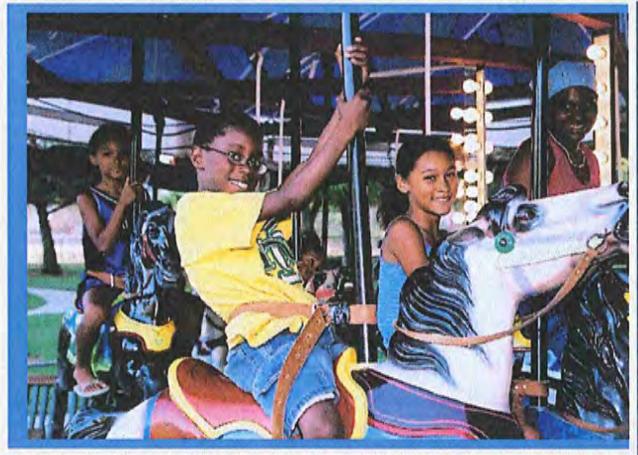
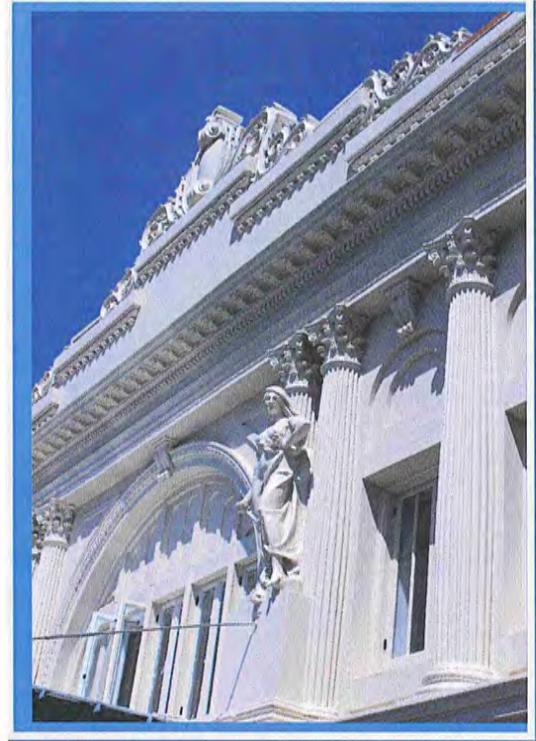


Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2013



City of Pittsburg, California

City of Pittsburg California

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2013



Prepared by the Finance Department

Karen Chang
Division Manager, Financial Reporting

Tina Olson
Director of Finance and Administration



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburg
Basic Financial Statements
For the Year Ended June 30, 2013
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CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013



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

December 15, 2013

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, 2013. 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, 2013. 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 an effort to balance its budget, the State of California adopted ABX1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolves Redevelopment Agencies on January 31, 2012.

Under the provision of AB 1484, the City can elect to become the Housing Successor and retain the housing assets. The City elected to become the Housing Successor and on February 1, 2012, certain housing assets were transferred to the City's Successor Agency Housing Special Revenue Fund. The City also elected to become the Successor Agency to the former Redevelopment Agency and on February 1, 2012, the Redevelopment Agency's remaining assets were distributed to and liabilities were assumed by the Successor Agency.

The activities of the Housing Successor are reported in the Successor Agency Housing Special Revenue Fund as the City has control of those assets, which may be used in accordance with the low and moderate income housing provisions of California Redevelopment Law.

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former

Redevelopment Agency. The activities and net assets information for Private-Purpose Trust Fund can be found in Fiduciary Fund Financial Statements section.

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, 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.

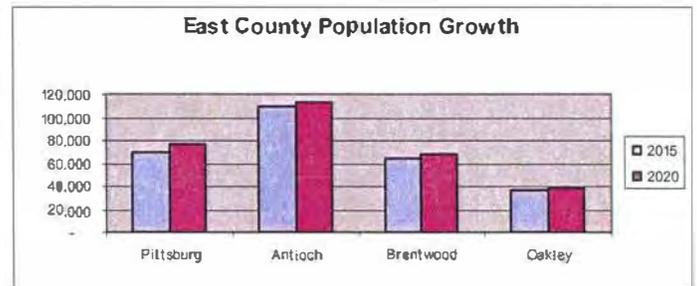
Reporting Entities

The financial statements included in this CAFR present the City (the primary government) with all the City funds, Housing Authority, 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 the Housing Authority 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.

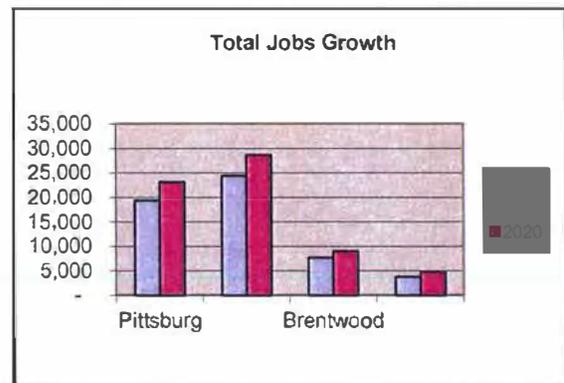
POPULATION GROWTH			
<i>ABAG Projections 2009</i>			
	<u>2015</u>	<u>2020</u>	<u>Change</u>
Pittsburg	70,100	76,200	6,100
Antioch	110,200	112,700	2,500
Brentwood	64,200	67,500	3,300
Oakley	37,250	39,050	1,800
	281,750	295,450	13,700
Contra Costa County:	1,130,700	1,177,400	46,700



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.

TOTAL JOBS			
<i>ABAG Projects 2009</i>			
	<u>2015</u>	<u>2020</u>	<u>Change</u>
Pittsburg	19,390	23,140	3,750
Antioch	24,390	28,670	4,280
Brentwood	7,700	8,980	1,280
Oakley	3,770	4,790	1,020
	55,250	65,580	10,330
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.

The City of Pittsburg is entering the seventh fiscal year since the start of the Great Recession in 2007-08. While the Bay Area economy is rapidly improving, particularly in San Francisco and the South Bay, Pittsburg's economy is recovering albeit more slowly. There are positive signs: The City's unemployment rate has declined from 17% in May of 2011 to 11.3% in May of 2013 and Sales Tax revenues (excluding one-time sales tax revenues) were 15% greater in FY 2012-13 than in FY 2011-12. In addition, property values increased by almost 5% in FY 2013-14 which will result in increased property taxes. During this same period, the City has experienced increases in cost to provide health insurance and pension benefits to its employees.

The City responded to the revenue shortfalls and employee benefit cost increases by reducing costs, including modifying labor contracts to require employees to pay their portion of pension contributions and a portion of health benefit premiums, contracting out recreational programs including the golf course, and streamlining administrative services through automation and consolidation that reduced administrative expenses. In addition, the City established a Budget Stabilization Fund in 2004 to which it has deposited one-time revenues. The Budget Stabilization Fund currently has a balance of approximately \$9 million.

City Staff developed a 7-year Balancing Plan ("the Plan") that will result in a balanced General Fund budget by end of FY 2017-18.

Major Initiatives

Projects completed in Fiscal Year 2012-13 include the following:

Santa Fe Commons (scattered sites)-affordable housing
California Theatre
MOMO Restaurant

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. Also, the results of the City's single audit for the fiscal year ended June 30, 2012 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

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 the limit for fiscal year 2012-13 amounted to \$119,018,336. The 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, 2013 was 0.24%, a decrease of .12% compared to the same period of last fiscal year (June 30, 2012) 0.36%. Total LAIF interest earnings were \$87,256 for the fiscal year 2012-13, a decrease of \$32,021 from the fiscal year 2011-12. At June 30, 2013, 15% 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 \$29 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.

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 2012-13 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.

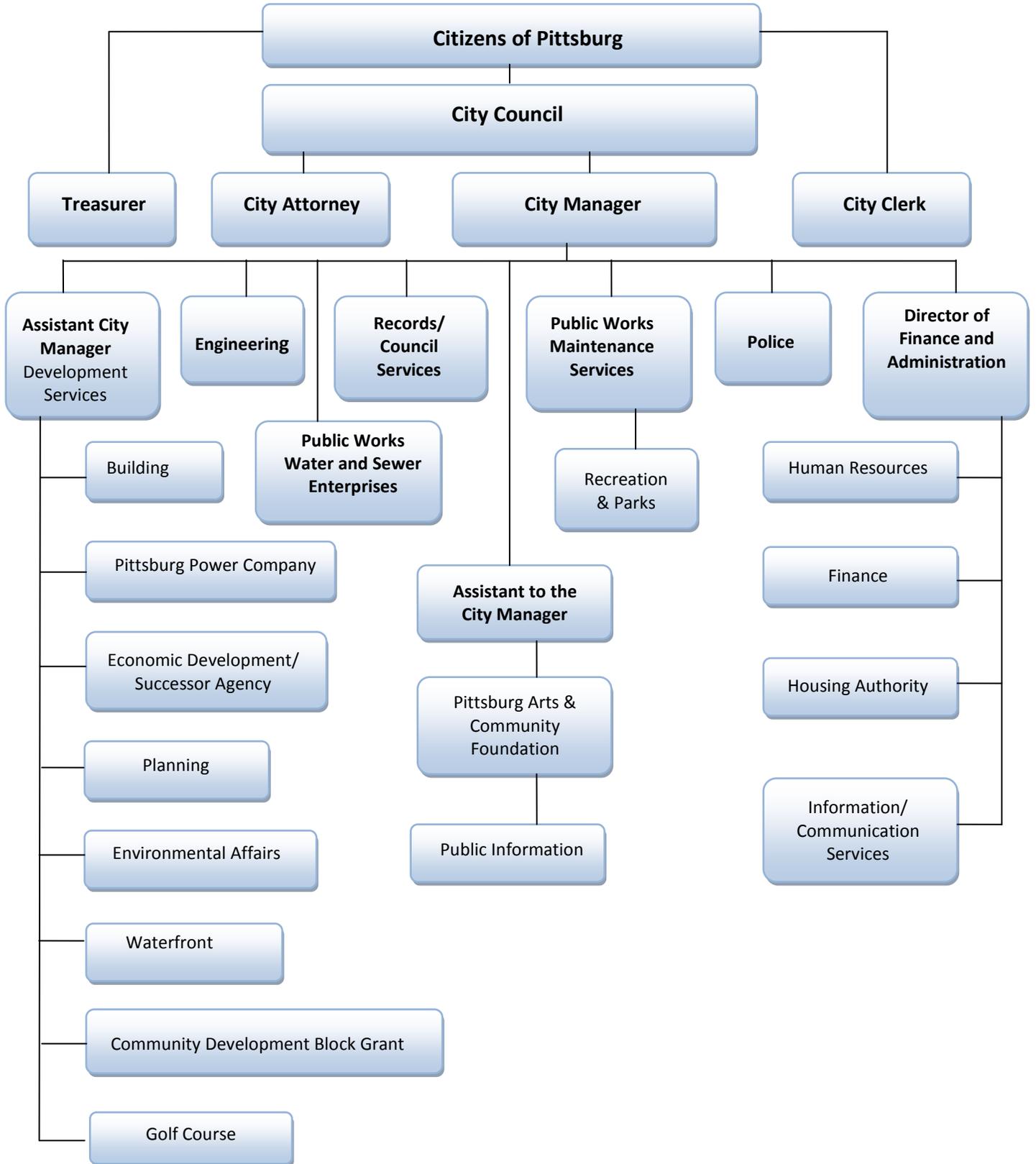
Respectfully submitted,



Joe Sbranti
City Manager

Tina Olson
Director of Finance and Administration

➤ CITY GOVERNMENT ORGANIZATION



**City of Pittsburg
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2013**

◆ ◆ ◆ City Council

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

◆ ◆ ◆ Other Elected Officials

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

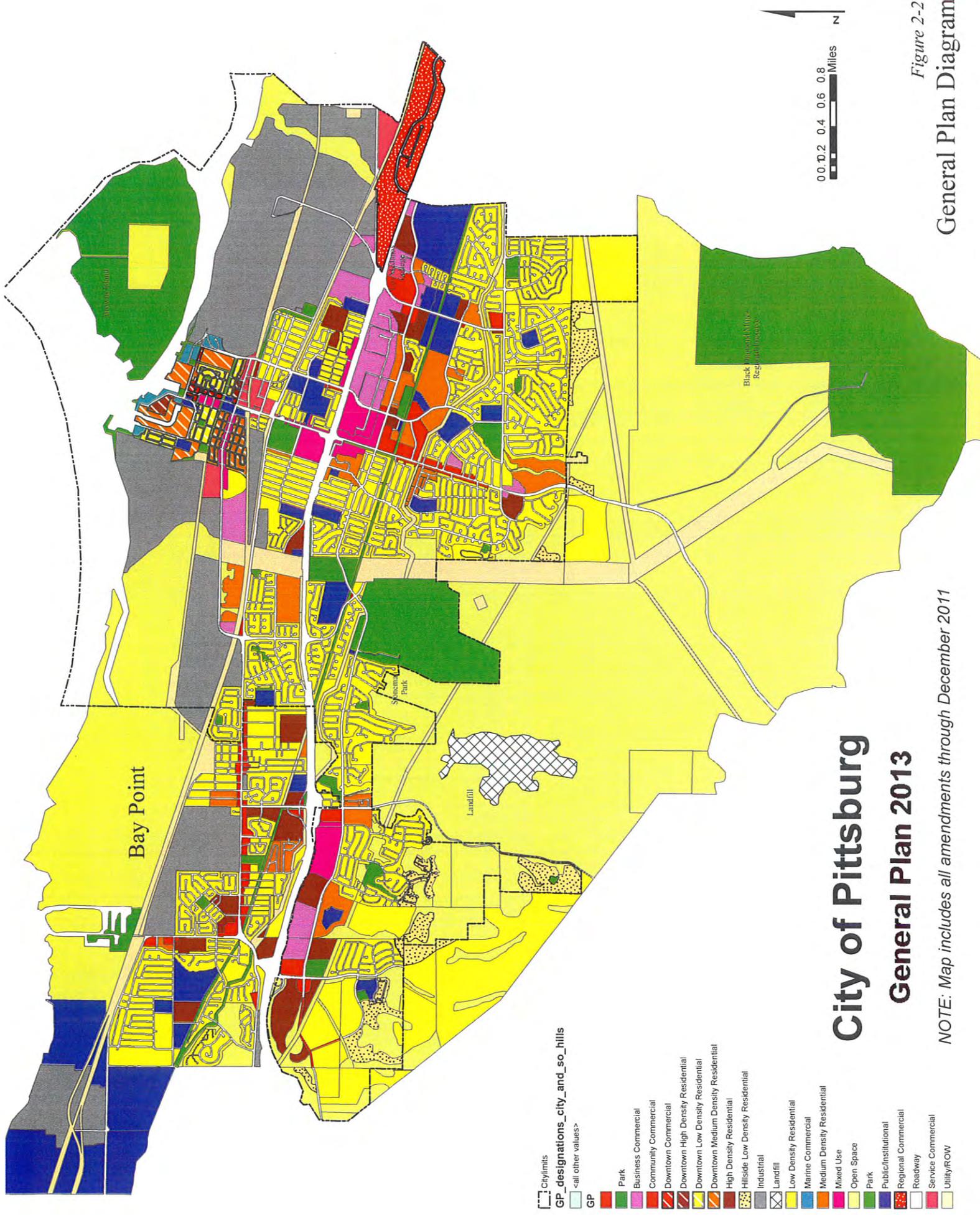
◆ ◆ ◆ City Attorney

Ruthann G. Ziegler, Esquire, City Attorney

◆ ◆ ◆ Management Staff

Joe Sbranti, City Manager
Garrett Evans, Assistant City Manager, Development Services

Brian Addington, Chief of Police
Don Buchanan, Director of Recreation and Maintenance Services
Van DePiero, Harbormaster
Alice E. Evenson, Director of Records and Council Services
Keith Halvorson, City Engineer
Sharon Jackson, Manager of Housing Authority
Tina Olson, Director of Finance and Administration
Walter C. Pease, Director of Water and Sewer System Enterprises



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- Park
- 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
- PublicInstitutional
- Regional Commercial
- Roadway
- Service Commercial
- Utility/ROW

City of Pittsburg

General Plan 2013

NOTE: Map includes all amendments through December 2011

Figure 2-2
 General Plan Diagram

INDEPENDENT AUDITOR'S REPORT

To the Honorable City Council of
City of Pittsburg, California

Report on Financial Statements

We have audited the accompanying 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, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the 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 as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Management adopted the provisions of Governmental Accounting Standards Board Statement 63 - *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* which became effective during the year ended June 30, 2013, and required changes in statement titles and certain nomenclature to the financial statements.

The emphasis of this matter does not constitute a modification to our opinions.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, and budgetary comparison information for the General Fund, Housing Authority (Section 8) Special Revenue Fund, and Successor Agency Housing Special Revenue Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The Introductory Section, Supplemental Information, and Statistical Section as listed in the Table of Contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The Supplemental Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplemental Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2013 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Pleasant Hill, California
November 18, 2013



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

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, 2013. 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 & deferred outflow of resources of the City exceeded its liabilities at the close of the Fiscal Year 2012-2013 by \$435.2 million (M) (*net position*).

The City's total net position of \$435.2M decreased from the prior fiscal year 2011-2012 by \$(0.9)M related to capital project expenses covered by fund balances. The total capital assets decreased by \$7M in governmental activities was due to elimination of non-capital project expenses from construction in progress of \$5.6M and a reclassification adjustment of \$1.7M. Business-type capital assets increased by \$5.9M.

As of June 30, 2013, the City's governmental funds reported combined ending fund balances of \$43.7M, an increase of \$0.8M in comparison with the prior fiscal year of \$42.9M.

- As of June 30, 2013, the fund balance (total assets minus total liabilities) for the General Fund, which includes the Budget Stabilization and Economic Development funds, was \$18.2M, of which \$3.1M is designated as "Non-spendable" for items that are not in spendable form such as deposits, inter-fund advances, and inventory; \$1.6M is designated as "Assigned" for economic development activities and encumbrances, which is intended to use for specific purposes designated by the City Council. This leaves a total unassigned balance of \$13.5M, of which \$4.6M is the General Fund operating reserve which is available to cover expenses in the event of an emergency and \$8.9M is in the Budget Stabilization Fund that can be used to balance future budgets. However, the General Fund Cash and Investments fund balance is \$17.5M of which \$7.0M is General Fund operating reserves, \$8.9M is in the Budget Stabilization Fund, and \$1.6M is in the Economic Development Fund.

- There are four major funds in the Governmental Funds section of the Comprehensive Annual Financial Report of which the Community Capital Improvement fund has been added.

Compared to the prior fiscal year, the City's total liabilities decreased by \$(4)M primarily because of transfer of debt liability from former Redevelopment Agency to Successor Agency. Please refer to Note 14 Successor Agency Activities for additional information.

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

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.

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 Position presents information on all of the City's assets and deferred outflow of resources and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in net position 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 position during the most recent fiscal year. All changes in net position 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, and Water Front Operation.

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

Pursuant to ABx 1 26 ("AB 26"), approved by Governor Brown on June 28, 2011 and upheld by the California State Supreme Court on December 29, 2011, the Redevelopment Agency of the City of Pittsburg ("Agency") was dissolved on January 31, 2012. The former Agency is now administered under the name Successor Agency for Redevelopment Agency of the City of Pittsburg. The activities and assets of Successor Agency is now reported in Fiduciary Fund Section of the Financial Statements.

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.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2013

- *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 40 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 four funds that are considered to be major funds. These funds consist of the General Fund, Housing Authority (Section 8), the Successor Agency Housing Fund and Community Capital Improvement Fund. Data from the other 36 governmental funds, which are combined into a single, aggregated presentation, are considered non-major funds.

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. 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.

Internal Service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses Internal Service Funds to account for maintaining its fleet of vehicles , 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 and the Marina Fund, all of which are considered to be major funds. Data from the other four 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. With the dissolution of Redevelopment Agency per ABx 1484, the activities of the Successor Agency to the Former Redevelopment Agency are reported as Private Purpose Trust Fund in the Fiduciary Fund section.

City of Pittsburgh
Management's Discussion and Analysis
For the year ended June 30, 2013

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.

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position – As noted earlier, net position 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 \$435.2M at the close of the Fiscal Year ended June 30, 2013, which is \$(0.9)M less than Fiscal Year 2011-2012.

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 Position for the Fiscal Year ended June 30, 2013 with the comparative data for the Fiscal Year ended June 30, 2012.

City of Pittsburg
Summary of Net Position
As of June 30, 2013

	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Current Assets	\$ 93,111,658	\$ 94,860,323	\$ 39,767,835	\$ 41,796,226	\$ 132,879,493	\$ 136,656,549
Non-Current Assets	288,997,575	281,819,958	121,796,698	127,672,264	410,794,273	409,492,222
Total Assets	<u>382,109,233</u>	<u>376,680,281</u>	<u>161,564,533</u>	<u>169,468,490</u>	<u>543,673,766</u>	<u>546,148,771</u>
Deferred Outflow of Resources	-	-	7,734,430	3,762,848	7,734,430	3,762,848
Current Liabilities	8,833,998	9,706,955	12,642,818	6,302,894	21,476,816	16,009,849
Non-Current Liabilities	49,600,942	52,393,579	44,235,097	46,289,745	93,836,039	98,683,324
Total Liabilities	<u>58,434,940</u>	<u>62,100,534</u>	<u>56,877,915</u>	<u>52,592,639</u>	<u>115,312,855</u>	<u>114,693,173</u>
Net Investments in Capital Assets	250,271,519	281,680,787	79,796,698	87,252,264	330,068,217	368,933,051
Restricted	31,591,442	25,904,321	23,822,296	21,659,904	55,413,738	47,564,225
Unrestricted	41,811,332	6,994,639	8,802,054	11,726,531	50,613,386	18,721,170
Total Net Position	<u>\$ 323,674,293</u>	<u>\$ 314,579,747</u>	<u>\$ 112,421,048</u>	<u>\$ 120,638,699</u>	<u>\$ 436,095,341</u>	<u>\$ 435,218,446</u>

Current Assets are assets that are liquid in nature or can be converted into cash quickly. Current Liabilities are outstanding liabilities that are due within one year.

Statement of Net Position contains more detail information on Current Assets, Non-Current Assets, Current Liabilities and Non-current Liabilities.

At the end of the Fiscal Year 2012-2013 the total assets exceeded total liabilities by \$435.2M.

Changes in Net Position – In the Fiscal Year 2012-2013, the City's Governmental expenditure of \$72.3M exceeded its total revenues and transfers of \$63.2M by \$9.10M. The decrease was due to a one-time adjustment in Fiscal Year 2011-2012 for former Redevelopment Agency dissolution. The City's expenses cover a range of services. Of the Governmental Activities, the largest expenses were in the Community Development and Services category (\$23.2M), Public Safety (\$21.0M), and Public Works (\$19.7M). 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 6 – Capital Assets disclosure.

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

Governmental Activities – Governmental Activities reflects an decrease of \$(9.1)M in net assets and Business Activities reflects an increase of \$8.2M in net assets for the Fiscal Year 2012-13. 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 2012-2013.

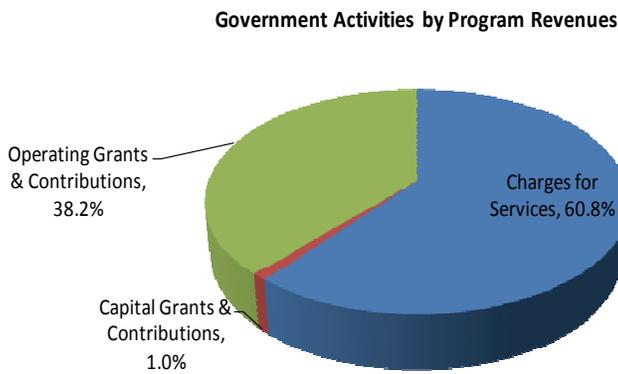
City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

Statement of Changes in Net Assets
Fiscal Year Ended June 30, 2013
With comparative data for fiscal year ended June 30, 2012

	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Revenues:						
<i>Program Revenues:</i>						
Charges for Services	\$ 29,140,215	\$ 19,264,879	\$ 29,781,594	\$ 32,774,467	\$ 58,921,809	\$ 52,039,346
Operating Grants and Contributions	12,661,955	12,104,023			12,661,955	12,104,023
Capital Grants and Contributions	3,997,403	314,203	205,675	2,019,849	4,203,078	2,334,052
Sub-Total	45,799,573	31,683,105	29,987,269	34,794,316	75,786,842	66,477,421
<i>General Revenues:</i>						
Property Taxes	23,507,704	2,176,999	-	-	23,507,704	2,176,999
Sales Taxes	6,168,690	11,232,622	-	-	6,168,690	11,232,622
Franchise Fees	3,103,823	3,890,567	-	-	3,103,823	3,890,567
Motor Vehicle in lieu fees	4,470,104	3,727,494	-	-	4,470,104	3,727,494
Gas Taxes	1,814,537	1,475,397	-	-	1,814,537	1,475,397
Other Taxes	5,369,372	7,224,731	-	-	5,369,372	7,224,731
Investment Earnings - Unrestricted	1,182,954	74,095	400,199	268,315	1,583,153	342,410
Sub-Total	45,617,184	29,801,905	400,199	268,315	46,017,383	30,070,220
Total Revenues	91,416,757	61,485,010	30,387,468	35,062,631	121,804,225	96,547,641
Expenses:						
General Government	3,708,090	3,330,008	-	-	3,708,090	3,330,008
City Council	68,774	73,672	-	-	68,774	73,672
City Manager and City Clerk	480,049	430,697	-	-	480,049	430,697
City Attorney	477,870	595,468	-	-	477,870	595,468
Human Resources	710,874	632,980	-	-	710,874	632,980
Finance and Services	2,720,333	2,321,512	-	-	2,720,333	2,321,512
Community Development & Services	29,578,105	23,214,430	-	-	29,578,105	23,214,430
Public Safety	23,744,135	20,955,624	-	-	23,744,135	20,955,624
Public Works	18,409,616	19,679,890	-	-	18,409,616	19,679,890
Interest on Long-Term Debt	12,406,317	1,026,639	-	-	12,406,317	1,026,639
Gain (loss) on sale of assets	-	-	-	-	-	-
Water Utility	-	-	14,904,479	15,518,027	14,904,479	15,518,027
Sewer Utility	-	-	2,443,497	2,212,309	2,443,497	2,212,309
Marina	-	-	2,414,479	2,448,483	2,414,479	2,448,483
Golf Course	-	-	153,666	105,657	153,666	105,657
Island Energy	-	-	3,828,566	3,619,464	3,828,566	3,619,464
Pittsburg Power	-	-	978,522	839,617	978,522	839,617
Water Front Operations	-	-	186,419	420,059	186,419	420,059
Total Expenses	92,304,163	72,260,920	24,909,628	25,163,616	117,213,791	97,424,536
Increase in Net Position before Transfers	(887,406)	(10,775,910)	5,477,840	9,899,015	4,590,434	(876,895)
Transfers	7,720,043	1,681,364	(7,720,043)	(1,681,364)	-	-
Extrordinary Items:						
Net Liabilities Transferred to Sucessor Agency	269,077,583					
Change in Net Position	275,910,220	(9,094,546)	(2,242,203)	8,217,651	273,668,017	(876,895)
Net Position- Beginning of Year	47,764,073	323,674,293	114,663,251	112,421,048	162,427,324	436,095,341
Net Position- End of Year	\$ 323,674,293	\$ 314,579,747	\$ 112,421,048	\$ 120,638,699	\$ 436,095,341	\$ 435,218,446

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

Total Program Revenues from Governmental Activities were \$32M in Fiscal Year 2012-2013. 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, 60.8% of the Governmental Program Revenues came from Charges for Services (which includes licenses and permits, plan checking fees, developer fees and several other revenues), 38.2% 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 1% are from Capital Grants and Contributions. The charges for services were reduced by \$(10)M mainly due to the one-time adjustment for former redevelopment agency dissolution in Fiscal Year 2011-2012.

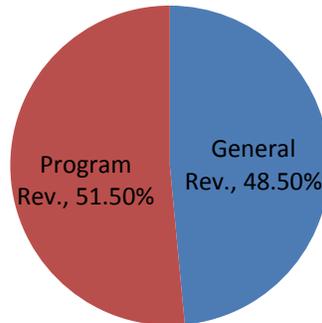


About 56.2% of General Government services are funded by General Revenues. General Revenues are all other revenues not categorized as program revenues such as property taxes, sales taxes, intergovernmental and investment earnings. Interest on long-term debt is paid through general revenues, 70.3% of Public Safety services are supported through general revenues, as is (11.4)% of Community development and services are supported through general revenues.

General Revenues from Governmental Activities represented 48.5% of total City revenues, and Program revenues reflected 51.5% of total City revenues. Total General Revenues from Governmental Activities were \$29.8M in Fiscal Year 2012-2013. Sales Taxes comprised the largest percentage of General Revenues, 37.7% or \$11.2M, received during the fiscal year was Property Taxes.

Program Revenues	\$	31,683,105	51.5 %
General Revenues	\$	<u>29,801,905</u>	48.5 %
		61,485,010	

Governmental Activities by Program Revenues



Business-Type Activities – Net assets for Business-Type Activities were \$121M, a net increase of \$8M from the prior fiscal year. Total program revenues for Business-Type Activities were \$34.8M. Total expenses for the Business-Type Activities were \$25.2M for the Fiscal Year 2012-2013. The \$3M increase of the charges for services in Business Type activities was mainly due to increased consumption of water and sewer service usage in Fiscal year 2012-13.

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 \$43.7M a decrease of \$0.8M, in comparison with the prior year. Approximately 31% percent of this total amount or \$13.5M constitutes unassigned general fund balance, which is available for spending at the government's discretion and \$9.0M designated to balance future budget. The remainder of fund balance is either designated as "Nonspendable" (\$3.9M) to indicate that it is not available for new spending because it is not in a spendable form or, designated as "Restricted" to fulfill future work on the special activities and capital improvement projects or debt service commitments (\$22.0M), or designated as "Committed" for capital improvement projects (\$3.2M), or designated as "Assigned" due to being committed to liquidate contracts (encumbrances) and various departmental reservations (\$1.8M). 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 9 Fund Balance.

The Housing Authority (Section 8), which was reported as a Special Revenue Fund, had a decrease fund balance of \$628K. This is due to program funding reduction from Housing Urban Department (HUD) as a measure for the Housing Authority to utilize the existing available fund balance starting in FY 2011-2012.

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

General Fund Budgetary Highlights – The final amended budget totaled \$31M, including \$437,511 for prior fiscal year budget carry forward totals and new appropriation amendments to the originally adopted budget, these amendments are briefly summarized below.

Per Resolutions 12-11858 the City Council adopted the approval of the follow additional appropriations and project carry-forwards:

Budget Carry Forwards

\$	5,000	Other Special Department Supplies (City Clerk)
	6,000	Advertising & Promotion (City Clerk)
	20,000	Furniture & Equipment
	20,000	Contractual and Professional Services (Human Resources)
	12,739	Contractual and Professional Services (Finance)
	21,371	Contractual and Professional Services (Planning)
	14,000	Contractual and Professional Services (Bldg Enforcement)
	51,947	Contractual and Professional Services (Engineering)
	43,067	Contractual and Professional Services (Swim Center)
	3,000	Other Special Department Supplies (Swim Center)
	10,000	Contractual and Professional Services (Recreation)
	7,000	Advertising and Promotion (Senior Center)
	2,300	Special Events (Senior Center)
	10,500	Contractual and Professional Services (Non-Departmental)
	192,487	Economic Development
	18,100	Contingency
\$	437,511	Sub-Total Budget Carry Over

Approved Amendments

\$	9,598	Building Code Enforcement
	35,900	Recreation - Aquatics
	15,000	Recreation-Small World Park
	50,000	Economic Development-Tenant Improvements
\$	110,498	Sub-Total Approved Appropriations
\$	548,009	Total Budget Carry Forwards and Approved Appropriations

As the economy has yet to recover, a couple of the General Fund revenues did not reach their budgeted forecasts. Property Taxes for the City fell short \$97,001 of its budgeted projection and other taxes were short by \$111,468 of its budgeted forecast. On a positive note, sales taxes and franchise taxes exceeded their budget forecasts by \$3,332,622 and \$121,699 respectively and governmental service fees exceed its estimated budget by \$226,836. The increase in sales taxes was mainly due to a one time local sales taxes from Siemens of \$2 million and \$1.3 million was attributed by the higher Measure P sales taxes collected.

There is a total deferral of revenue of \$585.2K in the General Fund, \$504,577 of which is set aside for future engineering related construction activity, such as inspections fees and plan check fees. Other deferrals can be attributed to business license fees of \$18,606, deferred interest loans of \$15,000, future GIS mapping fees of \$38,504, and various donations to the Leisure Services for Teen activities, the Senior Center, Sister City donations and recycling containers of \$8,546.

At the end of the fiscal year, the total actual expenses in the General Fund were \$439,395 under the total amended budget. This is the result of most of the General Fund operating departments and projects, prudently operating under budget. Public safety employee pension expenses were also considerably less than budgeted. The two largest under budget divisions were Public Safety which was under budget by (\$727,915) and Public Works which was under budget by (\$174,986).

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

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 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 position of the Proprietary Funds at the end of the year were \$120.6M; an increase of \$8.2M from the prior fiscal year, in which \$87.3M 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, 2013, amounts to \$409M (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 \$(1)M.

City of Pittsburg
Capital Assets
(Net of Depreciation)
June 30, 2013

	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Non-depreciable assets:						
Land	\$ 33,828,944	\$ 33,828,944	\$ 1,143,506	\$ 1,143,506	\$ 34,972,450	\$ 34,972,450
Construction in progress	77,262,342	20,492,611	8,725,637	15,432,387	85,987,979	35,924,998
Total	<u>111,091,286</u>	<u>54,321,555</u>	<u>9,869,143</u>	<u>16,575,893</u>	<u>120,960,429</u>	<u>70,897,448</u>
Depreciable assets (net of depreciation):						
Buildings and improvements	36,935,646	59,811,465	11,500,931	9,013,264	48,436,577	68,824,729
Machinery and equipment	2,570,556	2,815,673	1,906,361	4,196,098	4,476,917	7,011,771
Infrastructure	138,400,087	164,871,265	98,520,263	97,887,009	236,920,350	262,758,274
Total	<u>177,906,289</u>	<u>227,498,403</u>	<u>111,927,555</u>	<u>111,096,371</u>	<u>289,833,844</u>	<u>338,594,774</u>
Total capital assets	<u>\$ 288,997,575</u>	<u>\$ 281,819,958</u>	<u>\$ 121,796,698</u>	<u>\$ 127,672,264</u>	<u>\$ 410,794,273</u>	<u>\$ 409,492,222</u>

Please see more detailed information regarding the City's capital assets in Note 6 of the Basic Financial Statements.

City of Pittsburg
Management's Discussion and Analysis
For the year ended June 30, 2013

Debt Service Administration – A complete detail of all outstanding debt is contained in Note 7 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 \$38M for 2006 Pension Obligation Bonds and 106K for a Capital Lease for telephone voice over internet protocol (VOIP) system. \$40.4M in Business-Type Activities represents two revenue bonds in the Water and Sewer Funds.

City of Pittsburg
Long-Term Debt
June 30, 2013

	Governmental Activities		Business-Type Activities		Total	
	2012	2013	2012	2013	2012	2013
Pension Obligation Bonds	\$ 38,726,056	38,351,056	\$		\$ 38,726,056	\$ 38,351,056
Capital Lease	-	139,171			-	139,171
Revenue Bonds	-	-	42,000,000	40,420,000	42,000,000	40,420,000
Total	\$ 38,726,056	\$ 38,490,227	\$ 42,000,000	\$ 40,420,000	\$ 80,726,056	\$ 78,910,227

Economic Factors and Next Year’s Budget – the Bay Area economy is rapidly improving, particularly in San Francisco and the South Bay. However, Pittsburg's economy is recovering more slowly. To balance the FY 2012-2013 budget, the City continued to implement cost reduction measures such as staff reductions, and an increase in recoveries for staff time from capital project accounts. Unfortunately, even with the above measures and the temporary sales tax increase passed by Measure P, the City's General Fund continued to experience a structural imbalance. With the dissolution of Redevelopment Agency, the City's General Fund had to absorb almost \$2 million in expenses comprised of staff and services formerly funded by the Agency. City staff developed a 7-year Balancing Plan that will result in a balanced General Fund budget by end of FY 2017-18.

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.

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, 65 Civic Avenue, Pittsburg, California 94565.

**BASIC
FINANCIAL
STATEMENTS**



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

**GOVERNMENT-WIDE
FINANCIAL
STATEMENTS**



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburg
STATEMENT OF NET POSITION
June 30, 2013

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments (Note 2)	\$ 46,599,019	\$ 26,928,544	\$ 73,527,563
Restricted cash and investments (Note 2)	1,444,627	5,054,552	6,499,179
Receivables:			
Accounts	6,535,478	5,581,708	12,117,186
Interest	8,585	10,587	19,172
Loans/notes (Note 3)	42,834,694	-	42,834,694
Internal balances (Note 1H)	(3,800,000)	3,800,000	-
Inventory	604,264	280,606	884,870
Prepaid items and other assets	633,656	140,229	773,885
Total current assets	<u>94,860,323</u>	<u>41,796,226</u>	<u>136,656,549</u>
Noncurrent assets:			
Capital assets (Note 6):			
Land and nondepreciable assets	54,321,555	16,575,893	70,897,448
Depreciable capital assets, net of accumulated depreciation	227,498,403	111,096,371	338,594,774
Total capital assets, net	<u>281,819,958</u>	<u>127,672,264</u>	<u>409,492,222</u>
Total noncurrent assets	<u>281,819,958</u>	<u>127,672,264</u>	<u>409,492,222</u>
Total Assets	<u>376,680,281</u>	<u>169,468,490</u>	<u>546,148,771</u>
DEFERRED OUTFLOWS OF RESOURCES			
Accumulated decrease in fair value of hedging derivatives (Note 7)	-	3,762,848	3,762,848
Total Deferred Outflow of Resources	<u>-</u>	<u>3,762,848</u>	<u>3,762,848</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 3,315,873	\$ 2,466,340	\$ 5,782,213
Salaries payable	684,561	-	684,561
Interest payable (Note 1J)	774,737	124,620	899,357
Refundable deposits	769,796	660,013	1,429,809
Taxes payable	15,283	83,466	98,749
Loans payable	174,123	72,700	246,823
Due to other agencies	456,799	-	456,799
Unearned revenue (Note 4)	1,568,543	1,056,255	2,624,798
Claims and judgment payable-due within one year (Note 10)	128,885	-	128,885
Compensated absences - due within one year (Note 1M)	1,335,000	189,500	1,524,500
Long-term debt - due within one year (Note 7)	483,355	1,650,000	2,133,355
Total current liabilities	<u>9,706,955</u>	<u>6,302,894</u>	<u>16,009,849</u>
Noncurrent liabilities:			
Compensated absences - due in more than one year (Note 1M)	445,339	159,937	605,276
Derivative instrument (Note 7)	-	3,762,848	3,762,848
OPEB liability (Note 12)	13,941,368	3,596,960	17,538,328
Long-term debt - due in more than one year (Note 7)	38,006,872	38,770,000	76,776,872
Total noncurrent liabilities	<u>52,393,579</u>	<u>46,289,745</u>	<u>98,683,324</u>
Total Liabilities	<u>62,100,534</u>	<u>52,592,639</u>	<u>114,693,173</u>
NET POSITION (Note 9)			
Net investment in capital assets	<u>281,680,787</u>	<u>87,252,264</u>	<u>368,933,051</u>
Restricted for:			
Capital projects	13,614,850	9,030,107	22,644,957
Debt service	2,018,507	3,532,266	5,550,773
Special purpose projects (Note 9D)	10,270,964	5,054,552	15,325,516
Facility fee reserve	-	4,042,979	4,042,979
Total restricted net position	<u>25,904,321</u>	<u>21,659,904</u>	<u>47,564,225</u>
Unrestricted	<u>6,994,639</u>	<u>11,726,531</u>	<u>18,721,170</u>
Total Net Position	<u>\$ 314,579,747</u>	<u>\$ 120,638,699</u>	<u>\$ 435,218,446</u>

See accompanying notes to financial statements

City of Pittsburg
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating	Capital	Governmental Activities	Business-type Activities	Total
			Grants and Contributions	Grants and Contributions			
Governmental Activities:							
General government	\$ 3,330,008	\$ 5,750,210	\$ 10,990	\$ -	\$ 2,431,192	\$ -	\$ 2,431,192
City Council	73,672	-	-	-	(73,672)	-	(73,672)
City Manager and City Clerk	430,697	2,382	-	-	(428,315)	-	(428,315)
City Attorney	595,468	232	-	-	(595,236)	-	(595,236)
Human Resources	632,980	-	-	-	(632,980)	-	(632,980)
Finance and services	2,321,512	123,455	-	-	(2,198,057)	-	(2,198,057)
Community development and services	23,214,430	8,189,144	11,345,709	274,113	(3,405,464)	-	(3,405,464)
Public safety	20,955,624	842,598	747,324	-	(19,365,702)	-	(19,365,702)
Public works	19,679,890	4,356,858	-	40,090	(15,282,942)	-	(15,282,942)
Interest on long-term debt	1,026,639	-	-	-	(1,026,639)	-	(1,026,639)
Total Governmental Activities	72,260,920	19,264,879	12,104,023	314,203	(40,577,815)	-	(40,577,815)
Business-type Activities:							
Water Utility	15,518,027	19,605,199	-	350,014	-	4,437,186	4,437,186
Sewer Utility	2,212,309	5,049,987	-	-	-	2,837,678	2,837,678
Marina	2,448,483	1,914,502	-	1,669,835	-	1,135,854	1,135,854
Golf Course	105,657	-	-	-	-	(105,657)	(105,657)
Island Energy	3,619,464	4,250,049	-	-	-	630,585	630,585
Pittsburg Power	839,617	1,727,200	-	-	-	887,583	887,583
Water Front Operations	420,059	227,530	-	-	-	(192,529)	(192,529)
Total Business-type Activities	25,163,616	32,774,467	-	2,019,849	-	9,630,700	9,630,700
Total	\$ 97,424,536	\$ 52,039,346	\$ 12,104,023	\$ 2,334,052	(40,577,815)	9,630,700	(30,947,115)
General revenues:							
Taxes:							
Property taxes					2,176,998	-	2,176,998
Sales taxes					11,232,622	-	11,232,622
Franchise taxes					3,890,567	-	3,890,567
Motor vehicle (unrestricted)					3,727,494	-	3,727,494
Gas taxes					1,475,397	-	1,475,397
Other taxes					7,224,732	-	7,224,732
Investment earnings-unrestricted					74,095	268,315	342,410
Transfers (Note 5C)					1,681,364	(1,681,364)	-
Total General Revenues and Transfers					31,483,269	(1,413,049)	30,070,220
Change in Net Position					(9,094,546)	8,217,651	(876,895)
Net Position-Beginning of Year					323,674,293	112,421,048	436,095,341
Net Position-End of Year					\$ 314,579,747	\$ 120,638,699	\$ 435,218,446

See accompanying notes to 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, 2013

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. The General Fund includes the Budget Stabilization and Economic Development fund balances and activity.

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 and homeless veterans.

Successor Agency Housing Special Revenue Fund was established to account for activities related to the assets assumed by the City as Housing Successor to the Pittsburg Redevelopment Agency for the housing activities of the former Redevelopment Agency.

Community Capital Improvement- 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 Pittsburg
Balance Sheet
Governmental Funds
June 30, 2013

	General Fund	Housing Authority (Section 8)	Successor Agency Housing	Community Capital Improvement
ASSETS				
Cash and investments (Note 2)	\$ 17,474,323	\$ 1,026,074	\$ 117,141	\$ -
Restricted cash and investments (Note 2)	7,960	-	-	212,339
Receivables:				
Accounts	3,809,359	16,816	-	669,166
Interest	-	424	40	33
Loans and notes (Note 3)	3,520,209	-	33,136,390	1,083,714
Due from other funds (Note 5A)	600,355	-	221,670	-
Inventory	98,213	1,374	-	-
Prepaid items and other assets	21,020	-	-	-
Total Assets	\$ 25,531,439	\$ 1,044,688	\$ 33,475,241	\$ 1,965,252
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,198,320	\$ 28,369	\$ 15,269	\$ 443,803
Salaries payable	650,891	-	-	-
Taxes payable	13,393	-	-	-
Refundable deposits	679,910	3,605	-	-
Loans payable	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds (Note 5A)	-	-	-	-
Advances from other funds (Note 5B)	3,230,000	110,200	-	-
Total Liabilities	6,772,514	142,174	15,269	443,803
Deferred Inflows of Resources:				
Unavailable revenue (Note 4B)	585,234	121,245	33,136,391	1,113,714
Total Liabilities and Deferred Inflows of Resources	7,357,748	263,419	33,151,660	1,557,517
Fund Balances (Deficit) (Note 9):				
Nonspendable	3,054,208	1,374	-	-
Restricted	-	779,895	323,581	-
Committed	-	-	-	407,735
Assigned	1,574,732	-	-	-
Unassigned	13,544,751	-	-	-
Total fund balances (deficits)	18,173,691	781,269	323,581	407,735
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 25,531,439	\$ 1,044,688	\$ 33,475,241	\$ 1,965,252

See accompanying notes to basic financial statements

	Other Governmental Funds		Total Governmental Funds
\$	22,901,620	\$	41,519,158
	1,224,328		1,444,627
	2,028,263		6,523,604
	7,414		7,911
	5,094,381		42,834,694
	-		822,025
	227,634		327,221
	593,998		615,018
\$	32,077,638	\$	94,094,258

\$	369,749	\$	3,055,510
	-		650,891
	1,890		15,283
	86,281		769,796
	174,123		174,123
	456,799		456,799
	822,025		822,025
	361,000		3,701,200
	2,271,867		9,645,627

	5,752,322		40,708,906
	8,024,189		50,354,533

	821,629		3,877,211
	20,867,467		21,970,943
	2,820,613		3,228,348
	220,995		1,795,727
	(677,255)		12,867,496
	24,053,449		43,739,725
\$	32,077,638	\$	94,094,258



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburg
Reconciliation of the
Governmental Funds Balance Sheet
with the Statement of Net Position
June 30, 2013

Total fund balances reported on the governmental funds balance sheet \$ 43,739,725

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds. 279,869,594

LONG TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

Long-term debt	(38,351,056)
Interest payable	(774,737)
Non-current portion of compensated absences	(1,717,172)
OPEB Liability	(13,941,368)

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Unavailable revenue	39,140,363
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ALLOCATION OF INTERNAL SERVICE FUND NET POSITION

Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position.

Cash and investments	5,079,861
Accounts receivable	11,874
Interest	674
Inventory	277,043
Prepaid/other assets	22,400
Capital assets	1,946,602
Accounts payable	(260,363)
Salaries payable	(33,670)
Compensated absences	(63,167)
Advance from other funds	(98,800)
Unearned revenue	
Claims and judgments payable	(128,885)
Capital lease	(105,816)
Long-term debt - due in one year	(33,355)

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 314,579,747
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See accompanying notes to financial statements

City of Pittsburg
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2013

	General Fund	Housing Authority (Section 8)	Successor Agency Housing	Community Capital Improvement
REVENUES:				
Property tax	\$ 2,176,999	\$ -	\$ -	\$ -
Sales tax	11,232,622	-	-	-
Franchise tax	3,670,699	-	-	-
Other taxes	4,969,532	-	-	-
Intergovernmental revenues	1,342,736	10,728,961	-	4,526,907
Permits, licenses, and fees	766,023	-	-	-
Fines and forfeitures	167,898	-	-	-
Special assessments	-	-	-	-
Service fees	3,344,096	989,280	250,882	-
Use of money and property	(134,393)	36,751	50,344	5,962
Other revenues	1,477,298	45,544	-	-
Total Revenues	29,013,510	11,800,536	301,226	4,532,869
EXPENDITURES:				
Current:				
General government	2,018,394	-	-	-
City Council	73,672	-	-	-
City Manager and City Clerk	396,613	-	-	-
City Attorney	595,986	-	-	-
Human resources	568,026	-	-	-
Finance and services	2,042,118	-	-	-
Community development and services	4,315,504	13,011,659	1,422,586	7,418,263
Public safety	18,659,121	-	-	-
Public works - administration	83,895	-	-	-
Public works - streets	1,709,724	-	-	-
Public works - parks	83,335	-	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	30,193	358	-	-
Total Expenditures	30,576,581	13,012,017	1,422,586	7,418,263
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,563,071)	(1,211,481)	(1,121,360)	(2,885,394)
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	-	-
Transfers in (Note 5C)	3,800,773	-	-	782,832
Transfers out (Note 5C)	(3,137,780)	-	-	-
Total Other Financing Sources (uses)	662,993	-	-	782,832
NET CHANGE IN FUND BALANCES	(900,078)	(1,211,481)	(1,121,360)	(2,102,562)
FUND BALANCES (Note 9):				
Beginning of year	19,073,769	1,992,750	1,444,941	2,510,297
End of year	\$ 18,173,691	\$ 781,269	\$ 323,581	\$ 407,735

See accompanying notes to basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 2,176,999
-	11,232,622
219,868	3,890,567
4,332,253	9,301,785
1,027,910	17,626,514
2,866,771	3,632,794
-	167,898
3,125,838	3,125,838
2,999,594	7,583,852
143,671	102,335
1,669,065	3,191,907
<u>16,384,970</u>	<u>62,033,111</u>
29,166	2,047,560
-	73,672
-	396,613
-	595,986
-	568,026
-	2,042,118
1,740,678	27,908,690
920,469	19,579,590
278,474	362,369
3,694,220	5,403,944
-	83,335
1,446,218	1,446,218
375,000	375,000
1,578,870	1,609,421
<u>10,063,095</u>	<u>62,492,542</u>
<u>6,321,875</u>	<u>(459,431)</u>
3,853	3,853
2,651,708	7,235,313
(2,811,727)	(5,949,507)
<u>(156,166)</u>	<u>1,289,659</u>
6,165,709	830,228
17,887,740	42,909,497
<u>\$ 24,053,449</u>	<u>\$ 43,739,725</u>

City of Pittsburgh
Reconciliation of the
Net Change in Fund Balances-Total Governmental Funds
with the Statement of Activities
For the year ended June 30, 2013

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 830,228

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital additions from the following departments are therefore added back to fund balance:

Capital outlay	1,446,218
Amounts charged to Community Services department	9,756,181
Amounts charged to Public Works department	37,300
Amounts charged to Public Works department	35,734
Loss on sale of capital assets	(18,338)

Depreciation expense is deducted from the fund balance (Depreciation expense is net of Internal Service Fund depreciation \$574,754 which has already been allocated to serviced funds.)	(10,815,467)
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Retirements of capital assets are deducted from the fund balance	(7,477,421)
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LONG TERM DEBT AND PAYMENTS

Repayment of debt principal is added back to fund balance	375,000
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ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Interest payable	582,782
Deferred revenue	(561,232)
Compensated absences	10,097
OPEB liability	(3,874,064)

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds	578,436
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ (9,094,546)
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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.

City of Pittsburg
Statement of Net Position
Proprietary Funds
June 30, 2013

	Major Enterprise Funds		
	Water	Sewer	Marina
	Utility	Utility	
ASSETS			
Current assets:			
Cash and investments (Note 2)	\$ 10,343,918	\$ 7,281,902	\$ 621,206
Restricted cash and investments (Note 2)	4,001,249	951,387	-
Receivables:			
Accounts	4,013,246	900,356	18,942
Interest	3,977	3,150	211
Inventory	131,759	44,917	9,149
Prepaid items and other assets	-	-	-
Total current assets	<u>18,494,149</u>	<u>9,181,712</u>	<u>649,508</u>
Noncurrent assets:			
Advance to other funds (Note 5B)	3,800,000	-	-
Capital assets (Note 6):			
Land and nondepreciable assets	6,749,109	4,594,495	1,804,562
Depreciable assets, net	70,091,202	22,929,830	13,076,234
Total noncurrent assets	<u>80,640,311</u>	<u>27,524,325</u>	<u>14,880,796</u>
Total Assets	<u>99,134,460</u>	<u>36,706,037</u>	<u>15,530,304</u>
DEFERRED OUTFLOWS OF RESOURCES			
Accumulated decrease in fair value of hedging derivatives (Note 7)	3,762,848	-	-
Total Deferred Outflow of Resources	<u>3,762,848</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Current liabilities:			
Accounts payable	1,776,948	269,834	39,524
Salaries payable	-	-	-
Refundable deposits	510,499	5,000	80,987
Loans payable - due within one year	-	-	-
Taxes payable	-	-	81,646
Accrued interest payable	102,000	22,620	-
Unearned revenue (Note 4)	3,411	-	-
Compensated absences payable - due within one year (Note 1M)	93,300	18,100	32,700
Claims and judgments payable - due within one year (Note 10C)	-	-	-
Long-term debt - due within one year (Note 7)	1,010,000	640,000	-
Total current liabilities	<u>3,496,158</u>	<u>955,554</u>	<u>234,857</u>
Noncurrent liabilities:			
Advance from other funds (Note 5B)	-	-	-
Compensated absences payable - due in more than one year (Note 1I)	78,822	15,235	27,573
Derivative instrument (Note 7)	3,762,848	-	-
OPEB liability (Note 12)	1,726,540	431,635	431,635
Long-term debt - due in more than one year (Note 7)	32,610,000	6,160,000	-
Total noncurrent liabilities	<u>38,178,210</u>	<u>6,606,870</u>	<u>459,208</u>
Total Liabilities	<u>41,674,368</u>	<u>7,562,424</u>	<u>694,065</u>
NET POSITION (Notes 1K and 9)			
Net investment in capital assets	43,220,311	20,724,325	14,880,796
Restricted for:			
Capital Project	3,422,223	3,021,970	96,435
Debt service	2,620,826	911,440	-
Special purpose	4,001,249	951,387	-
Facility fees	3,872,168	170,811	-
Unrestricted	4,086,163	3,363,680	(140,992)
Total Net Position	<u>\$ 61,222,940</u>	<u>\$ 29,143,613</u>	<u>\$ 14,836,239</u>

See accompanying notes to basic financial statements

Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 8,681,518	\$ 26,928,544	\$ 5,079,861
101,916	5,054,552	-
649,164	5,581,708	11,874
3,249	10,587	674
94,781	280,606	277,043
140,229	140,229	22,400
<u>9,670,857</u>	<u>37,996,226</u>	<u>5,391,852</u>
3,849,514	7,649,514	-
3,427,727	16,575,893	-
4,999,105	111,096,371	1,946,602
<u>12,276,346</u>	<u>135,321,778</u>	<u>1,946,602</u>
<u>21,947,203</u>	<u>173,318,004</u>	<u>7,338,454</u>
-	3,762,848	-
-	3,762,848	-
380,034	2,466,340	260,363
-	-	33,670
63,527	660,013	-
72,700	72,700	-
1,820	83,466	-
-	124,620	-
1,052,844	1,056,255	-
45,400	189,500	-
-	-	128,885
-	1,650,000	33,355
<u>1,616,325</u>	<u>6,302,894</u>	<u>456,273</u>
3,849,514	3,849,514	98,800
38,307	159,937	63,167
-	3,762,848	-
1,007,150	3,596,960	-
-	38,770,000	105,816
<u>4,894,971</u>	<u>50,139,259</u>	<u>267,783</u>
<u>6,511,296</u>	<u>56,442,153</u>	<u>724,056</u>
8,426,832	87,252,264	1,807,431
2,489,479	9,030,107	-
-	3,532,266	-
101,916	5,054,552	-
-	4,042,979	-
<u>4,417,680</u>	<u>11,726,531</u>	<u>4,806,967</u>
<u>\$ 15,435,907</u>	<u>\$ 120,638,699</u>	<u>\$ 6,614,398</u>

City of Pittsburgh
Statement of Revenues, Expenses and Changes in Fund Position
Proprietary Funds
For the Year Ended June 30, 2013

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
OPERATING REVENUES:			
Charges for services	\$ 18,295,553	\$ 4,937,255	\$ 1,141,674
Meter fees	30,131	-	-
Other fees	289,267	-	175
Facility reserve fees	491,945	-	-
Rent and concessions	1,500	-	61,748
Gas and oil sales	-	-	668,486
Other operating revenues	559,937	112,732	42,419
Total Operating Revenues	19,668,333	5,049,987	1,914,502
OPERATING EXPENSES:			
Salaries and wages	2,252,010	558,365	382,346
Department supplies	6,331,613	56,275	623,814
Rentals	16,198	863	10,536
Utilities	800,120	8,302	121,799
Maintenance and operations	262,324	25,061	387,889
Depreciation (Note 6)	1,665,896	683,587	476,114
Insurance premiums	-	-	-
Insurance deductible	51,096	17,616	22,284
Fringe benefits	1,404,230	368,315	268,012
Other operating expenses	1,154,262	198,718	155,689
Total Operating Expenses	13,937,749	1,917,102	2,448,483
OPERATING INCOME (LOSS)	5,730,584	3,132,885	(533,981)
NONOPERATING REVENUES (EXPENSES):			
Investment earnings	114,747	80,048	4,539
Interest and fiscal charges	(1,580,278)	(295,207)	-
Gain (loss) on disposal of assets	(63,134)	-	-
Total Nonoperating Revenues (Expenses)	(1,528,665)	(215,159)	4,539
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	4,201,919	2,917,726	(529,442)
CONTRIBUTIONS AND TRANSFERS:			
Capital contributions	350,014	-	1,669,835
Transfers in (Note 5C)	51,400	-	-
Transfers out (Note 5C)	(756,632)	(554,632)	-
Total Contributions and Transfers	(355,218)	(554,632)	1,669,835
Change in Net Position	3,846,701	2,363,094	1,140,393
NET POSITION:			
Beginning of Year	57,376,239	26,780,519	13,695,846
End of Year	\$ 61,222,940	\$ 29,143,613	\$ 14,836,239

See accompanying notes to basic financial statements

Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 4,832,321	\$ 29,206,803	\$ 7,277,062
-	30,131	-
612,362	901,804	-
-	491,945	-
439,316	502,564	-
-	668,486	-
163,703	878,791	110,750
<u>6,047,702</u>	<u>32,680,524</u>	<u>7,387,812</u>
1,145,070	4,337,791	584,498
1,544,435	8,556,137	896,341
24,329	51,926	34,254
11,919	942,140	250,450
446,999	1,122,273	864,817
458,722	3,284,319	574,754
96,390	96,390	680,786
21,348	112,344	214,340
729,191	2,769,748	3,126,777
506,394	2,015,063	5,532
<u>4,984,797</u>	<u>23,288,131</u>	<u>7,232,549</u>
1,062,905	9,392,393	155,263
68,981	268,315	13,130
-	(1,875,485)	-
157,077	93,943	14,485
<u>226,058</u>	<u>(1,513,227)</u>	<u>27,615</u>
1,288,963	7,879,166	182,878
-	2,019,849	-
15,000	66,400	577,358
(436,500)	(1,747,764)	(181,800)
<u>(421,500)</u>	<u>338,485</u>	<u>395,558</u>
867,463	8,217,651	578,436
14,568,444	112,421,048	6,035,962
<u>\$ 15,435,907</u>	<u>\$ 120,638,699</u>	<u>\$ 6,614,398</u>

City of Pittsburgh
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2013

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 18,005,943	\$ 4,740,254	\$ 1,894,121
Cash payments to suppliers of goods and services	(7,590,587)	(66,459)	(1,342,492)
Cash payments to employees for services	(3,660,380)	(952,310)	(653,165)
Other operating revenues	559,937	112,732	42,419
Net cash provided (used) by operating activities	7,314,913	3,834,217	(59,117)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Interfund receipts	-	-	-
Interfund payments	-	-	-
Transfers in	51,400	-	-
Transfers out	(756,632)	(554,632)	-
Net cash provided (used) by noncapital financing activities	(705,232)	(554,632)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on long-term debt	(960,000)	(620,000)	-
Interest and fiscal charges paid on long-term debt	(1,578,423)	(298,525)	-
Capital lease obligations	-	-	-
Proceeds from sale of capital assets	-	-	-
Capital contributions	350,014	-	1,669,835
Acquisition of capital assets	(3,142,586)	(3,684,013)	(1,677,037)
Net cash provided (used) by capital and related financing activities	(5,330,995)	(4,602,538)	(7,202)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest on investments	114,747	80,048	4,539
Net cash provided (used) by investing activities	114,747	80,048	4,539
Net increase (decrease) in cash and cash equivalents	1,393,433	(1,242,905)	(61,780)
CASH AND CASH EQUIVALENTS:			
Beginning of Year	12,951,734	9,476,194	682,986
End of Year	\$ 14,345,167	\$ 8,233,289	\$ 621,206
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ 5,730,584	\$ 3,132,885	\$ (533,981)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,665,896	683,587	476,114
Changes in operating assets and liabilities:			
Accounts receivable	(1,087,781)	(194,649)	21,941
Interest receivable	5,384	2,113	97
Loans receivable	-	-	-
Inventory	(20,056)	(4,465)	-
Prepaid items			
Accounts payable	756,506	240,376	(10,973)
Salaries and wages payable	(35,832)	(10,948)	(6,909)
Loans payable	-	-	-
Refundable deposits	293,000	-	7,916
Taxes payable	-	-	(17,424)
Deferred revenue	-	-	-
Compensated absences	31,692	(14,682)	4,102
OPEB liability	-	-	-
Insurance claims payable	(24,480)	-	-
Net cash provided (used) by operating activities	\$ 7,314,913	\$ 3,834,217	\$ (59,117)
SCHEDULE OF NON CASH ACTIVITY:			
Capital contributions	\$ 350,014	\$ -	\$ 1,669,835

See accompanying notes to basic financial statements

Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
\$ 5,850,056	\$ 30,490,374	\$ 7,166,067
(2,439,684)	(11,439,222)	(3,697,929)
(2,020,880)	(7,286,735)	(2,890,086)
603,019	1,318,107	110,750
<u>1,992,511</u>	<u>13,082,524</u>	<u>688,802</u>
254,685	254,685	-
(254,685)	(254,685)	-
15,000	66,400	-
(436,500)	(1,747,764)	395,558
<u>(421,500)</u>	<u>(1,681,364)</u>	<u>395,558</u>
-	(1,580,000)	-
-	(1,876,948)	-
-	-	139,171
157,077	157,077	14,485
-	2,019,849	-
(719,383)	(9,223,019)	(434,487)
<u>(562,306)</u>	<u>(10,503,041)</u>	<u>(280,831)</u>
68,981	268,315	13,130
<u>68,981</u>	<u>268,315</u>	<u>13,130</u>
1,077,686	1,166,434	816,659
7,705,748	30,816,662	4,263,202
<u>\$ 8,783,434</u>	<u>\$ 31,983,096</u>	<u>\$ 5,079,861</u>
\$ 1,062,905	\$ 9,392,393	\$ 155,263
458,722	3,284,319	574,754
419,501	(840,988)	11,204
349	7,943	-
56,685	56,685	-
5,701	(18,820)	(97,597)
(66,777)	(66,777)	11,319
184,040	1,169,949	45,262
(18,902)	(72,591)	(3,328)
(72,700)	(72,700)	-
37,618	338,534	-
(59,362)	(76,786)	-
(5,290)	(5,290)	(35,921)
(9,979)	11,133	16,674
-	-	-
-	(24,480)	11,172
<u>\$ 1,992,511</u>	<u>\$ 13,082,524</u>	<u>\$ 688,802</u>
\$ -	\$ 2,019,849	\$ -



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

FIDUCIARY FUND FINANCIAL STATEMENTS

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

Successor Agency to the Redevelopment Agency Private - Purpose Trust - This fund was established to account for the activities of the Successor Agency to the former Redevelopment Agency of the City of Pittsburg.

Agency 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 Fiduciary Net Position
June 30, 2013

ASSETS	Successor Agency to the Redevelopment Agency Private-Purpose Trust	Agency Funds
Cash and investments (Note 2)	\$ 105,735	\$ 3,564,768
Cash and investments held by fiscal agent (Note 2)	89,993,360	22,017,807
Assessment receivable	-	2,184,564
Accounts receivable	3,766,383	-
Interest receivable	-	982
Inventory	16,821	-
Prepaid items and other assets	240,933	-
Loans receivable (Notes 14A)	13,497,636	-
Deferred charges	4,641,675	-
Capital Assets (Note 14B):		
Land and construction in progress	22,017,046	-
Depreciable capital assets, net	1,807,838	-
Total assets	136,087,427	27,768,121
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflow of resources (Note 14C)	15,630,186	-
Total Deferred Outflow of Resources	15,630,186	-
LIABILITIES		
Accounts payable	416,065	47,786
Interest payable	5,931,298	-
Refundable deposits	101,520	-
Deferred assessments	-	2,184,564
Due to other parties	-	5,715
Due to other governments	792,763	-
Due to bond-holders	-	25,530,056
Compensated absences payable:		
Due in one year	17,495	-
Due in more than one year	12,557	-
Long-term obligations (Note 14C):		
Derivative instrument	15,630,186	-
Due in one year	16,642,665	-
Due in more than one year	377,241,833	-
Total Liabilities	416,786,382	\$ 27,768,121
NET POSITION		
Held in Trust for Private Purpose	\$ (265,068,769)	

See accompanying notes to financial statements

City of Pittsburg
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2013

	Successor Agency to the Redevelopment Agency Private-Purpose Trust
ADDITIONS	
Property tax	\$ 37,580,423
Intergovernmental revenues	1,512,384
Investment earnings	1,330,513
Other revenues	2,313,387
Total Additions	<u>42,736,707</u>
DEDUCTIONS	
General administration	5,101,497
Depreciation expense	43,543
Capital outlay and improvements	3,824,126
Interest and fiscal charges	20,107,474
Total Deductions	<u>29,076,640</u>
Change in Net Position	13,660,067
NET POSITION HELD IN TRUST	
Beginning of Year	<u>(278,728,836)</u>
End of Year	<u>\$ (265,068,769)</u>

See accompanying notes to financial statements



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

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, as amended by No. 61. 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 following entities 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 these entities are reported as separate funds in the special revenue and enterprise funds. The following specific criteria are used in determining that these other entities are blended component units:

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

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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

Housing Authority

Housing Authority Section 8, formerly known as Community Access, in the accompanying financial statements, was established to account for Federal funds for low income housing under both certificate and voucher programs. The Housing Authority also administers the Veterans Affairs Supportive Housing (VASH), which provides rental and other clinical services to homeless veterans. The Housing Authority is reported in the special revenue fund of the City. No separate financial report is issued by the Housing Authority.

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. The Authority is currently inactive; therefore, no separate financial report is issued.

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 Company is reported in the Pittsburg Power 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 governing board, it is required to be reported as a blended component unit of the City. Its financial information can be found as a special revenue fund under non-major Governmental Funds.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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.

Government-Wide Financial Statements

The Government-Wide Financial Statements include a Statement of Net Position 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 deferred outflows and liabilities and deferred inflows, including capital assets, as well as infrastructure assets, and long-term liabilities and deferred inflows, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. 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 inter-fund activities, payables and receivables. All internal balances in the Statement of Net Position 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 inter-fund 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).

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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 position as presented in these statements to the net position 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.

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 and Economic Development balances are combined and reported under the General Fund. Details are as follows:

<u>Fund</u>	<u>Balances</u>
General Fund	\$ 7,814,905
Budget Stabilization	8,930,349
Economic Development	1,428,437
Total	<u>\$ 18,173,691</u>

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

Successor Agency Housing Fund - This fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.

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

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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 position. 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.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, 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, deferred outflows, liabilities and deferred inflows (whether current or noncurrent) are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position present increases (revenues) and decreases (expenses) in total net position. 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 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.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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.

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 cost of maintaining all City governmental buildings.

Building 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.

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.

Other Post-Employment Benefits (OPEB) Fund - Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses. This fund receives its funding from surplus funds beyond the maximum amount required for the Budget Stabilization reserve (25% of surplus) and from Citywide allocations based on salaries.

The City also reports fiduciary fund types.

Fiduciary Fund Financial Statements - Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Change in Fiduciary Net Position. The City's fiduciary funds represent a private purpose trust fund and 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.

Private Purpose Trust Fund - This fund was created to account for the accumulation of resources to be used for payments at appropriate amounts and times in the future.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

Agency 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 Position

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

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.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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 inter-fund 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 Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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.
- Water and sewer plants

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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.

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.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

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 Position.

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 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.

Fund Financial Statements

Unavailable revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unavailable revenue for transactions for which funds are not available to meet current financial obligations. Typical transactions for which unavailable revenue is recorded are grants received but not yet earned or available, interest on inter-fund 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 Position.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)

The change in compensated absences was as follows:

	Governmental Activities	Business-Type	Total
	<u> </u>	<u> </u>	<u> </u>
Beginning Balance	\$ 1,773,762	\$ 338,304	\$ 2,112,066
Additions	1,338,373	200,680	1,539,053
Payments	<u>(1,331,796)</u>	<u>(189,547)</u>	<u>(1,521,343)</u>
Ending Balance	<u>\$ 1,780,339</u>	<u>\$ 349,437</u>	<u>\$ 2,129,776</u>
Current Portion	<u>\$ 1,335,000</u>	<u>\$ 189,500</u>	<u>\$ 1,524,500</u>

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City has reported deferred outflows of resources in the Statement of Net Position and proprietary fund statements for the accumulated decrease in fair value of hedging derivatives.

In addition to liabilities, the statement of net position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only one item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

O. Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

P. New Funds

During fiscal year ended June 30, 2013, the City opened a new Infrastructure Repair & Replacement Capital Projects Fund and the Other Post-Employment Benefits (OPEB) Internal Service Fund.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

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.

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 their 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 Position			Separate	Total
	Governmental	Type	Total	Statement	
	Activities	Activities		Fiduciary	
				Funds	
Cash and investments	\$ 46,599,019	\$ 26,928,544	\$ 73,527,563	\$ 3,670,503	\$ 77,198,066
Restricted cash and investments	1,444,627	5,054,552	6,499,179	112,011,167	118,510,346
Total cash and investments	\$ 48,043,646	\$ 31,983,096	\$ 80,026,742	\$ 115,681,670	\$ 195,708,412

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

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, and 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 Quality	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/P1	40%	40%
State and Local Obligations	5 years	"A"	30%	none
Commercial Paper	270 days	A1/P1/F1	25%	25%
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
(CAMP)	n/a	n/a	none	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, 2013, 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.

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.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

As of June 30, 2013, the City had \$29,162,071 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes and Medium-term Asset-Backed Securities. The LAIF fair value factor of 1.0002732070 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. At June 30, 2013, these investments matured in an average of 278 days.

D. Investments Authorized by Debt Agreements

The City and Successor Agency to the Redevelopment Agency 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 agencies fail to meet their 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 Quality
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	AAAm
State of California Obligations	n/a	A
Municipal Obligations	n/a	AAA
Pre-refunded Municipal Obligations	n/a	AAA
Medium Term Notes	5 years	A
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
(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, 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

Investment Type	Investment Maturities (in years)			Total
	Less than 1 year	1 - 5 years	More than 5 years	
Securities Of U.S. Government	\$ 10,380,684	\$ 53,470,602	\$ -	\$ 63,851,286
Municipal Bonds	1,108,670	-	-	1,108,670
U.S. Corporate Notes	-	6,116,080	-	6,116,080
Limited Obligation Refunding Bond	1,608,869	3,877,834	12,025,242	17,511,945
California Local Agency Investment Fund	29,162,071	-	-	29,162,071
Guaranteed Investment Agreements	-	2,179,281	1,002,183	3,181,464
Money Market (CAMP)	45,412,306	-	-	45,412,306
Non-negotiable Certificates of Deposit	5,101,916	10,000,000	-	15,101,916
Total Investments	\$ 92,774,516	\$ 75,643,797	\$ 13,027,425	181,445,738
Cash in banks and on hand				14,262,674
Total Cash and Investments				\$ 195,708,412

Money Market Funds are available for withdrawal on demand and at June 30, 2013 matured in an average of 35 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, 2013 for each investment type as provided by Standard and Poor's investment rating system.

	Fair Value	AAA	AA	AA+	A+	A	Not Rated
Securities of U.S. Government	\$ 63,851,286	\$ -	\$ -	\$63,851,286	\$ -	\$ -	\$ -
Municipal Bonds	1,108,670	-	1,108,670	-	-	-	-
U.S. Corporate Notes	6,116,080	-	-	2,002,180	2,115,800	1,998,100	-
Limited Obligation Refunding Bond	17,511,945	-	-	-	-	-	17,511,945
Money Market (CAMP)	45,412,306	45,412,306	-	-	-	-	-
Guaranteed Investment Agreements	3,181,464	3,181,464	-	-	-	-	-
California Local Agency Investment Fund	29,162,071	-	-	-	-	-	29,162,071
Non-negotiable Certificates of Deposit	15,101,916	-	-	-	-	-	15,101,916
Total Investments	181,445,738	\$48,593,770	\$1,108,670	\$65,853,466	\$2,115,800	\$1,998,100	\$61,775,932
Cash in banks and on hand	14,262,674						
Total Cash and Investments	\$ 195,708,412						

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 2 - CASH AND INVESTMENTS (Continued)

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
<i>Entity-Wide:</i>		
Federal National Mortgage Association	Securities of U.S. Government	\$ 23,555,077
Fannie Mae	Securities of U.S. Government	29,417,763

NOTE 3 - LOANS AND NOTES RECEIVABLES

As of June 30, 2013, loans and notes receivable consisted of the following:

Description	Total Balance at June 30, 2013
Governmental Funds:	
HUD Community Development Block Grant	\$ 319,154
CalHome Program Loans	454,626
Rehabilitation and Construction Loans	1,733,955
Nana's Place	353,906
La Veranda Café, Inc.	729,808
9th Street Associates (Santa Fe Commons Housing	1,614,713
Miriam Cancel	6,000
Residential Loans on Vidrio	3,520,209
Fairfield Belmont, L.P. Loan	4,650,861
Steadfast Marina Heights L.P.	1,400,000
Low Income Families Loans	917,440
Pacific Community Services Loan	641,948
Palm Plaza Group, LLC	436,800
Palm Plaza Development	564,000
Resources for Community Development Loan	6,680,448
Mariner Walk Loan	180,000
Vista Del Mar Loans	300,000
Mercy Housing California Loan	4,395,109
Domus Development LLC Loan	4,739,175
Domus Development LLC (Gateway DEV)	8,230,609
Francis Palermo & Mary Lieser (PACF)	941,511
Miriam Cancel (PACF)	24,422
Total Governmental Funds	<u>42,834,694</u>
Total Loans and Notes Receivable	<u>\$ 42,834,694</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 3 - NOTES AND LOAN RECEIVABLES (Continued)

A. HUD Community Development Block Grant (CDBG) Loans

The HUD CDBG Special Revenue fund had a loans receivable balance as of June 30, 2013 which was made up of \$159,123 in CDBG entitlement loans and \$160,031 in First Time Homebuyer loans, totaling \$319,154.

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, 2013 was \$454,626.

C. Rehabilitation and Construction Loans

Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. 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 \$1,733,955 as of June 30, 2013.

D. Community Capital Improvement and Neighborhood Stabilization Program Loans

These are rehabilitation and construction loans to eliminate blight to a number of small businesses and property owners to assists improvements and rehabilitation of properties that were currently vacant or underutilized.

- During fiscal year 2010-2011, the City approved a loan to Nana's Place for tenant improvements at 51 Marina Boulevard. The outstanding amount as of June 30, 2013 was \$353,906.
- During fiscal year 2010-2011, the City approved a loan to La Veranda Café, Inc., for improvements at 711 and 755 Railroad Ave. The outstanding amount as of June 30, 2013 was \$729,808.
- During fiscal year 2011-2012, the City agreed to provide a property development loan of \$1,614,713 to 9th Street Associates LP to develop the units at Santa Fe Commons. The loan terms include 3% simple interest and are due in 55 years. The repayment will be made from residual receipts. The outstanding balance as of June 30, 2013 was \$1,614,713.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 3 - NOTES AND LOAN RECEIVABLES (Continued)

- During fiscal year 2009-2010, the City approved a rehabilitation loan to Miriam Cancel for her property at 48 Dolphin Drive. Loan is 0% interest and fully forgivable in 5 years if home remains as the buyer's primary residence. The outstanding balance as of June 30, 2013 was \$6,000.

E. Other Loans

During fiscal year 2010-2011, City of Pittsburg financed the residential loans to the homebuyers of Vidrio Condominium. The outstanding amount as of June 30, 2013 was \$3,520,209.

F. Housing Successor Agency Loans

During fiscal year 2004-2005, the former 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% per year or the amount of the former Redevelopment Agency Receipts and provides for the Agency to receive 20% of the project's residual receipts annually. With the dissolution of the Redevelopment Agency effective February 1, 2012, the assets of the Agency, including this loan were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2013 was \$4,650,861.

During fiscal year 2004-2005, the former 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% per year or the amount of Agency Receipts and provides for the Agency to receive 30% of the project's residual receipts annually. With the dissolution of the Agency effective February 1, 2012, the assets of the Agency, including this loan were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2013 was \$1,400,000.

During fiscal year 2006-2007 and 2007-2008, the former 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. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2013 was \$917,440.

During fiscal year 2006-2007, the former 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. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance and accrued interest as of June 30, 2013 was \$641,948.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 3 - NOTES AND LOAN RECEIVABLES (Continued)

During fiscal year 2006-2007, the former 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. With the dissolution of the Agency effective February 1, 2012, these loans were assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2013 was \$436,800 for Palm Plaza Group, LLC and \$564,000 for Palm Plaza Development, respectively, totaling \$1,000,800.

During fiscal year 2006-2007, the former 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. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2013 was \$6,680,448.

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. With the dissolution of the Agency effective February 1, 2012, these loans were assumed by the Housing Successor. The balance outstanding as of June 30, 2013 was \$180,000 and \$300,000 for the property owners.

During fiscal year 2005-2006, the former 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. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor Agency. The outstanding balance as of June 30, 2013 was \$4,395,109.

During fiscal year 2007-2008, the former 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 (Siena Court). The loan bears interest of 3% per year. The Domus Development LLC loan was amended in fiscal year 2010-2011 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. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the Housing Successor. The outstanding balance as of June 30, 2013 was \$4,739,175.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 3 - NOTES AND LOAN RECEIVABLES (Continued)

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. With the dissolution of the Agency effective February 1, 2012, this loan was assumed by the by the Housing Successor Agency. The outstanding balance as of June 30, 2013 was \$8,230,609.

G. Pittsburgh Arts and Community Foundation (PACF) Loans

During fiscal year 2010-2011, the PACF assumed a construction loan and lease due from Francis Palermo and Mary Lieser. The loan will be repaid through lease payments on 159 4th Street, with a balloon payment due on December 1, 2023. The outstanding amount as of June 30, 2013 was \$941,511.

During fiscal year 2011-2012, PACF assumed an NSP Home Buyer assistance program loan that was issued to Miriam Cancel. Loan payments are deferred for 10 years, expiring on March 24, 2020, and will be forgiven if certain terms are met. The outstanding amount as of June 30, 2013 was \$24,422.

NOTE 4 - UNEARNED AND UNAVAILABLE 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, 2013, unearned revenues in the Government-Wide Financial Statements consisted of unearned developer, donation, and grant revenues of \$1,568,543 in Governmental Activities and \$1,056,255 in Business-Type Activities.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 4 - UNEARNED AND UNAVAILABLE REVENUE (Continued)

B. Fund Financial Statements

At June 30, 2013, the following amounts 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					
	General Fund	Housing Authority (Sec. 8)	Successor Agency Housing	Community Capital Improvement	Non-Major Governmental Funds	Total Governmental Activities
Unearned developer/ donation revenue	\$ 505,177	\$ -	\$ -	\$ -	\$ -	\$ 505,177
Housing loans receivable	-	-	8,449,101	-	4,920,258	13,369,359
Construction loan receivable	-	-	24,687,290	1,083,714	-	25,771,004
Unearned service revenue	80,057	121,245	-	30,000	832,064	1,063,366
Total	<u>\$ 585,234</u>	<u>\$ 121,245</u>	<u>\$ 33,136,391</u>	<u>\$ 1,113,714</u>	<u>\$ 5,752,322</u>	<u>\$ 40,708,906</u>

	Business-Type		
	Water	Non-Major Enterprise	Total
Unearned developer/ donation revenue	\$ -	\$ 530,610	\$ 530,610
Unearned service revenue	3,411	522,234	525,645
	<u>\$ 3,411</u>	<u>\$ 1,052,844</u>	<u>\$ 1,056,255</u>

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 5 - INTERFUND TRANSACTIONS

A. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. Current inter-fund balances are as follows:

<u>DUE TO FUND:</u>	<u>DUE FROM FUND:</u>	<u>AMOUNT</u>
Non-Major Governmental Funds:		
<i>Special Revenue Funds:</i>		
Measure C Tax Fund	General Fund	\$ 276,968
Local Law Enforcement Block Grant	General Fund	180
HUD Community Development Block Grant	General Fund	86,883
Energy Efficiency Conservation (EECBG)	General Fund	72,877
Park Maintenance CFD 2007-1	General Fund	163,047
Pittsburg Arts & Community Foundation	General Fund	<u>400</u>
	Due to General Fund	600,355
Small Cities Grant Special Revenue Fund	Successor Agency Housing	<u>221,670</u>
		<u>\$ 822,025</u>

B. Interfund Advances

At June 30, 2013, the following funds had advances that were not expected to be repaid within the next year:

<u>TO FUND:</u>	<u>FROM FUND :</u>	<u>AMOUNT</u>
PROPRIETARY FUNDS		
Water Utility	General Fund	\$ 3,230,000
Water Utility	Lighting & Landscape	178,600
Water Utility	Storm Water Utility (NPDES)	60,800
Water Utility	HUD Community Development Block	15,200
Water Utility	San Marco CFD 2004-1	64,600
Water Utility	Vista Del Mar CFD-2005-2	7,600
Water Utility	Public Safety Service CFD 2005-1	30,400
Water Utility	Park Maintenance CFD 2007-1	3,800
Water Utility	Housing Authority (Section 8)	110,200
Water Utility	Fleet Maintenance	49,400
Water Utility	Building Maintenance	34,200
Water Utility	Information/Communication Services	<u>15,200</u>
	<i>Sub-total: Advance from Water Utility</i>	3,800,000
NON-MAJOR ENTERPRISE FUNDS		
Pittsburg Power	Golf Course	375,000
Pittsburg Power	Island Energy	300,000
Pittsburg Power	Island Energy	650,000
Pittsburg Power	Island Energy	200,000
Pittsburg Power	Island Energy	100,000
Pittsburg Power	Island Energy	<u>2,224,514</u>
	<i>Sub-total: Advance from Pittsburg Power</i>	<u>3,849,514</u>
	TOTAL ADVANCE	<u><u>\$ 7,649,514</u></u>

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 5 - INTERFUND TRANSACTIONS (Continued)

During fiscal year 2011-2012, the Water Utility Enterprise Fund advanced \$3,800,000 to various funds as detailed in the table above, to apply towards the unfunded pension liability with Contra Costa County Employees' Retirement Association (CCCERA). The advance is to be repaid to the Water Utility fund by February 21, 2017 and bears interest at .36% per year.

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 positions in the Island Energy Fund 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 Proprietary 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 positions 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 complete.

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 positions 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, 2011/12 and 2012/13 the Pittsburg Power Enterprise Fund advanced an additional \$632,280, \$814,477 and \$254,685, respectively, 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 \$2,224,514.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 5 - INTERFUND TRANSACTIONS (Continued)

C. Interfund Transfers

At June 30, 2013, the City had the following inter-fund transfers:

- A. Transfers to the General Fund were to fund General Fund operations and administrative services for which the other funds received services.
- B. Transfers 25% surplus from Budget Stabilization fund to Other Post Employment Benefit fund per ordinance.
- C. Transfers to cover Citywide Lighting & Landscaping operating expenses.
- D. Transfer to fund capital improvement projects and transfer to Infrastructure Repair & Replacement Fund per Ordinance.
- E. Transfers to the Water Utility Enterprise Fund were to subsidize senior discount and to fund water projects.
- F. Transfer to Golf Course fund to cover property taxes and building allocation charge.

<u>FROM FUND:</u>	<u>TO FUND:</u>	<u>AMOUNT</u>	
Non-Major Governmental Funds		\$ 1,871,209	
Water Utility Enterprise Fund		756,632	
Sewer Utility		554,632	
Non-Major Enterprise Funds		436,500	
Internal Service Funds		<u>181,800</u>	
	General Fund	<u>3,800,773</u>	A
General Fund		282,832	D
Non-Major Governmental Funds		<u>500,000</u>	C
	Community Capital Improvement Capital	<u>782,832</u>	
General Fund		2,211,190	D
Non-Major Governmental Funds		<u>440,518</u>	C
	Non-Major Governmental Funds	<u>2,651,708</u>	
	<i>Sub-total: Total Governmental Funds</i>	<u>7,235,313</u>	
General Fund	Water Utility Enterprise Fund	51,400	E
General Fund	Non-Major Enterprise Funds	15,000	F
General Fund	Internal Service Funds	<u>577,358</u>	B
	<i>Sub-total: Total Proprietary Funds</i>	<u>643,758</u>	
	TOTAL TRANSFERS	<u><u>\$ 7,879,071</u></u>	

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 6 - CAPITAL ASSETS

A. Government-Wide Financial Statements

At June 30, 2013, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 33,828,944	\$ 1,143,506	\$ 34,972,450
Construction in progress	20,492,611	15,432,387	35,924,998
Total non-depreciable assets	<u>54,321,555</u>	<u>16,575,893</u>	<u>70,897,448</u>
Depreciable assets:			
Buildings and improvements	81,996,455	24,135,543	106,131,998
Machinery and equipment	12,684,945	6,624,756	19,309,701
Infrastructure	283,614,817	130,422,455	414,037,272
Total depreciable assets	<u>378,296,217</u>	<u>161,182,754</u>	<u>539,478,971</u>
Less accumulated depreciation:			
Buildings and improvements	(22,184,990)	(15,122,279)	(37,307,269)
Machinery and equipment	(9,869,272)	(2,428,658)	(12,297,930)
Infrastructure	(118,743,552)	(32,535,446)	(151,278,998)
Total accumulated depreciation	<u>(150,797,814)</u>	<u>(50,086,383)</u>	<u>(200,884,197)</u>
Total net depreciable assets	<u>227,498,403</u>	<u>111,096,371</u>	<u>338,594,774</u>
Total capital assets	<u>\$ 281,819,958</u>	<u>\$ 127,672,264</u>	<u>\$ 409,492,222</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 6 - CAPITAL ASSETS (Continued)

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

	Balance at July 1, 2012	Additions	Deletions	Reclass- ifications	Transfer to Business Type	Balance at June 30, 2013
Non-depreciable assets:						
Land	\$ 33,828,944	\$ -	\$ -	\$ -	\$ -	\$ 33,828,944
Construction in progress	77,262,342	11,110,470	(5,617,513)	(60,592,853)	(1,669,835)	20,492,611
Total	111,091,286	11,110,470	(5,617,513)	(60,592,853)	(1,669,835)	54,321,555
Depreciable assets:						
Buildings and improvements	56,092,287	-	-	25,904,168	-	81,996,455
Machinery and equipment	11,563,319	594,133	(88,746)	616,239	-	12,684,945
Infrastructure	249,796,155	5,465	(259,249)	34,072,446	-	283,614,817
Total	317,451,761	599,598	(347,995)	60,592,853	-	378,296,217
Less accumulated depreciation:						
Buildings and improvements	(19,156,643)	(3,028,347)	-	-	-	(22,184,990)
Machinery and equipment	(8,992,762)	(965,107)	88,597	-	-	(9,869,272)
Infrastructure	(111,396,067)	(7,398,324)	50,839	-	-	(118,743,552)
Total	(139,545,472)	(11,391,778)	139,436	-	-	(150,797,814)
Total depreciable assets, net	177,906,289	(10,792,180)	(208,559)	60,592,853	-	227,498,403
Total capital assets, net	\$ 288,997,575	\$ 318,290	\$ (5,826,072)	\$ -	\$ (1,669,835)	\$ 281,819,958

Governmental activities depreciation expense for capital assets for the year ended June 30, 2013 is as follows:

General government	\$ 1,367,014
City Manager and City Clerk	46,908
City Attorney	65
Human Resources	4,840
Finance and services	97,619
Community development and services	114,670
Public Safety	256,052
Public Works	9,504,610
Total depreciation expense	<u>\$ 11,391,778</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 6 - CAPITAL ASSETS (Continued)

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

	Balance at July 1, 2012	Additions	Deletions	Reclassifications	Transfers from Governmental Activities	Balance at June 30, 2013
Non-depreciable assets:						
Land	\$ 1,143,506	\$ -	\$ -	\$ -	\$ -	\$ 1,143,506
Construction in progress	8,725,637	7,615,377	(264,512)	(2,313,950)	1,669,835	15,432,387
Total	<u>9,869,143</u>	<u>7,615,377</u>	<u>(264,512)</u>	<u>(2,313,950)</u>	<u>1,669,835</u>	<u>16,575,893</u>
Depreciable assets:						
Buildings and improvements	24,116,831	18,712	-	-	-	24,135,543
Machinery and equipment	4,038,940	178,018	(202,524)	2,610,322	-	6,624,756
Infrastructure	130,829,727	-	(110,900)	(296,372)	-	130,422,455
Total	<u>158,985,498</u>	<u>196,730</u>	<u>(313,424)</u>	<u>2,313,950</u>	<u>-</u>	<u>161,182,754</u>
Less accumulated depreciation:						
Buildings and improvements	(12,615,901)	(2,520,533)	14,155	-	-	(15,122,279)
Machinery and equipment	(2,132,579)	(480,303)	184,224	-	-	(2,428,658)
Infrastructure	(32,309,463)	(283,483)	57,500	-	-	(32,535,446)
Total	<u>(47,057,943)</u>	<u>(3,284,319)</u>	<u>255,879</u>	<u>-</u>	<u>-</u>	<u>(50,086,383)</u>
Total depreciable assets, net	<u>111,927,555</u>	<u>(3,087,589)</u>	<u>(57,545)</u>	<u>2,313,950</u>	<u>-</u>	<u>111,096,371</u>
Total capital assets, net	<u>\$ 121,796,698</u>	<u>\$ 4,527,788</u>	<u>\$ (322,057)</u>	<u>\$ -</u>	<u>\$ 1,669,835</u>	<u>\$ 127,672,264</u>

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2013 are as follows:

Water Utility	\$ 1,665,896
Sewer Utility	683,587
Marina	476,114
Golf Course	91,486
Island Energy	334,181
Pittsburg Power	33,055
Total	<u>\$ 3,284,319</u>

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 6 - CAPITAL ASSETS (Continued)

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 Position.

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 7 - LONG TERM DEBT

Governmental Activities

The following is a summary of long-term debt transactions of the governmental activities for the year ended June 30, 2013:

Description	Original Issue Amount	Beginning Balance July 1, 2012	Additions	Retirements	Ending Balance June 30, 2013	Amounts Due Within One Year	Amounts Due in More Than One Year
Governmental Activities:							
2006 Pension Obligation							
Bonds	\$ 39,566,056	\$ 38,726,056	\$ -	\$ 375,000	\$ 38,351,056	\$ 450,000	\$ 37,901,056
Capital Lease	176,450	-	176,450	37,279	139,171	33,355	105,816
Total Governmental Activities		\$ 38,726,056	\$ 176,450	\$ 412,279	\$ 38,490,227	\$ 483,355	\$ 38,006,872

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 (CCERA) 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 \$64,275,565. For the current year, principal and interest paid were \$1,930,087 and city-wide revenues were \$61,485,010.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 7 - LONG TERM DEBT (Continued)

The annual debt service requirements to mature the Series 2006 Pension Obligation Bonds outstanding at June 30, 2013, were as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 450,000	\$ 1,531,228	\$ 1,981,228
2015	530,000	1,502,886	2,032,886
2016	1,280,275	1,479,171	2,759,446
2017	1,272,395	1,461,241	2,733,636
2018	1,269,004	1,440,996	2,710,000
2019-2023	6,512,067	6,809,020	13,321,087
2024-2028	6,662,250	5,890,830	12,553,080
2029-2033	8,860,065	4,754,824	13,614,889
2034-2035	11,515,000	1,054,313	12,569,313
Total	<u>\$ 38,351,056</u>	<u>\$ 25,924,509</u>	<u>\$ 64,275,565</u>

Capital Lease for Governmental Activities

On November 2, 2012, the City entered into a four-year tax-exempt lease agreement for a total principal cost of \$310,572 with Key Government Finance, Inc., the proceeds of which were used to upgrade the telephone voice over internet protocol (VOIP) system. The interest rate on the capital lease is 2.820% and principal and interest payments are due annually, commencing November 2, 2012, maturing on November 2, 2016. As of June 30, 2013, the outstanding principal balance on the lease was \$139,171.

The annual debt service requirements to mature the lease outstanding at June 30, 2013, are as follows:

Year Ending June 30,	Principal	Interest	Totals
2014	\$ 33,355	\$ 3,924	\$ 37,279
2015	34,295	2,984	37,279
2016	35,263	2,016	37,279
2017	36,258	1,021	37,279
Totals	<u>139,171</u>	<u>\$ 9,945</u>	<u>\$ 149,116</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 7 - LONG TERM DEBT (Continued)

Business-Type Activities

The following is a summary of long-term debt transactions of the business-type activities for the year ended June 30, 2013:

Description	Original Issue Amount	Beginning Balance July 1, 2012	Retirements	Ending Balance June 30, 2013	Amounts Due Within One Year	Amounts Due in More Than One Year
Business-Type Activities:						
2004 Waste Water Revenue Bonds	\$ 11,950,000	\$ 7,420,000	\$ 620,000	\$ 6,800,000	\$ 640,000	\$ 6,160,000
2008A Water Revenue Refunding Bonds	38,395,000	34,580,000	960,000	33,620,000	1,010,000	32,610,000
Total Business-Type Activities		<u>\$ 42,000,000</u>	<u>\$ 1,580,000</u>	<u>\$ 40,420,000</u>	<u>\$ 1,650,000</u>	<u>\$ 38,770,000</u>

2004 Wastewater Revenue Bonds

2004 Wastewater Revenue Bonds (2004 Wastewater) outstanding at June 30, 2013 amounted to \$6,800,000. 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 \$8,271,352. For the current year, principal and interest paid were \$908,272 and wastewater net operating revenues were \$3,132,885. The Bonds were issued to refund the \$11,545,000 outstanding balance of the 1994 Wastewater Revenue Refunding Bonds. The defeased 1994 Bonds were called on June 1, 2004.

The annual debt service requirements to mature the 2004 Bonds outstanding at June 30, 2013, were as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 640,000	\$ 271,440	\$ 911,440
2015	670,000	249,040	919,040
2016	695,000	224,586	919,586
2017	725,000	198,176	923,176
2018	750,000	169,900	919,900
2019-2022	3,320,000	358,210	3,678,210
Total	<u>\$ 6,800,000</u>	<u>\$ 1,471,352</u>	<u>\$ 8,271,352</u>

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 7 - LONG TERM DEBT (Continued)

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, 2013, \$33,620,000 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 \$54,207,993. For the current year, principal and interest paid were \$2,123,585 and Water System net operating revenues were \$5,730,584.

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, 2013, were as follows:

Year Ending June 30,	Principal	Interest	Remarketing & LOC Fees	Total
2014	\$ 1,010,000	\$ 1,232,441	\$ 378,385	\$ 2,620,826
2015	1,035,000	1,172,752	367,013	2,574,765
2016	1,090,000	1,134,433	356,245	2,580,678
2017	1,140,000	1,094,170	343,083	2,577,253
2018	1,165,000	1,055,146	330,248	2,550,394
2019-2023	6,575,000	4,622,854	1,443,961	12,641,815
2024-2028	7,850,000	3,339,156	1,045,919	12,235,075
2029-2033	9,450,000	1,806,343	569,367	11,825,710
2034-2035	4,305,000	223,708	72,769	4,601,477
Total	<u>\$ 33,620,000</u>	<u>\$ 15,681,003</u>	<u>\$ 4,906,990</u>	<u>\$ 54,207,993</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 7 - LONG TERM DEBT (Continued)

Interest Rate Swap Agreements

The 2008 Water Revenue Bonds were issued as variable rate bonds, with interest calculated daily. The rate fluctuates according to market conditions. In order to protect against the potential of rising interest rates associated with the Bonds, the City entered into a pay-fixed, receive-variable interest rate swap. The terms, fair value and credit risk of the swap agreement are disclosed below.

Terms. The terms, including the counterparty credit ratings of the outstanding swap, as of June 30, 2013 are included below. The City's swap agreement contains scheduled reductions to outstanding notional amounts that are expected to follow scheduled reductions in the associated bonds.

Associated Bonds	2008 Water Revenue Bonds
City Pays	3.615%
City Receives	63% of 1 month USD-LIBOR + .30%
Maturity Date	5/25/2035
Initial Notional	\$38,850,000
Bank Counterparty	Piper Jaffray Financial Products Inc. with a Guarantee from Morgan Stanley Capital Services
Credit Rating by Moody's / Fitch / S&P	Baa1 / A / A-
Total Value	(\$3,762,848)

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 City's swap had a negative fair value of \$3,762,848 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.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 7 - LONG TERM DEBT (Continued)

Credit risk. As of June 30, 2013, the City was 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 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 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.

Basis risk. Basis risk is the risk that the interest rate paid by the City on underlying variable rate bonds to bondholders temporarily differs from the variable swap rate received from the applicable counterparty. The City bears basis risk on its swap. The Swap has basis risk since the City receive a percentage of LIBOR to offset the actual variable bond rate the City pay on its bonds. The City are exposed to basis risk should the floating rate that it receives on a swap be less than the actual variable rate the 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 City's 2008 Water Revenue Bonds leading to rate dislocation and unanticipated increase in interest rate expense. 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 has been 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 (LOC) from Allied Irish Bank (AIB). 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 February 2011, the City replaced the LOC provided by AIB with an LOC provided by Bank of the West which reduced the basis difference.

Tax risk. Tax risk is a specific type of basis risk. Tax risk is a permanent mismatch between the interest rate paid on the City's underlying variable-rate bonds and the rate received on the swap 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 City is receiving 63% of 1-month LIBOR (a taxable index) plus 30 basis points on the swap 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.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 7 - LONG TERM DEBT (Continued)

Termination risk. The 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 City would be liable to the counterparty for a payment equal to the swap's fair value.

NOTE 8 - 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, 2013, was as follows:

	Balance June 30, 2012	Retirements	Balance June 30, 2013
2001-03 Century Plaza A.D. Bonds	\$ 3,745,000	\$ 100,000	\$ 3,645,000
2005 Vista Del Mar A.D. Bonds	10,905,000	265,000	10,640,000
2011 Pittsburgh IFA Bonds	17,840,000	950,000	16,890,000
Total	<u>\$ 32,490,000</u>	<u>\$ 1,315,000</u>	<u>\$ 31,175,000</u>

2001-03 Century Plaza Assessment District Bonds - 2001-03 Limited Obligation Improvement Assessment District Bonds (Century Plaza Bonds) outstanding at June 30, 2013, amounted to \$3,645,000. 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 Pittsburgh 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, 2013 amounted to \$10,640,000.

2011 Pittsburgh Infrastructure Financing Authority Bonds - In August 2011, the City refinanced the 1998 Marina Walk Assessment District Bonds, 1998 Pittsburgh Infrastructure Financing Authority Bonds, 2001-01 San Marco Assessment District Bonds and 2001-02 Oak Hills South Assessment District Bonds. These Districts were consolidated into one Reassessment District No. 2011-1. The true interest cost of the refunded bonds is 4.5%. The outstanding balance at June 30, 2013 amounted to \$16,890,000.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 9 - NET POSITION AND FUND BALANCES

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

A. Net Position

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

In the Government-Wide Financial Statements, net positions are classified in the following categories.

Net Investment in Capital Assets, describes the portion of Net Position which 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 describes the portion of Net Position which 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 describes the portion of Net Position which is not restricted to use.

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.

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 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 prepaids, 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, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 9 - NET POSITION AND FUND BALANCES (Continued)

Committed fund balances have constraints imposed by formal action of the City Council through City Resolution, which may be altered only by formal action (Resolution) of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

Assigned fund balances are amounts constrained by the City’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed through City Resolution, Ordinance, or through language in the adopted budget, by the City Council or its designee (City Manager for items from \$75,000 to \$150,000 and Department Heads for items below \$75,000) 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.

To comply with GASB 54 requirements, the Budget Stabilization and Economic Development activities are consolidated within the General Fund. The following table provides details of the General Fund’s fund balance at June 30, 2013:

<u>Fund/Activity</u>	<u>Nonspendable</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total</u>
General	\$ 3,054,208	\$ 146,295	\$ 4,614,402	\$ 7,814,905
Budget stabilization	-	-	8,930,349	8,930,349
Economic development	-	1,428,437	-	1,428,437
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 3,054,208</u>	<u>\$ 1,574,732</u>	<u>\$ 13,544,751</u>	<u>\$ 18,173,691</u>

Budget Stabilization Arrangement

City Council adopted a Resolution establishing a Budget Stabilization reserve for the City’s General Fund and requires the City to deposit year-end surpluses into it. The funds can only be used to help balance future budgets when the deficit is caused by revenue shortfalls. As of June 30, 2013, the General Fund Reserve for Budget Stabilization, which is reported within the unassigned fund balance of the General Fund, had a balance of \$8,930,349.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 9 - NET POSITION AND FUND BALANCES (Continued)

Detailed classifications of the City's Fund Balances, as of June 30, 2013, are listed below:

Fund Balance Classifications	General Fund	Housing Authority (Section 8)	Successor Agency Housing	Community Capital Improvement	Other Governmental Funds	Total
Nonspendables:						
Items not in spendable form:						
Deposits for Land	\$ 15,000	\$ -	\$ -	\$ -	\$ 579,648	\$ 594,648
Loans and Notes Receivable	2,934,975	-	-	-	-	2,934,975
Inventory	98,213	1,374	-	-	227,633	327,220
Prepaid Items & Other Assets	6,020	-	-	-	14,348	\$20,368
Total Nonspendable Fund Balances	3,054,208	1,374	-	-	821,629	3,877,211
Restricted for:						
Special Revenue	-	-	-	-	6,846,236	6,846,236
Debt Service	-	-	-	-	1,680,220	1,680,220
Low Income Housing	-	779,895	323,581	-	-	1,103,476
Capital Projects	-	-	-	-	12,341,011	12,341,011
Total Restricted Fund Balances	-	779,895	323,581	-	20,867,467	21,970,943
Committed to:						
Capital Improvement	-	-	-	407,735	2,392,356	2,800,091
Field Replacement	-	-	-	-	201,070	201,070
Public Education	-	-	-	-	227,187	227,187
Total Committed Fund Balances	-	-	-	407,735	2,820,613	3,228,348
Assigned to:						
Encumbrances (PO's)	361,153	-	-	-	123,046	484,199
Reserved for Police Buys	1,220	-	-	-	-	1,220
Reserved for Leisure Service	6,656	-	-	-	-	6,656
Payroll Imprest Fund Balance	22,662	-	-	-	-	22,662
For Economic Development	1,183,041	-	-	-	-	1,183,041
Public Safety	-	-	-	-	97,949	97,949
Total Assigned Fund Balances	1,574,732	-	-	-	220,995	1,795,727
Unassigned:						
General	4,614,402	-	-	-	-	4,614,402
Stabilization Arrangements	8,930,349	-	-	-	-	8,930,349
Other Governmental Fund Deficits	-	-	-	-	(677,255)	(677,255)
Total Unassigned Fund Balances	13,544,751	-	-	-	(677,255)	12,867,496
Total Fund Balances	\$ 18,173,691	\$ 781,269	\$ 323,581	\$ 407,735	\$ 24,053,449	\$ 43,739,725

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 9 - NET POSITION AND FUND BALANCES (Continued)

C. Deficit Fund Balance/Net Position

At June 30, 2013, the Small Cities Grant Special Revenue Fund had a deficit fund balance \$122,323. The deficit will be reduced with CDBG loan pay offs and as cash becomes available.

At June 30, 2013, the Energy Efficiency & Conservation (EECBG) Special Revenue Fund had a deficit fund balance of \$458,195 due to the timing difference on the loan funding. The deficit is temporary and will be eliminated when the loan is received.

At June 30, 2013, the Park Maintenance CFD 2007-1 Special Revenue Fund had a deficit fund balance of \$127,652. The deficit will be reduced with future years' assessment revenues.

D. Restricted Net Position for Special Projects and Programs

At June 30, 2013, the City has the following restricted net position for special projects and programs approved by Resolution 13-12018:

Measure C Fund	\$ 29,500
Gas Tax Fund	1,244,697
Traffic Congestion Fund	152,425
NPDES Fund	74,189
Local Traffic Mitigation Fund	564,757
Park Dedication Fund	3,476,969
City Capital Improvement Project Fund	301,938
Kirker Creek Drainage Fund	49,085
Community Capital Improvement Fund	3,569,717
Regional Traffic Mitigation Fund	807,687
	<u>\$ 10,270,964</u>

NOTE 10 - 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 \$29,000,000 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.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 10 - RISK MANAGEMENT (Continued)

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 reports all claims as a current liability based on historical results. 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	Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
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
2012	153,669	(27,629)	(8,327)	117,713
2013	117,713	47,199	(36,027)	128,885

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
2012	\$ 24,480	-	-	\$ 24,480
2013	24,480	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	\$ 25,000	\$ 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 Liability	None 25,000	Statutory Limits 29,000,000
Cyber Liability	50,000	2,000,000
Public Entity Pollution	100,000	1,000,000

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

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 10 - RISK MANAGEMENT (Continued)

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.

NOTE 11 - 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, 2013, are summarized as follows:

	Miscellaneous	Safety	Miscellaneous Tier II	Safety Tier II
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefits payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	62	57
Monthly benefits, as % of annual salary	1.426-2.418%	3%	2%	2.7%
Required employee contribution rate	7%	9%	6.25%	11.5%
Required employer contribution rate	12.871%	27.349%	12.871%	20.05%

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

Assembly Bill (AB) 340 pension reform created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and the final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member under PEPRA. This created a second tier for the City's pension plan.

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 2012-2013, the City's annual pension cost of \$4,594,142 for CalPERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases ranging from 3.30% to 14.20% for miscellaneous employees and from 3.30% to 14.20% 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 2.75%. 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. CalPERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payrolls on a closed basis. The average remaining amortization period at June 30, 2012, was 27 years for miscellaneous and 21 years for safety employees for prior and current service unfunded liability.

THREE-YEAR TREND INFORMATION FOR PERS

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2011	\$ 4,506,266	100%	-
6/30/2012	4,678,569	100%	-
6/30/2013	4,594,142	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.

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 the next twenty years.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

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 (A)	Entry Age Actuarial Accrued Liability (B)	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (C/E)
6/30/2009	\$ 45,834,714	\$ 51,599,039	\$5,764,325	88.83%	\$ 14,386,852	40.1%
6/30/2010	49,123,779	56,515,918	7,392,139	86.92%	13,205,117	56.0%
6/30/2011*	52,512,073	60,051,999	7,539,926	87.44%	12,601,426	59.8%

*Latest information available.

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.

Safety Plan:

Actuarial Valuation Date	Actuarial Asset Value (A)	Entry Age Actuarial Accrued Liability (B)	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (C/E)
6/30/2009	\$ 8,027,158,724	\$ 9,721,675,347	\$1,694,516,623	82.57%	\$ 973,814,168	174.0%
6/30/2010	8,470,235,152	10,165,475,166	1,695,240,014	83.32%	955,980,815	177.3%
6/30/2011*	9,135,654,246	10,951,745,049	1,816,090,803	83.42%	949,833,090	191.2%

*Latest information available.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

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. 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 at a 7.75% annual interest rate.

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.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)

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 December 31, 2009. The City of Pittsburg's 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 worked with CCCERA to 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 which lowered the December 31, 2009 unfunded obligation from \$15.9 million to \$9.9 million.

In addition, the City borrowed \$3.8 million from the City's Water Fund balance at the LAIF annual interest rate to repay a portion of the City's CCCERA unfunded liability and used \$1,980,096 of various fund balances to help reduce the City's CCCERA unfunded liability. Thus, through FY 2012-13, the City reduced its CCCERA unfunded liability by \$5,780,096 leaving \$4.1 million to be repaid over 15 years at the 7.75% annual interest rate.

NOTE 12 - 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 2012-2013, the City paid \$1,439,936 for retiree healthcare plan benefits, including \$1,235,936 in premium payments for retirees and \$204,000 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.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Annual OPEB Cost and Net OPEB Obligation. The following table, based on the City's most recent actuarial valuation dated November 8, 2013, as of June 30, 2013, 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	\$ 5,577,000
Interest on net OPEB obligation	581,000
Adjustment to annual required contribution	<u>(844,000)</u>
Annual OPEB cost (expense)	5,314,000
Contribution (benefits payments)	(1,235,936)
Implied Subsidy Payments	<u>(204,000)</u>
Increase in net OPEB obligation	3,874,064
Net OPEB obligation - beginning of year	<u>13,664,264</u>
Net OPEB obligation - end of year	<u><u>\$ 17,538,328</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the last three fiscal years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contribution	Net OPEB Obligation
June 30, 2011	\$ 3,682,000	27.4%	\$ 10,953,551
June 30, 2012	3,874,000	30.0%	13,664,264
June 30, 2013	5,314,000	23.3%	17,538,328

Funded Status and Funding Progress. The funded status of the plan as of January 1, 2011, the plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 46,094,000
Actuarial value of plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	\$ 46,094,000
Funded ratio (actuarial value of plan assets/AAL)	0%
Projected covered payroll (active Plan members)	\$ 17,985,000
UAAL as a percentage of covered payroll	256.3%

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

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 June 30, 2013 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 5.00% investment rate of return (net of administrative expenses), and a 3% general inflation assumption. Premiums were assumed to increase with a Non-Medicare medical cost increase rate of 8.0% for 2015 and grading down to 5.0% for 2021 and thereafter. The Medicare premiums were assumed to increase at a rate of 8.3% and grading down to 5.0% for 2021 and thereafter. The initial UAAL was amortized as a level percentage of projected payrolls over a fixed 30-year period from 6/30/10 and will be amortized as a level dollar amortization over a 27 year period from 6/30/13.

**Schedule of Funding Progress
Postemployment Healthcare Plan**

Actuarial Valuation Date	Actuarial Asset Value (A)	Actuarial Accrued Liability (B)	Unfunded Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a Percentage of Covered Payroll ((B- A)/C)
1/1/2009	\$ -	\$ 37,383,000	\$ 37,383,000	0%	\$ 18,792,000	198.9%
1/1/2011	-	49,439,000	49,439,000	0%	17,911,000	276.0% ¹
6/30/2013	-	46,094,000	46,094,000	0%	17,985,000	256.3%

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 13 - 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, 2013, 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.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)

D. Construction Commitments

As of June 30, 2013 the City has construction commitments to various capital projects as shown in the table below:

Project	Amount
Citywide Sewer Rehabilitation/Water & Sewer Conversion	\$ 2,396,730
Ambrose Park Master Plan & Improvements	1,806,175
Other Construction Commitments	1,357,205
Old Town Park	1,250,000
Citywide Pavement Management Project	1,244,697
Island Energy Main Substation "H" Refurbishment	1,015,487
James Donlon Extension Project	807,687
Seismic Retrofit Bridge	800,649
Pavement Rehabilitation/North Parkside Improvements	737,267
Loveridge Road Waterline Project	730,013
Water Treatment Plant Sludge Handling Facility	636,013
Bailey Road Widening/Streetscape Improvements	599,152
Mare Island Residential Units - Gas Electric Meters	505,213
Sewer Replacement Program	492,127
Railroad Avenue Building Improvements	445,008
California Theatre - Phase I	418,413
California Avenue Widening - Phase I (North Side)	399,187
IE Facility Relocation Project	335,747
Central Harbor Dock/Shed Replacement	325,248
Library Improvements	321,124
Water Treatment Plant Sludge Removal	300,000
Concrete Reservoir Rehabilitation	290,078
WTP Sluice Gate Replacement	267,887
Railroad Avenue Pavement Rehab	245,030
Traffic Signal Install - 4 Locations	221,938
Hillview Reservoir Recoating	204,516
Water Main/Service/Valve Replacement Project	200,796
Rossmoor Well Replacement	194,153
Railroad Avenue Waterline Project	190,738
West Leland Reservoir Demolition	150,000
Convert Natural Gas Distribution System to 50 PSI	140,283
Highway 4 Trunk Line Relief	133,113
Small World Park New Features Project	125,392
South Island RA Switch Removal	124,402
Stoneman (John Henry Johnson) Park Improvements	123,474
Upgrade SCADA System	109,636
Mare Island Residential Units - Development Refund	106,356
Pavement Management Project	102,425
Capital Reinvestment Projects	100,708
Western Waterline Loop	100,000
Total Construction Commitments	\$ 20,054,067

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency. Activities of the Successor Agency are as follows:

A. Notes and Loans Receivable

The various rehabilitation and construction loans including deferred and accrued interest balance is \$13,497,636 as of June 30, 2013. These loans have been made to individual homeowners, businesses and developers within the Redevelopment Project 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:

- Housing and rehabilitation loans are provided to homeowners who meet low and moderate income requirements as defined by the Department of Housing and Urban Development. 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 as of June 30, 2013 was \$385,901.
- In 2005, a long 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, 2013 was \$5,102,671.
- The remaining loans receivable of \$8,009,064 as of June 30, 2013 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.

B. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if historical cost is not available. Donated capital assets are valued at their estimated fair market value on the date donated. The Agency's policy has set the capitalization threshold for general capital assets at \$5,000 and infrastructure capital assets at \$25,000 for reporting purposes. The Successor Agency has recorded all its public domain (infrastructure) capital assets, which include landscape, storm, street, and traffic systems.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method, which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Successor Agency has assigned the useful lives and capitalization thresholds listed below to capital assets.

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

Capital Asset Additions, Retirements and Balances

	Balance at June 30, 2012	Additions	Balance at June 30, 2013
Capital assets not being depreciated:			
Land	\$ 22,017,046	\$ -	\$ 22,017,046
Total capital assets not being depreciated	<u>22,017,046</u>	<u>-</u>	<u>22,017,046</u>
Capital assets being depreciated:			
Buildings and Improvements	1,919,494	-	1,919,494
Total capital assets being depreciated	<u>1,919,494</u>	<u>-</u>	<u>1,919,494</u>
Less accumulated depreciation for:			
Buildings and Improvements	(68,113)	(43,543)	(111,656)
Net capital assets being depreciated	<u>1,851,381</u>	<u>(43,543)</u>	<u>1,807,838</u>
Total capital assets, net	<u>\$ 23,868,427</u>	<u>\$ (43,543)</u>	<u>\$ 23,824,884</u>

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

C. Long-Term Debt

The Successor Agency' long term debt activities for fiscal year ended June 30, 2013 are as follows:

Description	Original Issue Amount	Balance June 30, 2012	Retirements	Balance June 30, 2013	Amounts Due Within One Year	Amounts Due in More Than One Year
Tax Allocation Bonds						
1999 RDA Bonds	\$ 30,106,357	\$ 27,861,357	\$ 660,000	\$ 27,201,357	\$ 695,000	\$ 26,506,357
2002A RDA Refunding Bonds	59,970,000	18,475,000	4,270,000	14,205,000	4,495,000	9,710,000
2003A RDA Bonds	88,375,000	76,875,000	2,780,000	74,095,000	2,920,000	71,175,000
2004A RDA Housing Set-Aside Bonds	18,270,000	16,130,000	360,000	15,770,000	380,000	15,390,000
2004A RDA Subordinated Bonds	117,615,000	117,615,000	3,890,000	113,725,000	4,030,000	109,695,000
2006A RDA Housing Set-Aside Bonds	11,020,000	9,955,000	200,000	9,755,000	205,000	9,550,000
2006B RDA Subordinated Bonds	36,840,000	35,560,000	2,130,000	33,430,000	3,465,000	29,965,000
2006C RDA Subordinated Refunding Bonds	46,660,000	45,540,000	155,000	45,385,000	160,000	45,225,000
2008A RDA Subordinated Refunding Bonds	61,660,856	61,660,856	1,150,000	60,510,856	-	60,510,856
Sub-total		409,672,213	15,595,000	394,077,213	16,350,000	377,727,213
Unamortized Premium		3,536,719	442,090	3,094,629	442,090	2,652,539
Deferred amount on refunding on 2006C RDA		(3,436,769)	(149,425)	(3,287,344)	(149,425)	(3,137,919)
Total Successor Agency Debt		\$ 409,772,163	\$ 15,887,665	\$ 393,884,498	\$ 16,642,665	\$ 377,241,833

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

1999 Redevelopment Agency Tax Allocation Bonds

1999 Redevelopment Agency Tax Allocation Bonds (1999 RDA Bonds) outstanding at June 30, 2013 amounted to \$27,201,357. 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 \$104,001,290. For FY 2012-13, principal and interest paid were \$1,068,242. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the 1999 RDA Bonds outstanding at June 30, 2013, were as follows:

Year Ending June 30,	Principal	Interest	Totals
2014	\$ 695,000	\$ 371,310	\$ 1,066,310
2015	740,000	331,478	1,071,478
2016	790,000	288,243	1,078,243
2017	1,440,000	224,327	1,664,327
2018	1,525,000	138,703	1,663,703
2019-2023	8,270,886	20,930,575	29,201,461
2024-2028	9,262,074	35,338,781	44,600,855
2029-2031	4,478,397	19,176,516	23,654,913
Totals	<u>\$ 27,201,357</u>	<u>\$ 76,799,933</u>	<u>\$ 104,001,290</u>

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

2002 Series A Redevelopment Agency Tax Allocation Refunding Bonds

2002 Series A Redevelopment Agency Tax Allocation Refunding Bonds (2002 RDA Bonds) outstanding at June 30, 2013 amounted to \$14,205,000. 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 \$15,349,107. For FY 2012-13, principal and interest paid were \$5,127,850. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements on the 2002A RDA Bonds outstanding at June 30, 2013, are as follows:

Year Ending June 30,	Principal	Interest	Total
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
2017	-	-	-
Total	<u>\$ 14,205,000</u>	<u>\$ 1,144,107</u>	<u>\$ 15,349,107</u>

2003 Series A Redevelopment Agency Tax Allocation Bonds

2003 Series A Redevelopment Agency Tax Allocation Bonds (2003A RDA Bonds) outstanding at June 30, 2013 amounted to \$74,095,000. 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 2029 on August 1 in amounts ranging from \$5,000 to \$8,815,000.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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 \$100,581,312. For FY 2012-13, principal and interest paid \$6,500,800. The issuance of Redevelopment Agency 2008A Subordinate Tax Allocation Refunding Bonds paid a partial early payment of \$4,365,000 in 2008 to principal. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements on the 2003A RDA Bonds outstanding at June 30, 2013 are as follows:

Year Ending June 30,	Principal	Interest	Total
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	7,995,000	2,992,425	10,987,425
2018	8,395,000	2,582,675	10,977,675
2019-2023	30,270,000	7,544,906	37,814,906
2024-2028	12,870,000	2,828,149	15,698,149
2029-2031	5,385,000	258,757	5,643,757
Total	<u>\$ 74,095,000</u>	<u>\$ 26,486,312</u>	<u>\$ 100,581,312</u>

2004 Series A Housing Set Aside Redevelopment Agency Tax Allocation Bonds

2004 Series A Housing Set Aside Tax Allocation Bonds Series (2004A HSA bonds) outstanding at June 30, 2013 amounted to \$15,770,000. 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 HSA bonds.

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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 \$27,570,182. For FY 2012-13, principal and interest paid were \$1,231,508. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements on the 2004A HSA RDA Bonds outstanding at June 30, 2013, are as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 380,000	\$ 853,452	\$ 1,233,452
2015	395,000	834,542	1,229,542
2016	415,000	814,218	1,229,218
2017	440,000	792,202	1,232,202
2018	460,000	769,027	1,229,027
2019-2023	2,695,000	3,437,671	6,132,671
2024-2028	3,515,000	2,599,429	6,114,429
2029-2033	4,595,000	1,481,163	6,076,163
2034-2037	2,875,000	218,478	3,093,478
Total	\$ 15,770,000	\$ 11,800,182	\$ 27,570,182

2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds

2004 Series A Redevelopment Agency Subordinate Tax Allocation Bonds (2004 A Bonds) outstanding at June 30, 2013 amounted to \$113,725,000. 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 (now retired), 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. As of June 30, 2008, \$20,000,000 of principal remained outstanding 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 remaining to be paid on the bonds is \$114,607,322. For FY 2012-13, total principal and interest paid were \$4,042,785.

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

The 2004A Bonds were issued as variable rate bonds, with interest calculated daily. The rate fluctuates according to market conditions. In order to protect against the potential of rising interest rates associated with the 2004A Bonds, the Agency entered into a pay-fixed, receive-variable interest rate swap. The actual variable interest rate can be more or less than 0.5%. For the past year, the rate has fluctuated between 0.15% to 0.2%. The terms, fair value and credit risk of the swap agreement are disclosed in Interest Rate Swap Agreements section. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

In March 2011, the Agency and LOC providers, State Street Bank and CalSTRS, renewed the Letter of Credit ("LOC") for the 2004A bonds. The agreement included a provision that the LOC fees would increase by 75 basis points from 2.00% to 2.75% of the outstanding principal in the event the underlying rating on the 2004A bonds dropped below BB+. In August 2012, Fitch reduced the underlying rating on the 2004A bonds to BB-. As a result of the rating decrease, in fiscal year 2012-13, the LOC fee increased by \$782,961. Because Tax Increment growth has been stagnant, the LOC providers agreed to defer charging the increased LOC fee until December 29, 2014. The Agency will owe \$782,961 associated with the fiscal year 2012-13 LOC deferred fee increase. In addition, if the underlying rating on the bonds does not improve, the increased LOC fee of 2.75% will continue until such time as the rating improves. The debt service table below includes the LOC fee at 2.75% for fiscal years 2012-13 through 2014-15 based on the expectation that Fitch will improve the underlying rating on the 2004A bonds within three years as a result of Tax Increment projected to improve.

The annual debt service requirements on the 2004A Bonds outstanding at June 30, 2013, are as follows:

Year Ending June 30,	Principal	Interest	Remarketing & LOC Fees	Total
2014	\$4,030,000	\$4,036,100	\$3,323,448	\$ 11,389,548
2015	4,170,000	3,893,076	3,206,394	11,269,470
2016	4,330,000	3,745,082	2,874,132	10,949,214
2017	4,495,000	3,591,411	2,189,349	10,275,760
2018	4,660,000	3,431,883	2,087,965	10,179,848
2019-2023	25,360,000	14,564,919	8,886,840	48,811,759
2024-2028	26,805,000	9,878,464	6,064,001	42,747,465
2029-2033	28,515,000	4,885,908	3,061,679	36,462,587
2034-2037	11,360,000	742,806	505,502	12,608,308
Total	<u>\$ 113,725,000</u>	<u>\$ 48,769,649</u>	<u>\$ 32,199,310</u>	<u>\$ 194,693,959</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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, 2013 amounted to \$9,755,000. 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 RDA 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 \$17,331,753. For FY 2012-13, principal and interest paid were \$720,398. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the Series 2006A Bonds outstanding at June 30, 2013, were as follows:

Year Ending June 30,	Principal	Interest	Total
2014	\$ 205,000	\$ 510,040	\$ 715,040
2015	220,000	499,171	719,171
2016	230,000	487,662	717,662
2017	240,000	475,744	715,744
2018	255,000	462,855	717,855
2019-2023	1,480,000	2,095,814	3,575,814
2024-2028	1,910,000	1,649,066	3,559,066
2029-2033	2,485,000	1,068,178	3,553,178
2034-2038	2,730,000	328,223	3,058,223
Total	<u>\$ 9,755,000</u>	<u>\$ 7,576,753</u>	<u>\$ 17,331,753</u>

City of Pittsburg
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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, 2013 amounted to \$33,430,000. 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 STAB 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 STAB 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 \$40,845,020. For FY 2012-13, principal and interest paid were \$3,912,850. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the Series 2006B STAB Bonds outstanding at June 30, 2013, were as follows:

Year Ending June 30,	Principal	Interest	Total
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	4,040,000	1,064,449	5,104,449
2018	4,250,000	850,307	5,100,307
2019-2022	14,180,000	1,136,862	15,316,862
Total	<u>\$ 33,430,000</u>	<u>\$ 7,415,020</u>	<u>\$ 40,845,020</u>

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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, 2013 amounted to \$42,097,656. 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 STAB 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 \$83,010,074. For FY 2012-13, total principal and interest paid were \$2,118,208.

With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the Series 2006C STAB Bonds outstanding at June 30, 2013, were as follows:

Year Ending June 30,	Principal	Interest	Total
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	180,000	1,935,833	2,115,833
2018	190,000	1,928,339	2,118,339
2019-2023	1,060,000	9,524,790	10,584,790
2024-2028	1,300,000	9,285,183	10,585,183
2029-2033	20,660,000	8,157,191	28,817,191
2034-2036	21,490,000	942,276	22,432,276
Total	<u>45,385,000</u>	<u>\$ 37,625,074</u>	<u>\$ 83,010,074</u>
Deferred amount on refunding	(3,287,344)		
Total	<u>\$ 42,097,656</u>		

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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, 2013 amounted to \$60,510,856. 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 STAB 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 \$108,950,511. For FY 2012-13, total principal and interest paid were \$5,088,438. With the dissolution of the Redevelopment Agency discussed above, Tax Increment is no longer distributed, and instead the Successor Agency receives payments from the County's Redevelopment Property Tax Trust Fund (RPTTF) that are to be used to fund debt service on the Bonds, with no distinction between housing and non-housing revenues.

The annual debt service requirements to mature the Series 2008A Bonds outstanding at June 30, 2013 were as follows:

Year Ending June 30,	Principal	Interest	Total
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	65,000	3,908,863	3,973,863
2018	90,000	3,904,681	3,994,681
2019-2023	12,400,000	18,656,566	31,056,566
2024-2028	40,660,000	9,159,801	49,819,801
2029-2031	7,240,856	1,071,969	8,312,825
Total	<u>\$ 60,510,856</u>	<u>\$ 48,439,655</u>	<u>\$ 108,950,511</u>

Interest Rate Swap Agreements

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

City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

Terms. The terms, including the counterparty credit ratings of the outstanding swap, as of June 30, 2013 are included below. The Agency's swap agreement contains scheduled reductions to outstanding notional amounts that are expected to follow scheduled reductions in the associated bonds.

<u>Associated Bonds</u>	<u>2004A RDA Tax Allocation Bor</u>
City Pays	3.5490%
City Receives	63% of 1 month USD-LIBOR
Maturity Date	9/1/2035
Initial Notional	\$117,615,000
Bank Counterparty	Piper Jaffray Financial Products Inc. with a Guarantee from Morgan Stanley Capital
Credit Rating by Moody's / Fitch / S&P	Baa1/ A / A-
Total Value	(\$15,630,186)

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.

Fair value. The Agency's swap had a negative fair value as of June 30, 2013 of \$15,630,186 for 2004A. 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, 2013, the Agency was 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 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 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.

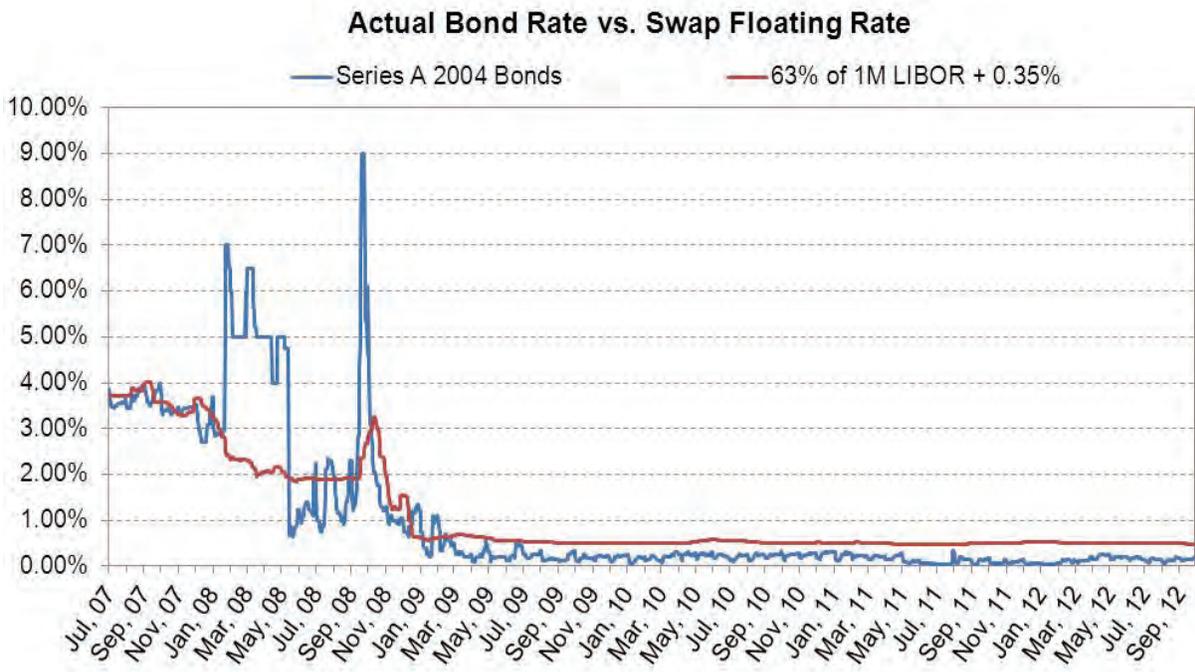
City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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.

Basis risk. Basis risk is the risk that the interest rate paid by the Agency on underlying variable rate bonds to bondholders temporarily differs from the variable swap rate received from the applicable counterparty. The Agency bears basis risk on its swap. The Swap has basis risk since the Agency receive a percentage of LIBOR to offset the actual variable bond rate the Agency pay on its bonds. The Agency are exposed to basis risk should the floating rate that it receives on a swap be less than the actual variable rate the Agency 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 leading to rate dislocation and unanticipated increase in interest rate expense. 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.



City of Pittsburgh
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2013

NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)

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 underlying variable-rate bonds and the rate received on the swap 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 is receiving 63% of 1-month LIBOR (a taxable index) plus 35 basis points on the swap 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 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 would be liable to the counterparty for a payment equal to the swap's fair value.

D. Commitments and Contingencies

State Asset Transfer Review

The activities of the former Redevelopment Agency and the Successor Agency are subject to further examination by the State of California and the amount, if any, of expenditures which may be disallowed. The State Controller's Office conducted a review of the propriety of asset transfers between the former Redevelopment Agency or the Successor Agency and any public agency that occurred on or after January 1, 2011 and the amount, if any, of assets that may be required to be returned to the Successor Agency cannot be determined at this time. As of November 18, 2013, the State Controller's Office has not yet issued its final report for the review.

**REQUIRED
SUPPLEMENTARY
INFORMATION**



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburg
Required Supplementary Information
For the Year Ended June 30, 2013

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 Fund, Special Revenue Funds, Capital Projects Funds and Debt Service 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, 2013, 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 must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.
5. Appropriations lapse at the end of the fiscal year and then are re-budgeted for the coming year. Beginning with the FY 2012-2013 budget, capital project appropriations will be continuing appropriations until the project is completed.

City of Pittsburgh
Required Supplementary Information
For the Year Ended June 30, 2013

1. BUDGETS AND BUDGETARY ACCOUNTING (Continued)

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:

Successor Agency Housing - Special Revenue Fund	\$ 1,353,245
San Marco CFD 2004-01 - Special Revenue Fund	6,157
Public Safety Services CFD 2005-1-Special Revenue Fund	1,458

\$1.226 million of the Successor Agency Housing Special Revenue Fund's over-spending was due to payment of debt services. The amount was set aside upon dissolution but due to timing differences, the payments were made in FY 12/13. The remaining spending was supported by additional revenue that came in during the fiscal year.

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:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Miscellaneous Tier II</u>	<u>Safety Tier II</u>
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefits payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	62	57
Monthly benefits, as % of annual salary	1.426-2.418%	3%	2%	2.7%
Required employee contribution rate	7%	9%	6.25%	11.5%
Required employer contribution rate	12.871%	27.349%	12.871%	20.05%

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, 2011:

<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2011	\$ 4,506,266	100%	-
6/30/2012	4,678,569	100%	-
6/30/2013	4,594,142	100%	-

City of Pittsburgh
Required Supplementary Information
For the Year Ended June 30, 2013

2. DEFINED PENSION PLAN (Continued)

The Miscellaneous Plan's funding status over the past three years is set forth below at their actuarial valuation date of June 30, 2011:

Miscellaneous Plan:

Actuarial Valuation Date	Actuarial Asset Value (A)	Entry Age Actuarial Accrued Liability (B)	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (C/E)
6/30/2009	\$ 45,834,714	\$ 51,599,039	\$5,764,325	88.83%	\$ 14,386,852	40.1%
6/30/2010	49,123,779	56,515,918	7,392,139	86.92%	13,205,117	56.0%
6/30/2011*	52,512,073	60,051,999	7,539,926	87.44%	12,601,426	59.8%

*Latest information available.

The Safety Plan's funding status over the past three years is set forth below at their actuarial valuation date of June 30, 2011:

Safety Plan:

Actuarial Valuation Date	Actuarial Asset Value (A)	Entry Age Actuarial Accrued Liability (B)	Unfunded (Overfunded) Actuarial Accrued Liability (B-A)	Funded Ratio (A/B)	Covered Payroll	Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (C/E)
6/30/2009	\$ 8,027,158,724	\$ 9,721,675,347	\$1,694,516,623	82.57%	\$ 973,814,168	174.0%
6/30/2010	8,470,235,152	10,165,475,166	1,695,240,014	83.32%	955,980,815	177.3%
6/30/2011*	9,135,654,246	10,951,745,049	1,816,090,803	83.42%	949,833,090	191.2%

*Latest information available.

City of Pittsburgh
General Fund
Schedule of Revenues and Expenditures
and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property tax	\$ 2,274,000	\$ 2,274,000	\$ 2,176,999	\$ (97,001)
Sales tax	7,900,000	7,900,000	11,232,622	3,332,622
Franchise tax	3,184,000	3,549,000	3,670,699	121,699
Other taxes	5,081,000	5,081,000	4,969,532	(111,468)
Intergovernmental revenues	1,085,000	1,115,900	1,342,736	226,836
Permits, licenses, and fees	1,654,461	1,724,261	766,023	(958,238)
Fines and forfeitures	467,800	469,800	167,898	(301,902)
Service fees	1,266,200	899,200	3,344,096	2,444,896
Use of money and property	611,000	546,000	(134,393)	(680,393)
Other revenues	1,883,904	1,959,104	1,477,298	(481,806)
Total revenues	25,407,365	25,518,265	29,013,510	3,495,245
EXPENDITURES:				
Current:				
General Government	1,857,779	1,954,379	2,018,394	(64,015)
City Council	70,670	70,670	73,672	(3,002)
City Manager and City Clerk	354,961	385,961	396,613	(10,652)
City Attorney	426,770	426,770	595,986	(169,216)
Human resources	574,026	594,026	568,026	26,000
Finance and services	2,152,189	2,106,928	2,042,118	64,810
Community development and services	3,609,305	4,031,975	4,315,504	(283,529)
Public safety	19,387,036	19,387,036	18,659,121	727,915
Public works - administration	90,186	90,186	83,895	6,291
Public works - streets	1,899,164	1,899,164	1,709,724	189,440
Public works - parks	55,881	68,881	83,335	(14,454)
Interest and fiscal charges	-	-	30,193	(30,193)
Total expenditures	30,477,967	31,015,976	30,576,581	439,395
OTHER FINANCING SOURCES (USES)				
Transfers in	5,637,934	5,634,849	3,800,773	1,834,076
Transfers (out)	(2,321,359)	(2,826,691)	(3,137,780)	311,089
Total other financing sources (uses)	3,316,575	2,808,158	662,993	2,145,165
NET CHANGE IN FUND BALANCE	\$ (1,754,027)	\$ (2,689,553)	(900,078)	\$ 1,789,475
FUND BALANCE:				
Beginning of year			19,073,769	
End of year			\$ 18,173,691	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Housing Authority (Section 8) - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ 11,737,359	\$ 11,737,359	\$ 10,728,961	\$ (1,008,398)
Service fee	921,190	921,190	989,280	68,090
Use of money and property	44,600	44,600	36,751	(7,849)
Other revenues	14,388	14,388	45,544	31,156
Total revenues	12,717,537	12,717,537	11,800,536	(917,001)
EXPENDITURES:				
Community development and services	13,258,386	13,300,067	13,011,659	288,408
Interest and fiscal charges	-	-	358	(358)
Total expenditures	13,258,386	13,300,067	13,012,017	288,408
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	(540,849)	(582,530)	(1,211,481)	(628,593)
NET CHANGE IN FUND BALANCE	\$ (540,849)	\$ (582,530)	(1,211,481)	\$ (628,593)
FUND BALANCE:				
Beginning of year			1,992,750	
End of year			\$ 781,269	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Successor Agency Housing

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Service Fees	\$ -	\$ 64,500	\$ 250,882	\$ 186,382
Use of money and property	-	4,500	50,344	45,844
Total revenues	-	69,000	301,226	232,226
EXPENDITURES:				
Community development and services	-	69,341	1,422,586	(1,353,245)
Total expenditures	-	69,341	1,422,586	(1,353,245)
REVENUES OVER (UNDER) EXPENDITURES	-	(341)	(1,121,360)	(1,121,019)
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ -</u>	<u>\$ (341)</u>	(1,121,360)	<u>\$ (1,121,019)</u>
FUND BALANCE:				
Beginning of year			1,444,941	
End of year			<u>\$ 323,581</u>	

SUPPLEMENTARY

INFORMATION



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburgh
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Community Capital Improvement - Capital Projects Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 732,271	\$ 2,443,374	\$ 4,526,907	\$ 2,083,533
Use of money and property	42,600	42,600	5,962	(36,638)
Total revenues	774,871	2,485,974	4,532,869	2,046,895
EXPENDITURES				
Community services	732,271	10,975,918	7,418,263	3,557,655
Total expenditures	732,271	10,975,918	7,418,263	3,557,655
OTHER FINANCING SOURCES (USES)				
Transfers in	-	6,097,287	782,832	(5,314,455)
Total other financing sources (uses)	-	6,097,287	782,832	(5,314,455)
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 42,600	\$ (2,392,657)	(2,102,562)	\$ 290,095
FUND BALANCES:				
Beginning of year			2,510,297	
End of year			\$ 407,735	



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

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 Hills 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.

Asset 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.

NSP Neighborhood Stabilization Program 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.

CALHome 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 & 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 Services 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 benefit the City of Pittsburg and its residents.

Hillview Jr. High Athletic Field - This fund was established to account for Grants received from Measure WW for financing, construction and joint use of an athletic field at Hillview Junior High School with Pittsburg Unified School District.

Public, Education and Government Fees (PEG) - The City is given authority from California Public Utilities Code to levy State Franchise Holder. The revenue of this fund supports Public Education and Government (PEG) channel facilities.

NON-MAJOR GOVERNMENTAL FUNDS, Continued

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.

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.

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.

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

Capital Improvement Fund - This 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.

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

NON-MAJOR GOVERNMENTAL FUNDS, Continued

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 Pittsburgh Regional Transportation Development Impact Mitigation Fee ("PRTDIM") program.

Infrastructure Repair & Replacement - This fund was established to fund repair and capital improvement projects related to the City's infrastructure including streets, roads, parking lots and storm drains.

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue			
	Small Cities Grants	Gas Tax	Traffic Congestion Relief	Measure C Tax Fund
ASSETS				
Cash and investments	\$ 99,313	\$ 1,430,270	\$ 11,079	\$ -
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	128,015	-	1,289,202
Interest	34	701	1	12
Loans/notes	1,733,955	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 1,833,302	\$ 1,558,986	\$ 11,080	\$ 1,289,214
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 695	\$ 5,782	\$ 10,879
Salaries payable	-	-	-	-
Taxes payable	-	-	-	-
Refundable deposits	-	-	-	-
Loans payable - current	15,000	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	221,670	-	-	276,968
Advance from other funds	-	-	-	-
Total Liabilities	236,670	695	5,782	287,847
Deferred inflows of resources:				
Unearned revenue	1,718,955	-	-	-
Total Deferred Inflows of Resources	1,718,955	-	-	-
Fund Balances:				
Nonspendable	-	-	-	-
Restricted	-	1,558,291	5,298	1,001,367
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(122,323)	-	-	-
Total Fund Balances (deficit)	(122,323)	1,558,291	5,298	1,001,367
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,833,302	\$ 1,558,986	\$ 11,080	\$ 1,289,214

Special Revenue

Lighting & Landscape	Lighting & Landscape Oak Hills	Miscellaneous Grants	COPS Hiring Recovery	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant
\$ 480,350	\$ 41,400	\$ 216,097	\$ -	\$ 115,463	\$ 136,891	\$ -
-	-	-	-	-	-	-
-	-	26,305	-	-	-	23,099
85	18	78	-	45	52	11
-	-	-	-	-	-	-
75,821	-	69,709	-	15,874	-	31,848
-	-	-	-	0	-	-
<u>\$ 556,256</u>	<u>\$ 41,418</u>	<u>\$ 312,189</u>	<u>\$ -</u>	<u>\$ 131,382</u>	<u>\$ 136,943</u>	<u>\$ 54,958</u>
\$ 101,663	\$ -	\$ 6,024	\$ -	\$ -	\$ -	\$ 6,663
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	700	-	17,559	-	-
-	-	-	-	-	-	-
-	-	12,281	-	-	-	-
-	-	-	-	-	-	180
178,600	-	-	-	-	-	-
<u>280,263</u>	<u>-</u>	<u>19,005</u>	<u>-</u>	<u>17,559</u>	<u>-</u>	<u>6,843</u>
-	-	223,476	-	-	-	16,269
-	-	223,476	-	-	-	16,269
75,821	-	69,708	-	15,874	-	31,846
178,600	40,488	-	-	-	-	-
-	-	-	-	-	136,943	-
23,867	930	-	-	97,949	-	-
(2,295)	-	-	-	-	-	-
<u>275,993</u>	<u>41,418</u>	<u>69,708</u>	<u>-</u>	<u>113,823</u>	<u>136,943</u>	<u>31,846</u>
<u>\$ 556,256</u>	<u>\$ 41,418</u>	<u>\$ 312,189</u>	<u>\$ -</u>	<u>\$ 131,382</u>	<u>\$ 136,943</u>	<u>\$ 54,958</u>

(Continued)

City of Pittsburg
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue			
	Southwest Pittsburg GHAD II	Storm Water Utility (NPDES)	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program
ASSETS				
Cash and investments	\$ 2,273,545	\$ 603,061	\$ -	\$ 42,926
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	22,814	161,991	-
Interest	842	177	-	16
Loans/notes	-	-	319,154	1,620,713
Inventory	-	1,829	-	-
Prepaid items	-	-	-	-
Total Assets	\$ 2,274,387	\$ 627,881	\$ 481,145	\$ 1,663,655
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 2,547	\$ 5,208	\$ 47,467	\$ -
Salaries payable	-	-	-	-
Taxes payable	-	-	-	-
Refundable deposits	6,613	-	-	-
Loans payable - current	-	-	159,123	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	86,883	-
Advance from other funds	-	60,800	15,200	-
Total liabilities	9,160	66,008	308,673	-
Deferred inflows of resources:				
Unearned revenue	-	-	160,031	1,620,713
Total Deferred Inflows of Resources	-	-	160,031	1,620,713
Fund Balances:				
Nonspendable	-	1,829	-	-
Restricted	2,166,978	560,044	12,441	42,942
Committed	-	-	-	-
Assigned	98,249	-	-	-
Unassigned	-	-	-	-
Total fund balances (deficit)	2,265,227	561,873	12,441	42,942
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,274,387	\$ 627,881	\$ 481,145	\$ 1,663,655

Special Revenue					
CalHome Program	Energy Efficiency & Conservation (EECBG)	San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Service CFD 2005-1
\$ 33,197	\$ -	\$ 119,926	\$ 262,846	\$ 36,854	\$ 31,802
-	-	-	-	-	-
-	59,200	-	123,279	-	-
13	-	52	126	10	18
454,626	-	-	-	-	-
-	-	-	1,448	-	-
-	-	-	-	-	-
<u>\$ 487,836</u>	<u>\$ 59,200</u>	<u>\$ 119,978</u>	<u>\$ 387,699</u>	<u>\$ 36,864</u>	<u>\$ 31,820</u>
\$ -	\$ -	\$ 2	\$ 20,453	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	444,518	-	-	-	-
-	72,877	-	-	-	-
-	-	64,600	-	7,600	30,400
-	517,395	64,602	20,453	7,600	30,400
454,626	-	-	-	-	-
454,626	-	-	-	-	-
-	-	-	1,448	-	-
0	-	55,376	365,798	29,264	1,420
-	-	-	-	-	-
-	-	-	-	-	-
33,210	(458,195)	-	-	-	-
<u>33,210</u>	<u>(458,195)</u>	<u>55,376</u>	<u>367,246</u>	<u>29,264</u>	<u>1,420</u>
<u>\$ 487,836</u>	<u>\$ 59,200</u>	<u>\$ 119,978</u>	<u>\$ 387,699</u>	<u>\$ 36,864</u>	<u>\$ 31,820</u>

(Continued)

City of Pittsburgh
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Special Revenue			
	Park Maintenance CFD 2007-1	Pittsburgh Arts & Community Foundation	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)
ASSETS				
Cash and investments	\$ 14,662	\$ 871,422	\$ 64,103	\$ 191,937
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	24,610	17,388	-	35,182
Interest	7	302	24	68
Loans/notes	-	965,933	-	-
Inventory	-	30,219	-	-
Prepaid items	-	14,348	-	-
Total Assets	\$ 39,279	\$ 1,899,612	\$ 64,127	\$ 227,187
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 84	\$ 33,024	\$ -	\$ -
Salaries payable	-	-	-	-
Taxes payable	-	1,890	-	-
Refundable deposits	-	13,200	-	-
Loans payable - current	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	163,047	400	-	-
Advance to other funds	3,800	-	-	-
Total Liabilities	166,931	48,514	-	-
Deferred inflows of resources:				
Unearned revenue	-	978,602	-	-
Total Deferred Inflows of Resources	-	978,602	-	-
Fund Balances:				
Nonspendable	-	44,567	-	-
Restricted	-	827,929	-	-
Committed	-	-	64,127	227,187
Assigned	-	-	-	-
Unassigned	(127,652)	-	-	-
Total Fund Balances (deficit)	(127,652)	872,496	64,127	227,187
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 39,279	\$ 1,899,612	\$ 64,127	\$ 227,187

Debt Service	Capital Projects					
Pension Obligations	Inclusionary Housing	Traffic Impact Fair Share	Proposition 1B Local ST Road Impr	Kirker Creek Drainage Fees	Traffic Mitigation	Capital Improvement
\$ 455,892	\$ 378,135	\$ 504,095	\$ 1,873	\$ 1,324,430	\$ 2,741,827	\$ 708,492
1,224,328	-	-	-	-	-	-
-	-	-	-	-	76,477	-
-	143	190	1	487	1,009	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 1,680,220</u>	<u>\$ 378,278</u>	<u>\$ 504,285</u>	<u>\$ 1,874</u>	<u>\$ 1,324,917</u>	<u>\$ 2,819,313</u>	<u>\$ 708,492</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,576	\$ 24,942	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	48,209
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	2,576	24,942	48,209
-	-	-	-	-	-	-
-	-	-	-	-	-	0
-	-	-	-	-	-	-
1,680,220	378,278	504,285	1,874	1,322,341	2,794,371	-
-	-	-	-	-	-	660,283
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,680,220</u>	<u>378,278</u>	<u>504,285</u>	<u>1,874</u>	<u>1,322,341</u>	<u>2,794,371</u>	<u>660,283</u>
<u>\$ 1,680,220</u>	<u>\$ 378,278</u>	<u>\$ 504,285</u>	<u>\$ 1,874</u>	<u>\$ 1,324,917</u>	<u>\$ 2,819,313</u>	<u>\$ 708,492</u>

(Continued)

City of Pittsburgh
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2013

	Capital Projects			
	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement	Non-Major Governmental Funds
ASSETS				
Cash and investments	\$ 2,508,861	\$ 5,468,798	\$ 1,732,073	\$ 22,901,620
Restricted cash and investments	-	-	-	1,224,328
Receivables:				-
Accounts	40,701	-	-	2,028,263
Interest	972	1,920	-	7,414
Loans/notes	-	-	-	5,094,381
Inventory	886	-	-	227,634
Prepaid items	579,650	-	-	593,998
Total assets	\$ 3,131,070	\$ 5,470,718	\$ 1,732,073	\$ 32,077,638
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 63,858	\$ 37,882	\$ -	\$ 369,749
Salaries payable	-	-	-	-
Taxes payable	-	-	-	1,890
Refundable deposits	-	-	-	86,281
Loans payable - current	-	-	-	174,123
Due to other agencies	-	-	-	456,799
Due to other funds	-	-	-	822,025
Advance to other funds	-	-	-	361,000
Total Liabilities	63,858	37,882	-	2,271,867
Deferred inflows of resources:				
Unearned revenue	579,650	-	-	5,752,322
Total Deferred Inflows of Resources	579,650	-	-	5,752,322
Fund Balances:				
Nonspendable	580,536	-	-	821,629
Restricted	1,907,026	5,432,836	-	20,867,467
Committed	-	-	1,732,073	2,820,613
Assigned	-	-	-	220,995
Unassigned	-	-	-	(677,255)
Total Fund Balances (deficit)	2,487,562	5,432,836	1,732,073	24,053,449
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 3,131,070	\$ 5,470,718	\$ 1,732,073	\$ 32,077,638



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2013

	Special Revenue			
	Small Cities Grants	Gas Tax	Traffic Congestion Relief	Measure C Tax Fund
REVENUES:				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	1,475,397	-	1,289,202
Intergovernmental revenues	-	-	-	-
Licenses, permits, and fees	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	-	-	-
Use of money and property	559	13,137	14	2,085
Other revenues	22,600	-	-	-
Total Revenues	23,159	1,488,534	14	1,291,287
EXPENDITURES:				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	-	14,127
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	16,175	93,417	-
Capital outlay and improvements	-	-	-	8,500
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	16,175	93,417	22,627
REVENUES OVER (UNDER)				
EXPENDITURES	23,159	1,472,359	(93,403)	1,268,660
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	93,416	-
Transfers out	-	(1,542,139)	-	(741,584)
Total other financing sources (uses)	-	(1,542,139)	93,416	(741,584)
Net change in fund balances	23,159	(69,780)	13	527,076
FUND BALANCES (DEFICITS):				
Beginning of Year	(145,482)	1,628,071	5,285	474,291
End of Year	\$ (122,323)	\$ 1,558,291	\$ 5,298	\$ 1,001,367

Special Revenue

Lighting & Landscape	Lighting & Landscape Oak Hills	Miscellaneous Grants	COPS Hiring Recovery	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	217,605	112,169	-	-	73,321
-	-	-	-	-	-	-
2,707,196	33,959	-	-	-	-	-
-	-	-	-	-	32,313	-
209	378	1,459	-	793	1,003	377
19,675	-	-	-	18,775	-	-
<u>2,727,080</u>	<u>34,337</u>	<u>219,064</u>	<u>112,169</u>	<u>19,568</u>	<u>33,316</u>	<u>73,698</u>
29,166	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	15,694	-	-	-	22,974
-	-	142,853	-	(3,695)	-	18,878
2,995,449	50,423	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
580	-	-	-	-	-	-
<u>3,025,195</u>	<u>50,423</u>	<u>158,547</u>	<u>-</u>	<u>(3,695)</u>	<u>-</u>	<u>41,852</u>
<u>(298,115)</u>	<u>(16,086)</u>	<u>60,517</u>	<u>112,169</u>	<u>23,263</u>	<u>33,316</u>	<u>31,846</u>
613,317	-	-	-	1,782	-	-
(112,902)	-	-	(112,169)	-	-	-
<u>500,415</u>	<u>-</u>	<u>-</u>	<u>(112,169)</u>	<u>1,782</u>	<u>-</u>	<u>-</u>
202,300	(16,086)	60,517	-	25,045	33,316	31,846
73,693	57,504	9,191	-	88,778	103,627	-
<u>\$ 275,993</u>	<u>\$ 41,418</u>	<u>\$ 69,708</u>	<u>\$ -</u>	<u>\$ 113,823</u>	<u>\$ 136,943</u>	<u>\$ 31,846</u>

(Continued)

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2013

	Special Revenue			
	Southwest Pittsburg GHAD II	Storm Water Utility (NPDES)	HUD Community Development Block Grant	NSP Neighborhood Stabilization Program
REVENUES:				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	593,331	650,579	-	-
Intergovernmental revenues	-	-	545,869	-
Licenses, permits, and fees	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	-	-	-
Use of money and property	14,757	3,003	-	372
Other revenues	23,857	90,304	-	-
Total Revenues	631,945	743,886	545,869	372
EXPENDITURES:				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	358,521	-	416,248	-
Public safety	-	-	-	-
Public works - administration	-	278,474	-	-
Public works - streets	-	463,012	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	198	49	-
Total Expenditures	358,521	741,684	416,297	
REVENUES OVER (UNDER) EXPENDITURES	273,424	2,202	129,572	372
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	100,000	-	-
Transfers out	-	(47,470)	(139,000)	-
Total other financing sources (uses)		52,530	(139,000)	
Net change in fund balances	273,424	54,732	(9,428)	372
FUND BALANCES (DEFICITS):				
Beginning of Year	1,991,803	507,141	21,869	42,570
End of Year	\$ 2,265,227	\$ 561,873	\$ 12,441	\$ 42,942

Special Revenue

CalHome Program	Energy Efficiency & Conservation (EECBG)	San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Service CFD 2005-1
\$ -	\$ -		\$ -	\$ -	\$ -
-	-	-	-	99,877	223,867
-	1,979	-	-	-	-
-	-	-	-	-	-
-	-	361,576	-	-	-
-	-	-	451,054	-	-
691	-	378	2,128	43	212
6,760	59,200	393	3,533	51	190
<u>7,451</u>	<u>61,179</u>	<u>362,347</u>	<u>456,715</u>	<u>99,971</u>	<u>224,269</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
35,000	1,979	-	236,854	-	-
-	-	332,223	86,250	76,948	267,012
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	4,096	-	4,711	4,272
<u>35,000</u>	<u>1,979</u>	<u>336,319</u>	<u>323,104</u>	<u>81,659</u>	<u>271,284</u>
<u>(27,549)</u>	<u>59,200</u>	<u>26,028</u>	<u>133,611</u>	<u>18,312</u>	<u>(47,015)</u>
-	2,071	-	-	-	-
-	112,902	-	-	-	-
-	-	-	(100,000)	-	-
-	114,973	-	(100,000)	-	-
<u>(27,549)</u>	<u>174,173</u>	<u>26,028</u>	<u>33,611</u>	<u>18,312</u>	<u>(47,015)</u>
60,759	(632,368)	29,348	333,635	10,952	48,435
<u>\$ 33,210</u>	<u>\$ (458,195)</u>	<u>\$ 55,376</u>	<u>\$ 367,246</u>	<u>\$ 29,264</u>	<u>\$ 1,420</u>

(Continued)

City of Pittsburg
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2013

	Special Revenue			
	Park Maintenance CFD 2007-1	Pittsburg Arts & Community Foundation	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)
REVENUES:				
Franchise tax	\$ -	\$ -	\$ -	\$ 219,868
Other taxes	-	-	-	-
Intergovernmental revenues	24,610	12,267	-	-
Licenses, permits, and fees	-	-	-	-
Special assessments	23,107	-	-	-
Service fees	-	330	32,091	-
Use of money and property	207	23,702	218	346
Other revenues	-	431,022	-	-
Total Revenues	47,924	467,321	32,309	220,214
EXPENDITURES:				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	619,144	-	4,277
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	45,744	-	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	3,478	-	-	-
Total Expenditures	49,222	619,144	-	4,277
REVENUES OVER (UNDER) EXPENDITURES	(1,298)	(151,823)	32,309	215,937
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(1,298)	(151,823)	32,309	215,937
FUND BALANCES (DEFICITS):				
Beginning of Year	(126,354)	1,024,319	31,818	11,250
End of Year	\$ (127,652)	\$ 872,496	\$ 64,127	\$ 227,187

Debt Service		Capital Projects					
Pension Obligations	Inclusionary Housing	Traffic Impact Fair Share	Proposition 1B Local ST Road Imp	Kirker Creek Drainage Fees	Traffic Mitigation	Capital Improvement	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	1,937	1,737	-	
2,461,836	-	-	-	-	-	21,970	
2,968	2,991	3,837	14	9,728	19,733	-	
-	-	-	-	-	414,708	-	
<u>2,464,804</u>	<u>2,991</u>	<u>3,837</u>	<u>14</u>	<u>11,665</u>	<u>436,178</u>	<u>21,970</u>	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	15,860	-	
-	-	-	-	-	-	-	
-	-	30,000	-	-	-	-	
-	-	-	-	7,034	548,017	21,970	
375,000	-	-	-	-	-	-	
1,561,486	-	-	-	-	-	-	
<u>1,936,486</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>7,034</u>	<u>563,877</u>	<u>21,970</u>	
528,318	2,991	(26,163)	14	4,631	(127,699)	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	(16,463)	-	-	
-	-	-	-	(16,463)	-	-	
528,318	2,991	(26,163)	14	(11,832)	(127,699)	-	
1,151,902	375,287	530,448	1,860	1,334,173	2,922,070	660,283	
<u>\$ 1,680,220</u>	<u>\$ 378,278</u>	<u>\$ 504,285</u>	<u>\$ 1,874</u>	<u>\$ 1,322,341</u>	<u>\$ 2,794,371</u>	<u>\$ 660,283</u>	

(Continued)

City of Pittsburgh
Combining Statements of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2013

	Capital Projects			Total Non-Major Governmental Funds
	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement	
REVENUES:				
Franchise tax	\$ -	\$ -	\$ -	\$ 219,868
Other taxes	-	-	-	4,332,253
Intergovernmental revenues	40,090	-	-	1,027,910
Licenses, permits, and fees	-	2,863,097	-	2,866,771
Special assessments	-	-	-	3,125,838
Service fees	-	-	-	2,999,594
Use of money and property	10,763	27,566	-	143,671
Other revenues	577,997	-	-	1,669,065
Total Revenues	628,850	2,890,663		16,384,970
EXPENDITURES:				
Current:				
General government	-	-	-	29,166
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	-	1,740,678
Public safety	-	-	-	920,469
Public works - administration	-	-	-	278,474
Public works - streets	-	-	-	3,694,220
Capital outlay and improvements	522,007	338,690	-	1,446,218
Debt service:				
Principal retirement	-	-	-	375,000
Interest and fiscal charges	-	-	-	1,578,870
Total Expenditures	522,007	338,690		10,063,095
REVENUES OVER (UNDER) EXPENDITURES	106,843	2,551,973		6,321,875
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	-	-	-	3,853
Transfers in	-	-	1,732,073	2,651,708
Transfers out	-	-	-	(2,811,727)
Total other financing sources (uses)			1,732,073	(156,166)
Net change in fund balances	106,843	2,551,973	1,732,073	6,165,709
FUND BALANCES (DEFICITS):				
Beginning of Year	2,380,719	2,880,863		17,887,740
End of Year	\$ 2,487,562	\$ 5,432,836	\$ 1,732,073	\$ 24,053,449

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Small Cities Grants - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 1,380	\$ 1,380	\$ 559	\$ (821)
Other revenues	20,000	20,000	22,600	2,600
Total revenues	21,380	21,380	23,159	1,779
OTHER FINANCING SOURCES (USES)				
Transfers in	-	4,920	-	(4,920)
Total other financing sources (uses)	-	4,920	-	(4,920)
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 21,380	\$ 26,300	23,159	\$ (3,141)
FUND BALANCES (DEFICIT):				
Beginning of year			(145,482)	
End of year			\$ (122,323)	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Gas Tax Special Revenue Fund - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Other Taxes	\$ 1,686,500	\$ 1,686,500	\$ 1,475,397	\$ (211,103)
Intergovernmental Revenue		60,176		(60,176)
Use of money and property	14,000	14,000	13,137	(863)
Total revenues	<u>1,700,500</u>	<u>1,760,676</u>	<u>1,488,534</u>	<u>(272,142)</u>
EXPENDITURES				
Public works - street	1,050,000	1,310,176	16,175	1,294,001
Total expenditures	<u>1,050,000</u>	<u>1,310,176</u>	<u>16,175</u>	<u>1,294,001</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,042,139)	(1,542,139)	(1,542,139)	-
Total other financing sources (uses)	<u>(1,042,139)</u>	<u>(1,542,139)</u>	<u>(1,542,139)</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ (391,639)</u>	<u>\$ (1,091,639)</u>	(69,780)	<u>\$ 1,021,859</u>
FUND BALANCES:				
Beginning of year			<u>1,628,071</u>	
End of year			<u>\$ 1,558,291</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Traffic Congestion Relief - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 14	\$ 14
Total revenues	<u>-</u>	<u>-</u>	<u>14</u>	<u>14</u>
EXPENDITURES				
Public works - streets	-	257,592	93,417	164,175
Total expenditures	<u>-</u>	<u>257,592</u>	<u>93,417</u>	<u>164,175</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	257,597	93,416	(164,181)
Total other financing sources (uses)	<u>-</u>	<u>257,597</u>	<u>93,416</u>	<u>(164,181)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ -</u>	<u>\$ 5</u>	13	<u>\$ 8</u>
FUND BALANCES:				
Beginning of year			<u>5,285</u>	
End of year			<u>\$ 5,298</u>	

City of Pittsburgh
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Measure C Tax Fund - Special Revenue Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Other taxes	\$ 656,768	\$ 656,768	\$ 1,289,202	\$ 632,434
Use of money and property	15,400	15,400	2,085	(13,315)
Total revenues	672,168	672,168	1,291,287	619,119
EXPENDITURES				
Community development and services	24,000	24,000	14,127	9,873
Capital outlay and improvement	38,000	38,000	8,500	29,500
Total expenditures	62,000	62,000	22,627	39,373
OTHER FINANCING SOURCES (USES)				
Transfers out	(648,168)	(845,765)	(741,584)	104,181
Total other financing sources (uses)	(648,168)	(845,765)	(741,584)	104,181
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ (38,000)	\$ (235,597)	527,076	\$ 762,673
FUND BALANCES:				
Beginning of year			474,291	
End of year			\$ 1,001,367	

City of Pittsburgh
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Lighting & Landscape - Special Revenue Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special assessments	\$ 2,700,800	\$ 2,700,800	\$ 2,707,196	\$ 6,396
Use of money and property	-	-	209	209
Other revenues	-	-	19,675	19,675
Total revenues	2,700,800	2,700,800	2,727,080	26,280
EXPENDITURES				
General government	23,141	23,141	29,166	(6,025)
Public works - streets	3,200,558	3,200,558	2,995,449	205,109
Interest and fiscal charges			580	(580)
Total expenditures	3,223,699	3,223,699	3,025,195	198,504
OTHER FINANCING SOURCES (USES)				
Transfers in	613,317	613,317	613,317	-
Transfers out	-	-	(112,902)	(112,902)
Total other financing sources (uses)	613,317	613,317	500,415	112,902
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 90,418	\$ 90,418	202,300	\$ 111,882
FUND BALANCES (DEFICIT):				
Beginning of year			73,693	
End of year			\$ 275,993	

City of Pittsburg
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Lighting & Landscape (Oak Hills Assessment District) - Special Revenue Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special assessments	\$ 34,000	\$ 34,000	\$ 33,959	\$ (41)
Use of money and property	645	645	378	(267)
Total revenues	34,645	34,645	34,337	(308)
EXPENDITURES				
Public works - streets	53,032	53,032	50,423	2,609
Total expenditures	53,032	53,032	50,423	2,609
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ (18,387)</u>	<u>\$ (18,387)</u>	(16,086)	<u>\$ 2,301</u>
FUND BALANCES:				
Beginning of year			57,504	
End of year			<u>\$ 41,418</u>	

City of Pittsburgh
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Miscellaneous Grants - Special Revenue Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 253,758	\$ 217,605	\$ (36,153)
Use of money and property	1,850	1,850	1,459	(391)
Other revenues	-	5,000	-	(5,000)
Total revenues	1,850	260,608	219,064	(41,544)
EXPENDITURES				
Human resources	-	10,370	-	10,370
Community development and services	-	22,173	15,694	6,479
Public safety	-	454,604	142,853	311,751
Total expenditures	-	487,147	158,547	328,600
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 1,850	\$ (226,539)	60,517	\$ 287,056
FUND BALANCES:				
Beginning of year			9,191	
End of year			\$ 69,708	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

COPS Hiring Recovery Fund - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 115,000	\$ 112,170	\$ 112,169	\$ (1)
Total revenues	<u>115,000</u>	<u>112,170</u>	<u>112,169</u>	<u>(1)</u>
OTHER FINANCING SOURCES				
Transfers out	(115,000)	(112,170)	(112,169)	1
Total other financing sources (uses)	<u>(115,000)</u>	<u>(112,170)</u>	<u>(112,169)</u>	<u>1</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
FUND BALANCES:				
Beginning of year			-	
End of year			<u>\$ -</u>	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Assets Seizure - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 1,900	\$ 1,900	\$ 793	\$ (1,107)
Other revenues	-	-	18,775	18,775
Total revenues	<u>1,900</u>	<u>1,900</u>	<u>19,568</u>	<u>17,668</u>
EXPENDITURES				
Public safety	-	-	(3,695)	3,695
Total expenditures	<u>-</u>	<u>-</u>	<u>(3,695)</u>	<u>3,695</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	1,782	1,782
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 1,900</u>	<u>\$ 1,900</u>	25,045	<u>\$ 23,145</u>
FUND BALANCES:				
Beginning of year			<u>88,778</u>	
End of year			<u>\$ 113,823</u>	

City of Pittsburg
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Marina Vista Field Replacement - Special Revenue Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service fees	\$ 30,000	\$ 30,000	\$ 32,313	\$ 2,313
Use of money and property	1,150	1,150	1,003	(147)
Total revenues	<u>31,150</u>	<u>31,150</u>	<u>33,316</u>	<u>2,166</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 31,150</u>	<u>\$ 31,150</u>	33,316	<u>\$ 2,166</u>
FUND BALANCES:				
Beginning of year			<u>103,627</u>	
End of year			<u>\$ 136,943</u>	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Local Law Enforcement Block Grant - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 59,006	\$ 73,321	\$ 14,315
Use of money and property	1,055	1,055	377	(678)
Total revenues	1,055	60,061	73,698	13,637
EXPENDITURES				
Community development and services	-	62,914	22,974	39,940
Public safety	-	45,225	18,878	26,347
Total expenditures	-	108,139	41,852	66,287
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 1,055</u>	<u>\$ (48,078)</u>	31,846	<u>\$ 79,924</u>
FUND BALANCES:				
Beginning of year			-	
End of year			<u>\$ 31,846</u>	

City of Pittsburgh**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual****Southwest Pittsburgh GHAD II - Special Revenue Fund****For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Other taxes	\$ 578,000	\$ 578,000	\$ 593,331	\$ 15,331
Use of money and property	25,500	25,500	14,757	(10,743)
Other revenues	-	-	23,857	23,857
Total revenues	603,500	603,500	631,945	28,445
EXPENDITURES				
Community development and services	451,882	451,882	358,521	93,361
Total expenditures	451,882	451,882	358,521	93,361
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 151,618	\$ 151,618	273,424	\$ 121,806
FUND BALANCES:				
Beginning of year			1,991,803	
End of year			\$ 2,265,227	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Storm Water Utility (NPDES) - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Other taxes	\$ 681,001	\$ 681,001	\$ 650,579	\$ (30,422)
Use of money and property	5,200	5,200	3,003	(2,197)
Other revenue	-	86,757	90,304	3,547
Total revenues	686,201	772,958	743,886	(29,072)
EXPENDITURES				
Public works	948,456	1,063,041	741,486	321,555
Interest and fiscal charges	-	-	198	(198)
Total expenditures	948,456	1,063,041	741,684	321,357
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	100,000	100,000	-
Transfers out	(47,470)	(47,470)	(47,470)	-
Total other financing sources (uses)	52,530	52,530	52,530	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ (209,725)	\$ (237,553)	54,732	\$ 292,285
FUND BALANCES:				
Beginning of year			507,141	
End of year			\$ 561,873	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

HUD Community Development Block Grant - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 540,261	\$ 1,147,049	\$ 545,869	\$ (601,180)
Total revenues	540,261	1,147,049	545,869	(601,180)
EXPENDITURES				
Community development and services	415,035	1,008,049	416,248	591,801
Interest and fiscal charges	-	-	49	(49)
Total expenditures	415,035	1,008,049	416,297	591,752
OTHER FINANCING (USES)				
Transfers (out)	(139,255)	(139,000)	(139,000)	-
Total other financing (uses)	(139,255)	(139,000)	(139,000)	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ (14,029)	\$ -	(9,428)	\$ (9,428)
FUND BALANCES:				
Beginning of year			21,869	
End of year			\$ 12,441	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Neighborhood Stabilization Program - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 60	\$ 60	\$ 372	\$ 312
Total revenues	<u>60</u>	<u>60</u>	<u>372</u>	<u>312</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ 60</u>	<u>\$ 60</u>	372	<u>\$ 312</u>
FUND BALANCES:				
Beginning of year			<u>42,570</u>	
End of year			<u>\$ 42,942</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

CalHome Program - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 260	\$ 260	\$ 691	\$ 431
Other revenues		-	6,760	6,760
Total revenues	260	260	7,451	7,191
EXPENDITURES				
Community development and services	-	55,054	35,000	20,054
Total expenditures	-	55,054	35,000	20,054
OTHER FINANCING (USES)				
Transfers (out)	-	(4,920)	-	4,920
Total other financing (uses)	-	(4,920)	-	4,920
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 260</u>	<u>\$ (59,714)</u>	(27,549)	<u>\$ 32,165</u>
FUND BALANCES:				
Beginning of year			60,759	
End of year			<u>\$ 33,210</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Energy Efficiency & Conservation (EECBG) - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 3,769	\$ 1,979	\$ (1,790)
Use of money and property	16	16	-	(16)
Other revenues	-	-	59,200	59,200
Total revenues	<u>16</u>	<u>3,785</u>	<u>61,179</u>	<u>57,394</u>
EXPENDITURES				
Community development and services	-	3,769	1,979	1,790
Total expenditures	<u>-</u>	<u>3,769</u>	<u>1,979</u>	<u>1,790</u>
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	-	-	2,071	2,071
Transfers in	-	-	112,902	112,902
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>114,973</u>	<u>114,973</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ 16</u>	<u>\$ 16</u>	174,173	<u>\$ 170,577</u>
FUND BALANCES:				
Beginning of year			<u>(632,368)</u>	
End of year			<u>\$ (458,195)</u>	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

San Marco CFD 2004-01 - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property tax	\$ 319,000	\$ 319,000	\$ 361,576	\$ 42,576
Use of money and property	700	700	378	(322)
Other revenues	-	-	393	393
Total revenues	<u>319,700</u>	<u>319,700</u>	<u>362,347</u>	<u>42,647</u>
EXPENDITURES				
Public safety	323,862	323,862	332,223	(8,361)
Interest and fiscal charges	6,300	6,300	4,096	2,204
Total expenditures	<u>330,162</u>	<u>330,162</u>	<u>336,319</u>	<u>(6,157)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ (10,462)</u>	<u>\$ (10,462)</u>	26,028	<u>\$ 36,490</u>
FUND BALANCES:				
Beginning of year			<u>29,348</u>	
End of year			<u>\$ 55,376</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Solid Waste - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service fees	\$ 420,000	\$ 420,000	\$ 451,054	\$ 31,054
Use of money and property	4,800	4,800	2,128	(2,672)
Other revenues	-	-	3,533	3,533
Total revenues	424,800	424,800	456,715	31,915
EXPENDITURES				
Community development and services	300,660	300,660	236,854	63,806
Public safety	112,611	112,611	86,250	26,361
Total expenditures	413,271	413,271	323,104	90,167
OTHER FINANCING SOURCES				
Transfers out	(100,000)	(100,000)	(100,000)	-
Total other financing sources (uses)	(100,000)	(100,000)	(100,000)	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ (88,471)	\$ (88,471)	33,611	\$ 122,082
FUND BALANCES:				
Beginning of year			333,635	
End of year			\$ 367,246	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Vista Del Mar CFD 2005-2 - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Other taxes	\$ 86,000	\$ 86,000	\$ 99,877	\$ 13,877
Use of money and property	-	-	43	43
Other revenue		-	51	51
Total revenues	<u>86,000</u>	<u>86,000</u>	<u>99,971</u>	<u>13,971</u>
EXPENDITURES				
Public safety	75,743	75,743	76,948	(1,205)
Interest and fiscal charges	8,200	8,200	4,711	3,489
Total expenditures	<u>83,943</u>	<u>83,943</u>	<u>81,659</u>	<u>2,284</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 2,057</u>	<u>\$ 2,057</u>	18,312	<u>\$ 16,255</u>
FUND BALANCES:				
Beginning of year			<u>10,952</u>	
End of year			<u>\$ 29,264</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Public Safety Services CFD 2005-1-Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Other taxes	\$ 222,000	\$ 222,000	\$ 223,867	\$ 1,867
Use of money and property	750	750	212	(538)
Other revenue	-	-	190	190
Total revenues	<u>222,750</u>	<u>222,750</u>	<u>224,269</u>	<u>1,519</u>
EXPENDITURES				
Public safety	263,026	263,026	267,012	(3,986)
Interest and fiscal charges	6,800	6,800	4,272	2,528
Total expenditures	<u>269,826</u>	<u>269,826</u>	<u>271,284</u>	<u>(1,458)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ (47,076)</u>	<u>\$ (47,076)</u>	(47,015)	<u>\$ 61</u>
FUND BALANCES:				
Beginning of year			<u>48,435</u>	
End of year			<u>\$ 1,420</u>	

City of Pittsburg**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual****Park Maintenance CFD 2007-1 - Special Revenue Fund****For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 28,000	\$ 28,000	\$ 24,610	\$ (3,390)
Special assessments	20,500	20,500	23,107	2,607
Use of money and property	285	285	207	(78)
Total revenues	48,785	48,785	47,924	(861)
EXPENDITURES				
Public works	57,447	57,447	45,744	11,703
Interest and fiscal charges	3,000	3,000	3,478	(478)
Total expenditures	60,447	60,447	49,222	11,225
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ (11,662)	\$ (11,662)	(1,298)	\$ 10,364
FUND BALANCES:				
Beginning of year			<u>(126,354)</u>	
End of year			<u>\$ (127,652)</u>	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Pittsburg Arts and Community Foundation - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 24,350	\$ 12,267	\$ (12,083)
Service fees	-	-	330	330
Use of money and property	23,695	23,695	23,702	7
Other revenues	604,147	664,147	431,022	(233,125)
Total revenues	627,842	712,192	467,321	(244,871)
EXPENDITURES:				
Community development and services	647,289	743,789	619,144	124,645
Total expenditures	647,289	743,789	619,144	124,645
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ (19,447)	\$ (31,597)	(151,823)	\$ (120,226)
FUND BALANCES:				
Beginning of year			1,024,319	
End of year			\$ 872,496	

City of Pittsburgh**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual****Hillview Jr. High Athletic Field - Special Revenue Fund****For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service fees	\$ 30,000	\$ 30,000	\$ 32,091	\$ 2,091
Use of money and property	-	-	218	218
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>32,309</u>	<u>2,309</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ 30,000</u>	<u>\$ 30,000</u>	32,309	<u>\$ 2,309</u>
FUND BALANCES:				
Beginning of year			<u>31,818</u>	
End of year			<u>\$ 64,127</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Public, Education and Government Fees - Special Revenue Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Franchise Tax	\$ 129,000	\$ 233,562	\$ 219,868	\$ (13,694)
Use of money and property	-	-	346	346
Total revenues	129,000	233,562	220,214	(13,348)
EXPENDITURES:				
Community services	129,000	233,562	4,277	229,285
Total expenditures	129,000	233,562	4,277	229,285
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ -</u>	<u>\$ -</u>	215,937	<u>\$ 215,937</u>
FUND BALANCES:				
Beginning of year			<u>11,250</u>	
End of year			<u>\$ 227,187</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Pension Obligations - Debt Service Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service fees	\$ 2,461,839	\$ 2,461,839	\$ 2,461,836	\$ (3)
Use of money and property	1,000	1,000	2,968	1,968
Total revenues	2,462,839	2,462,839	2,464,804	1,965
EXPENDITURES				
Principal retirement	628,119	628,119	375,000	253,119
Interest and fiscal charges	1,833,722	1,833,722	1,561,486	272,236
Total expenditures	2,461,841	2,461,841	1,936,486	525,355
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 998	\$ 998	528,318	\$ 527,320
FUND BALANCES:				
Beginning of year			1,151,902	
End of year			\$ 1,680,220	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Inclusionary Housing - Capital Projects Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 7,400	\$ 7,400	\$ 2,991	\$ (4,409)
Total revenues	<u>7,400</u>	<u>7,400</u>	<u>2,991</u>	<u>(4,409)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>\$ 7,400</u>	<u>\$ 7,400</u>	2,991	<u>\$ (4,409)</u>
FUND BALANCES:				
Beginning of year			<u>375,287</u>	
End of year			<u>\$ 378,278</u>	

City of Pittsburgh**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual****Traffic Impact Fair Share - Capital Project Fund****For the Year Ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 8,000	\$ 8,000	\$ 3,837	\$ (4,163)
Total revenues	<u>8,000</u>	<u>8,000</u>	<u>3,837</u>	<u>(4,163)</u>
EXPENDITURES				
Capital outlay and improvements	-	30,000	30,000	-
Total expenditures	<u>-</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ 8,000</u>	<u>\$ (22,000)</u>	(26,163)	<u>\$ (4,163)</u>
FUND BALANCES:				
Beginning of year			<u>530,448</u>	
End of year			<u>\$ 504,285</u>	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Proposition 1B Local Street and Road Improvement - Capital Projects Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ -	\$ -	\$ 14	\$ 14
Total revenues	-	-	14	14
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ -</u>	<u>\$ -</u>	14	<u>\$ 14</u>
FUND BALANCES:				
Beginning of year			<u>1,860</u>	
End of year			<u>\$ 1,874</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Kirker Creek Drainage Fees - Capital Projects Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Permits, licenses, and fees	\$ -	\$ -	\$ 1,937	\$ 1,937
Use of money and property	20,000	20,000	9,728	(10,272)
Total revenues	20,000	20,000	11,665	(8,335)
EXPENDITURES				
Capital outlay and improvements	-	56,119	7,034	49,085
Total expenditures	-	56,119	7,034	49,085
OTHER FINANCING SOURCES (USES)				
Transfers out	(16,463)	(16,463)	(16,463)	-
Total other financing sources (uses)	(16,463)	(16,463)	(16,463)	-
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ 3,537	\$ (52,582)	(11,832)	\$ 40,750
FUND BALANCES:				
Beginning of year			1,334,173	
End of year			\$ 1,322,341	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Traffic Mitigation - Capital Projects Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 85	\$ -	\$ (85)
Permits, licenses, and fees	-	-	1,737	1,737
Use of money and property	44,500	44,500	19,733	(24,767)
Other revenues	-	513,726	414,708	(99,018)
Total revenues	44,500	558,311	436,178	(122,133)
EXPENDITURES				
Community services	18,634	18,634	15,860	(2,774)
Capital outlay and improvements	52,710	997,381	548,017	449,364
Total expenditures	71,344	1,016,015	563,877	446,590
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(110,474)	-	110,474
Total other financing sources (uses)	-	(110,474)	-	110,474
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ (26,844)	\$ (568,178)	(127,699)	\$ 440,479
FUND BALANCES:				
Beginning of year			2,922,070	
End of year			\$ 2,794,371	

City of Pittsburgh
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Improvement - Capital Projects Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Service fees	\$ -	\$ -	\$ 21,970	\$ 21,970
Total revenues	-	-	21,970	21,970
EXPENDITURES				
Capital outlay and improvements	301,938	301,938	21,970	279,968
Total expenditures	301,938	301,938	21,970	279,968
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ (301,938)</u>	<u>\$ (301,938)</u>	-	<u>\$ 301,938</u>
FUND BALANCES:				
Beginning of year			<u>660,283</u>	
End of year			<u>\$ 660,283</u>	

City of Pittsburg
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Park Dedication - Capital Projects Fund
For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 1,291,352	\$ 40,090	\$ (1,251,262)
Use of money and property	4,900	4,900	10,763	5,863
Other revenues	-	571,000	577,997	6,997
Total revenues	4,900	1,867,252	628,850	(1,238,402)
EXPENDITURES				
Capital outlay and improvements	52,710	4,010,079	522,007	3,488,072
Total expenditures	52,710	4,010,079	522,007	3,488,072
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	<u>\$ (47,810)</u>	<u>\$ (2,142,827)</u>	106,843	<u>\$ 2,249,670</u>
FUND BALANCES:				
Beginning of year			<u>2,380,719</u>	
End of year			<u>\$ 2,487,562</u>	

City of Pittsburgh

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Regional Traffic Mitigation - Capital Projects Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Permits, licenses, and fees	\$ -	\$ -	\$ 2,863,097	\$ 2,863,097
Use of money and property	-	-	27,566	27,566
Total revenues	-	-	2,890,663	2,890,663
EXPENDITURES				
Capital outlay and improvements	-	1,146,378	338,690	807,688
Total expenditures	-	1,146,378	338,690	807,688
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES				
	\$ -	\$ (1,146,378)	2,551,973	\$ 3,698,351
FUND BALANCES:				
Beginning of year			2,880,863	
End of year			\$ 5,432,836	

City of Pittsburg

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual

Infrastructure Repair and Replacement - Capital Projects Fund

For the Year Ended June 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 1,732,073	\$ 1,732,073
Total other financing sources (uses)	-	-	1,732,073	1,732,073
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	\$ -	\$ -	1,732,073	\$ 1,732,073
FUND BALANCES:				
Beginning of year			-	
End of year			\$ 1,732,073	



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

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 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.

Water Front Operations 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
Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2013

	Golf Course	Island Energy	Pittsburg Power	Water Front Operations	Total Non-Major Enterprise Funds
ASSETS					
Current assets:					
Cash and investments	\$ 6,398	\$ 3,458,825	\$ 4,877,218	\$ 339,077	\$ 8,681,518
Restricted cash and investments	-	101,916	-	-	101,916
Receivables:					
Accounts	5,710	437,594	199,527	6,333	649,164
Interest	-	1,187	1,932	130	3,249
Loans/notes	-	-	-	-	-
Inventory	-	78,595	16,186	-	94,781
Prepaid items and other assets	-	69,000	2,466	68,763	140,229
Total current assets	12,108	4,147,117	5,097,329	414,303	9,670,857
Noncurrent assets:					
Advance to other funds	-	-	3,849,514	-	3,849,514
Capital assets:					
Land & non-depreciable assets	-	2,609,221	818,506	-	3,427,727
Depreciable assets, net	419,706	4,329,466	249,933	-	4,999,105
Total noncurrent assets	419,706	6,938,687	4,917,953	-	12,276,346
Total Assets	431,814	11,085,804	10,015,282	414,303	21,947,203
LIABILITIES					
Current liabilities:					
Accounts payable	5,958	219,064	147,387	7,625	380,034
Salaries payable	-	-	-	-	-
Loans payable	-	-	72,700	-	72,700
Refundable deposits	-	38,643	-	24,884	63,527
Taxes payable	-	1,820	-	-	1,820
Unearned revenue	1,128	530,610	273,827	247,279	1,052,844
Compensated absences payable - due within one year	-	29,400	16,000	-	45,400
Total current liabilities	7,086	819,537	509,914	279,788	1,616,325
Noncurrent liabilities:					
Advance from other funds	375,000	3,474,514	-	-	3,849,514
Compensated absences payable - due in more than one year	-	24,827	13,480	-	38,307
OPEB liability	-	719,393	287,757	-	1,007,150
Total noncurrent liabilities	375,000	4,218,734	301,237	-	4,894,971
Total Liabilities	382,086	5,038,271	811,151	279,788	6,511,296
NET POSITION					
Net investment in capital assets	419,706	6,938,687	1,068,439	-	8,426,832
Restricted for:					
Capital projects	75,000	2,400,718	13,761	-	2,489,479
Specific purpose	-	101,916	-	-	101,916
Unrestricted	(444,978)	(3,393,788)	8,121,931	134,515	4,417,680
Total Net Position	\$ 49,728	\$ 6,047,533	\$ 9,204,131	\$ 134,515	\$ 15,435,907

City of Pittsburgh
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Non-Major Enterprise Funds
For the year ended June 30, 2013

	Golf Course	Island Energy	Pittsburg Power	Water Front Operations	Total Non-Major Enterprise Funds
OPERATING REVENUES:					
Charges for services	\$ -	\$ 4,022,172	\$ 810,149	\$ -	\$ 4,832,321
Other fees	-	-	612,362	-	612,362
Rents and concessions	-	-	211,927	227,389	439,316
Other operating revenues	-	70,800	92,762	141	163,703
Total operating revenues	-	4,092,972	1,727,200	227,530	6,047,702
OPERATING EXPENSES:					
Salaries and wages	-	813,875	189,399	141,796	1,145,070
Department supplies	-	1,543,131	925	379	1,544,435
Rentals	-	21,971	2,358	-	24,329
Utilities	-	11,919	-	-	11,919
Maintenance and operations	6,000	49,253	306,919	84,827	446,999
Depreciation	91,486	334,181	33,055	-	458,722
Insurance premiums	-	96,390	-	-	96,390
Insurance deductible	-	15,804	3,360	2,184	21,348
Fringe benefits	-	531,657	109,706	87,828	729,191
Other operating expenses	8,171	201,283	193,895	103,045	506,394
Total operating expenses	105,657	3,619,464	839,617	420,059	4,984,797
OPERATING INCOME (LOSS)	(105,657)	473,508	887,583	(192,529)	1,062,905
NONOPERATING REVENUES (EXPENSES):					
Investment earnings	-	23,379	43,639	1,963	68,981
Gain (loss) on disposal of assets	-	157,077	-	-	157,077
Total nonoperating revenues (expenses)	-	180,456	43,639	1,963	226,058
INCOME (LOSS) BEFORE TRANSFERS	(105,657)	653,964	931,222	(190,566)	1,288,963
TRANSFERS:					
Transfers (in)	15,000	-	-	-	15,000
Transfers (out)	-	-	(436,500)	-	(436,500)
Total transfers	15,000	-	(436,500)	-	(421,500)
Net income (loss)	(90,657)	653,964	494,722	(190,566)	867,463
NET POSITION:					
Beginning of year	140,385	5,393,569	8,709,409	325,081	14,568,444
End of year	\$ 49,728	\$ 6,047,533	\$ 9,204,131	\$ 134,515	\$ 15,435,907

City of Pittsburg
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the year ended June 30, 2013

	Golf Course	Island Energy	Pittsburg Power	Water Front Operations	Total Non-Major Enterprise Funds
CASH FLOW FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ -	\$ 3,784,851	\$ 1,488,388	\$ 576,817	\$ 5,850,056
Cash payments to suppliers of goods and services	(3,290)	(1,791,281)	(451,400)	(193,713)	(2,439,684)
Cash payments to employees for services	-	(1,461,561)	(327,511)	(231,808)	(2,020,880)
Other operating revenue	-	70,800	304,689	227,530	603,019
Net cash provided (used) by operating activities	(3,290)	602,809	1,014,166	378,826	1,992,511
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Interfund receipts	-	254,685	-	-	254,685
Interfund payments	-	-	(143,435)	(111,250)	(254,685)
Transfers in	15,000	-	-	-	15,000
Transfers (out)	-	-	(436,500)	-	(436,500)
Net cash provided (used) by noncapital financing activities	15,000	254,685	(579,935)	(111,250)	(421,500)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal paid on long-term debt	-	-	-	-	-
Proceeds from sale of capital assets	-	157,077	-	-	157,077
Purchases of capital assets	(11,340)	(682,185)	(25,858)	-	(719,383)
Net cash provided (used) by capital and related financing activities	(11,340)	(525,108)	(25,858)	-	(562,306)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest on investments	-	23,379	43,639	1,963	68,981
Net cash provided (used) by investing activities	-	23,379	43,639	1,963	68,981
Net increase (decrease) in cash and cash investments	370	355,765	452,012	269,539	1,077,686
CASH AND INVESTMENTS:					
Beginning of year	6,028	3,204,976	4,425,206	69,538	7,705,748
End of year	\$ 6,398	\$ 3,560,741	\$ 4,877,218	\$ 339,077	\$ 8,783,434
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (105,657)	\$ 473,508	\$ 887,583	\$ (192,529)	\$ 1,062,905
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	91,486	334,181	33,055	-	\$458,722
Changes in operating assets and liabilities:					
Accounts receivable	(447)	23,124	(1,568)	398,392	419,501
Interest receivable	-	(155)	595	(91)	349
Loans receivable	-	-	56,685	-	56,685
Prepaid items	-	2,000	(14)	(68,763)	(66,777)
Inventory	11,340	(5,639)	-	-	5,701
Accounts payable	446	88,543	125,397	(30,346)	184,040
Salaries and wages payable	-	(13,918)	(4,984)	-	(18,902)
Loans payable	-	-	(72,700)	-	(72,700)
Refundable deposits	-	12,734	-	24,884	37,618
Taxes payable	-	(59,362)	-	-	(59,362)
Unearned revenue	(458)	(262,290)	10,179	247,279	(5,290)
Compensated absences	-	10,083	(20,062)	-	(9,979)
OPEB Liability	-	-	-	-	-
Net cash provided (used) by operating activities	\$ (3,290)	\$ 602,809	\$ 1,014,166	\$ 378,826	\$ 1,992,511

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.

Other Post-Employment Benefits (OPEB) Fund - Used to reduce unfunded OPEB liabilities and to pay the City's portion of current year retiree medical expenses.

City of Pittsburg
Combining Statement of Net Position
Internal Service Funds
June 30, 2013

	Fleet Maintenance	Building Maintenance	Insurance	Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
ASSETS							
Current assets:							
Cash and investments	\$ 956,174	\$ 719,054	\$ 771,634	\$ 838,117	\$ 1,208,748	\$ 586,134	\$ 5,079,861
Receivables:							
Accounts	253	3,541	-	3,875	4,205	-	11,874
Interest	-	-	273	-	401	-	674
Inventory	31,769	12,693	-	232,581	-	-	277,043
Prepaid items	-	-	-	-	22,400	-	22,400
Total current assets	988,196	735,288	771,907	1,074,573	1,235,754	586,134	5,391,852
Noncurrent assets:							
Capital assets:							
Depreciable assets, net	1,393,251	278,168	-	275,183	-	-	1,946,602
Total noncurrent assets	1,393,251	278,168	-	275,183	-	-	1,946,602
Total Assets	2,381,447	1,013,456	771,907	1,349,756	1,235,754	586,134	7,338,454
LIABILITIES							
Current liabilities:							
Accounts payable	61,326	45,867	16,586	89,330	47,254	-	260,363
Salaries payable	-	-	-	-	24,894	8,776	33,670
Claims and judgments payable - due within one year	-	-	128,885	-	-	-	128,885
Long-term-debt - due within one year	-	-	-	33,355	-	-	33,355
Advance to other funds	49,400	34,200	-	15,200	-	-	98,800
Total current liabilities	110,726	80,067	145,471	137,885	72,148	8,776	555,073
Noncurrent liabilities:							
Compensated absences - due in more than one year	26,700	27,469	-	8,998	-	-	63,167
Long-term-debt - due within one year	-	-	-	105,816	-	-	105,816
Total noncurrent liabilities	26,700	27,469	-	114,814	-	-	168,983
Total Liabilities	137,426	107,536	145,471	252,699	72,148	8,776	724,056
NET POSITION							
Net investment in capital assets	1,393,251	278,168	-	136,012	-	-	1,807,431
Unrestricted	850,770	627,752	626,436	961,045	1,163,606	577,358	4,806,967
Total Net Position	\$ 2,244,021	\$ 905,920	\$ 626,436	\$ 1,097,057	\$ 1,163,606	\$ 577,358	\$ 6,614,398

City of Pittsburgh
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the year ended June 30, 2013

	Fleet Maintenance	Building Maintenance	Insurance	Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
OPERATING REVENUES:							
Charges for services	\$ 1,715,532	\$ 1,165,303	\$ 552,732	\$ 1,021,488	\$ 2,822,007	\$ -	\$ 7,277,062
Other operating revenues	2,000	58,031	-	15,500	35,219	-	110,750
Total operating revenues	<u>1,717,532</u>	<u>1,223,334</u>	<u>552,732</u>	<u>1,036,988</u>	<u>2,857,226</u>	<u>-</u>	<u>7,387,812</u>
OPERATING EXPENSES:							
Salaries and wages	270,732	239,609	-	74,157	-	-	584,498
Department supplies	713,076	52,635	-	130,630	-	-	896,341
Rentals	33,312	942	-	-	-	-	34,254
Utilities	6,788	243,662	-	-	-	-	250,450
Maintenance and operations	109,810	253,820	-	485,800	15,387	-	864,817
Depreciation and amortization	479,046	63,119	-	32,589	-	-	574,754
Insurance premiums	9,200	133,781	537,805	-	-	-	680,786
Insurance deductible	5,208	4,596	203,132	1,404	-	-	214,340
Fringe benefits	174,195	185,201	-	53,240	2,714,141	-	3,126,777
Other operating expenses	1,101	4,180	-	251	-	-	5,532
Total operating expenses	<u>1,802,468</u>	<u>1,181,545</u>	<u>740,937</u>	<u>778,071</u>	<u>2,729,528</u>	<u>-</u>	<u>7,232,549</u>
OPERATING INCOME (LOSS)	<u>(84,936)</u>	<u>41,789</u>	<u>(188,205)</u>	<u>258,917</u>	<u>127,698</u>	<u>-</u>	<u>155,263</u>
NONOPERATING REVENUES (EXPENSES):							
Gain (loss) on sale of assets	14,485	-	-	-	-	-	14,485
Investment income	(160)	(111)	5,593	(49)	7,857	-	13,130
Total nonoperating revenues	<u>14,325</u>	<u>(111)</u>	<u>5,593</u>	<u>(49)</u>	<u>7,857</u>	<u>-</u>	<u>27,615</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(70,611)</u>	<u>41,678</u>	<u>(182,612)</u>	<u>258,868</u>	<u>135,555</u>	<u>-</u>	<u>182,878</u>
TRANSFERS:							
Transfers in	-	-	-	-	-	577,358	577,358
Transfers out	-	-	(101,000)	-	(80,800)	-	(181,800)
Transfers in (out)	<u>-</u>	<u>-</u>	<u>(101,000)</u>	<u>-</u>	<u>(80,800)</u>	<u>577,358</u>	<u>395,558</u>
Change in net position	<u>(70,611)</u>	<u>41,678</u>	<u>(283,612)</u>	<u>258,868</u>	<u>54,755</u>	<u>577,358</u>	<u>578,436</u>
NET POSITION:							
Beginning of year	2,314,632	864,242	910,048	838,189	1,108,851	-	6,035,962
End of year	<u>\$ 2,244,021</u>	<u>\$ 905,920</u>	<u>\$ 626,436</u>	<u>\$ 1,097,057</u>	<u>\$ 1,163,606</u>	<u>\$ 577,358</u>	<u>\$ 6,614,398</u>

City of Pittsburg
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2013

	Fleet Maintenance	Building Maintenance	Insurance	Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES:							
Cash received from customers/other funds	\$ 1,728,563	\$ 1,129,265	\$ 554,258	\$ 924,872	\$ 2,829,109	\$ -	\$ 7,166,067
Cash payments to suppliers for goods and services	(877,696)	(704,604)	(724,634)	(570,744)	(12,408)	-	(2,890,086)
Cash payments to employees for services	(447,756)	(421,354)	-	(120,126)	(2,717,469)	8,776	(3,697,929)
Other operating revenues	2,000	58,031	-	15,500	35,219	-	110,750
Net cash provided (used) by operating activities	405,111	61,338	(170,376)	249,502	134,451	8,776	688,802
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:							
Transfers (out)	-	-	(101,000)	-	(80,800)	577,358	395,558
Net cash provided (used) by noncapital financing activities	-	-	(101,000)	-	(80,800)	577,358	395,558
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:							
Payments made on capital lease	-	-	-	139,171	-	-	139,171
Proceeds from sale of capital assets	14,485	-	-	-	-	-	14,485
Net changes in capital assets	(228,046)	(1)	-	(206,440)	-	-	(434,487)
Net cash provided (used) by capital financing activities	(213,561)	(1)	-	(67,269)	-	-	(280,831)
CASH FLOWS FROM INVESTING ACTIVITIES:							
Interest revenue	(160)	(111)	5,593	(49)	7,857	-	13,130
Net cash provided (used) by investing activities	(160)	(111)	5,593	(49)	7,857	-	13,130
Net increase (decrease) in cash and cash equivalents	191,390	61,226	(265,783)	182,184	61,508	586,134	816,659
CASH AND CASH EQUIVALENTS:							
Beginning of year	764,784	657,828	1,037,417	655,933	1,147,240	-	4,263,202
End of year	\$ 956,174	\$ 719,054	\$ 771,634	\$ 838,117	\$ 1,208,748	\$ 586,134	\$ 5,079,861
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:							
Operating income (loss)	\$ (84,936)	\$ 41,789	\$ (188,205)	\$ 258,917	\$ 127,698	\$ -	\$ 155,263
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation	479,046	63,119	-	32,589	-	-	574,754
Changes in operating assets and liabilities:							
Accounts receivable	14,012	(117)	207	-	(2,898)	-	11,204
Inventory	(981)	-	-	(96,616)	-	-	(97,597)
Prepaid items	-	-	1,319	-	10,000	-	11,319
Accounts payable	799	(10,988)	5,131	47,341	2,979	-	45,262
Salaries and wages payable	(5,039)	(3,329)	-	(408)	(3,328)	8,776	(3,328)
Unearned revenue	-	(35,921)	-	-	-	-	(35,921)
Compensated absences	2,210	6,785	-	7,679	-	-	16,674
Insurance claims payable	-	-	11,172	-	-	-	11,172
Net cash provided (used) by operating activities	\$ 405,111	\$ 61,338	\$ (170,376)	\$ 249,502	\$ 134,451	\$ 8,776	\$ 688,802

FIDUCIARY FUND FINANCIAL STATEMENTS

Agency Funds:

Assessment Districts 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 & San Marco CFD's 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 Assets and Liabilities
Agency Funds
For the year ended June 30, 2013

	Beginning Balance July 1, 2012	Additions	Deletions	Ending Balance June 30, 2013
Assessment Districts Fund				
Assets:				
Cash and investments	\$ 2,096,486	\$ 3,820,872	\$ 3,698,540	\$ 2,218,818
Cash and investments held by fiscal agent	21,245,613	1,930,808	1,972,543	21,203,878
Assessment receivable	2,066,930	117,640	6	2,184,564
Interest receivable	1,011	684	1,011	684
Total assets	\$ 25,410,040	\$ 5,870,004	\$ 5,672,100	\$ 25,607,944
Liabilities:				
Accounts payable	\$ 28,636	\$ 43,640	\$ 42,873	\$ 29,403
Deferred assessment	2,066,930	117,640	6	2,184,564
Due to bondholders	23,314,474	1,165,089	1,085,586	23,393,977
Total liabilities	\$ 25,410,040	\$ 1,326,369	\$ 1,128,465	\$ 25,607,944
Environmental Impact Fund				
Assets:				
Cash and investments	\$ 670	\$ 377	\$ -	\$ 1,047
Interest receivable	1	-	1	-
Total assets	\$ 671	\$ 377	\$ 1	\$ 1,047
Liabilities:				
Due to other parties	\$ -	\$ -	\$ -	\$ -
Due to bondholders	671	376	-	1,047
Total liabilities	\$ 671	\$ 376	\$ -	\$ 1,047
Other Impact Fees Fund				
Assets:				
Cash and investments	\$ 17,879	\$ 63,322	\$ 57,347	\$ 23,854
Total assets	\$ 17,879	\$ 63,322	\$ 57,347	\$ 23,854
Liabilities:				
Accounts payable	\$ 11,376	\$ 64,287	\$ 57,347	\$ 18,316
Due to other parties	6,680	63,323	64,288	5,715
Due to bondholders	(177)	-	-	(177)
Total liabilities	\$ 17,879	\$ 127,610	\$ 121,635	\$ 23,854
Vista Del Mar & San Marco CFD's				
Assets:				
Cash and investments	\$ 2,382,249	\$ 3,996,005	\$ 5,057,205	\$ 1,321,049
Cash and investments held by fiscal agent	(621,432)	5,085,633	3,650,272	813,929
Interest receivable	1,236	298	1,236	298
Total assets	\$ 1,762,053	\$ 9,081,936	\$ 8,708,713	\$ 2,135,276
Liabilities:				
Accounts payable	\$ 66	\$ 17,587	\$ 17,586	\$ 67
Due to bondholders	1,761,987	648,222	275,000	2,135,209
Total liabilities	\$ 1,762,053	\$ 665,809	\$ 292,586	\$ 2,135,276
Total Agency Funds				
Assets:				
Cash and investments	\$ 4,497,284	\$ 7,880,576	\$ 8,813,092	\$ 3,564,768
Cash and investments held by fiscal agent	20,624,181	7,016,441	5,622,815	22,017,807
Assessment receivable	2,066,930	117,640	6	2,184,564
Interest receivable	2,248	982	2,248	982
Total assets	\$ 27,190,643	\$ 15,015,639	\$ 14,438,161	\$ 27,768,121
Liabilities:				
Accounts payable	\$ 40,078	\$ 125,514	\$ 117,806	\$ 47,786
Deferred assessment	2,066,930	117,640	6	2,184,564
Due to other parties	6,680	63,323	64,288	5,715
Due to bondholders	25,076,955	1,813,687	1,360,586	25,530,056
Total liabilities	\$ 27,190,643	\$ 2,120,164	\$ 1,542,686	\$ 27,768,121

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 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.

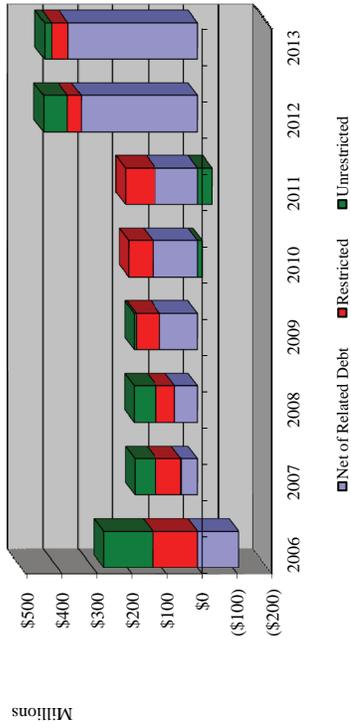
Sources: Unless otherwise noted, the information in these schedules is derived from the City's Basic Financial Statements for the relevant year.

*Due to the State of California's adoption of ABx1 26 on June 28, 2011, and amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies as of January 31, 2012, there will be large variances between the fiscal years 2010-2011 and fiscal year 2011-2012 for some of the statistical references. The City of Pittsburg has assumed the responsibilities as the Successor Agency to administer all post activities for the former Pittsburg Redevelopment Agency.



CITY OF PITTSBURG
Comprehensive Annual Financial Report
June 30, 2013

CITY OF PITTSBURG
Net Position by Component
Last Eight Fiscal Years
(accrual basis of accounting)



	Fiscal Year Ended June 30,							
	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities								
Net Investment in Capital Assets	(\$153,333,826)	\$3,247,946	\$18,733,410	\$32,357,570	\$59,908,182	\$46,442,103	\$252,487,708	\$281,680,787
Restricted	124,840,230	58,131,686	28,890,295	46,826,571	51,627,971	63,967,311	14,746,589	25,904,321
Unrestricted	99,416,697	28,994,097	50,069,992	(5,009,852)	(38,861,513)	(62,825,341)	58,656,185	6,994,639
Total governmental activities net position	\$70,923,101	\$90,373,729	\$97,693,697	\$74,174,289	\$72,674,640	\$47,584,073	\$325,890,482	\$314,579,747
Business-type activities								
Net Investment in Capital Assets	\$36,566,114	\$42,643,385	\$44,780,703	\$73,704,658	\$67,603,197	\$73,188,754	\$79,796,698	\$87,252,264
Restricted	3,602,121	13,474,928	24,190,306	20,189,744	16,057,202	20,709,344	23,822,298	21,659,904
Unrestricted	41,341,654	30,681,028	12,931,446	11,345,116	25,075,506	20,765,153	8,802,052	11,726,531
Total business-type activities net position	\$81,509,889	\$86,799,341	\$81,902,455	\$105,239,518	\$108,735,905	\$114,663,251	\$112,421,048	\$120,638,699
Primary government								
Net Investment in Capital Assets	(\$116,767,712)	\$45,891,331	\$63,514,113	\$106,062,228	\$127,511,379	\$119,630,857	\$332,284,406	\$368,933,051
Restricted	128,442,351	71,606,614	53,080,601	67,016,315	67,685,173	84,676,655	38,568,887	47,564,225
Unrestricted	140,758,351	59,675,125	63,001,438	6,335,264	(13,786,007)	(42,060,188)	67,458,237	18,721,170
Total primary government net position	\$152,432,990	\$177,173,070	\$179,596,152	\$179,413,807	\$181,410,545	\$162,247,324	\$438,311,530	\$435,218,446

CITY OF PITTSBURG
Changes in Net Position
Last Seven Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,						
	2007	2008	2009	2010	2011	2012	2013
Expenses							
Governmental Activities:							
General Government	\$14,254,413	\$21,504,808	\$11,842,142	\$18,568,935	\$14,788,317	\$7,933,936	\$6,684,607
Public Safety	16,949,031	19,147,330	37,075,329	20,844,081	20,111,317	22,929,002	20,955,624
Public Works	17,949,516	16,356,492	15,020,101	13,685,011	19,975,441	16,741,235	19,679,890
Community Development	25,815,463	31,332,797	37,032,108	22,565,100	25,958,714	26,418,644	23,214,430
Culture and Recreation	1,892,674	1,854,555	1,741,484	733,417	476,739	595,285	699,730
Interest on Long Term Debt	20,495,286	23,435,995	35,950,401	19,671,322	23,519,241	13,717,168	1,026,639
Total Governmental Activities Expenses	97,356,383	113,631,977	138,661,565	96,067,866	104,829,769	88,335,270	72,260,920
Business-Type Activities:							
Water	13,372,173	14,316,223	14,013,116	13,614,034	14,449,902	14,884,762	15,518,027
Wastewater	1,929,214	1,972,310	2,218,519	2,407,534	2,317,726	2,442,521	2,212,309
Marina	2,378,869	2,112,615	2,320,709	2,139,241	2,168,789	2,405,288	2,448,483
Other-Non-Major Enterprise Funds	6,663,142	7,430,302	7,607,155	7,563,600	5,552,384	5,147,173	4,984,797
Total Business-Type Activities Expenses	24,343,398	25,831,450	26,159,499	25,724,409	24,488,801	24,879,744	25,163,616
Total Primary Government Expenses	\$121,699,781	\$139,463,427	\$164,821,064	\$121,792,275	\$129,318,570	\$113,215,014	\$97,424,536
Program Revenues							
Governmental Activities:							
Charges for Services:							
General Government	\$8,362,348	\$114,718	\$2,165,995	\$6,451,351	\$5,614,500	\$6,852,057	\$5,190,861
Public Safety	633,513	750,286	1,054,367	1,287,433	987,348	1,044,743	842,598
Public Works	4,077,620	2,930,076	1,186,331	5,733,983	2,755,943	3,596,128	4,356,858
Community Development	90,302	4,318,365	8,392,107	5,914,983	6,498,599	19,229,249	8,189,144
Culture and Recreation	533,114	419,320	198,873	212,184	257,627	420,047	685,418
Operating Grants and Contributions	19,357,391	18,175,592	15,252,456	14,022,072	16,926,790	12,661,954	12,104,023
Capital Grants and Contributions	948,905	5,243,189	2,193,823	1,119,989	929,465	3,997,403	314,203
Total Government Activities Program Revenues	34,003,193	31,951,546	30,443,952	34,741,995	33,970,272	47,801,581	31,683,105

CITY OF PITTSBURG
Changes in Net Position
(continued)
Last Seven Fiscal Years
(Accrual Basis of Accounting)

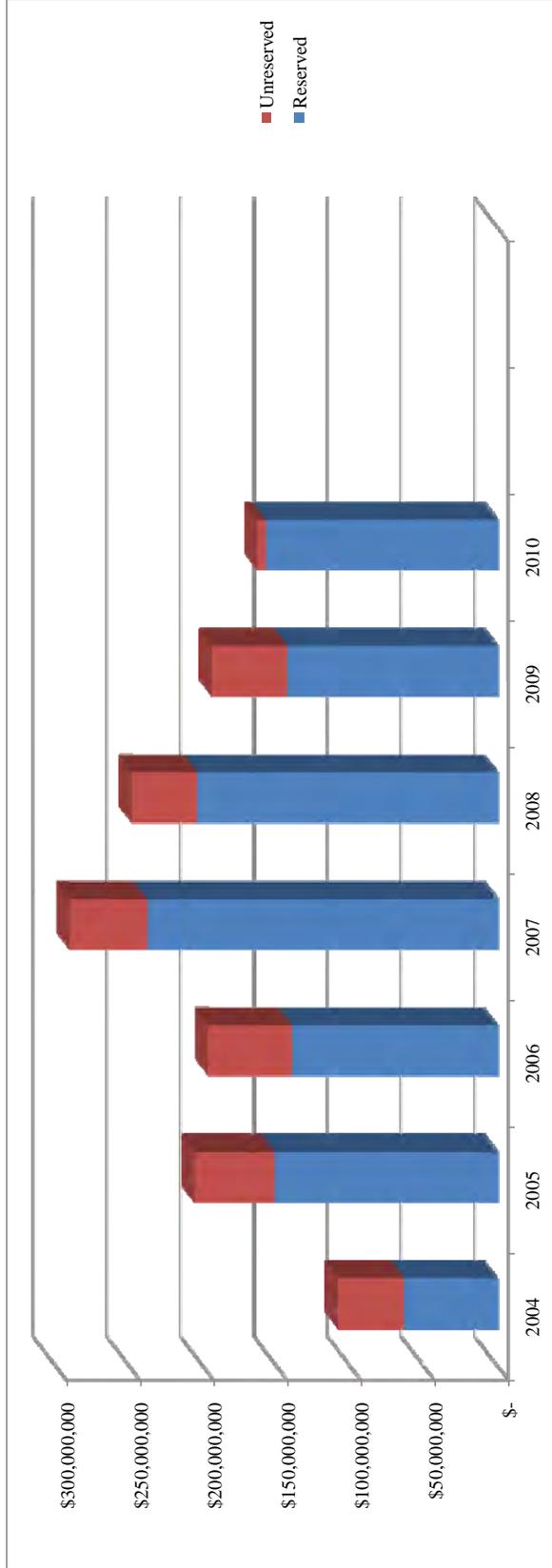
	Fiscal Year Ended June 30,						
	2007	2008	2009	2010	2011	2012	2013
Business-Type Activities:							
Charges for Services:							
Water	15,974,805	15,780,234	15,121,036	16,695,089	16,880,039	17,276,044	19,605,199
Wastewater	3,864,420	3,305,065	3,846,151	4,471,813	4,373,309	4,566,645	5,049,987
Marina	1,653,350	1,732,960	1,829,397	1,681,500	1,850,375	1,942,681	1,914,502
Other-Non-Major Enterprise Funds	6,242,843	7,369,613	7,965,358	6,915,483	10,513,007	5,966,340	6,204,779
Operating Grants and Contributions							
Capital Grants and Contributions	197,903	331,649	18,110,472	591,456	309,021	205,675	2,019,849
Total Business-Type Activities Program Revenue	27,933,321	28,519,521	46,872,414	30,355,341	33,925,751	29,957,385	34,794,316
Total Primary Government Program Revenues	\$61,936,514	\$60,471,067	\$77,316,366	\$65,097,336	\$67,896,023	\$77,758,966	\$66,477,421
Net (Expense)/Revenue							
Governmental Activities	(\$63,353,190)	(\$81,680,431)	(\$108,217,613)	(\$61,325,871)	(\$70,859,497)	(\$40,533,689)	(\$40,577,815)
Business-Type Activities	3,589,923	2,688,071	20,712,915	4,630,932	9,436,950	5,077,641	9,630,700
Total Primary Government Net Expense	(\$59,763,267)	(\$78,992,360)	(\$87,504,698)	(\$56,694,939)	(\$61,422,547)	(\$35,456,048)	(\$30,947,115)

CITY OF PITTSBURG
Changes in Net Position
 (continued)
Last Seven Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,						
	2007	2008	2009	2010	2011	2012	2013
General Revenues and Other Changes in Net Position							
Governmental Activities:							
Taxes:							
Property Taxes	\$50,917,360	\$51,782,902	\$49,448,715	\$39,995,052	\$40,456,473	\$23,507,704	\$2,176,998
Sales Taxes	7,953,283	7,295,549	7,167,394	5,998,652	5,438,354	6,168,690	11,232,622
Motor Vehicle In-Lieu	6,042,275	4,871,681	4,714,411	4,019,459	3,936,649	4,470,104	3,727,494
Transient Occupancy Tax	149,393	172,734	185,120	256,226	279,852	361,238	447,537
Inter Governmental Revenues	0	0	0	0	0	0	0
Nonregulatory Franchise and Business	2,246,603	3,544,661	3,025,968	2,378,602	2,660,883	3,103,823	3,890,567
Interest Earnings	11,146,109	11,718,198	10,602,828	2,414,528	2,314,878	1,583,156	74,095
Other	2,134,499	940,352	1,166,245	3,309,593	7,375,344	6,822,671	8,252,592
Transfers	563,960	10,773,070	6,242,560	1,454,110	3,957,110	273,042,911	1,681,364
Gain (loss) on sale of assets					(18,539,878)	0	0
Total Government Activities	81,153,482	91,099,147	82,553,241	59,826,222	47,879,665	319,060,297	31,483,269
Business-Type Activities:							
Interest Earnings	2,263,490	1,961,224	1,093,600	321,967	447,506	400,199	268,315
Transfers	(563,960)	(8,688,861)	(6,242,560)	(1,454,110)	(3,957,110)	(7,720,043)	(1,681,364)
Total Business-Type Activities	1,699,530	(6,727,637)	(5,148,960)	(1,132,143)	(3,509,604)	(7,319,844)	(1,413,049)
Total Primary Government	\$82,853,012	\$84,371,510	\$77,404,281	\$58,694,079	\$44,370,061	\$311,740,453	\$30,070,220
Change in Net Position							
Governmental Activities	\$17,800,292	\$9,418,716	(\$25,664,372)	(\$1,499,649)	(\$22,979,832)	\$278,126,409	(\$9,094,546)
Business-Type Activities	5,289,453	(4,039,566)	15,563,955	3,498,789	5,927,346	(2,242,203)	8,217,651
Total Primary Government	\$23,089,745	\$5,379,150	(\$10,100,417)	\$1,999,140	(\$17,052,486)	\$275,884,206	(\$876,895)

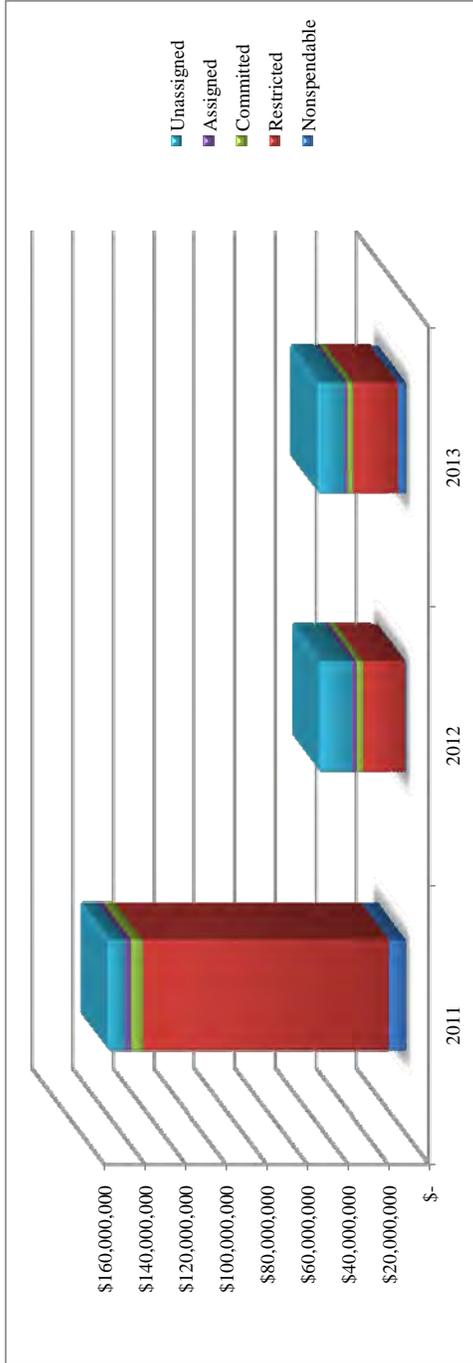
CITY OF PITTSBURG
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

*Pre-GASB 54; See Next page for GASB 54 FY2011



	Fiscal Year Ended June 30,						
	2004	2005	2006	2007	2008	2009	2010
General Fund							
Reserved	\$ 722,510	\$ 245,280	\$ 372,186	\$ 492,681	\$ 208,767	\$ 202,586	\$ 215,249
Unreserved	7,235,268	8,952,718	8,183,807	9,566,686	10,793,012	6,428,850	6,798,062
Total General Fund	\$ 7,957,778	\$ 9,197,998	\$ 8,555,993	\$ 10,059,367	\$ 11,001,779	\$ 6,631,436	\$ 7,013,311
All Other Governmental Funds							
Reserved	\$ 62,362,398	\$ 150,732,011	\$ 138,881,219	\$ 236,888,018	\$ 203,272,346	\$ 142,074,124	\$ 156,737,984
Unreserved, designated	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	7,287,439	2,162,348	9,204,969	2,526,959	0	0	0
Capital Project Funds	6,393,824	931,032	10,007,934	0	0	0	0
Total all other governmental funds	\$ 100,104,419	\$ 196,520,654	\$ 187,549,480	\$ 280,458,619	\$ 237,127,799	\$ 187,181,390	\$ 155,960,854
Total Government Funds							
Reserved	\$ 63,084,908	\$ 150,977,291	\$ 139,253,405	\$ 237,380,699	\$ 203,481,113	\$ 142,276,710	\$ 156,953,233
Unreserved	44,977,289	54,741,361	56,852,068	53,137,287	44,648,465	51,536,116	6,020,932
Total Government Funds	\$ 108,062,197	\$ 205,718,652	\$ 196,105,473	\$ 290,517,986	\$ 248,129,578	\$ 193,812,826	\$ 162,974,165

CITY OF PITTSBURG
Fund Balances of Governmental Funds
(GASB 54 FY2011 Implementation Year)



	Fiscal Year Ended June 30,	
	2012	2013
General Fund		
Nonspendable	\$ 280,573	\$ 305,497
Restricted		\$ 3,054,208
Committed	2,058,442	2,254,797
Assigned	16,456,660	16,513,473
Unassigned	\$ 18,795,675	\$ 18,173,691
Total General Fund	\$ -	\$ -
All Other Governmental Funds		
Nonspendable	\$ 8,169,424	\$ 288,763
Restricted	121,278,118 *	20,415,122
Committed	5,847,490	3,317,275
Assigned	1,025,382	\$86,405
Unassigned	(8,180,337)	(271,836)
Total all other governmental funds	\$ 128,140,077	\$ 23,835,729
Total Government Funds	\$ 146,935,752 *	\$ 43,739,725

* See Note on Statistics Introduction Tab which explains the Jan 2012 RDA Dissolution by State of California
For additional Detail on Fund Classifications, see Note 9 of Notes to Basic Financial Statements

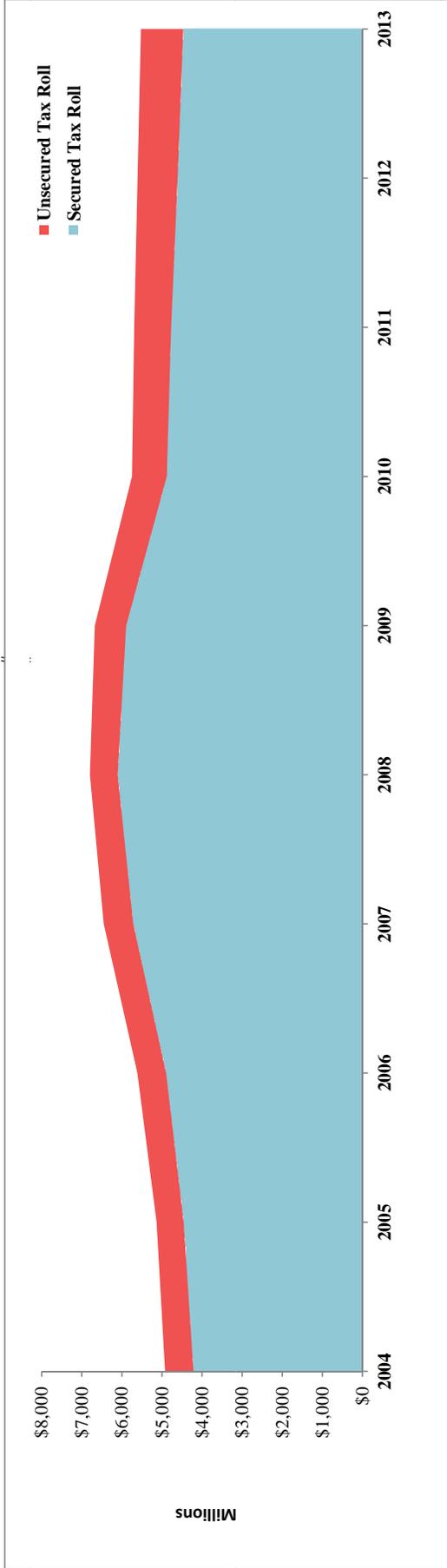
CITY OF PITTSBURG
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
 {in thousands}

	Fiscal Year Ended June 30,				
	2004	2005	2006	2007	2008
Revenues					
Taxes	\$47,650	\$49,003	\$55,803	\$65,549	\$65,453
Licenses, permits and fees	2,402	4,632	2,016	8,620	2,091
Fines and forfeitures	283	295	170	249	880
Use of money and property	2,248	4,733	7,594	10,899	11,444
Intergovernmental revenues	23,542	20,523	21,896	21,277	25,119
Charges for services	4,322	5,666	3,692	5,584	4,810
Other	1,540	1,843	4,992	1,626	2,360
Total Revenues	81,987	86,695	96,163	113,804	112,157
Expenditures					
Current:					
General government	14,882	20,419	60,290	19,986	20,127
Public safety	14,585	14,346	15,900	16,572	18,141
Public works	5,635	10,530	7,472	10,998	8,889
Community development	18,074	25,996	18,724	24,232	37,243
Culture and recreation	1,522	1,574	1,773	1,893	1,855
Capital outlay	19,949	13,750	23,649	47,903	49,763
Debt service:					
Principal repayment	4,240	4,100	4,790	4,960	7,550
Interest and fiscal charges	9,454	13,577	15,525	18,221	25,261
Total Expenditures	88,341	104,292	148,123	144,765	168,829
Excess (deficiency) of revenues over (under) expenditures	(6,354)	(17,597)	(51,960)	(30,961)	(56,672)
Other Financing Sources (Uses)					
Transfers in	37,092	43,733	47,720	75,014	94,537
Transfers (out)	(38,556)	(52,248)	(51,305)	(74,999)	(83,373)
Capital Contributions			3,208	(180)	(15)
Refunding tax allocation bonds		(21,166)			
Payment to escrow Account				(44,218)	0
Tax allocation bonds issued		146,605	39,566	169,820	0
Special assessment bonds issued		(3,936)			
Bond Issuance Costs			(248)	(4,171)	(13)
Sale of capital assets	1,215	2,264	3,193	4,109	2,315
Total other financing sources (uses)	(249)	115,252	42,134	125,375	13,451
Net Change in fund balances before	(\$6,603)	\$97,655	(\$9,826)	\$94,414	(\$43,221)
<i>Extraordinary Items (Note 4)</i>					
Assets Transferred to Housing Successor					
Liabilities Assumed by Successor Agency					
NET Change in Fund Balances					
Debt service as a percentage of					
noncapital expenditures	20.0%	19.5%	16.3%	23.6%	26.6%

Fiscal Year Ended June 30,				
2009	2010	2011	2012	2013
\$62,819	\$54,174	\$56,023	\$40,582	\$29,727
599	1,145	2,120	2,794	3,633
670	185	175	187	168
10,602	2,780	2,764	1,689	61
23,692	21,089	23,118	27,584	17,627
5,705	4,879	6,205	4,071	7,333
2,641	7,470	3,738	7,557	3,484
<u>106,728</u>	<u>91,722</u>	<u>94,143</u>	<u>84,464</u>	<u>62,033</u>
18,473	16,766	13,528	12,496	5,024
18,819	19,334	19,253	19,536	19,580
8,295	8,394	11,947	6,609	5,849
33,465	23,809	38,541	29,535	27,909
1,741	733	476	595	700
29,245	24,467	10,262	4,901	1,446
9,311	8,269	9,667	11,485	375
32,089	23,205	23,121	13,598	1,609
<u>151,438</u>	<u>124,977</u>	<u>126,795</u>	<u>98,755</u>	<u>62,492</u>
<u>(44,710)</u>	<u>(33,255)</u>	<u>(32,652)</u>	<u>(14,291)</u>	<u>(459)</u>
87,911	111,605	68,170	45,327	7,235
(82,193)	(110,316)	(63,633)	(37,343)	(5,950)
0				
(79,665)				
0				
61,661				
0				
2,680	1,127	(18,553)	2,211	4
<u>(9,606)</u>	<u>2,416</u>	<u>(14,016)</u>	<u>10,195</u>	<u>1,289</u>
<u>(\$54,316)</u>	<u>(\$30,839)</u>	<u>(\$46,668)</u>	<u>(\$4,096)</u>	<u>\$830</u>
			(\$2,002)	
			<u>(97,928)</u>	
			<u>-104,026</u>	
29.2%	32.7%	31.9%	25.9%	3.3%

* 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	Secured Tax Roll			Unsecured Tax Roll	GROSS Tax Roll	LESS: Exemptions			NET Assessed Valuation (a)	Estimated Full Market (a)	Total Direct Tax Rate (b)
	Land	Improvements	Personal Property			HOPTR (1)	Others				
2004	\$ 1,046,503,726	\$ 3,147,462,227	\$ 20,945,073	\$ 709,095,037	\$ 4,924,006,063	\$ 69,854,212	\$ 66,462,042	\$ 4,787,689,809	\$ 4,787,689,809	0.73468	
2005	1,214,874,628	3,226,664,477	17,393,708	675,820,760	5,134,753,573	69,378,527	69,291,313	4,996,083,733	4,996,083,733	0.74275	
2006	1,417,629,819	3,461,480,941	19,005,669	717,030,128	5,615,146,557	68,931,232	66,144,479	5,480,070,846	5,480,070,846	0.73642	
2007	1,755,807,325	3,935,984,909	25,561,424	735,525,554	6,452,879,212	67,070,432	111,498,185	6,274,310,595	6,274,310,595	0.73326	
2008	2,079,929,185	3,998,818,379	27,034,992	692,059,619	6,797,842,175	66,662,966	129,436,694	6,601,742,515	6,601,742,515	0.74171	
2009	1,886,619,969	3,977,346,545	29,871,943	782,213,672	6,676,052,129	66,141,210	138,181,611	6,471,729,308	6,471,729,308	0.74057	
2010	1,355,858,246	3,488,509,274	35,030,993	868,770,588	5,748,169,101	65,495,515	148,448,271	5,534,225,315	5,534,225,315	0.73534	
2011	1,271,652,002	3,468,075,002	32,556,725	921,168,099	5,693,451,828	64,704,851	174,568,314	5,454,178,663	5,454,178,663	0.73265	
2012	1,199,342,285	3,380,327,868	29,398,082	1,000,793,072	5,609,861,307	62,930,462	163,259,839	5,383,671,006	5,383,671,006	0.73307	
2013	1,154,280,061	3,284,318,842	29,454,784	1,058,290,739	5,526,344,426	61,050,228	167,858,949	5,297,435,249	5,297,435,249	0.72809	

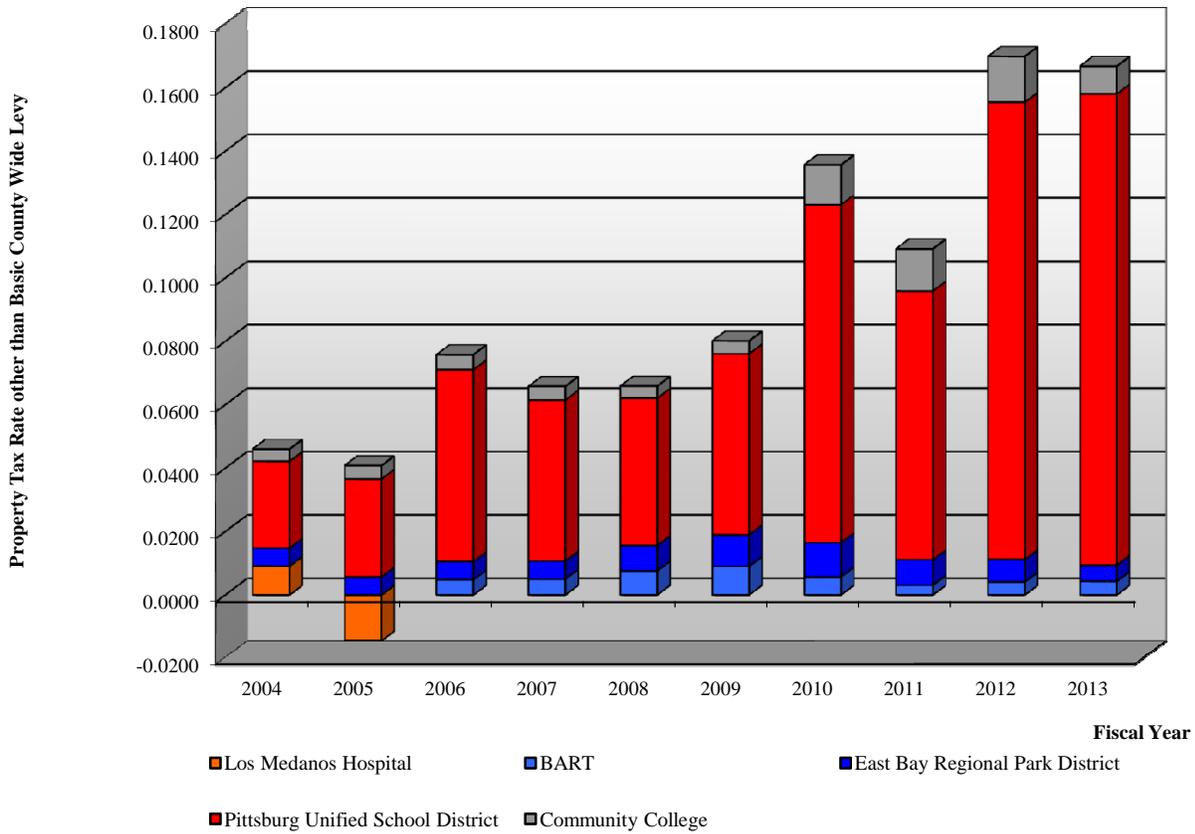
Source: Contra Costa County Auditor Controller Office Certificate of Assessed Valuations

(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



Fiscal Year	Basic County Wide Levy	Pittsburg Direct Rate*	Los Medanos Hospital	Bay Area Rapid Transit	East Bay Regional Park District	Pittsburg Unified School District	Community College	Total
2004	1.0000	0.73468	0.0091	-	0.0057	0.0274	0.0038	1.7807
2005	1.0000	0.74275	-0.0144	-	0.0057	0.0309	0.0042	1.7691
2006	1.0000	0.73642	0.0000	0.0048	0.0057	0.0606	0.0047	1.8074
2007	1.0000	0.73326	0.0000	0.0050	0.0057	0.0508	0.0043	1.7941
2008	1.0000	0.74171	0.0000	0.0076	0.0080	0.0465	0.0038	1.8000
2009	1.0000	0.74057	0.0000	0.0090	0.0100	0.0571	0.0040	1.8117
2010	1.0000	0.73534	0.0000	0.0057	0.0108	0.1066	0.0126	1.8653
2011	1.0000	0.73265	0.0000	0.0031	0.0080	0.0848	0.0133	1.8388
2012	1.0000	0.73307	0.0000	0.0041	0.0071	0.1443	0.0144	1.8989
2013	1.0000	0.72809	0.0000	0.0043	0.0051	0.1487	0.0087	1.8906

* Pittsburg Direct Rate = the weighted average of City's Share of 1% levy & Redevelopment Rate
 Source: Contra Costa County Assessors Office & Hdl Coren & Cone

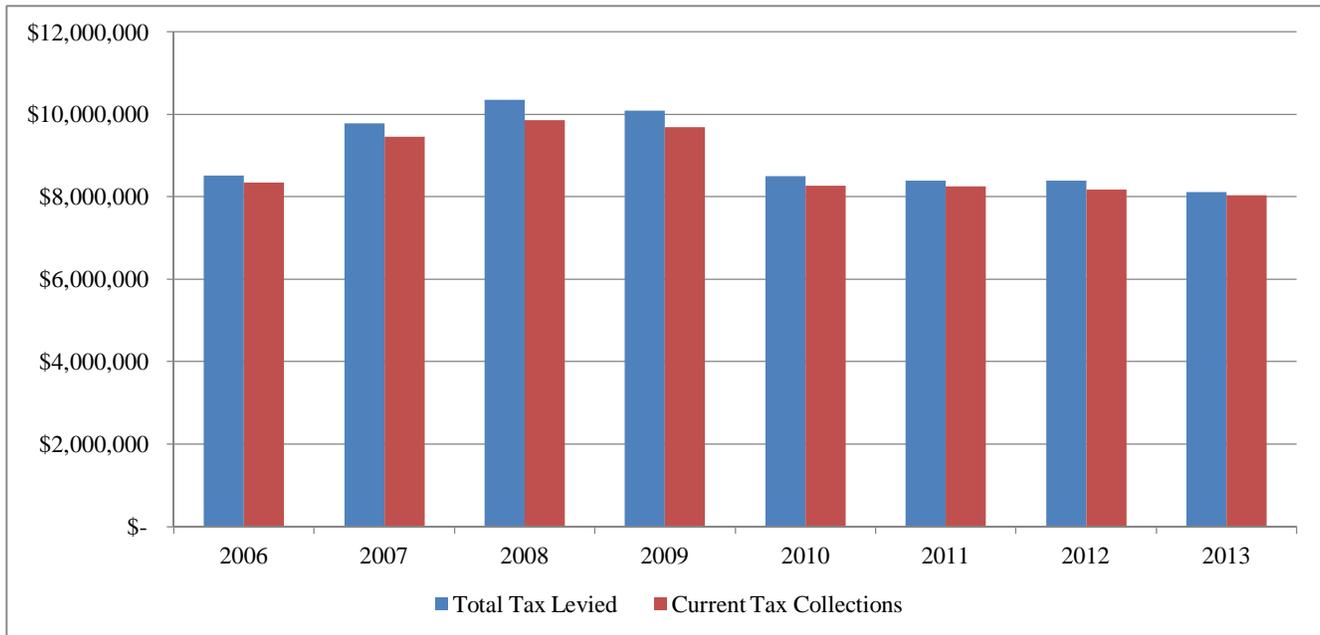
CITY OF PITTSBURG
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2013-14			2003-04		
	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	\$ 381,500,000	1	7.12%	\$ 563,700,000	1	13.57%
Calpine Corporation	355,971,000	2	6.64%			
Dow Agrosiences LLC	306,423,254	3	5.72%	107,439,351	3	2.59%
USS - Posco Industries	261,840,867	4	4.89%	369,458,045	2	8.89%
United Spiral Pipe LLC	136,521,792	5	2.55%			
K2 Pure Solution	123,879,034	6	2.31%			
Sierra Pacific Properties	99,532,196	7	1.86%	64,905,652	4	1.56%
Century Plaza Corporation	63,403,742	8	1.18%			
Kirker Creek Limited Partnership	54,488,307	9	1.02%	41,460,518	6	1.00%
San Marco Properties LLC	53,247,252	10	0.99%			
GWF Power System Limited Partner				33,972,208	8	0.82%
National Energy				37,073,029	7	0.89%
Praxair						
ACG-Pittsburg Investors LLC						
Albert D. Seeno Construction Co.				61,831,791	5	1.49%
Franklin Los Medanos Association				17,176,175	9	0.41%
Ronald P and Maureen Ashley				16,000,330	10	0.39%
Subtotal	\$ 1,836,807,444		34.28%	\$ 1,313,017,099		31.61%

Total Net Assessed Valuation:
Fiscal Year 2012-13 \$5,358,557,216
Fiscal Year 2003-2004 \$4,153,604,077

Source: HdI Coren & Cone

CITY OF PITTSBURG
Property Tax Levies and Collections as of June 30
Last Eight Fiscal Years

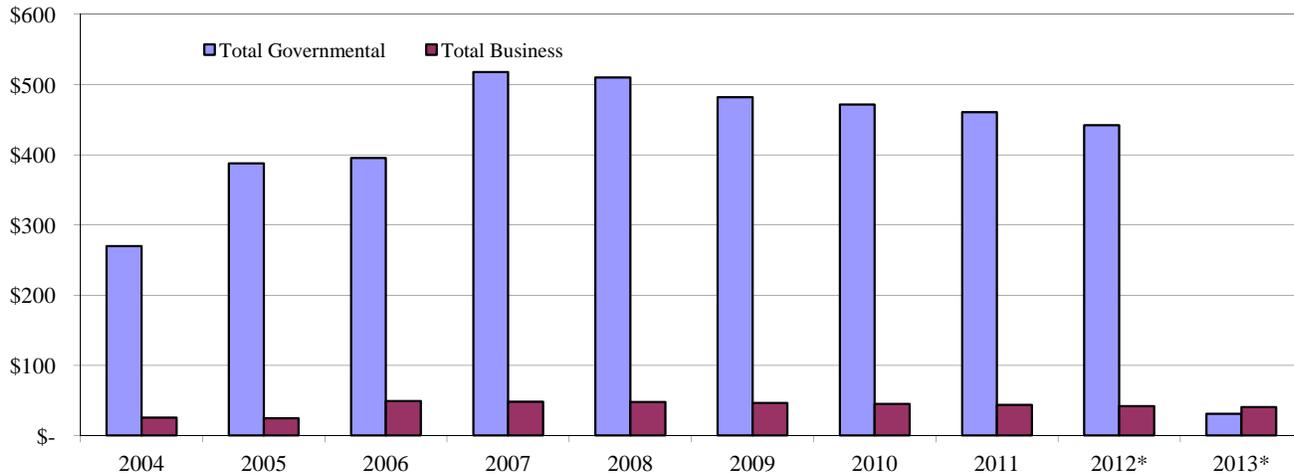


Fiscal Year	Total Tax Levied	Current Tax Collections	Percent of Levy County Collected¹	Delinquent Tax Collections¹	Total Tax Collections	Percent of Total Tax Collections To Tax Levy
2006	\$ 8,509,194	\$ 8,348,903	98.12%	-	\$ 8,348,903	98.12%
2007	9,789,806	9,457,090	96.60%	-	9,457,090	96.60%
2008	10,360,164	9,863,684	95.21%	-	9,863,684	95.21%
2009	10,091,171	9,688,030	96.01%	-	9,688,030	96.01%
2010	8,502,712	8,275,123	97.32%	-	8,275,123	97.32%
2011	8,398,671	8,254,436	98.28%	-	8,254,436	98.28%
2012	8,399,298	8,171,100	97.28%	-	8,171,100	97.28%
2013	8,119,308	8,040,574	99.03%	-	8,040,574	99.03%

¹ The County provides the City 100% of its tax levy under the "Teeter Plan", an agreement which allows the County to keep all interest and delinquency charges collected.

Source: CCC Auditor-Controller (Procedure 10-147)

CITY OF PITTSBURG
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years



Governmental Activities

Fiscal Year	Governmental Activities				Total
	Tax Allocation Bonds	Pass Through Obligations	Special Assessment Debt	Landfill Containment	
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
2012*	409,672,213	-	32,490,000	N/A	442,162,213
2013*	0	-	31,175,000	N/A	31,175,000

Business-Type Activities

Fiscal Year	Business-Type Activities			Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	Water Revenue Bonds	Sewer Revenue Bonds	Total			
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
2012	34,580,000	7,420,000	42,000,000	484,162,213	11.79%	7,488
2013	33,620,000	6,800,000	40,420,000	71,595,000	1.88%	1,090

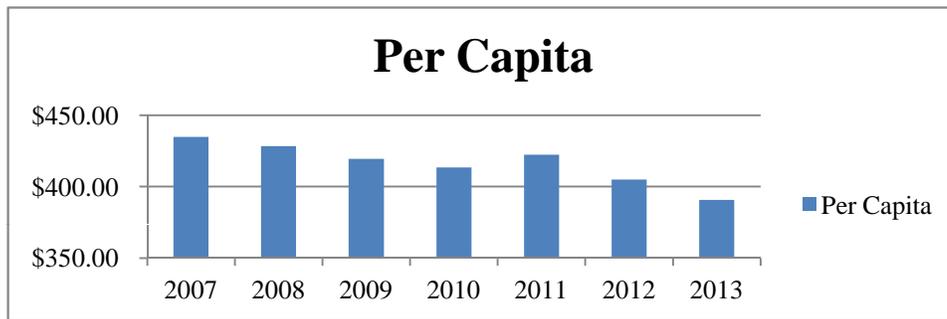
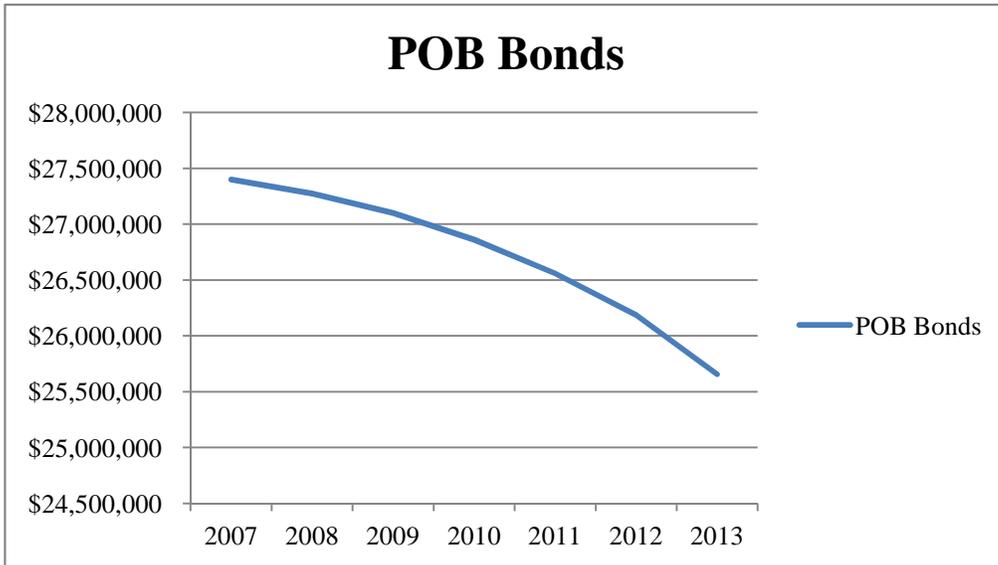
Note : Debt amounts exclude any premiums, discounts, or other amortization amounts.

With the dissolution of RDA in January 2012, the debts related to Former RDA moved to Successor Agency

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 Pension Obligation Debt Outstanding
Last Seven Fiscal Years***



<u>Fiscal Year</u>	<u>General Bonded Debt Outstanding</u>		<u>Percentage of</u>	
	<u>POB Bonds</u>	<u>Total</u>	<u>Total Gross Revenue</u>	<u>Per Capita</u>
2007	\$ 27,400,000	\$ 27,400,000	24.08%	\$ 434.89
2008	27,275,000	27,275,000	24.32%	428.50
2009	27,100,000	27,100,000	25.39%	419.50
2010	26,860,000	26,860,000	29.28%	413.44
2011	26,560,000	26,560,000	28.21%	422.41
2012	26,185,000	26,185,000	31.00%	404.96
2013	25,655,000	25,655,000	41.36%	390.70

Pension Obligation Bonds issued June 2006

* This debt service schedule does not include the Capital Appreciation Bonds of \$12,166,055.85

CITY OF PITTSBURG
Computation of Direct and Overlapping Debt
June 30, 2013

2012-13 Assessed Valuation \$1,765,026,686
(After deducting \$3,593,458,791 Redevelopment Incremental Valuation)

	Total Debt Outstanding 6/30/2013	Percentage Applicable To City of Pittsburg (1)	Amount Applicable To City of Pittsburg
OVERLAPPING TAX AND ASSESSMENT DEBT			
Bay Area Rapid Transit District GO Bonds	\$ 410,690,000	1.066%	\$ 4,377,955
Contra Costa Community College District	209,930,000	3.793%	7,962,645
Antioch Unified School District Facilities Improvement District No. 1	64,927,391	5.023%	3,261,303
Mount Diablo Unified School District	449,305,057	2.618%	11,762,806
Mount Diablo Unified School District CFD No.1	48,770,000	2.618%	1,276,799
Pittsburg Unified School District	196,358,211	97.343%	191,140,973
City of Pittsburg Community Facilities District No. 2005-2	10,640,000	100%	10,640,000
City of Pittsburg 1915 Act Bonds	20,535,000	100%	20,535,000
East Bay Regional Park District	135,565,000	1.648%	2,234,111
SUB-TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	\$ 1,546,720,659		\$ 253,191,593
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Contra Costa County General Fund Obligations	\$ 282,641,006	3.779%	\$ 10,681,004
Contra Costa County Pension Obligations	310,110,000	3.779%	11,719,057
Contra Costa Community College District Certificates of Participation	780,000	3.793%	29,585
Antioch Unified School District Certificates of Participation	19,245,000	2.968%	571,192
Pittsburg Unified School District Certificates of Participation	27,275,000	97.343%	26,550,303
City of Pittsburg Pension Obligation Bonds	38,351,056	100%	38,351,056
Contra Costa Fire Protection District Pension Obligations	106,185,000	8.373%	8,890,870
SUB-TOTAL GROSS AND OVERLAPPING GENERAL FUND DEBT	784,587,062		96,793,067
Less: Contra Costa County revenue supported obligations			(3,967,676)
TOTAL NET DIRECT & OVERLAPPING GENERAL FUND DEBT	\$ 784,587,062		\$ 92,825,391
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	\$ 394,077,213	100%	\$ 394,077,213
TOTAL DIRECT DEBT			38,351,056
TOTAL GROSS OVERLAPPING DEBT			705,710,816
TOTAL NET OVERLAPPING DEBT			701,743,140
GROSS COMBINED TOTAL DEBT			(2) \$ 744,061,872
NET COMBINED TOTAL DEBT	\$ 2,331,307,721		\$ 740,094,196

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

RATIOS TO ADJUSTED ASSESSED VALUATION:

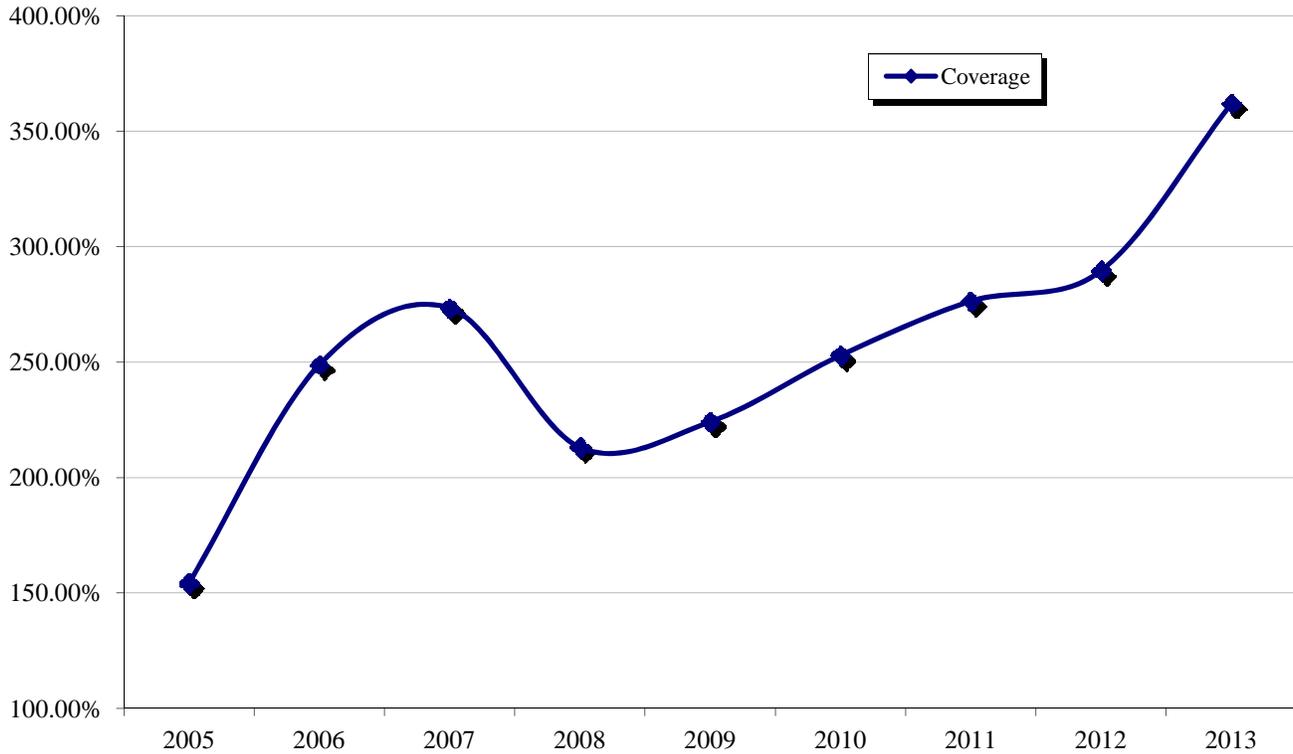
Total Overlapping Tax and Assessment Debt	4.73%
Combined Direct Debt (\$38,351,056)	0.72%
Gross Combined Total Debt	13.89%
Net Combined Total Debt	13.81%

Ratios to Redevelopment Incremental Valuation (\$3,593,458,791):

Total Overlapping Tax Increment Debt	10.97%
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Source: CALMUNI Statistics

CITY OF PITTSBURG
Revenue Bond Coverage
Wastewater Revenue Bonds

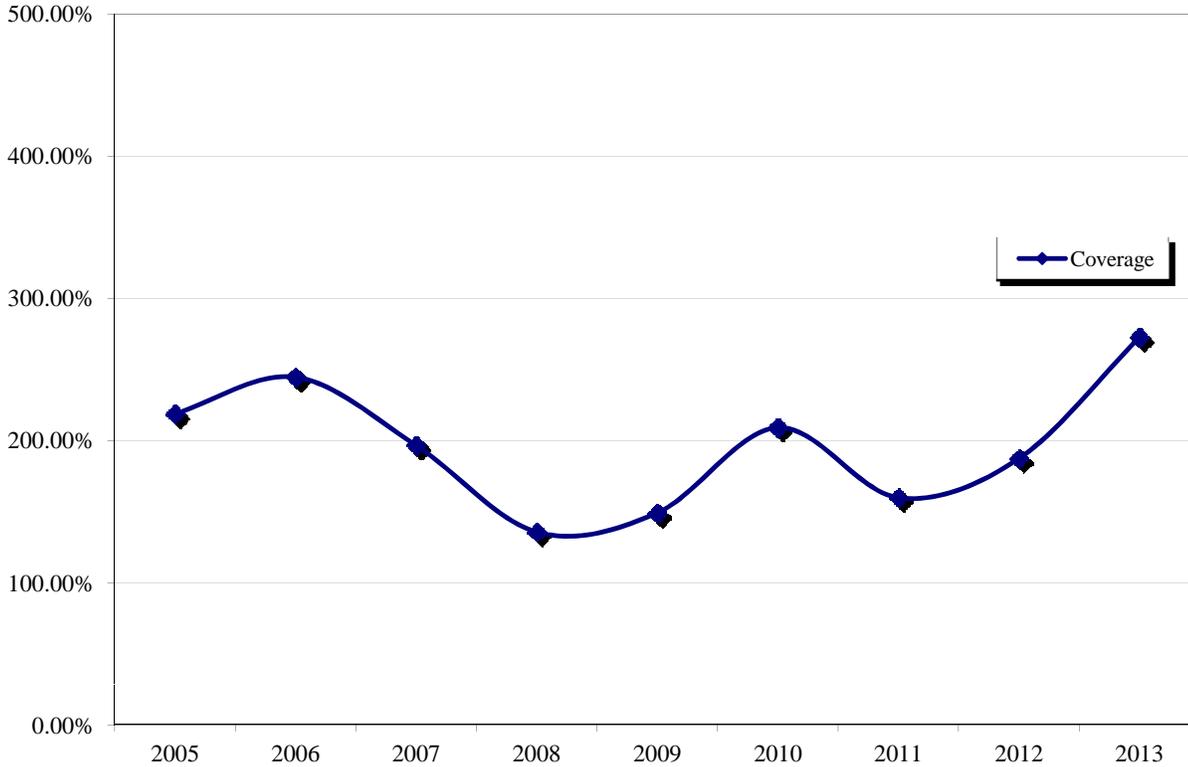


Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2005	\$ 2,684,198	\$1,255,320	\$ 1,428,878	\$ 510,000	\$ 416,557	\$ 926,557	1.54
2006	3,821,139	1,559,752	2,261,387	520,000	388,978	908,978	2.49
2007	4,104,374	1,557,192	2,547,182	530,000	401,640	931,640	2.73
2008	3,534,174	1,571,582	1,962,592	545,000	376,049	921,049	2.13
2009	3,951,296	1,887,607	2,063,689	555,000	365,802	920,802	2.24
2010	4,431,558	2,032,469	2,399,089	570,000	378,784	948,784	2.53
2011	4,407,092	1,846,762	2,560,330	590,000	336,436	926,436	2.76
2012	4,651,016	1,971,734	2,679,282	605,000	320,198	925,198	2.90
2013	5,111,678	1,799,354	3,312,324	620,000	295,207	915,207	3.62

Notes: This Schedule has been modified to reconcile to the Revenue Manager's Analysis for annual Bond Disclosures

Source: City of Pittsburgh Annual Financial Statements as analyzed by Finance Division Revenue Manager

CITY OF PITTSBURG
Revenue Bond Coverage
2008* (Refunded 1997 & 2005) Water Revenue Bonds

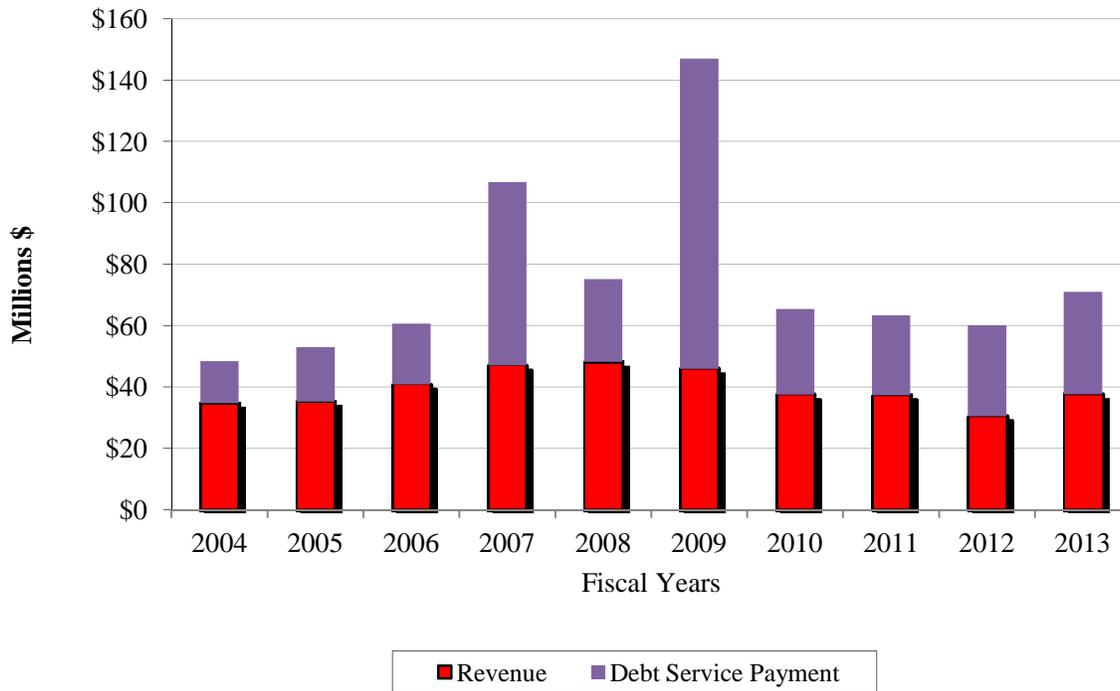


Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2005	\$11,544,389	\$ 9,565,349	\$ 1,979,040	\$ 310,000	\$ 594,049	\$ 904,049	2.19
2006	13,696,163	9,990,031	3,706,132	330,000	1,184,744	1,514,744	2.45
2007	15,675,745	11,075,094	4,600,651	720,000	1,618,683	2,338,683	1.97
2008	15,416,932	11,777,521	3,639,411	450,000	2,231,718	2,681,718	1.36
2009	15,261,927	11,776,223	3,485,704	450,000	1,887,100	2,337,100	1.49
2010	16,489,040	11,380,669	5,108,371	685,000	1,756,422	2,441,422	2.09
2011	16,622,010	11,087,014	5,534,996	835,000	2,626,509	3,461,509	1.60
2012	17,149,663	12,120,679	5,028,984	910,000	1,773,709	2,683,709	1.87
2013	19,205,915	12,279,325	6,926,590	960,000	1,580,278	2,540,278	2.73

Notes: This Schedule has been modified to reconcile to the Revenue Manager's Analysis for annual Bond Disclosures

Source: City of Pittsburgh Annual Financial Statements as Analyzed by the Finance Division Revenue Manager

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 ³	Total	
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 ¹	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 ²	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
2012	30,497,707	11,185,000	18,391,950	29,576,950	1.03
2013	37,580,423	15,595,000	17,812,924	33,407,924	1.12

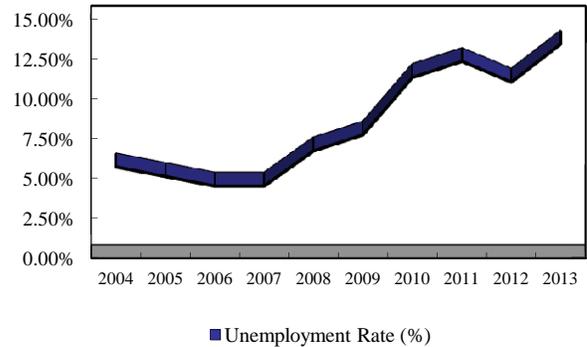
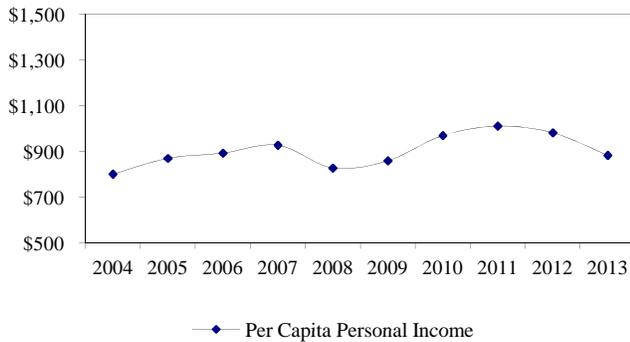
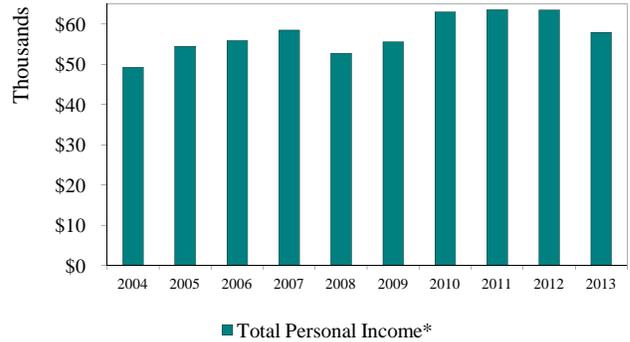
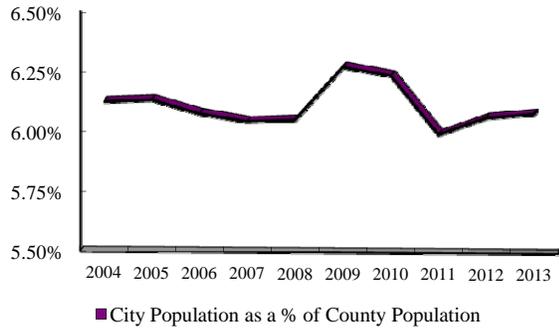
¹ The 1993 Series B Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.

² The 2006 Series B Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.

³ The interest amount excludes the Letter of Credit fees.

Source: City of Pittsburg Annual Financial Statements

CITY OF PITTSBURG Demographic and Economic Statistics Last Ten Fiscal Years



Fiscal Year	City Population	Total Personal Income*	Per Capita Personal Income	Unemployment Rate (%)	Contra Costa County Population	Pittsburg Population % of County
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%
2012	64,660	63,513	982	11.0%	1,066,096	6.07%
2013	65,664	57,965	883	13.4%	1,079,597	6.08%

Source: On-line factfinder.census.gov

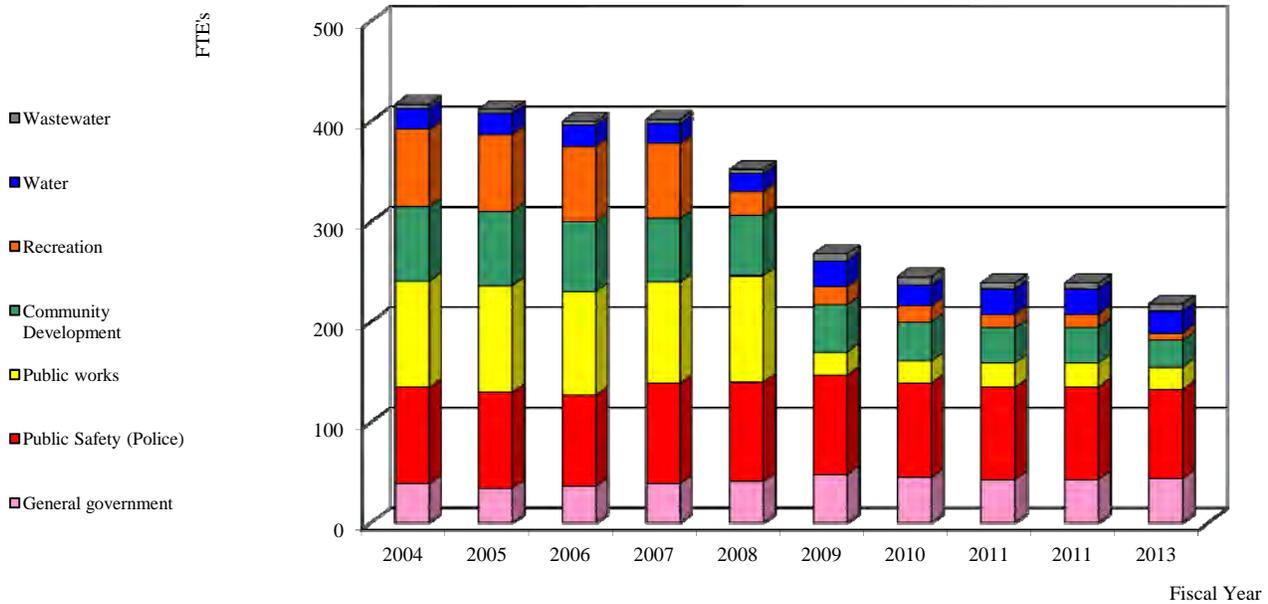
*US Department of Commerce - Bureau of Economic Analysis (Contra Costa County)
Pittsburg Chamber of Commerce

CITY OF PITTSBURG
Principal Employers
Current Year and Nine Years Ago

<u>Employer</u>	<u>2012-13</u>			<u>2003-04</u>	
	<u>Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees</u>	<u>Rank</u>
Pittsburg Unified School District	1,147	1	3.3%		
USS - Posco Industries	694	2	2.0%	1,000	1
Los Medanos Community College	525	3	1.5%		
Dow Chemical Company	400	4	1.2%	380	2
Mi Pueblo Foods	168	8	0.5%		
City of Pittsburg	220	6	0.6%		
Angelica Corporation (Laundry)	175	7	0.5%		
Ramar Foods	130	10	0.4%	120	8
Walmart	250	5	0.7%	220	3
WinCo Foods	148	9	0.4%		
Home Depot				180	4
Target	100			170	5
Safeway	94			150	6
American Color Graphics	Closed			140	7
Best Buy	Closed			100	9
Redwood Painting	105			100	9
Subtotal	<u>4,156</u>		<u>12.0%</u>	<u>2,560</u>	
Employees in the City of Pittsburg	<u>34,525</u>				

Source: Telephone Survey by Finance Administrative Assistant
2002-03 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, 2013									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government	39	34	36	39	41	48	45	43	40	44
Public Safety (Police)	96	96	91	100	99	99	94	92	85	89
Public works	106	106	103	101	106	23	22	24 *	19	22
Community Development	74	74	70	63	60	47	39	35	31	27
Recreation	77	77	75	75	24	18	16 *	14	10	7
Water	21	21	21	20	18	26	21	25	25	22
Wastewater	4	4	4	4	4	7	8	6	6	7
Total	417	412	400	402	352	268	245	239	216	218

* 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

	2004	2005	2006	2007
Function/Program				
Public safety:				
Police:				
Police calls for Service	64,659	67,778	67,591	71,643
Law violations:				
Part I and Part II crimes	8,076	8,244	8,308	8,923
Physical arrests (adult and juvenile)	3,411	3,401	3,688	4,042
Traffic violations (VC14601 & VC12500)	871	568	636	901
(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)	62,472	78,411	42,509	76,240
Leisure Services:				
Community Services:	*			
Swim Participants	8,503	8,837	8,737	9,135
Softball Participants	210	145	320	429
Small World Park Gate Attendance	21,238	19,227	18,600	18,660
Senior Center Nutrition/Exercise Class	7,769	22,690	21,423	18,777
(1) Senior Center Opened March 2004 January 2006 Senior Center flooded Closed 7.5 weeks				
Water				
Number of Meters Served	15,587	15,894	16,291	16,731
Water Main Breaks	N/A	65	61	102
Average Daily Consumption (millions of gallons)	9.769	9.155	9.508	10.320
Wastewater				
Miles of Sewer Line (Excluding line operated by Delta Diablo District 7-A)	155.72	155.72	157.72	159.12
Average daily treatment (thousands of gallons)	N/A	N/A	27	34
Solid Waste				
Refuse Landfilled (tons per year)	70,535	85,034	90,500	68,000
Recyclables Processed (tons per year)	31,946	33,037	35,000	42,000

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					
2008	2009	2010	2011	2012	2013
70,707	74,487	69,078	70,623	67,779	64,573
8,117	8,545	7,568	8,084	8,044	7,412
3,955	4,406	3,512	4,708	4,558	3,401
1,163 (a)	1,613	1,502	1,986	1,950	1,007
					14.26
133,103	86,553	71,809	84,420	84,001	82,314
9,134	N/A	N/A	N/A	264	1,980
465	N/A	N/A	N/A	2,300	580
17,376	N/A	15,833	N/A	19,783	24,732
15,735	N/A	16,777	18,186	13,786	241
16,579	16,718	17,097	17,254	17,444	17,664
76	65	74	45	60	50
10	9	8.48	7.85	8.52	9.09
159	159	171	172	172	175
34	34	34	34	34	34
85,700	77,817	49,978	45,106	46,892	N/A
43,425	25,750	33,948	35,868	37,784	N/A

N/A Not Available at time of CAFR

CITY OF PITTSBURG
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2004	2005	2006	2007	2008
Public safety:					
Police stations	1	1	1	1	1
Police patrol units (Includes Unmarked)	44	51	52	52	52
Public works					
Miles of streets (Center Line)	148	150	154	155	157
Street lights (Total)	3,741	3,766	3,796	3,975	4,008
Traffic Signals	50	51	52	59	60
Culture and recreation:					
Community services:					
City Parks	16	16	17	21	21
City parks acreage	122	122	125	145	145
Roadway landscaping acreage	13.2	13.2	13.2	13.2	15
Regional park acreage	47.7	53.2	54.0	56.0	56.0
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					219
Wastewater					
Miles of sanitary sewers	165	156	158	159	159

Source: City of Pittsburgh Staff & Prior Year CAFR's
Note: n/a denotes information is not available.

Fiscal Year				
2009	2010	2011	2012	2013
1	1	1	1	1
52	52	52	52	55
157	157	157	165	165
4,107	4,194	4,278	2,041	2,122
60	61	61	61	60
21	21	21	23 *	23
145	145	145	145	145
17	19	19	19	19
56.0	56.0	56.0	56.0	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	1	1
1	3	3	3	3
16.3	19.3	19.3	19.3	19.3
221	222	222	224	225
159	159	159	172	175

* FY2012 # of City Parks Corrected
2-School Soccer Fields not
Included in City Parks number