

# City of Pittsburg, California



**Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2011**

# City of Pittsburg California

## Comprehensive Annual Financial Report Fiscal Year 2010-2011



Prepared by the Finance Department

Karen Chang  
*Accountant II*

Deborah Yamamoto  
*Accounting Manager*

Tina Olson  
*Director of Finance*



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

**City of Pittsburg**  
**Basic Financial Statements**  
**For the Year Ended June 30, 2011**  
**Table of Contents**

---

**INTRODUCTORY SECTION:**

City Manager and Finance Director's Letter of Transmittal	i
Organization Chart	vi
Officials of the City of Pittsburg, California and the Redevelopment Agency of the City of Pittsburg	vii
Map of the City	viii

**FINANCIAL SECTION:**

<i>Independent Auditors' Report on Basic Financial Statements</i>	1
<i>Management's Discussion and Analysis</i>	3
<i>Basic Financial Statements:</i>	13
Government-Wide Financial Statements:	15
Statement of Net Assets	17
Statement of Activities	18
Fund Financial Statements:	19
Governmental Funds:	21
Balance Sheet	22
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets	25
Statement of Revenues, Expenditures, and Changes in Fund Balances	26
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities	28
Proprietary Funds:	29
Statement of Net Assets	30
Statement of Revenues, Expenses and Changes in Fund Net Assets	32
Statement of Cash Flows	34
Fiduciary Funds	37
Statement of Net Assets Fiduciary Funds	38
Notes to Financial Statements	39
<i>Required Supplementary Information:</i>	93
Budgets and Budgetary Accounting	95
Budgetary Comparison Schedule:	
General Fund	96
Low and Moderate Income Housing I Special Revenue Fund	97
Low and Moderate Income Housing II Special Revenue Fund	98
Redevelopment Agency Special Revenue Fund	99
Housing Authority (Section 8) Special Revenue Fund	100
Defined Pension Plan	101

**City of Pittsburg**  
**Basic Financial Statements**  
**For the Year Ended June 30, 2011**  
**Table of Contents, Continued**

---

<i>Supplementary Information:</i>	103
Major Governmental Funds Other than the General Fund and Special Revenue Funds:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual:	
Redevelopment Agency Capital Project Fund	105
Community Capital Improvement Capital Project Fund	106
Non-Major Governmental Funds:	107
Combining Balance Sheet	112
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	120
Schedule of Revenues, Expenditures, and Changes in Fund Balances -	
Budget and Actual:	
Small Cities Grants Special Revenue Fund	127
Gas Tax Special Revenue Fund	128
Traffic Congestion Relief Special Revenue Fund	129
Measure C Tax Fund Special Revenue Fund	130
Lighting and Landscape Special Revenue Fund	131
Lighting and Landscape Oak Hills Special Revenue Fund	132
Miscellaneous Grants Special Revenue Fund	133
COPS Hiring Recovery Special Revenue Fund	134
Asset Seizure Special Revenue Fund	135
Marina Vista Field Replacement Special Revenue Fund	136
Local Law Enforcement Block Grant Special Revenue Fund	137
Southwest Pittsburg GHAD II Special Revenue Fund	138
Storm Water Utility (NPDES) Special Revenue Fund	139
HUD Community Development Block Grant Special Revenue Fund	140
HUD Veterans Affairs Supportive HSG Special Revenue Fund	141
Neighborhood Stabilization Special Revenue Fund	142
CalHome Program Special Revenue Fund	143
Energy Efficiency and Conservation Special Revenue Fund	144
San Marco CFD 2004-1 Special Revenue Fund	145
Solid Waste Special Revenue Fund	146
Vista Del Mar CFD 2005-2 Special Revenue Fund	147
Public Safety Services CFD 2005-1 Special Revenue Fund	148
Park Maintenance CFD 2007-1 Special Revenue Fund	149
Pittsburg Arts and Community Foundation Special Revenue Fund	150
Pension Obligations Debt Service Fund	151
Inclusionary Housing Capital Projects Fund	152
Traffic Impact Fair Share Capital Projects Fund	153
Regional Traffic Mitigation Capital Projects Fund	154
Proposition 1B Local Street & Road Improvement Capital Projects Fund	155
Kirker Creek Drainage Fees Capital Projects Fund	156
Capital Improvement Capital Projects Fund	157
Traffic Mitigation Capital Projects Fund	158
Park Dedication Capital Projects Fund	159

**City of Pittsburg**  
**Basic Financial Statements**  
**For the Year Ended June 30, 2011**  
**Table of Contents, Continued**

---

*Supplementary Information, Continued:*

Proprietary Funds:	161
Statement of Net Assets	163
Supplementary Statement of Net Assets	164
Statement of Revenues and Expenditures	167
Supplementary Statement of Revenues and Expenditures	168
Statement of Cash Flows	170
Internal Service Funds:	171
Combining Statement of Net Assets	172
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	174
Combining Statement of Cash Flows	176
Fiduciary Funds:	179
Combining Statement of Changes in Fiduciary Net Assets - Fiduciary Funds	180

**STATISTICAL SECTION:**

	181
Net Assets by Component - Last Six Fiscal Years	183
Changes in Net Assets - Last Five Fiscal Years	184
Fund Balances of Governmental Funds - Last Ten Fiscal Years	186
Fund Balances of Governmental Funds (GASB 54 FY2011 Implementation Year)	187
Changes in Fund Balance of Governmental Funds - Last Ten Fiscal Years	188
Assessed and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	190
Property Tax Rates - All Overlapping Governments - Last Ten Fiscal Years	191
Principal Property Taxpayers - Current Year and Nine Years Ago	192
Secured Tax Charges and Amount Delinquent June 30- Last Six Fiscal Years	193
Ratio of Outstanding Debt by Type - Last Ten Fiscal Years	194
Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years	195
Computation of Direct and Overlapping Debt - June 30, 2011	196
Computation of Legal Bonded Debt Margin - June 30, 2011	197
Revenue Bond Coverage Wastewater Revenue Bonds - Last Ten Fiscal Years	198
Revenue Bond Coverage 2008 Water Revenue Bonds - Last Ten Fiscal Years	199
Bonded Debt Pledged Revenue Coverage Tax Allocation Bonds - Last Ten Fiscal Years	200
Demographic and Economic Statistics - Last Ten Fiscal Years	201
Principal Employers - Current Year and Nine Years Ago	202
Full-Time Equivalent City Government Employees by Function - Last Ten Fiscal Years	203
Operating Indicators by Function/Program - Last Ten Fiscal Years	204
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	206



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*



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

December 16, 2011

Honorable Mayor  
Members of the City Council  
And Citizens of Pittsburg

### **Comprehensive Annual Financial Report**

Presented herein is the Comprehensive Annual Financial Report for the City of Pittsburg (the City) for the Fiscal Year ended June 30, 2011. This report presents fairly, in all material respects, the financial position and changes in financial position of the City as of and for the Fiscal Year ended June 30, 2011. City management is responsible for the accuracy of the data, the fairness and completeness of the presentation, and the inclusion of all disclosures that are necessary to enable the reader to understand the City's operations. This Comprehensive Annual Financial Report (CAFR) has been prepared in accordance with "generally accepted accounting principles" (GAAP) in the United States of America.

### **Major Changes in Reporting**

In order to standardize how fund balance information is reported and to improve fund balance information-usefulness, the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* effective in 2011. Statement 54 establishes the following classifications which depict relative constraints that control how specific fund balances can be spent:

- **Nonspendable** fund balance includes amounts that are not in a spendable form such as inventory or are required to be maintained as in an endowment fund.
- **Restricted** fund balance includes amounts that can be spent only for specific purposes stipulated by the external resource provider, constitutionally, or through the City Council.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by City Council action.
- **Assigned** fund balance represents amounts intended to be used by the government for specific purposes. The authority can be authorized department directors and/or the City Council.
- **Unassigned** fund balance is the remaining balance after other classifications have been identified.

### **General Information about City of Pittsburg**

The City was incorporated on June 25, 1903 and Pittsburg is a full service general law city providing a full range of municipal services, including police, water and sewer, streets, cultural and recreational facilities, golf course, public works and parks, redevelopment, economic development, planning, zoning, building inspection, code enforcement, housing assistance, marina operations, energy distribution, engineering and general administration. Fire services are provided by Contra Costa County.



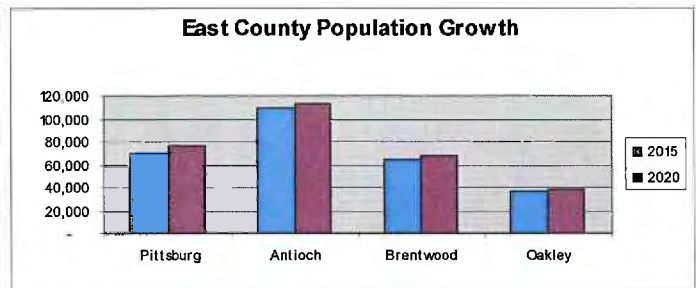
## Reporting Entities

The financial statements included in this CAFR present the City (the primary government) with all the City funds, the City of Pittsburg Redevelopment Agency (the Agency), Community Access of the City of Pittsburg (formerly known as the Housing and Community Services ), and the Pittsburg Power Company (Pittsburg Power) as component units. These three component units are separate legal entities; however, the members of the City Council also serve as members of the Housing Authority Board, the Agency Board, and the Pittsburg Power Board. Therefore, financial information for Community Access (Housing Authority), the Agency, and Pittsburg Power is blended with the City's financial information.

## Economic Conditions and Outlook

Located along the Sacramento-San Joaquin River Delta, Pittsburg is situated on the north side of the beautiful Mount Diablo Recreation Area. Pittsburg resides in the Eastern part of Contra Costa County and is a part of the Oakland Metropolitan Statistical Area. Most statistics for Pittsburg also include the unincorporated area of Bay Point.

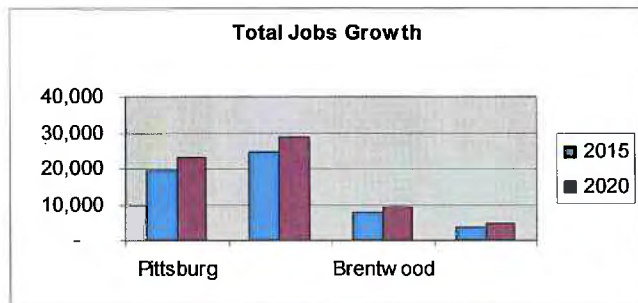
<b>POPULATION GROWTH</b>			
<i>ABAG Projects 2009</i>			
	2015	2020	Change
<b>Pittsburg</b>	<b>70,100</b>	<b>76,200</b>	<b>6,100</b>
Antioch	110,200	112,700	2,500
Brentwood	64,200	67,500	3,300
Oakley	37,250	39,050	1,800
	<u>281,750</u>	<u>295,450</u>	<u>13,700</u>
Contra Costa County:	1,130,700	1,177,400	46,700



The Association of Bay Area Governments (ABAG) is the Bay Area regional agency responsible for producing population, household, jobs, labor force, and income projections for the entire San Francisco Bay Area. ABAG produces updated forecasts every 2 years.

From New York of the Pacific to Black Diamond and finally known as Pittsburg, this is a city that values achievement and innovation. Pittsburg's estimated total number of jobs from the Association of Bay Area Governments (ABAG) Projections 2009 is at 19,390 by the year 2015 and at 23,140 by the year 2020. Out of the three neighboring cities in East County, Pittsburg's job growth outlook is the second to its neighboring city, Antioch.

<b>TOTAL JOBS</b>			
<i>ABAG Projects 2009</i>			
	2015	2020	Change
<b>Pittsburg</b>	<b>19,390</b>	<b>23,140</b>	<b>3,750</b>
Antioch	24,390	28,670	4,280
Brentwood	7,700	8,980	1,280
Oakley	3,770	4,790	1,020
	<u>55,250</u>	<u>65,580</u>	<u>10,330</u>
Contra Costa County:	409,650	445,550	35,900



The City offers a number of programs and incentives to attract new businesses, help existing businesses, as well as help residents find employment. The East County One-Stop Career Center provides businesses and residents with employment, training and business services. Pittsburg is one of just 39 cities in the State with an Enterprise Zone, offering businesses tax and other incentives to relocate here.

ABAG 2009 highlighted the Pittsburg Railroad Avenue eBART Station and the Old Town Pittsburg areas as 'Priority Development Areas' in Contra Costa County.

While the state's budget crisis will cause the county's economy to remain stalled, some employment growth is still projected in the years from 2010 to 2015. The cities of Antioch, Pittsburg, and Hercules are expected to see

moderate job growth as a result of ABAG Smart Growth Policy assumptions. Manufacturing and wholesale jobs will be most likely to develop along the shore line in Pittsburg. The United Spiral Pipe Facility became operational in Fall 2009 in the City. Retail jobs will also see growth in Pittsburg as the City's revitalization of Old Town Pittsburg continues with such recent openings like the Nana's Cafe, Railroad Book Depot, Bay Area Bikes, and Lumpy's Diners.

For the City of Pittsburg, sales tax revenue in the Fiscal Year 2010-2011 fell short of its forecasted estimate by \$361.6K. Total Sales Taxes and backfill was \$5.99M which is still a major revenue source. The continued housing market slump and lowered reassessments value had been factored in this year's forecast, so the property tax revenue fell short of its forecasted estimate only by \$17K.

## **Major Initiatives**

*For The Fiscal Year 2010-2011:* The Agency continues its efforts to remove the blighting conditions found in Pittsburg by constructing or assisting in the construction and funding of various projects and programs. The State of California requires a separate accounting report for the redevelopment area of the City, thus a separate Component Unit Financial Report is prepared and audited by the independent outside audit firm of Maze & Associates, Certified Public Accountants. It is not the intent to copy verbatim all the information from that separate Component Unit Financial Report, but to highlight a few of the Agency's accomplishments for the Fiscal Year 2010-2011.

In Fiscal Year 2010-2011, the City and Agency have completed several projects.

- Vidrio Project: Sold all 75 condominium units. A bookstore opened in one of the retail spaces in November 2010 and a future restaurant is in design phase for another commercial retail space.
- Power Avenue-Stoneman Avenue Pedestrian Improvements
- Old Town Plaza
- California Widening and Traffic Signal at Diane and California Avenues
- 2010/2011 Pavement Rehabilitation (Century Boulevard, Atherton Avenue, Ravine Drive, Kingsford Court) – The Agency funded the rehabilitation of various roadways to improve traffic circulation.
- Plaza Marina Tenant Improvements
- The Anchor
- New Mecca Café
- Old Town Deli & Pastry and Pirate Cove Yogurt
- Pittsburg Education Association (“PEA”)
- Civic Center Court House
- Fire Prevention Bureau
- Fire Station 84

## **OTHER INFORMATION**

The City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **Single Audit and Compliance**

As a recipient of federal and state financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management and the Finance staff of the City. In management's opinion, the City's internal controls adequately safeguard assets and provide

reasonable assurance of the proper recording of financial transactions. A few material weaknesses and deficiencies were identified during the single audit for the fiscal year ended June 30, 2010. The City has since adopted the recommendation by the auditor to remedy the situation.

### **Budgetary Controls**

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the general fund, special revenue funds, and capital projects funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also applies and maintains encumbrance accounting system as a technique of accomplishing budgetary control. As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

### **Appropriations Limit**

Proposition 4, the "Gann" initiative, was passed by California voters in 1978 and is intended to limit governmental appropriations. The appropriations limit is calculated each year based upon fiscal year 1978-79 appropriations, which are modified by the composite consumer price index, and population changes which have occurred in subsequent years. The City's appropriation limit and estimated appropriations subject to limit for fiscal year 2009-10 and 2010-11 amounted to \$109,388,496 and \$109,119,619 respectively. The Redevelopment Agency and Housing Authority appropriations are not subject to the above limitations.

### **Cash Management**

Cash temporarily idle during the year was invested in the Local Agency Investment Fund (LAIF) administered by the Treasurer of the State of California and obligations of the United States Treasury, Federal Agency Coupons and Discount Notes, Medium Term Notes, and Certificates of Deposit. These investments are allowed under an investment policy adopted by the City Council, which defines eligible investments and maturities of the City's investment portfolio, and requires securities to be held by the City or by a qualified custodial institution and registered in the name of the City. The quarterly return on LAIF pooled investments at June 30, 2011 was .45%, a decrease of .11% compared to the same period of last fiscal year (June 30, 2010) .56%. Total LAIF interest earnings were \$178,504 for the fiscal year 2010-11, a decrease \$1,320,433.49 from the fiscal year 2009-10. At June 30, 2011, 25.86% of the City's pooled cash and investments were in LAIF.

### **Risk Management**

The City is self-insured for the first \$25,000 of each loss and maintains excess liability insurance through the Management Pooling Authority (MPA). The City is not insured for liability occurrences over \$15 million per occurrence. The City also maintains statutory excess workers' compensation insurance through the Municipal Pooling Authority (MPA).

### **Independent Audit**

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

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pittsburg for its Comprehensive Annual Financial Reports (CAFR) for the eight fiscal years ended June 30, 2000, 2001, 2002, 2003, 2004, 2005, 2007 and 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.


A Certificate of Achievement is valid for a period of one year only. We believe that our current (CAFR) for June 30, 2011 continues to meet the Certificate Achievement Program's requirements.

### **Acknowledgements**

The preparation of this report could not have been accomplished without the concerted effort and dedication of all the employees of the Pittsburg Finance Department. However, we would like to acknowledge the extra effort Karen Chang invested in completing the City's FY 2010-2011 Audited Financial Statements.

We would also like to thank the Mayor and members of the City Council for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,

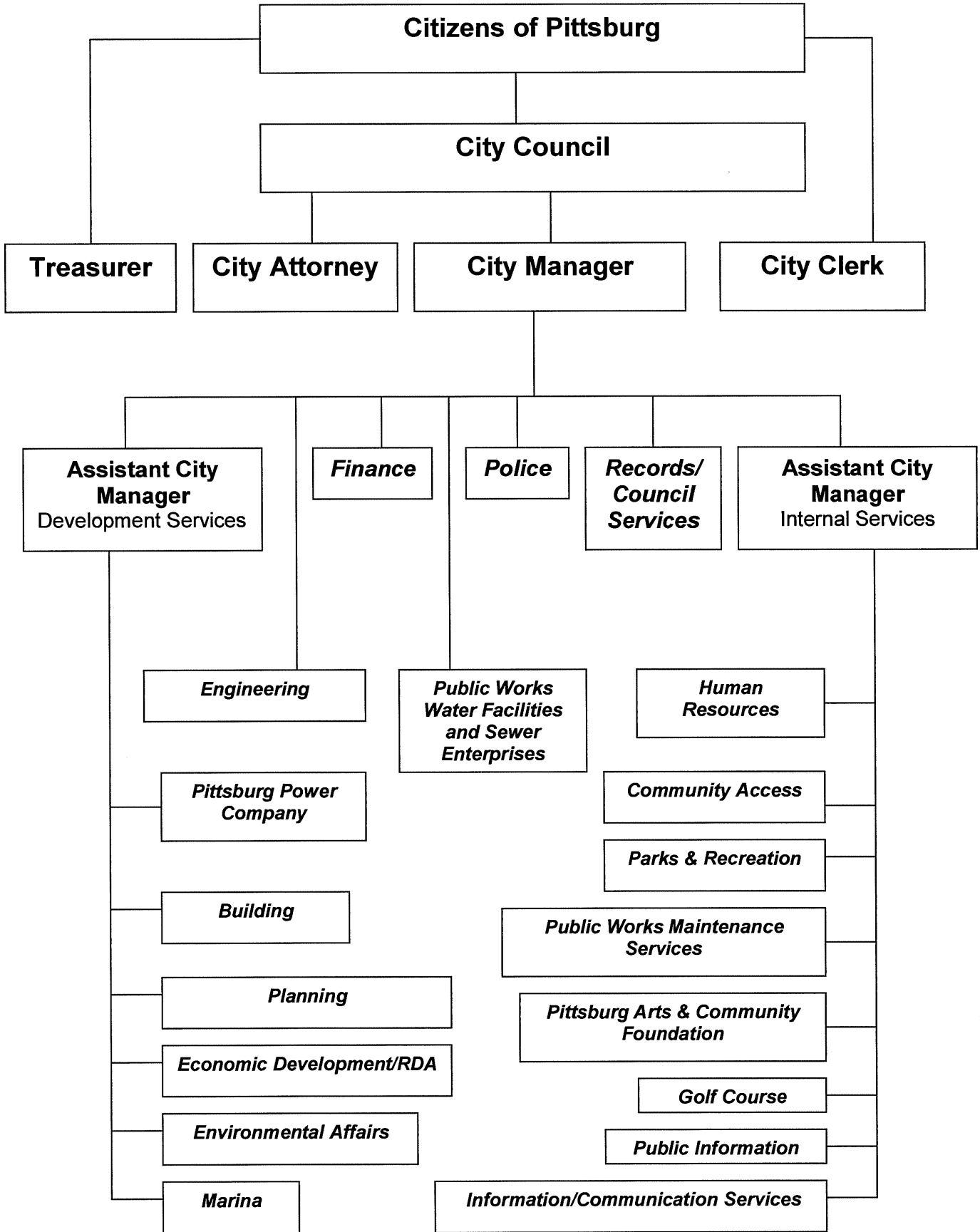


Joe Sbranti  
City Manager



Tina Olson  
Director of Finance

➤ **CITY GOVERNMENT ORGANIZATION**



City of Pittsburg  
Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2011

**City Council**

Will Casey, Mayor  
Ben Johnson, Vice Mayor  
Salvatore N. Evola, Council Member  
Pete Longmire, Council Member  
Nancy Parent, Council Member

**Other Elected Officials**

James F. Holmes, City Treasurer  
Alice E. Evenson, City Clerk

**City Attorney**

Ruthann G. Ziegler, Esquire, City Attorney

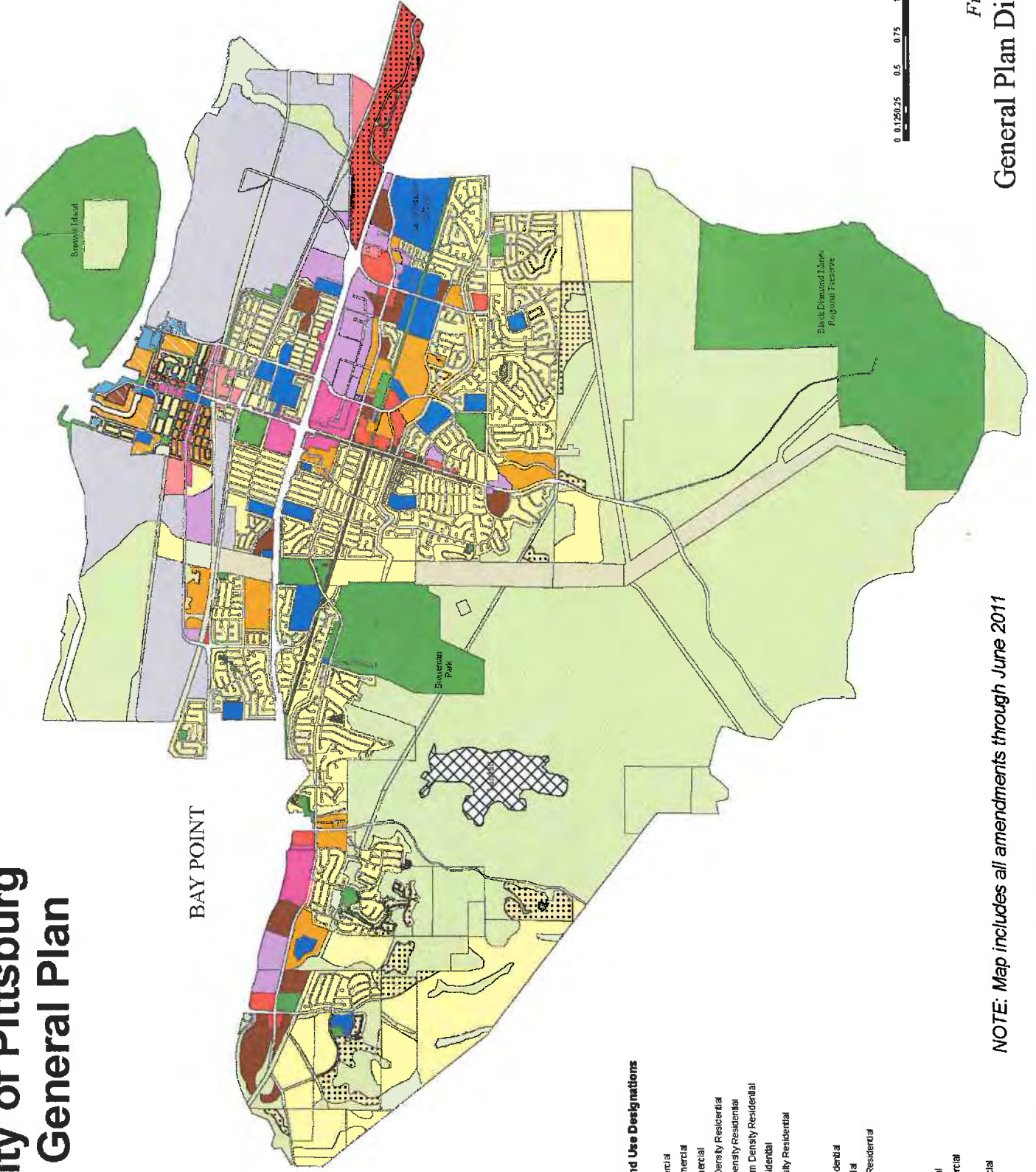
**Management Staff**

Joe Sbranti, City Manager  
Marc Fox, Assistant City Manager – Internal Operations  
Garrett Evans, Assistant City Manager – Development Services

Aaron Baker, Chief of Police  
Annette Landry, Director of Community Access  
Tina Olson, Director of Finance  
Alice E. Evenson, Director of Records and Council Services  
Maria Aliotti - Manager of Redevelopment Agency

# City of Pittsburg General Plan

BAY POINT



**City Limits**  
**General Plan Land Use Designations**

- Business Commercial
- Community Commercial
- Downtown Commercial
- Downtown High Density Residential
- Downtown Low Density Residential
- Downtown Medium Density Residential
- High Density Residential
- Hillside Low Density Residential
- Industrial
- Landfill
- Low Density Residential
- Marine Commercial
- Medium Density Residential
- Mixed Use
- Open Space
- Park
- Public/Institutional
- Regional Commercial
- Roadway
- Service Commercial
- Utility/ROW



Figure 2-2  
General Plan Diagram

NOTE: Map includes all amendments through June 2011

## INDEPENDENT AUDITOR'S REPORT ON BASIC FINANCIAL STATEMENTS

**ACCOUNTANCY CORPORATION**  
3478 Buskirk Ave. - Suite 215  
Pleasant Hill, California 94523  
(925) 930-0902 • FAX (925) 930-0135  
maze@mazeassociates.com  
www.mazeassociates.com

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

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pittsburg as of and for the year ended June 30, 2011 as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America and the standards for financial audits contained in *Governmental Auditing Standards* issued by the Comptroller of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2011 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

In our opinion, the basic financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pittsburg at June 30, 2011 and the respective changes in financial position and cash flow, where applicable, thereof and the respective budgetary comparisons listed as part of the basic financial statements for the year then ended, in conformity with generally accepted accounting principles in the United States of America.

As disclosed in Note 15, the State of California adopted ABx1 26 on June 28, 2011, which suspends all new redevelopment activities except for limited specified activities as of that date and dissolves redevelopment agencies effective October 1, 2011. The State simultaneously adopted ABx1 27 which allows redevelopment agencies to avoid dissolution by opting into an "alternative voluntary redevelopment program" requiring specified substantial annual contributions to local schools and special districts. These conditions raise substantial doubt about the ability of the Redevelopment Agency of the City of Pittsburg, a component unit of the City, to continue as a going concern. However, on August 11, 2011, the California Supreme Court issued a partial stay of ABx1 26 and a full stay of ABx1 27, but the partial stay did not include the section of ABx1 26 that suspends all new redevelopment activities. As a result, the accompanying financial statements have been prepared assuming that the Redevelopment Agency of the City of Pittsburg will continue as a going concern. The activities of the Redevelopment Agency of the City of Pittsburg are included in the Low and Moderate Income Housing I Special Revenue Fund, Low and Moderate Income Housing II Special Revenue Fund, Redevelopment Agency Special Revenue Fund, Redevelopment Agency Debt Service Fund and the Redevelopment Agency Capital Projects Fund of the accompanying financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.



As of July 1, 2010, the City adopted the provision of Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*. As discussed in Note 10 to the financial statements, the provisions of this statement affect the classification of fund balances reported in the financial statements.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. We have applied certain limited procedures, which consisted, principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplemental information listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Maze & Associates*

December 5, 2011

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

---

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Pittsburg (the City), we offer readers this discussion and analysis of the City's financial performance for the Fiscal Year ended June 30, 2011. The accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures in this report, are the responsibility of the City. The report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standard Board (GASB). We encourage readers to consider the information presented here in conjunction with additional information which can be found in the introductory section of this report and within the City's financial statements, which follow this discussion.

**FINANCIAL HIGHLIGHTS**

- The assets of the City exceeded its liabilities at the close of the Fiscal Year 2010-2011 by \$162.4M (*net assets*).

The City's total net assets of \$162.4M decreased from the prior fiscal year 2009-2010 by \$(19.0)M. The only notable change is the shift in current assets to non-current assets such as infrastructure. The total capital assets decreased \$21M in governmental activities due to a reclassification of \$30M Vidrio residential units from capital assets to land held for resale and offset with an increase of \$9M during the year. There were an increased of \$229K in business-type capital assets.

As of June 30, 2011, the City's governmental funds reported combined ending fund balances of \$146.9M, a decrease of \$(16.0)M in comparison with the prior fiscal year of \$162.9M. Most of the decrease in the governmental fund balances can be attributed to the substantial loss recognized by the Redevelopment Agency for the Old Town Pittsburg Vidrio Condominium sales of \$18.5M.

- As of June 30, 2011, the fund balance for the General Fund, which includes the Budget Stabilization and Economic Development funds, was \$18.7M, of which \$280,573 is designated as "Nonspendable" for items that are not in spendable form such as deposits, interfund advances, and inventory; \$2.0M is designated as "Assigned" for economic development activities and encumbrances, which is intended to use for specific purposes by department directors and/or the City Council. This leaves a total unassigned balance of \$16.4M, of which 7.0M is available for spending at the government's discretion and \$9.4M will be used to balance future budgets.
- Last year, there were nine major funds in the Governmental Funds section of the Comprehensive Annual Financial Report. RDA budget stabilization and RDA Debt stabilization were removed from reporting in this year's report due to zero fund balances. For the fiscal year ended June 30, 2011, there are eight (8) major funds, with the Community Capital Improvement Fund being newly designated as a major fund.

Compared to the prior fiscal year, the City's total liabilities decreased by \$13M for a total of \$554.8M primarily because of continuing paying down the existing outstanding indebtedness of \$11M and remove CCCERA of \$2M from long term debt. Please refer to Note 8 Long Term Debts & Note 16 Prior Year Adjustment for additional information.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

---

**Government-Wide Financial Statements** - The Government-Wide Financial Statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. These statements consist of:

- The Statement of Net Assets presents information on all of the City's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The Statement of Activities presents information reflecting any change in the government's net assets during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs (regardless of the timing of related cash flows). Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation and compensated time leaves).

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

The Government-Wide Financial Statements include not only the City itself but also the Redevelopment Agency, Community Access (formerly known as the Housing and Community Services) and the Pittsburg Power Company. Financial information for these component units are blended with the financial statements of the primary government itself.

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

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

The City maintains 41 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for seven funds that are considered to be major funds. These funds consist of the General Fund, Low/Moderate Income Housing I, Low/Moderate Income Housing II, Redevelopment Special Revenue, Housing Authority (Section 8), Redevelopment Debt Service, and Redevelopment Capital Projects, and the Community Capital Improvement Fund. Data from the other 34 governmental funds, which are combined into a single, aggregated presentation, are considered non-major funds.

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

---

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

*Proprietary Funds:* The City maintains two different types of proprietary funds; Enterprise Funds and Internal Service Funds. Enterprise Funds are used to report the same functions presented as “business-type activities” in the Government-Wide Financial Statements. The Enterprise Funds are used to account for the Water, Sewer, Marina, Golf Course, Island Energy and Pittsburg Power Company operations, and the Water Front Operations. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City’s various functions. In June 2009, the City hired a professional golf management team to maintain operations of the Delta View Golf Course. The City still maintains ownership of the Golf Course, so the Golf Course is still a reportable proprietary fund. The City uses Internal Service Funds to account for its fleet of vehicles maintenance, building maintenance, information and communication systems management, risk management/insurance and employee fringe benefits activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within “governmental activities” in the government-wide financial statements.

Proprietary Funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Proprietary Fund Financial Statements provide separate information for the Water Fund, the Sewer Fund, the Marina Fund and Pittsburg Power Fund, all of which are considered to be major funds. Data from the other five Enterprise Funds are combined into a single, aggregated presentation. Conversely Internal Service Funds are combined into a single, aggregated presentation in the Proprietary Fund Financial Statements.

- *Fiduciary Funds:* Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary Funds are not reflected in the Government-Wide Financial Statement because the resources of those funds are not available to support the City’s own programs. The accounting used for Fiduciary Funds is much like that used for Proprietary Funds. The Assessment District Bonds Fund, the Environmental Impact Fee Fund and the Other Impact Fees Fund are held as Fiduciary Funds by the City.

**Notes To The Financial Statements** – The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements.

**Other Information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City’s progress in funding its obligation to provide pension benefits to its employees.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Assets** – As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, combined net assets (government and business-type activities) totaled \$162.4M at the close of the Fiscal Year ended June 30, 2011, which is \$19M less than fiscal year 2009-2010.

The Government-Wide Financial Statements provide long-term and short-term information about the City’s overall financial condition. This analysis addresses the financial statements of the City as a whole. The following table reflects the Summary of Net Assets for the Fiscal Year ended June 30, 2011 with the comparative data for the Fiscal Year ended June 30, 2010.

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

**City of Pittsburg**  
**Summary of Net Assets**  
**As of June 30, 2011**

	Governmental Activities		Business-Type Activities		Total	
	2010	2011	2010	2011	2010	2011
Current Assets	\$ 246,283,788	\$ 218,294,405	\$ 41,927,019	\$ 43,357,563	\$ 288,210,807	\$ 261,651,968
Non-Current Assets	5,442,197	17,406,632	-	-	5,442,197	17,406,632
Capital Assets	335,918,580	315,385,908	120,095,104	120,323,889	456,013,684	435,709,797
Total Assets	587,644,565	551,086,945	162,022,123	166,149,846	749,666,688	717,236,791
Current Liabilities	45,476,656	32,860,127	7,500,777	4,171,341	52,977,433	37,031,468
Non-Current Liabilities	469,493,269	458,145,507	45,785,441	44,846,860	515,278,710	502,992,367
Total Liabilities	514,969,925	491,005,634	53,286,218	49,018,201	568,256,143	540,023,835
Investments in Capital Assets Net of Related Debt	59,908,182	46,622,103	67,603,197	73,188,754	127,511,379	119,810,857
Restricted	51,627,971	63,967,311	16,057,202	20,709,344	67,685,173	84,676,655
Unrestricted	(38,861,513)	(62,825,341)	25,075,506	20,765,153	(13,786,007)	(42,060,188)
Total Net Assets	\$ 72,674,640	\$ 47,764,073	\$ 108,735,905	\$ 114,663,251	\$ 181,410,545	\$ 162,427,324

At the end of the Fiscal Year 2010-2011 the total assets exceeded total liabilities by \$162.4M.

**Changes in Net Assets** – In the Fiscal Year 2010-2011, the City’s expenses for governmental activities of \$(123.4)M exceeded total revenues, transfers, and loss on sale of assets of \$96.4M by \$23.0M resulting in the use of fund balances of previously appropriated capital project funds. The City’s expenses cover a range of services. Of the Governmental Activities, the largest expenses were in the Community Development and Services category (\$26.0M), Public Safety (\$20.1M), Interest on Long-term Debt (23.5M), and Public Works (\$20.0M). These expenses include capital outlays, which are now reflected in the City’s capital assets. Further analysis is provided within the governmental and business-type sections on the following pages. For additional information on the Capital Assets, please refer to Note 7 – Capital Assets disclosure.

**Governmental Activities** – Governmental Activities reflects a decrease of \$23.0M in net assets and Business Activities reflects an increase of \$5.9M in net assets for the Fiscal Year 2010-2011. A comparison of the cost of services by function for the City’s Governmental Activities is shown below, along with the revenues used to cover the net expenses of the Governmental Activities, and with the comparative data from Fiscal Year 2009-2010.

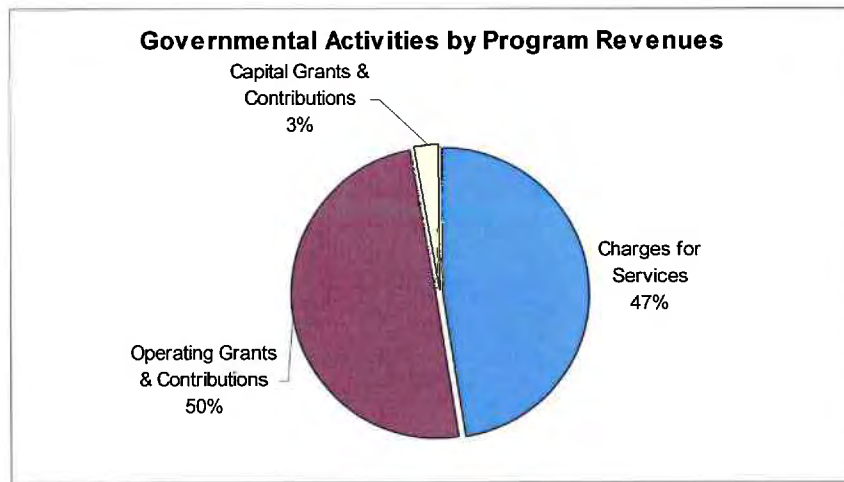
**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

**Statement of Changes in Net Assets**  
**Fiscal Year Ended June 30, 2011**  
**With comparative data for fiscal year ended June 30, 2010**

	Governmental Activities		Business-Type Activities		Total	
	2010	2011	2010	2011	2010	2011
Revenues:						
<i>Program Revenues:</i>						
Charges for Services	\$ 19,599,934	\$ 16,114,017	\$ 29,763,885	\$ 33,616,730	\$ 49,363,819	\$ 49,730,747
Operating Grants and Contributions	14,022,072	16,926,790			14,022,072	16,926,790
Capital Grants and Contributions	1,119,989	929,465	591,456	309,021	1,711,445	1,238,486
Sub-Total	<u>34,741,995</u>	<u>33,970,272</u>	<u>30,355,341</u>	<u>33,925,751</u>	<u>65,097,336</u>	<u>67,896,023</u>
<i>General Revenues:</i>						
Property Taxes	39,995,052	40,456,473	-	-	39,995,052	40,456,473
Sales Taxes	5,998,652	5,438,354	-	-	5,998,652	5,438,354
Franchise Fees	2,378,602	2,660,883	-	-	2,378,602	2,660,883
Motor Vehicle in lieu fees	4,019,459	3,936,649	-	-	4,019,459	3,936,649
Gas Taxes	1,051,055	1,620,661	-	-	1,051,055	1,620,661
Other Taxes	2,514,764	6,034,535	-	-	2,514,764	6,034,535
Investment Earnings - Unrestricted	2,414,528	2,314,878	321,967	447,506	2,736,495	2,762,384
Sub-Total	<u>58,372,112</u>	<u>62,462,433</u>	<u>321,967</u>	<u>447,506</u>	<u>58,694,079</u>	<u>62,909,939</u>
Total Revenues	<u>93,114,107</u>	<u>96,432,705</u>	<u>30,677,308</u>	<u>34,373,257</u>	<u>123,791,415</u>	<u>130,805,962</u>
Expenses:						
General Government	15,035,104	11,509,249	-	-	15,035,104	11,509,249
City Council	63,613	72,261	-	-	63,613	72,261
City Manager and City Clerk	291,945	339,475	-	-	291,945	339,475
City Attorney	352,405	439,510	-	-	352,405	439,510
Human Resources	674,922	648,127	-	-	674,922	648,127
Finance and Services	2,150,947	2,256,434	-	-	2,150,947	2,256,434
Community Development & Services	23,298,516	25,958,715	-	-	23,298,516	25,958,715
Public Safety	20,844,081	20,111,317	-	-	20,844,081	20,111,317
Public Works	13,685,011	19,975,441	-	-	13,685,011	19,975,441
Interest on Long-Term Debt	19,671,322	23,519,241	-	-	19,671,322	23,519,241
Gain (loss) on sale of assets	-	18,539,878	-	-	-	18,539,878
Water Utility	-	-	13,614,034	14,449,902	13,614,034	14,449,902
Sewer Utility	-	-	2,407,534	2,317,726	2,407,534	2,317,726
Marina	-	-	2,139,241	2,168,789	2,139,241	2,168,789
Golf Course	-	-	1,312,036	170,279	1,312,036	170,279
Island Energy	-	-	4,100,739	3,802,125	4,100,739	3,802,125
Pittsburg Power	-	-	2,150,825	1,579,980	2,150,825	1,579,980
Water Front Operations	-	-	-	-	-	-
Total Expenses	<u>96,067,866</u>	<u>123,369,648</u>	<u>25,724,409</u>	<u>24,488,801</u>	<u>121,792,275</u>	<u>147,858,449</u>
Increase in Net Assets before Transfers	<u>(2,953,759)</u>	<u>(26,936,943)</u>	<u>4,952,899</u>	<u>9,884,456</u>	<u>1,999,140</u>	<u>(17,052,487)</u>
Transfers	1,454,110	3,957,110	(1,454,110)	(3,957,110)	-	-
Change in Net Assets	(1,499,649)	(22,979,832)	3,498,789	5,927,346	1,999,140	(17,052,486)
Net assets - Beginning of Year (as restated)	74,174,289	70,743,906	105,237,116	108,735,905	179,411,405	179,479,811
Net assets - End of Year	<u>\$ 72,674,640</u>	<u>\$ 47,764,073</u>	<u>\$ 108,735,905</u>	<u>\$ 114,663,251</u>	<u>\$ 181,410,545</u>	<u>\$ 162,427,324</u>

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

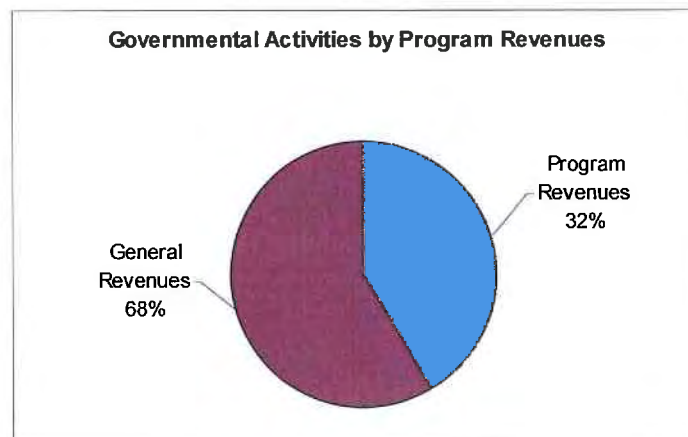
Total Program Revenues from Governmental Activities were \$34.0M in Fiscal Year 2010-2011. Per GASB 34, program revenues are derived directly from the program itself or from parties outside the reporting government's taxpayers or citizenry. Program Revenues reduce the net cost of the function to be financed from the government's general revenues. As reflected in the pie chart below, 47% of the Governmental Program Revenues came from Charges for Services (which includes licenses and permits, plan checking fees, developer fees and several other revenues), 50% from the Operating Grants and Contributions category (including restricted revenues such as Gas Tax, Measure C Tax, Asset Seizure fund and Federal/State Grants), and 3% are from Capital Grants and Contributions.



As graphically depicted, 68% of General Government services are funded by General Revenues. General Revenues are all other revenues not categorized as program revenues such as property taxes, sales taxes, intergovernmental and investment earnings. Most of the interest on long-term debt is paid through general revenues, 92% of Public Safety services are supported through general revenues, as is 9% of Community development and services are supported through general revenues.

General Revenues from Governmental Activities represented 58% of total City revenues, and Program revenues reflected 32% of total City revenues. Total General Revenues from Governmental Activities were \$47.9M in Fiscal Year 2010-2011. Property Taxes comprised the largest percentage of General Revenues, 84% or \$40.5M, received during the fiscal year was Property Taxes.

Program Revenues	\$	33,970,272	32 %
General Revenues	\$	<u>47,879,665</u>	68 %
		81,849,937	



**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

---

**Business-Type Activities** – Net assets for Business-Type Activities were \$115M, a net increase of \$6M from the prior fiscal year. Total program revenues for Business-Type Activities were \$33.9M. Total expenses for the Business-Type Activities were \$24.5M for the Fiscal Year 2010-2011.

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

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

The focus of the City’s Governmental Funds is to provide information on near-term inflows, outflows, and balances of spending resources. Such information is useful in assessing the City’s financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City’s Governmental Funds reported combined ending fund balances of \$146.9M a decrease of \$(16.0)M, in comparison with the prior year. Approximately 5% percent of this total amount or \$16.4M constitutes unassigned general fund balance which is available for spending at the government’s discretion and \$9.4M designated to balance future budget. The remainder of fund balance is either designated as "Nonspendable" to indicate that it is not available for new spending because it is not in a spendable form (\$8.6M) or, designated as "Restricted" to fulfill future work on the special activities and capital improvement projects or debt service commitments (\$122.2M), or designated as "Committed" for capital improvement projects (\$5.8M), or designated as "Assigned" due to being committed to liquidate contracts (encumbrances) and various departmental reservations (\$2.2M). However, the "Assigned" balance is an internal designation and can be altered to become unassigned, if needed. For a detail breakdown of fund balances and designation, please refer to Note 10 Fund Balance.

**General Fund Budgetary Highlights** – The final amended budget totaled \$31.5M, including \$203,802 for prior fiscal year project carry forward totals and new appropriation amendments to the originally adopted budget, these amendments are briefly summarized below.

Per Resolutions 10-11548, 10-11552, and 07-10778 the City Council adopted the approval of the follow additional appropriations and project carry-forwards:

<b>Budget Carry Forwards</b>	
\$	2,449 City Clerk Special Departmental Supplies
	902 Contractual and Professional Services (City Clerk)
	11,262 Advertising and Promotion (City Clerk)
	50,000 Business License Audit/Amnesty Program
	6,938 Contractual and Professional Services (Finance)
	28,218 Utility Billing Telephone Payment System
	3,400 Contractual and Professional Services (Planning)
	8,975 Contractual and Professional Services (Building)
	13,815 Various Contractual Services (Engineering)
	25,000 EBRCS Membership (Police)
	2,843 Community Advisory Commission Grant
	50,000 City Council Contingency
\$	<u>203,802</u> Sub-Total Budget Carry Over



**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

---

---

**Approved Appropriations**

\$	40,000	Mirant PG&E Tax Share
	29,000	PRTDIM Set-Up Fees
\$	<u>69,000</u>	<b>Sub-Total Approved Appropriations</b>
\$	<u>272,802</u>	<b>Total Budget Carry Forwards and Approved Appropriations</b>

There was a \$50K amendment to the General Fund estimated revenues for the Fiscal Year 2010-2011. This increase was for the Pittsburg Arts and Community Foundation administrative overhead fees.

As the economy has yet to recover, revenues of property taxes and sales taxes did not reach their budgeted forecasts. Property Taxes for the City fell short \$97,152 of its budgeted projection and sales tax was short by \$361,646 of its budgeted forecast. On a positive note, franchise taxes and other taxes exceeded their budget forecasts by \$289,883 and \$131,128 respectively and governmental service fees exceed its estimated budget by \$528,260.

There is a total deferral of revenue of \$26.7M in the General Fund, of which \$25.9M is related to the outstanding construction loans receivable. With \$548,856 being set aside for future Engineering related construction activity, such as inspections fees and plan check fees. Another notable revenue deferral is that of Public Safety Fees for new community developments which totaled \$102,435. Other deferrals can be attributed to business license fees of \$23,575, deferred interest loans of \$15,000, future GIS mapping fees of \$7,283, and various donations to the Leisure Services for Teen activities, the Senior Center, Sister City donations and recycling containers of \$9,216.

At the end of the fiscal year, the total actual expenses in the General Fund were \$2,128,955 under the total amended budget. This is the result of most of the General Fund operating departments and projects, prudently operating under budget. A smaller than budgeted public safety employee salary increase was also a major factor to the lowered expenditure. The two largest under budget divisions were Public Safety under budget by \$1,429,743 and Community Development and Services under budget by \$417,581.

The City's Proprietary Funds provide the same type of information found in the Government-Wide Financial Statements, but in more detail. According to standardized Governmental reporting standard, the Water Fund, Sewer Fund and Pittsburg Power Fund are major funds. The Marina Fund is no longer considered to be major fund, however, the City has elected to continue to report the Marina Funds as a major fund to maintain continuity with the prior year reporting format.

Total net assets of the Proprietary Funds at the end of the year were \$114.7M; an increase of \$5.9M from the prior fiscal year, in which \$73M was invested in capital assets net of related debt.

**Capital Asset and Debt Administration** – The City's investment in capital assets for its Governmental and Business Type activities as of June 30, 2011, amounts to \$120M (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways, bridges, water lines, sewer and storm systems, and the golf course. The total decrease in the City's investment in capital assets net of depreciation for the current fiscal year was \$21M. Most of the decrease can be attributed to the sales of the of the Vidrio Residential Condominium units in Pittsburg's Old Town .

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

**City of Pittsburg**  
**Capital Assets**  
**(Net of Depreciation)**  
**June 30, 2011**

	Governmental Activities		Business-Type Activities		Total	
	2010	2011	2010	2011	2010	2011
<b>Non-depreciable assets:</b>						
Land	\$ 55,850,243	\$ 57,619,061	\$ 325,000	\$ 1,143,506	\$ 56,175,243	\$ 58,762,567
Construction in progress	87,502,712	69,582,565	19,825,092	4,339,159	107,327,804	73,921,724
Total	<u>143,352,955</u>	<u>127,201,626</u>	<u>20,150,092</u>	<u>5,482,665</u>	<u>163,503,047</u>	<u>132,684,291</u>
<b>Depreciable assets (net of depreciation):</b>						
Buildings and improvements	49,064,212	42,353,341	19,989,151	14,020,381	69,053,363	56,373,722
Machinery and equipment	3,855,785	3,262,064	1,779,882	2,006,822	5,635,667	5,268,886
Infrastructure	<u>139,645,628</u>	<u>142,568,877</u>	<u>78,175,979</u>	<u>98,814,021</u>	<u>217,821,607</u>	<u>241,382,898</u>
Total	<u>192,565,625</u>	<u>188,184,282</u>	<u>99,945,012</u>	<u>114,841,224</u>	<u>292,510,637</u>	<u>303,025,506</u>
<b>Total capital assets</b>	<b>\$ <u>335,918,580</u></b>	<b>\$ <u>315,385,908</u></b>	<b>\$ <u>120,095,104</u></b>	<b>\$ <u>120,323,889</u></b>	<b>\$ <u>456,013,684</u></b>	<b>\$ <u>435,709,797</u></b>

Please see more detailed information regarding the City's capital assets in Note 7 of the Basic Financial Statements.

**Debt Service Administration** – A complete detail of all outstanding debt is contained in Note 8 in the Notes to the Basic Financial Statements section. At the end of the fiscal year, the City had total long-term debt outstanding of \$460M, of this amount, \$421M in Governmental Activities represent the Redevelopment Agency Tax Allocation Bonds (secured solely by the Agency's tax increments), \$39M in 2006 Pension Obligation Bonds. \$43.5M in Business-Type Activities represents two revenue bonds in the Water and Sewer Funds. In fiscal year 2010-2011, we have removed the \$2.2M Contra Costa County Employees' Retirement Association (CCERA) Pension Obligation Note from Long term debt.

**City of Pittsburg**  
**Long-Term Debt**  
**June 30, 2011**

	Governmental Activities		Business-Type Activities		Total	
	2010	2011	2010	2011	2010	2011
Tax Allocation Bonds	\$ 430,167,213	\$ 420,857,213	\$ -	\$ -	\$ 430,167,213	\$ 420,857,213
-Unamortized Premium	4,420,899	3,978,809	-	-	4,420,899	3,978,809
-Deferred Gain 2006C Refund	-	-	-	-	-	-
Pension Obligation Bonds	39,091,056	39,026,056	-	-	39,091,056	39,026,056
Deferred Refunding 2006C	(3,735,619)	(3,586,194)	-	-	(3,735,619)	(3,586,194)
Revenue Bonds	-	-	45,040,000	43,540,000	45,040,000	43,540,000
Total	<u>\$ 469,943,549</u>	<u>\$ 460,275,884</u>	<u>\$ 45,040,000</u>	<u>\$ 43,540,000</u>	<u>\$ 514,983,549</u>	<u>\$ 503,815,884</u>

Please see more detailed information regarding the City's long-term debt in Note 8 of the Basic Financial Statements.

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2011**

---

Economic Factors and Next Year's Budget – With the continued economic down-turn and continued housing foreclosures, the City Council directed City staff to develop long-term financial balancing plans for the City's General Fund and Redevelopment Agency (RDA) funds as part of the City and RDA FY 2011-12 budget submittal. These plans include conservative revenue projections and realistic expenditure assumptions. City Staff include proposals to address annual shortfalls such as using Budget Stabilization funds, program reductions, and new revenues with the objective of achieving balanced budgets within five to ten years. The City Council reviewed these plans when they considered the City and RDA's proposed budgets. These long-term financial plans will be updated annually to reflect new information and proposals.

On June 29, 2011, Governor Jerry Brown signed the Dissolution Act which suspended all new redevelopment activities and incurrence of indebtedness. This act also dissolved all redevelopment agencies effective October 1, 2011. Pursuant to the Dissolution Act, the Pittsburg Agency adopted an Enforceable Obligation Payment Schedule for Obligations Through December 1, 2011. This Schedule shows anticipated financial obligations from July 1, 2011 through December 1, 2011 which have already been budgeted. Over the summer the California Redevelopment Association, along with a majority of member agencies has joined in legal litigation against the State of California to overturn the Dissolution Act. Also in consideration is the Voluntary Program Act which allows redevelopment agencies to avoid dissolution by 'buying' into the program. Under the Voluntary Program Act, redevelopment agencies may continue to operate as redevelopment agencies providing that they make the required specified substantial remittances to their County-Auditor-Controller (Contra Costa County) beginning in fiscal year 2011-2012 and all subsequent years the agencies continue to operate.

A primary on-going goal of the City Council and Management Staff is to continue to prioritize public safety and maintain responsive, high quality public services to the Pittsburg community.

In October 2009, the Redevelopment Agency negotiated a letter of credit (LOC) on the 2004A Tax Allocation Bonds. This letter of credit is a warrant to safeguard the interest rate charged against the bonds and guaranteed repayment of bonds. This LOC would have expired on December 31, 2011 but in March 2011, the RDA extended the LOC for three years until December 31, 2014. The LOC shall be extended on the 29th day of December thereafter unless the LOC providers choose not to renew it.

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

# **BASIC FINANCIAL STATEMENTS**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**City of Pittsburg**  
**Statement of Net Assets**  
**June 30, 2011**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments (Note 2)	\$ 54,509,747	\$ 33,252,848	\$ 87,762,595
Restricted cash and investments (Note 2)	101,120,143	5,175,016	106,295,159
Receivables:			
Accounts	5,803,880	4,488,378	10,292,258
Interest	138,931	37,962	176,893
Loans and notes (Note 3)	54,810,871	79,897	54,890,768
Supplies	170,349	229,072	399,421
Inventory	109,979	27,793	137,772
Land Held for Resale	271,078	-	271,078
Prepaid items and other assets	1,359,427	66,597	1,426,024
Total current assets	<u>218,294,405</u>	<u>43,357,563</u>	<u>261,651,968</u>
Non-current assets:			
Deferred charges (Note 6)	5,089,394	-	5,089,394
Deferred outflow of resources (Note 8)	12,317,238	2,468,394	14,785,632
Land and nondepreciable assets (Note 7)	127,201,626	5,482,665	132,684,291
Depreciable assets, net (Note 7)	<u>188,184,282</u>	<u>114,841,224</u>	<u>303,025,506</u>
Total non-current assets	<u>332,792,540</u>	<u>122,792,283</u>	<u>455,584,823</u>
<b>TOTAL ASSETS</b>	<u>551,086,945</u>	<u>166,149,846</u>	<u>717,236,791</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	8,173,296	1,317,678	9,490,974
Advances from other funds	218,265	(218,265)	-
Salaries payable	649,696	53,230	702,926
Interest payable	6,842,271	39,859	6,882,130
Refundable deposits	820,246	246,367	1,066,613
Taxes payable	24,011	155,529	179,540
Loans payable	184,327	-	184,327
Due to other agencies	574,081	-	574,081
Unearned revenue (Note 4)	2,633,845	897,582	3,531,427
Derivative instrument (Note 8)	12,317,238	2,468,394	14,785,632
Compensated absences - due within one year (Note 8)	651,476	114,881	766,357
Capital leases - due within one year (Note 8)	157,279	-	157,279
Claims and judgments payable - due within one year	153,669	24,480	178,149
Long-term debt - due within one year (Note 8)	<u>11,777,665</u>	<u>1,540,000</u>	<u>13,317,665</u>
Total current liabilities	<u>45,177,365</u>	<u>6,639,735</u>	<u>51,817,100</u>
Non-current liabilities:			
Compensated absences - due in more than one year (Note 8)	1,303,197	237,400	1,540,597
OPEB liability (Note 13)	8,344,091	2,609,460	10,953,551
Long-term debt - due in more than one year (Note 8)	<u>448,498,219</u>	<u>42,000,000</u>	<u>490,498,219</u>
Total non-current liabilities	<u>458,145,507</u>	<u>44,846,860</u>	<u>502,992,367</u>
<b>TOTAL LIABILITIES</b>	<u>503,322,872</u>	<u>51,486,595</u>	<u>554,809,467</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	46,622,103	73,188,754	119,810,857
Restricted for:			
Capital projects	13,230,983	6,732,732	19,963,715
Debt service	41,424,001	3,135,120	44,559,121
Facility fee reserve	-	5,813,133	5,813,133
Specific projects and programs	<u>9,312,327</u>	<u>5,028,359</u>	<u>14,340,686</u>
Total restricted net assets	<u>63,967,311</u>	<u>20,709,344</u>	<u>84,676,655</u>
Unrestricted net assets	<u>(62,825,341)</u>	<u>20,765,153</u>	<u>(42,060,188)</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 47,764,073</u>	<u>\$ 114,663,251</u>	<u>\$ 162,427,324</u>

See accompanying Notes to Basic Financial Statements



**City of Pittsburgh**  
**Statement of Activities**  
**For the year ended June 30, 2011**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Primary Government:</b>							
General government	\$ 11,509,249	\$ 5,488,036	\$ -	\$ 108,880	\$ (5,912,333)	\$ -	\$ (5,912,333)
City Council	72,261	-	-	-	(72,261)	-	(72,261)
City Manager and City Clerk	339,475	1,806	-	-	(337,669)	-	(337,669)
City Attorney	439,510	-	-	-	(439,510)	-	(439,510)
Human resources	648,127	2,741	-	-	(645,386)	-	(645,386)
Finance and services	2,256,434	121,917	-	-	(2,134,517)	-	(2,134,517)
Community development and services	25,958,714	6,756,226	16,299,401	638,776	(2,264,311)	-	(2,264,311)
Public safety	20,111,317	987,348	627,389	4,787	(18,491,793)	-	(18,491,793)
Public works	19,975,441	2,755,943	-	177,022	(17,042,476)	-	(17,042,476)
Interest on long-term debt	23,519,241	-	-	-	(23,519,241)	-	(23,519,241)
<b>Total governmental activities</b>	<b>104,829,769</b>	<b>16,114,017</b>	<b>16,926,790</b>	<b>929,465</b>	<b>(70,859,497)</b>	<b>-</b>	<b>(70,859,497)</b>
<b>Business-Type Activities</b>							
Water Utility	14,449,902	16,880,039	-	-	-	2,430,137	2,430,137
Sewer Utility	2,317,726	4,373,309	-	-	-	2,055,583	2,055,583
Marina	2,168,789	1,850,375	-	212,298	-	(106,116)	(106,116)
Golf Course	170,279	-	-	-	-	(170,279)	(170,279)
Island Energy	3,802,125	3,783,306	-	-	-	(18,819)	(18,819)
Pittsburg Power	1,579,980	6,729,701	-	96,723	-	5,246,444	5,246,444
<b>Total Business-Type Activities</b>	<b>24,488,801</b>	<b>33,616,730</b>	<b>-</b>	<b>309,021</b>	<b>-</b>	<b>9,436,950</b>	<b>9,436,950</b>
<b>Total Primary Government</b>	<b>\$ 129,318,570</b>	<b>\$ 49,730,747</b>	<b>\$ 16,926,790</b>	<b>\$ 1,238,486</b>	<b>(70,859,497)</b>	<b>9,436,950</b>	<b>(61,422,547)</b>
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes					40,456,473	-	40,456,473
Sales taxes					5,438,354	-	5,438,354
Franchise taxes					2,660,883	-	2,660,883
Motor vehicle (unrestricted)					3,936,649	-	3,936,649
Gas taxes					1,620,661	-	1,620,661
Other taxes					6,034,535	-	6,034,535
<b>Total taxes</b>					<b>60,147,555</b>	<b>-</b>	<b>60,147,555</b>
Investment earnings - unrestricted					2,314,878	447,506	2,762,384
Transfers (Note 5C)					3,957,110	(3,957,110)	-
Loss on sale of land held for resale					(18,539,878)	-	(18,539,878)
<b>Total general revenues and transfers</b>					<b>47,879,665</b>	<b>(3,509,604)</b>	<b>44,370,061</b>
<b>Change in Net Assets</b>					<b>(22,979,832)</b>	<b>5,927,346</b>	<b>(17,052,486)</b>
<b>Net assets - beginning of year, as restated (Note 16)</b>					<b>70,743,905</b>	<b>108,735,905</b>	<b>179,479,810</b>
<b>Net assets - end of year</b>					<b>\$ 47,764,073</b>	<b>\$ 114,663,251</b>	<b>\$ 162,427,324</b>

See accompanying Notes to Basic Financial Statements

# **FUND FINANCIAL STATEMENTS**

*Governmental Fund Financial Statements*

*Proprietary Fund Financial Statements*

*Fiduciary Fund Financial Statements*



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

This Page Left Intentionally Blank

# GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

**Low and Moderate Income Housing I Special Revenue Fund** accounts for the allocation of the costs of low/moderate income housing programs qualified for the Housing Set-Aside efforts owed to the Agency.

**Low and Moderate Income Housing II Special Revenue Fund** accounts for the receipts of the mandated 20% set-aside of tax increment revenue in the Los Medanos II and III Areas and expenses related to the low/moderate income housing programs.

**Redevelopment Agency Special Revenue Fund** accounts for the tax increment revenue received and expenditures incurred to carry out general operations within project areas.

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

**Redevelopment Agency Debt & Bond Fund** accounts for the accumulation of resources for payment of principal, interest and related costs of the Agency's long-term debt, bond proceeds, and bond reserves.

**Redevelopment Agency Capital Projects Fund** accounts for the funds used to carry out all the operations for capital improvement projects within the Redevelopment Areas, using tax increment to pay for the project costs.

**Community Capital Improvement Fund** -This fund was established to administer the Cooperative and Repayment Agreement between the Redevelopment Agency of the City of Pittsburg and the City of Pittsburg. The goal of this agreement is to utilize the City personnel and facilities more effectively to control the Agency's planning and administrative costs for redevelopment activities in the established redevelopment project areas.

**City of Pittsburgh**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2011**

	Major Funds			
	General	Low and Moderate Income Housing I	Low and Moderate Income Housing II	Redevelopment Agency Special Revenue
<b>ASSETS</b>				
Cash and investments	\$ 18,114,868	\$ -	\$ 1,842,126	\$ 7,494,700
Restricted cash and investments with fiscal agents	120,171	-	967,604	51,031
Receivables:				
Accounts	1,957,041	-	-	122,092
Interest	79,620	-	2,535	29,606
Loans and notes (Note 3)	25,946,727	-	17,036,843	6,938,853
Due from other funds (Note 5A)	1,398,548	-	301,670	-
Advances to other funds (Note 5B)	-	-	-	8,653,350
Deferred outflow of resources	-	-	-	-
Land Held for Resale	-	-	-	271,078
Inventory	103,618	-	-	23,480
Prepaid items and other assets	19,868	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 47,740,461</b>	<b>\$ -</b>	<b>\$ 20,150,778</b>	<b>\$ 23,584,190</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,211,409	\$ -	\$ 539,290	\$ 5,350,811
Salaries payable	576,981	-	-	12,831
Interest payable	-	-	-	-
Taxes payable	21,025	-	-	-
Refundable deposits	482,279	-	-	12,650
Loans payable	-	-	-	-
Due to other agencies	-	-	-	561,800
Due to other funds (Note 5A)	-	-	-	-
Advances from other funds (Note 5B)	-	7,831,615	1,040,000	-
Derivative Instrument (Note 8)	-	-	-	-
Deferred Revenue (Note 4)	26,653,092	-	17,116,843	3,954,681
<b>TOTAL LIABILITIES</b>	<b>28,944,786</b>	<b>7,831,615</b>	<b>18,696,133</b>	<b>9,892,773</b>
<b>FUND BALANCES (DEFICITS)</b>				
Nonspendables	280,573	-	-	8,126,173
Restricted	-	-	996,373	5,115,463
Committed	-	-	-	-
Assigned	2,058,442	-	458,272	449,781
Unassigned	16,456,660	(7,831,615)	-	-
<b>TOTAL FUND BALANCES (DEFICITS)</b>	<b>18,795,675</b>	<b>(7,831,615)</b>	<b>1,454,645</b>	<b>13,691,417</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 47,740,461</b>	<b>\$ -</b>	<b>\$ 20,150,778</b>	<b>\$ 23,584,190</b>

See accompanying Notes to Basic Financial Statements

Major Funds					
Housing Authority Section 8	Redevelopment Agency Debt & Bond Fund	Redevelopment Agency Capital Projects	Community Capital Improvement	Non-Major Governmental Funds	Total Governmental Funds
\$ 2,064,805	\$ -	\$ -	\$ 4,180,829	\$ 16,123,960	\$ 49,821,288
-	97,120,783	309,349	1,369,405	1,181,800	101,120,143
6,111	-	123,719	4,483	3,582,353	5,795,799
2,181	1,474	-	3,722	16,865	136,003
-	-	-	1,341,473	3,546,923	54,810,819
-	-	-	-	-	1,700,218
-	-	-	-	-	8,653,350
-	12,317,238	-	-	-	12,317,238
-	-	-	-	-	271,078
-	-	-	-	87,849	214,947
-	-	140,917	-	1,138,418	1,299,203
<u>\$ 2,073,097</u>	<u>\$ 109,439,495</u>	<u>\$ 573,985</u>	<u>\$ 6,899,912</u>	<u>\$ 25,678,168</u>	<u>\$ 236,140,086</u>
\$ 1,738	\$ 40,740	\$ 321,846	\$ 413,662	\$ 679,457	\$ 8,558,953
6,396	-	1,221	1,998	22,940	622,367
-	-	-	-	1,091,642	1,091,642
-	-	-	-	2,986	24,011
2,434	-	250,917	-	71,966	820,246
-	-	-	-	184,327	184,327
-	-	-	-	12,281	574,081
-	-	-	-	1,700,218	1,700,218
-	-	-	-	-	8,871,615
-	12,317,238	-	-	-	12,317,238
6,111	226,604	-	1,371,473	5,110,832	54,439,636
<u>16,679</u>	<u>12,584,582</u>	<u>573,984</u>	<u>1,787,133</u>	<u>8,876,649</u>	<u>89,204,334</u>
-	-	140,917	-	43,251	8,590,914
2,056,418	96,854,913	-	-	16,250,183	121,273,350
-	-	-	5,112,779	734,711	5,847,490
-	-	-	-	117,331	3,083,826
-	-	(140,916)	-	(343,957)	8,140,172
<u>2,056,418</u>	<u>96,854,913</u>	<u>1</u>	<u>5,112,779</u>	<u>16,801,519</u>	<u>146,935,752</u>
<u>\$ 2,073,097</u>	<u>\$ 109,439,495</u>	<u>\$ 573,985</u>	<u>\$ 6,899,912</u>	<u>\$ 25,678,168</u>	<u>\$ 236,140,086</u>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*



**City of Pittsburg**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Assets**  
**June 30, 2011**

**Total Fund Balances - Total Governmental Funds** \$ 146,935,752

Amounts reported for Governmental Activities in the Statement of Net Assets were different because:

Capital assets used in governmental activities are not current financial resources. Therefore, they were not reported in the governmental funds balance sheet. Except for the Internal Service Funds amounts of \$ 2,415,572 which are reported below, the capital assets were adjusted as follows:

Non-depreciable	127,201,626
Depreciable, net	<u>185,761,834</u>
Total capital assets	<u>312,963,460</u>

Bond issuance costs are expenses in the governmental funds financial statements but are capitalized and amortized in the government-wide statement of net assets. 5,089,394

Interest payable on long-term debt for which resources had not already been transferred to trust agents did not require current financial resources. Therefore, a portion of interest payable was not reported as a liability in the governmental funds. (5,750,629)

Revenues on Loans receivable have been deferred in the governmental funds since they do not meet the revenue recognition criteria based on the modified accrual basis of accounting. However, this revenue is recognized in the Government-Wide Financial Statements which is based on the accrual basis of accounting. 51,841,712

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in the governmental activities in the Government-Wide Statement of Net Assets. 7,202,960

Long-term liabilities are not due and payable in the current period. Therefore, they were not reported in the governmental funds balance sheet. The long-term liabilities were as follows:

Compensated absences - due within one year	(636,336)
Long-term liabilities - due within one year	(11,777,665)
Compensated absences - due in more than one year	(1,262,265)
OPEB liability	(8,344,091)
Long-term liabilities - due in more than one year	<u>(448,498,219)</u>
Total long-term liabilities	<u>(470,518,576)</u>

**Net Assets of Governmental Activities** \$ 47,764,073

See accompanying Notes to Basic Financial Statements

**City of Pittsburgh**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2011**

	Major Funds			
	General	Low and Moderate Income Housing I	Low and Moderate Income Housing II	Special Revenue Redevelopment Agency
<b>REVENUES</b>				
Property taxes	\$ 2,500,861	\$ -	\$ 3,356,980	\$ 34,325,620
Sales taxes	5,438,354	-	-	-
Franchise taxes	2,660,883	-	-	-
Other taxes	1,482,128	-	-	39,411
Intergovernmental revenues	4,902,564	-	1,588,337	108,880
Permits, licenses and fees	699,123	-	-	-
Fines and forfeitures	174,558	-	-	-
Special assessments	-	-	-	-
Service fees	2,424,571	-	-	82,458
Use of money and property	386,380	-	167,370	416,652
Other revenues	853,710	-	184,873	762,244
<b>TOTAL REVENUES</b>	<b>21,523,132</b>	<b>-</b>	<b>5,297,560</b>	<b>35,735,265</b>
<b>EXPENDITURES</b>				
Current:				
General Government	1,871,712	-	-	8,632,439
City Council	74,507	-	-	-
City Manager and City Clerk	277,306	-	-	-
City Attorney	439,240	-	-	-
Human resources	604,817	-	-	-
Finance and services	2,071,565	-	-	-
Community development and services	3,726,942	-	7,240,667	3,546,509
Public safety	18,686,550	-	-	-
Public works - administration	37,503	-	-	-
Public works - streets	1,575,372	-	-	-
Public works - parks	26,894	-	-	-
Capital outlay and improvements	-	-	-	101,224
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	40,000	-
<b>TOTAL EXPENDITURES</b>	<b>29,392,408</b>	<b>-</b>	<b>7,280,667</b>	<b>12,280,172</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(7,869,276)</b>	<b>-</b>	<b>(1,983,107)</b>	<b>23,455,093</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets and land held for resale	5,727	-	268,385	(18,829,660)
Transfers in	10,776,935	268,385	3,371,481	1,721,588
Transfers out	(495,090)	-	(2,895,693)	(30,512,708)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>10,287,572</b>	<b>268,385</b>	<b>744,173</b>	<b>(47,620,780)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>2,418,296</b>	<b>268,385</b>	<b>(1,238,934)</b>	<b>(24,165,687)</b>
<b>FUND BALANCES:</b>				
Beginning of year, as restated	16,377,379	(8,100,000)	2,693,579	37,857,104
End of year	<b>\$ 18,795,675</b>	<b>\$ (7,831,615)</b>	<b>\$ 1,454,645</b>	<b>\$ 13,691,417</b>

See accompanying Notes to Basic Financial Statements

Major Funds					
Housing Authority Section 8	Redevelopment Agency Debt & Bond Fund	Capital Projects Redevelopment Agency	Community Capital Improvement	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,183,461
-	-	-	-	-	5,438,354
-	-	-	-	-	2,660,883
-	-	-	-	3,197,018	4,718,557
10,895,284	-	364,144	-	5,259,224	23,118,433
-	-	-	-	1,420,518	2,119,641
-	-	-	-	-	174,558
-	-	-	-	3,021,614	3,021,614
1,114,675	-	-	-	2,583,658	6,205,362
55,048	1,516,934	-	90,575	130,930	2,763,889
22,417	66,120	305,768	1,525	1,541,350	3,738,007
12,087,424	1,583,054	669,912	92,100	17,154,312	94,142,759
-	-	-	-	29,072	10,533,223
-	-	-	-	-	74,507
-	-	-	-	-	277,306
-	-	-	-	-	439,240
-	-	-	-	2,739	607,556
-	-	-	-	-	2,071,565
11,864,474	-	-	7,120,007	5,042,273	38,540,872
-	-	-	-	566,833	19,253,383
-	-	-	-	346,710	384,213
-	-	-	-	9,960,100	11,535,472
-	-	-	-	-	26,894
-	-	10,158,872	-	1,827	10,261,923
-	9,310,000	-	-	357,406	9,667,406
-	21,291,360	-	-	1,790,221	23,121,581
11,864,474	30,601,360	10,158,872	7,120,007	18,097,181	126,795,141
222,950	(29,018,306)	(9,488,960)	(7,027,907)	(942,869)	(32,652,382)
-	-	-	-	2,998	(18,552,550)
-	33,629,467	9,488,961	5,483,383	3,430,204	68,170,404
-	(17,643,238)	-	(8,849,459)	(3,237,106)	(63,633,294)
-	15,986,229	9,488,961	(3,366,076)	196,096	(14,015,440)
222,950	(13,032,077)	1	(10,393,983)	(746,773)	(46,667,822)
1,833,468	109,886,990	-	15,506,762	17,548,292	193,603,574
\$ 2,056,418	\$ 96,854,913	\$ 1	\$ 5,112,779	\$ 16,801,519	\$ 146,935,752

**City of Pittsburgh**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes**  
**in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Assets**  
**For the year ended June 30, 2011**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (46,667,822)</b>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds reported acquisition of capital assets as part of capital outlay expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the cost of those assets was allocated over their estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period.	23,852,671
Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Assets, but it does not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds.	(8,953,771)
Loss on the sale or disposal of capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Assets while the total proceeds of the sale are reported in the governmental funds. This is the net amount of capital assets disposed and the proceed received during the year.	(322,007)
Bond issuance costs are expensed in the governmental funds. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the bond issuance costs are allocated over the life of the bonds.	(352,803)
Bond premiums are recognized as revenue in the governmental funds. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the bond premiums are amortized over the life of the bonds. This amount represents the amount amortized.	442,090
Accrued interest expense reported in the Statement of Activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. Accrued interest payable increased by this amount.	(45,116)
Deferred amount on bond refunding does not require the use of financial resources, and therefore, is not reported in the governmental funds. In the Government-Wide Statement of Net Assets the balance is amortized over the life of the bond.	(149,425)
Repayment of bond principal was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Assets.	9,375,000
Compensated absences were an expenditure in governmental funds, but the accrued liabilities increased in the Government-Wide Statement of Net Assets.	(230,999)
Revenues from new loans that are funded in this fiscal year that will not be collected for several months after the City's fiscal year ends are not considered "available" revenue and are classified as deferred revenue in the governmental funds.	2,271,647
OPEB expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(2,220,826)
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the Internal Service Funds is reported with Governmental Activities.	<u>21,529</u>
<b>Change in Net Assets of Governmental Activities</b>	<b>\$ <u>(22,979,832)</u></b>

See accompanying Notes to Basic Financial Statements.

# PROPRIETARY FUND FINANCIAL STATEMENTS

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

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

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

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

***Pittsburg Power Fund*** - This fund was created by the Joint Powers Agreement between the City of Pittsburg and the Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. During FY 2010-2011, this fund is reported as a major fund due to a substantial increase of revenue from a one-time settlement agreement proceeds from Trans Bay Cable Project.

**City of Pittsburg**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2011**

	Water Utility	Sewer Utility	Marina
<b>ASSETS</b>			
Current assets:			
Cash and investments (Note 2)	\$ 16,346,120	\$ 6,769,040	\$ 804,798
Restricted cash and investments (Note 2)	4,040,326	1,033,671	-
Receivables:			
Accounts	3,020,446	736,985	23,673
Interest	19,229	7,790	829
Loans and notes (Note 3)	-	-	-
Inventory	128,269	56,927	3,528
Prepaid items and other assets	80	5,000	-
Total current assets	<u>23,554,470</u>	<u>8,609,413</u>	<u>832,828</u>
Noncurrent assets:			
Advances to other funds (Note 5)	1,040,000	-	-
Deferred outflow of resources	2,468,394	-	-
Capital assets:			
Land and non-depreciable assets (Note 7)	2,728,712	774,880	137,781
Depreciable assets, net (Note 7)	70,740,922	24,281,008	13,975,065
Total noncurrent assets	<u>76,978,028</u>	<u>25,055,888</u>	<u>14,112,846</u>
<b>TOTAL ASSETS</b>	<u>100,532,498</u>	<u>33,665,301</u>	<u>14,945,674</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	924,626	22,555	77,517
Salaries payable	27,172	6,737	4,974
Taxes payable	-	-	89,144
Accrued interest payable	13,921	25,938	-
Refundable deposits	50,449	5,000	71,688
Unearned revenue (Note 4)	3,123	-	-
Claims and judgments payable - due within one year	24,480	-	-
Compensated absences - due within one year (Note 8)	42,760	21,660	17,880
Long-term debt - due within one year (Note 8)	935,000	605,000	-
Total current liabilities	<u>2,021,531</u>	<u>686,890</u>	<u>261,203</u>
Noncurrent liabilities:			
Advances from other funds	-	-	-
Derivative instrument (Note 8)	2,468,394	-	-
Compensated absences - due in more than one year (Note 8)	99,760	29,912	39,996
OPEB liability (Note 13)	1,252,540	313,135	313,135
Capital lease - due in more than one year	-	-	-
Long-term debt - due in more than one year (Note 8)	34,580,000	7,420,000	-
Total noncurrent liabilities	<u>38,400,694</u>	<u>7,763,047</u>	<u>353,131</u>
<b>TOTAL LIABILITIES</b>	<u>40,422,225</u>	<u>8,449,937</u>	<u>614,334</u>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	37,954,634	17,030,888	14,112,846
Restricted for:			
Capital Project	5,754,817	977,915	-
Debt service	2,218,867	916,253	-
Special purpose	128,349	61,927	3,528
Facility fees	5,092,837	720,296	-
Unrestricted	8,960,769	5,508,085	214,966
<b>TOTAL NET ASSETS</b>	<u>\$ 60,110,273</u>	<u>\$ 25,215,364</u>	<u>\$ 14,331,340</u>

See accompanying Notes to Basic Financial Statements

Pittsburg Power	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 6,311,278	\$ 3,021,612	\$ 33,252,848	\$ 4,688,459
-	101,019	5,175,016	-
216,739	490,535	4,488,378	8,081
7,621	2,493	37,962	2,928
79,897	-	79,897	52
16,186	51,955	256,865	65,381
2,452	59,065	66,597	67,100
<u>6,634,173</u>	<u>3,726,679</u>	<u>43,357,563</u>	<u>4,832,001</u>
2,780,352	-	3,820,352	-
-	-	2,468,394	-
818,506	1,022,786	5,482,665	-
303,813	5,540,416	114,841,224	2,415,572
<u>3,902,671</u>	<u>6,563,202</u>	<u>126,612,635</u>	<u>2,415,572</u>
<u>10,536,844</u>	<u>10,289,881</u>	<u>169,970,198</u>	<u>7,247,573</u>
37,732	255,248	1,317,678	(385,657)
5,329	9,018	53,230	27,329
-	66,385	155,529	-
-	-	39,859	-
-	119,230	246,367	-
238,958	655,501	897,582	35,921
-	-	24,480	153,669
26,116	6,465	114,881	15,140
-	-	1,540,000	-
<u>308,135</u>	<u>1,111,847</u>	<u>4,389,606</u>	<u>(153,598)</u>
821,735	2,780,352	3,602,087	-
-	-	2,468,394	-
35,430	32,302	237,400	40,932
208,757	521,893	2,609,460	-
-	-	-	157,279
-	-	42,000,000	-
<u>1,065,922</u>	<u>3,334,547</u>	<u>50,917,341</u>	<u>198,211</u>
<u>1,374,057</u>	<u>4,446,394</u>	<u>55,306,947</u>	<u>44,613</u>
300,584	3,789,802	73,188,754	-
-	-	6,732,732	-
-	-	3,135,120	-
4,723,535	111,020	5,028,359	-
-	-	5,813,133	-
<u>4,138,668</u>	<u>1,942,665</u>	<u>20,765,153</u>	<u>7,202,960</u>
<u>\$ 9,162,787</u>	<u>\$ 5,843,487</u>	<u>\$ 114,663,251</u>	<u>\$ 7,202,960</u>

**City of Pittsburgh**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the year ended June 30, 2011**

	Water Utility	Sewer Utility	Marina
<b>OPERATING REVENUES</b>			
Charges for services	\$ 15,062,169	\$ 4,249,448	\$ 1,116,908
Meter fees	11,368	-	-
Other fees	323,682	-	-
Facility Reserve Fees	458,410	4,539	-
Rents and concessions	-	-	71,615
Gas and oil sales	-	-	583,251
Other operating revenues	1,022,175	119,322	78,601
<b>TOTAL OPERATING REVENUES</b>	<b>16,877,804</b>	<b>4,373,309</b>	<b>1,850,375</b>
<b>OPERATING EXPENSES</b>			
Salaries and wages	2,173,698	532,405	387,297
Department supplies	4,829,333	50,180	543,016
Rentals	14,944	3,865	4,260
Utilities	709,199	4,862	119,160
Maintenance and operations	779,927	157,445	228,244
Depreciation and amortization	1,377,668	681,102	481,735
Insurance premiums	-	-	-
Insurance deductible	42,336	26,604	19,524
Fringe benefits	1,535,945	413,384	325,934
Other operating expenses	435,146	111,443	59,619
<b>TOTAL OPERATING EXPENSES</b>	<b>11,898,196</b>	<b>1,981,290</b>	<b>2,168,789</b>
<b>OPERATING INCOME (LOSS)</b>	<b>4,979,608</b>	<b>2,392,019</b>	<b>(318,414)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	303,359	64,884	5,914
Interest and fiscal charges	(2,551,706)	(336,436)	-
Gain (loss) on disposal of assets	2,235	-	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(2,246,112)</b>	<b>(271,552)</b>	<b>5,914</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>2,733,496</b>	<b>2,120,467</b>	<b>(312,500)</b>
Capital contributions	-	-	212,298
Transfers in	51,400	286,274	-
Transfers out	(1,107,846)	(519,005)	(55,000)
<b>TOTAL TRANSFERS</b>	<b>(1,056,446)</b>	<b>(232,731)</b>	<b>157,298</b>
<b>Change in net assets</b>	<b>1,677,050</b>	<b>1,887,736</b>	<b>(155,202)</b>
<b>NET ASSETS:</b>			
Beginning of year, as restated	58,433,223	23,327,628	14,486,542
End of year	\$ 60,110,273	\$ 25,215,364	\$ 14,331,340

See accompanying Notes to Basic Financial Statements



Pittsburg Power	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 654,242	\$ 3,710,129	\$ 24,792,896	\$ 7,250,438
-	-	11,368	-
5,849,792	-	6,173,474	-
-	-	462,949	-
100,375	-	171,990	-
-	-	583,251	-
125,292	36,587	1,381,977	126,097
<u>6,729,701</u>	<u>3,746,716</u>	<u>33,577,905</u>	<u>7,376,535</u>
473,435	736,852	4,303,687	560,098
9,038	1,584,092	7,015,659	832,042
29,204	28,664	80,937	37,832
11,366	16,346	860,933	267,854
181,758	259,865	1,607,239	1,038,857
24,068	500,197	3,064,770	807,259
2,078	162,296	164,374	418,684
4,824	3,948	97,236	211,643
428,370	598,299	3,301,932	2,578,081
415,839	81,845	1,103,892	53,627
<u>1,579,980</u>	<u>3,972,404</u>	<u>21,600,659</u>	<u>6,805,977</u>
5,149,721	(225,688)	11,977,246	570,558
54,833	18,516	447,506	18,299
-	-	(2,888,142)	-
-	36,590	38,825	12,672
<u>54,833</u>	<u>55,106</u>	<u>(2,401,811)</u>	<u>30,971</u>
5,204,554	(170,582)	9,575,435	601,529
96,723	-	309,021	-
-	-	337,674	-
(2,538,733)	(74,200)	(4,294,784)	(580,000)
<u>(2,442,010)</u>	<u>(74,200)</u>	<u>(3,648,089)</u>	<u>(580,000)</u>
2,762,544	(244,782)	5,927,346	21,529
<u>6,400,243</u>	<u>6,088,269</u>	<u>108,735,905</u>	<u>7,181,431</u>
<u>\$ 9,162,787</u>	<u>\$ 5,843,487</u>	<u>\$ 114,663,251</u>	<u>\$ 7,202,960</u>

**City of Pittsburg**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2011**

	Major Enterprise Funds			
	Water Utility	Sewer Utility	Marina	Pittsburg Power
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 15,102,102	\$ 4,348,500	\$ 1,771,098	\$ 6,939,414
Cash payments to suppliers of goods and services	(6,479,122)	(313,117)	(931,592)	(228,485)
Cash payments to employees for services	(3,445,485)	(863,957)	(686,289)	(841,776)
Other operating revenues	587,029	7,879	18,982	(280,455)
<b>Net cash provided (used) by operating activities</b>	<u>5,764,524</u>	<u>3,179,305</u>	<u>172,199</u>	<u>5,588,698</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers in	286,554	286,274	-	189,455
Transfers out	(1,343,000)	(519,005)	(55,000)	96,723
Interfund payments	(1,040,000)	-	-	(2,538,733)
<b>Net cash provided (used) by noncapital financing activities</b>	<u>(2,096,446)</u>	<u>(232,731)</u>	<u>(55,000)</u>	<u>(2,252,555)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Principal paid on long-term debt	(910,000)	(590,000)	-	-
Interest and fiscal charges paid on long-term debt	(2,553,253)	(337,911)	-	-
Proceeds from sale of capital assets	2,235	-	-	-
Payments made on capital leases	-	-	-	(1,119,472)
Derivative Instruments (GASB 53)	(2,468,394)	-	-	-
Acquisition of capital assets	(1,090,227)	(322,057)	(2,966)	-
<b>Net cash provided (used) by capital and related financing activities</b>	<u>(7,019,639)</u>	<u>(1,249,968)</u>	<u>(2,966)</u>	<u>(1,119,472)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments	297,893	62,147	6,031	50,904
<b>Net cash provided (used) by investing activities</b>	<u>297,893</u>	<u>62,147</u>	<u>6,031</u>	<u>50,904</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(3,053,668)</u>	<u>1,758,753</u>	<u>120,264</u>	<u>2,267,575</u>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of year	23,440,114	6,043,958	684,534	4,043,703
End of year	<u>\$ 20,386,446</u>	<u>\$ 7,802,711</u>	<u>\$ 804,798</u>	<u>\$ 6,311,278</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 4,979,608	\$ 2,392,019	\$ (318,414)	\$ 5,149,721
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	1,377,668	681,102	481,735	24,068
Changes in operating assets and liabilities:				
Accounts receivable	153,014	94,513	178	96,047
Loans receivable	-	-	-	16,994
Inventory	(33,344)	(18,952)	(3,528)	(16,186)
Prepaid items	200	-	-	(449)
Accounts payable	243,609	(51,209)	(13,863)	19,516
Salaries payable	6,842	1,130	829	(356)
Taxes payable	-	-	(42,980)	-
Refundable deposits	7,239	-	(851)	-
Due to other agencies	-	-	-	-
Unearned Revenue	(913,980)	-	-	238,958
Compensated absences	(21,539)	10,982	1,223	14,305
OPEB liability	278,855	69,720	67,870	46,080
Claims & Judgment payable	(313,648)	-	-	-
Total adjustments	<u>784,916</u>	<u>787,286</u>	<u>490,613</u>	<u>438,977</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 5,764,524</u>	<u>\$ 3,179,305</u>	<u>\$ 172,199</u>	<u>\$ 5,588,698</u>
<b>NON-CASH TRANSACTIONS</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,298</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements

Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 3,894,025	\$ 32,055,139	\$ 7,341,111
(1,893,491)	(9,845,807)	(3,105,014)
(1,221,915)	(7,059,422)	(3,385,949)
(211,502)	121,933	126,097
<u>567,117</u>	<u>15,271,843</u>	<u>976,245</u>
632,280	1,394,563	-
-	(1,820,282)	(580,000)
(74,200)	(3,652,933)	-
<u>558,080</u>	<u>(4,078,652)</u>	<u>(580,000)</u>
-	(1,500,000)	-
-	(2,891,164)	-
36,590	38,825	12,672
-	(1,119,472)	(201,761)
-	(2,468,394)	-
<u>(546,534)</u>	<u>(1,961,784)</u>	<u>(452,735)</u>
<u>(509,944)</u>	<u>(9,901,989)</u>	<u>(641,824)</u>
17,814	434,789	17,494
<u>17,814</u>	<u>434,789</u>	<u>17,494</u>
633,067	1,725,991	(228,085)
2,489,564	36,701,873	4,916,545
<u>\$ 3,122,631</u>	<u>\$ 38,427,864</u>	<u>\$ 4,688,459</u>
<u>\$ (225,688)</u>	<u>\$ 11,977,246</u>	<u>\$ 570,558</u>
500,197	3,064,770	807,259
70,585	414,337	32,376
-	16,994	22,376
(51,955)	(123,965)	(30,126)
1,047	798	58,018
43,759	241,812	(622,796)
1,224	9,669	24,841
2,625	(40,355)	-
5,413	11,801	-
107,898	107,898	-
-	(675,022)	35,921
(4,188)	783	8,324
116,200	578,725	-
-	(313,648)	69,494
<u>792,805</u>	<u>3,294,597</u>	<u>405,687</u>
<u>\$ 567,117</u>	<u>\$ 15,271,843</u>	<u>\$ 976,245</u>
<u>\$ -</u>	<u>\$ 212,298</u>	<u>\$ -</u>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

# FIDUCIARY FUND FINANCIAL STATEMENTS

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

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

**City of Pittsburg**  
**Statement of Net Assets**  
**Fiduciary Funds**  
**June 30, 2011**

---

Fiduciary Funds

**ASSETS**

Cash and investments	\$ 3,415,147
Cash and investments held by fiscal agent	6,309,220
Assessment receivable	2,324,835
Interest receivable	3,589
<b>TOTAL ASSETS</b>	<u>\$ 12,052,791</u>

**LIABILITIES**

Accounts payable	\$ 45,661
Deferred assessments	2,324,835
Due to other parties	4,355
Due to bondholders	9,677,940
<b>TOTAL LIABILITIES</b>	<u>\$ 12,052,791</u>

See accompanying Notes to Basic Financial Statements

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

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

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

***A. Reporting Entity***

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

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

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

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

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

***Redevelopment Agency of the City of Pittsburg***

The Redevelopment Agency (Agency) was established in November 1981 pursuant to the State of California Health and Safety Codes, Section 33000, entitled "Community Redevelopment Law." Its purpose is to prepare and carry out plans for the improvement, rehabilitation and redevelopment of blighted areas within the territorial limits of the City.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

Detailed financial statements are available for the Agency from the City's Finance Department.

Community Access

Community Access, (also known as the Housing & Community programs), as depicted as Housing Authority Section 8 in the accompanying financials, was established to account for Federal funds for low income housing under both certificate and voucher programs. Community Access is reported in the special revenue fund of the City. No separate financial report is issued by the Community Access.

Public Infrastructure Financing Authority

The Public Infrastructure Financing Authority (PIFA) was established by a Joint Exercise of Powers Agreement dated December 5, 1994, by and among the City and the Agency, and is qualified to issue bonds under the Mello-Roos Local Bond Pooling Act of 1985. The PIFA was formed to finance the acquisition of certain public improvements and to refinance prior outstanding special assessment district debt with City commitment. No separate financial report is issued by PIFA.

Pittsburg Power Company

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

Pittsburg Arts and Community Foundation

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

Since the City of Pittsburg and PACF have the same Board of Directors, it is required to be reported as a blended component unit of the City. Its financial information can be found under Special Revenue Fund under non-major Governmental Funds.

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

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



**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

Government-Wide Financial Statements

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

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

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

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

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

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

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989 to the business-type activities, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the committee on Accounting Procedure. The City applies all applicable FASB Statements and Interpretations issued after November 30, 1989, except those that conflict with or contradict GASB pronouncements.

Governmental Fund Financial Statements

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

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

<u>Fund</u>	<u>Balances</u>
General Fund	\$ 7,596,012
Budget Stabilization	9,361,855
Economic Development	1,837,808
Total	<u>\$ 18,795,675</u>

Low and Moderate Income Housing I Special Revenue Fund – This fund accounts for the allocation of the costs of low-moderate income housing programs qualified for the Housing Set-Aside efforts owed to the Agency.

Low and Moderate Income Housing II Special Revenue Fund – This fund accounts for the receipts of the mandated 20% set-aside of tax increment revenue in the Los Medanos II and III Areas and expenditure related to the low-moderate income housing programs.

Redevelopment Agency Special Revenue Fund – This fund accounts for the tax increment revenue received and expenditures to carry out general operations within project areas.

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

Redevelopment Agency Debt & Bond Fund – This fund accounts for the accumulation of resources for payment of principal, interest and related costs of the Agency's long-term debt as well as a depository for Bond Funds.

Redevelopment Agency Capital Projects Fund – This fund accounts for the funds used to carry out all the operations for capital improvement projects within the Redevelopment Areas, using the tax increments to pay for the project costs.

Community Capital Improvement Fund - This fund was established to administer the Cooperative and Repayment Agreement between the Redevelopment Agency of the City of Pittsburg and the City of Pittsburg. The goal of this agreement is to utilize the City personnel and facilities more effectively to control the Agency's planning and administrative costs for redevelopment activities in the established redevelopment project areas.

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

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

Proprietary Fund Financial Statements

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

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

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

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

The following are descriptions of the major enterprise funds.

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

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

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

Pittsburg Power Fund -This fund was created by the Joint Powers Agreement between the City of Pittsburg and the Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. For fiscal year 2010-2011, this fund is reported as a major fund due to a substantial increase of revenue from a one-time settlement agreement from Trans Bay Cable project.

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

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

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

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

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

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

Fiduciary Fund Financial Statements - Fiduciary fund financial statements include a Statement of Net Assets. The City's fiduciary funds represent agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Fiduciary funds are accounted for on the accrual basis of accounting as are the Proprietary funds explained above.

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

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

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

***D. Spending Policy***

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

***E. Cash and Investments***

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

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

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

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

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

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

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

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

***G. Property Taxes***

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

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

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

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

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

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

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

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

***I. Capital Assets***

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

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

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

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

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

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

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

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

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

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

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

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

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

***J. Interest Payable***

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

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

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

*Government-Wide Financial Statements*

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

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

*Fund Financial Statements*

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

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

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

***L. Unearned and Deferred Revenue***

*Government-Wide Financial Statements*

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

*Fund Financial Statements*

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

***M. Compensated Absences***

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

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

***N. Use of Estimates***

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

***O. New Pronouncements***

In 2011, the City adopted new accounting standards in order to conform to the following Governmental Accounting Standards Board Statement:

- **GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*** - The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions.

**NOTE 2 - CASH AND INVESTMENTS**

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

***A. Policies***

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



**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

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

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

**B. Classification**

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

	Government-Wide Statement of Net Assets			Fiduciary Funds	Total
	Governmental Activities	Business-Type Activities	Total		
Cash and investments	\$ 54,509,747	\$ 33,252,848	\$ 87,762,595	\$ 3,415,147	\$ 91,177,742
Restricted cash and investments	\$ 101,120,143	\$ 5,175,016	\$ 106,295,159	\$ 6,309,220	\$ 112,604,379
Total cash and investments	\$ 155,629,890	\$ 38,427,864	\$ 194,057,754	\$ 9,724,367	\$ 203,782,121

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

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

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

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

The City's investments with Local Agency Investment Fund (LAIF), a State of California external investment pool, at June 30, 2010, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

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

As of June 30, 2011, the City had \$52,687,342.23 invested in LAIF, which had invested 24.10% of the pool investment funds in Structured Notes and Medium-term Asset-Backed Securities. The LAIF fair value factor of 1.00157647 was used to calculate the fair value of the investments in LAIF. The fair value of the City’s position in the pool is materially equivalent to the value of the pool share.

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

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

Authorized Investment Type	Maximum Maturity	Minimum Credit Rating
U.S. Treasury Obligations	n/a	none
U.S. Agencies	n/a	AAA
Bankers' Acceptances	360 days	A-1/A-1+
Commercial Paper	270 days	A-1+
Money Market Fund	n/a	AAA
State of California Obligations	n/a	A
Municipal Obligations	n/a	AAA
Medium Term Note	5 years	A
Pre-refunded Municipal Obligations	n/a	AAA
Certificates of Deposit	330 days	none
Guaranteed Investment Agreements	n/a	none
Repurchase Agreements	30 days	A
Local Agency Investment Fund (LAIF)	n/a	none
California Asset Management Program (CAMP)	n/a	none

***E. Interest Rate Risk***

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

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

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

Investment Type	Investment Maturities (in years)			Total
	1 year or less	1-5 years	More than 5 years	
Securities of U.S. Government	\$ 6,657,313	53,662,617	\$ -	\$ 60,319,930
US Corporate Notes		6,351,860		6,351,860
Money Market (CAMP)	42,252,731	-	-	42,252,731
Local Agency Investment Funds	52,687,342	-	-	52,687,342
Guaranteed Investment Agreements	-		13,023,723	13,023,723
Certificate of Deposit	10,000,000	10,147,666	-	20,147,666
Total Investment	\$ 111,597,386	\$ 70,162,143	\$ 13,023,723	\$ 194,783,252
Cash in banks and on hand				8,998,869
Total Cash and Investments				\$ 203,782,121

At June 30, 2011, these investments matured in an average of 235 days.

Money Market Funds are available for withdrawal on demand and at June 30, 2011 matured in an average of 57 days.

**F. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2011 for each investment type as provided by Standard and Poor's investment rating system.

Investment Type	Fair Value	AAA	AA+	AA-	A+	A-	Not Rated
Securities of U.S. Government	\$ 60,319,930	\$ 60,319,930					-
US Corporate Notes	6,351,860		\$ 2,123,760	\$ 2,099,040	\$ 2,129,060		
Money Market (CAMP)	42,252,731	42,252,731					-
Local Agency Investment Funds	52,687,342						\$ 52,687,342
Guaranteed Investment Agreements	13,023,723	-		6,583,000		\$ 6,440,723	13,023,723
Certificate of Deposit	20,147,666						20,147,666
Total Investment	\$ 194,783,252	\$ 102,572,661	\$ 2,123,760	\$ 8,682,040	\$ 2,129,060	\$ 6,440,723	\$ 85,858,731
Cash in banks and on hand	8,998,869						
Total Cash and Investments	\$ 203,782,121						

On August 5, 2011, Standard & Poor's Ratings Services (S&P) lowered its long-term credit rating on the United States of America from AAA to AA+. At the same time, S&P affirmed its A-1+ short term rating on the United States of America.

On August 8, 2011, S&P lowered its issuer credit ratings on the senior debt issued by the Federal Farm Credit Banks (FFCB) from AAA to AA+, and lowered the senior issue ratings on Fannie Mae (FNMA) and Freddie Mac (FHLMC) from AAA to AA+. The A subordinated debt rating and the C rating on the preferred stock of these entities remained unchanged. Finally, S&P affirmed the short-term issue ratings for these entities at A-1+. As of June 30, 2011, the City's investments in these agencies that were subject to the downgrade were as follows: FNMA \$43,715,814 and FHLMC \$6,635,302.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

On August 8, 2011, S&P also lowered the ratings on 126 Federal Deposit Insurance Corporation-guaranteed debt issues from thirty financial institutions that are under the Temporary Liquidity Guarantee Program (TGLP), and four National Credit Union Association-guaranteed debt issues from two corporate credit unions under the Temporary Corporate Credit Union Guarantee Program (TCCUGP) from AAA to AA+. As of June 30, 2011, the City's investments in these institutions that were subject to the downgrade were as follows: JP Morgan \$2,129,060 and Wells Fargo \$2,099,040.

***G. Concentration of Credit Risk***

Significant investments in the securities of any individual issuers, other than U. S. Treasury securities, mutual funds and external investment pools are set forth below:

Issuer	Investment Type	Amount
Federal National Mortgage Association	Mortgage-backed Security	\$ 43,634,991
Home LN Mtg Corp Disc-NTS	Mortgage-backed Security	6,657,313
Federal Bond Notes	Government Bonds	10,027,626
	Total Securities of U.S. Government	<u>\$ 60,319,930</u>
AIG	Guaranteed Investment Agreements	5,536,723
FSA Capital Mgmt	Guaranteed Investment Agreements	6,583,000
West Deutsche Bank	Guaranteed Investment Agreements	904,000
	Total Guaranteed Investment Agreements	<u>\$ 13,023,723</u>
Issuer	Investment Type	Amount
Wells Fargo Notes	US Corporate Notes	\$ 2,099,040
JP Morgan Chase Notes	US Corporate Notes	2,129,060
General Electric Notes	US Corporate Notes	2,123,760
	Total US Corporate Notes	<u>\$ 6,351,860</u>

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

**NOTE 3 - NOTES AND LOAN RECEIVABLES**

As of June 30, 2011, loans and notes receivable consisted of the following:

Description	Balance June 30, 2011
Governmental Funds:	
HUD Community Development Block Grant	\$ 329,358
CalHome Program Loans	422,826
Rehabilitation and construction loan	22,451,269
Steadfast Marina Heights L.P.	1,400,000
Fairfield Belmont, L.P. Loan	4,717,501
Mercy Housing California Loan	4,311,868
Low Income Families Loan	955,140
Pacific Community Loan	639,484
Palm Plaza Group, LLC	736,493
Palm Plaza Development	955,824
Resources for Community Dev. Loan	6,620,595
Domus Development LLC Loan	4,410,080
Mariner Walk Loan	255,000
Vista Del Mar Loans	300,000
Community Estates LLC	456,807
Pacific Community Service	51,630
Nana's Place	589,843
La Veranda Cafe, Inc.	700,000
Francis Palermo & Mary Lieser	978,925
Residential Loans on Vidrio	3,528,176
Total governmental funds	54,810,819
Enterprise Fund:	
Pittsburg Power	\$ 79,897
Internal Service Funds:	
Information Systems loans	52
Total loans receivable	\$ 54,890,768

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

The HUD CDBG Special Revenue fund had a loans receivable balance as of June 30, 2011 which was made up of \$169,327 in CDBG entitlement loans and \$160,031 in First Time Home Buyer Loans.

***B. CalHome Program Loans***

CalHome Program funds of \$600,000 were awarded by the State of California and are used to provide first-time home buyer mortgage assistance as well as housing rehabilitation assistance for low income homeowners. Loans are payable upon sale or transfer of property, when the property ceases to be owner-occupied, or upon the CalHome loan maturity date. The outstanding balance as of June 30, 2011 was \$422,826.

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

Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by HUD. These residential loans are available from \$5,000 to \$25,000 per property at a loan term of 3% simple interest for 10 years. The property will be rehabilitated to be free from health and safety violations upon completion of the rehabilitation program. The outstanding balance of these loan types was \$1,815,814 as of June 30, 2011.

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

The various rehabilitation and construction loans of \$20,635,455 include deferred and accrued interest of \$273,645 as of June 30, 2011. These loans have been made to individual homeowners, businesses and developers within the Redevelopment Area. The terms of these loans are specific to the borrower and interest rates, as well as usage and repayment requirements, vary according to the loan type. The following are descriptions of the various loans:

- In 2005, a loan agreement was entered into with the Mt. Diablo Unified School District (District) in the amount of \$6,178,936 for capital improvements. The funding was provided with the 2003A Bond proceeds. The District will repay the loan from school impact fees collected until the Agency is fully reimbursed or 35 years, whichever occurs first. The balance outstanding as of June 30, 2011 was \$5,439,570. During FY 2010-2011, this loan was transferred to the City of Pittsburgh per Reso 11-11605 and consistent with Health and Safety code 33430, 33432 and 33220 (g).
- In fiscal year 2005-2006, a Development and Disposition Agreement was entered into with Domus Development LLC (Developer) of up to \$8,000,000 for the development of a 28-unit residential rental dwelling and an 8,000 square feet ground floor commercial space at the northeast corner of Railroad Avenue and 10th Street. Funding was provided by the Housing-Set Aside funds in the amount of \$6,000,000 and \$2,000,000 by future tax increments. During the fiscal year 2007-2008, an amendment was filed to increase the loan up to an additional \$800,000 and \$4,845,755 of the loan was disbursed to the Developer. The balance outstanding as of June 30, 2011 was \$8,474,634. During FY 2010-2011, this loan was transferred to the City of Pittsburgh per Reso 11-11605 and consistent with Health and Safety code 33430, 33432 and 33220 (g).
- The remaining loans receivable of \$6,721,251 as of June 30, 2011 represent a number of small business and property owner rehabilitation and construction loans to eliminate blight by assisting improvements and rehabilitation of properties that were vacant or underutilized. During FY 2010-2011, a total of \$3,310,573 was transferred to the City of Pittsburgh per Reso 11-11605 and consistent with Health and Safety code 33430, 33432 and 33220 (g). The remaining balance with the Agency totaled \$3,410,677.

***D. Other Loans***

During fiscal year 2004-2005, the Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund agreed to loan funds of \$1,400,000 to the Steadfast Marina Heights L.P. for the purchase and renovation of 200 affordable residential units located within the Redevelopment Project Area. The loan bears interest of 7% and provides for the Agency to receive 30% of the project's residual receipts (gross revenue exceeds annual operating expenses) unless in such calendar year there are no residual receipts, and then there shall be no accrual of interest. The outstanding balance as of June 30, 2011 was \$1,400,000.

During fiscal year 2004-2005, the Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund agreed to loan funds of \$4,880,000 to the Fairfield Belmont, L.P. for the purchase and renovation of 224 affordable residential units located within the Redevelopment Project Area. The loan bears the lesser interest of 1% and provides for the Agency to receive 20% of the project's residual receipts (gross revenue exceeds annual operating expenses) each calendar year. The outstanding balance as of June 30, 2011 was \$4,717,501.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

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

June 30, 2011 was \$4,311,868. During FY 2010-2011, this loan was transferred to the City of Pittsburg per Reso 11-11605 and consistent with Health and Safety code 33430, 33432 and 33220 (g).

During fiscal year 2006-2007 and 2007-2008, the Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund agreed to loan funds to low income families to purchase homes. The loans bear no interest and are deferred until the property changes title or are refinanced for cash. The outstanding balance as of June 30, 2011 was \$955,140.

During fiscal year 2006-2007, the Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund agreed to loan funds of \$566,150 to Pacific Community Services for prior construction of 104 units called the Presidio Village Senior Housing. The loan bears interest of 3% per year and provides for the Agency to receive 50% of the project's residual receipts annually. The outstanding balance as of June 30, 2011 was \$639,484 wherein \$73,334 is accrued interest as of June 30, 2011.

During fiscal year 2006-2007, the Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund provided \$728,000 and \$940,000 to Palm Plaza Group, LLC and Palm Plaza Development, respectively, for the purchase and renovation of residential units located within the Redevelopment Project Area. The outstanding balance and accrued interest as of June 30, 2011 was \$728,000 and \$8,493 for Palm Plaza Group, LLC and \$940,000 and \$15,824 for Palm Plaza Development, respectively, totaling \$1,692,317.

During fiscal year 2006-2007, the Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund agreed to loan funds of \$6,105,848 to Resources for Community Development for the development of 71 rental dwellings and a community center. During the fiscal year 2008-2009, an amendment was filed to increase the loan up to an additional \$350,000 and \$5,710,730 of the loan was disbursed to the Developer. The loan bears interest of 1% per year and provides for the Agency to receive 50% of the project's residual receipts annually. The outstanding balance and accrued interest as of June 30, 2011 was \$6,455,848 and \$164,747 respectively, totaling \$6,620,595.

During fiscal year 2007-2008, the Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund agreed to loan funds of \$250,000 to Domus Development LLC for the feasibility study of a senior affordable housing development. The loan bears interest of 3% per year. The Domus Development LLC loan was amended in FY 2009-2010 to increase the loan by an additional \$850,000, and then further amended in fiscal year 2010-2011 bringing total loan funding to \$4,323,645. As of June 30, 2011, Domus Development LLC has an outstanding balance of \$4,410,080 wherein \$86,435 is accrued interest as of June 30, 2011. During FY 2010-2011, this loan was transferred to the City of Pittsburg per Reso 11-11605 and consistent with Health and Safety code 33430, 33432 and 33220 (g).

In fiscal year 2005-2006, a Development and Disposition Agreement was entered into with Olson Urban Housing LLC (Developer) of up to \$1,000,000 and with Lyon Vista Del Mar 533, LLC (Developer) of up to \$800,000, to provide mortgage assistance for qualified moderate income households purchasing the affordable units. The balance outstanding as of June 30, 2011 was \$255,000 and \$300,000 for the property owners.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

During fiscal year 2009-2010, the Redevelopment Agency Low -Moderate Income Housing II Special Revenue Fund agreed to a pre-development loan of \$250,000 to Community Estates LLC to develop a 52-unit adult residential housing development for persons who are 50 years and older. During fiscal year 2009-2010, an amendment was filed to increase the loan by \$265,200 bringing total loan to \$515,200. The outstanding balance as of June 30, 2011 was \$456,807.

During fiscal year 2010-2011, the City approved a Facade Loan to Pacific Community Services for construction of improvements on 329 Railroad Avenue. The outstanding balance as of June 30, 2011 was \$51,630.

During fiscal year 2010-2011, the City approved a loan to Nana's Place for tenant improvements at 51 Marina Boulevard. The outstanding balance as of June 30, 2011 was \$589,843.

During fiscal year 2010-2011, the City approved a loan to La Veranda Cafe, Inc., for improvements at 711 and 755 Railroad Avenue. The outstanding balance as of June 30, 2011 was \$700,000.

During fiscal year 2010-2011, Pittsburg Arts and Community Foundation (P.A.C.F.) assumed the outstanding loan and lease agreement with Francis Palermo & Mary Lieser from the Agency per Reso 11-023. The outstanding balance as of June 30, 2011 was \$978,925.

During fiscal year 2010-2011, the Agency financed the residential loans to the homebuyers of Vidrio Condominium. The outstanding amount as of June 30, 2011 was \$3,528,176.

***E. Pittsburg Power Company***

In fiscal year 2007-08, the Pittsburg Power Company issued a \$125,000 loan to Delta Discovery Cruises LLC to help establish a dinner cruise business operating from the Pittsburg Marina as a destination business to attract people to Old Town and provide an amenity for Pittsburg residents. Terms of the loan are 4% for five years with the first 18-months accruing interest only. The first monthly installment began September 20, 2009 and continues until March 20, 2013. On January 1, 2010, the payment terms were modified to reduce monthly payments for November through March to \$1,000. Based on the new payment schedule, the loan will be fully repaid in 2014. The outstanding balance as of June 30, 2011 was \$73,812.

In fiscal year 2010-2011 the Pittsburg Power Company issued a \$6,846 loan to Nana's Place to help the business pay for its Board of Equalization security deposit for sales tax. Terms of the loan are 18 months with the first payment commencing on May 1, 2011. The last payment is due on October 1, 2012. The outstanding balance as of June 30, 2011 was \$6,085.

***F. Information Systems Loans***

The loans receivable in the Information Systems Internal Service Fund are for the City's employee home computer purchase loans; the outstanding receivable balance as of June 30, 2011 was \$52. The employee computer purchase program was terminated in the winter of 2010.



**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

**NOTE 4-DEFERRED REVENUE**

**A. Government-Wide Financial Statements**

Unearned revenues in Government-Wide Financial Statements represent amounts for which revenues have not been earned. At June 30, 2011, unearned revenues in the Government-Wide Financial Statements consisted of unearned developer, donation, and grant revenues of \$706,365 in the General Fund, and \$1,927,480 in other Government entities, and \$897,582 in Business-Type Activities respectively.

**B. Fund Financial Statements**

At June 30, 2011 the following deferred revenues were recorded in the Fund Financial Statements because either the revenues had not been earned or the funds were not available to finance expenditures of the current period:

	Governmental Funds								Total Governmental Activities
	General Fund	Low-Moderate Income Housing II	Housing Authority Sec. 8	RDA Revenue	RDA Debt Service	Community Capital Improvement	Non-Major Funds	Bldg Maint.	
Unearned developer /donation revenue	\$ 554,252								\$ 554,252
Housing loans receivable		\$ 9,856,765		\$ 399,389			\$ 3,481,988		13,738,142
Construction loan receivable	25,946,727	7,260,078		3,555,292		\$ 1,341,473			38,103,570
Unearned service revenue	152,113	-	\$ 6,111		\$ 226,604	30,000	1,628,844	\$ 35,921	2,079,593
Total	\$ 26,653,092	\$ 17,116,843	\$ 6,111	\$ 3,954,681	\$ 226,604	\$ 1,371,473	\$ 5,110,832	\$ 35,921	\$ 54,475,557

	Business - Type			
	Water	Pittsburg Power	Non-Major Enterprise	Total
Unearned developer/donation revenue			\$ 655,501	\$ 655,501
Unearned service Revenue	\$ 3,123	\$ 238,958		242,081
Total	\$ 3,123	\$ 238,958	\$ 655,501	\$ 897,582

**NOTE 5-INTERFUND TRANSACTIONS**

**A. Current Interfund Balances**

In the normal course of business, transactions occur between funds which give rise to interfund balances. These balances are normally repaid as they arise. The purpose for each of these interfund balances is to eliminate negative cash balances.

Current interfund balances are as follows:

DUE FROM FUND:	DUE TO FUND	AMOUNT
Non-Major Governmental Funds:		
Special Revenue Funds:		
Park maintenance CFD 2007-1	General Fund	\$ 161,955
Vista Del Mar CFD 2005-2	General Fund	4,407
HUD CDBG Grant	General Fund	294,287
Neighborhood Stabilization	General Fund	910,087
Energy Efficiency & Conservation	General Fund	27,812
		<u>1,398,548</u>
Small Cities Grant	Low and Moderate Income Housing II	301,670
		<u>\$ 1,700,218</u>

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

***B. Interfund Advances***

At June 30, 2011, the following funds had advances that are not expected to be fully repaid within the next year:

FROM FUND:	TO FUND:	AMOUNT
<b>GOVERNMENTAL FUNDS</b>		
Special Revenue Redevelopment Agency	Low-Moderate Income Housing I	\$ 7,831,615
Special Revenue Redevelopment Agency	Pittsburg Power	821,735
TOTAL GOVERNMENTAL FUNDS		<u>8,653,350</u>
<b>PROPRIETARY FUNDS</b>		
Water Utility	Low-Moderate Income Housing II	1,040,000
	To Non-Major Enterprise Funds:	
Pittsburg Power	Golf Course	375,000
Pittsburg Power	Island Energy	2,405,352
	Sub-total Pittsburg Power	<u>2,780,352</u>
TOTAL PROPRIETARY FUNDS		<u>3,820,352</u>
	TOTAL ADVANCES	<u>\$ 12,473,702</u>

At June 30, 2011, the Low-Moderate Income Housing I Special Revenue Fund had an advance outstanding of \$7,831,615 from the Redevelopment Agency Special Revenue Fund for the allocation of costs of low-moderate income housing program qualified for the Housing Set Aside efforts owed to the Agency. During the year, the Agency repaid \$268,385 with Vidrio proceeds. As required, the Agency has adopted a plan to eliminate the deferred amount.

During fiscal year 2010-2011, the Pittsburg Power Enterprise Fund purchased the property of 615 Railroad Avenue from Pacific Plaza Import and assumed its outstanding loan with Redevelopment Agency of Pittsburg. The outstanding loan amount as of June 30, 2011 was \$821,735.

During fiscal year 2010-2011, the Water Utility Fund advanced \$1,000,000 to the Low-Moderate Income Housing II Special Revenue Fund for the La Almenara Project. The outstanding balance as of June 30, 2011 was \$1,040,000, which included \$40,000 accrued interest.

During fiscal year 2002/2003 the Pittsburg Power Enterprise Fund advanced \$375,000 to the Golf Course Enterprise Fund for the replacement and improvements of golf carts. The advance is to be repaid within ten years provided the money is available in the Golf Fund.

During fiscal year 2003/2004 the Pittsburg Power Enterprise Fund advanced \$300,000 to the Island Energy Enterprise Fund to establish a reserve fund for the operating activities on Mare Island. The advance is to be repaid in future years when the net assets in the Island Energy have reached a level to replace the amount transferred from the Pittsburg Power Fund.

During fiscal year 2004/2005 the Pittsburg Power Enterprise Fund advanced \$650,000 to the Island Energy Enterprise Fund to meet the capital requirements for the new gas and electric meters for new residential units on Mare Island. The advance is to be repaid in future years when the net assets in the Island Energy have reached a level to replace the amount transferred from the Pittsburg Power Fund.

During fiscal year 2004/2005 the Pittsburg Power Enterprise Fund advanced \$200,000 to the Island Energy Enterprise Fund to meet the capital requirements for the Development Refund Account for the new residential units on Mare Island. The advance is to be repaid when the development is completed.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

During fiscal year 2005/2006 the Pittsburg Power Enterprise Fund advanced \$100,000 to the Island Energy Enterprise Fund to enable the delivery of high quality and responsive services to all its customers and to maintain sound operations. The advance is to be repaid in future years when the net assets in the Island Energy Fund have reached a level to replace the amount transferred from the Pittsburg Power Fund.

The Pittsburg Power Enterprise Fund advanced a total of \$523,072 to the Island Energy Enterprise Fund to fund the refurbishment of a main Substation H during fiscal year 2008-2009. During fiscal year 2010/2011 the Pittsburg Power Enterprise Fund advanced an additional \$632,280 to the Island Energy Enterprise Fund to fund the refurbishment of a main Substation H. The cumulative advance to Island Energy for the substation H project amounted to \$1,155,352.

***C. Interfund Transfers***

At June 30, 2011, the City had the following interfund transfers:

- A. Transfers to the General Fund were to fund General Fund operations and administrative services for which the other funds received services. Included in the transfer amount was a \$1,500,000 transfer of property from Capital Improvement Fund.
- B. Transfers to Low-Moderate Housing I SRF from the proceeds from Vidrio condo sale.
- C. Transfers to the Low-Moderate Housing II Special Revenue Fund were to fund various affordable housing projects.
- D. Transfers to the Redevelopment Agency Special Revenue Fund were to fund capital improvement projects.
- E. Transfers to the Redevelopment Agency Debt Service fund were to fund debt service payments.
- F. Transfers to the Redevelopment Agency Capital Projects fund were to fund redevelopment capital improvement projects.
- G. Transfers to Community Capital Improvement Fund were to fund capital improvement projects.
- H. Transfers between various funds were to fund operation and capital improvements.
- I. Transfers to the Water Utility Enterprise Fund were to subsidize senior discount and to fund water projects.
- J. Transfer to Sewer Utility Enterprise Funds was to fund sewer projects.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

FROM FUND:	TO FUND:	AMOUNT	
<b>GOVERNMENTAL FUNDS:</b>			
Redevelopment Special Revenue Fund		\$ 2,664,989	
Community Capital Improvement (non-cash)		1,500,000	
Non-Major Governmental Funds		2,294,236	
Water Utility		719,005	
Sewer Utility		519,005	
Marina		55,000	
Non-Major Proprietary Funds		2,444,700	
Internal Service Funds		580,000	
	To General Fund	<u>10,776,935</u>	A
Low Moderate Housing II SRF	To Low-Moderate Housing I SRF	<u>268,385</u>	B
Redevelopment Agency Debt & Bond Fund	To Low-Moderate Housing II SRF	<u>3,371,481</u>	C
Low Moderate Housing II SRF		345,000	
Redevelopment Agency Debt & Bond Fund	To Redevelopment Special Revenue Fund	<u>1,376,588</u>	D
		<u>1,721,588</u>	
Community Capital Improvement		7,349,460	
Redevelopment Special Revenue Fund	To Redevelopment Agency Debt & Bond Fund	<u>26,280,007</u>	E
		<u>33,629,467</u>	
Non-Major Government Fund		31,161	
Redevelopment Special Revenue Fund		2,743,265	
Redevelopment Agency Debt & Bond Fund		6,443,735	
Water Utility		102,567	
Non-Major Enterprise Funds		168,233	
	To Capital Project Redevelopment Fund	<u>9,488,961</u>	F
Non-Major Government Fund		580,000	
Redevelopment Agency Debt & Bond Fund	To Community Capital Improvement Fund	<u>4,903,383</u>	G
		<u>5,483,383</u>	
General Fund		313,690	
Non-Major Government Fund		461,709	
Redevelopment SRF		706,754	
Redevelopment Agency Debt & Bond Fund		1,548,051	
Low and Moderate Income Housing II		400,000	
	To Non-Major Governmental Fund	<u>3,430,204</u>	H
		<u>68,170,404</u>	
<b>TOTAL GOVERNMENTAL FUNDS</b>			
<b>PROPRIETARY FUNDS</b>			
General Fund		51,400	
	To Water Utility	<u>51,400</u>	I
2008 Water Bond Fund	To Sewer Utility	<u>286,274</u>	J
		<u>337,674</u>	
<b>TOTAL PROPRIETARY FUNDS</b>			
	<b>TOTAL TRANSFERS</b>	<b>\$ <u>68,508,078</u></b>	

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

**NOTE 6-DEFERRED CHARGES**

As of June 30, 2011, deferred charges for the Government-Wide Financial Statements consisted of the following:

	Balance July 1, 2010	Additions	Deletions	Balance June 30, 2011
Governmental Activities:				
Bond issuance costs	\$ 5,442,197	\$ -	\$ (352,803)	\$ 5,089,394

The amortization expense was \$352,803 for the year ended June 30, 2011.

**NOTE 7 - CAPITAL ASSETS**

**A. Government-Wide Financial Statements**

At June 30, 2011, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 57,619,061	\$ 1,143,506	\$ 58,762,567
Construction in progress	69,582,565	4,339,159	73,921,724
Total non-depreciable assets	<u>127,201,626</u>	<u>5,482,665</u>	<u>132,684,291</u>
Depreciable assets:			
Buildings and improvements	59,639,023	24,116,831	83,755,854
Machinery and equipment	11,574,446	3,889,525	15,463,971
Infrastructure	247,358,728	130,829,727	378,188,455
	<u>318,572,197</u>	<u>158,836,083</u>	<u>477,408,280</u>
Less accumulated depreciation:			
Buildings and improvements	(17,285,682)	(10,096,448)	(27,382,130)
Machinery and equipment	(8,312,382)	(1,882,705)	(10,195,087)
Infrastructure	(104,789,851)	(32,015,706)	(136,805,557)
Total accumulated depreciation	<u>(130,387,915)</u>	<u>(43,994,859)</u>	<u>(174,382,774)</u>
Total depreciable assets	<u>188,184,282</u>	<u>114,841,224</u>	<u>303,025,506</u>
Total non-depreciable and depreciable assets	<u>\$ 315,385,908</u>	<u>\$ 120,323,889</u>	<u>\$ 435,709,797</u>

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

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

	Balance at July 1, 2010 (as restated)	Additions	Deletions	Reclassifications	Balance June 30, 2011
Capital assets not being depreciated					
Land	\$ 55,850,244	\$ 1,983,404	\$ (214,587)	\$ -	\$ 57,619,061
Construction in progress	62,028,597	21,706,140	-	(14,152,172)	69,582,565
Total	<u>117,878,841</u>	<u>23,689,544</u>	<u>(214,587)</u>	<u>(14,152,172)</u>	<u>127,201,626</u>
Depreciable assets:					
Building and improvements	55,249,525	11,184		4,378,315	59,639,024
Machinery and equipment	\$ 11,352,454	597,328	(378,466)	3,129	11,574,445
Infrastructure	237,670,780	15,132	(97,912)	9,770,728	247,358,728
Total	<u>304,272,759</u>	<u>623,644</u>	<u>(476,378)</u>	<u>14,152,172</u>	<u>318,572,197</u>
Less accumulated depreciation:					
Buildings and improvements	(15,473,114)	(1,812,568)	-	-	(17,285,682)
Machinery and equipment	(7,496,669)	(1,220,191)	368,050	36,428	(8,312,382)
Infrastructure	(98,025,152)	(6,728,271)	-	(36,428)	(104,789,851)
Total	<u>(120,994,935)</u>	<u>(9,761,030)</u>	<u>368,050</u>	<u>-</u>	<u>(130,387,915)</u>
Total depreciable assets, net	<u>183,277,824</u>	<u>(9,137,386)</u>	<u>(108,328)</u>	<u>-</u>	<u>188,184,282</u>
Total capital assets, net	\$ <u>301,156,665</u>	\$ <u>14,552,158</u>	\$ <u>(322,915)</u>	\$ <u>-</u>	\$ <u>315,385,908</u>

Governmental activities depreciation expense for capital assets for the year ended June 30, 2011 is as follows:

General government	\$ 1,171,324
City Manager and City Clerk	40,193
Human Resources	4,148
Finance and services	83,645
Community development and services	98,255
Public Safety	219,398
Public Works	8,144,067
Total depreciation expense	\$ <u>9,761,030</u>

The beginning balances of construction in progress and building and improvements had been restated.

	Construction In progress	Buildings & Improvements
Balances as of June 30, 2010	\$ 87,502,711	\$ 64,537,326
Transfer to Land Held for Resale	(29,974,114)	
Vidrio Land reclass	4,500,000	(4,500,000)
Vidrio Building adjustment		(4,787,801)
Restated Balances as of July 1, 2010	<u>\$ 62,028,597</u>	<u>\$ 55,249,525</u>

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

**Vidrio Building**

Beginning in 2005 the Agency, Black Diamond Old Town LLC and Trinity Housing Foundation (together, “Developer”) entered into several agreements for the construction of a mixed use development on Railroad Avenue in downtown Pittsburg. The Developer commenced construction of the project (“Vidrio” or “Project”), on property located at 600 Railroad Avenue, in June of 2006 and completed approximately ninety percent (90%) of the Project before stopping construction. The project’s original total cost estimate was \$97.8 million. Prior to 2009, the Agency allocated \$24.4 million to help fund the Project which was approximately 25% of the total project costs with the developer providing the balance of the funding.

Between August 2008 and February 2009, the Agency received notice that the Developer was in default with respect to a loan the Developer had obtained with Union Bank, N.A. (“Bank”) for construction of the Project. In February of 2009, the Bank initiated legal proceedings seeking appointment of a receiver for the property secondary to non-judicial foreclosure on the Project.

In October 2009, the Agency acquired the Project from the Bank for \$4.5 million and proceeded to complete construction of the Project. Completing construction of the Project cost the Agency \$7.7 million through June 30, 2011. Thus, the Agency spent a total of \$36.6 million towards the Project (\$24.4 million prior to 2009, \$4.5 million to acquire the Project from the Bank, and \$7.7 million to complete construction of the Project).

Of the \$36.6 million total spent on the Project, approximately \$4.6 million was for uncapitalized expenditures such as various near-by plaza acquisition costs and condominium sales expenses leaving \$32.0 million in capitalized Agency expenses.

The Project consists of 75 condominium units, 42,715 square feet of garage space, 25,106 square feet of common area space, and 10,764 of ground floor commercial space. The Agency sold all of the condominium units for a total of \$11.3 million including extending 28 loans to buyers who were public servants, public safety employees, and teachers.

The ground floor commercial space (valued at \$2.0 million) was leased to the Pittsburg Arts and Community Foundation (PACF) to sub-lease and manage. PACF is to retain the lease revenues as compensation for assuming those responsibilities.

Thus, the Agency experienced a loss of \$18.7 million associated with the Project (\$11.3 total revenues from condominium sales plus the \$2.0 million commercial space value less \$32.0 million capitalized cost to acquire and construct the Project). However, the City gained a completed mixed use development in its downtown area with new residents and commercial storefronts that have helped alleviate blight and encourage further economic development.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

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

	Balance July 1, 2010	Additions	Deletions	Reclassifications	Balance June 30, 2011
Non-depreciable assets:					
Land	\$ 325,000	\$ 818,506	\$ -	\$ -	\$ 1,143,506
Construction in progress	19,825,092	2,162,675	-	(17,648,608)	4,339,159
Total	<u>20,150,092</u>	<u>2,981,181</u>	<u>-</u>	<u>(17,648,608)</u>	<u>5,482,665</u>
Depreciable assets:					
Buildings and improvements	23,931,275	111,039		74,517	24,116,831
Machinery and equipment	3,516,251	368,286	(70,681)	75,669	3,889,525
Infrastructure	113,820,934		(489,629)	17,498,422	130,829,727
Total	<u>141,268,460</u>	<u>479,325</u>	<u>(560,310)</u>	<u>17,648,608</u>	<u>158,836,083</u>
Less accumulated depreciation:					
Buildings and improvements	(3,942,124)	(2,530,835)	-	(3,623,489)	(10,096,448)
Machinery and equipment	(1,736,369)	(217,017)	70,681	-	(1,882,705)
Infrastructure	(35,644,955)	(316,918)	322,678	3,623,489	(32,015,706)
Total	<u>(41,323,448)</u>	<u>(3,064,770)</u>	<u>393,359</u>	<u>-</u>	<u>(43,994,859)</u>
Total depreciable assets, net	<u>99,945,012</u>	<u>(2,585,445)</u>	<u>(166,951)</u>	<u>17,648,608</u>	<u>114,841,224</u>
Total capital assets, net	<u>\$ 120,095,104</u>	<u>\$ 395,736</u>	<u>\$ (166,951)</u>	<u>\$ -</u>	<u>\$ 120,323,889</u>

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2011 are as follows:

Water Utility	\$ 1,377,668
Sewer Utility	681,102
Marina	481,735
Golf Course	153,548
Island Energy	346,649
Pittsburg Power	24,068
Total	<u>\$ 3,064,770</u>



**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

***B. Fund Financial Statements***

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

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

**NOTE 8 - LONG TERM OBLIGATIONS**

The following is a summary of long-term debt transactions of the governmental activities for the year ended June 30, 2011:

Description	Original Issue Amount	Beginning Balance July 1, 2010 (as restated)	Additions	Retirements	Ending Balance June 30, 2011	Amounts Due Within One Year
Tax Allocation Bonds						
1999 RDA Bonds	\$ 30,106,357	\$ 29,091,357	\$ -	\$ (600,000)	\$ 28,491,357	\$ 630,000
2002A RDA Refunding Bonds	59,970,000	26,415,000	-	(3,875,000)	22,540,000	4,065,000
2003A RDA Bonds	88,375,000	79,060,000	-	(1,065,000)	77,995,000	1,120,000
2004A RDA Housing Set-Aside Bonds	18,270,000	16,805,000	-	(330,000)	16,475,000	345,000
2004B RDA Subordinated Refunding Bonds	10,720,000	6,665,000	-	(3,260,000)	3,405,000	3,405,000
2004A RDA Subordinated Bonds	117,615,000	117,615,000	-	-	117,615,000	-
2006A RDA Housing Set-Aside Bonds	11,020,000	10,325,000	-	(180,000)	10,145,000	190,000
2006B RDA Subordinated Bonds	36,840,000	36,840,000	-	-	36,840,000	1,280,000
2006C RDA Subordinated Refunding Bonds	46,660,000	45,690,000	-	-	45,690,000	150,000
2008A RDA Subordinated Refunding Bonds	61,660,856	61,660,856	-	-	61,660,856	-
Total Tax Allocation Bonds	481,237,213	430,167,213	-	(9,310,000)	420,857,213	11,185,000
2006 Pension Obligation Bonds	39,566,056	39,091,056	-	(65,000)	39,026,056	300,000
Unamortized Premium	-	4,420,899	-	(442,090)	3,978,809	442,090
Deferred amount on refunding on 2006C RDA	-	(3,735,619)	-	149,425	(3,586,194)	(149,425)
Total Governmental Activities	\$ 520,803,269	\$ 469,943,549	\$ -	\$ (9,667,665)	\$ 460,275,884	\$ 11,777,665

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

1999 Redevelopment Agency Tax Allocation Bonds

1999 Redevelopment Agency Tax Allocation Bonds (1999 RDA Bonds) outstanding at June 30, 2011 amounted to \$28,491,357. The bonds bear interest at rates between 4.1% and 6.2% with interest payments made semi-annually on February 1 and August 1. The bonds mature on August 1 of each year. The proceeds of the bonds were used to provide money for certain public capital improvements located within the Agency's Project Area, to fund a reserve account, and to pay cost of issuance incurred in connection with the issuance. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 20% from these revenues. The total principal and interest remaining to be paid on the bonds is \$106,142,137. For FY 2010-11, principal and interest paid and RDA property tax increment revenues were \$1,074,438 and \$34,325,620 respectively.

The annual debt service requirements to mature the 1999 RDA Bonds outstanding at June 30, 2011, were as follows:

Ending June 30,	Principal	Interest	Total
2012	\$ 630,000	\$ 442,600	\$ 1,072,600
2013	660,000	408,243	1,068,243
2014	695,000	371,310	1,066,310
2015	740,000	331,477	1,071,477
2016	790,000	288,243	1,078,243
2017-2021	7,640,127	9,533,674	17,173,801
2022-2026	9,459,894	32,339,903	41,799,797
2027-2031	7,876,336	33,935,330	41,811,666
Total	<u>\$ 28,491,357</u>	<u>\$ 77,650,780</u>	<u>\$ 106,142,137</u>

2002 Series A Redevelopment Agency Tax Allocation Refunding Bonds

2002 Series A Redevelopment Agency Tax Allocation Refunding Bonds (2002A RDA Bonds) outstanding at June 30, 2011 amounted to \$22,540,000. The 2002A RDA Bonds bear interest at rates between 2.00% and 5.25% with interest payments made semi-annually on February 1 and August 1. The 2002A RDA Bonds mature annually from 2002 to 2015 on August 1 in amounts ranging from \$3,690,000 to \$4,980,000. Proceeds from the 2002A RDA Bonds were used to refund \$58,460,000 of the Agency's 1992 Los Medanos Community Development Project, Tax Allocation Refunding Bonds and to pay costs of issuance incurred in connection with the issuance, sales and delivery of Series 2002A. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 14% from these revenues. The total principal and interest remaining to be paid on the bonds is \$25,613,520. For FY 2010-11, principal and interest paid and RDA property tax increment revenues were \$5,145,063 and \$34,325,620, respectively.

The annual debt service requirements to mature the 2002A RDA Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 4,065,000	\$ 1,071,563	\$ 5,136,563
2013	4,270,000	857,850	5,127,850
2014	4,495,000	627,769	5,122,769
2015	4,730,000	385,613	5,115,613
2016	4,980,000	130,725	5,110,725
Total	<u>\$ 22,540,000</u>	<u>\$ 3,073,520</u>	<u>\$ 25,613,520</u>

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

2003 Series A Redevelopment Agency Tax Allocation Bonds

2003 Series A Redevelopment Agency Tax Allocation Bonds (2003A RDA Bonds) outstanding at June 30, 2011 amounted to \$77,995,000. The 2003A RDA Bonds bear interest at rates between 2.00% and 5.00% with interest payments made semi-annually on February 1 and August 1. The 2003A RDA Bonds mature annually from 2004 to 2021 on August 1 in amounts ranging from \$5,000 to \$8,815,000. Proceeds from the 2003A RDA Bonds were used to fund redevelopment activities of benefit to the Agency's Los Medanos Redevelopment Project, to refund all of the Agency's outstanding Series 1993A Tax Allocation Refunding Bonds (\$36,760,000), to fund a reserve account, to fund capitalized interest on a portion of the Series 2003A Bonds, and to pay costs of issuance incurred in connection with the issuance, sale and delivery of the Series 2003A Bonds. The Bonds were issued at a premium of \$7,515,529 which is to be amortized over the life of the bond using straight-line method with an annual amortization of \$442,090. The bonds are to be repaid from certain tax revenues and other funds as provided in certain resolutions of the Agency. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 24% from these revenues. The total principal and interest remaining to be paid on the bonds is \$112,020,413. For FY 2010-11, principal and interest paid and RDA property tax increment revenues were \$4,937,925 and \$34,325,620, respectively. The issuance of Redevelopment Agency 2008A Subordinate Tax Allocation Refunding Bonds paid a partial early payment of \$4,365,000 to principal.

The annual debt service requirements to mature the 2003A RDA Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 1,120,000	\$ 3,818,300	\$ 4,938,300
2013	2,780,000	3,720,800	6,500,800
2014	2,920,000	3,578,300	6,498,300
2015	3,060,000	3,428,800	6,488,800
2016	3,200,000	3,272,300	6,472,300
2017-2021	37,125,000	11,002,875	48,127,875
2021-2025	17,120,000	4,188,963	21,308,963
2027-2030	10,670,000	1,015,075	11,685,075
Total	<u>\$ 77,995,000</u>	<u>\$ 34,025,413</u>	<u>\$ 112,020,413</u>

2004 Series A Housing Set Aside Redevelopment Agency Tax Allocation Bonds

2004 Series A Housing Set Aside Tax Allocation Bonds Series (2004A RDA bonds) outstanding at June 30, 2010 amounted to \$16,475,000. The Bonds bear interest rates from 3.750%-5.620% with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2005 through August 1, 2035. The Bonds were issued to fund the low and moderate income housing within the Agency's Los Medanos Community Development Project Area, to fund a reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2004A bonds. Annual principal and interest payments secured by the mandated 20% set-aside of RDA property tax increment revenues in the Los Medanos II and III Areas are expected to require less than 37% from these revenues. The total principal and interest remaining to be paid on the bonds is \$30,034,674. For FY 2010-11, principal and interest paid and RDA set-aside property tax increment revenues were \$1,232,883 and \$3,356,980, respectively.

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

The annual debt service requirements to mature the 2004A RDA Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 345,000	\$ 887,883	\$ 1,232,883
2013	360,000	871,509	1,231,509
2014	380,000	853,453	1,233,453
2015	395,000	834,543	1,229,543
2016	415,000	814,218	1,229,218
2017-2021	2,435,000	3,711,860	6,146,860
2022-2026	3,155,000	2,963,571	6,118,571
2027-2031	4,125,000	1,967,766	6,092,766
2032-2036	4,865,000	654,871	5,519,871
Total	<u>\$ 16,475,000</u>	<u>\$ 13,559,674</u>	<u>\$ 30,034,674</u>

2004 Series B Redevelopment Agency Subordinate Tax Allocation Refunding Bonds

2004 Series B Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (2004B RDA Bonds) outstanding at June 30, 2011 amounted to \$3,405,000. The Bonds bear interest rates from 3.810%-4.430% with interest payments made semiannually on March 1 and September 1 each year commencing March 1, 2005 through September 1, 2011. The bonds are to be paid from Redevelopment Agency tax revenues. Proceeds from the 2004B RDA bonds were used to refund, on an advance basis, a portion of the Agency's outstanding Series 1996 Subordinate Tax Allocation bonds (\$20,000,000), to fund a reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2004B bonds. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 8% from these revenues. The total principal and interest remaining to be paid on the bonds is \$3,480,421. For FY 2010-11, principal and interest paid and RDA property tax increment revenues were \$3,479,791 and \$34,325,620, respectively.

The annual debt service requirements to mature the 2004B STARB Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 3,405,000	\$ 75,421	\$ 3,480,421
Total	<u>\$ 3,405,000</u>	<u>\$ 75,421</u>	<u>\$ 3,480,421</u>

2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds

2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds outstanding at June 30, 2011 amounted to \$117,615,000. The bonds are repayable from Redevelopment Agency tax revenues. Principal payments are due annually on September 1, commencing in 2012. Proceeds from the 2004A Bonds were to be used to fund redevelopment activities of benefit to the Agency's Los Medanos Redevelopment Project, to refund, on an advance basis, a portion of the Agency's outstanding Series 1996 Subordinate Tax Allocation bonds (\$20,000,000), to fund capitalized interest on a portion of the 2004A Bonds through September 2007, to fund a reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the 2004A Bonds. A portion of the proceeds from the 2004A Bonds was placed in an irrevocable trust to provide for all future debt service payments on the defeased 1996 Bonds. Annual principal and interest payments secured by the RDA property tax increment revenues are expected to require less than 19% from these revenues. The total principal and interest and remarketing and letter of credit fees remaining to be paid on the bonds is \$166,348,960. For FY 2010-11, total interest paid and RDA property tax increment revenues were \$3,842,247 and \$34,325,620, respectively.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

The 2004A Bonds were issued as variable rate bonds, with interest calculated daily. The rate fluctuates according to market conditions. At the close of every fiscal year, the City will re-evaluate the effective interest rate at June 30. In order to protect against the potential of rising interest rates associated with the 2004A Bonds, the City entered into a pay-fixed, receivable-variable interest rate swap. The terms, fair value and credit risk of the swap agreement, are disclosed in the Interest Rate Swap Agreements section.

The annual debt service requirements to mature the 2004A STAB Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Remarketing & LOC Fees	Total
2012	\$ -	\$ 68,217	\$ 3,774,030	\$ 3,842,247
2013	3,890,000	65,961	3,649,208	7,605,169
2014	4,030,000	63,623	3,519,893	7,613,516
2015	4,170,000	61,205	3,386,086	7,617,291
2016	4,330,000	58,693	3,247,146	7,635,839
2017-2021	24,175,000	252,384	13,962,933	38,390,317
2022-2026	26,520,000	176,906	9,787,161	36,484,067
2027-2031	30,960,000	97,107	5,372,333	36,429,440
2032-2036	19,540,000	21,146	1,169,928	20,731,074
<b>Total</b>	<b>\$ 117,615,000</b>	<b>\$ 865,242</b>	<b>\$ 47,868,718</b>	<b>\$ 166,348,960</b>

*2006 Series A Housing Set Aside Redevelopment Agency Tax Allocation Bonds*

2006 Series A Housing Set Aside Tax Allocation Bonds (2006A HSA RDA Bonds) outstanding at June 30, 2011 amounted to \$10,145,000. On November 30, 2006, the Agency issued \$11,020,000 of Series 2006A Bonds bearing interest at 5.12-5.31% to fund low and moderate income housing of benefit to the Agency's Los Medanos Redevelopment Project, to fund a reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2006A bonds. The bonds with interest payments made semi-annually on February 1 and August 1 each year commencing August 1, 2007 through August 1, 2036. Annual principal and interest payments on the bonds are expected to require less than 22% from these revenues. The total principal and interest remaining to be paid on the bonds is \$18,772,524 For FY 2010-11, principal and interest paid and RDA set-aside property tax increment revenues were \$719,835 and \$3,356,980, respectively.

The annual debt service requirements to mature the Series 2006A Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 190,000	\$ 530,373	\$ 720,373
2013	200,000	520,398	720,398
2014	205,000	510,040	715,040
2015	220,000	499,171	719,171
2016	230,000	487,662	717,662
2017-2021	1,335,000	2,243,072	3,578,072
2022-2026	1,725,000	1,841,990	3,566,990
2027-2031	2,240,000	1,318,989	3,558,989
2032-2036	2,675,000	645,954	3,320,954
2037	1,125,000	29,875	1,154,875
<b>Total</b>	<b>\$ 10,145,000</b>	<b>\$ 8,627,524</b>	<b>\$ 18,772,524</b>

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

*2006 Series B Redevelopment Agency Subordinate Tax Allocation Bonds*

2006 Series B Redevelopment Agency Subordinate Tax Allocation Bonds (2006B STAB Bonds) outstanding at June 30, 2010 amounted to \$36,840,000. On November 29, 2006, the Agency issued \$36,840,000 of Series 2006B Bonds bearing interest at 5.12-5.22% to finance certain public capital improvements within the Los Medanos Community Development Project, to fund capitalized interest on the 2006B Bonds through September 1, 2009, to make a deposit to a debt service reserve account, and to pay costs of issuance incurred in connection with the issuance, sale and delivery of the 2006B Bonds. The bonds with interest payments made semi-annually on March 1 and September 1 each year commencing March 1, 2007 through September 1, 2020, are secured by the RDA property tax increment revenues. Annual principal and interest payments are expected to require less than 11% from these revenues. The total principal and interest remaining to be paid on the bonds is \$47,907,930. For FY2010-2011, total interest paid and RDA property tax increment revenues were \$1,902,796 and \$34,325,620 respectively.

The annual debt service requirements to mature the Series 2006B Bonds outstanding at June 30, 2011 were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 1,280,000	\$ 1,870,060	\$ 3,150,060
2013	2,130,000	1,782,850	3,912,850
2014	3,465,000	1,639,758	5,104,758
2015	3,655,000	1,457,664	5,112,664
2016	3,840,000	1,265,980	5,105,980
2017-2021	22,470,000	3,051,618	25,521,618
Total	<u>\$ 36,840,000</u>	<u>\$ 11,067,930</u>	<u>\$ 47,907,930</u>

*2006 Series C Redevelopment Agency Subordinate Tax Allocation Refunding Bonds*

2006 Series C Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (2006C STAB Bonds) outstanding at June 30, 2011 amounted to \$45,690,000. On November 29, 2006, the Agency issued \$46,660,000 of Series 2006C Bonds bearing interest at 3.50-4.50% to refund, on an advance basis, the Agency's outstanding Los Medanos Community Development Project Tax Allocation Bonds, Series 1993B, to make a deposit to a debt service reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2006C bonds. The bonds with interest payments made semi-annually on March 1 and September 1 each year commencing March 1, 2007 through September 1, 2034, are secured by the RDA property tax increment revenues. Annual principal and interest payments are expected to require less than 25% from these revenues. The total principal and interest remaining to be paid on the bonds is \$87,247,965. For FY 2010-11 total interest paid and RDA property tax increment revenues were \$1,973,058 and \$34,325,620, respectively.

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

The annual debt service requirements to mature the Series 2006C Bonds outstanding at June 30, 2011 were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 150,000	\$ 1,969,683	\$ 2,119,683
2013	155,000	1,963,208	2,118,208
2014	160,000	1,956,908	2,116,908
2015	170,000	1,950,733	2,120,733
2016	175,000	1,943,821	2,118,821
2017-2021	980,000	9,604,386	10,584,386
2022-2026	1,200,000	9,388,612	10,588,612
2027-2031	1,470,000	9,108,224	10,578,224
2032-2035	41,230,000	3,672,390	44,902,390
Total	<u>\$ 45,690,000</u>	<u>\$ 41,557,965</u>	<u>\$ 87,247,965</u>
Deferred amount on refunding	<u>(3,586,194)</u>		
Total	<u>\$ 42,103,806</u>		

*2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds*

2008 Series A Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (2008A STAB Bonds) outstanding at June 30, 2011 amounted to \$61,660,856. On November 2008, the Agency issued \$61,660,856 of Series 2008A STAB Bonds bearing interest at 4.375-6.125% to refund, on an advance basis, the Agency's outstanding Los Medanos Community Development Project Subordinated Tax Allocation Bonds, Series 2006A, and to make a deposit to a debt service reserve account for the early principal retirement of \$4,365,000 of the Los Medanos Community Development Project Tax Allocation Bonds, Series 2003A. The bonds with interest payments made semi-annually on March 1 and September 1 each year commencing March 1, 2009 through September 1, 2029 are secured by the RDA property tax increment revenues. Annual principal and interest payments are expected to require less than 10% from these revenues. The 2008A Bonds are also subject to optional redemption and to mandatory sinking account redemption prior to maturity. The total principal and interest remaining to be paid on the bonds is \$117,158,398. For the current year, total interest paid and RDA property tax increment revenues were \$3,963,594 and \$34,325,620, respectively.

The annual debt service requirements to mature the Series 2008A Bonds outstanding at June 30, 2011 were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ -	\$ 3,963,594	\$ 3,963,594
2013	1,150,000	3,938,438	5,088,438
2014	-	3,913,281	3,913,281
2015	15,000	3,912,925	3,927,925
2016	40,000	3,911,569	3,951,569
2017-2021	610,000	19,483,747	20,093,747
2022-2026	35,865,000	14,128,562	49,993,562
2027-2030	23,980,856	3,089,569	27,070,425
Total	<u>\$ 61,660,856</u>	<u>\$ 56,341,685</u>	<u>\$ 118,002,541</u>

The purpose of this reissuance was to restructure the City's Series 2006A Auction Rate Securities to a Fixed Rate due to the failure of the market for auction rate securities.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

*Series 2006 Pension Obligation Bonds*

On June 15, 2006, the City issued \$39,566,056 of Series 2006 Taxable Pension Obligations Bonds bearing interest at 5.784-6.115% to prepay the City's unfunded accrued actuarial liability of the Miscellaneous and Safety plans through the California Public Employees' Retirement System. The City also prepaid the unfunded liability owed to Contra Costa County Employees Retirement Association (CCCERA) which amounted to \$12,700,000 as of June 30, 2006. The Bonds are issued as current interest bonds and capital interest bonds where the current interest is payable annually on July 1, and the capital appreciation bonds will accrete interest from the date of issuance and will be payable only upon maturity or redemption. The bonds are payable from any form of taxation. Annual principal and interest payments on the bonds are expected to require less than 3% percent of city-wide revenues. The total principal and interest remaining to be paid on the bonds is \$89,670,842. For FY 2010-11, principal and interest paid were \$1,830,224 and city-wide revenues were \$94,142,759.

The annual debt service requirements to mature the Series 2006 Pension Obligation Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 300,000	\$ 1,583,283	\$ 1,883,283
2013	375,000	1,565,931	1,940,931
2014	450,000	1,544,241	1,994,241
2015	530,000	1,518,213	2,048,213
2016	1,280,275	2,162,283	3,442,558
2017-2020	6,385,658	11,582,938	17,968,596
2021-2025	6,928,982	12,674,875	19,603,857
2026-2030	6,217,117	13,387,505	19,604,622
2031-2035	16,559,024	4,625,517	21,184,541
Total	\$ 39,026,056	\$ 50,644,786	\$ 89,670,842

*Capital Lease for Governmental Activities*

On February 14, 2007, the City entered into a five year tax-exempt lease agreement for a total principal cost of \$956,492 with Key Government Finance, Inc. for acquisition of a telephone voice over internet protocol (VOIP) system from CISCO Systems, Inc. and a maintenance agreement with AMS.NET to replace an aging and outdated City telephone system. The Citywide VOIP system and the maintenance service were valued at \$666,292 and \$290,201, respectively upon agreement execution. Interest on the outstanding principal is 4.425%; monthly payments of principal and interest are made every month commencing March 30, 2007 through March 30, 2012. The outstanding balance at June 30, 2011 was \$157,279.

The annual debt service requirements to mature the Capital Lease outstanding at June 30, 2011 were as follows:

Year Ending June 30,	Principal	Maintenance Fee	Total	Interest
2012	\$ 113,750	\$ 43,529	\$ 157,279	\$ 2,914
Total	\$ 113,750	\$ 43,529	\$ 157,279	\$ 2,914



**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

The following is a summary of long-term debt transactions of the business-type activities for the year ended June 30, 2011:

Description	Original Issue Amount	Beginning Balance July 1, 2010	Additions	Retirements	Ending Balance June 30, 2011	Amounts Due Within One Year
Revenue Bonds						
2004 Waste Water Revenue Bonds	\$ 11,950,000	\$ 8,615,000	\$	\$ (590,000)	\$ 8,025,000	\$ 605,000
2008 Water Revenue Refunding Bonds	38,395,000	36,425,000		(910,000)	35,515,000	935,000
Total Revenue Bonds	<u>50,345,000</u>	<u>45,040,000</u>		<u>(1,500,000)</u>	<u>43,540,000</u>	<u>1,540,000</u>
<b>Total Business-Type Activities</b>	<b>\$ <u>50,345,000</u></b>	<b>\$ <u>45,040,000</u></b>	<b>\$</b>	<b>\$ <u>(1,500,000)</u></b>	<b>\$ <u>43,540,000</u></b>	<b>\$ <u>1,540,000</u></b>

*2004 Wastewater Revenue Bonds*

2004 Wastewater Revenue Bonds (2004 Wastewater) outstanding at June 30, 2011 amounted to \$8,025,000. In March 2004, the City of Pittsburgh Financing Authority (Authority) issued \$11,950,000 of Wastewater Revenue Refunding Bonds, Series 2004. The bonds bear interest rates from 2.00%-4.25% with interest payments made semi-annually on June 1 and December 1 commencing June 1, 2004 through June 1, 2022. The Bonds are payable solely from Net Wastewater Revenues. Annual principal and interest payments on the bonds are expected to require less than 24% percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$10,099,190. For the current year, principal and interest paid were \$918,952 and wastewater net revenues were \$2,120,467. The Bonds were issued to refund the \$11,545,000 outstanding balance of the 1994 Wastewater Revenue Refunding Bonds. Proceeds from the 2004 Bonds were placed in an irrevocable trust to provide for all future debt service payments on the defeased 1996 Bonds. Accordingly, the trust account assets and liability for the defeased 1994 Bonds are not included in the City's basic financial statements. The defeased 1994 Bonds were called on June 1, 2004.

The annual debt service requirements to mature the 2004 Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	Total
2,012	\$ 605,000	\$ 311,252	\$ 916,252
2,013	620,000	291,590	911,590
2,014	640,000	271,440	911,440
2,015	670,000	249,040	919,040
2,016	695,000	224,585	919,585
2017-2020	3,065,000	615,145	3,680,145
2021-2022	1,730,000	111,138	1,841,138
Total	<u>\$ 8,025,000</u>	<u>\$ 2,074,190</u>	<u>\$ 10,099,190</u>

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

2008 Water Revenue Refunding Bonds

On May 8, 2008, the City issued \$38,395,000 of Series 2008 Water Revenue Refunding Bonds with multi-model interest modes, to refund, on a current basis, 2005 Water Revenue Bonds, to fund a debt service reserve account with respect to the 2008 Bonds and to pay certain costs of issuance of the 2008 Bonds. The bonds are authorized to be issued in a Weekly Interest Rate Period, a Daily Interest Rate Period, a Long-Term Interest Rate Period, an Index Interest Period or an Auction Rate Bond Interest Rate Period. A portion of the proceeds from the 2008 Bonds was placed in an irrevocable trust to provide for all future debt service payments on the defeased 2005 Bonds. As of June 30, 2011, \$35,515,000 of principal remained outstanding on the 2008 Bonds. The Bonds are payable solely from Water System revenues. Annual principal and interest payments on the bonds are expected to require less than 13% percent of net revenues. The total principal and interest remaining to be paid on the bonds is \$51,468,770. At the close of every fiscal year, the City will re-evaluate the effective interest rate for the bonds as of June 30. For FY 2010-11, principal and interest paid were \$1,799,937 and Water System operating revenues were \$16,877,804.

In connection with the issuance of the 2005 Water Revenue Bonds, the City entered into a pay-fixed, receive-variable interest rate swap agreement for the purpose of protecting against the potential of rising interest rates associated with the 2005 Water Revenue Bonds. The 2005 Swap agreement remained with 2008 Water Revenue Refunding Bonds and the terms, fair value and credit risk are disclosed in the Interest Rate Swap Agreements section.

The annual debt service requirements to mature the 2008 Bonds outstanding at June 30, 2011, were as follows:

Year Ending June 30,	Principal	Interest	LOC & Swap Fee	Total
2012	\$ 935,000	\$ 42,395	\$ 1,130,247	\$ 2,107,642
2013	960,000	41,218	1,098,870	2,100,088
2014	1,010,000	39,980	1,065,858	2,115,838
2015	1,035,000	38,711	1,032,029	2,105,740
2016	1,090,000	37,375	996,402	2,123,777
2017-2021	6,100,000	164,989	4,398,584	10,663,573
2022-2026	7,325,000	123,153	3,283,208	10,731,361
2027-2031	8,750,000	73,223	1,952,111	10,775,334
2032-2035	8,310,000	15,742	419,675	8,745,417
Total	\$ 35,515,000	\$ 576,786	\$ 15,376,984	\$ 51,468,770

Interest Rate Swap Agreements

The 2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds and the 2005 City of Pittsburg Water Revenue Bonds were issued as variable rate bonds. The rate on each of these bonds fluctuates according to market conditions. In order to protect against the potential of rising interest rates associated with the Bonds, the Agency and the City each entered into pay-fixed, receive-variable interest rate swaps. The terms, fair value and credit risk of the swap agreement are disclosed below.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

*Terms.* The terms, including the counterparty credit ratings of the outstanding swaps, as of June 30, 2011 are included below. The Agency's and City's swap agreements contain scheduled reductions to outstanding notional amounts that are expected to follow scheduled reductions in the associated bonds.

Associated Bonds	2004A RDA Tax Allocation Bonds	2008 Water Revenue Bonds
City Pays	3.5490 %	3.6150 %
City Receives	63% of 1 month USD-LIBOR + .35%	63% of 1 month USD-LIBOR + .30%
Maturity Date	9/1/2035	5/25/2035
Initial Notional	\$117,615,000	\$38,850,000
Bank Counterparty	Piper Jaffray Financial Products Inc. with a Guarantee from Morgan Stanley Capital Services	Piper Jaffray Financial Products Inc. with a Guarantee from Morgan Stanley Capital Services
Credit Ratings by Moody's/Fitch/S&P	A2/A/A	A2/A/A
Total Value	\$ (12,317,238)	\$ (2,468,394)

On December 16, 2004, the Agency elected to enter into a 63% of 1-month LIBOR plus 35 basis points (0.35%) floating-to-fixed interest rate swap to hedge the issuance of \$117,615,000 of variable-rate Series A 2004 Bonds. The combination of variable rate bonds and a floating-to-fixed swap creates synthetic fixed-rate debt for the Agency. The transaction allowed the Agency to create a synthetic fixed rate on the Bonds, protecting the Agency against increases in short-term interest rates.

On December 15, 2005, the City elected to enter into a 63% of 1-month LIBOR plus 30 basis points (0.30%) floating-to-fixed interest rate swap to hedge the issuance of \$38,850,000 of variable-rate Series 2005 Water Bonds. The Series 2005 Water Bonds were refunded by the variable rate Series 2008 Water Bonds. The combination of variable rate bonds and a floating-to-fixed swap creates synthetic fixed-rate debt for the City. The transaction allowed the City to create a synthetic fixed rate on the Bonds, protecting the City against increases in short-term interest rates.

*Fair value.* The Agency's swap had a negative fair value as of June 30, 2011 of \$12,317,238 for 2004A, while the City's swap had a negative fair value of \$2,468,394 for the 2008 Water Revenue Bonds. This fair value takes into consideration the prevailing interest rate environment, the specific terms and conditions of a given transaction and any upfront payments that may have been received. The fair value was estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the LIBOR swap yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement on the swaps.

*Credit risk.* As of June 30, 2011, the Agency and City were not exposed to credit risk on its outstanding swap because the swap had a negative fair value. However, if interest rates rise and the fair value of the swap were to become positive, the Agency and City would be exposed to credit risk in the amount of the fair value on the swap. The swap counterparty is Piper Jaffray Financial Products, Inc. who is guaranteed by Morgan Stanley Capital Services, Inc. (MSCS), the guarantor for the counterparty is rated A2/A/A by Moody's, Standard & Poor's and Fitch, respectively. The Agency and City will be exposed to interest rate risk only if the counterparty to the swap defaults or if the swap is terminated at a time when the swap has a positive fair value.

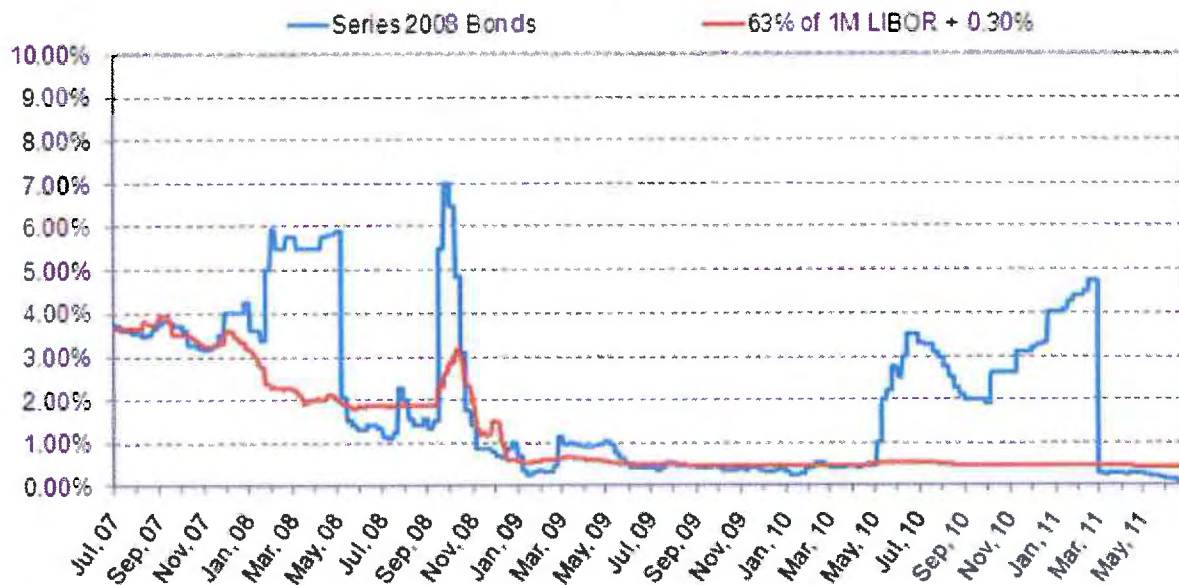
The swap agreement contains a collateral agreement with MSCS which guarantees Piper Jaffray. The swap requires collateralization of the fair value of the swap should the MSCS credit rating fall below the applicable thresholds.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

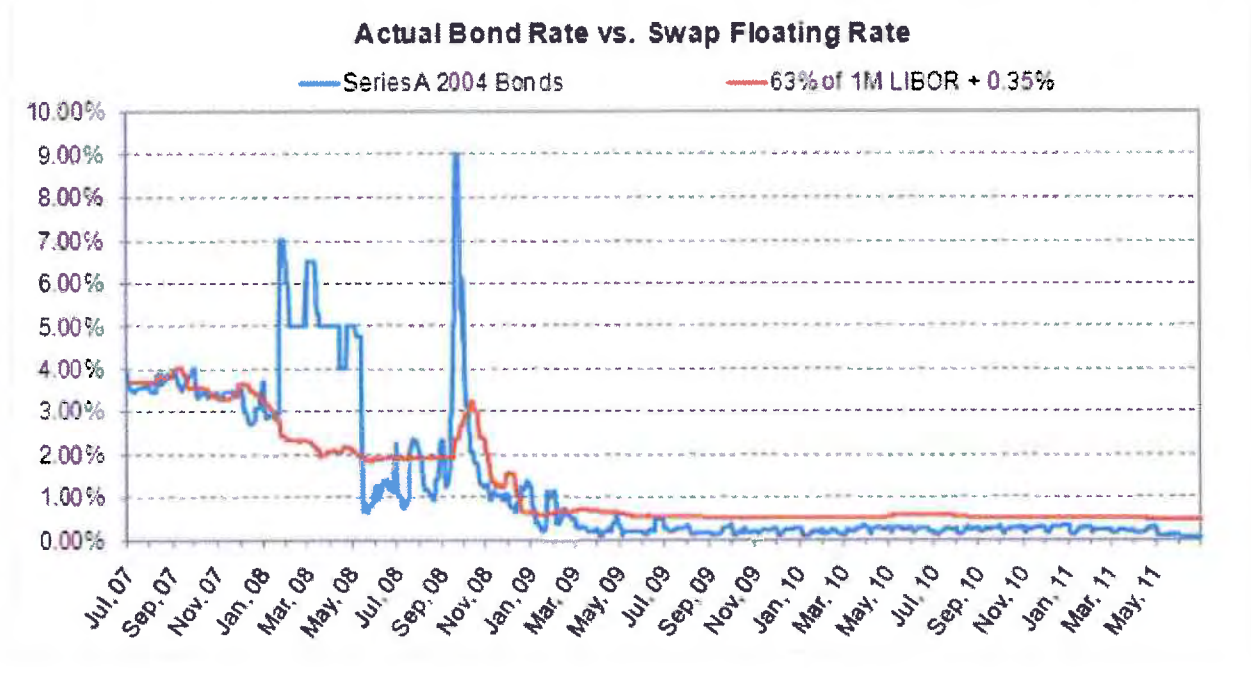
*Basis risk.* Basis risk is the risk that the interest rate paid by the Agency and City on underlying variable rate bonds to bondholders temporarily differs from the variable swap rate received from the applicable counterparty. The Agency and City bear basis risk on its swap. The Swap has basis risk since the Agency and City receive a percentage of LIBOR to offset the actual variable bond rate the Agency and City pay on its bonds. The Agency and City are exposed to basis risk should the floating rate that it receives on a swap be less than the actual variable rate the Agency and City pay on the bonds. Depending on the magnitude and duration of any basis risk shortfall, the expected cost of the basis risk may vary.

The financial credit crisis triggered by the sub-prime mortgage crisis, which began in 2007, resulted in a lack of liquidity for the Agency’s Series A 2004 and City’s 2008 Water Revenue Bonds leading to rate dislocation and unanticipated increase in interest rate expense. The graph is a comparison of the actual variable bond rates and the daily percentage of LIBOR rates received from the counterparty. Prior to December of 2007, the basis difference is relatively small; the basis difference increased drastically between December of 2007 and November 2008. As the financial markets improved in early 2009, the basis difference narrowed significantly on both of the bonds. The exception was the City’s 2008 Water Revenue Bonds between May 2010 and February 2011. The City’s bonds were backed by a direct-pay letter-of-credit from Allied Irish Bank. In response to the European debt crisis, and consequently investors’ declining confidence in the financial health of the bank, these bonds traded at much higher rates. In March 2011, the Allied Irish Bank Letter of Credit (LOC) was replaced with a Bank of the West LOC. Since March 2011, the bonds have traded at lower rates in line with market rates.

**Actual Bond Rate vs. Swap Floating Rate**



**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**



*Tax risk.* Tax risk is a specific type of basis risk. Tax risk is a permanent mismatch between the interest rate paid on the Agency’s and City’s underlying variable-rate bonds and the rate received on the swaps caused by a reduction or elimination in the benefits of the tax exemption for municipal bonds, e.g. a tax cut that results in an increase in the ratio of tax-exempt to taxable yields. The Agency and City is receiving 63% of 1-month LIBOR (a taxable index) plus 35 and 30 basis points respectively on the swaps and would experience a shortfall relative to the rate paid on its bonds if marginal income tax rates decrease relative to expected levels, thus increasing the overall cost of its synthetic fixed rate debt.

*Termination risk.* The Agency, City or the counterparty may terminate any of the swaps if the other party fails to perform under the terms of the respective contracts. If any of the swaps are terminated, the associated variable-rate bonds would no longer be hedged to a fixed rate. If at the time of termination the swap has a negative fair value, the Agency or City would be liable to the counterparty for a payment equal to the swap’s fair value.

Compensated Absences

Compensated absences at June 30, 2011 are presented as follows:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 1,715,350	\$ 351,495	\$ 2,066,845
Additions	862,024	416,441	1,278,465
Payments	(622,701)	(415,655)	(1,038,356)
Ending Balance	\$ 1,954,673	\$ 352,281	\$ 2,306,954
Due within One Year	\$ 651,476	\$ 114,881	\$ 766,357

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund when it becomes current.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

**NOTE 9 - SPECIAL ASSESSMENT DISTRICT DEBT WITHOUT CITY COMMITMENT**

The City has sponsored special assessment debt issues under which it has no legal or moral liability with respect to repayment of the debt and therefore does not include this debt in the City's Governmental Activities. The activity for those issues for the year ended June 30, 2011, was as follows:

Description	Beginning Balance July 1, 2010	Additions	Retirements	Ending Balance June 30, 2011
1998 Marina Walk A.D. Bonds	\$ 1,445,000	\$ -	\$ (45,000)	\$ 1,400,000
1998 Pittsburg IFA Bonds	8,835,000	-	(480,000)	8,355,000
2001-01 San Marco A.D. Bonds	6,610,000	-	(150,000)	6,460,000
2001-02 Oak Hills South A.D. Bonds	2,420,000	-	(55,000)	2,365,000
2001-03 Century Plaza Bonds	3,930,000	-	(90,000)	3,840,000
2005 Vista Del Mar CFD Bonds	11,410,000	-	(250,000)	11,160,000
Total	\$ 34,650,000	\$ -	\$ (1,070,000)	\$ 33,580,000

**1998 Marina Walk Assessment District Bonds** – 1998 Marina Walk Assessment District Bonds (Marina Walk Bonds) outstanding at June 30, 2011, amounted to \$1,400,000. The Marina Walk Bonds bear interest rates between 4.25% and 5.40% with interest payments made semi-annually on March 2 and September 2. The Marina Walk Bonds mature annually from 2000 to 2029 on September 2 in amounts ranging from \$30,000 to \$120,000. Proceeds from the Marina Walk Bonds were used to finance the construction and acquisition of certain public improvements specifically benefiting properties located within the boundaries of the Marina Walk Assessment District.

**1998 Pittsburg Infrastructure Financing Authority Bonds** – 1998 Pittsburg Infrastructure Financing Authority Bonds (1998 PIFA Bonds) consist of two series with principal outstanding at June 30, 2011, amounting in total to \$8,355,000. The 1998 PIFA Bonds bear interest rates between 4.00% and 5.85% with interest payments made semi-annually on March 2 and September 2. The 1998 PIFA Bonds mature annually from 1999 to 2025 on September 2 in amounts ranging from \$105,000 to \$855,000. Proceeds from the 1998 PIFA Bonds were used to acquire \$12,000,000 principal amount of the Pittsburg Limited Obligation Refunding Bonds, Reassessment District No. 1998-1 which were issued to refund the New York Landing and Oakhill Water Facilities Assessment District Bonds and the 1995 and 1994 Pittsburg Infrastructure Financing Authority Bonds.

**2001-01 San Marco Assessment District Bonds** – 2001-01 Limited Obligation Improvement Assessment District Bonds (San Marco Bonds) outstanding at June 30, 2011, amounted to \$6,460,000. The San Marco Bonds bear interest rates between 4.00% and 5.90% with interest payments made semi-annually on March 2 and September 2. The San Marco Bonds are to be paid from annual assessment installments. Proceeds from the San Marco Bonds were used to finance the construction and acquisition of certain public improvements within the assessment district.

**2001-02 Oak Hills South Assessment District Bonds** – 2001-02 Limited Obligation Improvement Assessment District Bonds (Oak Hills South Bonds) outstanding at June 30, 2011, amounted to \$2,365,000. The Oak Hills South Bonds bear interest rates between 4.00% and 5.20% with interest payments made semi-annually on March 2 and September 2. The Oak Hills South Bonds are to be paid from annual assessment installments. Proceeds from the Oak Hills South Bonds were used to finance the construction and acquisition of certain public improvements within the City's assessment district No. 2001-02.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

---

**2001-03 Century Plaza Assessment District Bonds** – 2001-03 Limited Obligation Improvement Assessment District Bonds (Century Plaza Bonds) outstanding at June 30, 2011, amounted to \$3,840,000. The Century Plaza Bonds bear interest rates between 2.40% and 5.88% with interest payments made semi-annually on March 2 and September 2. The Century Plaza Bonds are to be paid from annual assessment installments. Proceeds from the Century Plaza Bonds were used to finance the construction and acquisition of certain public improvements within the City’s assessment district No. 2001-03.

**2005 Vista Del Mar Assessment District Bonds** – In October 2005, the City of Pittsburg sponsored \$12,115,000 of 2005 Community Facilities District Bonds (Vista Del Mar). The Vista Del Mar Bonds bear interest rates between 3.00% and 5.00% with interest payments made annual on September 1. The Vista Del Mar Bonds are to be paid from special taxes which are levied by the City on taxable real property within the boundaries of the District. Proceeds from the Vista Del Mar Bonds will be used to finance certain public infrastructure improvements within the City’s Community Facilities District No. 2005-2. The outstanding balance at June 30, 2011 amounted to \$11,160,000.

In August 2011, the following Assessment District bonds were refunded: 1998 Pittsburg Infrastructure Financing Authority, Marina Walk, Oak Hill South and San Marco. These districts were consolidated into one Reassessment District No. 2011-1. The true interest cost of the refunded bonds is 4.5%.

**NOTE 10 - NET ASSETS AND FUND BALANCES**

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

**A. Net Assets**

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

In the Government-Wide Financial Statements, net assets are classified in the following categories:

*Invested in Capital Assets, net of Related Debt* - This amount is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

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

*Unrestricted Net Assets* – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted net assets.”

**B. Fund Balances**

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

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

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

Restricted fund balance has external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balance has constraints imposed by formal action of the City Council which may be altered only by formal action of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

Assigned fund balance are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. This category includes encumbrances; Nonspendables, when it is the City's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

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

Detailed classification of the City's Fund Balances, as of June 30, 2011 is listed below:

To comply with the GASB 54 requirements, the Budget Stabilization fund and Economic Development Fund were consolidated with the General Fund. The following table provides details of the makeup of General Fund:

Fund	Nonspendable	Restricted	Committed	Assigned	Unassigned	Total
General	\$ 280,573	\$ -	\$ -	\$ 220,634	\$ 7,094,805	\$ 7,596,012
Budget Stabilization					9,361,855	9,361,855
Economic Development				1,837,808		1,837,808
Total	\$ 280,573	\$ -	\$ -	\$ 2,058,442	\$ 16,456,660	\$ 18,795,675



**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

Fund Balance Classifications	Special Revenue			Debt Service		Capital Projects			Total
	General Fund	Special Revenue Redevelopment Agency	Housing Authority Section 8	Low & Moderate Housing I	Low/Moderate Income Housing II	Redevelopment Agency	Capital Projects Redevelopment Agency	Community Capital Improvement Fund	
<b>Nondeductibles:</b>									
Items not in spendable form:									
Deposits for Land	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000
Interfund Advances	161,955	7,831,615	-	-	-	-	-	-	7,993,570
Prepays and others	-	-	-	-	-	-	140,917	-	140,917
Inventory	103,618	294,558	-	-	-	-	140,917	-	43,251
Subtotal	280,573	8,126,173	-	-	-	-	140,917	-	\$ 43,251
Amounts required to maintained intact:									
Permanent funds	-	-	-	-	-	-	-	-	-
<b>Total Nondeductible Fund Balances</b>	<b>\$ 280,573</b>	<b>\$ 8,126,173</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>140,917</b>	<b>-</b>	<b>\$ 43,251</b>
<b>Restricted for:</b>									
Special Revenue	\$ -	\$ 5,115,464	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,319,736
Debt Service	-	-	-	-	-	96,854,913	-	-	1,150,258
Redevelopment Low Income Housing	-	-	2,056,418	-	996,374	-	-	-	1,327,033
Capital Projects	-	-	-	-	-	-	-	-	4,379,825
Encumbrances	-	449,780	-	-	458,271	-	-	-	7,457,921
<b>Total Restricted Fund Balances</b>	<b>-</b>	<b>5,565,244</b>	<b>2,056,418</b>	<b>-</b>	<b>1,454,645</b>	<b>96,854,913</b>	<b>-</b>	<b>-</b>	<b>16,254,948</b>
<b>Committed to:</b>									
Capital Improvement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,112,779	\$ 660,283
Marina Vista Field Repl	-	-	-	-	-	-	-	-	74,428
Traffic Mitigation	-	-	-	-	-	-	-	-	-
<b>Total Committed Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,112,779</b>	<b>734,711</b>
<b>Assigned to:</b>									
Capital Projects	\$ 201,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Encumbrances (PO's)	1,220	-	-	-	-	-	-	-	37,491
Reserved for Police Buys	6,656	-	-	-	-	-	-	-	6,656
Reserved for Leisure Service	31,259	-	-	-	-	-	-	-	31,259
Payroll Imprest Fund Balance	21,862	-	-	-	-	-	-	-	21,862
For Economic Development	1,795,887	-	-	-	-	-	-	-	1,795,887
Public Safety	-	-	-	-	-	-	-	-	79,840
<b>Total Assigned Fund Balances</b>	<b>2,058,442</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>117,331</b>
<b>Unassigned:</b>									
General fund	\$ 7,094,805	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Stabilization Arrangements	9,361,855	-	-	-	-	-	-	-	-
Other governmental fund deficit residuals	-	-	-	(7,831,615)	-	-	(140,916)	-	(348,722)
<b>Total Unassigned Fund Balances</b>	<b>\$ 16,456,660</b>	<b>-</b>	<b>-</b>	<b>\$ (7,831,615)</b>	<b>-</b>	<b>-</b>	<b>(140,916)</b>	<b>-</b>	<b>\$ (348,722)</b>
<b>Total Fund Balances (Deficit)</b>	<b>\$ 18,795,675</b>	<b>\$ 13,691,417</b>	<b>\$ 2,056,418</b>	<b>\$ (7,831,615)</b>	<b>\$ 1,454,645</b>	<b>\$ 96,854,913</b>	<b>\$ 1</b>	<b>\$ 5,112,779</b>	<b>\$ 16,801,519</b>
									<b>\$ 146,933,752</b>

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

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

At June 30, 2011, the Low-Moderate Income Housing I Special Revenue Fund had a deficit fund balance of \$7,831,615 due to an interfund loan from Redevelopment Agency Special Revenue Fund. The deficit will be reduced with future years' incremental tax revenues.

At June 30, 2011, the Small Cities Grant Special Revenue Fund had a deficit fund balance of \$215,920. The deficit will be reduced with an inter-fund loan from the Low and Moderate Housing Fund.

At June 30, 2011, the Park Maintenance CFD 2007-1 Special Revenue Fund had a deficit fund balance of \$121,845. The deficit will be reduced with future years' assessment revenues.

At June 30, 2011, the Vista Del Mar CFD 2005-2 Special Revenue Fund had a deficit fund balance of \$4,764. The deficit will be reduced with future years' assessment revenues.

**NOTE 11 - RISK MANAGEMENT**

***A. General Liability Insurance***

The City is self-insured for the first \$25,000 of each loss and maintains excess liability insurance through Municipal Pooling Authority (MPA). The City is not insured for liability occurrences over \$15,000,000 per occurrence.

***B. Workers' Compensation***

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

***C. Estimated Reserves for Claims***

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

The City's liability for uninsured claims, based on claims history, was computed as follows and is recorded in the Insurance Internal Service Fund:

For the Years Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
2008	\$ 168,343	\$ 95,645	\$ (8,275)	\$ 255,713
2009	255,713	41,742	(88,685)	208,770
2010	208,770	(95,076)	(29,519)	84,175
2011	84,175	69,494	-	153,669

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

The Enterprise Fund liability was the residual from Water Bond Rebate Liability (Arbitrage).

For the Years Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
2011	\$ 338,128	\$ 313,648	\$ -	\$ 24,480

***D. Purchased Insurance***

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

Coverage Type	Deductible	Coverage Limits
All Risk Fire and Property	\$ 5,000	\$ 1,000,000,000
Boiler and Machinery	5,000	100,000,000
All Vehicles (Physical Damage)	2,000	250,000
Police Vehicles (Physical Damage)	3,000	250,000
Workers' Compensation	none	Statutory Limits
Liability	25,000	29,000,000

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

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

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

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

***E. Adequacy of Protection***

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

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

**NOTE 12 - DEFINED BENEFIT PENSION PLAN**

***A. CALPERS Safety and Miscellaneous Plans***

All qualified permanent and probationary employees are eligible to participate in pension plans offered by the California Public Employees' Retirement System (CALPERS).

Plan Description – The miscellaneous employees of the City are part of an agent multiple-employer defined benefit pension plan. The safety employees are part of a cost-sharing multiple-employer defined benefit plan. CALPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CALPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of CALPERS' annual financial report may be obtained from their executive office at 400 P Street, Sacramento, CA 95814.

Funding Policy – The Plan's provisions and benefits in effect at June 30, 2011, are summarized as follows:

	Miscellaneous	Safety
Benefit Vesting Schedule	5 years of service	5 years of service
Benefits payments	Monthly for life	Monthly for life
Retirement age	50	50
Monthly benefits, as % of annual salary	1.426-2.418%	3%
Required employee contribution rate	7%	9%
Required employer contribution rate	9.954 %	26.746 %

The Plans are funded by contributions from both the City and its employees. However, certain labor contracts require the City to also pay employee contributions. See the Required Supplementary Information for the Schedule of Funding Progress.

Annual Pension Cost – For 2010-2011, the City's annual pension cost of \$4,506,266 for CALPERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2004, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 3.25% to 14.45% for miscellaneous employees and from 3.25% to 13.15% for safety employees depending on age, service, and type of employment, and (c) 2% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3%. The actuarial value of CALPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a three-year period. CALPER's unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis. The average remaining amortization period at June 30, 2004, was 30 years for miscellaneous and safety employees for prior and current service unfunded liability.

**THREE-YEAR TREND INFORMATION FOR PERS**

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2009	\$ 4,805,166	100%	\$ -
6/30/2010	\$ 4,542,710	100%	\$ -
6/30/2011	\$ 4,506,266	100%	\$ -

On June 15, 2006, the City, issued \$39,566,056 of Series 2006 Taxable Pension Obligation Bonds to prepay the City's unfunded CALPERS accrued actuarial liability of \$25,977,758 as determined in certified actuarial calculations as of June 2004.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

As required by State law, effective July 1, 2005, the City's Safety Plan was terminated, and the employees in the plan were required by CALPERS to join a new State-wide pool. One of the conditions of entry was that the City true-up any unfunded liabilities or overfunded assets in the former Plan, either by paying cash or by increasing or decreasing its future contribution rates through a Side Fund offered by CALPERS. The City satisfied its Safety Plan's unfunded liability of \$11,341,333 by agreeing to contribute that amount to the Side Fund through an addition to its normal contribution rates over twenty years.

***B. Funding Status as of the Most Recent Actuarial Date***

The City contributes to the California Public Employees' Retirement System (CALPERS), as an agent multiple – employer public employee defined benefit pension plan. The amounts reflected herein represent the City's portion as reported by CALPERS.

**Miscellaneous Plan**

Actuarial Valuation Date	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll (C/E)
6/30/2008	\$ 42,173,141	\$ 43,552,995	\$ 1,379,854	96.8%	\$ 15,383,957	9.0%
6/30/2009	45,834,714	51,599,039	5,764,325	88.8%	14,386,852	40.1%
6/30/2010	49,123,779	56,515,919	7,392,140	86.9%	13,205,117	56.0%

**Safety Plan**

The City retirement plan for safety employees is a part of the CALPERS risk pool for cities and other government entities that have less than 100 active members. Actuarial valuations performed included other participants within the same risk pool. Therefore, standalone information of the schedule of the funding progress for the City's safety employees is no longer available.

See actuarial value and funding progress table in the Required Supplementary Information.

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

Between July 1, 1973 and June 30, 2001 the City provided retirement benefits to its employee groups by contracting with the Contra Costa County Employees' Retirement Association (CCCERA). The City of Pittsburg converted to the CALPERS retirement system effective July 1, 2001 and entered into a Termination Withdrawal Agreement with CCCERA that resulted in the following consequences:

CCCERA retained the obligation to provide future benefits to the City's past retirees and vested members that had left the City's employment prior to July 1, 2001.

The City would provide CALPERS retirement benefits for its then current and future employees.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

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

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

Almost a year later the City received a letter from CCCERA dated August 23, 2007 providing the December 31, 2006 withdrawal liability update. In summary, the update reported the funding ratio of the present value of benefits (\$47.9 million) to allocated market assets (\$45.4 million) as 94.8%.

The August 23, 2007 letter stated that since this ratio is below 95% this triggers a lump sum payment as of December 31, 2006 for \$2,505,433 plus interest at the rate of 7.8% to date of payment or an annual payment of \$289,144 to be amortized over 15 years starting with the first payment due on December 31, 2007.

In December of 2010, CCCERA sent a letter to the City regarding the triennial update of the City of Pittsburg's withdrawal liability as of 12/31/2009. The City of Pittsburg's updated unfunded termination liability of \$15,877,533 was calculated by The Segal Company, which would result in an annual payment of \$1,826,746 or approximately \$1.5 million more than CCCERA's previous 2006 calculated annual payment of \$289,144. In response to CCCERA's December 2010 calculated triennial update of the City's withdrawal liability, the City contracted with Bartel Associates to review the calculation to ensure it was accurate as well as provide the City with options to reduce its unfunded obligation. Bartel Associates confirmed that the triennial update of the City's withdrawal liability was accurately calculated.

However, Bartel Associates recommended that the City and CCCERA amend the City's Termination Agreement to (1) allow the calculation be prepared on an Actuarial rather than Market value of assets basis, and (2) create an 18-month lag between the valuation date and the date the contribution is due. Bartel Associates estimated that making these changes to the City's Termination Agreement with CCCERA would result in lowering the 12/31/2009 unfunded obligation from \$15.9 million to \$9.9 million and therefore lower the City's annual payment on July 1, 2011 from \$2 million to \$1.3 million. Given this reduced unfunded obligation and annual payments to CCCERA, the City requested an amendment to the City of Pittsburg's Termination Agreement with CCCERA as suggested by Bartel Associates. The City has been in conversations with CCCERA staff regarding this proposed amendment. The 15-year CCCERA payment schedule in Note 8 assumes the City's proposed amendment is adopted.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

**NOTE 13-OTHER POST-EMPLOYMENT BENEFITS**

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

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

**Funding Policy.** There is no statutory requirement for the City to prefund its OPEB obligation. The City has currently chosen to pay plan benefits on a pay-as-you-go basis. There are no employee contributions.

For fiscal year 2010/11, the City paid \$1,007,390 for retiree healthcare plan benefits, including \$835,496 in premium payments for retirees and \$171,894 for implied subsidies.

The City allows retirees to participate in the same City medical plans (Kaiser and Health Net) as active employees. For the Kaiser medical plan, retiree premium rates are the same as the active premiums. Because this premium rate is a “blended” rate, retiree premiums payments are lower than what they would pay if the retirees were in a standalone medical plan, resulting in an implied subsidy for retirees under GASB Statement 45.

The Annual Required Contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC is equal to the normal cost plus a 30-year amortization of the unfunded actuarial liability.

**Annual OPEB Cost and Net OPEB Obligation.** The following table, based on the City’s most recent actuarial valuation as of January 1, 2009, shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s Net OPEB obligation:

Annual required contribution	\$	3,660,000
Interest on net OPEB obligation		346,000
Adjustment to annual required contribution		(324,000)
Annual OPEB cost (expense)		3,682,000
Contribution (benefits payments)		(1,007,390)
Adjustment to prior year contribution		133,941
Increase in net OPEB obligation		2,808,551
Net OPEB obligation - beginning of year		8,145,000
Net OPEB obligation - end of year	\$	<u>10,953,551</u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2010-2011 are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2009	\$ 4,894,000	16.5%	\$ 4,088,000
June 30, 2010	5,059,000	19.8%	8,145,000
June 30, 2011	3,682,000	36.9%	10,953,551

**City of Pittsburgh**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

**Funded Status and Funding Progress.** The funded status of the plan as of January 1, 2009, the plan's most recent actuarial valuation date, was as follows (dollar amounts in thousands):

Actuarial accrued liability (AAL)	\$	37,383,000
Actuarial value of plan assets		0
Unfunded actuarial accrued liability (UAAL)	\$	37,383,000
Funded ratio (actuarial value of plan assets/AAL)		0%
Projected covered payroll (active Plan members)	\$	18,792,000
UAAL as a percentage of covered payroll		198.9%

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

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

In the January 1, 2007 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.25% investment rate of return (net of administrative expenses), and a 3% general inflation assumption. Premiums were assumed to increase with a pre-Medicare medical cost increase rate of 9.7% for HMO's and 10.5% for PPO's for 2009, both grading down to 4.5% for 2017 and thereafter. The post-Medicare medical cost increase rebates were 10.1% for HMO's and 10.9% for PPO's for 2009, both grading down to 4.5% for 2017 and thereafter. The initial UAAL was amortized as a level percentage of projected payroll over a fixed 30-year period.

**Schedule of Funding Progress**  
**Postemployment Healthcare Plan**  
**(Dollar amounts in thousands)**

Actuarial Valuation Date	Actuarial Asset Value	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	UAAL as a Percentage of Covered Payroll ((B-A)/C)
1/1/07	\$ -	\$ 42,890,000	\$ 42,890,000	0%	\$ 20,021,000	214.2%
1/1/09	-	37,383,000	37,383,000	0%	18,792,000	198.9%

**Schedule of Employer Contributions**  
**Postemployment Healthcare Plan**

Cap Year Ended June 30	Annual Required Contribution	Percentage Contributed
2009	\$ 4,894,000	16.5%
2010	5,059,000	19.8%
2011	3,682,000	36.9%



**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

**NOTE 14 - COMMITMENTS AND CONTINGENCIES**

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

The City participates in a number of Federal, State, and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government. As of June 30, 2011, some amounts of grant expenditures have not been audited, but the City believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any individual governmental funds or the overall financial condition of the City.

***B. Litigation***

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

***C. Pass-Through Agreements***

The Agency has agreements with the County of Contra Costa, College District, Education Office, Fire District, Flood Control District, County Library District, East Bay Regional Parks District, Mosquito Abatement District, Antioch Unified School District and Pittsburg Unified School District which requires it to pass through a portion of its property tax increment to these agencies. The Community Redevelopment Law Reform Act of 1993, also known as AB 1290, requires the Agency to also pass through tax increments to other taxing agencies not engaged in agreements with the Agency. The tax increment passed through to all agencies amounted to \$6,342,224 for fiscal year 2010-2011.

**NOTE 15 - SUBSEQUENT EVENT**

The Redevelopment Agency of the City of Pittsburg (the "Agency") has actively operated as a redevelopment agency since 1958. During this time, the Agency has assisted in various types of redevelopment projects throughout the Los Medanos Community Development Project Area. On June 29, 2011, the Governor signed into law ABx1 26 ("Dissolution Act"), which automatically suspended redevelopment activities as of the effective date of the bill and subsequently dissolves the Agency and ABx1 27 ("the Voluntary Payment Act") (collectively, the "Legislation"), which provides that the suspension and dissolution provisions of the legislation will not apply to the Agency if the City of Pittsburg (the "City") adopts an ordinance committing to pay specified amounts for distribution to schools and other taxing entities.

Under the Legislation, the deadline to opt-in to the Voluntary Payment Act is November 1, 2011. If the City chose not to participate in the AB 27 payment program, the Agency would have been dissolved as of October 1, 2011. In such case, an oversight board would direct the disposition of Agency assets with proceeds to be transferred to the Contra Costa County Auditor-Controller for distribution to local school districts and other taxing entities.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

---

In July 2011, the California Redevelopment Association (the “CRA”) filed a suit (the “CRA Suit”) challenging the validity of the Dissolution Act and the ability of the State legislature to enact the Voluntary Payment Act. In response to the CRA Suit, the California Supreme Court ordered a stay on most of the Dissolution Act, excluding the provisions that require suspension of redevelopment activities, and a stay of all of the Voluntary Payment Act, pending a determination of the CRA Suit.

In order for the City to participate in the Voluntary Payment Act, the City must make certain remittances to the Contra Costa Auditor-Controller as required under the Voluntary Payment Act. The remittance amount due for fiscal year 2011-2012 is \$6,532,334 as published by the California Department of Finance. For subsequent years, the payment amount is estimated to be approximately \$1,500,000 annually. The first half of the remittance amount is due on January 15, 2012 and the second half is due on May 15, 2012. Every January 15 and May 15 thereafter, the City, will be required to continue to make remittances to the County Auditor-Controller for the life of the Redevelopment Plan in order to retain the Agency.

Based on the financial analysis that compared the value of Agency assets to the annual payments required under the Voluntary Payment Act, participating in the Voluntary Payment Act would be beneficial to the City.

On September 19, 2011, the Pittsburg RDA Board passed on first reading Ordinance 11-1352 that states Pittsburg’s RDA will participate in the AB 27 payment program. The second reading of Ordinance 11-1352 and therefore the final adoption will occur after the California Supreme Court has decided that the Voluntary Payment Act is in full force and effect.

**NOTE 16 - PRIOR PERIOD RESTATEMENT**

During fiscal year 2010-2011, the City made the following prior period adjustments to restate its previously issued financial statements:

- Concurrent with the implementation of GASB 54, the City has combined two funds previously reported separately (Budget Stabilization and Economic Development Special Revenue Funds) with the General Fund.
- Recorded \$29,974,114 of land held for redevelopment for the Vidrio condominiums in the Redevelopment Agency Special Revenue Fund that were previously recorded as governmental capital assets.
- Recorded the activities of the Pittsburg Arts and Community Foundation (PACF) as a special revenue fund, which was determined to be a blended component unit of the City as the governing Board of the PACF is essentially the same as the City Council.
- Reclassed Community Capital Improvement Fund from non-major to Major.
- Adjusted the balance of Construction in Progress and Buildings and Improvements class of assets within the governmental activities, in the total amount of \$4,787,801.
- Removed CCCERA obligations from governmental activities long-term debt, as it was determined the City has been paying its actuarially required contributions.

**City of Pittsburg**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2011**

The results of these restatements are as follows:

**Government-Wide Financial Statements**

Governmental Activities Net Assets	
As previously reported	\$ 72,674,640
PACF	655,295
Capital assets adjustment	(4,787,731)
Remove CCCERA pension obligation	2,201,702
Beginning net assets, as restated	<u>\$ 70,743,906</u>

**Fund Level Financial Statements**

	<u>General Fund</u>	<u>RDA Special Revenue</u>	<u>Community Capital Improvement</u>	<u>Other Major Fund</u>	<u>Non -Major Governmental</u>	<u>Total Governmental</u>
Ending Bal 6-30-10	\$ 7,013,311	\$ 7,882,990	-	106,314,037	\$ 41,763,827	\$ 162,974,165
Vidrio Reclass		29,974,114		-		29,974,114
P.A.C.F		-		-	655,295	655,295
Community Capital Improvement			15,506,762		(15,506,762)	-
Economic Development	2,002,213				(2,002,213)	-
Budget Stabilization	7,361,855				(7,361,855)	-
Beginning Balance 7-1-10 (restated)	<u>\$ 16,377,379</u>	<u>\$ 37,857,104</u>	<u>\$ 15,506,762</u>	<u>\$ 106,314,037</u>	<u>\$ 17,548,292</u>	<u>\$ 193,603,574</u>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

# **REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

**City of Pittsburg**  
**Required Supplementary Information**  
**For the year ended June 30, 2011**

---

**1. BUDGETS AND BUDGETARY ACCOUNTING**

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

1. Public hearings are conducted at the City to obtain public comments. The City Council annually adopts the budget for the ensuing fiscal year prior to July 1st.
2. Budgets for the General, Special Revenue (except for the Low/Moderate Income Housing I Special Revenue Fund, Budget Stabilization Special Revenue Fund, and the Vista Del Mar CFD 2005-2 Special Revenue Fund) and capital projects funds are adopted on a basis consistent with GAAP.
3. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fees schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2011, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
4. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and re-appropriated amounts for prior year encumbrances. The City Manager is authorized to transfer budgetary amounts within a single fund; however, any revisions that alter the total budget of any fund must be approved by the City Council.
5. Appropriations lapse at the end of the fiscal year and then are re-budgeted for the coming year. Beginning with the FY 2011-2012 budget, capital project appropriations will be continuing appropriations until the project is completed.

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

The following funds had expenditures in excess of appropriation:

Vista Del Mar CFD 2005-2 Special Revenue	\$ 2,448
Pension Obligation Debt Service Fund	4,741

**City of Pittsburgh**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2011**

**1. BUDGETS AND BUDGETARY ACCOUNTING, Continued**

**A. Budgetary Comparison Schedules**

The following are the budget comparison schedules for all major Governmental Funds.

Budgetary Comparison Schedule, General Fund

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 2,598,013	\$ 2,598,013	\$ 2,500,861	\$ (97,152)
Sales taxes	5,800,000	5,800,000	5,438,354	(361,646)
Franchise taxes	2,371,000	2,371,000	2,660,883	289,883
Other taxes	1,351,000	1,351,000	1,482,128	131,128
Intergovernmental revenues	5,153,800	5,153,800	4,902,564	(251,236)
Permits, licenses and fees	654,400	654,400	699,123	44,723
Fines and forfeitures	174,300	174,300	174,558	258
Service fees	1,846,311	1,896,311	2,424,571	528,260
Use of money and property	545,000	545,000	386,380	(158,620)
Other revenues	1,020,700	1,020,700	853,710	(166,990)
<b>TOTAL REVENUES</b>	<b>21,514,524</b>	<b>21,564,524</b>	<b>21,523,132</b>	<b>(41,392)</b>
<b>EXPENDITURES</b>				
Current:				
General Government	1,909,684	2,002,527	1,871,712	130,815
City Council	65,025	65,025	74,507	(9,482)
City Manager and City Clerk	303,086	317,699	277,306	40,393
City Attorney	430,110	430,110	439,240	(9,130)
Human resources	613,003	613,003	604,817	8,186
Finance and services	1,990,491	2,075,647	2,071,565	4,082
Community development and services	4,089,328	4,144,518	3,726,942	417,576
Public safety	20,091,293	20,116,293	18,686,550	1,429,743
Public works - administration	43,333	43,333	37,503	5,830
Public works - streets	1,651,753	1,651,753	1,575,372	76,381
Public works - parks	61,450	61,450	26,894	34,556
<b>TOTAL EXPENDITURES</b>	<b>31,248,556</b>	<b>31,521,358</b>	<b>29,392,408</b>	<b>2,128,950</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(9,734,032)</b>	<b>(9,956,834)</b>	<b>(7,869,276)</b>	<b>2,087,558</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	1,500,000	1,500,000	5,727	(1,494,273)
Transfers in	8,415,506	12,775,547	10,776,935	(1,998,612)
Transfers out	(1,743,792)	(4,173,792)	(495,090)	3,678,702
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>8,171,714</b>	<b>10,101,755</b>	<b>10,287,572</b>	<b>185,817</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (1,562,318)</b>	<b>\$ 144,921</b>	<b>2,418,296</b>	<b>\$ 2,273,375</b>
<b>FUND BALANCES:</b>				
Beginning of year			16,377,379	
End of year			\$ 18,795,675	



**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Low and Moderate Income Housing I Special Revenue Fund**  
**For the year ended June 30, 2011**

---

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	\$ -	\$ -	\$ 268,385	\$ 268,385
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>-</u>	<u>268,385</u>	<u>268,385</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>268,385</u>	<u>\$ 268,385</u>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of year			<u>(8,100,000)</u>	
End of year			<u>\$ (7,831,615)</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Low and Moderate Income Housing II Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 3,452,804	\$ 3,452,804	\$ 3,356,980	\$ (95,824)
Intergovernmental revenues	-	1,588,337	1,588,337	-
Use of money and property	62,820	62,820	167,370	104,550
Other revenues	-	-	184,873	184,873
<b>TOTAL REVENUES</b>	<u>3,515,624</u>	<u>5,103,961</u>	<u>5,297,560</u>	<u>193,599</u>
<b>EXPENDITURES</b>				
Community development and services	926,506	9,195,114	7,240,667	1,954,447
Interest and fiscal charges	-	-	40,000	(40,000)
<b>TOTAL EXPENDITURES</b>	<u>926,506</u>	<u>9,195,114</u>	<u>7,280,667</u>	<u>1,914,447</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,589,118</u>	<u>(4,091,153)</u>	<u>(1,983,107)</u>	<u>2,108,046</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	268,385	268,385
Transfers in	-	3,890,928	3,371,481	(519,447)
Transfers out	(2,642,568)	(2,242,568)	(2,895,693)	(653,125)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,642,568)</u>	<u>1,648,360</u>	<u>744,173</u>	<u>(904,187)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (53,450)</u>	<u>\$ (2,442,793)</u>	<u>(1,238,934)</u>	<u>\$ 1,203,859</u>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of year			<u>2,693,579</u>	
End of year			<u>\$ 1,454,645</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Redevelopment Agency Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Property taxes	\$ 34,713,523	\$ 34,713,523	\$ 34,325,620	\$ (387,903)
Other taxes	126,547	126,547	39,411	(87,136)
Intergovernmental revenues	108,880	758,880	108,880	(650,000)
Service fees	-	-	82,458	82,458
Use of money and property	521,680	521,680	416,652	(105,028)
Other revenues	388,748	1,377,536	762,244	(615,292)
<b>TOTAL REVENUES</b>	<b>35,859,378</b>	<b>37,498,166</b>	<b>35,735,265</b>	<b>(1,762,901)</b>
<b>EXPENDITURES</b>				
General Government	8,695,857	10,602,050	8,632,439	1,969,611
Community development and services	2,196,447	4,352,386	3,546,509	805,877
Capital outlay and improvements	-	195,788	101,224	94,564
<b>TOTAL EXPENDITURES</b>	<b>10,892,304</b>	<b>15,150,224</b>	<b>12,280,172</b>	<b>2,870,052</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>24,967,074</b>	<b>22,347,942</b>	<b>23,455,093</b>	<b>1,107,151</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	(18,829,660)	(18,829,660)
Transfers in	945,000	2,616,651	1,721,588	(895,063)
Transfers out	(25,901,494)	(30,874,356)	(30,512,708)	361,648
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(24,956,494)</b>	<b>(28,257,705)</b>	<b>(47,620,780)</b>	<b>(19,363,075)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 10,580</b>	<b>\$ (5,909,763)</b>	<b>(24,165,687)</b>	<b>\$ (18,255,924)</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of year			37,857,104	
End of year			\$ 13,691,417	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Housing Authority Section 8 Special Revenue Fund**  
**For the year ended June 30, 2011**

---

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental revenues	\$ 11,000,000	\$ 11,000,000	\$ 10,895,284	\$ (104,716)
Service fees	1,100,000	1,100,000	1,114,675	14,675
Use of money and property	46,000	46,000	55,048	9,048
Other revenues	3,000	3,000	22,417	19,417
<b>TOTAL REVENUES</b>	<u>12,149,000</u>	<u>12,149,000</u>	<u>12,087,424</u>	<u>(61,576)</u>
<b>EXPENDITURES</b>				
Community development and services	12,246,043	12,240,543	11,864,474	376,069
<b>TOTAL EXPENDITURES</b>	<u>12,246,043</u>	<u>12,240,543</u>	<u>11,864,474</u>	<u>376,069</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (97,043)</u>	<u>\$ (91,543)</u>	222,950	<u>\$ 314,493</u>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of year			<u>1,833,468</u>	
End of year			<u>\$ 2,056,418</u>	

**City of Pittsburgh**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2011**

**2. DEFINED PENSION PLAN**

The Miscellaneous Plan's actuarial value (which differs from market value) and funding progress over the past three years is set forth below at their actuarial valuation date of June 30 2011:

Miscellaneous Plan:	(A)	(B)	(C)	(D)	(E)	(F)
Actual Valuation Date*	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll (C/E)
6/30/2007	\$ 37,534,336	\$ 36,869,328	\$ (665,008)	101.80%	\$ 13,588,991	(4.9%)
6/30/2009	45,834,714	51,599,039	5,764,325	88.80%	14,386,852	40.10%
6/30/2010	49,123,779	56,515,918	7,392,139	86.90%	13,205,117	56%

The Safety Plan's actuarial value (which differs from market value) and funding progress over the past three years is set forth below at their actuarial valuation date of June 30:

Safety Plan:	(A)	(B)	(C)	(D)	(E)	(F)
Actual Valuation Date*	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll (C/E)
6/30/2008	\$ 7,464,927,716	\$ 8,700,467,733	\$ 1,235,540,017	85.8 %	\$ 914,840,596	135.1%
6/30/2009	8,027,158,724	9,721,675,347	1,694,516,623	82.6 %	973,814,168	174%
6/30/2010	8,470,235,152	10,165,475,166	1,695,240,014	83.3 %	955,980,815	177.3%

\*Latest information available.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

# **SUPPLEMENTARY INFORMATION**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*



**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Redevelopment Agency Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 539,143	\$ 364,144	\$ (174,999)
Other revenues	-	1,825,826	305,768	(1,520,058)
<b>TOTAL REVENUES</b>	-	2,364,969	669,912	(1,695,057)
<b>EXPENDITURES</b>				
Capital outlay and improvements	-	17,846,599	10,158,872	7,687,727
<b>TOTAL EXPENDITURES</b>	-	17,846,599	10,158,872	7,687,727
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	(15,481,630)	(9,488,960)	5,992,670
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	15,500,585	9,488,961	(6,011,624)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	15,500,585	9,488,961	(6,011,624)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ 18,955</u>	<u>1</u>	<u>\$ (18,954)</u>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			<u>\$ 1</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Community Capital Improvement Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 90,575	\$ 90,575
Other revenues	-	-	1,525	1,525
<b>TOTAL REVENUES</b>	-	-	92,100	92,100
<b>EXPENDITURES</b>				
Community development and services	-	18,103,573	7,120,007	10,983,566
Capital outlay and improvements	-	2,500,000	-	2,500,000
<b>TOTAL EXPENDITURES</b>	-	20,603,573	7,120,007	13,483,566
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	(20,603,573)	(7,027,907)	13,575,666
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	12,356,458	5,483,383	(6,873,075)
Transfers out	-	(7,349,459)	(8,849,459)	(1,500,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	5,006,999	(3,366,076)	(8,373,075)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ (15,596,574)</u>	<u>(10,393,983)</u>	<u>\$ 5,202,591</u>
<b>FUND BALANCES:</b>				
Beginning of year			15,506,762	
End of year			<u>\$ 5,112,779</u>	

# NON-MAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS:

***Small Cities Grants Fund*** -This fund was established to account for direct grants received for housing and rental rehabilitation programs, which are program income and used to supplement housing rehabilitation costs.

***Gas Tax Fund*** -This fund represents the Highway Users Tax apportionments from the State of California for street and road purposes under the provisions of Streets and Highways Code Maintenance.

***Traffic Congestion Relief Fund*** -In prior years Traffic Congestion Relief funds were segregated within the Gas Tax Fund. This fund was set up to account for Traffic Congestion Relief Funds separately from the main Gas Tax Revenue Fund.

***Measure C Tax Fund*** -This fund receives 18% of the collected half-cent sales tax, which is based on the population and road mileage, to fund regional transportation and transit related projects.

***Lighting and Landscape Fund*** -Receipts of the assessments from residential and commercial properties are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks within the City.

***Lighting and Landscape Oak Hill Fund*** -Receipts of the special assessments from residential and commercial properties, in the Oak Hill area, are used by this fund to provide maintenance of street lighting, street trees, landscape, curbs, gutters and sidewalks.

***Miscellaneous Grants Fund*** -This fund receives various small grants to administer the police, recreation, and public services.

***COPS Hiring Recovery Fund*** - This fund was established for the federal stimulus grant that was awarded to the City for hiring of additional public safety staff.

***Assets Seizure Fund*** -This fund was established to administer the seized assets from criminal activities.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## **SPECIAL REVENUE FUNDS, Continued:**

***Marina Vista Field Replacement Fund*** -This fund accounts for the collection of rents (maximum of \$60,000 annually) from the Athletic Fields rentals of the Marina Vista School fields as set forth in the Construction and Use Agreement for the contingent turf replacement of the fields.

***Local Law Enforcement Block Grant Fund*** -This fund accounts for the funds provided by Department of Justice to supplement local crime prevention and public safety efforts.

***Southwest Pittsburg (GHAD II) Fund*** -Southwest Pittsburg Geological Hazard Abatement fund was created to account for the maintenance district of which responsibilities are restricted to mitigation/abatement of geologic landslide and erosion hazards. The fund receives revenues from assessments levied on the properties located on the hillside areas for its operation costs.

***Storm Water Utility (NPDES) Fund*** -This fund accounts for property assessments collected by the County of Contra Costa on behalf of the City to provide funding for National Pollutant Discharge Elimination System (NPDES) and general drainage maintenance activities within the Pittsburg Storm Water Utility Area to reduce pollutants.

***HUD Community Development Block Grant Fund*** -Receives annual entitlement from Department of HUD to finance public services, housing activities, economic development projects, public facility projects, program planning and administration.

***Veterans Affairs Supportive Housing Fund*** -HUD -Veterans Affairs Supportive housing (VASH) program offers vouchers to homeless veterans for rental assistance and other clinical services on a case-by-case basis.

***Neighborhood Stabilization Fund*** - This fund accounts for the funding by the California Department of Housing and Community Development for purchases and redevelopment of foreclosed homes, the purchase and rehabilitation of abandoned or foreclosed homes, the demolition of blighted structures, and the redevelopment of demolished or vacant property within the City.

***CAL Home Program Fund*** - This fund was established to account for the funding from the California Department of Housing and Community Development for mortgage assistance and owner-occupied housing rehabilitation loans.

***Energy Efficiency and Conservation (EECBG)*** -This fund is funded by the Energy Efficiency and Conservation Block Grant to enable the City to pursue the City's LED streetlight retrofit, to develop and implement projects to improve energy efficiency and reduce energy use and fossil fuel emissions within the City.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## **SPECIAL REVENUE FUNDS, Continued:**

*San Marco CFD 2004-01 Fund* -The receipts of this fund provide funding for the increased demand of police services in the San Marco subdivision of the Community Facilities District.

*Solid Waste Fund* -This fund has been established to finance City activities associated with AB 939 compliance such as the annual reporting of recycling programs, hazardous waste collection and the coordination of public education programs. In addition this fund finances the City's solid waste facility Local Enforcement Program (LEA) for permitting, inspection and enforcement of State regulations governing operational, closed and illegal landfills and refuse processing facilities. These revenues will also provide for litter abatement and other similar services to mitigate the impact on the City of Pittsburg associated with hosting the Material Recovery and Transfer Station (MRTS) which services the entire region. The Solid Waste Fund revenues are generated by a \$1.50 surcharge on each ton of solid waste received at the Material Recovery and Transfer Station.

*Vista Del Mar CFD 2005-2 Fund* -The receipts of the fund provided funding for financing increasing demands for police services in and for the Vista Del Mar CFD 2005-2.

*Public Safety Service CFD 2005-1 Fund* -The receipts of this fund provide funding for financing increasing demands for public safety services within this Community Facilities District.

*Park Maintenance CFD 2007-1 Fund* -The receipts of this fund provide funding for financing increasing demands for park maintenance services within this Community Facilities District.

*Pittsburg Arts & Community Foundation* - This fund was created for an independent non-profit corporation set up to increase, support, and encourage art, literacy, education, economic development, affordable housing, and other community resources and programs to benefits the City of Pittsburg and its residents.

## **DEBT SERVICE FUNDS:**

*Pension Obligations Fund* accounts for the accumulation of resources for payment of principal, interest and related costs of the Pension Obligation Bonds long-term debt and for payments to the Contra Costa County Employees' Retirement Association for unfunded accrued pension obligations.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## CAPITAL PROJECTS FUNDS:

***Inclusionary Housing Fund*** -This fund was established to account for fees paid by developers in the form of "in-lieu" fees that would be used for the construction of affordable housing.

***Traffic Impact Fair Share Fund*** -This fund was established to account for developer fees as a condition of development to mitigate future traffic impacts.

***Regional Traffic Mitigation Fund***- This fund was established to account for the fees collected from new development in the City to support the regional transportation improvement projects through the Pittsburg Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program.

***Prop 1B Local Street & Road Improvement Fund*** -This fund was established to account for the State support to improve local transportation projects, to relieve congestion, improve air quality, and enhance the safety and security of the transportation system.

***Kirker Creek Drainage Fees Fund*** -This fund was established to account for the drainage fees collected from developers to finance drainage improvement projects.

***Capital Improvement Fund*** accounts for most capital improvement projects in the City that have various funding sources. Revenues received from various sources are used for related project costs.

***Traffic Mitigation Fund*** -Fees collected from developers are used by this fund to finance the capital improvement projects that mitigate the traffic impact.

***Park Dedication Fund*** -This fund was established to account for the fees collected from developers and used for design, development, and construction of new park projects and the rehabilitation of existing parks.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

**City of Pittsburgh**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2011**

	Special Revenue			
	Small Cities Grant	Gas Tax	Traffic Congestion Relief	Measure C Tax Fund
<b>ASSETS</b>				
Cash and investments	\$ 85,660	\$ 567,940	\$ 766,505	\$ 1,135,829
Restricted cash and investments with fiscal agents	-	-	-	-
Receivables:				
Accounts	-	193,554	-	-
Interest	90	766	824	1,499
Loans and notes	1,815,814	-	-	-
Inventory	-	-	-	-
Prepaid items and other assets	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,901,564</b>	<b>\$ 762,260</b>	<b>\$ 767,329</b>	<b>\$ 1,137,328</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Salaries payable	-	-	-	-
Interest payable	-	-	-	-
Taxes payable	-	-	-	-
Refundable deposits	-	-	-	-
Loans payable	15,000	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	301,670	-	-	-
Deferred revenue	1,800,814	-	-	-
<b>TOTAL LIABILITIES</b>	<b>2,117,484</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>				
Nonspendables	-	-	-	-
Restricted	-	762,260	767,329	1,137,328
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(215,920)	-	-	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>(215,920)</b>	<b>762,260</b>	<b>767,329</b>	<b>1,137,328</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,901,564</b>	<b>\$ 762,260</b>	<b>\$ 767,329</b>	<b>\$ 1,137,328</b>



Special Revenue

Lighting and Landscape	Lighting and Landscaping Oak Hill	Miscellaneous Grants	COPS Hiring Recovery	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant
\$ 62,514	\$ 55,290	\$ 185,144	\$ -	\$ 125,930	\$ 74,349	\$ 69,565
-	-	-	-	-	-	-
11,452	-	-	-	-	-	3,682
153	62	165	-	167	79	59
-	-	-	-	-	-	-
43,251	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 117,370</u>	<u>\$ 55,352</u>	<u>\$ 185,309</u>	<u>\$ -</u>	<u>\$ 126,097</u>	<u>\$ 74,428</u>	<u>\$ 73,306</u>
\$ 70,063	\$ 3,233	\$ 3,646	\$ -	\$ 2,357	\$ -	\$ 24,964
10,248	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	700	-	6,409	-	-
-	-	-	-	-	-	-
-	-	12,281	-	-	-	-
-	-	-	-	-	-	-
-	-	168,682	-	-	-	48,342
<u>80,311</u>	<u>3,233</u>	<u>185,309</u>	<u>-</u>	<u>8,766</u>	<u>-</u>	<u>73,306</u>
43,251	-	-	-	-	-	-
-	52,119	-	-	-	-	-
-	-	-	-	-	74,428	-
-	-	-	-	117,331	-	-
(6,192)	-	-	-	-	-	-
<u>37,059</u>	<u>52,119</u>	<u>-</u>	<u>-</u>	<u>117,331</u>	<u>74,428</u>	<u>-</u>
<u>\$ 117,370</u>	<u>\$ 55,352</u>	<u>\$ 185,309</u>	<u>\$ -</u>	<u>\$ 126,097</u>	<u>\$ 74,428</u>	<u>\$ 73,306</u>

(Continued)

**City of Pittsburgh**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2011**

	Special Revenue			
	Southwest Pittsburg GHAD II	Storm Water Utility NPDES	HUD Community Development Block Grant	HUD Veterans Affairs Supportive HSG
<b>ASSETS</b>				
Cash and investments	\$ 1,798,366	\$ 561,439	\$ -	\$ 1,050,741
Restricted cash and investments with fiscal agents	-	-	-	-
Receivables:				
Accounts	-	35,374	374,037	-
Interest	1,951	505	-	1,079
Loans and notes	-	-	329,358	-
Inventory	-	-	-	-
Prepaid items and other assets	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 1,800,317</b>	<b>\$ 597,318</b>	<b>\$ 703,395</b>	<b>\$ 1,051,820</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 3,019	\$ 11,478	\$ 57,115	\$ -
Salaries payable	1,505	3,448	765	-
Interest payable	-	-	-	-
Taxes payable	-	-	-	-
Refundable deposits	15,648	-	-	-
Loans payable	-	-	169,327	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	294,287	-
Deferred revenue	-	-	160,031	-
<b>TOTAL LIABILITIES</b>	<b>20,172</b>	<b>14,926</b>	<b>681,525</b>	<b>-</b>
<b>FUND BALANCES</b>				
Nonspendables	-	-	-	-
Restricted	1,780,145	582,392	21,870	1,051,820
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>1,780,145</b>	<b>582,392</b>	<b>21,870</b>	<b>1,051,820</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,800,317</b>	<b>\$ 597,318</b>	<b>\$ 703,395</b>	<b>\$ 1,051,820</b>

Special Revenue

Neighborhood Stabilization	CalHome Program	Energy Efficiency and Conservation	San Marco CFD 2004-1	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety CFD 2005-1
\$ -	\$ 26,139	\$ -	\$ 147,673	\$ 301,660	\$ -	\$ 41,448
-	-	-	-	-	-	-
910,087	-	31,712	-	91,899	-	-
-	85	-	163	408	1	50
-	422,826	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 910,087</u>	<u>\$ 449,050</u>	<u>\$ 31,712</u>	<u>\$ 147,836</u>	<u>\$ 393,967</u>	<u>\$ 1</u>	<u>\$ 41,498</u>
\$ -	\$ -	\$ 3,900	\$ -	\$ 21,221	\$ -	\$ -
-	-	-	2,829	1,028	358	1,357
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
910,087	-	27,812	-	-	4,407	-
-	422,826	-	-	-	-	-
<u>910,087</u>	<u>422,826</u>	<u>31,712</u>	<u>2,829</u>	<u>22,249</u>	<u>4,765</u>	<u>1,357</u>
-	-	-	-	-	-	-
-	26,224	-	145,007	371,718	(4,764)	40,141
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	26,224	-	145,007	371,718	(4,764)	40,141
<u>\$ 910,087</u>	<u>\$ 449,050</u>	<u>\$ 31,712</u>	<u>\$ 147,836</u>	<u>\$ 393,967</u>	<u>\$ 1</u>	<u>\$ 41,498</u>

(Continued)

**City of Pittsburgh**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2011**

	Special Revenue		Debt Service	Capital Projects
	Park Maintenance CFD 2007-1	Pittsburg Art and Community Foundation	Pension Obligations	Inclusionary Housing
<b>ASSETS</b>				
Cash and investments	\$ 14,164	\$ 391,527	\$ 54,954	\$ 489,394
Restricted cash and investments with fiscal agents	-	-	1,095,296	-
Receivables:				
Accounts	28,131	494,190	-	-
Interest	26	-	9	521
Loans and notes	-	978,925	-	-
Inventory	-	44,598	-	-
Prepaid items and other assets	-	46,776	1,091,642	-
<b>TOTAL ASSETS</b>	<b>\$ 42,321</b>	<b>\$ 1,956,016</b>	<b>\$ 2,241,901</b>	<b>\$ 489,915</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 2,065	\$ 61,105	\$ -	\$ -
Salaries payable	146	-	-	-
Interest payable	-	-	1,091,642	-
Taxes payable	-	2,986	-	-
Refundable deposits	-	1,000	-	-
Loans payable	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	161,955	-	-	-
Deferred revenue	-	982,510	-	119,392
<b>TOTAL LIABILITIES</b>	<b>164,166</b>	<b>1,047,601</b>	<b>1,091,642</b>	<b>119,392</b>
<b>FUND BALANCES</b>				
Nonspendables	-	-	-	-
Restricted	-	908,415	1,150,259	370,523
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(121,845)	-	-	-
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>(121,845)</b>	<b>908,415</b>	<b>1,150,259</b>	<b>370,523</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 42,321</b>	<b>\$ 1,956,016</b>	<b>\$ 2,241,901</b>	<b>\$ 489,915</b>

Capital Projects

Traffic Impact Fair Share	Regional Traffic Mitigation	Proposition 1B Local ST Road Impr	Kirker Creek Drainage Fees	Capital Improvement	Traffic Mitigation	Park Dedication
\$ 527,440	\$ 1,296,568	\$ 2	\$ 1,331,582	\$ 708,492	\$ 3,175,599	\$ 1,078,046
-	-	-	-	-	-	86,504
-	-	-	-	-	-	1,408,235
561	1,140	155	1,435	-	3,739	1,173
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 528,001</u>	<u>\$ 1,297,708</u>	<u>\$ 157</u>	<u>\$ 1,333,017</u>	<u>\$ 708,492</u>	<u>\$ 3,179,338</u>	<u>\$ 2,573,958</u>
\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ 14,775	\$ 378,516
-	-	153	-	-	190	913
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	48,209	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	1,408,235
-	22,000	153	-	48,209	14,965	1,787,664
-	-	-	-	-	-	-
528,001	1,275,708	4	1,333,017	-	3,164,373	786,294
-	-	-	-	660,283	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>528,001</u>	<u>1,275,708</u>	<u>4</u>	<u>1,333,017</u>	<u>660,283</u>	<u>3,164,373</u>	<u>786,294</u>
<u>\$ 528,001</u>	<u>\$ 1,297,708</u>	<u>\$ 157</u>	<u>\$ 1,333,017</u>	<u>\$ 708,492</u>	<u>\$ 3,179,338</u>	<u>\$ 2,573,958</u>

(Continued)

**City of Pittsburgh**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2011**

---

	Total Non-Major Governmental Funds
<b>ASSETS</b>	
Cash and investments	\$ 16,123,960
Restricted cash and investments with fiscal agents	1,181,800
Receivables:	
Accounts	3,582,353
Interest	16,865
Loans and notes	3,546,923
Inventory	87,849
Prepaid items and other assets	1,138,418
<b>TOTAL ASSETS</b>	<b>\$ 25,678,168</b>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
Accounts payable	\$ 679,457
Salaries payable	22,940
Interest payable	1,091,642
Taxes payable	2,986
Refundable deposits	71,966
Loans payable	184,327
Due to other agencies	12,281
Due to other funds	1,700,218
Deferred revenue	5,110,832
<b>TOTAL LIABILITIES</b>	<b>8,876,649</b>
<b>FUND BALANCES</b>	
Nonspendables	43,251
Restricted	16,250,183
Committed	734,711
Assigned	117,331
Unassigned	(343,957)
<b>TOTAL FUND BALANCES (DEFICIT)</b>	<b>16,801,519</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 25,678,168</b>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

**City of Pittsburgh**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2011**

	Special Revenue		
	Small Cities Grant	Gas Tax	Traffic Congestion Relief
<b>REVENUES</b>			
Other taxes	\$ -	\$ 1,620,661	\$ -
Intergovernmental revenues	-	-	-
Permits, licenses and fees	-	-	-
Special assessments	-	-	-
Service fees	-	-	-
Use of money and property	613	1,907	6,183
Other revenues	59,037	-	-
<b>TOTAL REVENUES</b>	<u>59,650</u>	<u>1,622,568</u>	<u>6,183</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Human resources	-	-	-
Community development and services	-	-	-
Public safety	-	-	-
Public works - administration	-	-	-
Public works - streets	-	-	240,793
Capital outlay and improvements	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>240,793</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>59,650</u>	<u>1,622,568</u>	<u>(234,610)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of capital assets	-	-	-
Transfers in	7,200	-	-
Transfers out	-	(960,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>7,200</u>	<u>(960,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	66,850	662,568	(234,610)
<b>FUND BALANCES (DEFICITS):</b>			
Beginning of year	(282,770)	99,692	1,001,939
End of year	<u>\$ (215,920)</u>	<u>\$ 762,260</u>	<u>\$ 767,329</u>



Special Revenue

Measure C Tax Fund	Lighting and Landscape	Lighting and Landscaping Oak Hill	Miscellaneous Grants	COPS Hiring Recovery	Assets Seizure	Marina Vista Field Replacement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
574,168	-	-	84,842	284,026	-	-
-	-	-	-	-	-	-
-	2,714,643	33,959	-	-	-	-
-	-	-	-	-	-	39,456
11,526	196	366	1,143	-	1,394	457
-	18,260	-	2,741	-	85,261	-
585,694	2,733,099	34,325	88,726	284,026	86,655	39,913
-	29,072	-	-	-	-	-
-	-	-	2,739	-	-	-
22,003	-	-	5,275	-	-	-
-	-	-	80,712	-	16,047	-
-	-	-	-	-	-	-
-	3,552,060	28,551	-	-	-	-
-	-	1,827	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
22,003	3,581,132	30,378	88,726	-	16,047	-
563,691	(848,033)	3,947	-	284,026	70,608	39,913
-	2,998	-	-	-	-	-
-	447,890	-	-	-	-	-
(751,511)	-	(38,560)	-	(284,026)	-	-
(751,511)	450,888	(38,560)	-	(284,026)	-	-
(187,820)	(397,145)	(34,613)	-	-	70,608	39,913
1,325,148	434,204	86,732	-	-	46,723	34,515
\$ 1,137,328	\$ 37,059	\$ 52,119	\$ -	\$ -	\$ 117,331	\$ 74,428

(Continued)

# City of Pittsburgh

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

### Non-Major Governmental Funds

For the year ended June 30, 2011

	Special Revenue		
	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II	Storm Water Utility NPDES
<b>REVENUES</b>			
Other taxes	\$ -	\$ 516,295	\$ 834,359
Intergovernmental revenues	42,918	-	-
Permits, licenses and fees	-	-	-
Special assessments	-	-	-
Service fees	-	127	1,862
Use of money and property	382	12,678	1,972
Other revenues	-	-	6,395
<b>TOTAL REVENUES</b>	<b>43,300</b>	<b>529,100</b>	<b>844,588</b>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Human resources	-	-	-
Community development and services	21,847	341,329	-
Public safety	21,453	-	7,342
Public works - administration	-	-	346,710
Public works - streets	-	-	420,800
Capital outlay and improvements	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>43,300</b>	<b>341,329</b>	<b>774,852</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>187,771</b>	<b>69,736</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	200,000
Transfers out	-	(40,000)	(90,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(40,000)</b>	<b>110,000</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>147,771</b>	<b>179,736</b>
<b>FUND BALANCES (DEFICITS):</b>			
Beginning of year	-	1,632,374	402,656
End of year	\$ -	\$ 1,780,145	\$ 582,392

Special Revenue

HUD Community Development Block Grant	HUD Veterans Affairs Supportive HSG	Neighborhood Stabilization	CalHome Program	Energy Efficiency and Conservation	San Marco CFD 2004-1	Solid Waste
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
799,083	953,891	1,588,337	250,000	459,806	-	-
-	-	-	-	-	-	-
-	-	-	-	-	260,017	-
-	-	-	-	-	-	358,064
-	5,087	-	417	-	455	3,115
-	-	-	-	167,917	-	-
<u>799,083</u>	<u>958,978</u>	<u>1,588,337</u>	<u>250,417</u>	<u>627,723</u>	<u>260,472</u>	<u>361,179</u>
-	-	-	-	-	-	-
660,082	334,360	1,588,337	235,346	716,283	-	147,693
-	-	-	-	-	167,657	80,190
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	5,209	-
<u>660,082</u>	<u>334,360</u>	<u>1,588,337</u>	<u>235,346</u>	<u>716,283</u>	<u>172,866</u>	<u>227,883</u>
<u>139,001</u>	<u>624,618</u>	<u>-</u>	<u>15,071</u>	<u>(88,560)</u>	<u>87,606</u>	<u>133,296</u>
-	-	-	-	-	-	-
-	-	-	-	88,560	-	-
<u>(139,000)</u>	<u>-</u>	<u>-</u>	<u>(7,200)</u>	<u>-</u>	<u>-</u>	<u>(215,000)</u>
<u>(139,000)</u>	<u>-</u>	<u>-</u>	<u>(7,200)</u>	<u>88,560</u>	<u>-</u>	<u>(215,000)</u>
1	624,618	-	7,871	-	87,606	(81,704)
<u>21,869</u>	<u>427,202</u>	<u>-</u>	<u>18,353</u>	<u>-</u>	<u>57,401</u>	<u>453,422</u>
<u>\$ 21,870</u>	<u>\$ 1,051,820</u>	<u>\$ -</u>	<u>\$ 26,224</u>	<u>\$ -</u>	<u>\$ 145,007</u>	<u>\$ 371,718</u>

(Continued)

# City of Pittsburgh

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

### Non-Major Governmental Funds

For the year ended June 30, 2011

	Special Revenue		
	Vista Del Mar CFD 2005-2	Public Safety CFD 2005-1	Park Maintenance CFD 2007-1
<b>REVENUES</b>			
Other taxes	\$ 61,411	\$ 164,292	\$ -
Intergovernmental revenues	-	-	28,131
Permits, licenses and fees	-	-	-
Special assessments	-	-	12,995
Service fees	-	-	-
Use of money and property	1	79	328
Other revenues	-	-	-
<b>TOTAL REVENUES</b>	<b>61,412</b>	<b>164,371</b>	<b>41,454</b>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Human resources	-	-	-
Community development and services	-	-	-
Public safety	60,754	132,678	-
Public works - administration	-	-	-
Public works - streets	-	-	52,986
Capital outlay and improvements	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	8,104	4,870	3,276
<b>TOTAL EXPENDITURES</b>	<b>68,858</b>	<b>137,548</b>	<b>56,262</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(7,446)</b>	<b>26,823</b>	<b>(14,808)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale of capital assets	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(7,446)</b>	<b>26,823</b>	<b>(14,808)</b>
<b>FUND BALANCES (DEFICITS):</b>			
Beginning of year	2,682	13,318	(107,037)
End of year	\$ (4,764)	\$ 40,141	\$ (121,845)

Special Revenue	Debt Service	Capital Projects				
Pittsburg Art and Community Foundation	Pension Obligations	Inclusionary Housing	Traffic Impact Fair Share	Regional Traffic Mitigation	Proposition 1B Local ST Road Impr	Kirker Creek Drainage Fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17,000	-	-	-	-	-	-
-	-	-	-	1,368,071	-	61
-	-	-	-	-	-	-
161	2,183,988	-	-	-	-	-
9,675	2,817	3,751	4,165	2,634	3,109	10,460
161,529	978,644	-	-	-	-	50,356
188,365	3,165,449	3,751	4,165	1,370,705	3,109	60,877
-	-	-	-	-	-	-
-	-	-	-	-	-	-
969,718	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	65,997	812,286	55,256
-	-	-	-	-	-	-
-	357,406	-	-	-	-	-
-	1,768,762	-	-	-	-	-
969,718	2,126,168	-	-	65,997	812,286	55,256
(781,353)	1,039,281	3,751	4,165	1,304,708	(809,177)	5,621
-	-	-	-	-	-	-
1,484,473	-	-	-	-	36,611	-
(450,000)	-	-	(45,138)	(29,000)	(40,210)	(16,300)
1,034,473	-	-	(45,138)	(29,000)	(3,599)	(16,300)
253,120	1,039,281	3,751	(40,973)	1,275,708	(812,776)	(10,679)
655,295	110,978	366,772	568,974	-	812,780	1,343,696
\$ 908,415	\$ 1,150,259	\$ 370,523	\$ 528,001	\$ 1,275,708	\$ 4	\$ 1,333,017

(Continued)

# City of Pittsburgh

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances Non-Major Governmental Funds For the year ended June 30, 2011

	Capital Projects			Total Non-Major Governmental Funds
	Capital Improvement	Traffic Mitigation	Park Dedication	
<b>REVENUES</b>				
Other taxes	\$ -	\$ -	\$ -	\$ 3,197,018
Intergovernmental revenues	-	177,022	-	5,259,224
Permits, licenses and fees	-	52,386	-	1,420,518
Special assessments	-	-	-	3,021,614
Service fees	-	-	-	2,583,658
Use of money and property	-	32,060	13,960	130,930
Other revenues	-	10,385	825	1,541,350
<b>TOTAL REVENUES</b>	<b>-</b>	<b>271,853</b>	<b>14,785</b>	<b>17,154,312</b>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	29,072
Human resources	-	-	-	2,739
Community development and services	-	-	-	5,042,273
Public safety	-	-	-	566,833
Public works - administration	-	-	-	346,710
Public works - streets	1,242	1,902,623	2,827,506	9,960,100
Capital outlay and improvements	-	-	-	1,827
Debt service:				
Principal retirement	-	-	-	357,406
Interest and fiscal charges	-	-	-	1,790,221
<b>TOTAL EXPENDITURES</b>	<b>1,242</b>	<b>1,902,623</b>	<b>2,827,506</b>	<b>18,097,181</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,242)</b>	<b>(1,630,770)</b>	<b>(2,812,721)</b>	<b>(942,869)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	-	2,998
Transfers in	1,243	117,416	1,046,811	3,430,204
Transfers out	-	(81,161)	(50,000)	(3,237,106)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,243</b>	<b>36,255</b>	<b>996,811</b>	<b>196,096</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>1</b>	<b>(1,594,515)</b>	<b>(1,815,910)</b>	<b>(746,773)</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of year	660,282	4,758,888	2,602,204	17,548,292
End of year	\$ 660,283	\$ 3,164,373	\$ 786,294	\$ 16,801,519

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Small Cities Grant Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 613	\$ 613
Other revenues	-	-	59,037	59,037
<b>TOTAL REVENUES</b>	-	-	59,650	59,650
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	20,757	7,200	(13,557)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	20,757	7,200	(13,557)
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ 20,757</u>	66,850	<u>\$ 46,093</u>
<b>FUND BALANCES (DEFICIT):</b>				
Beginning of year			(282,770)	
End of year			<u>\$ (215,920)</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Gas Tax Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Other taxes	\$ 1,004,500	\$ 1,004,500	\$ 1,620,661	\$ 616,161
Use of money and property	2,900	2,900	1,907	(993)
<b>TOTAL REVENUES</b>	<u>1,007,400</u>	<u>1,007,400</u>	<u>1,622,568</u>	<u>615,168</u>
<b>EXPENDITURES</b>				
Public works - streets	50,000	50,000	-	50,000
<b>TOTAL EXPENDITURES</b>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>957,400</u>	<u>957,400</u>	<u>1,622,568</u>	<u>665,168</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(960,000)	(960,000)	(960,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(960,000)</u>	<u>(960,000)</u>	<u>(960,000)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (2,600)</u>	<u>\$ (2,600)</u>	<u>662,568</u>	<u>\$ 665,168</u>
<b>FUND BALANCES:</b>				
Beginning of year			99,692	
End of year			<u>\$ 762,260</u>	



**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Traffic Congestion Relief Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Use of money and property	\$ -	\$ -	\$ 6,183	\$ 6,183
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>6,183</b>	<b>6,183</b>
<b>EXPENDITURES</b>				
Public works - streets	-	375,465	240,793	134,672
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>375,465</b>	<b>240,793</b>	<b>134,672</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>(375,465)</b>	<b>(234,610)</b>	<b>140,855</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(59,403)	-	59,403
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(59,403)</b>	<b>-</b>	<b>59,403</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ -</b>	<b>\$ (434,868)</b>	<b>(234,610)</b>	<b>\$ 200,258</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,001,939	
End of year			<u>\$ 767,329</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Measure C Tax Fund Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ 577,929	\$ 577,929	\$ 574,168	\$ (3,761)
Use of money and property	12,290	12,290	11,526	(764)
<b>TOTAL REVENUES</b>	<u>590,219</u>	<u>590,219</u>	<u>585,694</u>	<u>(4,525)</u>
<b>EXPENDITURES</b>				
Community development and services	30,000	30,000	22,003	7,997
Capital outlay and improvements	-	38,000	-	38,000
<b>TOTAL EXPENDITURES</b>	<u>30,000</u>	<u>68,000</u>	<u>22,003</u>	<u>45,997</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>560,219</u>	<u>522,219</u>	<u>563,691</u>	<u>41,472</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(714,900)	(854,143)	(751,511)	102,632
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(714,900)</u>	<u>(854,143)</u>	<u>(751,511)</u>	<u>102,632</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (154,681)</u>	<u>\$ (331,924)</u>	<u>(187,820)</u>	<u>\$ 144,104</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,325,148</u>	
End of year			<u>\$ 1,137,328</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Lighting and Landscape Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Special assessments	\$ 2,723,000	\$ 2,723,000	\$ 2,714,643	\$ (8,357)
Use of money and property	-	-	196	196
Other revenues	500	500	18,260	17,760
<b>TOTAL REVENUES</b>	<u>2,723,500</u>	<u>2,723,500</u>	<u>2,733,099</u>	<u>9,599</u>
<b>EXPENDITURES</b>				
General Government	61,200	61,200	29,072	32,128
Public works - streets	3,605,288	3,605,288	3,552,060	53,228
<b>TOTAL EXPENDITURES</b>	<u>3,666,488</u>	<u>3,666,488</u>	<u>3,581,132</u>	<u>85,356</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(942,988)</u>	<u>(942,988)</u>	<u>(848,033)</u>	<u>94,955</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from sale of capital assets	-	-	2,998	2,998
Transfers in	521,580	521,580	447,890	(73,690)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>521,580</u>	<u>521,580</u>	<u>450,888</u>	<u>(70,692)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (421,408)</u>	<u>\$ (421,408)</u>	<u>(397,145)</u>	<u>\$ 24,263</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>434,204</u>	
End of year			<u>\$ 37,059</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Lighting and Landscaping Oak Hill Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Special assessments	\$ 35,000	\$ 35,000	\$ 33,959	\$ (1,041)
Use of money and property	560	560	366	(194)
<b>TOTAL REVENUES</b>	<b>35,560</b>	<b>35,560</b>	<b>34,325</b>	<b>(1,235)</b>
<b>EXPENDITURES</b>				
Public works - streets	53,273	53,273	28,551	24,722
Capital outlay and improvements	-	2,130	1,827	303
<b>TOTAL EXPENDITURES</b>	<b>53,273</b>	<b>55,403</b>	<b>30,378</b>	<b>25,025</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(17,713)</b>	<b>(19,843)</b>	<b>3,947</b>	<b>23,790</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(38,560)	(38,560)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(38,560)</b>	<b>(38,560)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (17,713)</b>	<b>\$ (58,403)</b>	<b>(34,613)</b>	<b>\$ 23,790</b>
<b>FUND BALANCES:</b>				
Beginning of year			86,732	
End of year			\$ 52,119	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Miscellaneous Grants Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 371,971	\$ 84,842	\$ (287,129)
Use of money and property	-	-	1,143	1,143
Other revenues	-	9,025	2,741	(6,284)
<b>TOTAL REVENUES</b>	-	380,996	88,726	(292,270)
<b>EXPENDITURES</b>				
Human resources	-	9,025	2,739	6,286
Community development and services	-	6,150	5,275	875
Public safety	-	294,019	80,712	213,307
<b>TOTAL EXPENDITURES</b>	-	309,194	88,726	220,468
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ 71,802</u>	-	<u>\$ (71,802)</u>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			<u>\$ -</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**COPS Hiring Recovery Special Revenue Fund**  
**For the year ended June 30, 2011**

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental revenues	\$ 260,000	\$ 447,834	\$ 284,026	\$ (163,808)
<b>TOTAL REVENUES</b>	<u>260,000</u>	<u>447,834</u>	<u>284,026</u>	<u>(163,808)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(260,000)	(447,834)	(284,026)	163,808
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(260,000)</u>	<u>(447,834)</u>	<u>(284,026)</u>	<u>163,808</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			<u>\$ -</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Assets Seizure Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Use of money and property	\$ 610	\$ 610	\$ 1,394	\$ 784
Other revenues	-	-	85,261	85,261
<b>TOTAL REVENUES</b>	<b>610</b>	<b>610</b>	<b>86,655</b>	<b>86,045</b>
<b>EXPENDITURES</b>				
Public safety	-	46,723	16,047	30,676
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>46,723</b>	<b>16,047</b>	<b>30,676</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 610</b>	<b>\$ (46,113)</b>	<b>70,608</b>	<b>\$ 116,721</b>
<b>FUND BALANCES:</b>				
Beginning of year			46,723	
End of year			\$ 117,331	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Marina Vista Field Replacement Special Revenue Fund**  
**For the year ended June 30, 2011**

---

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Service fees	\$ 11,000	\$ 11,000	\$ 39,456	\$ 28,456
Use of money and property	-	-	457	457
<b>TOTAL REVENUES</b>	<u>11,000</u>	<u>11,000</u>	<u>39,913</u>	<u>28,913</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 11,000</u>	<u>\$ 11,000</u>	39,913	<u>\$ 28,913</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>34,515</u>	
End of year			<u>\$ 74,428</u>	



**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Local Law Enforcement Block Grant Special Revenue Fund**  
**For the year ended June 30, 2011**

---

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 138,816	\$ 42,918	\$ (95,898)
Use of money and property	-	-	382	382
<b>TOTAL REVENUES</b>	<u>-</u>	<u>138,816</u>	<u>43,300</u>	<u>(95,516)</u>
<b>EXPENDITURES</b>				
Community development and services	-	93,030	21,847	71,183
Public safety	-	45,727	21,453	24,274
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>138,757</u>	<u>43,300</u>	<u>95,457</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ 59</u>	<u>-</u>	<u>\$ (59)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Southwest Pittsburgh GHAD II Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Other taxes	\$ 527,000	\$ 527,000	\$ 516,295	\$ (10,705)
Service fees	-	-	127	127
Use of money and property	9,750	9,750	12,678	2,928
<b>TOTAL REVENUES</b>	<u>536,750</u>	<u>536,750</u>	<u>529,100</u>	<u>(7,650)</u>
<b>EXPENDITURES</b>				
Community development and services	403,050	403,050	341,329	61,721
<b>TOTAL EXPENDITURES</b>	<u>403,050</u>	<u>403,050</u>	<u>341,329</u>	<u>61,721</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>133,700</u>	<u>133,700</u>	<u>187,771</u>	<u>54,071</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(40,000)	(40,000)	(40,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(40,000)</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 93,700</u>	<u>\$ 93,700</u>	<u>147,771</u>	<u>\$ 54,071</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,632,374</u>	
End of year			<u>\$ 1,780,145</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Storm Water Utility NPDES Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Other taxes	\$ 800,000	\$ 800,000	\$ 834,359	\$ 34,359
Service fees	-	-	1,862	1,862
Use of money and property	-	-	1,972	1,972
Other revenues	-	-	6,395	6,395
<b>TOTAL REVENUES</b>	<b>800,000</b>	<b>800,000</b>	<b>844,588</b>	<b>44,588</b>
<b>EXPENDITURES</b>				
Public safety	7,200	7,200	7,342	(142)
Public works - administration	451,500	451,500	346,710	104,790
Public works - streets	483,183	483,183	420,800	62,383
<b>TOTAL EXPENDITURES</b>	<b>941,883</b>	<b>941,883</b>	<b>774,852</b>	<b>167,031</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(141,883)</b>	<b>(141,883)</b>	<b>69,736</b>	<b>211,619</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	200,000	200,000	200,000	-
Transfers out	(90,000)	(90,000)	(90,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>110,000</b>	<b>110,000</b>	<b>110,000</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (31,883)</b>	<b>\$ (31,883)</b>	<b>179,736</b>	<b>\$ 211,619</b>
<b>FUND BALANCES:</b>				
Beginning of year			402,656	
End of year			\$ 582,392	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**HUD Community Development Block Grant Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ 702,835	\$ 995,045	\$ 799,083	\$ (195,962)
<b>TOTAL REVENUES</b>	<u>702,835</u>	<u>995,045</u>	<u>799,083</u>	<u>(195,962)</u>
<b>EXPENDITURES</b>				
Community development and services	547,992	854,899	660,082	194,817
<b>TOTAL EXPENDITURES</b>	<u>547,992</u>	<u>854,899</u>	<u>660,082</u>	<u>194,817</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>154,843</u>	<u>140,146</u>	<u>139,001</u>	<u>(1,145)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(139,000)	(139,000)	(139,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(139,000)</u>	<u>(139,000)</u>	<u>(139,000)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 15,843</u>	<u>\$ 1,146</u>	<u>1</u>	<u>\$ (1,145)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>21,869</u>	
End of year			<u>\$ 21,870</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**HUD Veterans Affairs Supportive HSG Special Revenue Fund**  
**For the year ended June 30, 2011**

---

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ 120,580	\$ 660,376	\$ 953,891	\$ 293,515
Use of money and property	-	-	5,087	5,087
<b>TOTAL REVENUES</b>	<u>120,580</u>	<u>660,376</u>	<u>958,978</u>	<u>298,602</u>
<b>EXPENDITURES</b>				
Community development and services	<u>120,580</u>	<u>660,376</u>	<u>334,360</u>	<u>326,016</u>
<b>TOTAL EXPENDITURES</b>	<u>120,580</u>	<u>660,376</u>	<u>334,360</u>	<u>326,016</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ -</u>	624,618	<u>\$ 624,618</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>427,202</u>	
End of year			<u>\$ 1,051,820</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Neighborhood Stabilization Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 1,630,602	\$ 1,588,337	\$ (42,265)
<b>TOTAL REVENUES</b>	<b>-</b>	<b>1,630,602</b>	<b>1,588,337</b>	<b>(42,265)</b>
<b>EXPENDITURES</b>				
Community development and services	-	1,599,920	1,588,337	11,583
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>1,599,920</b>	<b>1,588,337</b>	<b>11,583</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>30,682</b>	<b>-</b>	<b>(30,682)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(30,683)	-	30,683
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>(30,683)</b>	<b>-</b>	<b>30,683</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ -</b>	<b>\$ (1)</b>	<b>-</b>	<b>\$ 1</b>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			\$ -	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**CalHome Program Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 355,120	\$ 250,000	\$ (105,120)
Use of money and property	-	-	417	417
<b>TOTAL REVENUES</b>	-	355,120	250,417	(104,703)
<b>EXPENDITURES</b>				
Community development and services	-	363,960	235,346	128,614
<b>TOTAL EXPENDITURES</b>	-	363,960	235,346	128,614
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	(8,840)	15,071	23,911
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(12,120)	(7,200)	4,920
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	(12,120)	(7,200)	4,920
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ (20,960)</u>	7,871	<u>\$ 28,831</u>
<b>FUND BALANCES:</b>				
Beginning of year			18,353	
End of year			<u>\$ 26,224</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Energy Efficiency and Conservation Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 544,266	\$ 459,806	\$ (84,460)
Other revenues	-	109,225	167,917	58,692
<b>TOTAL REVENUES</b>	<b>-</b>	<b>653,491</b>	<b>627,723</b>	<b>(25,768)</b>
<b>EXPENDITURES</b>				
Community development and services	-	801,454	716,283	85,171
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>801,454</b>	<b>716,283</b>	<b>85,171</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>(147,963)</b>	<b>(88,560)</b>	<b>59,403</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	147,963	88,560	(59,403)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>147,963</b>	<b>88,560</b>	<b>(59,403)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			\$ -	



**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**San Marco CFD 2004-1 Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Special assessments	\$ 200,000	\$ 200,000	\$ 260,017	\$ 60,017
Use of money and property	-	-	455	455
<b>TOTAL REVENUES</b>	<b>200,000</b>	<b>200,000</b>	<b>260,472</b>	<b>60,472</b>
<b>EXPENDITURES</b>				
Public safety	171,000	171,000	167,657	3,343
Interest and fiscal charges	7,000	7,000	5,209	1,791
<b>TOTAL EXPENDITURES</b>	<b>178,000</b>	<b>178,000</b>	<b>172,866</b>	<b>5,134</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ 22,000</b>	<b>\$ 22,000</b>	<b>87,606</b>	<b>\$ 65,606</b>
<b>FUND BALANCES:</b>				
Beginning of year			57,401	
End of year			\$ 145,007	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Solid Waste Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Service fees	\$ 400,000	\$ 400,000	\$ 358,064	\$ (41,936)
Use of money and property	3,100	3,100	3,115	15
<b>TOTAL REVENUES</b>	<u>403,100</u>	<u>403,100</u>	<u>361,179</u>	<u>(41,921)</u>
<b>EXPENDITURES</b>				
Community development and services	180,125	180,125	147,693	32,432
Public safety	87,367	87,367	80,190	7,177
<b>TOTAL EXPENDITURES</b>	<u>267,492</u>	<u>267,492</u>	<u>227,883</u>	<u>39,609</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>135,608</u>	<u>135,608</u>	<u>133,296</u>	<u>(2,312)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(215,000)	(215,000)	(215,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(215,000)</u>	<u>(215,000)</u>	<u>(215,000)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (79,392)</u>	<u>\$ (79,392)</u>	<u>(81,704)</u>	<u>\$ (2,312)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>453,422</u>	
End of year			<u>\$ 371,718</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Vista Del Mar CFD 2005-2 Special Revenue Fund**  
**For the year ended June 30, 2011**

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Other taxes	\$ 50,000	\$ 50,000	\$ 61,411	\$ 11,411
Use of money and property	-	-	1	1
<b>TOTAL REVENUES</b>	<u>50,000</u>	<u>50,000</u>	<u>61,412</u>	<u>11,412</u>
<b>EXPENDITURES</b>				
Public safety	60,410	60,410	60,754	(344)
Interest and fiscal charges	6,000	6,000	8,104	(2,104)
<b>TOTAL EXPENDITURES</b>	<u>66,410</u>	<u>66,410</u>	<u>68,858</u>	<u>(2,448)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (16,410)</u>	<u>\$ (16,410)</u>	<u>(7,446)</u>	<u>\$ 8,964</u>
<b>FUND BALANCES (DEFICIT):</b>				
Beginning of year			<u>2,682</u>	
End of year			<u>\$ (4,764)</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Public Safety CFD 2005-1 Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Other taxes	\$ 120,000	\$ 120,000	\$ 164,292	\$ 44,292
Use of money and property	-	-	79	79
<b>TOTAL REVENUES</b>	<u>120,000</u>	<u>120,000</u>	<u>164,371</u>	<u>44,371</u>
<b>EXPENDITURES</b>				
Public safety	130,730	130,730	132,678	(1,948)
Interest and fiscal charges	10,000	10,000	4,870	5,130
<b>TOTAL EXPENDITURES</b>	<u>140,730</u>	<u>140,730</u>	<u>137,548</u>	<u>3,182</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (20,730)</u>	<u>\$ (20,730)</u>	26,823	<u>\$ 47,553</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>13,318</u>	
End of year			<u>\$ 40,141</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Park Maintenance CFD 2007-1 Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ 30,000	\$ 30,000	\$ 28,131	\$ (1,869)
Special assessments	13,640	13,640	12,995	(645)
Use of money and property	230	230	328	98
<b>TOTAL REVENUES</b>	<u>43,870</u>	<u>43,870</u>	<u>41,454</u>	<u>(2,416)</u>
<b>EXPENDITURES</b>				
Public works - streets	56,543	56,543	52,986	3,557
Interest and fiscal charges	3,000	3,000	3,276	(276)
<b>TOTAL EXPENDITURES</b>	<u>59,543</u>	<u>59,543</u>	<u>56,262</u>	<u>3,281</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (15,673)</u>	<u>\$ (15,673)</u>	<u>(14,808)</u>	<u>\$ 865</u>
<b>FUND BALANCES (DEFICIT):</b>				
Beginning of year			<u>(107,037)</u>	
End of year			<u>\$ (121,845)</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Pittsburg Art and Community Foundation Special Revenue Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ 35,000	\$ 35,000	\$ 17,000	\$ (18,000)
Permits, licenses and fees	2,400	2,400	-	(2,400)
Service fees	12,527	12,527	161	(12,366)
Use of money and property	136,260	136,260	9,675	(126,585)
Other revenues	116,200	2,462,913	161,529	(2,301,384)
<b>TOTAL REVENUES</b>	<b>302,387</b>	<b>2,649,100</b>	<b>188,365</b>	<b>(2,460,735)</b>
<b>EXPENDITURES</b>				
Community development and services	868,318	1,080,578	969,718	110,860
<b>TOTAL EXPENDITURES</b>	<b>868,318</b>	<b>1,080,578</b>	<b>969,718</b>	<b>110,860</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(565,931)</b>	<b>1,568,522</b>	<b>(781,353)</b>	<b>(2,349,875)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	687,023	449,283	1,484,473	1,035,190
Transfers out	(337,023)	(887,023)	(450,000)	437,023
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>350,000</b>	<b>(437,740)</b>	<b>1,034,473</b>	<b>1,472,213</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (215,931)</b>	<b>\$ 1,130,782</b>	<b>253,120</b>	<b>\$ (877,662)</b>
<b>FUND BALANCES:</b>				
Beginning of year			655,295	
End of year			\$ 908,415	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Pension Obligations Debt Service Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Service fees	\$ 2,181,427	\$ 2,181,427	\$ 2,183,988	\$ 2,561
Use of money and property	3,400	3,400	2,817	(583)
Other revenues	-	-	978,644	978,644
<b>TOTAL REVENUES</b>	<u>2,184,827</u>	<u>2,184,827</u>	<u>3,165,449</u>	<u>980,622</u>
<b>EXPENDITURES</b>				
Principal retirement	417,406	357,406	357,406	-
Interest and fiscal charges	1,764,021	1,764,021	1,768,762	(4,741)
<b>TOTAL EXPENDITURES</b>	<u>2,181,427</u>	<u>2,121,427</u>	<u>2,126,168</u>	<u>(4,741)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 3,400</u>	<u>\$ 63,400</u>	1,039,281	<u>\$ 975,881</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>110,978</u>	
End of year			<u>\$ 1,150,259</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Inclusionary Housing Capital Projects Fund**  
**For the year ended June 30, 2011**

---

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Use of money and property	\$ 3,360	\$ 3,360	\$ 3,751	\$ 391
<b>TOTAL REVENUES</b>	<u>3,360</u>	<u>3,360</u>	<u>3,751</u>	<u>391</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 3,360</u>	<u>\$ 3,360</u>	3,751	<u>\$ 391</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>366,772</u>	
End of year			<u>\$ 370,523</u>	



**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Traffic Impact Fair Share Capital Projects Fund**  
**For the year ended June 30, 2011**

---

	<u>Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance from Final Budget Positive (Negative)</u>
<b>REVENUES</b>				
Use of money and property	\$ 6,370	\$ 6,370	\$ 4,165	\$ (2,205)
<b>TOTAL REVENUES</b>	<u>6,370</u>	<u>6,370</u>	<u>4,165</u>	<u>(2,205)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(75,138)	(45,138)	30,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>-</u>	<u>(75,138)</u>	<u>(45,138)</u>	<u>30,000</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 6,370</u>	<u>\$ (68,768)</u>	<u>(40,973)</u>	<u>\$ 27,795</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>568,974</u>	
End of year			<u>\$ 528,001</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Regional Traffic Mitigation Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Permits, licenses and fees	\$ -	\$ -	\$ 1,368,071	\$ 1,368,071
Use of money and property	-	-	2,634	2,634
<b>TOTAL REVENUES</b>	-	-	1,370,705	1,370,705
<b>EXPENDITURES</b>				
Public works - streets	-	71,000	65,997	5,003
<b>TOTAL EXPENDITURES</b>	-	71,000	65,997	5,003
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	(71,000)	1,304,708	1,375,708
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(29,000)	(29,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	(29,000)	(29,000)	-
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ -</u>	<u>\$ (100,000)</u>	1,275,708	<u>\$ 1,375,708</u>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			<u>\$ 1,275,708</u>	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Proposition 1B Local Street & Road Improvement Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 774,461	\$ -	\$ (774,461)
Use of money and property	12,900	12,900	3,109	(9,791)
<b>TOTAL REVENUES</b>	<b>12,900</b>	<b>787,361</b>	<b>3,109</b>	<b>(784,252)</b>
<b>EXPENDITURES</b>				
Public works - streets	-	913,704	812,286	101,418
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>913,704</b>	<b>812,286</b>	<b>101,418</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>12,900</b>	<b>(126,343)</b>	<b>(809,177)</b>	<b>(682,834)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	139,243	36,611	(102,632)
Transfers out	(93,000)	(93,000)	(40,210)	52,790
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(93,000)</b>	<b>46,243</b>	<b>(3,599)</b>	<b>(49,842)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (80,100)</b>	<b>\$ (80,100)</b>	<b>(812,776)</b>	<b>\$ (732,676)</b>
<b>FUND BALANCES:</b>				
Beginning of year			812,780	
End of year			\$ 4	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Kirker Creek Drainage Fees Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Permits, licenses and fees	\$ -	\$ -	\$ 61	\$ 61
Use of money and property	9,800	9,800	10,460	660
Other revenues	-	50,577	50,356	(221)
<b>TOTAL REVENUES</b>	<u>9,800</u>	<u>60,377</u>	<u>60,877</u>	<u>500</u>
<b>EXPENDITURES</b>				
Public works - streets	-	227,764	55,256	172,508
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>227,764</u>	<u>55,256</u>	<u>172,508</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>9,800</u>	<u>(167,387)</u>	<u>5,621</u>	<u>173,008</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(16,300)	(16,300)	(16,300)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(16,300)</u>	<u>(16,300)</u>	<u>(16,300)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (6,500)</u>	<u>\$ (183,687)</u>	<u>(10,679)</u>	<u>\$ 173,008</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,343,696</u>	
End of year			<u>\$ 1,333,017</u>	

**City of Pittsburgh**  
**Budgetary Comparison Schedule**  
**Capital Improvement Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>EXPENDITURES</b>				
Public works - streets	\$ -	\$ 477,630	\$ 1,242	\$ 476,388
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>477,630</b>	<b>1,242</b>	<b>476,388</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>(477,630)</b>	<b>(1,242)</b>	<b>476,388</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	175,692	1,243	(174,449)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>175,692</b>	<b>1,243</b>	<b>(174,449)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ -</b>	<b>\$ (301,938)</b>	<b>1</b>	<b>\$ 301,939</b>
<b>FUND BALANCES:</b>				
Beginning of year			660,282	
End of year			\$ 660,283	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Traffic Mitigation Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 176,487	\$ 177,022	\$ 535
Permits, licenses and fees	-	-	52,386	52,386
Use of money and property	29,300	29,300	32,060	2,760
Other revenues	-	96,293	10,385	(85,908)
<b>TOTAL REVENUES</b>	<b>29,300</b>	<b>302,080</b>	<b>271,853</b>	<b>(30,227)</b>
<b>EXPENDITURES</b>				
Public works - streets	-	2,762,913	1,902,623	860,290
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>2,762,913</b>	<b>1,902,623</b>	<b>860,290</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>29,300</b>	<b>(2,460,833)</b>	<b>(1,630,770)</b>	<b>830,063</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	117,416	117,416	-
Transfers out	(50,000)	(380,347)	(81,161)	299,186
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(50,000)</b>	<b>(262,931)</b>	<b>36,255</b>	<b>299,186</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ (20,700)</b>	<b>\$ (2,723,764)</b>	<b>(1,594,515)</b>	<b>\$ 1,129,249</b>
<b>FUND BALANCES:</b>				
Beginning of year			4,758,888	
End of year			\$ 3,164,373	

**City of Pittsburg**  
**Budgetary Comparison Schedule**  
**Park Dedication Capital Projects Fund**  
**For the year ended June 30, 2011**

	Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 2,909,214	\$ -	\$ (2,909,214)
Use of money and property	24,600	24,600	13,960	(10,640)
Other revenues	-	-	825	825
<b>TOTAL REVENUES</b>	<u>24,600</u>	<u>2,933,814</u>	<u>14,785</u>	<u>(2,919,029)</u>
<b>EXPENDITURES</b>				
Public works - streets	-	6,782,479	2,827,506	3,954,973
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>6,782,479</u>	<u>2,827,506</u>	<u>3,954,973</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>24,600</u>	<u>(3,848,665)</u>	<u>(2,812,721)</u>	<u>1,035,944</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	1,462,784	1,046,811	(415,973)
Transfers out	(50,000)	(50,000)	(50,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(50,000)</u>	<u>1,412,784</u>	<u>996,811</u>	<u>(415,973)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (25,400)</u>	<u>\$ (2,435,881)</u>	<u>(1,815,910)</u>	<u>\$ 619,971</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>2,602,204</u>	
End of year			<u>\$ 786,294</u>	



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*



# PROPRIETARY FUND FINANCIAL STATEMENTS

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

***Golf Course Fund*** -This fund was established to account for revenues and expenditures associated with providing golfing facilities and services to our community.

***Island Energy Fund*** -This fund was established to account for expenditures incurred in maintenance of the facilities, in distributing gas and electricity to the industries, schools, business, and residents of Mare Island, in Vallejo, and to account for revenues collected from services to customers.

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



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

**City of Pittsburg**  
**Statement of Net Assets**  
**Non-Major Enterprise Funds**  
**June 30, 2011**

	Golf Course	Island Energy	Water Front Operations	Total Non-Major Enterprise Funds
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 226	\$ 3,020,283	\$ 1,103	\$ 3,021,612
Restricted cash and investments	-	101,019	-	101,019
Receivables:				
Accounts	12,550	477,985	-	490,535
Interest	1	2,491	1	2,493
Inventory	-	51,955	-	51,955
Prepaid items and other assets	-	59,065	-	59,065
Total current assets	<u>12,777</u>	<u>3,712,798</u>	<u>1,104</u>	<u>3,726,679</u>
Noncurrent assets:				
Non-depreciable assets	-	1,022,786	-	1,022,786
Depreciable assets, net	652,151	4,888,265	-	5,540,416
Total noncurrent assets	<u>652,151</u>	<u>5,911,051</u>	<u>-</u>	<u>6,563,202</u>
<b>TOTAL ASSETS</b>	<u>664,928</u>	<u>9,623,849</u>	<u>1,104</u>	<u>10,289,881</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	6,952	248,296	-	255,248
Salaries payable	-	9,018	-	9,018
Taxes payable	7,519	58,866	-	66,385
Refundable deposits	-	119,230	-	119,230
Unearned revenue	2,221	653,280	-	655,501
Compensated absences payable - due within one year	-	6,465	-	6,465
Advances from other funds	375,000	2,405,352	-	2,780,352
Compensated absences payable - due in more than one year	-	32,302	-	32,302
OPEB liability	-	521,893	-	521,893
<b>TOTAL LIABILITIES</b>	<u>391,692</u>	<u>4,054,702</u>	<u>-</u>	<u>4,446,394</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	284,103	3,505,699	-	3,789,802
Restricted for:				
Special purpose	-	111,020	-	111,020
Unrestricted	(10,867)	1,952,428	1,104	1,942,665
<b>TOTAL NET ASSETS</b>	<u>\$ 273,236</u>	<u>\$ 5,569,147</u>	<u>\$ 1,104</u>	<u>\$ 5,843,487</u>

**City of Pittsburgh**  
**Supplementary Statement of Net Assets**  
**Non-Major Facility Reserves**  
**June 30, 2011**

	Water Fac Reserve WTP Expand	Water Fac Water Distribution	Water Fac Zone I/II Reservoir	Water Fac Reserve SE20" Trans
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 732,526	\$ 166,710	\$ 886,862	\$ 694,385
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Interest	813	177	944	739
Loans/Notes	-	-	-	-
Inventory	-	-	-	-
Prepaid items and other assets	-	-	-	-
Total current assets	<u>733,339</u>	<u>166,887</u>	<u>887,806</u>	<u>695,124</u>
Noncurrent assets:				
Advances to other funds	-	-	-	-
Deferred outflow of resources	-	-	-	-
Capital assets:				
Non-depreciable assets	-	-	-	-
Depreciable assets, net	-	-	-	-
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>733,339</u>	<u>166,887</u>	<u>887,806</u>	<u>695,124</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	43,970	-	-	-
Salaries payable	-	-	-	-
Taxes payable	-	-	-	-
Accrued interest payable	-	-	-	-
Refundable deposits	-	-	-	-
Unearned revenue	-	-	-	-
Claims and judgments payable - due within one year	-	-	-	-
Compensated absences payable - due within one year	-	-	-	-
Long-term debt - due within one year	-	-	-	-
Total current liabilities	<u>43,970</u>	<u>-</u>	<u>-</u>	<u>-</u>
Noncurrent liabilities:				
Advances from other funds	-	-	-	-
Derivative instrument	-	-	-	-
Compensated absences payable - due in more than one year	-	-	-	-
OPEB liability	-	-	-	-
Long-term debt - due in more than one year	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>43,970</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	-	-	-	-
Restricted for:				
Capital Project	-	-	-	-
Debt service	-	-	-	-
Special purpose	-	-	-	-
Facility fees	1,045,283	165,692	881,214	689,966
Unrestricted	<u>(355,914)</u>	<u>1,195</u>	<u>6,592</u>	<u>5,158</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 689,369</u>	<u>\$ 166,887</u>	<u>\$ 887,806</u>	<u>\$ 695,124</u>

Water Fac Reserve SW Hills CIP	Water Fac Reserve SW Hills III Pipe	Water Fac Reserve SW Hills III Pump	Sewer Fac Reserve Coll Sys Cap	Sewer Fac Reserve Hwy 4 Trunk	Total Non-Major Facility Reserve Funds
\$ 650,600	\$ 1,582,446	\$ 92,341	\$ 696,111	\$ 13,824	\$ 5,515,805
-	-	-	-	-	-
-	-	-	-	-	-
674	1,683	97	741	14	5,882
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
651,274	1,584,129	92,438	696,852	13,838	5,521,687
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
651,274	1,584,129	92,438	696,852	13,838	5,521,687
-	-	-	-	-	43,970
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	43,970
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
646,832	1,572,063	91,787	706,562	13,734	5,813,133
4,442	12,066	651	(9,710)	104	(335,416)
\$ 651,274	\$ 1,584,129	\$ 92,438	\$ 696,852	\$ 13,838	\$ 5,477,717



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

**City of Pittsburg**  
**Statement of Revenues and Expenditures**  
**Non-Major Enterprise Funds**  
**For the year ended June 30, 2011**

	Golf Course	Island Energy	Water Front Operations	Total Non-Major Enterprise Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ 3,710,129	\$ -	\$ 3,710,129
Other operating revenues	-	36,587	-	36,587
<b>TOTAL OPERATING REVENUES</b>	<b>-</b>	<b>3,746,716</b>	<b>-</b>	<b>3,746,716</b>
<b>OPERATING EXPENSES</b>				
Salaries and wages	-	736,852	-	736,852
Department supplies	-	1,584,092	-	1,584,092
Rentals	220	28,444	-	28,664
Utilities	-	16,346	-	16,346
Maintenance and operations	6,000	253,865	-	259,865
Depreciation and amortization	153,548	346,649	-	500,197
Insurance premiums	-	162,296	-	162,296
Insurance deductible	-	3,948	-	3,948
Fringe benefits	-	598,299	-	598,299
Other operating expenses	10,511	71,334	-	81,845
<b>TOTAL OPERATING EXPENSES</b>	<b>170,279</b>	<b>3,802,125</b>	<b>-</b>	<b>3,972,404</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(170,279)</b>	<b>(55,409)</b>	<b>-</b>	<b>(225,688)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	93	18,415	8	18,516
Gain (loss) on disposal of assets	-	36,590	-	36,590
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>93</b>	<b>55,005</b>	<b>8</b>	<b>55,106</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>(170,186)</b>	<b>(404)</b>	<b>8</b>	<b>(170,582)</b>
<b>OPERATING TRANSFERS</b>				
Transfers out	-	(74,200)	-	(74,200)
<b>TOTAL OPERATING TRANSFERS</b>	<b>-</b>	<b>(74,200)</b>	<b>-</b>	<b>(74,200)</b>
<b>NET INCOME (LOSS)</b>	<b>(170,186)</b>	<b>(74,604)</b>	<b>8</b>	<b>(244,782)</b>
<b>NET ASSETS:</b>				
Beginning of year	443,422	5,643,751	1,096	6,088,269
End of year	\$ 273,236	\$ 5,569,147	\$ 1,104	\$ 5,843,487

**City of Pittsburgh**  
**Supplemental Statement of Revenues and Expenditures**  
**Non-Major Facility Reserve Funds**  
**For the year ended June 30, 2011**

	Water Fac Reserve WTP Expand	Water Fac Water Distribution	Water Fac Zone I/II Reservoir	Water Fac Reserve SE20" Trans
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ -	\$ -	\$ -
Meter fees	-	-	-	-
Other fees	-	-	-	-
Facility Reserve Fees	103,740	35,320	98,670	77,880
Rents and concessions	-	-	-	-
Gas and oil sales	-	-	-	-
Other operating revenues	-	-	-	-
<b>TOTAL OPERATING REVENUES</b>	<b>103,740</b>	<b>35,320</b>	<b>98,670</b>	<b>77,880</b>
<b>OPERATING EXPENSES</b>				
Salaries and wages	-	-	-	-
Department supplies	-	-	-	-
Rentals	-	-	-	-
Utilities	-	-	-	-
Maintenance and operations	-	-	-	-
Depreciation and amortization	-	-	-	-
Insurance premiums	-	-	-	-
Insurance deductible	-	-	-	-
Fringe benefits	-	-	-	-
Other operating expenses	-	-	-	-
<b>TOTAL OPERATING EXPENSES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>OPERATING INCOME (LOSS)</b>	<b>103,740</b>	<b>35,320</b>	<b>98,670</b>	<b>77,880</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment earnings	7,168	1,195	6,592	5,158
Interest and fiscal charges	-	-	-	-
Gain (loss) on disposal of assets	-	-	-	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>7,168</b>	<b>1,195</b>	<b>6,592</b>	<b>5,158</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<b>110,908</b>	<b>36,515</b>	<b>105,262</b>	<b>83,038</b>
<b>OPERATING TRANSFERS</b>				
Capital contributions	(363,083)	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>TOTAL OPERATING TRANSFERS</b>	<b>(363,083)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET INCOME (LOSS)</b>	<b>(252,175)</b>	<b>36,515</b>	<b>105,262</b>	<b>83,038</b>
<b>NET ASSETS:</b>				
Beginning of year	941,544	130,372	782,544	612,086
End of year	<u>\$ 689,369</u>	<u>\$ 166,887</u>	<u>\$ 887,806</u>	<u>\$ 695,124</u>



Water Fac Reserve SW Hills CIP	Water Fac Reserve SW Hills III Pipe	Water Fac Reserve SW Hills III Pump	Sewer Fac Reserve Coll Sys Cap	Sewer Fac Reserve Hwy 4 Trunk	Total Non-Major Facility Reserve Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
115,599	15,130	12,071	4,539	-	462,949
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
115,599	15,130	12,071	4,539	-	462,949
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
115,599	15,130	12,071	4,539	-	462,949
4,443	12,066	651	5,377	104	42,754
-	-	-	-	-	-
-	-	-	-	-	-
4,443	12,066	651	5,377	104	42,754
120,042	27,196	12,722	9,916	104	505,703
-	-	-	(15,087)	-	(378,170)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(15,087)	-	(378,170)
120,042	27,196	12,722	(5,171)	104	127,533
531,232	1,556,933	79,716	702,023	13,734	5,350,184
\$ 651,274	\$ 1,584,129	\$ 92,438	\$ 696,852	\$ 13,838	\$ 5,477,717

**City of Pittsburg**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2011**

	Golf Course	Island Energy	Water Front Operations	Total Non-Major Enterprise Funds
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ (4,666)	\$ 3,898,691	\$ -	\$ 3,894,025
Cash payments to suppliers of goods and services	(8,090)	(1,885,401)	-	(1,893,491)
Cash payments to employees for services	-	(1,221,915)	-	(1,221,915)
Other operating revenue (expenses)	(10,511)	(200,991)	-	(211,502)
<b>Net cash provided (used) by operating activities</b>	<b>(23,267)</b>	<b>590,384</b>	<b>-</b>	<b>567,117</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Interfund payments	-	632,280	-	632,280
Transfers in	-	-	-	-
Transfers out	-	(74,200)	-	(74,200)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>-</b>	<b>558,080</b>	<b>-</b>	<b>558,080</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital asset acquisition	-	(546,534)	-	(546,534)
Gain / Loss on disposal of assets	-	36,590	-	36,590
<b>Net cash provided (used) by capital and related financing activities</b>	<b>-</b>	<b>(509,944)</b>	<b>-</b>	<b>(509,944)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on investments	123	17,682	9	17,814
<b>Net cash provided (used) by investing activities</b>	<b>123</b>	<b>17,682</b>	<b>9</b>	<b>17,814</b>
<b>Net increase (decrease) in cash</b>	<b>(23,144)</b>	<b>656,202</b>	<b>9</b>	<b>633,067</b>
<b>CASH AND INVESTMENTS:</b>				
Beginning of year	23,370	2,465,100	1,094	2,489,564
End of year	\$ 226	\$ 3,121,302	\$ 1,103	\$ 3,122,631
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating income (loss)	(170,279)	(55,409)	-	(225,688)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	153,548	346,649	-	500,197
Changes in operating assets and liabilities:				
Accounts receivable	(4,056)	74,641	-	70,585
Loan Receivable	-	-	-	-
Inventory	-	(51,955)	-	(51,955)
Prepaid items	-	1,047	-	1,047
Accounts payable	(1,870)	45,629	-	43,759
Salaries and wages payable	-	1,224	-	1,224
Taxes payable	-	2,625	-	2,625
Refundable deposits	-	5,413	-	5,413
Deferred Revenue	(610)	108,508	-	107,898
Compensated absences	-	(4,188)	-	(4,188)
OPEB liability	-	116,200	-	116,200
Total adjustments	147,012	645,793	-	792,805
<b>Net cash provided (used) by operating activities</b>	<b>\$ (23,267)</b>	<b>\$ 590,384</b>	<b>-</b>	<b>\$ 567,117</b>

# INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a reimbursement basis. There are five funds as follows:

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

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

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

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

***Fringe Benefits Fund*** - Used to allocate fringe costs to various departments.

**City of Pittsburg**  
**Combining Statement of Net Assets**  
**All Internal Service Funds**  
**June 30, 2011**

	Fleet Maintenance	Building Maintenance	Insurance
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 682,525	\$ 614,674	\$ 1,367,223
Accounts	-	3,230	-
Interest	-	-	1,441
Loans/Notes	-	-	-
Inventory	34,870	7,355	-
Prepaid items and other assets	-	-	1,169
<b>Total current assets</b>	<u>717,395</u>	<u>625,259</u>	<u>1,369,833</u>
Noncurrent assets:			
Depreciable assets, net	1,710,788	441,589	-
<b>Total noncurrent assets</b>	<u>1,710,788</u>	<u>441,589</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>2,428,183</u>	<u>1,066,848</u>	<u>1,369,833</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	67,503	32,414	28,726
Salaries payable	3,735	2,456	-
Unearned revenue	-	35,921	-
Claims and judgments payable - due within one year	-	-	153,669
Compensated absences payable - due within one year	6,880	6,400	-
Compensated absences payable - due in more than one year	19,149	14,443	-
Capital lease - due in more than one year	-	-	-
<b>TOTAL LIABILITIES</b>	<u>97,267</u>	<u>91,634</u>	<u>182,395</u>
<b>NET ASSETS</b>			
Unrestricted	<u>2,330,916</u>	<u>975,214</u>	<u>1,187,438</u>
<b>TOTAL NET ASSETS</b>	<u>\$ 2,330,916</u>	<u>\$ 975,214</u>	<u>\$ 1,187,438</u>

Information / Communication Services	Fringe Benefits	Total
\$ 618,920	\$ 1,405,117	\$ 4,688,459
3,875	976	8,081
-	1,487	2,928
52	-	52
23,156	-	65,381
43,531	22,400	67,100
<u>689,534</u>	<u>1,429,980</u>	<u>4,832,001</u>
<u>263,195</u>	<u>-</u>	<u>2,415,572</u>
<u>263,195</u>	<u>-</u>	<u>2,415,572</u>
<u>952,729</u>	<u>1,429,980</u>	<u>7,247,573</u>
127,947	(642,247)	(385,657)
978	20,160	27,329
-	-	35,921
-	-	153,669
1,860	-	15,140
7,340	-	40,932
157,279	-	157,279
<u>295,404</u>	<u>(622,087)</u>	<u>44,613</u>
<u>657,325</u>	<u>2,052,067</u>	<u>7,202,960</u>
<u>\$ 657,325</u>	<u>\$ 2,052,067</u>	<u>\$ 7,202,960</u>

**City of Pittsburgh**  
**Combining Statement of Revenues, Expenses and Changes in Net Assets**  
**All Internal Service Funds**  
**For the year ended June 30, 2011**

	Fleet Maintenance	Building Maintenance	Insurance
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,589,316	\$ 1,118,701	\$ 560,016
Other operating revenues	5,326	46,407	25,000
<b>TOTAL OPERATING REVENUES</b>	<u>1,594,642</u>	<u>1,165,108</u>	<u>585,016</u>
<b>OPERATING EXPENSES</b>			
Salaries and wages	275,890	213,384	-
Department supplies	661,787	40,412	-
Rentals	27,940	1,008	-
Utilities	6,384	261,470	-
Maintenance and operations	165,608	240,060	-
Depreciation and amortization	480,716	122,429	-
Insurance premiums	7,916	92,525	318,243
Insurance deductible	3,420	2,820	204,503
Fringe benefits	166,571	134,217	-
Other operating expenses	9,328	(3,674)	-
<b>TOTAL OPERATING EXPENSES</b>	<u>1,805,560</u>	<u>1,104,651</u>	<u>522,746</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(210,918)</u>	<u>60,457</u>	<u>62,270</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	-	-	9,491
Gain (loss) on disposal of assets	12,672	-	-
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<u>12,672</u>	<u>-</u>	<u>9,491</u>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS</b>	<u>(198,246)</u>	<u>60,457</u>	<u>71,761</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(200,000)	(200,000)	(100,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(200,000)</u>	<u>(200,000)</u>	<u>(100,000)</u>
<b>Net income (loss)</b>	<u>(398,246)</u>	<u>(139,543)</u>	<u>(28,239)</u>
<b>NET ASSETS:</b>			
Beginning of year	2,729,162	1,114,757	1,215,677
End of year	<u>\$ 2,330,916</u>	<u>\$ 975,214</u>	<u>\$ 1,187,438</u>

Information / Communication Services	Fringe Benefits	Total
\$ 984,911	\$ 2,997,494	\$ 7,250,438
15,500	33,864	126,097
<u>1,000,411</u>	<u>3,031,358</u>	<u>7,376,535</u>
70,824	-	560,098
129,843	-	832,042
8,884	-	37,832
-	-	267,854
592,901	40,288	1,038,857
204,114	-	807,259
-	-	418,684
900	-	211,643
34,911	2,242,382	2,578,081
47,973	-	53,627
<u>1,090,350</u>	<u>2,282,670</u>	<u>6,805,977</u>
<u>(89,939)</u>	<u>748,688</u>	<u>570,558</u>
-	8,808	18,299
-	-	12,672
-	8,808	30,971
<u>(89,939)</u>	<u>757,496</u>	<u>601,529</u>
-	(80,000)	(580,000)
-	(80,000)	(580,000)
<u>(89,939)</u>	<u>677,496</u>	<u>21,529</u>
<u>747,264</u>	<u>1,374,571</u>	<u>7,181,431</u>
<u>\$ 657,325</u>	<u>\$ 2,052,067</u>	<u>\$ 7,202,960</u>

**City of Pittsburg**  
**Combining Statement of Cash Flows**  
**All Internal Service Funds**  
**For the year ended June 30, 2011**

	Fleet Maintenance	Building Maintenance	Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers/other funds	\$ 1,589,316	\$ 1,154,983	\$ 560,016
Cash payments to employees for services	(437,340)	(344,338)	-
Cash payments to suppliers for goods and services	(884,216)	(661,285)	(429,330)
Other operating revenues (expenses)	5,326	46,407	25,000
<b>Net cash provided (used) by operating activities</b>	<b>273,086</b>	<b>195,767</b>	<b>155,686</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers in	-	-	-
Transfers out	(200,000)	(200,000)	(100,000)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(200,000)</b>	<b>(200,000)</b>	<b>(100,000)</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	(446,718)	(6,017)	-
Proceeds from issuance of capital leases	-	-	-
Proceeds from sale of assets	12,672	-	-
Interest expense	-	-	-
<b>Net cash provided (used) by capital financing activities</b>	<b>(434,046)</b>	<b>(6,017)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest revenue	-	-	9,090
<b>Net cash provided (used) by investing activities</b>	<b>-</b>	<b>-</b>	<b>9,090</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(360,960)</b>	<b>(10,250)</b>	<b>64,776</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	1,043,485	624,924	1,302,447
End of year	<u>\$ 682,525</u>	<u>\$ 614,674</u>	<u>\$ 1,367,223</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (210,918)	\$ 60,457	\$ 62,270
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	480,716	122,429	-
Changes in operating assets and liabilities:			
Accounts receivable	-	361	-
Loans receivable	-	-	-
Due from other funds	-	-	-
Inventory	(9,570)	2,600	-
Prepaid items	-	-	(22)
Accounts payable	7,737	(29,264)	23,944
Salaries and wages payable	1,162	922	-
Unearned Revenue	-	35,921	-
Compensated absences	3,959	2,341	-
Insurance claims payable	-	-	69,494
<b>Total adjustments</b>	<b>484,004</b>	<b>135,310</b>	<b>93,416</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 273,086</b>	<b>\$ 195,767</b>	<b>\$ 155,686</b>



**City of Pittsburgh**  
**Statement of Cash Flows**  
**All Internal Service Funds**  
**For the year ended June 30, 2011**

Information/ Communication Services	Fringe Benefits	Total
\$ 1,007,288	\$ 3,029,508	\$ 7,341,111
(103,489)	(2,219,847)	(3,105,014)
(735,913)	(675,205)	(3,385,949)
15,500	33,864	126,097
<u>183,386</u>	<u>168,320</u>	<u>976,245</u>
-	-	-
-	(80,000)	(580,000)
-	(80,000)	(580,000)
-	-	(452,735)
(201,761)	-	(201,761)
-	-	12,672
-	-	-
<u>(201,761)</u>	<u>-</u>	<u>(641,824)</u>
-	8,404	17,494
-	8,404	17,494
(18,375)	96,724	(228,085)
637,295	1,308,393	4,916,545
<u>\$ 618,920</u>	<u>\$ 1,405,117</u>	<u>\$ 4,688,459</u>
\$ (89,939)	\$ 748,688	\$ 570,558
204,114	-	807,259
-	32,015	32,376
22,376	-	22,376
-	-	-
(23,156)	-	(30,126)
58,040	-	58,018
9,705	(634,918)	(622,796)
222	22,535	24,841
-	-	35,921
2,024	-	8,324
-	-	69,494
<u>273,325</u>	<u>(580,368)</u>	<u>405,687</u>
<u>\$ 183,386</u>	<u>\$ 168,320</u>	<u>\$ 976,245</u>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

# FIDUCIARY FUND FINANCIAL STATEMENTS

***Fiduciary Funds:***

***Assessment District Agency Fund*** accounts for the collection of property taxes and the payments to bondholders.

***Environmental Impact Agency Fund*** accounts for the collection of builders' fees to be used for related environmental improvement projects.

***Other Impact Fees Agency Fund*** accounts for the collection of developer fees on behalf of the Contra Costa Fire Protection District (CCFPD), Contra Costa Water District (CCWD) and the East Contra Costa Regional Fee and Finance Authority (ECCRFF).

***Vista Del Mar CFD Bond 2005-2*** accounts for funds used to construct and acquire certain public improvements, consisting of roadway, water and other infrastructure improvements necessary for the development of property within the district, as well as park improvements.

**City of Pittsburg**  
**Combining Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
**For the year ended June 30, 2011**

	Beginning Balance July 1, 2010	Additions	Deletions	Ending Balance June 30, 2011
<b><u>Assessment Districts Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 3,031,070	\$ 2,179,316	\$ (2,562,283)	\$ 2,648,103
Cash and investments held by fiscal agent	2,440,105	2,384,561	(2,142,888)	2,681,778
Assessment receivable	2,275,059	49,776	-	2,324,835
Interest receivable	24,806	2,827	(24,804)	2,829
<b>Total assets</b>	<b>\$ 7,771,040</b>	<b>\$ 4,616,480</b>	<b>\$ (4,729,975)</b>	<b>\$ 7,657,545</b>
<b>Liabilities:</b>				
Accounts payable	\$ 30,688	\$ 180,508	\$ (182,613)	\$ 28,583
Deferred assessment	2,275,059	49,776	-	2,324,835
Due to bondholders	5,465,293	8,189,200	(8,350,366)	5,304,127
<b>Total liabilities</b>	<b>\$ 7,771,040</b>	<b>\$ 8,419,484</b>	<b>\$ (8,532,979)</b>	<b>\$ 7,657,545</b>
<b><u>Environmental Impact Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,887	\$ 15	\$ -	\$ 1,902
Interest receivable	3	3	(3)	3
<b>Total assets</b>	<b>\$ 1,890</b>	<b>\$ 18</b>	<b>\$ (3)</b>	<b>\$ 1,905</b>
<b>Liabilities:</b>				
Due to other parties	\$ 1,254	\$ -	\$ (1)	\$ 1,253
Due to bondholders	636	16	-	652
<b>Total liabilities</b>	<b>\$ 1,890</b>	<b>\$ 16</b>	<b>\$ (1)</b>	<b>\$ 1,905</b>
<b><u>Other Impact Fees Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 120,601	\$ 755,928	\$ (856,594)	\$ 19,935
<b>Total assets</b>	<b>\$ 120,601</b>	<b>\$ 755,928</b>	<b>\$ (856,594)</b>	<b>\$ 19,935</b>
<b>Liabilities:</b>				
Accounts payable	\$ 118,620	\$ 754,980	\$ (856,590)	\$ 17,010
Due to other parties	1,981	756,138	(755,017)	3,102
<b>Due to bond holders</b>	<b>-</b>	<b>-</b>	<b>(177)</b>	<b>(177)</b>
<b>Total liabilities</b>	<b>\$ 120,601</b>	<b>\$ 1,511,118</b>	<b>\$ (1,611,784)</b>	<b>\$ 19,935</b>
<b><u>Vista Del Mar &amp; San Marco CFD's</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 612,897	\$ 962,725	\$ (830,415)	\$ 745,207
Cash and investments held by fiscal agent	3,664,922	803,951	(841,431)	3,627,442
Interest receivable	1,416	1,593	(2,252)	757
<b>Total assets</b>	<b>\$ 4,279,235</b>	<b>\$ 1,768,269</b>	<b>\$ (1,674,098)</b>	<b>\$ 4,373,406</b>
<b>Liabilities:</b>				
Accounts payable	\$ 146	\$ 27,605	\$ (27,683)	\$ 68
Due to bondholders	4,279,089	4,324,422	(4,230,173)	4,373,338
<b>Total liabilities</b>	<b>\$ 4,279,235</b>	<b>\$ 4,352,027</b>	<b>\$ (4,257,856)</b>	<b>\$ 4,373,406</b>
<b><u>Total Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 3,766,455	\$ 3,897,984	\$ (4,249,292)	\$ 3,415,147
Cash and investment held by fiscal agent	6,105,027	3,188,512	(2,984,319)	6,309,220
Assessment receivable	2,275,059	49,776	-	2,324,835
Interest receivable	26,225	4,423	(27,059)	3,589
<b>Total assets</b>	<b>\$ 12,172,766</b>	<b>\$ 7,140,695</b>	<b>\$ (7,260,670)</b>	<b>\$ 12,052,791</b>
<b>Liabilities:</b>				
Accounts payable	\$ 149,454	\$ 963,093	\$ (1,066,886)	\$ 45,661
Deferred assessment	2,275,059	49,776	-	2,324,835
Due to other parties	3,235	756,138	(755,018)	4,355
Due to bondholders	9,745,018	12,513,638	(12,580,716)	9,677,940
<b>Total liabilities</b>	<b>\$ 12,172,766</b>	<b>\$ 14,282,645</b>	<b>\$ (14,402,620)</b>	<b>\$ 12,052,791</b>

# STATISTICAL SECTION

This part of the City of Pittsburg's comprehensive annual financial report presents detailed information in a statistical format as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information is conveying about the City of Pittsburg's overall financial status.

The Governmental Accounting Standards Board (GASB) issued Statement Number 44, "Economic Condition Reporting; the Statistics Section" which is an amendment of National Council on Governmental Accounting's (NCGA) Statement One. This statement amends the portions of NCGA Statement One, Governmental Accounting and Financial Reporting Principles, that guide the preparation of the statistical section. The statistical section presents detailed information, typically in ten-year statements, and required supplementary information to assess the economic condition of the City. During the Fiscal Year 2005-2006, the City of Pittsburg implemented this statement and added new information and eliminated schedules previously required.

The major points of emphasis are:

## **Financial Trends**

These schedules contain trend information to help the CAFR reader understand how the City of Pittsburg's financial performance and economic status have changed over time.

## **Revenue Capacity**

These schedules contain information to help the CAFR reader evaluate factors affecting the City of Pittsburg's ability to generate its property and sales taxes and other major revenues.

## **Debt Capacity**

These schedules present information to help the CAFR reader assess the affordability of the City of Pittsburg's current levels of outstanding debt and the City's ability to issue additional debt in the future.

## **Demographic and Economic Information**

These schedules offer demographic and economic indications to help the CAFR reader understand the environment within which the City of Pittsburg's financial activities occur.

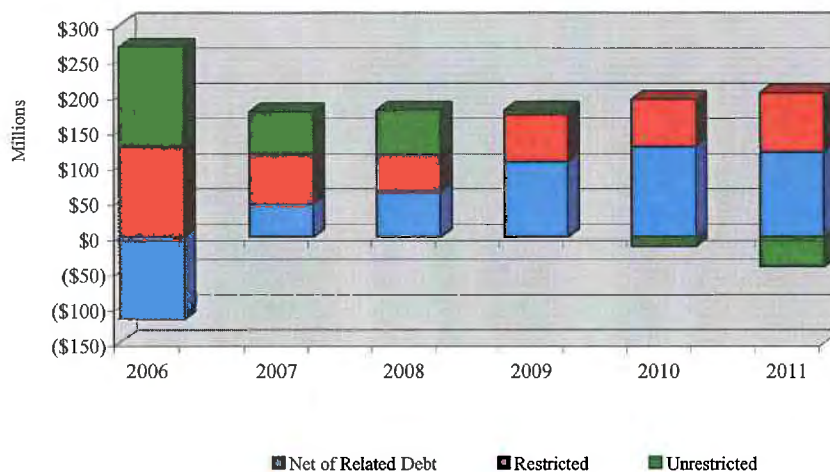
## **Operating Information**

These schedules contain information about the City of Pittsburg's operations and resources to help the CAFR reader understand how the City's financial information relates to the services the City provides and the activities it performs.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*

**CITY OF PITTSBURG**  
**Net Assets by Component**  
**Last Six Fiscal Years**  
**(accrual basis of accounting)**



	<b>Fiscal Year Ended June 30,</b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Governmental activities</b>						
Invested in Capital Assets,						
Net of related debt	(\$153,333,826)	\$3,247,946	\$18,733,410	\$32,357,570	\$59,908,182	\$46,442,103
Restricted	124,840,230	58,131,686	28,890,295	46,826,571	51,627,971	63,967,311
Unrestricted	99,416,697	28,994,097	50,069,992	(5,009,852)	(38,861,513)	(62,825,341)
<b>Total governmental activities net assets</b>	<b>\$70,923,101</b>	<b>\$90,373,729</b>	<b>\$97,693,697</b>	<b>\$74,174,289</b>	<b>\$72,674,640</b>	<b>\$47,584,073</b>
<b>Business-type activities</b>						
Invested in Capital Assets,						
Net of related debt	\$36,566,114	\$42,643,385	\$44,780,703	\$73,704,658	\$67,603,197	\$73,188,754
Restricted	3,602,121	13,474,928	24,190,306	20,189,744	16,057,202	20,709,344
Unrestricted	41,341,654	30,681,028	12,931,446	11,345,116	25,075,506	20,765,153
<b>Total business-type activities net assets</b>	<b>\$81,509,889</b>	<b>\$86,799,341</b>	<b>\$81,902,455</b>	<b>\$105,239,518</b>	<b>\$108,735,905</b>	<b>\$114,663,251</b>
<b>Primary government</b>						
Invested in capital assets,						
net of related debt	(\$116,767,712)	\$45,891,331	\$63,514,113	\$106,062,228	\$127,511,379	\$119,630,857
Restricted	128,442,351	71,606,614	53,080,601	67,016,315	67,685,173	84,676,655
Unrestricted	140,758,351	59,675,125	63,001,438	6,335,264	(13,786,007)	(42,060,188)
<b>Total primary government net assets</b>	<b>\$152,432,990</b>	<b>\$177,173,070</b>	<b>\$179,596,152</b>	<b>\$179,413,807</b>	<b>\$181,410,545</b>	<b>\$162,247,324</b>

**CITY OF PITTSBURG**  
**Changes in Net Assets**  
**Last Five Fiscal Years**  
**(Accrual Basis of Accounting)**

	<b>Fiscal Year Ended June 30,</b>				
	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Expenses</b>					
<b>Governmental Activities:</b>					
General Government	\$14,254,413	\$21,504,808	\$11,842,142	\$18,568,935	\$14,788,317
Public Safety	16,949,031	19,147,330	37,075,329	20,844,081	20,111,317
Public Works	17,949,516	16,356,492	15,020,101	13,685,011	19,975,441
Community Development	25,815,463	31,332,797	37,032,108	22,565,100	25,958,714
Culture and Recreation	1,892,674	1,854,555	1,741,484	733,417	476,739
Interest on Long Term Debt	20,495,286	23,435,995	35,950,401	19,671,322	23,519,241
<b>Total Governmental Activities Expenses</b>	<b>97,356,383</b>	<b>113,631,977</b>	<b>138,661,565</b>	<b>96,067,866</b>	<b>104,829,769</b>
<b>Business-Type Activities:</b>					
Water	13,372,173	14,316,223	14,013,116	13,614,034	14,449,902
Wastewater	1,929,214	1,972,310	2,218,519	2,407,534	2,317,726
Marina	2,378,869	2,112,615	2,320,709	2,139,241	2,168,789
Pittsburg Power					1,579,980
Other-Non-Major Enterprise Funds	6,663,142	7,430,302	7,607,155	7,563,600	3,972,404
<b>Total Business-Type Activities Expenses</b>	<b>24,343,398</b>	<b>25,831,450</b>	<b>26,159,499</b>	<b>25,724,409</b>	<b>24,488,801</b>
<b>Total Primary Government Expenses</b>	<b>\$121,699,781</b>	<b>\$139,463,427</b>	<b>\$164,821,064</b>	<b>\$121,792,275</b>	<b>\$129,318,570</b>
<b>Program Revenues</b>					
<b>Governmental Activities:</b>					
<b>Charges for Services:</b>					
General Government	\$8,362,348	\$114,718	\$2,165,995	\$6,451,351	\$5,614,500
Public Safety	633,513	750,286	1,054,367	1,287,433	987,348
Public Works	4,077,620	2,930,076	1,186,331	5,733,983	2,755,943
Community Development	90,302	4,318,365	8,392,107	5,914,983	6,498,599
Culture and Recreation	533,114	419,320	198,873	212,184	257,627
Operating Grants and Contributions	19,357,391	18,175,592	15,252,456	14,022,072	16,926,790
Capital Grants and Contributions	948,905	5,243,189	2,193,823	1,119,989	929,465
<b>Total Government Activities Program Revenues</b>	<b>34,003,193</b>	<b>31,951,546</b>	<b>30,443,952</b>	<b>34,741,995</b>	<b>33,970,272</b>
<b>Business-Type Activities:</b>					
<b>Charges for Services:</b>					
Water	15,974,805	15,780,234	15,121,036	16,695,089	16,880,039
Wastewater	3,864,420	3,305,065	3,846,151	4,471,813	4,373,309
Pittsburg Power					6,729,701
Marina	1,653,350	1,732,960	1,829,397	1,681,500	1,850,375
Other-Non-Major Enterprise Funds	6,242,843	7,369,613	7,965,358	6,915,483	3,783,306
Operating Grants and Contributions					
Capital Grants and Contributions	197,903	331,649	18,110,472	591,456	309,021
<b>Total Business-Type Activities Program Revenue</b>	<b>27,933,321</b>	<b>28,519,521</b>	<b>46,872,414</b>	<b>30,355,341</b>	<b>33,925,751</b>
<b>Total Primary Government Program Revenues</b>	<b>\$61,936,514</b>	<b>\$60,471,067</b>	<b>\$77,316,366</b>	<b>\$65,097,336</b>	<b>\$67,896,023</b>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(\$63,353,190)	(\$81,680,431)	(\$108,217,613)	(\$61,325,871)	(\$70,859,497)
Business-Type Activities	3,589,923	2,688,071	20,712,915	4,630,932	9,436,950
<b>Total Primary Government Net Expense</b>	<b>(\$59,763,267)</b>	<b>(\$78,992,360)</b>	<b>(\$87,504,698)</b>	<b>(\$56,694,939)</b>	<b>(\$61,422,547)</b>

\* PRE-GASB 34 Reporting

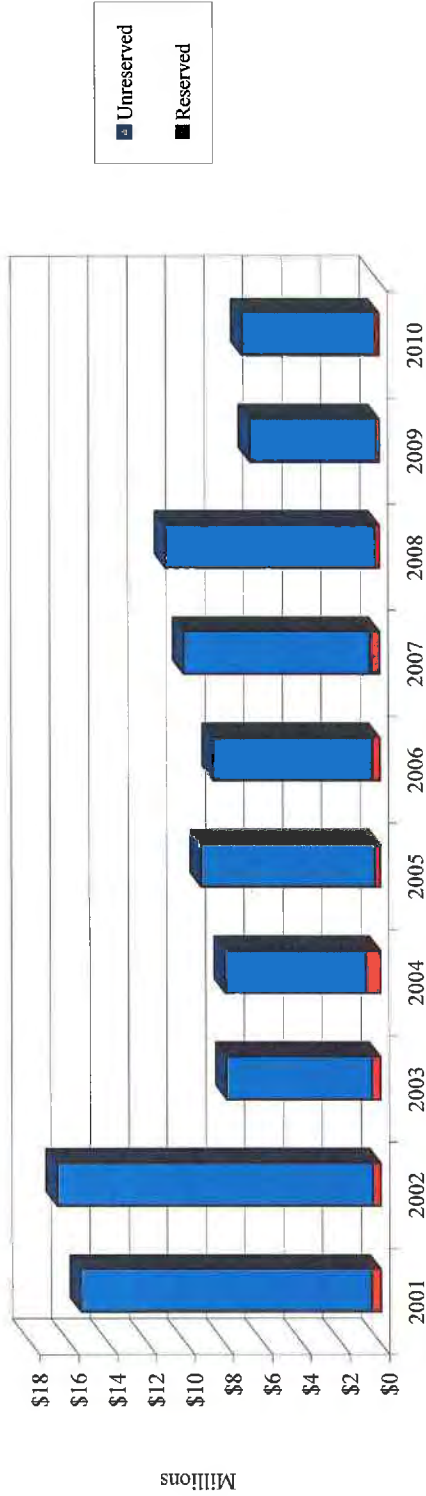


**CITY OF PITTSBURG**  
**Changes in Net Assets**  
**(continued)**  
**Last Five Fiscal Years**  
**(Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,				
	2007	2008	2009	2010	2011
<b>General Revenues and Other Changes in Net Assets</b>					
Governmental Activities:					
Taxes:					
Property Taxes	\$50,917,360	\$51,782,902	\$49,448,715	\$39,995,052	\$40,456,473
Sales Taxes	7,953,283	7,295,549	7,167,394	5,998,652	5,438,354
Motor Vehicle In-Lieu	6,042,275	4,871,681	4,714,411	4,019,459	3,936,649
Transient Occupancy Tax	149,393	172,734	185,120	256,226	279,852
Inter Governmental Revenues	0	0	0	0	0
Nonregulatory Franchise and Business	2,246,603	3,544,661	3,025,968	2,378,602	2,660,883
Interest Earnings	11,146,109	11,718,198	10,602,828	2,414,528	2,314,878
Other	2,134,499	940,352	1,166,245	3,309,593	7,375,344
Transfers	563,960	10,773,070	6,242,560	1,454,110	3,957,110
Gain (loss) on sale of assets					(18,539,878)
<b>Total Government Activities</b>	<b>81,153,482</b>	<b>91,099,147</b>	<b>82,553,241</b>	<b>59,826,222</b>	<b>47,879,665</b>
Business-Type Activities:					
Interest Earnings	2,263,490	1,961,224	1,093,600	321,967	447,506
Transfers	(563,960)	(8,688,861)	(6,242,560)	(1,454,110)	(3,957,110)
<b>Total Business-Type Activities</b>	<b>1,699,530</b>	<b>(6,727,637)</b>	<b>(5,148,960)</b>	<b>(1,132,143)</b>	<b>(3,509,604)</b>
<b>Total Primary Government</b>	<b>\$82,853,012</b>	<b>\$84,371,510</b>	<b>\$77,404,281</b>	<b>\$58,694,079</b>	<b>\$44,370,061</b>
<b>Change in Net Assets</b>					
Governmental Activities	\$17,800,292	\$9,418,716	(\$25,664,372)	(\$1,499,649)	(\$22,979,832)
Business-Type Activities	5,289,453	(4,039,566)	15,563,955	3,498,789	5,927,346
<b>Total Primary Government</b>	<b>\$23,089,745</b>	<b>\$5,379,150</b>	<b>(\$10,100,417)</b>	<b>\$1,999,140</b>	<b>(\$17,052,486)</b>

**CITY OF PITTSBURG**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

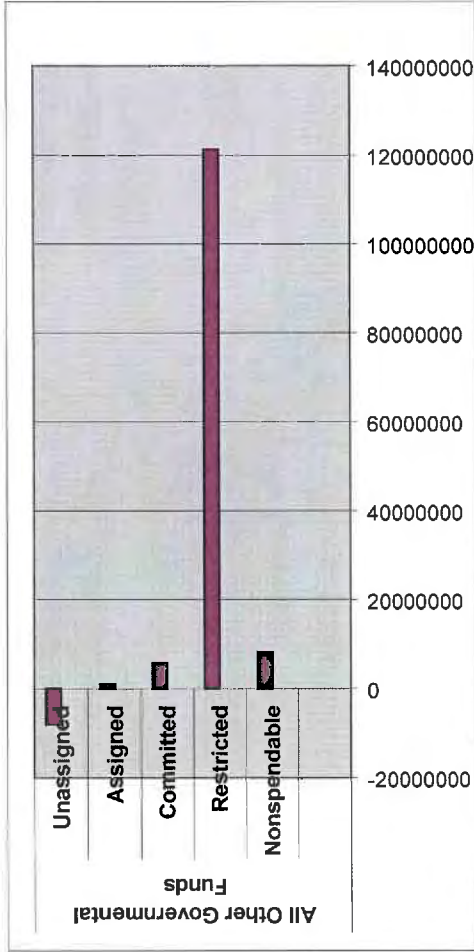
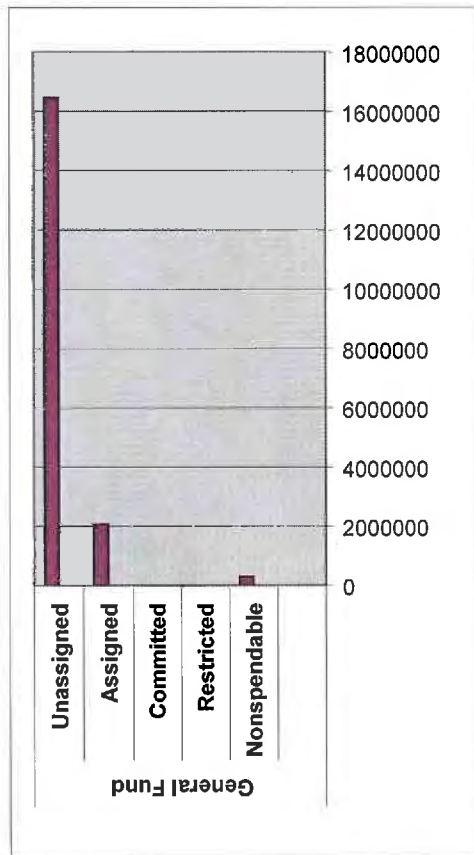
\*Pre-GASB 54; See Next page for GASB 54 FY2011



	Fiscal Year Ended June 30,									
	2001	2002	* 2003	2004	2005	2006	2007	2008	2009	2010
<b>General Fund</b>										
Reserved	\$ 482,218	\$ 382,331	\$ 426,978	\$ 722,510	\$ 245,280	\$ 372,186	\$ 492,681	\$ 208,767	\$ 202,586	\$ 215,249
Unreserved	14,950,790	16,264,525	7,456,583	7,235,268	8,952,718	8,183,807	9,566,686	10,793,012	6,428,850	6,798,062
<b>Total General Fund</b>	<b>15,433,008</b>	<b>16,646,856</b>	<b>7,883,561</b>	<b>7,957,778</b>	<b>9,197,998</b>	<b>8,553,993</b>	<b>10,059,367</b>	<b>11,001,779</b>	<b>6,631,436</b>	<b>7,013,311</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 23,287,001	\$ 33,890,596	\$ 34,513,856	\$ 62,362,398	\$ 150,732,011	\$ 138,881,219	\$ 236,888,018	\$ 203,272,346	\$ 142,074,124	\$ 156,737,984
Unreserved, designated			\$ 663,778,404	24,060,758	42,695,263	\$ 29,455,358	41,043,642	33,855,453	45,107,266	(777,130)
Unreserved, reported in:										
Special Revenue Funds	4,999,526	3,476,844	3,524,346	7,287,439	2,162,348	9,204,969	2,526,959	0	0	0
Capital Project Funds	20,774,255	16,314,171	4,964,337	6,393,824	931,032	10,007,934	0	0	0	0
<b>Total all other governmental funds</b>	<b>\$ 49,060,782</b>	<b>\$ 53,681,611</b>	<b>\$ 106,780,943</b>	<b>\$ 100,104,419</b>	<b>\$ 196,520,654</b>	<b>\$ 187,549,480</b>	<b>\$ 280,458,619</b>	<b>\$ 237,127,799</b>	<b>\$ 187,181,390</b>	<b>\$ 155,960,854</b>

\* From Fiscal Year Ended June 2003, GASB 34: Fund Balances for ALL Other Governmental (Exclusive of General Fund)

**CITY OF PITTSBURG**  
**Fund Balances of Governmental Funds**  
**(GASB 54 FY2011 Implementation Year)**



	2011		Fiscal Year Ended June 30,	
<b>General Fund</b>				
Nonspendable	\$	280,573		
Restricted				
Committed		2,058,442		
Assigned		16,456,660		
Unassigned		18,795,675		
<b>Total General Fund</b>		<u>0</u>		<u>0</u>
<b>All Other Governmental Funds</b>				
Nonspendable		8,169,424		
Restricted		121,278,118		
Committed		5,847,490		
Assigned		1,025,382		
Unassigned		(8,180,337)		
<b>Total all other governmental funds</b>	\$	<u>128,140,077</u>	\$	<u>0</u>
<b>Total Fund Balances</b>	\$	<u>146,935,752</u>	\$	<u>0</u>

\* For additional Detail on Fund Classifications, see Note 10 of Notes to Basic Financial Statements

**CITY OF PITTSBURG**  
**Changes in Fund Balance of Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
 {in thousands}

	Fiscal Year Ended June 30,				
	2002	2003	2004	2005	2006
<b>Revenues</b>					
Taxes	\$45,388	\$42,240	\$47,650	\$49,003	\$55,803
Licenses, permits and fees	1,361	4,506	2,402	4,632	2,016
Fines and forfeitures	165	395	283	295	170
Use of money and property	5,458	9,619	2,248	4,733	7,594
Intergovernmental revenues	12,884	20,570	23,542	20,523	21,896
Charges for services	3,062	3,339	4,322	5,666	3,692
Other	1,409	4,437	1,540	1,843	4,992
<b>Total Revenues</b>	<b>69,727</b>	<b>85,106</b>	<b>81,987</b>	<b>86,695</b>	<b>96,163</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	11,555	15,259	14,882	20,419	60,290
Public safety	12,057	14,672	14,585	14,346	15,900
Public works	5,384	5,682	5,635	10,530	7,472
Community development	13,937	23,858	18,074	25,996	18,724
Culture and recreation	1,408	1,181	1,522	1,574	1,773
Capital outlay	12,738	10,384	19,949	13,750	23,649
<b>Debt service:</b>					
Principal repayment	4,505	4,510	4,240	4,100	4,790
Interest and fiscal charges	12,159	11,806	9,454	13,577	15,525
<b>Total Expenditures</b>	<b>73,743</b>	<b>87,352</b>	<b>88,341</b>	<b>104,292</b>	<b>148,123</b>
Excess (deficiency) of revenues over (under) expenditures	(4,016)	(2,246)	(6,354)	(17,597)	(51,960)
<b>Other Financing Sources (Uses)</b>					
Transfers in	32,102	90,901	37,092	43,733	47,720
Transfers (out)	(31,795)	(93,154)	(38,556)	(52,248)	(51,305)
Capital Contributions					3,208
Refunding tax allocation bonds		(36,495)		(21,166)	
Payment to escrow Account					
Tax allocation bonds issued	7,500	88,375		146,605	39,566
Special assessment bonds issued				(3,936)	
Bond Issuance Costs					(248)
Payments to refunded bond escrow					
Sale of capital assets	1,274	1,004	1,215	2,264	3,193
<b>Total other financing sources (uses)</b>	<b>9,081</b>	<b>50,631</b>	<b>(249)</b>	<b>115,252</b>	<b>42,134</b>
<b>Net Change in fund balances</b>	<b>\$5,065</b>	<b>\$48,385</b>	<b>(\$6,603)</b>	<b>\$97,655</b>	<b>(\$9,826)</b>
Debt service as a percentage of noncapital expenditures	(a)	21.2%	20.0%	19.5%	16.3%

**NOTE:**

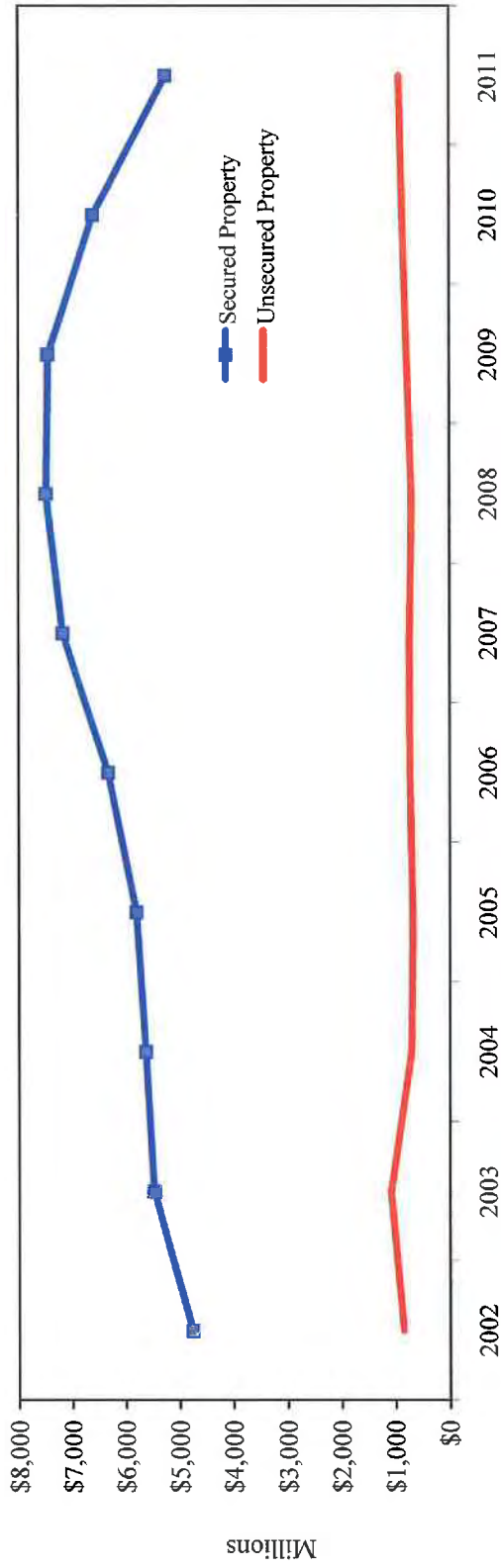
(a) The City implemented GASB Statement 34 in fiscal year 2002. Therefore this calculation is included only for fiscal years subsequent to that date.

**Fiscal Year Ended June 30,**

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$65,549	\$65,453	\$62,819	\$54,174	\$56,023
8,620	2,091	599	1,145	2,120
249	880	670	185	175
10,899	11,444	10,602	2,780	2,764
21,277	25,119	23,692	21,089	23,118
5,584	4,810	5,705	4,879	6,205
1,626	2,360	2,641	7,470	3,738
113,804	112,157	106,728	91,722	94,143
19,986	20,127	18,473	16,766	13,528
16,572	18,141	18,819	19,334	19,253
10,998	8,889	8,295	8,394	11,947
24,232	37,243	33,465	23,809	38,541
1,893	1,855	1,741	733	476
47,903	49,763	29,245	24,467	10,262
4,960	7,550	9,311	8,269	9,667
18,221	25,261	32,089	23,205	23,121
144,765	168,829	151,438	124,977	126,795
(30,961)	(56,672)	(44,710)	(33,255)	(32,652)
75,014	94,537	87,911	111,605	68,170
(74,999)	(83,373)	(82,193)	(110,316)	(63,633)
(180)	(15)	0		
		(79,665)		
(44,218)	0	0		
169,820	0	61,661		
(4,171)	(13)	0		
4,109	2,315	2,680	1,127	(18,553)
125,375	13,451	(9,606)	2,416	(14,016)
\$94,414	(\$43,221)	(\$54,316)	(\$30,839)	(\$46,668)
23.9%	27.6%	33.9%	31.3%	28.1%

\* Intergovernmental Revenues Re-classified to Program Income & Other Taxes

**CITY OF PITTSBURG**  
**Assessed and Estimated Actual**  
**Value of Taxable Property**  
**Last Ten Fiscal Years**



Fiscal Year	Total Before Exemptions			GRAND Total	HOPTR (1)	Unsecured Property	Total Assessed (a)	Estimated Full Market (a)	Total Direct Tax Rate (b)
	Land	Improvements	Person Property						
2002	\$ 762,338,829	\$ 3,065,067,577	\$ 104,985,233	\$ 3,932,391,639	\$ 67,034,225	\$ 848,421,348	\$ 3,810,523,428	\$ 3,810,523,428	1%
2003	863,942,493	3,404,046,164	123,237,922	4,391,226,579	68,588,456	1,085,723,391	4,262,656,324	4,262,656,324	1%
2004	1,065,703,737	3,737,733,209	120,569,117	4,924,006,063	69,854,212	703,793,132	4,787,689,809	4,787,689,809	1%
2005	1,232,755,118	3,794,398,115	107,600,340	5,134,753,573	69,378,527	670,107,833	4,996,083,733	4,996,083,733	1%
2006	1,435,121,959	4,078,052,994	101,971,604	5,615,146,557	68,931,232	716,256,830	5,480,070,846	5,480,070,846	1%
2007	1,763,752,092	4,571,066,917	118,060,203	6,452,879,212	67,070,432	730,045,843	6,274,310,595	6,274,310,595	1%
2008	2,090,812,424	4,586,882,253	120,147,498	6,797,842,175	66,662,966	690,209,596	6,601,742,515	6,601,742,515	1%
2009	1,900,179,131	4,641,377,192	134,495,806	6,676,052,129	66,141,210	776,320,539	6,471,729,308	6,471,729,308	1%
2010	1,368,193,784	4,249,265,527	130,709,789	5,748,169,100	65,495,515	861,905,073	5,534,225,314	5,534,225,314	1%
2011	1,258,318,993	3,036,211,802	32,545,051	4,327,075,846	64,606,300	921,168,099	5,454,178,663	5,454,178,663	1%

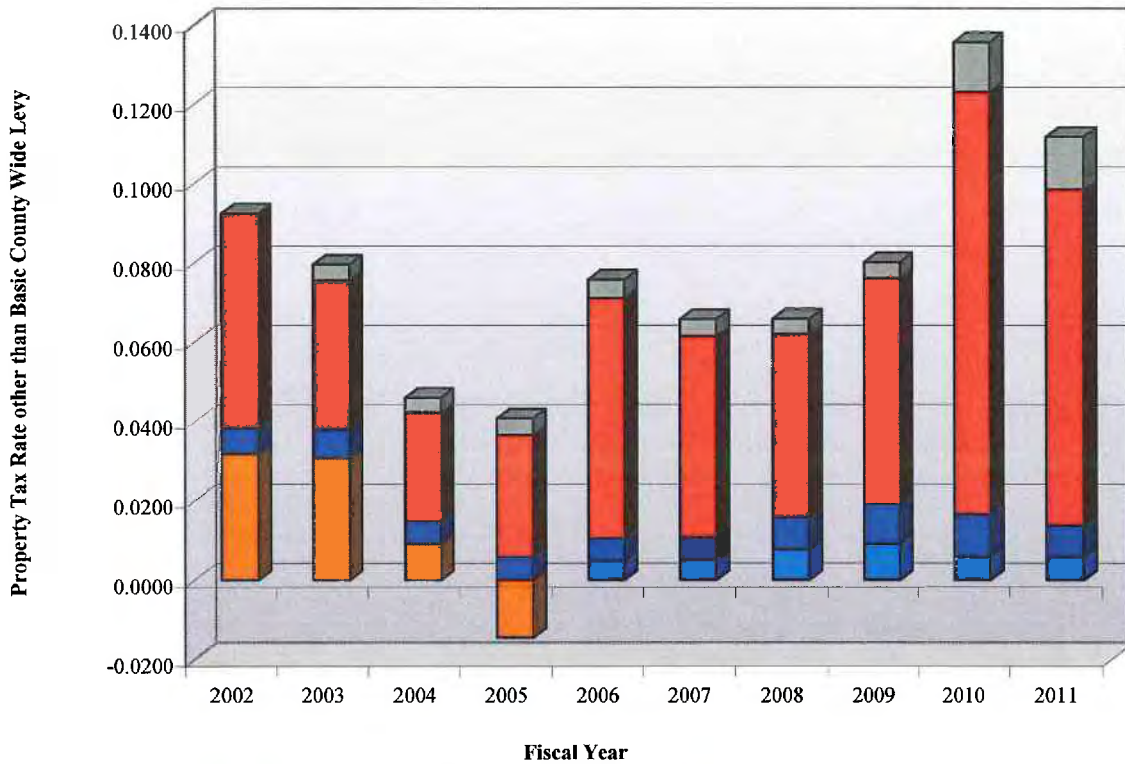
Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations

a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

(1) Homeowners' Property Tax Relief

**CITY OF PITTSBURG  
Property Tax Rates  
All Overlapping Governments  
Last Ten Fiscal Years**



Los Medanos Hospital
  BART  
 East Bay Regional Park District
  Pittsburg Unified School District  
 Community College

Fiscal Year	Basic County Wide Levy	Los Medanos Hospital	Bay Area Rapid Transit	East Bay Regional Park District	Pittsburg Unified School District	Community College	Total
2002	\$ 1.0000	\$ 0.0318	\$ -	\$ 0.0065	\$ 0.0542	\$ -	\$ 1.0925
2003	1.0000	0.0307	-	0.0072	0.0377	0.0040	1.0796
2004	1.0000	0.0091	-	0.0057	0.0274	0.0038	1.0460
2005	1.0000	-0.0144	-	0.0057	0.0309	0.0042	1.0264
2006	1.0000	0.0000	0.0048	0.0057	0.0606	0.0047	1.0758
2007	1.0000	0.0000	0.0050	0.0057	0.0508	0.0043	1.0658
2008	1.0000	0.0000	0.0076	0.0080	0.0465	0.0038	1.0633
2009	1.0000	0.0000	0.0090	0.0100	0.0571	0.0040	1.0787
2010	1.0000	0.0000	0.0057	0.0108	0.1066	0.0126	1.1357
2011	1.0000	0.0000	0.0031	0.0080	0.0848	0.0133	1.1092

Source: Contra Costa County Assessors Office & Hdl Coren & Cone

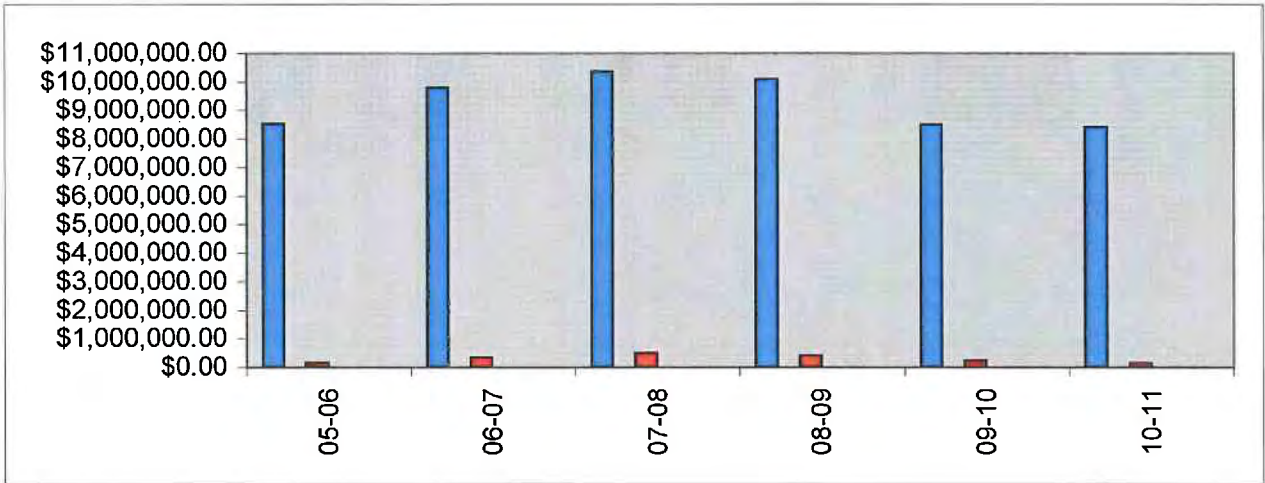
**CITY OF PITTSBURG**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

Taxpayer	2010-11			2001-02		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Delta Energy Center	\$ 444,500,000	1	9.65%			
USS - Posco Industries	287,119,332	2	6.24%	\$386,570,960	2	9.97%
Dow Chemical Company	124,532,692	3	2.70%	240,951,877	3	6.21%
Kirker Creek Limited Partnership	63,251,048	4	1.37%	39,850,557	9	1.03%
Sierra Pacific Properties	60,770,156	5	1.32%	63,649,021	4	1.64%
GWF Power System Limited Partner	43,496,249	6	0.94%	56,507,728	6	1.46%
Fund VIII PR Pittsburg, LLC	23,046,167	7	0.50%			
Albert D Seeno Construction Co.	19,739,748	8	0.43%			
FRG Presidents Park III LLC	19,173,641	9	0.42%			
Contra Costa Waste Services Inc	19,080,109	10	0.41%			
ACG - Pittsburg Investors LLC				23,404,832	10	0.60%
Calpine Corporation				554,380,846	1	14.30%
Century Plaza Corporation				42,029,799	7	1.08%
National Energy Constructors				59,431,442	5	1.53%
Praxair				26,440,908	8	0.68%
Subtotal	\$660,209,142		14.34%	\$1,493,217,970		38.51%
Total Net Assessed Valuation:						
Fiscal Year 2010-2011	\$4,604,404,017					
Fiscal Year 1999-2000	\$3,877,577,653					

Source: California Municipal Statistics, Inc & HdL Coren & Cone



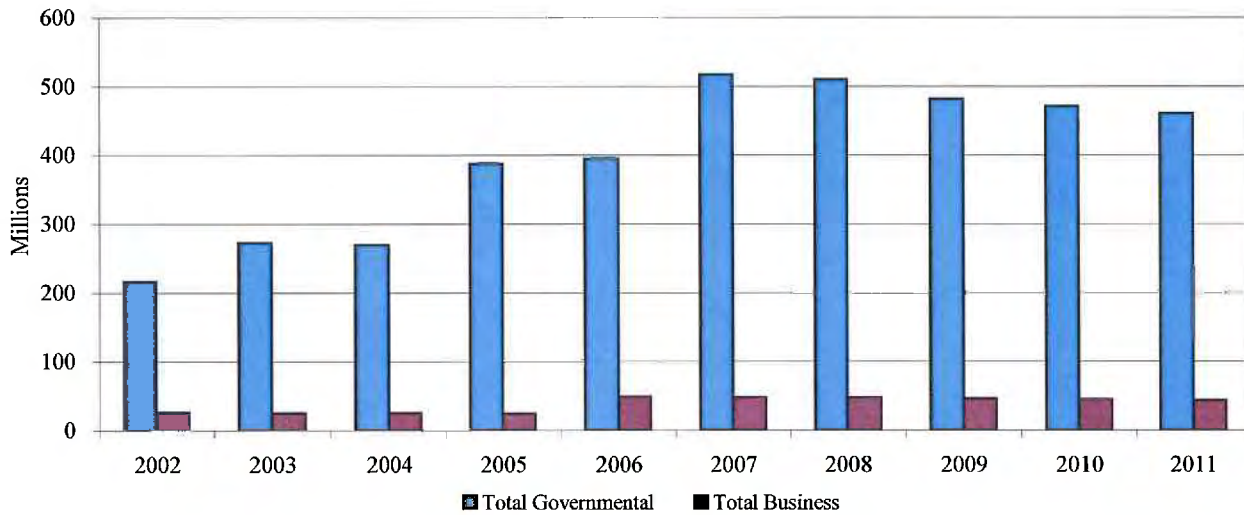
**CITY OF PITTSBURG**  
**Secured Tax Charges and Amount Delinquent June 30**  
**Last Six Fiscal Years**



<u>Fiscal Year</u>	<u>Secured Tax Charges</u>	<u>Amount Delinquent Collections</u>	<u>Percent % Delinquent</u>
05-06	\$8,509,194	\$160,291	1.88%
06-07	9,789,806	332,716	3.40%
07-08	10,360,164	496,480	4.79%
08-09	10,091,171	403,142	3.99%
09-10	8,502,712	227,589	2.68%
10-11	8,398,671	144,235	1.72%

Source: CA Municipal Statistics

**CITY OF PITTSBURG**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**



**Governmental Activities**

Fiscal Year	Tax Allocation Bonds	Pass Through Obligations	Special Assessment Debt	Landfill Containment	Total
2002	\$ 186,921,357	\$ 2,434,946	\$ 26,805,000	N/A	\$ 216,161,303
2003	241,812,819	3,199,939	27,950,000	N/A	272,962,758
2004	237,124,796	5,444,924	27,415,000	N/A	269,984,720
2005	352,556,357	8,206,902	26,795,000	N/A	387,558,259
2006	347,766,357	9,162,781	38,265,000	N/A	395,194,138
2007	472,741,357	7,232,732	37,595,000	N/A	517,569,089
2008	465,191,354	8,186,499	36,655,000	N/A	510,032,853
2009	438,152,213	8,050,000	35,675,000	N/A	481,877,213
2010	430,167,213	6,488,051	34,650,000	N/A	471,305,264
2011	420,857,213	6,342,224	33,580,000	N/A	460,779,437

**Business-Type Activities**

Fiscal Year	Water Revenue Bonds	Sewer Revenue Bonds	Total	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2002	\$ 14,370,000	\$ 11,895,000	\$ 26,265,000	\$ 242,426,303	8.74%	\$ 4,051
2003	14,070,000	11,545,000	25,615,000	298,577,758	10.48%	4,889
2004	13,760,000	11,845,000	25,605,000	295,589,720	9.76%	4,808
2005	13,430,000	11,335,000	24,765,000	412,323,259	12.09%	6,586
2006	38,475,000	10,815,000	49,290,000	444,484,138	12.72%	7,106
2007	38,025,000	10,285,000	48,310,000	565,879,089	15.36%	8,982
2008	37,945,000	9,740,000	47,685,000	557,717,853	16.62%	8,762
2009	37,260,000	9,185,000	46,445,000	528,322,213	14.71%	8,178
2010	36,425,000	8,615,000	45,040,000	516,345,264	12.61%	7,948
2011	35,515,000	8,025,000	43,540,000	504,319,437	12.62%	8,021

Note : Debt amounts exclude any premiums, discounts, or other amortization amounts.

Sources: City of Pittsburg  
 State of California, Department of Finance (population)  
 U.S. Department of commerce, Bureau of the Census (income)

(a) See Schedule of Demographic and Economic Statistics for personal income and population data.

**CITY OF PITTSBURG**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>General Bonded Debt Outstanding</b>		<b>Percentage of Actual Taxable Value of Property</b>	<b>Per Capita</b>
	<b>Assessment Bonds</b>	<b>Total</b>		
2002	\$ 186,921,357	\$ 186,921,357	4.91%	\$ 3,258.10
2003	241,812,819	241,812,819	5.67%	3,123.53
2004	237,124,796	237,124,796	4.95%	3,959.80
2005	352,556,357	352,556,357	7.06%	3,856.88
2006	347,766,357	347,766,357	6.35%	5,631.44
2007	472,741,357	472,741,357	7.53%	5,560.08
2008	465,191,354	465,191,354	7.05%	7,503.35
2009	438,152,213	438,152,213	6.77%	6,782.54
2010	430,167,213	430,167,213	7.77%	6,621.32
2011	420,857,213	420,857,213	7.72%	6,693.34

**CITY OF PITTSBURG**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2011**

2010-11 Assessed Valuation \$1,832,267,586  
 (After deducting \$3,686,587,708 Redevelopment Incremental Valuation)

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	Total Debt Outstanding 6/30/2011	Percentage Applicable To City of Pittsburg	Amount Applicable To City of Pittsburg
Bay Area Rapid Transit District	\$413,865,000	0.421%	\$1,742,372
Contra Costa Community College District	237,095,000	1.468%	3,480,555
Antioch Unified School District Facilities Improvement District No. 1	45,010,000	1.941%	873,644
Mount Diablo Unified School District	319,325,057	0.975%	3,113,419
Mount Diablo Unified School District Communities Facilities Dist No. 1	56,445,000	0.975%	550,339
Pittsburg Unified School District	104,255,000	94.831%	98,866,059
City of Pittsburg Community Facilities District No. 2005-2	11,160,000	100%	11,160,000
City of Pittsburg 1915 Act Bonds	22,420,000	100%	22,420,000
East Bay Regional Park District	153,990,000	0.653%	1,005,555
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>	<b><u>\$1,363,565,057</u></b>		<b><u>143,211,942</u></b>
<b>OVERLAPPING GENERAL FUND DEBT:</b>			
Contra Costa County General Fund Obligations	\$319,867,903	1.462%	4,676,469
Contra Costa County Pension Obligations	399,840,000	1.462%	5,845,661
Contra Costa Community College District Certificates of Participation	925,000	1.468%	13,579
Antioch Unified School District Certificates of Participation	21,075,000	0.973%	205,060
Pittsburg Unified School District Certificates of Participation	63,680,000	94.831%	60,388,381
City of Pittsburg Pension Obligation Bonds	39,026,056	100%	39,026,056
Contra Costa Fire Protection District Pension Obligations	116,240,000	3.262%	3,791,749
Less: Contra Costa County revenue supported obligations			<u>(1,772,676)</u>
<b>TOTAL OVERLAPPING GENERAL FUND DEBT</b>	<b><u>\$960,653,959</u></b>		<b><u>\$112,174,278</u></b>
<b>GROSS COMBINED TOTAL DEBT</b>			<b>(1) <u>\$257,158,895</u></b>
<b>NET COMBINED TOTAL DEBT</b>			<b><u>\$255,386,219</u></b>

(1) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

**RATIOS TO 2009-10 ASSESSED VALUATION:**

Total Overlapping and Tax Assessment Debt 2.59%

**RATIOS TO ADJUSTED ASSESSED VALUATION:**

Combined Direct Debt (\$39,266,056) 2.13%  
 Gross Combined Total Debt 14.03%  
 Net Combined Total Debt 13.94%

Source: California Municipal Statistics

**CITY OF PITTSBURG**  
**Computation of Legal Bonded Debt Margin**  
**June 30, 2011**

ASSESSED VALUATION:

Secured property assessed value, net of exempt real property	\$1,832,267,586 (1)
(1) Net of \$3,686,587,708 Redevelopment Incremental Valuation	\$1,832,267,586 (1)

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a) \$68,710,034

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt	\$0
Less Tax Allocation Bonds and Sales Tax Revenue Bonds, Certificate of Participation not subject to limit	0
Amount of debt subject to limit	0

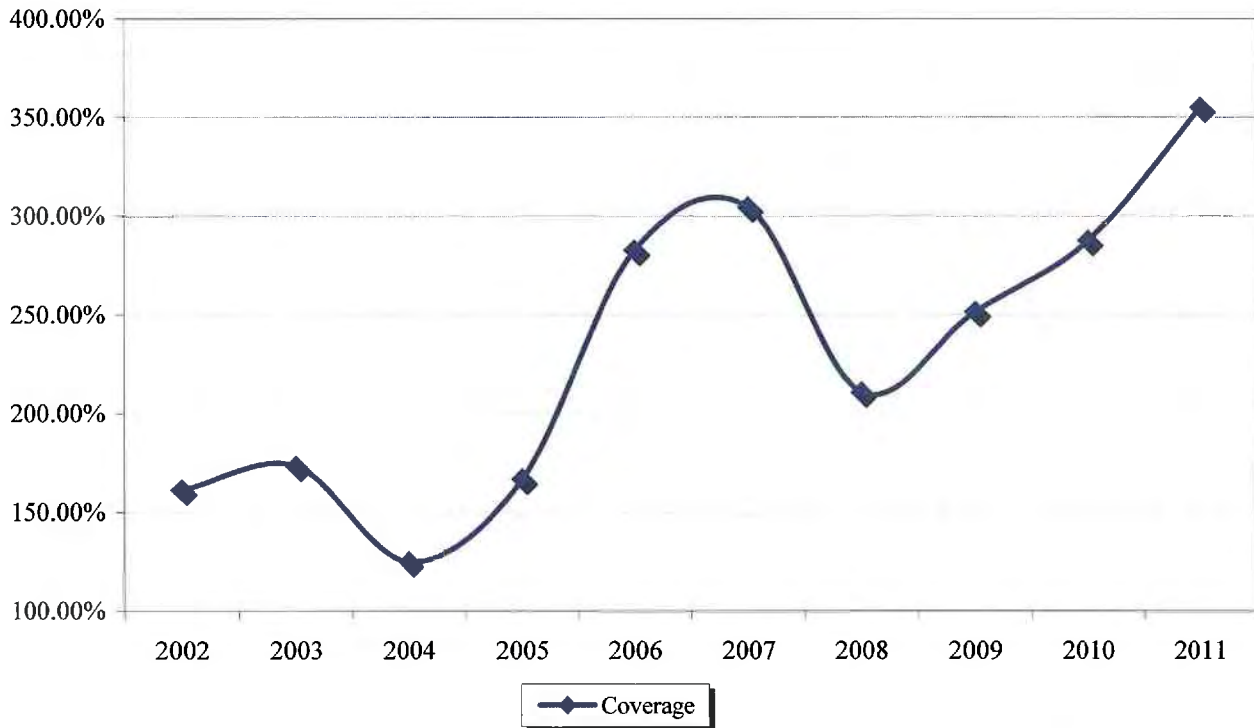
LEGAL BONDED DEBT MARGIN \$68,710,034

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2002	\$ 65,207,274	0	\$ 65,207,274	0.00%
2003	67,358,919	0	67,358,919	0.00%
2004	69,724,135	0	69,724,135	0.00%
2005	63,272,582	0	63,272,582	0.00%
2006	67,444,896	0	67,444,896	0.00%
2007	78,807,669	0	78,807,669	0.00%
2008	80,491,813	0	80,491,813	0.00%
2009	79,517,400	0	79,517,400	0.00%
2010	69,553,156	0	69,553,156	0.00%
2011	68,710,034	0	68,710,034	0.00%

NOTE:

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

**CITY OF PITTSBURG**  
**Revenue Bond Coverage**  
**Wastewater Revenue Bonds**  
**Last Ten Fiscal Years**

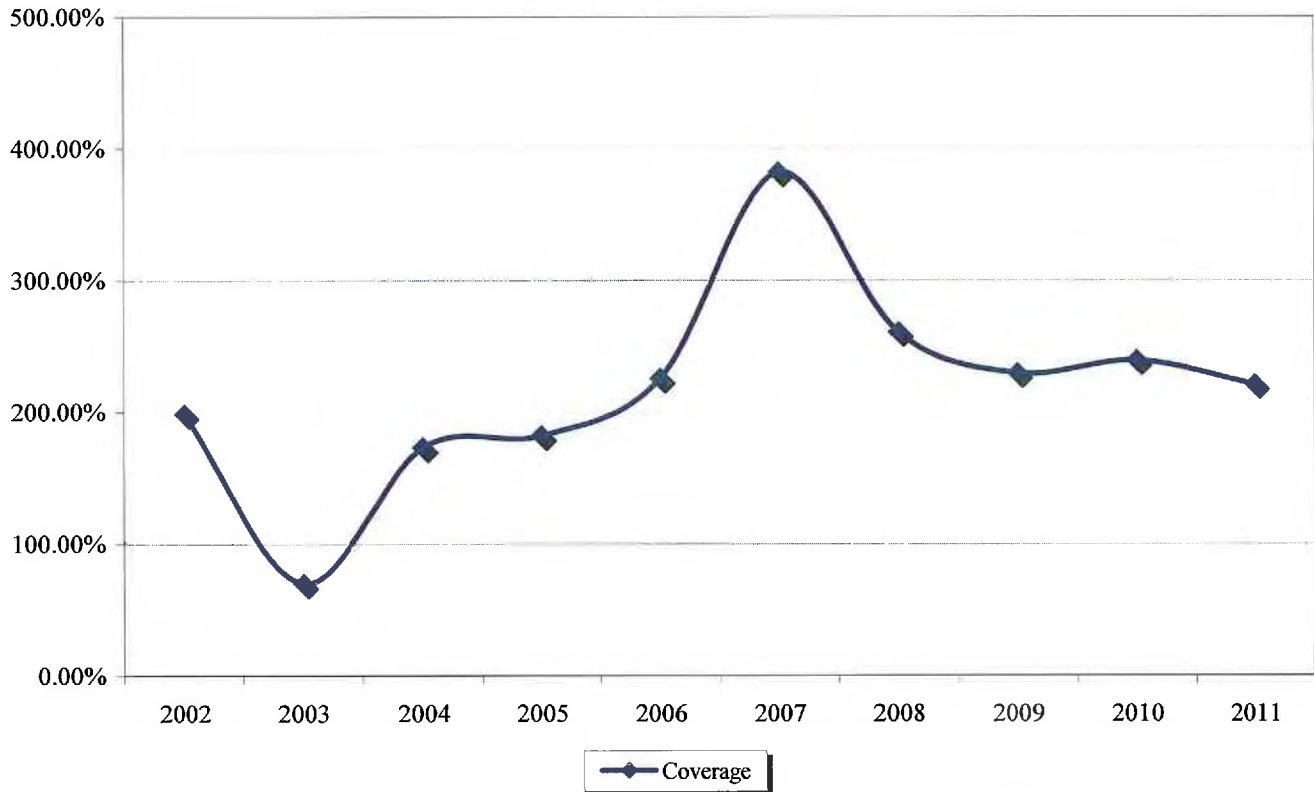


Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2002	\$ 2,372,712	\$ 800,563	\$ 1,572,149	\$ 335,000	\$ 636,930	\$ 971,930	161.76%
2003	2,829,931	1,134,392	1,695,539	350,000	625,603	975,603	173.79%
2004	2,753,990	1,313,057	1,440,933	475,000	674,157	1,149,157	125.39%
2005	2,767,970	1,222,907	1,545,063	510,000	416,557	926,557	166.75%
2006	3,929,540	1,358,969	2,570,571	520,000	388,978	908,978	282.80%
2007	4,203,414	1,436,161	2,767,253	530,000	378,578	908,578	304.57%
2008	3,555,333	1,630,263	1,925,070	545,000	367,978	912,978	210.86%
2009	3,966,361	1,671,827	2,294,534	555,000	357,078	912,078	251.57%
2010	4,507,019	1,881,181	2,625,838	570,000	343,203	913,203	287.54%
2011	4,438,197	1,179,413	3,258,784	590,000	327,478	917,478	355.19%

Notes: (1) Includes all Wastewater Operating Revenues, Non-operating Interest Revenue, Connection Fees and other Non-operating Revenue  
(2) Includes all Wastewater Operating Expenses less Depreciation and Interest

Source: City of Pittsburgh Annual Financial Statements

**CITY OF PITTSBURG**  
**Revenue Bond Coverage**  
**2008\* (Refunded 1997 & 2005) Water Revenue Bonds**  
**Last Ten Fiscal Years**

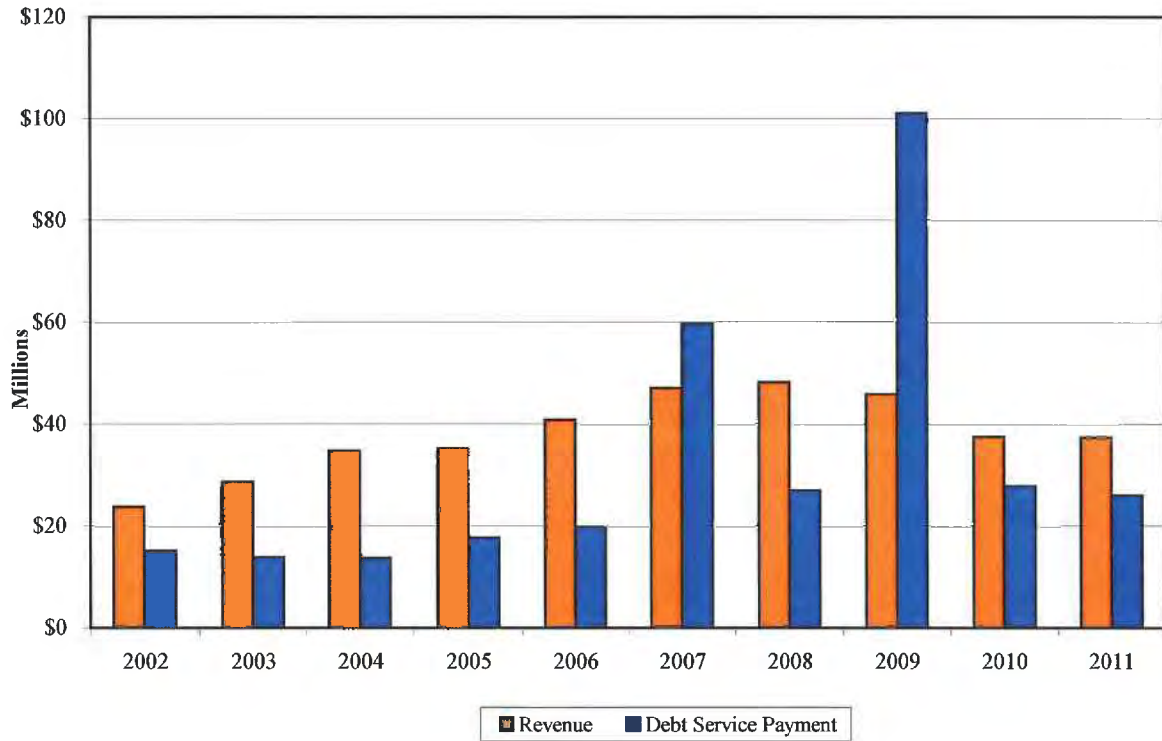


Fiscal Year	Gross Revenue (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2002	\$ 10,413,098	\$ 8,864,354	\$ 1,548,744		\$ 777,674	\$ 777,674	199.15%
2003	11,381,346	10,632,175	749,171	\$ 285,000	772,961	1,057,961	70.81%
2004	11,420,970	9,612,617	1,808,353	310,000	732,328	1,042,328	173.49%
2005	11,841,761	9,865,475	1,976,286	330,000	753,435	1,083,435	182.41%
2006	16,307,016 (3)	10,881,690	5,425,326	720,000	1,683,100	2,403,100	225.76%
2007	17,667,353 (3)	10,888,978	6,778,375	450,000	1,322,848	1,772,848	382.34%
2008	17,312,494 (3)	11,591,356	5,721,138	450,000	1,742,848	2,192,848	260.90%
2009	16,211,046	11,346,449	4,864,597	685,000	1,432,139	2,117,139	229.77%
2010	16,936,588	11,715,714	5,220,874	835,000	1,346,949	2,181,949	239.28%
2011	17,181,163	10,506,433	6,674,730	910,000	2,108,877 (4)	3,018,877	221.10%

- Notes: (1) Includes all Water Operating Revenues, Non-operating Interest Revenue, Connection Fees and other Non-operating Revenue  
(2) Includes all Water Operating Expenses less Depreciation and Interest, and includes Transfers-Out to reimburse General Fund for Utility Billing Costs  
(3) Includes receipt of unusually high level of Facility Reserve Fees and their Interest Revenues  
(4) SWAP Transaction Fees Included

Source: City of Pittsburgh Annual Financial Statements

**CITY OF PITTSBURG**  
**Bonded Debt Pledged Revenue Coverage**  
**Tax Allocation Bonds**  
**Last Ten Fiscal Years**



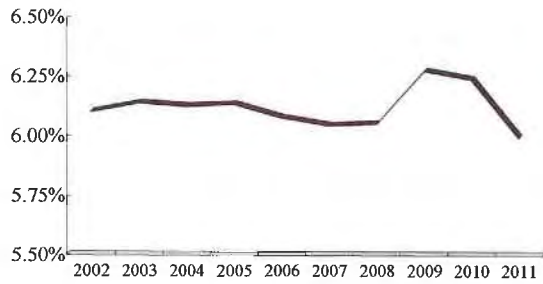
Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2002	\$ 23,744,133	\$ 4,505,000	\$ 10,582,784	\$ 15,087,784	1.57
2003	28,663,760	4,510,000	9,330,885	13,840,885	2.07
2004	34,730,440	4,240,000	9,454,394	13,694,394	2.54
2005	35,255,101	4,100,000	13,576,709	17,676,709	1.99
2006	40,823,118	4,790,000	14,995,717	19,785,717	2.06
2007	47,087,969	44,845,000 <sup>1</sup>	14,888,380	59,733,381	0.79
2008	48,211,302	7,550,000	19,390,241	26,940,241	1.79
2009	45,913,508	84,335,000 <sup>2</sup>	16,727,258	101,062,260	0.45
2010	37,493,101	7,985,000	19,873,150	27,858,150	1.35
2011	37,342,837	9,310,000	16,683,580	25,993,580	1.44

<sup>1</sup> The 1993 Series B Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.  
<sup>2</sup> The 2006 Series BA Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.

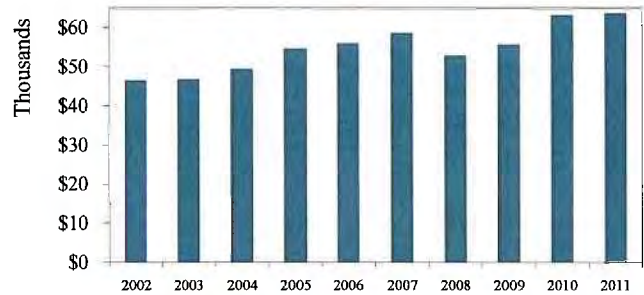
Source: City of Pittsburgh Annual Financial Statements



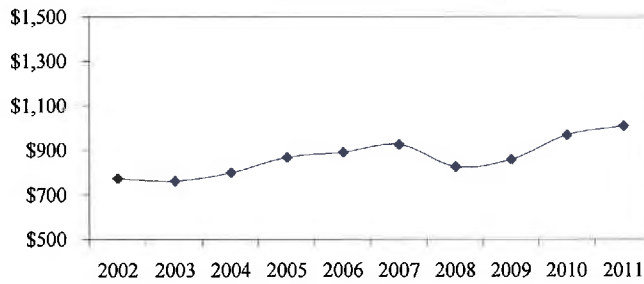
## CITY OF PITTSBURG Demographic and Economic Statistics Last Ten Fiscal Years



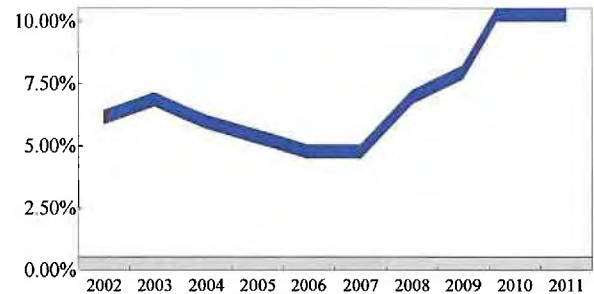
■ City Population as a % of County Population



■ Total Personal Income\*



◆ Per Capita Personal Income



■ Unemployment Rate (%)

Fiscal Year	City Population	Total Personal Income*	Per Capita Personal Income	Unemployment Rate (%)	Contra Costa County Population	Pittsburg Population % of County
2002	59,843	\$ 46,368	\$ 775	5.9%	980,870	6.10%
2003	61,067	46,652	764	6.6%	994,908	6.14%
2004	61,481	49,276	801	5.7%	1,003,909	6.12%
2005	62,605	54,472	870	5.1%	1,020,898	6.13%
2006	62,547	55,873	893	4.5%	1,029,377	6.08%
2007	63,004	58,479	928	4.5%	1,042,341	6.04%
2008	63,652	52,730	828	6.7%	1,051,674	6.05%
2009	64,600	55,580	860	7.7%	1,029,703	6.27%
2010	64,967	63,039	970	11.3%	1,041,274	6.24%
2011	62,877	63,570	1,011	12.3%	1,049,025	5.99%

Source: On-line factfinder.census.gov

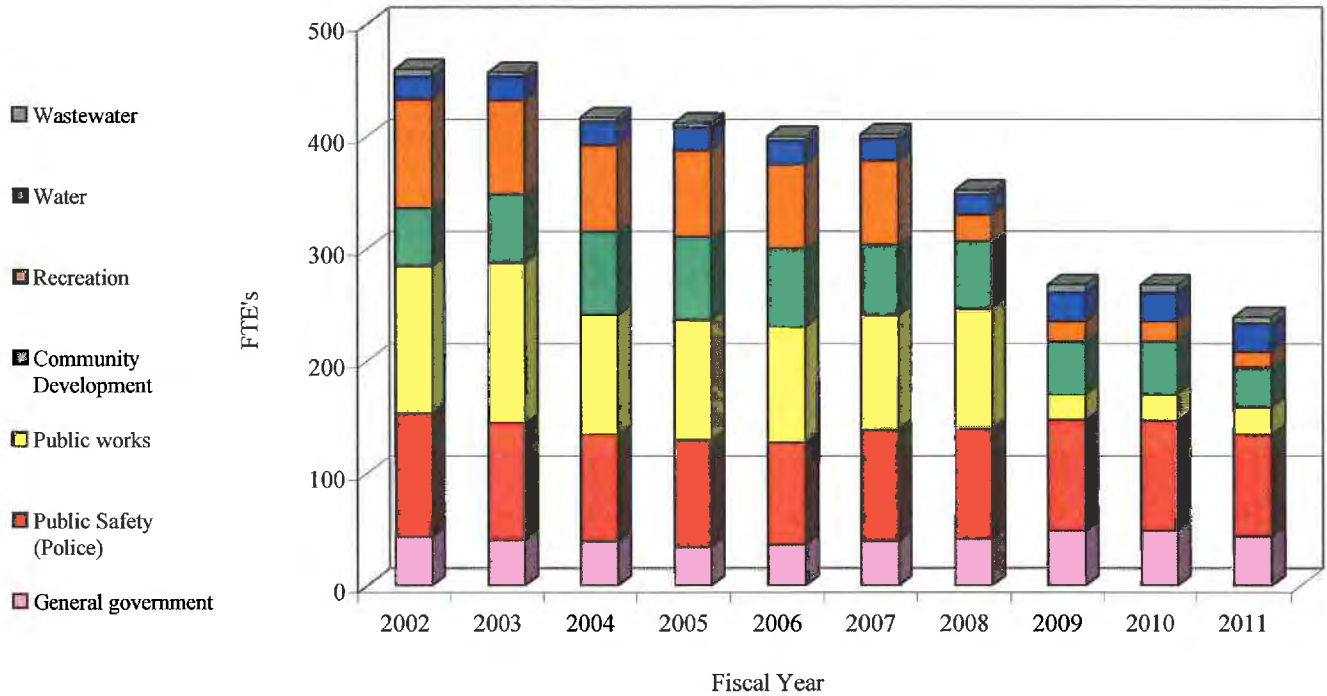
\*US Department of Commerce - Bureau of Economic Analysis (Contra Costa County )  
Pittsburg Chamber of Commerce

**CITY OF PITTSBURG**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<u>Employer</u>	<u>2010-11</u>			<u>2001-02</u>		
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Pittsburg Unified School District	1,200	1	4.7%			
USS - Posco Industries	680	2	2.7%	1,000	1	4.0%
Los Medanos Community College	472	3	1.9%			
Dow Chemical Company	425	4	1.7%	380	2	1.5%
Walmart Stores	275	5	1.1%	220	3	0.9%
Pittsburg City Officers	239	6	0.9%			
Target	140	7	0.6%			
Safeway	114	8	0.5%			
Best Buy Stores	50	9	0.2%			
Contra Costa Health Center	37	10	0.1%			
American Color Graphics				140	4	0.6%
Merit USA				95	5	0.4%
Signole Corporation				85	6	0.3%
John Manville				80	7	0.3%
ARB Construction				70	8	0.3%
Markstein Beverage Company				60	9	0.2%
Ramar International Corporation				55	10	0.2%
Subtotal	<u>3,632</u>		<u>14.4%</u>	<u>2,185</u>		
Employees in the City of Pittsburg	<u>25,300</u>			<i>*Non Governmental Employers</i>		

Source: Telephone Survey by Finance Administrative Assistant HDL/Coren & Cone Consultants no longer supplies informat  
2001-02 data from CAFR (Chamber of Commerce)

**CITY OF PITTSBURG**  
**Full-Time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**



Function	Actual for Fiscal Year Ended June 30, 2011									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	43	40	39	34	36	39	41	48	45	43
Public Safety (Police)	111	105	96	96	91	100	99	99	94	92
Public works	130	142	106	106	103	101	106	23 *	22	24
Community Development	52	61	74	74	70	63	60	47	39	35
Recreation	97	84	77	77	75	75	24 *	18	16	14
Water	20	21	21	21	21	20	18	26	21	25
Wastewater	7	4	4	4	4	4	4	7	8	6
<b>Total</b>	<b>460</b>	<b>457</b>	<b>417</b>	<b>412</b>	<b>400</b>	<b>402</b>	<b>352</b>	<b>268</b>	<b>245</b>	<b>239</b>

\* Prior Years (2000-2007) Included Summer Staff

\* 2009 was a realignment of staff time and also elimination of many part-time PW staff

Source: City of Pittsburgh

**CITY OF PITTSBURG**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

	2002	2003	2004	2005
<b>Function/Program</b>				
Public safety:				
Police:				
Police calls for Service	74,438	68,050	64,659	67,778
Law violations:				
Part I and Part II crimes	10,678	9,597	8,076	8,244
Physical arrests (adult and juvenile)	5,014	4,892	3,411	3,401
Traffic violations (VC14601 & VC12500)	660	1,112	871	568
 (1) Do not include Dec 2006 DOJ Monthly Report Traffic Violations reported to 12/18/06				
 (Fire Protection is Contra Costa County)				
Public works				
Street Re-surfacing (Miles)				
Streets Repaired (square feet)	149,813	96,023	62,472	78,411
Leisure Services:				
Community Services:	*			
Recreation Class Participants	559	822	317	509
Swim Participants	11,697	8,345	8,503	8,837
Softball Participants	n/a	649	210	145
Small World Park Gate Attendance	n/a	24,105	21,238	19,227
Senior Center Nutrition/Exercise Class	n/a	0	7,769	22,690
 (1) Senior Center Opened March 2004 January 2006 Senior Center flooded Closed 7.5 weeks				
Water				
Number of Meters Served	15,023	15,425	15,587	15,894
Water Main Breaks	n/a	n/a	n/a	65
Average Daily Consumption (millions of gallons)	9.261	9.487	9.769	9.155
Wastewater				
Miles of Sewer Line (Excluding line operated by Delta Diablo District 7-A)	148.02	150.22	155.72	155.72
Average daily treatment (thousands of gallons)	n/a	n/a	n/a	n/a
Solid Waste				
Refuse Landfilled (tons per year)	66,936	76,595	70,535	85,034
Recyclables Processed (tons per year)	27,666	27,709	31,946	33,037

Source: City of Pittsburg Divisions & Prior Year CAFR's  
Note: n/a denotes information not available.

\* Leisure Services Data not Available due  
City Reorganization and Early Retirements

Fiscal Year					
2006	2007	2008	2009	2010	2011
67,591	71,643	70,707	74,487	69,078	70,623
8,308	8,923	8,117	8,545	7,568	8,084
3,688	4,042	3,955	4,406	3,512	4,708
636 <sup>(1)</sup>	901	1,163	1,613	1,502	1,986
42,509	76,240	133,103	86,553	0	0
517	564	404	N/A	N/A	N/A
8,737	9,135	9,134	N/A	N/A	N/A
320	429	465	N/A	N/A	N/A
18,600	18,660	17,376	N/A	15,833	N/A
21,423	18,777	15,735	N/A	16,777	18,186
16,291	16,731	16,579	16,718	17,097	17,254
61	102	76	65	74	45
9.508	10.320	10.36	8.86	8.48	7.85
157.72	159.12	159.12	159.12	171	172
27	34	34	34	34	34
90,500	68,000	85,700	77,817	49,978	N/A
35,000	42,000	43,425	25,750	33,948	N/A

N/A Not Available at time of CAFR

**CITY OF PITTSBURG**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2002	2003	2004	2005	2006
<b>Function/Program</b>					
Public safety:					
Police stations	1	1	1	1	1
Police patrol units (Includes Unmarked)	34	43	44	51	52
Public works					
Miles of streets (Center Line)	144.8	145.8	147.7	149.6	154.0
Street lights (Total)	3,503	3,580	3,741	3,766	3,796
Traffic Signals	46	50	50	51	52
Culture and recreation:					
Community services:					
City Parks	14	16	16	16	17
City parks acreage	114	122	122	122	125
Roadway landscaping acreage	12.5	12.9	13.2	13.2	13.2
Regional park acreage	46.1	46.4	47.7	53.2	54.0
Regional park facilities:					
Golf courses (18 holes)	1	1	1	1	1
Marina Fuel Station	1	1	1	1	1
Community Civic Center	1	1	1	1	1
Senior centers	1	1	1	1	1
Swimming pools	1	1	1	1	1
Tennis courts	1	1	1	1	1
Water					
Storage capacity (millions of gallons)	16.9	16.9	16.9	16.9	16.9
Miles of Water Mains					
Wastewater					
Miles of sanitary sewers	148	150	165	156	158

Source: City of Pittsburgh Staff & Prior Year CAFR's

Note: n/a denotes information is not available.

**Fiscal Year**

2007	2008	2009	2010	2011
1 52	1 52	1 52	1 52	1 52
154.8 3,975 59	156.8 4,008 60	156.8 4,107 60	157.0 4,194 61	157.0 4,278 61
21 145	21 145	21 145	21 145	21 145
13.2 56.0	15 56.0	17 56.0	19 56.0	19 56.0
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	3	3
16.9	16.9 219	16.3 221	19.3 222	19.3 222
159	159	159	159	159



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2011*