this RFP, without prior approval by the RFP Coordinator will be considered grounds for dismissal and immediate disqualification from the RFP process. This includes, but is not limited to, all verbal, voice, text, e-mail, and social media (e.g. – LinkedIn) contact.

Please note the following:

- A. The City shall not be responsible for nor bound by any oral instructions, interpretations or explanations issued by the City or its representatives.
- B. Each proposer shall assume the risk of the method of dispatching any communication or proposal. •The RFP Coordinator must receive all written comments, including questions and requests for clarification, no later than the Deadline for Submission Questions listed in the tentative project schedule.
- C. The City reserves the right to determine, at its sole discretion, the appropriate and adequate responses to written comments, questions, and requests for clarification. The City’s official responses and other official communications pursuant to this RFP shall constitute an addendum of this RFP.
- D. The City will publish all official responses and communications pursuant to this RFP to the City of Pittsburgh procurement website. It is the responsibility of each proposer to check the site and incorporate all addenda into their response.
- E. All addenda for this RFP will be distributed via the City of Pittsburgh procurement website at procurement.pittsburghpa.gov/beacon/opportunities
- F. Only the City’s official, written responses and communications shall be considered binding with regard to this RFP.

8.4. [Addenda/Clarifications](#)

Should discrepancies or omissions be found in this RFP or should there be a need to clarify this RFP, questions or comments regarding this RFP must be put in writing and received by the RFP Coordinator within the Question and Answer tab.

8.5. [Withdrawal of Proposals](#)

A proposer may withdraw its proposal at any time before the expiration of the time for submission of proposals as provided in this RFP by delivering a written request for withdrawal signed by, or on behalf of, the proposer.

8.6. [Public Record](#)

Respondent, by submittal of a proposal, acknowledges that all proposals may be considered public information in accordance with the Commonwealth of Pennsylvania Right to Know laws. Subject to award of this RFP, all or part of any submittal may be released to any person or firm who may request it.

Therefore, proposers shall specify in their proposal response if any portion of their submittal should be treated as proprietary and not releasable as public information. Proposers should be aware that all such requests may be subject to legal review and challenge.

Any information considered proprietary should be indicated as such or not included in the response.

8.7. Non-Conforming Proposal

A proposal shall be prepared and submitted in accordance with the provisions of these RFP instructions and specifications. Any alteration, omission, addition, variance, or limitation of, from or to a proposal may be sufficient grounds for non-acceptance of the proposal, at the sole discretion of the City.

8.8. Disqualification

Factors such as, but not limited to, any of the following may be considered just cause to disqualify a proposal without further consideration:

- A. Evidence of collusion, directly or indirectly, among proposers in regard to the amount, terms or conditions of this proposal;
- B. Any attempt to improperly influence any member of the evaluation team;
- C. Existence of any lawsuit, unresolved contractual claim, or dispute between the proposer and the City;
- D. Evidence of incorrect information submitted as part of the proposal;
- E. Evidence of proposer's inability to successfully complete the responsibilities and obligation of the proposal; and
- F. Proposer's default under any previous agreement with the City, which results in termination of the agreement.

8.9. Restrictions on Gifts & Activities

The City of Pittsburgh Ethics Code and Chapter 197 of the City Code (Code of Conduct) was established to promote public confidence in the proper operation of our local government. These resources outline the requirements for disclosure of interests and restricted activities as related to public procurement processes. Proposers are responsible to determine the applicability of these requirements to their activities and to comply with its requirements.

8.10. Rights of the City of Pittsburgh

This RFP does not commit the City to enter into a contract, nor does it obligate the City to pay for any costs incurred in preparation and submission of proposals or in anticipation of a contract.

The City reserves the right to:

- A. Reject any and all proposals;
- B. Issue subsequent Requests for Proposals;

- C. Cancel this RFP with or without issuing another RFP;
- D. Remedy technical errors in the Request for Proposals process;
- E. Approve or disapprove the use of particular sub-consultants;
- F. Make an award without further discussion of the submittal with the proposer (therefore, the proposal should be submitted initially on the most favorable terms that the firm or individual might propose);
- G. Meet with select proposers at any time to gather additional information;
- H. Make adjustments to the scope of services at any time if deemed by the Office of Management and Budget to be in the best interest of the City;
- I. Accept other than the lowest offer.
- J. Waive any informality, defect, non-responsiveness, or deviation from this RFP that is not material to the Respondent's proposal;
- K. Reject the proposal of any Respondent who, in the City's sole judgment, has been delinquent or unfaithful in the performance of any contract with the City;
- L. Reject the proposal of any Respondent who, in the City's sole judgment, is financially or technically incapable of performing in accordance with this RFP;
- M. Negotiate with any, all, or none of the Offerors and to enter into an agreement with another Offeror in the event that the originally selected finalist defaults or fails to execute an agreement with the City.
- N. Award a contract to the firm(s) that presents the best qualifications and whose proposal best accomplishes the desired results; and/or
- O. Enter into an agreement with another proposer in the event the originally selected proposer defaults or fails to execute an agreement with the City.
- P. Require a performance bond and/or other "failure to deliver" agreement by the awardee at time of contracting.

8.11. PREVAILING WAGE ORDINANCE

Contractor agrees that section 161.16(e) of the Pittsburgh Code of Ordinances, stating that Contractor must pay at least the applicable prevailing wages as will have been determined by the City Controller pursuant to the City Service Worker Prevailing Wage Ordinance, Title I, Article VII, Section 161.38(l)(B), as the same may be amended, and as will have been determined by the Secretary of Labor and Industry to the workers employed in the performance of any contract for public work subject to the Pennsylvania Prevailing Wage Act approved August 15, 1961 (Act No. 442), as amended August 9, 1963 (Act No. 342), and the regulations issued pursuant thereto, and all supplements and amendments thereto, must be

made a part of the Contract as fully as if attached hereto, and that Contractor will comply in all respects with the provisions thereof, insofar as the same implicates the Contract.

8.12. ENSURING EQUAL EMPLOYMENT OPPORTUNITY FOR PERSONS PREVIOUSLY CONVICTED

Contractor shall comply with Section 161.16A of the Pittsburgh City Code.

9. Miscellaneous Requirements

9.1. Acknowledgements

- A. **Conflict of Interest-** By submission of a proposal to this solicitation, Respondent agrees that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services required under this RFP.
- B. **Code of Ethics-** By submission of a proposal to this solicitation, Respondent agrees to abide by the Code of Ethics of The City of Pittsburgh. The full Ethics Handbook can be found [here:http://pittsburghpa.gov/humanresources/files/policies/10_Ethics_Handbook.pdf](http://pittsburghpa.gov/humanresources/files/policies/10_Ethics_Handbook.pdf)
- C. **Fair Trade Certification-** By responding to this solicitation, the Respondent certifies that no attempt has been made, or will be made, by the Respondent to induce any other person or firm to submit or not to submit a submission for the purpose of restricting competition.
- D. **Non-Disclosure-** By responding to this solicitation, the Respondent acknowledges they may be required to sign a Non-Disclosure Agreement during the contracting process if they are the successful respondent.
- E. **Debarment** - This solicitation is also subject to Section 161.22 of the City of Pittsburgh Code related to debarment from bidding on and participating in City contracts.
- F. **Financial Interest-** No proposal shall be accepted from, or contract awarded to, any individual or firm in which any City employee, director, or official has a direct or indirect financial interest in violation of applicable City and State ethics rules. Entities that are legally related to each other or to a common entity which seek to submit separate and competing proposals must disclose the nature of their relatedness.
- G. **Full Fee Disclosure-** Pursuant to Section 161.36 of the Pittsburgh City Code, a Respondent must include a disclosure of any finder's fees, fee splitting, firm affiliation or relationship with any broker-dealer, payments to consultants, lobbyists, or commissioned representatives or other contractual arrangements of the firm that could present a real or perceived conflict of interest.

10. Vendor Questionnaire

10.1. [Response to Scope Proposal](#)

Please upload your Response to Scope detailed in [Proposal Format Requirements](#)

10.2. [Cost Proposal](#)

Please upload your Cost Proposal detailed in [Proposal Format Requirements](#)

10.3. [Equal Opportunity Review Commission \(EORC\) Participation Form *](#)

Please download the below documents, complete the Pre-Award Good Faith Checklist, and upload. Failure to complete the Pre-Award Good Faith Checklist may result in the City deeming your proposal/response non-responsive. Any awardees will be required to complete the full EORC Participation Forms and process prior to contract execution.

- [2024 EORC Participation For...](#)

*Response required

10.4. [Do you agree with the City's Terms and Conditions?*](#)

- Yes
 No

*Response required

10.5. [Vendor Contact Sheet*](#)

Please download the below documents, complete, and upload.

- [Blank Vendor Contact Sheet.pdf](#)

*Response required

10.6. [Vendor Registration Form*](#)

Please download the below documents, complete, and upload.

- [Blank Vendor Registration F...](#)

*Response required

10.7. [W-9*](#)

Please download the below documents, complete, and upload.

- [W9.pdf](#)

*Response required

10.8. [Authorized Signatory*](#)

Provide the name, title, & email address of the authorized signatory for your company (for details on who is considered an authorized signatory, please look at our terms & conditions section)

*Response required



PITTSBURGH, PENNSYLVANIA
**POPULAR ANNUAL
FINANCIAL REPORT**



PREPARED BY:

RACHAEL HEISLER, CITY CONTROLLER

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023

2023



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

COUNCIL MEMBER DISTRICT

Bobby Wilson	1	(412) 255-2135
Theresa Kail-Smith	2	(412) 255-8963
Bob Charland	3	(412) 255-2130
Anthony Coghill	4	(412) 255-2131
Barbara Warwick	5	(412) 255-8965
R. Daniel Lavelle, President	6	(412) 255-2134
Deborah Gross	7	(412) 255-2140
Erika Strassburger	8	(412) 255-2133
Khari Mosley	9	(412) 255-2137

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

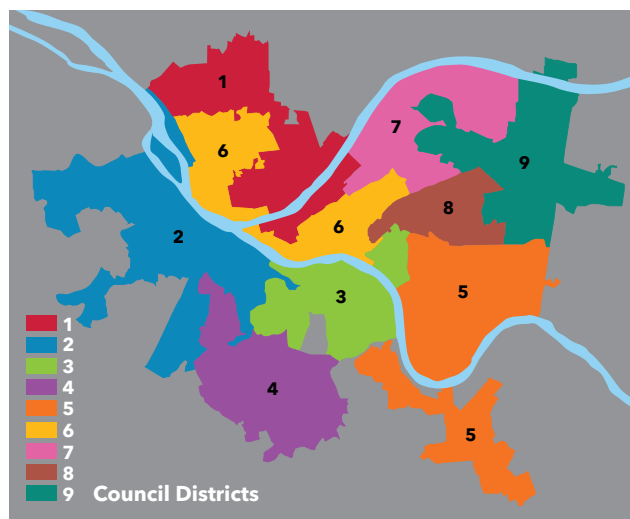


Photo: A distant view of Pittsburgh from Perrysville Avenue on the Northside, just off Federal Street, photo by John Altdorfer.

A MESSAGE FROM THE CITY CONTROLLER



THANK YOU for taking the time to review the City of Pittsburgh's 2023 Popular Annual Financial Report (PAFR). The purpose of the PAFR is to summarize the City's financial condition and government operations in a way that is easy to access for everyone in our community. For the fourteenth consecutive year, this report has received the Award for Outstanding Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association.

In my first year as City Controller, I'm proud to carry on this office's commitment to transparency and accountability, responsible fiscal management, and open and honest communication. That's why we create this report – to cut through the weeds and give you the facts about how the City is doing financially and how your tax dollars are spent. For a more detailed review of the City's finances, you can visit the Controller's website and read the 2023 Annual Comprehensive Financial Report.

In 2023, the City continued to make progress in recovering from the economic effects of the COVID-19 pandemic, and continued to benefit from the federal funding we received through the American Rescue Plan Act (ARPA). Including ARPA funds, the City received \$38.3 million more than it spent. The City's General Fund revenues totaled \$710.3 million, an increase of \$9.5 million compared to 2022, and the unrestricted reserve fund (or "rainy day fund") had a total of \$198.7 million at the end of 2023. This represented 29.6% of total 2023 expenditures, well above the 10% benchmark that is generally considered a healthy balance to cover any unexpected financial difficulties in the next fiscal year. Notably, parking and amusement tax revenues continued to increase toward normal levels in 2023 after sharp declines during the pandemic. Other increases included revenue from operating and capital grants and investment earnings.

At the same time, we saw early signs of financial challenges in 2023 as our regional economy continued to change in the aftermath of the pandemic. Overall, the City's spending is increasing faster than its revenue. While the City made more money than it spent, that would not have been the case without ARPA funds. It's important to recognize that the City cannot rely on ARPA funding to help balance the budget for much longer, as all of that money must be designated for specific purposes by the end of this year and spent by the end of 2026. We've also seen a sharp decline in deed transfer tax revenue as interest rates have climbed and home sales have decreased by nearly 25%, and that's likely to continue as long as interest rates remain high. Many of our most valuable properties have seen reductions in their net value as employers have shifted away from in-office work since the pandemic, which costs the City significant tax revenue.

Those are a few examples of the ways our economic reality is changing. We need to adapt and prepare for those changes by making smart decisions, setting realistic budget expectations, and controlling spending while also finding new sources of revenue. Part of that process has to include greater contributions from nonprofit organizations, which own 20% of all property in the City of Pittsburgh and, without their tax-exempt status, would pay an estimated \$34.5 million in taxes to the City each year.

The bottom line is that the City is in good financial health right now, but we have challenges ahead.

I am eager to work with anyone and everyone to make sure we're prepared to overcome those challenges and continue to deliver the excellent services you depend on and deserve – most importantly, keeping people safe and keeping our City clean. I will continue to communicate openly and honestly with you, whether you are a taxpayer, a business owner, a community leader, or anyone who is invested in our City's future.

Thank you for reading this report and caring about our community. As always, I welcome any feedback or questions you may have.

Sincerely,

Rachael Heisler
City Controller

Photos: Left to right: A view of just five of a total of 446 bridges in the City of Pittsburgh. Our City officially has the most bridges in the world, three more than Venice, Italy (Wikipedia); The City County Building was built between 1915-1917. The architect was Henry Hornbostel. Three cornerstones were laid in the steel frame-work, including one for the City, one for the County, and one for the workers, each of which contained time capsules.



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, 2022

Christopher P. Merrill
Executive Director/CEO



ABOUT PITTSBURGH

DEMOGRAPHIC AND ECONOMIC STATISTICS

Estimated City Population 302,971

- Male 49%
- Female 51%

Median Age

- City Median Resident Age 33.1 years
- Pennsylvania Median Age 40.9 years

Race

- White 65%
- Black or African American 23%
- Asian 6%
- Hispanic 4%
- Other 2%

Language Spoken at Home

- English Only 88%
- Language other than English 12%

Educational Attainment

- No Degree 6%
- High School 24%
- Some College 25%
- Bachelor's Degree 26%
- Graduate Degree 19%

Estimated Median Household Income

- Pittsburgh \$63,380
- Pennsylvania \$71,798

Housing Units

- Owner-Occupied 49%
- Renter-Occupied 51%

City Staffing

- Total City Employees 3,540
- Number of Police Officers 988
- Number of Fire Fighters 670
- Number of Paramedics 219
- Other City Department Personnel 1,663

Source: City of Pittsburgh, ACFR

Employment

- Production, Transportation & Material Moving 25%
- Service 24%
- Management, Business, Science & Arts 23%
- Sales and Office 22%
- Natural Resources, Construction, & Maintenance 6%
- Total Employees all Occupations 1,158,800

https://www.bls.gov/regions/mid-atlantic/news-release/areaemployment_pittsburgh.htm

Unemployment Rates

- Nation (Dec 2023) 3.7%
- Pennsylvania (Dec 2023) 3.4%
- Pittsburgh (Dec 2023) 2.9%*

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

Per Capita Income

\$41,146

Persons Below Poverty Line

- Pittsburgh 19%
- Pennsylvania 11.9%

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 19,128
- K-12 Enrollment 17,744
- Early Childhood Enrollment 1,384
- 2023-2024 Graduates 1,265
- Number of Teachers 1,848
- Number of Schools 54
- Spending per Student (22 ACFR)* \$35,541
- PA Average Spending per Student** (2022-2023) \$21,985

* Pittsburgh Public Schools
** 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%
- Native Languages Spoken by Students 58

Source: Pittsburgh Public Schools



Photos: Top, left to right: Two young school friends, photo by Pittsburgh Public Schools; Pittsburgh Public Schools All-City Showcase Concert; Bottom, left to right: Students who created the Gifted Center Mural; Tree planting at Pittsburgh Concord; Some of the attendees at the ELA (English Language Arts) Seminar.

PITTSBURGH EDUCATION, CULTURE AND 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 Center for Arts and Media
Pittsburgh Zoo & Aquarium
Senator John Heinz History Center
Soldiers & Sailors Memorial Hall & Museum



2023 Fortune 500 Companies Headquartered in Pittsburgh

Alcoa Corporation
Arconic
EQT Corporation
Kraft Heinz
The PNC Financial Services Group, Inc.
PPG Industries, Inc.
United States Steel Corporation
WESCO International, Inc.
Westinghouse Air Brake Technologies, WABTEC



Source: 2022 Fortune Magazine, Fortune 500

Largest Health and Social Service Nonprofits*

Achieva
Baptist Senior Family
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
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
Children's Museum of Pittsburgh
The Frick Pittsburgh
Phipps Conservatory and Botanical Gardens
Pittsburgh Ballet Theater
Pittsburgh CLO
Pittsburgh Cultural Trust
Pittsburgh Opera
Pittsburgh Public Theater
Pittsburgh Symphony Orchestra
Pittsburgh Zoo & Aquarium
Western Pennsylvania Conservancy



Photos: Top left to right: Contemporary Craft's gallery, featuring the exhibition, "Climate Awakening", photo by Reagan West-Whitman; View of downtown Pittsburgh from Duquesne University campus; Soldiers & Sailors Memorial Hall lawn during 9/11 remembrance; View of Mount Washington from outside of the Fort Pitt Museum; The Alcoa Corporation building on the North Shore; National Aviary, photo by Elliot Cramer, VisitPittsburgh; Reading time at the Carnegie Library in Homewood, photo by Nancy Andrews/Annie O'Neill Photography; The EQT Corporation headquarters in downtown Pittsburgh; Pittsburgh Zoo & Aquarium; With eight raised garden beds and a large pathway, a Western Pennsylvania Conservancy community garden opened in fall 2023 in Pittsburgh's Manchester neighborhood; Pittsburgh Ballet Theater's Soloist Diana Yohe performs in *The Sleeping Beauty*, photo by Michael Henninger; For over 10 years, United Way volunteers have built 2,100 bikes for kids across the region.

*Source: 2023-24 Pittsburgh Business Times Book of Lists

AMERICAN RESCUE PLAN 2023



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 came on June 6, 2022. All American Rescue Plan Act (ARPA) money was deposited into the dedicated ARP Trust Fund.

The City must encumber all \$335 million allocated by December 31, 2024, and spend this money by the end of 2026. As of the end of 2023, \$267,970,293 has been encumbered and \$202,295,404 has been spent from the ARP Trust Fund. 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.

In 2023, Pittsburgh continued to feel the after effects of the COVID-19 pandemic. Although the regional economy appears to be permanently altered by the pandemic, various hopeful developments in workforce trends, employment, real estate, infrastructures, and technologies are present.

City finances remained buoyed by ARPA funds. On February 7, 2023, \$49,585,481 was transferred from the ARP Trust Fund to the General Fund for Operating Expenses and on February 23, 2023, \$18,466,443 to the Capital Fund for Capital Projects.

Major Capital Projects using ARP funds in 2023

- **\$5,554,039** New Vehicles, Equipment, and Green Fleet Improvements
- **\$4,367,691** Bituminous Paving Program
- **\$3,509,672** Demolition of Properties
- **\$1,737,054** Addressing City-wide slope failures
- **\$553,172** Construction of new sidewalk, curb, and curb ramps along Irvine Street, the highly desired pedestrian route between Hazelwood and Greenfield



Four (4) transfers out of the ARP Trust Fund in 2023 went towards two (2) City trust funds

- **\$700,100** to the Bridge Asset Management Program Trust Fund (July 2023)
- **\$445,448** to Funding for the Arts (March, April, & July 2023)

2023 Payments from the ARP Trust Fund to City Contracts & Cooperative Agreements

PWSA:

- **\$9,945,797** Lead Line Replacement

URA:

- **\$4,450,000** Housing Preservation Program for Affordable Housing
- **\$4,000,000** OwnPGH Affordable Homeownership Program
- **\$4,000,000** Swisshelm Park Remediation
- **\$3,500,000** Avenues of Hope ARPA Grant Program
- **\$3,131,770** Pittsburgh Technology Center Garage
- **\$2,000,000** Hays Woods Park Property Acquisition
- **\$2,000,000** N. Homewood Ave Scattered Sites Stabilization
- **\$1,050,000** Downtown Commercial Real Estate Conversion Program
- **\$1,000,000** Broadway Avenue Development
- **\$478,811** Targeted Parcel Maintenance

POISE Foundation:

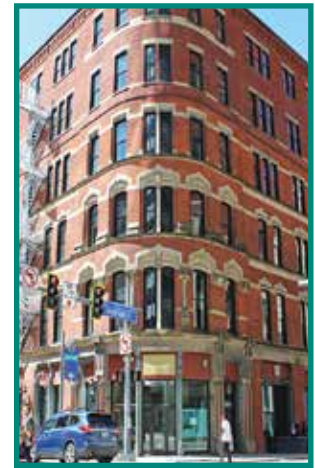
- **\$125,000** for 2023 Juneteenth Celebration

Maher Duessel:

- **\$11,785** Administration of Federal Compliance

At the end of 2023, there were a total of 17 project co-op agreements with the URA equaling \$65.84 million, of which \$39.49 million has been paid from the trust fund.

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



Photos: Top, left to right: Road equipment used for major capital projects; Jamira, a first-time home buyer, was the second participant to buy a home in the City of Pittsburgh with assistance through the URA's OwnPGH Homeownership Program, photo courtesy of First Commonwealth Bank; Poise Foundation's Juneteenth celebration; Funding was allocated for Irvine Street sidewalks, curbs and ramps; Hullett Properties received funding through the pilot Pittsburgh Downtown Conversion Program to convert the historic Triangle Building into 15 apartments, eight of which will be rented at affordable rates, and ground floor commercial space, photo, URA.

AMERICAN RESCUE PLAN 2023



AMERICAN RESCUE PLAN SPENDING

Operating Budget	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2023	2023 Remaining Balance – Operating
TOTAL ARP to Operating Budget	\$ 131,379,924	\$(131,379,924)	\$ –
Capital Budget	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2023	2023 Remaining Balance – Capital
TOTAL ARP to Capital Budget	\$ 54,254,788	\$(30,445,391)	\$23,809,397
Transfers to Other Trust Funds	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2023	2023 Remaining Balance – Transfers
TOTAL Transfers to New Trust Funds	\$ 4,500,100	\$(2,750,100)	\$1,750,000
Contracts & Co-op Agreements	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2023	2023 Remaining Balance – Contracts
TOTAL Contracts & Co-op Agreements	\$ 77,835,481	\$(47,719,989)	\$30,115,492
2023 ARP Trust Fund TOTALS	\$ 267,970,293	\$(212,295,404)	\$55,674,889



Estimated Balance in American Rescue Plan Trust Fund

As of 31 DEC 2023

\$ 335,070,222 Total ARPA Funds
\$(267,970,293) Total Encumbered

\$ 67,099,929 Difference
\$ 30,115,492 Remaining Balances on Open Contracts

\$ 97,215,420 TOTAL in ARP Trust Fund (as of 31 Dec 2023)

Top photo: A slag heap can be seen at the site in Swisshelm Park that was formerly used as an industrial dumping ground. The URA plans to remediate 22 acres of the property in preparation for a second phase of development that will include 15 acres of solar panel fields and a nearly 55-acre extension of Frick Park, the City's largest public park, photo, Urban Redevelopment Authority of Pittsburgh; Bottom photos, before and after: The long-time business owner and barber of Butch's Styles & Cuts, recently purchased the building he operated out of for years. AoH ARPA funds were used for building renovations including roof repairs, new windows, new flooring, electrical and plumbing installation, and new vinyl siding.



DOWNTOWN BUSINESSES PROPERTY ASSESSMENTS

Downtown Businesses Property Assessments Reductions based on 2022 & 2023 Appeals

As the pandemic redefined downtown Pittsburgh, the values of the buildings themselves are declining.

Downtown buildings represent nearly 25% of the City of Pittsburgh’s real estate tax base. The City of Pittsburgh typically generates upwards of \$150 million each year from real estate taxes.

When the pandemic hit, most downtown workers worked from home for months on end. Many never returned to the office, creating a large swath of empty or near empty offices. Over time, as their leases came due, many companies scaled back space and some have even left downtown entirely or moved into buildings with more sought-after amenities.

The greatest factor of a commercial property’s valuation, and thus its tax assessment, is not the physical bricks and mortar, but rather the revenue it produces. Building owners are seeing greatly reduced rental income because companies are occupying much less space than they did pre-COVID.

Another factor at work in the reductions are due to the steep drop in the Common Level Ratio (CLR), the state-assigned percentage number used in appeal hearings to calculate a property’s taxable value.

Allegheny County gave property owners a second chance to appeal their 2022 assessments last January after Common Pleas Judge Alan Hertzberg lowered the Common Level Ratio. It’s complicated, but what it boils down to is, the Allegheny County CLR was reduced from 86.25% in 2021 to about 63.5% in 2022 and 2023.

Several large buildings downtown have recently seen multi-million drops in property values after successful reassessment.

Many elected officials are concerned that it could be the part of a wave of cuts that could upend the local tax base. The City could see as much as a 20% reduction in the value of this building stock in 2024, which could cost the City millions in property tax revenue.

The Tower at PNC Plaza, the U.S. Steel Tower and Three Gateway Center won their appeals. Collectively, they represent roughly \$200 million in reductions.

PROPERTY NAME	ADDRESS	2019 ASSESSMENT	2023 ASSESSMENT	% DIFFERENCE
Tower at PNC Plaza	300 Fifth Avenue	\$147,200,000	\$72,326,500	-50.9%
U.S. Steel Tower	600 Grant Street	\$233,211,300	\$141,573,600	-39.3%
Three Gateway Center	401 Liberty Avenue	\$62,750,000	\$35,560,000	-43.3%



Photos: Left to right: The Tower at PNC Plaza, U.S. Steel Tower and Three Gateway Center all successfully won their reassessment appeals.

DOWNTOWN BUSINESSES PROPERTY ASSESSMENTS



Pittsburgh Downtown Conversion Program (PDCP)

\$2.1 million in American Rescue Plan Act (ARPA) Funds have been given to the Urban Redevelopment Authority (URA) for creating a Pittsburgh Downtown Conversion Program (PDCP) to stimulate the economic recovery of Downtown Pittsburgh by creating new affordable housing development via the conversion of underutilized office buildings into housing. This will add to the \$3 million that the Commonwealth of Pennsylvania Department of Community & Economic Development has already granted to the URA for this purpose.

PDCP further seeks to make the Downtown residential community accessible to all Downtown workers, specifically low-to-moderate income households. Under current conditions, many who work Downtown cannot afford to live in the neighborhood, or struggle to find available affordable units.

The PDCP will provide direct financing for building owners and developers who intend to convert vacant and/or underutilized Downtown buildings to affordable workforce housing. The program will prioritize projects that maximize other relevant public and private financing sources (such as a tax credits, private debt, and other tools) intended to support the same mission and projects that seek deep affordability.



Photos: From Top : An architectural mix of grand buildings in downtown Pittsburgh; A busy scene with downtown commuters; Grandview Park located at 499 Bailey Avenue in Mount Washington presents a great vantage point to view all of downtown Pittsburgh and beyond..

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 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.

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

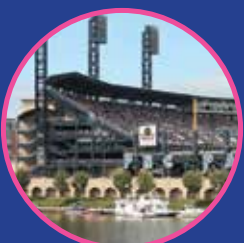
The Office of Management and Budget (OMB) ensures the effective and efficient use of the City's resources in order to sustain the delivery of quality services to the residents of Pittsburgh. OMB establishes sound fiscal policies, and delivers a clear and accurate picture of the City's current and future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

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.



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

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.

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>



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

AUDITS RELEASED IN 2023

Fiscal Audits:

- Department of Public Works: Shade Tree Trust Fund
- Annual Audit of the City's Tax Abatement & Increment Financing Programs
- 2023 Follow-up: Tax Abatement & Tax Increment Financing Programs
- Equal Employment Opportunity Commission Trust Fund
- Office of Management and Budget South Side Parking Enhancement District Trust Fund

Performance Audits:

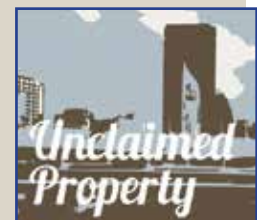
- Department of Public Works: Bureau of Environmental Services: Recycling Division
- Department of Public Safety: Bureau of Emergency Medical Services
- Department of Public Safety: Bureau of Fire



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>



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.

PGH Watchdog is available for free on the Apple App store and Google Play



SPECIAL REPORT

Parks Tax Trust Fund

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 2022-2023, the Grand Total 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.

From 2021-2022, Total General Fund Revenues increased approximately \$94.7 million or by 15.6%.

The net increase in revenue is about \$78.4 million. This is attributed to increases of \$16.6 million in Payroll Preparation Taxes, \$12.2 million in Grants, \$11.8 million in Other Taxes, and \$10.8 million in Earned Income Taxes. \$48.5 million from the City's American Rescue Plan Trust Fund were transferred into the General Fund.

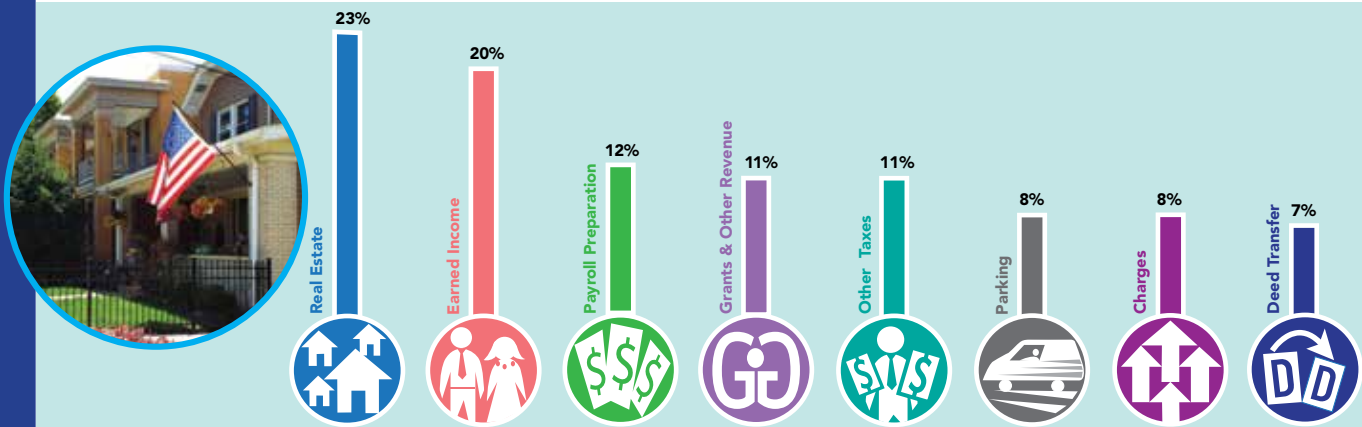
GENERAL FUND REVENUES AND TRANSFERS

(in thousands)

	2023	2022	2021
Real Estate Taxes	\$147,284	\$155,413	\$151,951
Earned Income Taxes	132,307	125,294	114,450
Payroll Preparation Taxes	76,462	75,331	58,779
Parking Taxes	52,638	46,201	36,695
Deed Transfer Taxes	44,694	64,857	64,187
Other Taxes	68,218	63,415	51,609
Total Taxes	\$521,603	\$530,511	\$477,671
Charges	54,091	48,070	41,524
Grants	39,014	52,495	40,253
Other Revenue	32,148	15,657	8,840
Total Revenue	\$646,856	\$646,733	\$568,288
Other Financing Sources and Uses			
Leases	9,874	1,982	
Transfers In	53,585	52,046	37,748
Total Other Financing Sources and Uses	63,459	54,028	37,748
Grand Total	\$710,315	\$700,761	\$606,036

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, 2023, 2022 and 2021, 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.

From 2022-2023, General Fund Expenditures increased by 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.

From 2021-2022, General Fund Expenditures increased by approximately \$37.5 million or by 7.3%.

Elements of this increase include a 19% in Public Works, a 13.8% increase in Community, Recreational, and Cultural, and a 5.1% increase in Public Safety. Transfers to other funds increased by 7.9%, predominantly made up of increases in transfers to the Capital Projects fund and additional other transfers.

WHERE YOUR MONEY GOES

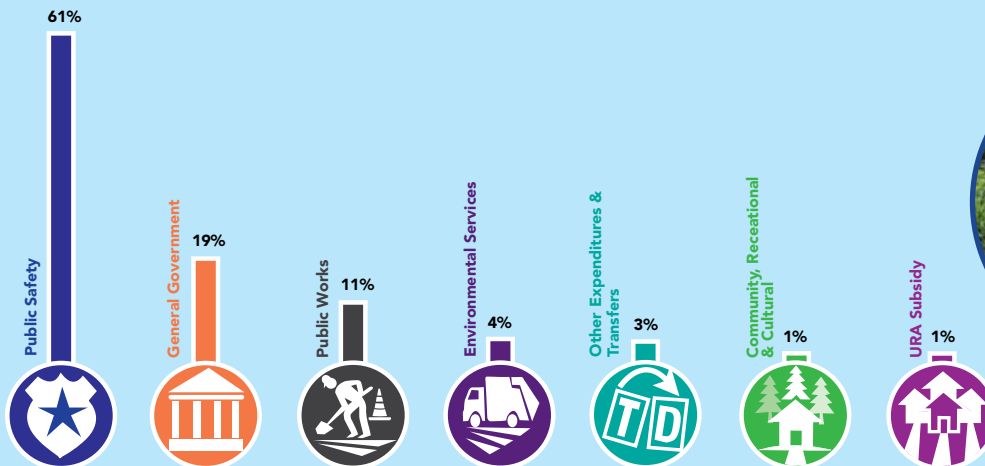
Once the City collects taxes and other revenues, the funds must be spent efficiently to provide a variety of services to the citizens and businesses of the City.

GENERAL FUND EXPENDITURES AND TRANSFERS

(in thousands)

Expenditures	Aggregate)			Per Capita*		
	2023	2022	2021	2023	2022	2022
Government	\$ 109,435	\$ 100,788	\$ 96,442	\$ 361	\$ 333	\$ 318
Public Safety	360,440	353,650	336,404	1,190	1,167	1,110
Public Works	64,365	59,052	49,642	212	195	164
Environmental Services	21,747	20,817	20,256	72	69	67
Community, Recreational & Cultural	8,729	7,203	6,328	29	24	21
Urban Redevelopment Authority Subsidy	3,246	3,246	3,246	11	11	11
Other Expenditures	20,432	5,625	589	67	19	2
Total Expenditures	\$588,394	\$550,381	\$512,907	\$1,942	\$1,818	\$1,693
Transfers						
Transfers to Capital Projects	15,051	9,000	5,542	50	30	18
Transfers to Debt Service	59,471	59,599	56,285	196	197	186
Other Transfers	9,067	8,805	6,836	30	29	23
Total Transfers	\$ 83,589	\$ 77,404	\$ 68,663	\$ 276	\$ 256	\$ 227
Grand Total	\$ 671,983	\$ 627,785	\$ 581,570	\$2,218	\$2,074	\$1,920

* Per capita results of estimated City population in 2023



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.

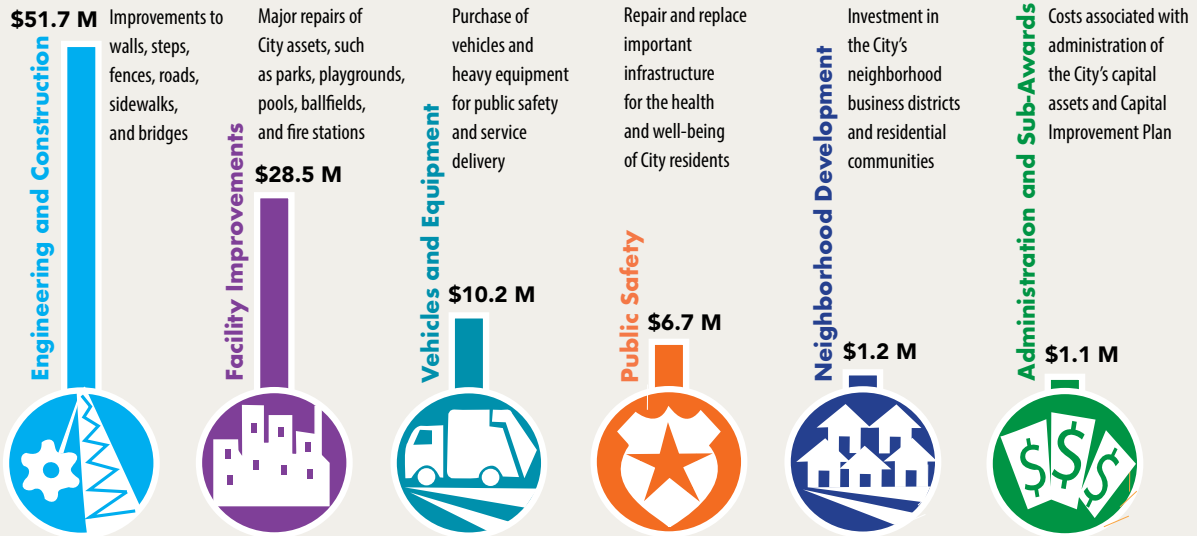
Transfers are funds provided by the General Fund to support other funds of the City.



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 2023, the City spent \$99.4 million on Capital Projects.

CAPITAL SPENDING BY FUNCTION



CAPITAL SPENDING BY LOCATION

- Citywide: \$91.9 M
- Neighborhoods: \$ 5.2 M
- Central Business District: \$ 2.3 M

LARGEST CITYWIDE PROJECTS

- | | | | |
|--|----------|---------------------------------------|---------|
| • Street Resurfacing: | \$15.8 M | • Park Reconstruction: | \$5.7 M |
| • Capital Equipment (Vehicles): | \$10.2 M | • Complete Streets: | \$5.2 M |
| • Facility Improvements (Recreation & Senior Centers): | \$6.8 M | • Remediation of Condemned Buildings: | \$4.6 M |
| • Facility Improvements (City Facilities): | \$6.4 M | • Park Reconstruction (RAD Parks): | \$4.4 M |
| • Slope Failure Remediation | \$6.1 M | • Bus Rapid Transit | \$4.4 M |

LARGEST NEIGHBORHOOD PROJECTS

- | | | | |
|-----------------------------|---------|----------------------|---------|
| • South Side Signals: | \$2.3 M | • Four Mile Run: | \$0.5 M |
| • Charles Anderson Bridge: | \$0.6 M | • 28th Street Bridge | \$0.2 M |
| • California Avenue Bridge: | \$0.5 M | | |

LARGEST CENTRAL BUSINESS DISTRICT PROJECTS

- CBD Signal Upgrades: \$2.3 M

Photos: From top left: A view from Gateway Center uptown to the Central Business District; Slope failure remediation; Charles Anderson Bridge, close-up section and full bridge ghosted in the background; Photos: From top right: Riverview Park's Chapel Shelter restoration; The 8002 PRTX Electric Artic Bus, photo by Pittsburgh Regional Transit; Continuous progress on signal lights.

2023 FINANCIAL HIGHLIGHTS



OUTLOOK FOR CITY FINANCES

The City's Cash Position

Long-Term Debt

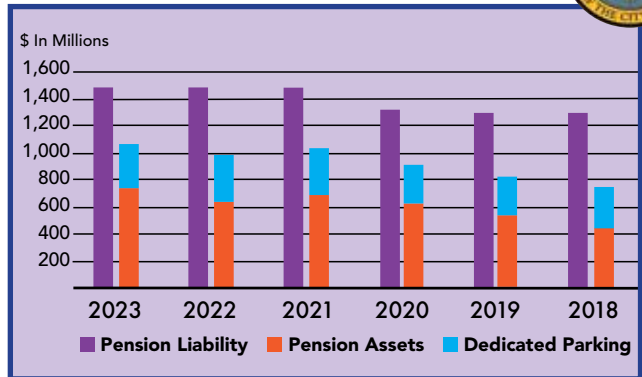
In 2023, the City's debt increased by \$13.8 million to \$508.3 million. The increase is due to the City's borrowing for capital projects.

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 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. From 2011 to 2017 the City contributed \$13.4 million in parking tax revenue every year.

From 2018 to 2023 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

PENSION FUNDING STATUS



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.

Despite having the parking tax as a source of revenue, the fund remains underfunded and will require additional funding commitments and cost reductions moving forward. As of the end of 2023, with revenue from the City's parking tax, the City's pension fund held approximately 71% of the funds needed.

VOLUNTARY PAYMENTS FROM OUR LARGE NON-PROFIT PARTNERS

Continued Need for Voluntary Payments from our Large Nonprofit Partners

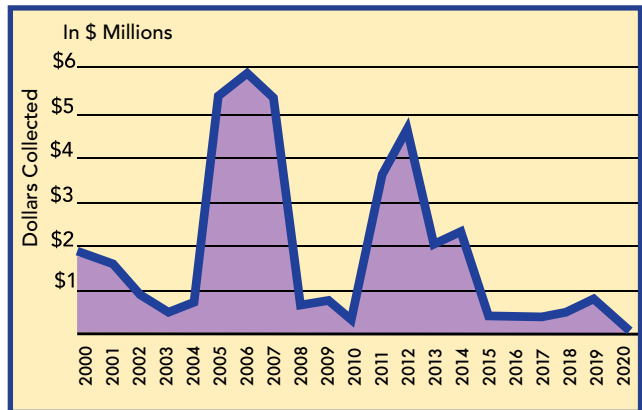
The City and County Controllers' 2022 joint report on Tax-Exempt Properties found that strong agreements for payment in-lieu of taxes or voluntary payments from the region's five largest nonprofits would yield at least \$17 million in city revenues each year.

Under Pennsylvania law, nonprofit organizations are exempt from taxes, including local real estate taxes, which make up a large portion of City of Pittsburgh revenues. The rapid expansion of properties owned by medical and education related nonprofits within the city in recent decades has further narrowed the city's taxable property base.

Local governments and nonprofits can instead voluntarily enter into agreements, in part, to recoup some of the funding for public services those organizations benefit from.

In early 2024, City Controller Heisler warned that the city could face a \$10 million shortfall in real estate taxes alone, as well as the loss of the Sports Facility Usage Fee as a future source of revenue after it was struck down as unconstitutional by a state appellate court. Combined with the expiration of federal pandemic-era funds, the need for voluntary payment agreements with the region's "Big Five" nonprofits could not be more pressing, and having them in place could mean the difference between maintaining vital public services or making difficult cuts in the years ahead.

VOLUNTARY PAYMENTS COLLECTED





PRESORTED
STANDARD
US POSTAGE
PAID
PITTSBURGH PA
PERMIT NO 5450

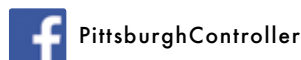


Although this report is largely based on the City's 2023 Annual Comprehensive Financial Report, this report is not prepared in accordance with generally accepted accounting principles ("GAAP"). Only the financial data for the general government is included in this report and, therefore, all of the City's 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 2023 Annual Report, which is prepared in accordance with GAAP, is located at www.pittsburghpa.gov/controller.

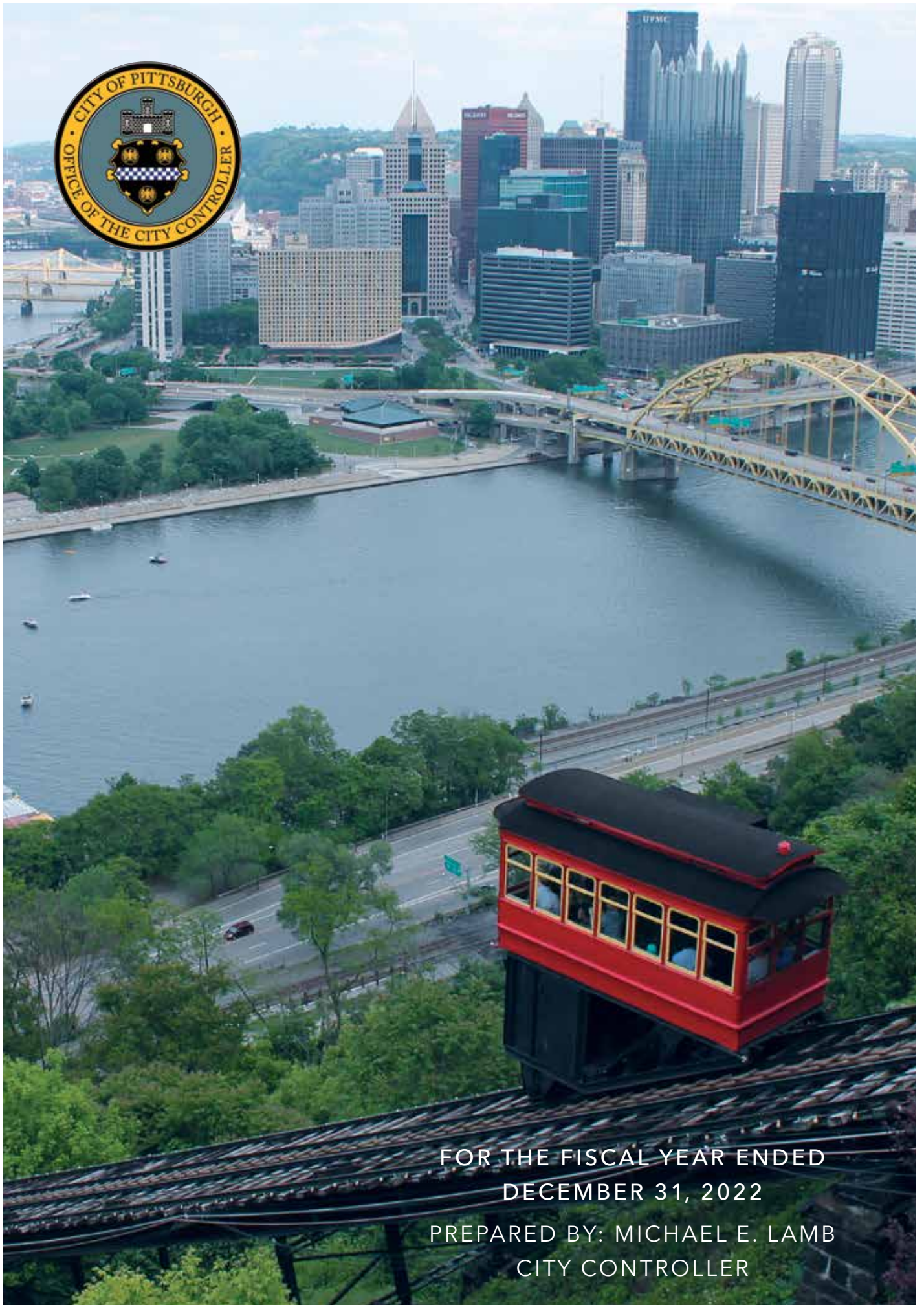
PAFR Consultants: The Binkley Kanavy Group, LLC, Pittsburgh, PA

Photos: Front and back cover: Left to right: A hand-painted welcome sign located at the West Penn Recreation Center, a beautiful building built by the 1939 Public Works Administration still serving its residents in the Polish Hill neighborhood of Pittsburgh; Acrisure Stadium and the Northside neighborhoods, photo by John Altdorfer; A perfect view of Pittsburgh and the Duquesne Incline from Mount Washington; PPG Place, a crown jewel of Pittsburgh, located on 5.5 acres in downtown and designed by architects Philip Johnson and John Burgee, photo by John Altdorfer.

City of Pittsburgh
414 Grant Street
Pittsburgh, PA 15219
pittsburghpa.gov



2022 PITTSBURGH, PA POPULAR ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2022
PREPARED BY: MICHAEL E. LAMB
CITY CONTROLLER



TABLE OF CONTENTS

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- 14 Pittsburgh's Capital Spending
- 15 2022 Financial Highlights

COUNCIL MEMBER / DISTRICT / TELEPHONE

COUNCIL MEMBER	DISTRICT	TELEPHONE
Bobby Wilson	1	(412) 255-2135
Theresa Kail-Smith, <i>President</i>	2	(412) 255-8963
Bruce Kraus	3	(412) 255-2130
Anthony Coghil	4	(412) 255-2131
Barbara Warwick	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

CITIZENS OF THE CITY OF PITTSBURGH



MAYOR

- | | |
|--|---|
| <ul style="list-style-type: none"> ◆ Management & Budget ◆ Citiparks ◆ Public Works ◆ City Planning ◆ Department of Mobility & Infrastructure ◆ Public Safety ◆ Human Resources & Civil Service ◆ Citizens Police Review Board | <ul style="list-style-type: none"> ◆ Innovation & Performance ◆ Finance ◆ Human Relations Commission ◆ Law ◆ Office of Municipal Investigations ◆ Equal Opportunity Review Commission ◆ Equipment Leasing Authority ◆ Permits, Licenses and Inspections |
|--|---|

ELECTED OFFICIALS

Mayor: EDWARD C. GAINEY

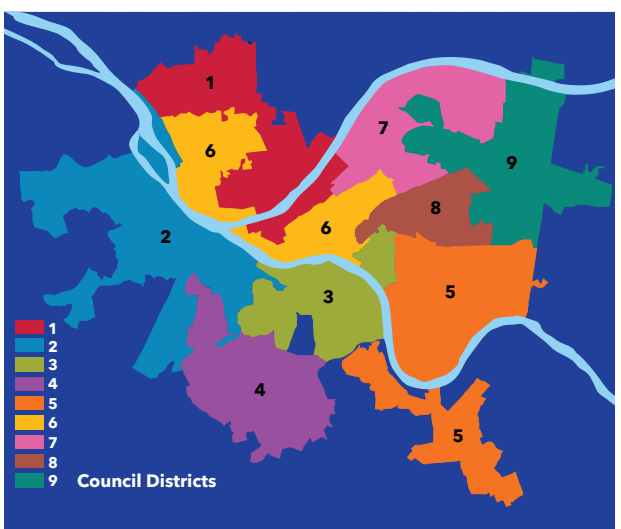
TERM: 4 Years
 RESPONSIBILITY: Chief Executive
 CONTACT INFO: 414 Grant Street
 Room 512
 Pittsburgh, PA 15219
 (412) 255-2626

Controller: 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



Photos: Front Cover: A majestic view of Pittsburgh from the Duquesne Incline. Back Cover: Clockwise from top left; A view from Manchester in the North Side, photo by John Altdorfer; Lunchtime in downtown Pittsburgh; Bike patrol in downtown Pittsburgh; A view of the Point from the North Shore, photo by John Altdorfer.

Thank you for taking the time to review the City of Pittsburgh's Popular Annual Financial Report (PAFR) for the year ended December 31, 2022. The purpose of the PAFR is to increase awareness throughout the community 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.

As Pittsburgh continues to evolve and thrive, it is crucial for us to come together and ensure transparency, accountability, and responsible fiscal management. For the thirteenth 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 2022 Annual Comprehensive Financial Report, which is available on the Controller's website.

We understand the significance of open communication, and the PAFR serves as a platform for sharing vital information, fostering dialogue, and answering your questions related to Pittsburgh's finances, revenue streams, expenditures, and investments that shape our vibrant community.

While the COVID-19 pandemic began to morph into an endemic as vaccines and boosters became readily available, the virus's economic impact was still felt in 2022. The City itself was buoyed by the support of the American Rescue Plan Act (ARPA), but the regional economy is likely dealing with permanent changes as a result of the pandemic, including changes to the workforce and population fluctuation. City finances in 2022 remained stable. With the help of ARPA, the City exceeded budget projections and collected more than \$700 million into the general fund. While initial allocations of ARPA funds were made in 2021, City Council and the new Mayor reallocated monies in 2022.

It is important for us to demonstrate the role City government is playing in supporting these activities. In the PAFR, we highlight the prudent decisions and collaborative efforts made by city officials and departments to maximize resources and deliver essential services to our residents.

A new Bridge Asset Management Trust Fund was created in the wake of the Fern Hollow Bridge Collapse in Frick Park on January 28, 2022. City and county leaders surveying the scene were joined by President Joe Biden, who happened to be visiting Pittsburgh the day of the collapse to promote the Infrastructure Investment and Jobs Act. The bridge collapse highlighted the backlog of critical infrastructure repairs faced by the City of Pittsburgh and the impact of deferred maintenance during the preceding 40 years. This is covered in more detail on page 8 and 9.

I welcome any feedback, comments, or concerns regarding the information included in this report. Whether you are a taxpayer, 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.

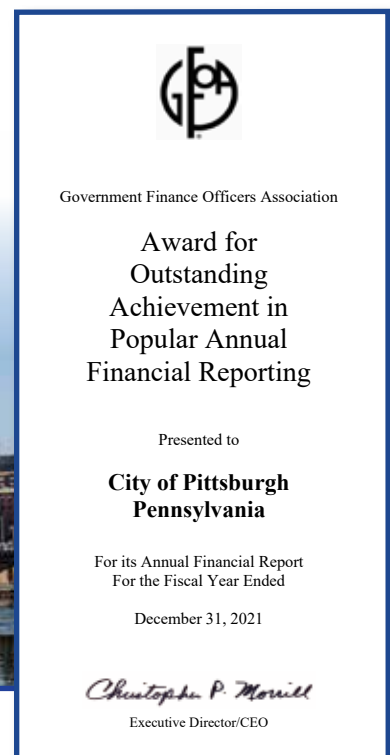
Sincerely,



Michael E. Lamb
City Controller



Photo: Downtown from the Sheraton Hotel, Station Square.





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	66%
◆ Black or African American	23%
◆ Asian	6%
◆ Hispanic	3%
◆ Other	2%
Language Spoken at Home	
◆ English Only	90%
◆ Language other than English	10%
Educational Attainment	
◆ No Degree	6%
◆ High School	25%
◆ Some College	23%
◆ Bachelor's Degree	24%
◆ Graduate Degree	22%
Estimated Median Household Income	
◆ Pittsburgh	\$57,821
◆ Pennsylvania	\$68,957
Housing Units	
◆ Owner-Occupied	47%
◆ Renter-Occupied	53%

City Staffing	
◆ Total City Employees	3,117
◆ Number of Police Officers	832
◆ Number of Fire Fighters	670
◆ Number of Paramedics	177
◆ Other City Department Personnel	1,438

Source: City of Pittsburgh, Quarterly Financial & Performance Report, For the Period Ending December 31, 2022

Employment	
◆ Production, Transportation & Material Moving	25%
◆ Service Occupations	24%
◆ Management, Business, Science & Arts	23%
◆ Sales and Office Occupation	22%
◆ Natural Resources, Construction, & Maintenance	6%
◆ Total Employees all Occupations	1,158,800

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

Unemployment Rates	
◆ Nation (Dec 2022)	3.5%
◆ Pennsylvania (Dec 2022)	4.3%
◆ Pittsburgh (Dec 2022)	3.7%*

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

Per Capita Income	\$37,655
Persons Below Poverty Line	
◆ Pittsburgh	20.2%
◆ Pennsylvania	12.1%

Source: U.S. Census 2021 ACS 5-Year Survey
<https://worldpopulationreview.com/us-cities/pittsburgh-pa-population>

PITTSBURGH PUBLIC SCHOOL STATISTICS

Pittsburgh Public Schools 2021-22	
◆ Total Enrollment	20,080
K-12 Enrollment	18,660
Early Childhood Enrollment	1,420
◆ 2022 Graduates	1,318
◆ Number of Teachers	2,070
◆ Number of Schools	54
◆ Spending per Student (21 ACFR)	\$34,343
◆ PA Average Spending per Student** (2021)	\$19,667

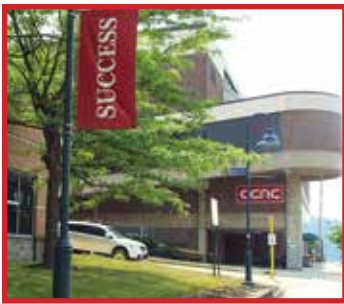
** Per Pennsylvania School Boards Association
Source: PA Department of Education

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



Photos: Top, left to right: Lower and Central Lawrenceville from the Tryp Hotel, photo by John Altdorfer; Pittsburgh Lincoln Kindergarten Class, photo by Jason Cohn; Bottom left to right: Pittsburgh Obama High School Girl's Basketball team, photo by Jason Cohn; Chatham University faculty member with student, photo by Chatham University; 2023 All-Star middle school instrumental concert, photo by Jason Cohn; Pittsburgh Dilworth morning assembly, photo by Jason Cohn.



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 Center for Arts and Media
- Pittsburgh Zoo & Aquarium
- Senator John Heinz History Center
- Soldiers & Sailors Memorial Hall & Museum

2022 Fortune 500 Companies Headquartered in Pittsburgh

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

Source: 2022 Fortune Magazine, Fortune 500

Largest Health and Social Service Nonprofits*

- Achieva
- Baptist Senior Family
- 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
- Pittsburgh Cultural Trust
- Pittsburgh Symphony Orchestra
- Pittsburgh Zoo & Aquarium
- Western Pennsylvania Conservancy

*Source: 2022 Pittsburgh Business Times Book of Lists

Photos: Top left to right: Community College of Allegheny County, North Sde campus; CORE staff prepares for an organ recovery at CORE headquarters in Pittsburgh; The PNC Financial Services Group, corporate headquarters in One PNC Plaza; Animals are always visible at the Pittsburgh Zoo; Bottom left to right: A Pittsburgh Mercy outreach team consisting of a physician, a nurse practitioner, and an outreach worker deliver street medicine to persons who are experiencing homelessness. (Photo © 2023 Pittsburgh Mercy. Used with permission); Phipps Conservatory; LIFE Pittsburgh has several Adult Day Health Centers throughout the western half of Allegheny County, where they provide care for older adults who need extra support to continue living at home; The Byham Theater which is part of the Pittsburgh Cultural Trust.





American Rescue Plan 2022

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 came on June 6, 2022. All American Rescue Plan Act money was deposited into the dedicated ARP Trust Fund.

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 January 26, 2022, \$20,221,879 was transferred from the ARP Trust Fund to the Capital Fund for Capital Projects and on February 21, 2022, \$48,046,278 to the General Fund for Operating Expenses.

The largest allocation of 2022 ARP funds was \$27,292,000 in the Operating Budget to eliminate the anticipated workforce reduction and avoid the layoff of 600 employees, including firefighters, paramedics, and police, as well as cutting some City services.

Major Capital Projects using ARP funds in 2022

- ◆ **\$3,282,480** New Vehicles, Equipment, and Green Fleet Improvements
- ◆ **\$968,950** Demolition of City-Owned Properties
- ◆ **\$799,690** Public Step Improvements
- ◆ **\$730,720** Facility Upgrades on the Marshall Mansion in Mellon Park
- ◆ **\$444,818** Construction of new sidewalk, curb, and curb ramps along Irvine Street, the highly desired pedestrian route between Hazelwood and Greenfield

Three (3) transfers out of the ARP Trust Fund in 2022 went towards two (2) City trust funds

- ◆ **\$250,000** to the Lead Safety Trust Fund (July 2022)
- ◆ **\$1,800,000** to the Bridge Asset Management Program Trust Fund (Aug. & Dec. 2022)

2022 Payments from the ARP Trust Fund to City Contracts & Cooperative Agreements

- ◆ **PWSA:**
\$2,209,891 Lead Line Replacement
- ◆ **URA:**
\$5,475,000 OWNPGH Affordable Homeownership Program
\$2,800,000 Penn Circle Two-Way Conversion: Station-Euclid
\$1,000,000 Jasmine Nyree Center
\$500,000 PittSTAR Streeteries Program (Permanent Outdoor Restaurant Seating)
\$100,000 Casa San José Immigration - Court Program Match
- ◆ **Maier Duessel:**
\$28,603 Administration of Federal Compliance

The City of Pittsburgh is planning to spend nearly \$10 million of ARP funds over the next two years to expand on a current program designed to assist those experiencing homelessness, substance abuse or untreated mental health issues.

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

AS OF DECEMBER 31, 2022

\$335,070,222	Total ARPA Funds
\$(165,531,385)	Total Encumbered
\$169,538,837	Difference
\$31,998,073	Remaining Balances on Open Contracts
\$201,536,910	TOTAL in ARP Trust Fund (as of 31 Dec 2022)



Photos: Top to bottom: The Marshall Mansion in Mellon Park; South Side Signal Project along Irvine Street, taken at South 18th and Josephine Streets; The Negley Station on the East Busway, is the first station in the Station Improvement Program.

2022 ARP TRUST FUND FULL ALLOCATION: \$335,070,222



**This chart shows the project line items legislatively approved by City Council encumbered and spent for 2021 & 2022.
The last column shows any remaining balance of committed funds.**

AMERICAN RESCUE PLAN INFORMATION

Project Name - Operating Budget	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2022	2022 Remaining Balance - Operating
Eliminate the Anticipated Workforce Reduction	\$ 52,918,772	(\$ 52,918,772)	-
3% Wage Increases for Non-Union Positions	\$ 2,343,168	(\$ 2,343,168)	-
Restore Some Vacant Positions (9/1 start for 2021 only)	\$ 7,584,135	(\$ 7,584,135)	-
Restoration of Non-Personnel Lines	\$ 682,525	(\$ 682,525)	-
Restoration of ELA Non-Personnel Lines	\$ 1,375,000	(\$ 1,375,000)	-
Restoration of Additional Public Works Non-Personnel Lines	\$ 3,715,580	(\$ 3,715,580)	-
New Positions/Mid-year Swaps (9/1 start for 2021 only)	\$ 598,323	(\$ 598,323)	-
New Non-Personnel Lines	(\$ 104,758)	\$ 104,758	-
New Non-Personnel Lines for I&P Needs	\$ 1,599,300	(\$ 1,599,300)	-
New Non-Personnel Lines for Public Works Needs	\$ 2,082,393	(\$ 2,082,393)	-
Community Public Safety Facilities	\$ 1,000,000	(\$ 1,000,000)	-
OCHS- AHN Project	\$ 5,000,000	-	\$ 5,000,000
Land Maintenance for City & 3TB-owned Properties	\$ 3,000,000	(\$ 3,000,000)	-
TOTAL ARP to Operating Budget	\$ 81,794,438	(\$76,794,438)	\$ 5,000,000
Project Name - Capital Budget	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2022	2022 Remaining Balance - Capital
Demolition of Structures	\$ 2,000,000	(\$ 1,596,270)	\$ 403,730
Cowley Rec Center Facility Upgrades	\$ 2,500,000	-	\$ 2,500,000
Cowley Rec Center Tech Upgrades	\$ 30,526	-	\$ 30,526
Thaddeus Stevens School Facility Upgrades	\$ 1,000,000	-	\$ 1,000,000
Thaddeus Stevens School Tech Upgrades	\$ 119,242	-	\$ 119,242
McKinley Rec Center Facility Upgrades	\$ 200,000	-	\$ 200,000
Phillips Rec Center Facility Upgrades	\$ 170,000	-	\$ 170,000
Hazelwood Senior Center Facility Upgrades	\$ 50,000	-	\$ 50,000
Marshall Mansion Facility Upgrades	\$ 1,100,000	(\$730,723)	\$ 369,277
Marshall Mansion Tech Upgrades	\$ 34,111	-	\$ 34,111
Paulson Rec Center Facility Upgrades	\$ 300,000	-	\$ 300,000
Paulson Rec Center Tech Upgrades	\$ 30,526	(\$25,177)	\$ 5,349
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	\$ 13,750,000	(\$ 6,066,735)	\$ 7,683,265
Streetlights	\$ 4,000,000	-	\$ 4,000,000
57th Street Steps	\$ 598,116	-	\$ 598,116
Frazier Street Steps	\$ 1,800,000	-	\$ 1,800,000
Hill District Corridor Enhancements	\$ 2,274,000	-	\$ 2,274,000
North Avenue Streetscape Rehabilitation (Safety & Signal)	\$ 2,500,000	-	\$ 2,500,000
Irvine Street Improvements	\$ 1,000,000	(\$444,818)	\$ 555,182
Public Step Improvement Projects	\$ 1,100,000	(\$799,692)	\$ 300,308
TOTAL ARP to Capital Budget	\$36,487,047	(\$ 9,663,415)	\$26,823,632
Project Name - Transfers to Other Trust Funds	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2022	2022 Remaining Balance - Transfers
Lead Safety Trust Fund	\$ 250,000	(\$ 250,000)	-
Bridge Asset Management Trust Fund	\$ 1,800,000	(\$ 1,800,000)	-
TOTAL Transfer to New Trust Funds	\$ 2,050,000	(\$ 2,050,000)	-
Project Name - Contracts & Co-op Agreements	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2022	2022 Remaining Balance - Contracts
Maher Duessel Contract (Administration)	\$ 200,000	(\$ 66,935)	\$ 133,065
Lead Line Replacement	\$17,000,000	(\$ 2,209,892)	\$ 14,790,108
Penn Circle Two-Way Conversion: Station-Euclid	\$ 2,800,000	(\$ 2,800,000)	-
Casa San José Immigration - Court Program Match	\$ 100,000	(\$ 100,000)	-
PittSTAR Streeteries Program	\$ 999,900	(\$ 500,000)	\$ 499,900
Jasmine Nyree Center	\$ 1,000,000	(\$ 1,000,000)	-
OWNPGH Affordable Homeownership Program	\$ 21,000,000	(\$ 5,475,000)	\$ 15,525,000
Downtown Commercial Real Estate Conversion Program	\$ 2,100,000	(\$ 1,050,000)	\$ 1,050,000
TOTAL Contracts & Co-op Agreements	\$45,199,900	(\$13,201,827)	\$ 31,998,073
	Total Encumbered as of 31 DEC 2022	Total Expenditure as of 31 DEC 2022	2022 Remaining Balance of Encumbered
2022 ARP Trust Fund Totals	\$ 165,531,385	(\$101,709,680)	\$63,821,705

Fern Hollow Bridge Collapse and Reconstruction: Confronting Pittsburgh's Infrastructure Deficit

On the morning of January 28, 2022, the Fern Hollow Bridge in Pittsburgh's Frick Park collapsed into the ravine below. Fortunately, no life-threatening injuries resulted to those who had been on the bridge at the time of its fall, but the incident put a local – and national – spotlight on the city's backlog of critical infrastructure needs.

Coincidentally, President Joe Biden arrived in Pittsburgh the same morning to promote projects funded by the Infrastructure Investment and Jobs Act, which was passed by Congress in the fall of 2021. National, state, and local leaders arrived at the scene to assess the damage and vowed to oversee the bridge's reconstruction.



"Pittsburgh is the City of Bridges, but too many are in poor condition like the one behind me before it collapsed." – President Joe Biden

Within days, the city signed an emergency agreement with Governor Tom Wolf's administration, and the Pennsylvania Department of Transportation (PennDOT) announced that \$25.3 million would be set aside to cover the costs of building a replacement bridge. Under this fast-tracked process, ground broke on the new bridge in April and officially reopened to traffic on December 22, 2022.

Though its quick replacement was celebrated as a success in intergovernmental cooperation, the incident turned Pittsburgh residents' attention toward the dozens of other bridges in urgent need of repairs. As was widely reported at the time, the condition of the original Fern Hollow Bridge was rated "poor" by state-licensed inspectors prior to its collapse, alongside dozens of others owned and managed by the city.

In response, City Council approved transferring a total of \$1.8 million in American Rescue Plan Act (ARPA) funds through 2022 into a new Bridge Asset Management Trust Fund. Those funds were primarily spent on a \$1.5 million contract with an outside consultant to catalogue and assess the state of all 147 city-owned bridges.

The final report was released in December and confirmed what many had already suspected: dozens of Pittsburgh's bridges were in dire need of capital upgrades. While the report stated that there were "no vehicular bridges with a structural concern that would require a new closure," it did conclude that there were 27 vehicular bridges with issues that needed addressed within one week and another 13 with immediate structural priorities.

The Gainey administration reported that as of December, all but three bridges in the former category and five in the latter category had seen their needs addressed. The report included PennDOT's ratings for 116 city-owned bridges:

- ◆ **Very Good: 4**
- ◆ **Good: 12**
- ◆ **Satisfactory: 14**
- ◆ **Fair: 54**
- ◆ **Poor: 32**

"The collapse of the Frick Park Bridge this morning is a reminder that investments in infrastructure are investments in public safety." – City Controller Michael Lamb



Photos: Above: President Joe Biden was in Pittsburgh promoting projects funded by the Infrastructure Investment and Jobs Act when the bridge collapsed; At right: Rebuilding the piers for the Fern Hollow Bridge.



Despite these first steps, internal challenges remain. Staffing shortages in the Department of Mobility and Infrastructure (DOMI) have left a mounting backlog of work on a thinning staff while city leaders continue to explore new avenues to raise revenues that would fund future infrastructure needs. In the approved 2023 Capital Budget, around \$101 million was reserved over the 2023-2028 period for 13 individual bridge repair projects in addition to over \$22 million for ongoing bridge restoration and upgrade efforts.

Of the bridges with dedicated capital projects, 10 were rated "poor" by state inspectors, two were rated "serious," and one was rated "fair." Still, the earliest anticipated start date on any of these projects is 2024, and while the city is expected to draw from new funds made available for bridge repairs under the Infrastructure Investment and Jobs Act in the short-term, closing the City of Pittsburgh's infrastructure deficit will remain a pressing issue for local leaders well into the foreseeable future.



WHICH BRIDGES WERE IN POOR CONDITION ON 2022?*

- | | |
|------------------------------------|---------------------------------------|
| Charles Anderson Bridge | West North Avenue & Brighton Road |
| Ansonia Place | Penn Avenue |
| Bajo Street | Pensdale Street Bridge #2 |
| Calera Street #1 | Parking Lot Bridge at Woodruff Street |
| Calera Street #2 | River Avenue Viaduct |
| Centre Avenue | Second Avenue |
| West Carson Street | Shaler Street |
| Elizabeth Street | South Negley Avenue |
| East Liberty Boulevard | Seventh Avenue |
| Corley Street | Swindell Bridge |
| Herron Avenue | Swinburne Bridge |
| Larimer Avenue | Brighton Heights Boulevard |
| Low Street (Pedestrian Bridge) | Timberland Avenue |
| Maple Avenue | 28th Street |
| McArdle Roadway | Wilksboro Avenue (Pedestrian Bridge) |
| Midwood Avenue (Pedestrian Bridge) | Milroy Street |

*As reported in the City of Pittsburgh Comprehensive Bridge Asset Management Program released in December 2022. Ratings are subject to change.

Photos: Top: The aftermath of the Fern Hollow Bridge collapse; Left: Celebrating the reconstruction of the bridge in December 2022.



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 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.

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.

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.



Photos: Left to right: Enjoying the fountain at Point State Park; The Pittsburgh Bureau of Fire, Fireboat 1 protecting boaters on the three rivers; A patient being transported to Allegheny General Hospital on the North Side; Pittsburgh mounted police.



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

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 2022

2022 Fiscal Audits:

- ◆ **Bureau of Police, Department of Public Safety:** Police Secondary Employment Trust Fund
- ◆ **Department of Finance:** Three Taxing Bodies Services Trust Fund & Escrow Account
- ◆ **American Rescue Plan Trust Fund**
- ◆ **Follow-Up Report:** Special Events Trust Fund

2022 Performance Audits:

- ◆ **Department of Finance:** Real Estate Tax Processing
- ◆ **Pittsburgh Bureau of Police**
- ◆ **Department of Mobility & Infrastructure**
- ◆ **Department of Public Safety, Bureau of Administration:** School Crossing Guards

2022 Special Reports:

- ◆ **Tax-Exempt Properties**
- ◆ **City of Pittsburgh Service Worker Prevailing Wage Ordinance**

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> or Twitter @FiscalFocusPGH



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.

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



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 or Twitter @OpenBookPGH

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.

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





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 2021-2022, the Grand Total General Fund Revenues & Transfers increased approximately \$94.7 million or by 15.6%.

The net increase in Revenue is about \$78.4 million. This is attributed to increases of \$16.6 million in Payroll Preparation Taxes, \$12.2 million in Grants, \$11.8 million in Other Taxes, and \$10.8 million in Earned Income Taxes. \$48.5 million from the City's American Rescue Plan Trust Fund were transferred into the General Fund.

From 2020-2021, Total General Fund Revenues increased approximately \$32 million or by 6%.

These increases were mainly due to post-pandemic activities returning such as concerts, shows, conventions, and sporting events. Elements of this increase include \$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. In 2021, \$33.7 million from the American Rescue Plan Trust Fund were transferred into the General Fund.

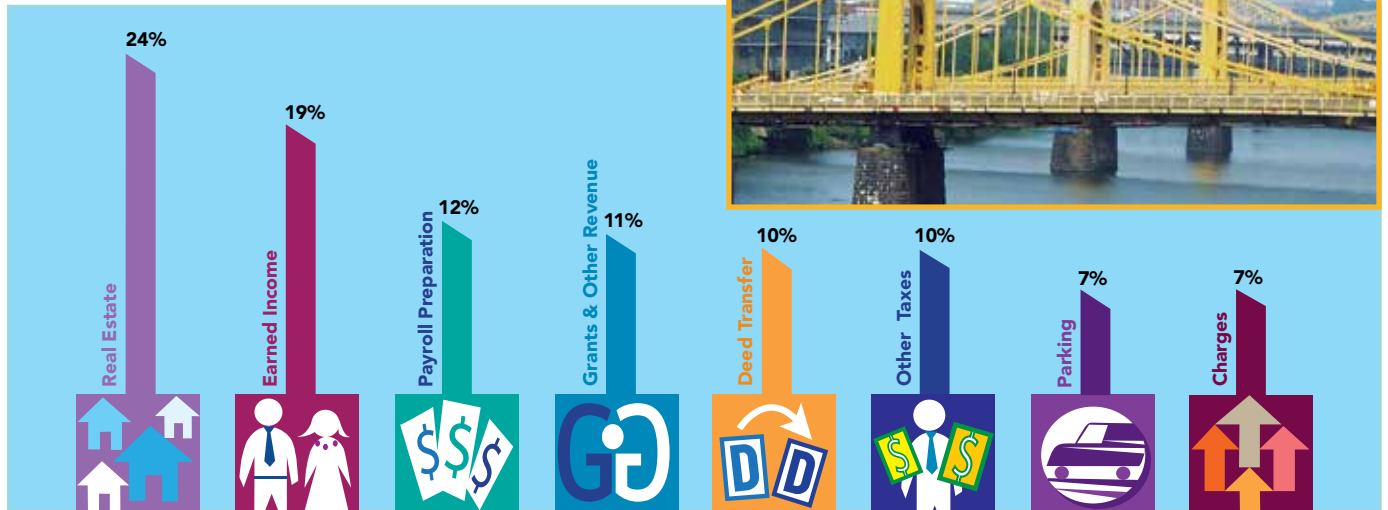
GENERAL FUND REVENUES AND TRANSFERS

(in thousands)

	2022	2021	2020
Real Estate Taxes	\$155,413	\$151,951	\$151,813
Earned Income Taxes	125,294	114,450	108,300
Payroll Preparation Taxes	75,331	58,779	64,095
Parking Taxes	46,201	36,695	31,258
Deed Transfer Taxes	64,857	64,187	43,985
Other Taxes	63,415	51,609	49,459
Total Taxes	\$530,511	\$477,671	\$448,910
Charges	48,070	41,524	37,155
Grants	52,495	40,253	49,457
Other Revenue	15,658	8,840	780
Total Revenue	\$646,734	\$568,288	\$536,302
Leases	1,982		
Transfers In	52,046	37,748	2,000
Grand Total	\$700,762	\$606,036	\$538,302

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 AND TRANSFERS

Expenditures	(in thousands)			Per Capita*		
	2022	2021	2020	2022	2021	2020
Government	\$ 100,788	\$ 96,442	\$ 97,614	\$ 318	\$ 323	\$ 299
Public Safety	353,650	336,404	345,715	1,110	1,144	1,083
Public Works	59,052	49,642	53,296	164	176	176
Environmental Services	20,817	20,256	20,731	67	69	66
Community, Recreational and Cultural	7,203	6,328	5,830	21	19	23
Urban Redevelopment Authority Subsidy	3,246	3,246	2,136	11	7	15
Other Expenditures	5,625	589	2,826	2	9	7
Total Expenditures	\$550,381	\$512,907	\$528,148	\$1,693	\$1,747	\$1,669
Transfers						
Transfers to Capital Projects	9,000	5,542	14,625	18	48	50
Transfers to Debt Service	59,599	56,285	43,845	186	145	168
Other Transfers	8,805	6,836	2,075	23	7	9
Total Transfers	\$ 77,404	\$ 68,663	\$ 60,545	\$ 227	\$ 200	\$ 227
Grand Total	\$627,785	\$581,570	\$588,693	\$1,920	\$1,947	\$1,896

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

During the years ended December 31, 2022, 2021 and 2020, 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.

From 2021-2022, General Fund Expenditures increased by approximately \$37.5 million or by 7.3%.

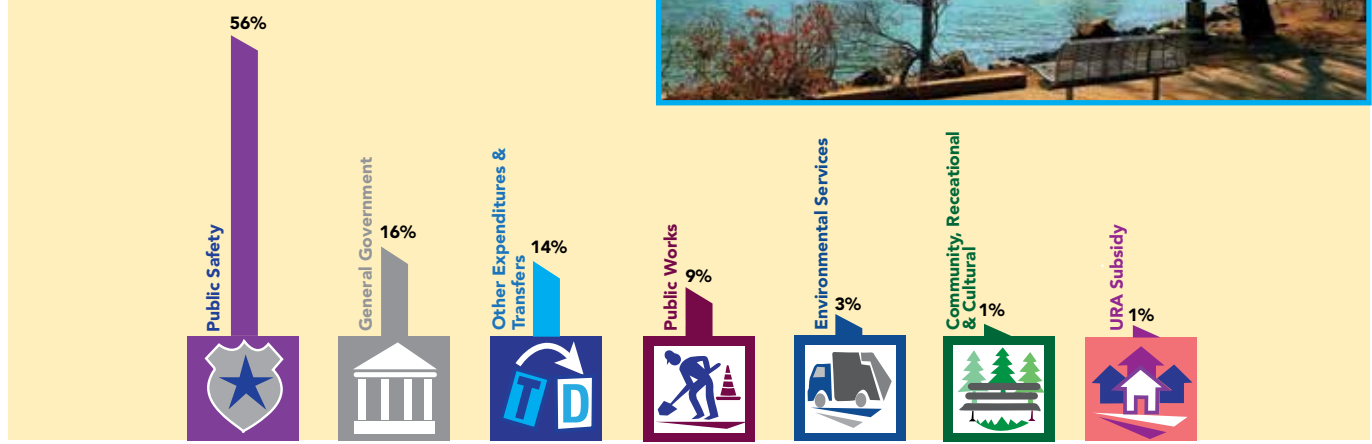
Elements of this increase include a 19% increase in Public Works, a 13.8% increase in Community, Recreational, and Cultural, and a 5.1% increase in Public Safety. Transfers to other funds increased 7.9%, predominantly made up of increases in transfers to the Capital Projects fund and additional other transfers.

From 2020 to 2021, General Fund Expenditures decreased by approximately \$15.2 million or by 2.9%.

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.

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.

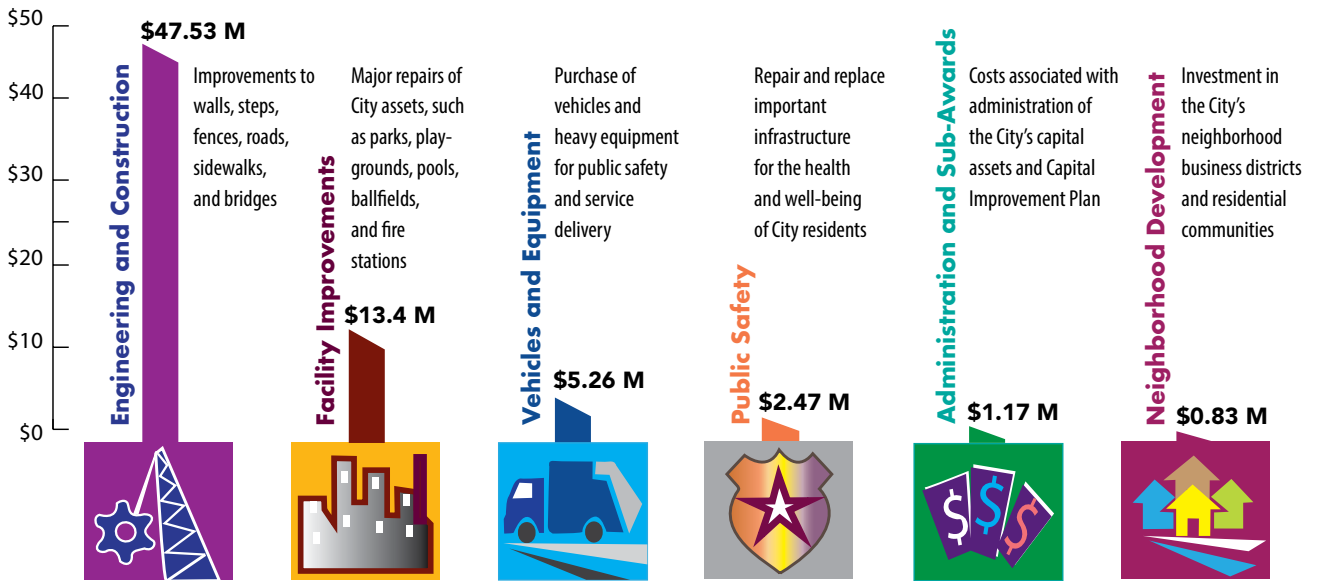
Transfers are funds provided by the General Fund to support other funds of the City.

Photo: Downtown Pittsburgh and the Andy Warhol Bridge from the Three Rivers Heritage Trail on North Shore. Photo by Angela Yoho.



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 2022, the City spent \$70.66 million on Capital Projects.

BY FUNCTION



BY LOCATION

- ◆ **Citywide:** \$64.81 million (92%)
- ◆ **Neighborhood:** \$5.24 million (7%)
- ◆ **Central Business District:** \$0.61 million (1%)



TOP CITYWIDE PROJECTS

- ◆ **Street Resurfacing:** \$18.63 million
- ◆ **Bus Rapid Transit:** \$ 8.83 million
- ◆ **Capital Equipment Acquisition:** \$ 5.26 million
- ◆ **Complete Streets:** \$ 4.35 million
- ◆ **Slope Failure Remediation:** \$ 3.26 million



TOP NEIGHBORHOOD PROJECTS

- ◆ **West Ohio Street Bridge:** \$ 1.96 million
- ◆ **South Side Signals:** \$ 1.16 million
- ◆ **Mon-Oakland Connector/ Four Mile Run:** \$ 0.40 million
- ◆ **Smithfield Street:** \$ 0.31 million
- ◆ **Swinburne Street:** \$ 0.28 million



Photos: Clockwise from top left: Two Pickle Ball Courts are now ready for players at Bud Hammer Park; An aerial view of the park at West Penn Recreation Center in the Polish Hill neighborhood; Street maintenance with heavy equipment; Bedford speed hump road work; Ongoing bridge maintenance for Pittsburgh's bridges.

The City's Cash Position

Long-Term Debt

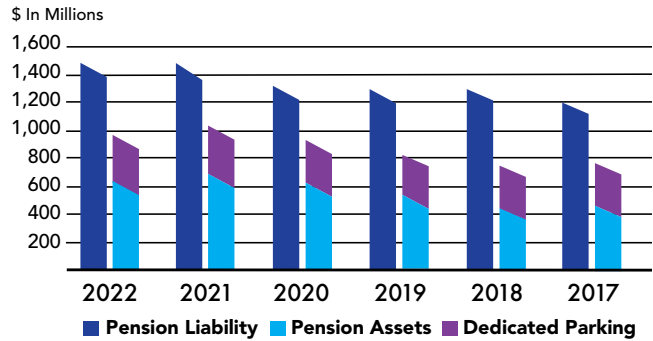
In 2022, the City's debt increased by \$22.3 million to \$495 million. The increase is due to the City's borrowing for capital projects.

Pension Funding

Pension funding is crucial to provide retired city employees with financial security after they stop working. 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 in addition to employee and City-obligated contributions.

Securing funding for the City's Comprehensive Municipal Pension Fund continues to be a challenge for City officials. It is important for the City to manage

PENSION FUNDING STATUS



the pension fund responsibly to maintain its long-term sustainability and honor its commitment to its employees.

Despite having the parking tax as a source of revenue, the fund remains underfunded and will require additional funding commitments and cost reductions moving forward. As of the end of 2022, with revenue from the City's parking tax, the City's pension fund held approximately 65% of the funds needed.

PILOT CONTRIBUTIONS FROM LARGE NONPROFITS

PILOT Contributions from Large Nonprofits

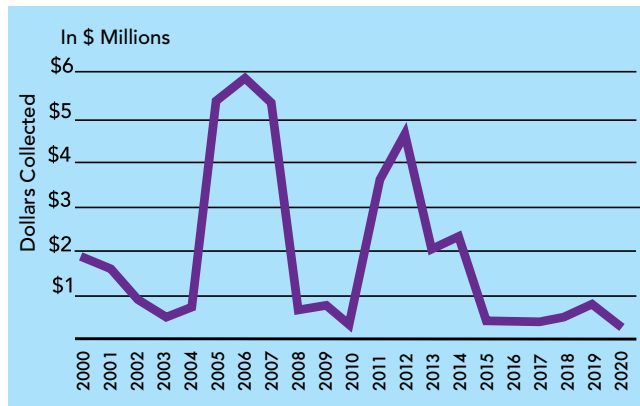
The amount of property within the City of Pittsburgh owned by large nonprofit institutions has grown considerably in recent decades, rising to around 20% in 2021. While the region has undoubtedly benefitted from a nonprofit model centered on these "eds and meds," their growth has also taken an increasing share of properties off the tax rolls, putting strain on City finances.

Given their exemption from property taxes – a leading source of revenue for vital public services like fire, police, and EMS – many municipalities nationwide offset this revenue loss with voluntary arrangements called "payment in lieu of taxes," or PILOTs. Under these agreements, nonprofits typically commit to making annual monetary contributions over a set period of time to lower the tax burden on local residents and businesses.

Yet despite Pittsburgh's vibrant and growing nonprofit sector, PILOT revenue has fallen sharply over the past two decades. Growth in the nonprofit sector can be attributed to the "Big Five": UPMC, Highmark, the University of Pittsburgh, Carnegie Mellon University, and Duquesne University; collectively, they own over \$4.3 billion in exempt property, leading to a "tax loss" of over \$34 million each year to the City. As of 2022, substantive PILOT agreements between the City and its largest nonprofits remain elusive.

As stressed in the City Controller's 2022 joint report with the County Controller's Office on Tax-Exempt Properties, PILOT agreements with just the five largest nonprofits set at half of what they would pay in property taxes if not exempt would recoup over \$17 million in revenues each year. At a time when local officials continue to explore new ways to broaden the tax base without burdening our most vulnerable, securing long-term and equitable PILOT agreements must remain a top priority. PILOT agreements with these institutions are necessary as compensation for essential public services used by all organizations in the City, like critical infrastructure and emergency services. Doing so would ensure long-term, stable sources of revenue to help the City offset post-pandemic declines in other revenue sources.

PILOT AMOUNTS COLLECTED



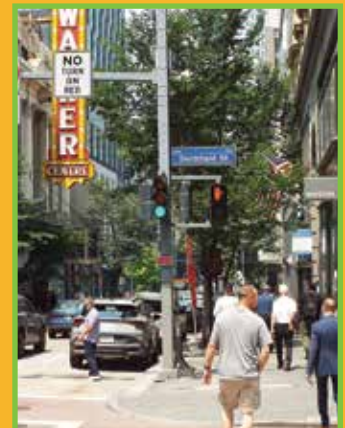


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2022 PITTSBURGH, PA POPULAR ANNUAL FINANCIAL REPORT



Although this report is largely based on the City's 2022 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 2022 Annual Report, which is prepared in accordance with GAAP, is located at www.pittsburghpa.gov/controller.



PAFR Consultants:
The Binkley Kanavy Group, LLC, Pittsburgh, PA
City of Pittsburgh
414 Grant Street
Pittsburgh, PA 15219
pittsburghpa.gov



PittsburghController



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