

# Comprehensive Annual Financial Report

## Fiscal Year Ended June 30, 2015



City of Pittsburg, California

# City of Pittsburg California

## Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2015



Prepared by the Finance Department

Karen Chang  
*Division Manager, Financial Reporting*

Brad Farmer  
*Director of Finance*



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**City of Pittsburg**  
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**For the Year Ended June 30, 2015**  
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**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*



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

December 15, 2015

Honorable Mayor  
Members of the City Council  
And Citizens of Pittsburg

We are pleased to present the City of Pittsburg (City) Comprehensive Annual Financial Report (CAFR) for the year ending June 30, 2015. The information in this CAFR is prepared in accordance with “Generally Accepted Accounting Principles” (GAAP) and includes an unqualified opinion on the report by the City’s independent certified public accountants. Although we rely on the standards and expertise of these external authorities, the responsibility for the accuracy and fairness of this report, inclusive of all disclosures that are necessary to enable the reader to understand the City’s operations rests with the City.

For those readers interested in a more detailed review of the City’s financial statements, a narrative section called the Management’s Discussion and Analysis (MDA) has been included as part of the Financial Section. The MDA reports on the financial highlights of the City and provides additional analysis on the variances and trends reported as part of the financial statements. The MDA also discloses significant items affecting the financial condition of the City and is designed to be read in conjunction with this letter of transmittal.

### **City Profile**

The City was incorporated in 1903 and is located along the Sacramento-San Joaquin River Delta, situated on the north side of Mount Diablo. Pittsburg resides in the Northeast part of Contra Costa County.

While the City is a general law City, it operates utilizing the Council-Manager form of government. The five Council members are elected at large for staggered four-year terms to govern the City. Also elected to four-year terms are the City Treasurer and City Clerk. The City Council is responsible for establishing policies, adopting an annual budget, appointing commissions and committees, and hiring the City Manager and City Attorney. The City Manager is responsible for implementing the Council’s policies, overseeing the day-to-day operations of the City and appointing the directors of the City’s departments.



The City provides 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. The Contra Costa County Fire Protection District provides fire services for the City.

## **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 Successor Agency Board, the Southwest Pittsburg Geologic Hazard Abatement District II (“GHAD II”) Board, and the Pittsburg Power Board. Therefore, the financial information for the Housing Authority, Successor Agency, GHAD II, and Pittsburg Power are blended with the City’s financial information.

## **Economic Conditions and Outlook**

The City continues to show signs of recovery from the great recession. Pittsburg continues to see steady growth in the population, currently estimated at 68,140. Unemployment rates have dropped from the peak of the recession 17.4% to 5.6%. The City has seen increases in both property tax and sales tax revenues this past year. The recovering construction sector, along with recovering property tax values are helping to increase the projected property tax revenue base by a projected 5.6% in fiscal year 2015-16. Most of these increases will come from the increase of additional single-family housing and commercial construction.

The City expects to see an increase of sales tax of \$1.8 million in the upcoming year mainly due to the one time catch-up and overlap as the “triple flip” unwinds. The “triple flip” was a mechanism adopted in 2004 to fund the state’s economic recovery bond program and balance the State’s deficit.

Although revenues have improved, the costs to deliver services to residents and business communities continue to increase. During this past year, the City successfully negotiated expiring contracts with labor unions, which were mutually beneficial to both parties while controlling costs. Staff will strive to optimize existing resources while closely monitoring expenses ensuring residents and the business community will be properly served during this recovery.

The City offers a number of programs and incentives to attract new businesses, assist existing businesses, and collaborate with non-profit organizations to train and enable residents to find employment. The East County One-Stop Career Center and Future Build are two non-profit entities the City works with to provide businesses and residents with employment and training opportunities locally.

## **General Fund Condition and Long-term Plans**

To help City management and City Council plan the City's General Fund budget and use of the Budget Stabilization Fund, the City developed a 7-year General Fund Forecast and Balancing Plan ("7-Year Plan"). Periodically, the 7-year Plan is updated based on current revenue and expenditure information. Currently, there is approximately \$7.9 million available in the Budget Stabilization Fund. Based on the 7-year Plan, the City should have a structurally balanced General Fund budget by FY 2018-2019.

While the 7-Year Plan has been a great tool for City management and City Council to develop a structurally balanced budget per the City's Fiscal Sustainability Ordinance, the City has also established a longer-range 20-Year forecast for the City's General Fund. This plan incorporates anticipated fluctuations of revenues and expenditures over a longer term, thus allowing the City to manage its affairs in a prudent fiscal manner, while providing services to residents and businesses that are necessary for a growing community.

These plans, in combination with the actual revenues and expenses, have been favorable a majority of years since fiscal year 2011-12. As a result, through FY 2014-15 the City used only a total of approximately \$1.7 million from the Budget Stabilization Fund to balance the General Fund budget, which is significantly less than the \$6.8 million, which was projected.

## **Fiscal Sustainability Ordinance**

This is the third fiscal year that the City's General Fund budget was developed under the requirements outlined in the City's Fiscal Sustainability Ordinance. The balance of the Budget Stabilization Fund at the end of FY 2014-15 was \$7.9 million, which is greater than the \$2 million minimum balance. We will continue to work toward the operating reserve level which has been set at 30% of operating expenses.

## Major Initiatives

Capital projects completed in Fiscal Year 2014-15 include the following:

- Pittsburg-Antioch Highway/Loveridge Road Intersection Improvements
- Integrated Pest Management (IPM) Garden
- Vista Del Mar Trail
- John Buckley Square
- 2014/15 Citywide Pavement Management Project
- Delta Hawaii Waterline
- Riverview Park Small Watercraft Launch Ramp
- Leland/Railroad Avenue Storm Drain
- Golf Cart Path Repairs
- Railroad Avenue Pavement Improvements
- School Area Safety Improvements
- W. Leland Reservoir Demolition

FY 2015-16 Major Initiatives:

**Capital Projects** – The City has made great strides in redeveloping the downtown areas and infrastructure throughout the City. In FY 15-16, the City will continue these efforts with upgrades to the Signal Systems, rehabilitating existing parks, continued renovation of the Water and Sewer Treatment Plants and related facilities, and pavement improvement projects.

**eBART Extension and Pittsburg Center Station** - The most significant project that began construction in FY 2014-15 was the eBART extension. The new Civic Center Station located in central Pittsburg will provide residents access to the greater Bay Area region's BART system and plans to open in FY 2017-18. As the station nears completion, the City foresees additional transit-oriented development, higher density mixed-use housing and commercial development near the station.

## OTHER INFORMATION

The City is responsible for establishing and maintaining internal control structures designed to ensure that the assets be 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 structures are 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**

The City as a recipient of federal and state financial assistance 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. In addition, the results of the City's single audit for the fiscal year ended June 30, 2014 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

## **Budgetary Controls**

The City maintains budgetary controls, which has received the "Government Finance Officers Association's Distinguished Budget Presentation" award, to safeguard City assets and ensures compliance with legal provisions embodied in the annual appropriated budget as approved by the City Council. 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 an encumbrance accounting system as a technique to 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 General Fund appropriations. The appropriation limit as calculated each year based upon fiscal year 1978-79 appropriations, modified by the composite consumer price index, and population changes, which have occurred in subsequent years. The City's General Fund appropriation limit for fiscal year 2014-15 amounted to \$127,698,145. The City's FY 2014-15 General Fund budget was \$36.9 million, which is below the appropriation limit.

## **Cash Management**

The City holds temporarily idle cash in the Local Agency Investment Fund (LAIF) as administered by the Treasurer of the State of California. LAIF invests in obligations of the United States Treasury, Federal Agency Coupons and Discount Notes, Medium Term Notes, and Certificates of Deposit. These investments, as permitted under an investment policy, adopted by the City Council 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, 2015 was 0.28%, an increase of .06% compared to the same period of last fiscal year 0.22% (June 30, 2014). Total LAIF interest earnings were \$28,704 for the fiscal year 2014-15, a decrease of \$49,895 from the fiscal year 2013-14.

## **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 self-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.

## **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada ("GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pittsburg for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. In order to receive the "Certificate of Achievement" award, a government agency must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

## **Acknowledgements**


The preparation of this report is the result of the concerted effort and dedication of all the employees of the Pittsburg Finance Department. However, we would like to acknowledge Karen Chang and the extra effort she invested in completing this year's Audited Financial Statements.

Finally, we would 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 transparent manner.

Respectfully submitted,

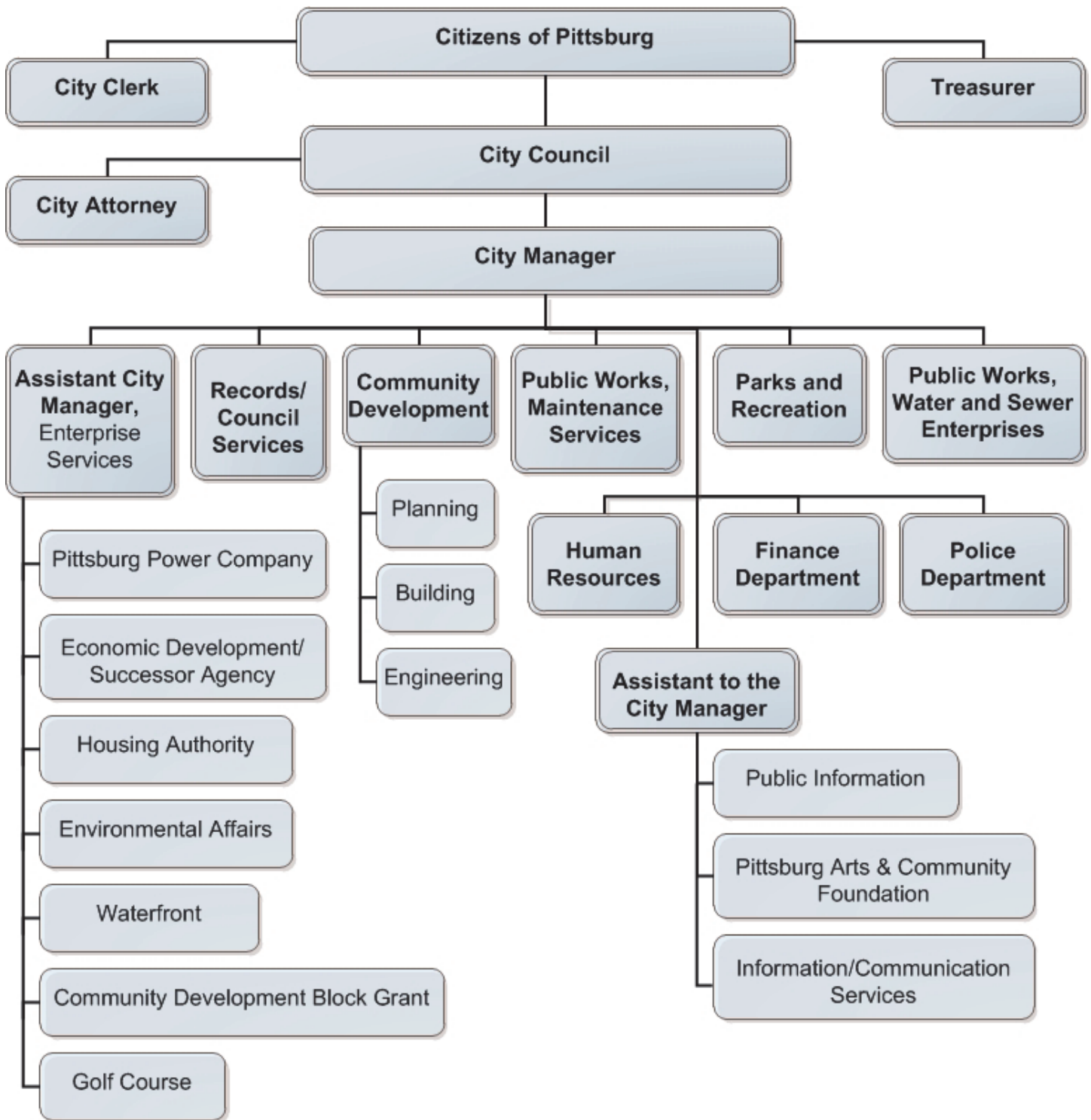


Joe Sbranti  
City Manager



Brad Farmer  
Director of Finance

# ➤ CITY GOVERNMENT ORGANIZATION



**City of Pittsburg  
Comprehensive Annual Financial Report  
Fiscal Year Ended June 30, 2015**

**City Council**

Pete Longmire, Mayor  
Ben Johnson, Vice Mayor  
Salvatore Evola, Council Member  
Will Casey, Council Member  
Merl Craft, Council Member

**Other Elected Officials**

Nancy L. Parent, City Treasurer  
Alice E. Evenson, City Clerk

**City Attorney**

Ruthann G. Ziegler, Esquire, City Attorney

**Management Staff**

Joe Sbranti, City Manager  
Garrett Evans, Assistant City Manager – Enterprise Services  
Brian Addington, Chief of Police  
Don Buchanan, Director of Parks and Recreation  
Hilario Mata, Assistant Director of Public Works  
Fritz McKinley, Director of Community Development/City Engineer  
Van dePiero, Harbormaster  
Alice E. Evenson, Director of Records and Council Services  
Sharon Jackson, Manager of Housing Authority  
Brad Farmer, Director of Finance  
Walter C. Pease, Director of Water and Sewer System Enterprises



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

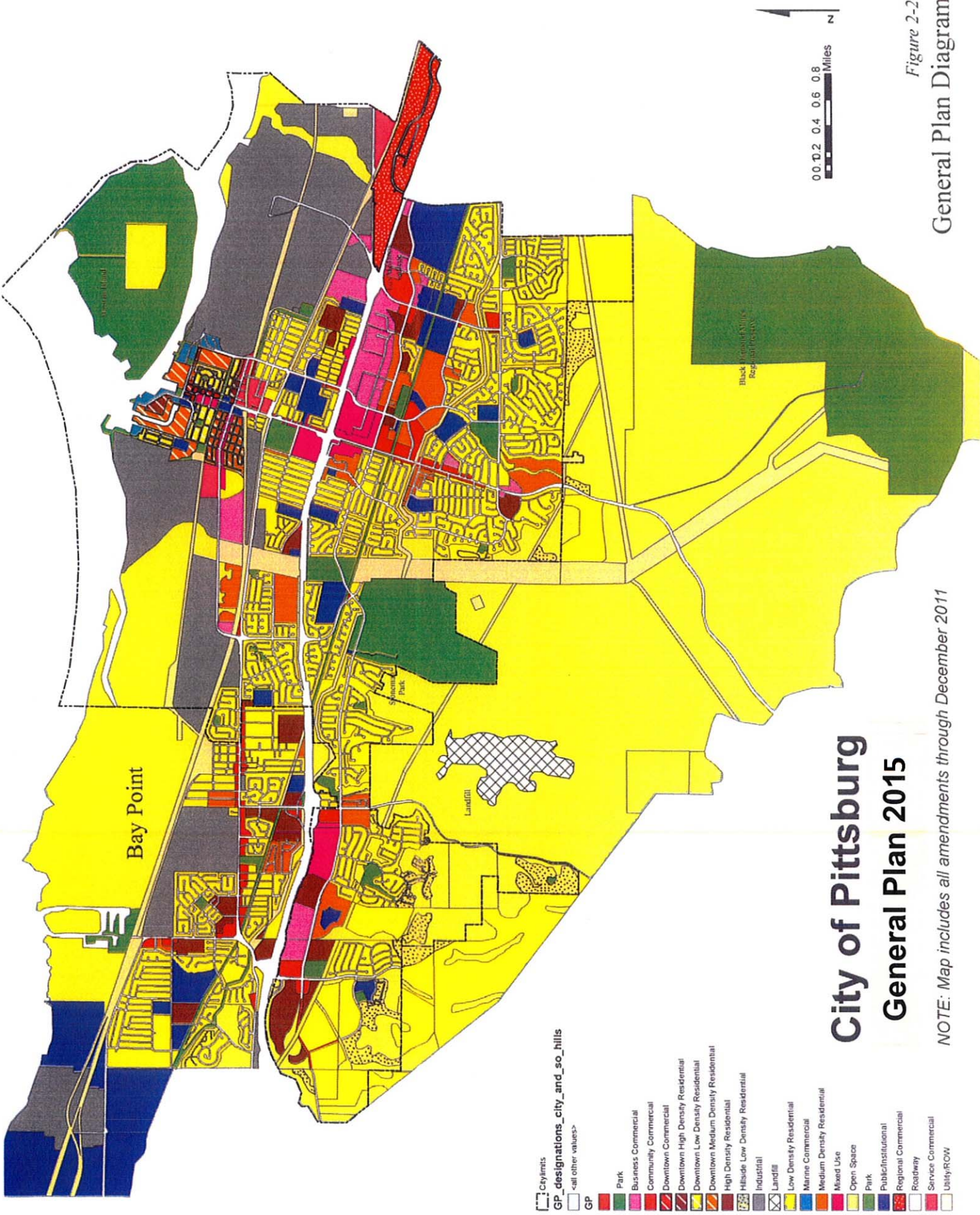
**City of Pittsburg  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO





- city limits
- GP designations city and so hills
- all other values
- GP
- 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
- Public/Institutional
- Regional Commercial
- Roadway
- Service Commercial
- Utility/ROW

## INDEPENDENT AUDITOR'S REPORT

To the Honorable City Council of the  
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, 2015, 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, 2015, 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 a Matter***

Management adopted the provisions of the following Governmental Accounting Standards Board Statements, which became effective during the year ended June 30, 2015 and required a prior period adjustment of net position as discussed in Note 11 to the financial statements.

Statement No. 68 – *Accounting and Financial Reporting for Pensions*

Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date*

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 other Required Supplementary Information 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 listed in the Table of Contents are presented for purposes of additional analysis and are not a required part 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. Such 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 December 4, 2015, 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.

*Maze & Associates*

Pleasant Hill, California  
December 4, 2015



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Pittsburg (City), staff offers readers this discussion and analysis of the City's financial performance for the Fiscal Year ended June 30, 2015. 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 Standards Board (GASB). Staff encourages 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 2014-2015 by \$383.7 million (M) (*net position*).

The City's total net position of \$383.7M decreased from the prior fiscal year 2013-2014 by \$56.7M. The decrease was primarily due to a one-time adjustment of \$44.3M, due to the implementation of GASB 68 and 71; increases in capital assets and other expenditures totaling \$12.4M.

As of June 30, 2015, the City's governmental funds reported combined ending fund balances of \$42.1M, a decrease of \$5.5M in comparison with the prior fiscal year of \$47.6M. The decrease was primarily due to a 1) \$3.4M capital outlay expenditure; 2) \$1M increase in fringe benefits and 3) \$1.1M increase in revenues and decreased expenditures.

The City's net position from business type activities (enterprise funds) increased by approximately \$0.6M from \$124.6M to \$125.2M primarily as a result of an increase of \$11.4M in restricted funds held at I-Bank, offset by a \$10M increase in long term debt liabilities and an \$0.8M increase in expenses.

- As of June 30, 2015, the fund balance (total assets minus total liabilities) for the General Fund, which includes the Budget Stabilization and Economic Development funds, was \$18.0M, of which \$2.9M is designated as "Nonspendable" for items that are not in spendable form such as deposits, interfund advances, and inventory; \$0.5M is designated as "Assigned" for economic development activities and encumbrances, which is intended for specific purposes designated by the City Council. This leaves a total unassigned balance of \$14.6M, of which \$6.7M is the General Fund operating reserve which is available to cover expenses in the event of an emergency and \$7.9M is in the Budget Stabilization Fund that can be used to balance future budgets. The General Fund Cash and Investments balance is \$17.6M, which consisted of \$9.3M in General Fund, \$7.9M in the Budget Stabilization Fund, and \$0.4M in the Economic Development Fund.
- There are three major funds in the Governmental Funds section of the Comprehensive Annual Financial Report: 1) the General Fund, 2) Housing Authority (Section 8) and 3) Successor Agency Housing.
- There are five major enterprise funds in the Proprietary Funds section of the Comprehensive Annual Financial Report: (1) Water Utility, (2) Sewer Utility, (3) Marina, and (4) Pittsburg Power Company (including Island Energy) and (5) Water Front Operations.

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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**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 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 and deferred inflows of resources, 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 leave absences).

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, Pittsburg Power Company (includes Island Energy operation), and Water Front Operation.

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

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

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

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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The City maintains 41 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for three funds that are considered to be major funds. These funds consist of the General Fund, Housing Authority (Section 8), and the Successor Agency Housing Fund. Data from the other 38 governmental funds, which are combined into a single, aggregated presentation under Other Governmental Funds, are considered as 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, Pittsburgh Power Company (including Island Energy) 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 Golf Course, previously reported as a Proprietary Fund has been reclassified to a special revenue fund starting this fiscal year, (see Note 9E for additional information).

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, risk management/insurance, and employee fringe benefits activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within “governmental activities” in the government-wide financial statements.

Proprietary Funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. The Proprietary Fund Financial Statements provide separate information for the Water Fund, the Sewer Fund, the Marina Fund, Pittsburgh Power Company (including Island Energy), and the Water Front Operations, all of which are considered to be major funds. 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 which is 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 AB 1484, the activities of the Successor Agency to the former Redevelopment Agency are reported as Private Purpose Trust Fund in the Fiduciary Fund section. This year, we have included the Miscellaneous Employee Retirement System activities in the Fiduciary Statement.



**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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**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. This year, the City implemented the GASB 68 and 71, which resulted in a restatement of the beginning Fund Balance. For additional information, please refer to Note 11 for the Pension Plan.

**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, 2015**

**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 position (government and business-type activities) totaled \$383.7M at the close of the Fiscal Year ending June 30, 2015, which is \$56.7M less than Fiscal Year 2013-2014.

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, 2015 with the comparative data for the Fiscal Year ended June 30, 2014, as restated.

**City of Pittsburg**  
**Summary of Net Position**  
**As of June 30, 2015**

	Governmental Activities		Business-Type Activities		Total	
	2014	2015	2014	2015	2014	2015
Current Assets	\$ 97,414,550	\$ 92,526,650	\$ 39,914,361	\$ 54,519,165	\$ 137,328,911	\$ 147,045,815
Non-Current Assets	276,043,704	268,651,593	129,677,512	131,648,062	405,721,216	400,299,655
Total Assets	<u>373,458,254</u>	<u>361,178,243</u>	<u>169,591,873</u>	<u>186,167,227</u>	<u>543,050,127</u>	<u>547,345,470</u>
Deferred Outflow of Resources	-	4,832,124	3,839,760	5,825,709	3,839,760	10,657,833
Current Liabilities	8,141,143	11,670,778	5,445,704	7,970,852	13,586,847	19,641,630
Non-Current Liabilities	49,577,370	88,153,711	43,339,074	57,886,337	92,916,444	146,040,048
Total Liabilities	<u>57,718,513</u>	<u>99,824,489</u>	<u>48,784,778</u>	<u>65,857,189</u>	<u>106,503,291</u>	<u>165,681,678</u>
Deferred Inflows of Resources	-	7,696,094	-	940,276	-	8,636,370
Net Investments in Capital Assets	275,937,889	268,580,073	91,725,512	84,084,664	367,663,401	352,664,737
Restricted	31,169,386	27,662,593	20,964,408	39,342,518	52,133,794	67,005,111
Unrestricted	<u>8,632,466</u>	<u>(37,752,882)</u>	<u>11,956,935</u>	<u>1,768,289</u>	<u>20,589,401</u>	<u>(35,984,593)</u>
Total Net Position as Restated (Note 9E)	<u>\$ 315,739,741</u>	<u>\$ 258,489,784</u>	<u>\$ 124,646,855</u>	<u>\$ 125,195,471</u>	<u>\$ 440,386,596</u>	<u>\$ 383,685,255</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.

The Statement of Net Position contains more detailed information on Current Assets, Non-Current Assets, Deferred outflows of Resources, Current Liabilities, Non-current Liabilities and Deferred inflows of Resources.

At the end of Fiscal Year 2014-2015 the total assets exceeded total liabilities by \$383.7M.

**Changes in Net Position** – In the Fiscal Year 2014-2015, expenditures of \$80.2M exceeded the revenues and transfers of \$63.4M by \$16.8M. The City's expenses cover a range of services. Of the Governmental Activities, the largest expenses were in the Community Development category \$22.0M, Public Safety \$24.8M, and Public Works \$18.2M. 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, 2015**

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**Governmental Activities** – Governmental Activities reflect a decrease of \$57.3M in net position and Business Activities reflect an increase of \$0.6M in net position for the Fiscal Year 2014-15. A comparison of the cost of services by function for the City's Governmental Activities is shown on the next page, along with the revenues used to cover the net expenses of the Governmental Activities, and with comparative data from Fiscal Year 2013-2014.

**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

**Statement of Changes in NetPosition**  
**Fiscal Year Ended June 30, 2015**  
**With comparative data for fiscal year ended June 30, 2014**

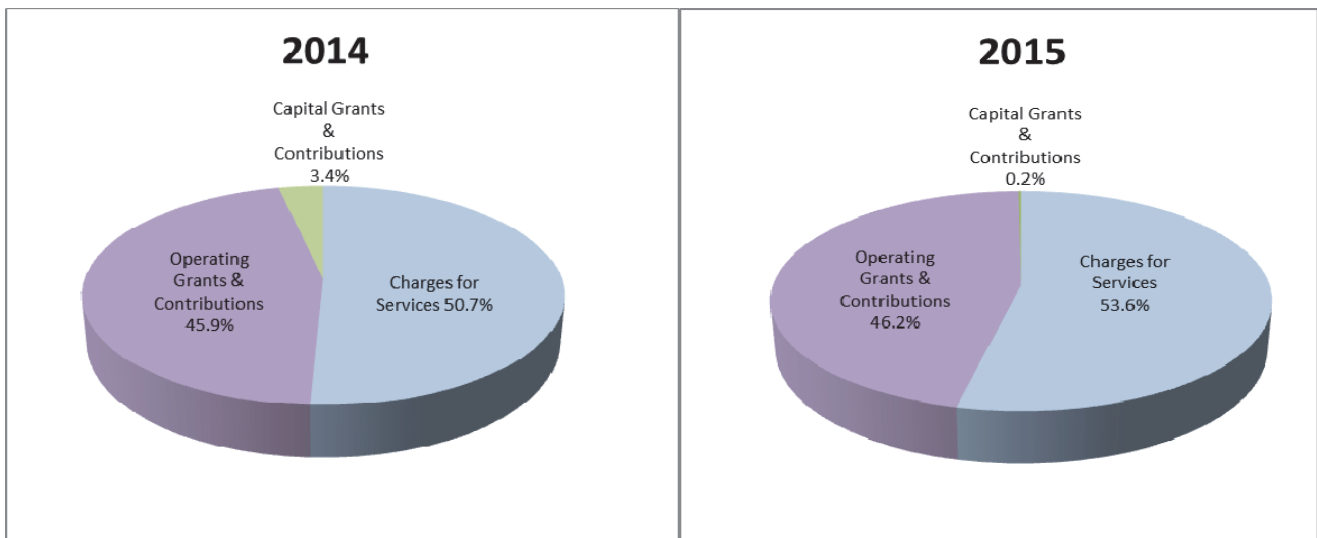
	Governmental Activities		Business-Type Activities		Total	
	2014	2015	2014	2015	2014	2015
Revenues:						
<i>Program Revenues:</i>						
Charges for Services	\$ 14,530,661	\$ 14,744,645	\$ 33,011,978	\$ 33,956,795	\$ 47,542,639	\$ 48,701,440
Operating Grants and Contributions	13,133,883	12,699,542	40,000	-	13,173,883	12,699,542
Capital Grants and Contributions	979,706	48,709	748,904	2,145,271	1,728,610	2,193,980
Sub-Total	<u>28,644,250</u>	<u>27,492,896</u>	<u>33,800,882</u>	<u>36,102,066</u>	<u>62,445,132</u>	<u>63,594,962</u>
<i>General Revenues:</i>						
Property Taxes	2,613,321	3,204,965	-	-	2,613,321	3,204,965
Sales Taxes	12,563,378	11,745,524	-	-	12,563,378	11,745,524
Franchise Fees	4,063,561	4,327,160	-	-	4,063,561	4,327,160
Motor Vehicle in lieu fees	3,795,560	4,169,031	-	-	3,795,560	4,169,031
Gas Taxes	2,046,099	1,853,567	-	-	2,046,099	1,853,567
Other Taxes	6,885,865	7,347,881	-	-	6,885,865	7,347,881
Miscellaneous	4,744,005	-	-	-	4,744,005	-
Investment Earnings - Unrestricted	600,555	539,473	129,786	440,462	730,341	979,935
Gain on Sale of Assets	-	-	98,692	63,754	98,692	63,754
Sub-Total	<u>37,312,344</u>	<u>33,187,601</u>	<u>228,478</u>	<u>504,216</u>	<u>37,540,822</u>	<u>33,691,817</u>
Total Revenues	<u>65,956,594</u>	<u>60,680,497</u>	<u>34,029,360</u>	<u>36,606,282</u>	<u>99,985,954</u>	<u>97,286,779</u>
Expenses:						
General Government	3,579,804	6,088,705	-	-	3,579,804	6,088,705
City Council	85,455	80,833	-	-	85,455	80,833
City Manager and City Clerk	479,812	641,990	-	-	479,812	641,990
City Attorney	456,544	544,195	-	-	456,544	544,195
Human Resources	687,692	909,284	-	-	687,692	909,284
Finance and Services	2,545,536	2,829,332	-	-	2,545,536	2,829,332
Community Development & Services	18,705,444	21,998,387	-	-	18,705,444	21,998,387
Public Safety	22,683,125	24,833,843	-	-	22,683,125	24,833,843
Public Works	16,305,801	18,213,277	-	-	16,305,801	18,213,277
Interest on Long-Term Debt	1,574,056	4,074,415	-	-	1,574,056	4,074,415
Gain (loss) on sale of assets	-	-	-	-	-	-
Water Utility	-	-	16,513,159	17,477,524	16,513,159	17,477,524
Sewer Utility	-	-	2,490,191	2,264,022	2,490,191	2,264,022
Marina	-	-	2,230,133	2,352,274	2,230,133	2,352,274
Golf Course	-	-	102,509	-	102,509	-
Pittsburg Power	-	-	5,659,707	6,670,282	5,659,707	6,670,282
Water Front Operations	-	-	718,835	750,765	718,835	750,765
Total Expenses	<u>67,103,269</u>	<u>80,214,261</u>	<u>27,714,534</u>	<u>29,514,867</u>	<u>94,817,803</u>	<u>109,729,128</u>
Increase in Net Position before Transfers	(1,146,675)	(19,533,764)	6,314,826	7,091,415	5,168,151	(12,442,349)
Transfers	2,342,747	2,677,386	(2,342,747)	(2,677,386)	-	-
Change in Net Position	1,196,072	(16,856,378)	3,972,079	4,414,029	5,168,151	(12,442,349)
Net Position- Beginning of Year (As Restated)	314,579,747	315,739,741	120,638,699	124,646,855	435,218,446	440,386,596
Prior period adjustment due to implementation of GASB 68 and 71 (Note 9F)	-	(40,393,579)	-	(3,865,413)	-	(44,258,992)
Net Position- End of Year	<u>\$ 315,775,819</u>	<u>\$ 258,489,784</u>	<u>\$ 124,610,778</u>	<u>\$ 125,195,471</u>	<u>\$ 440,386,597</u>	<u>\$ 383,685,255</u>

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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Total Program Revenues from Governmental Activities were \$27.5M in Fiscal Year 2014-2015. 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, 53.6% of the Governmental Program Revenues came from Charges for Services (which includes licenses and permits, plan checking fees, developer fees and several other revenues), 46.2% 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 0.2% from Capital Grants and Contributions. The charges for these services increased by \$214.0K primarily due to an increase in fee revenues.

Government Revenues by Program Type

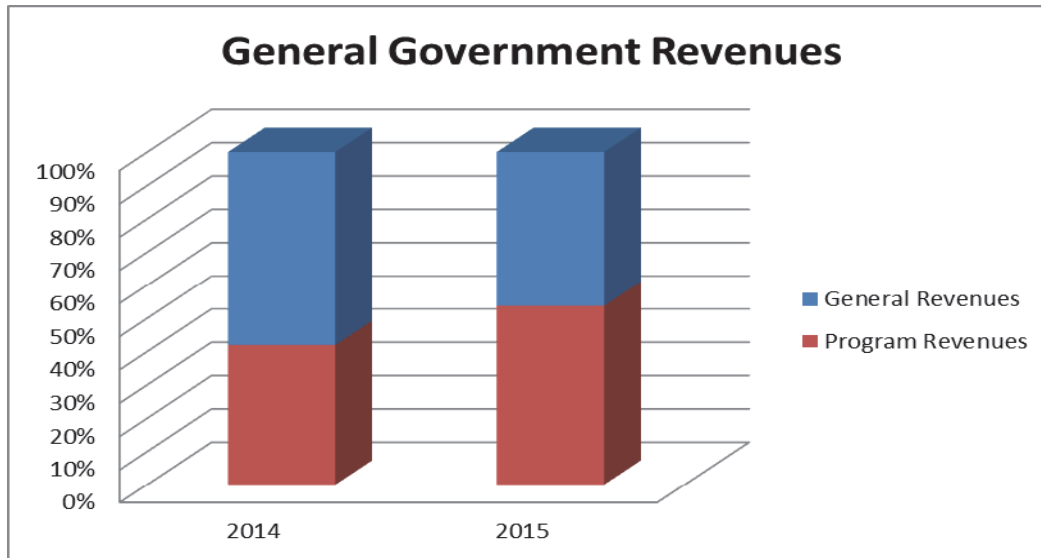


Approximately 42% of General Government services are funded by General Revenues. General Revenues are all other revenues not categorized as program revenues such as property taxes, sales taxes, intergovernmental and investment earnings. Interest on long-term debt is paid through general revenues, 93% of Public Safety services and 97% of Public Works services are supported through general revenues.

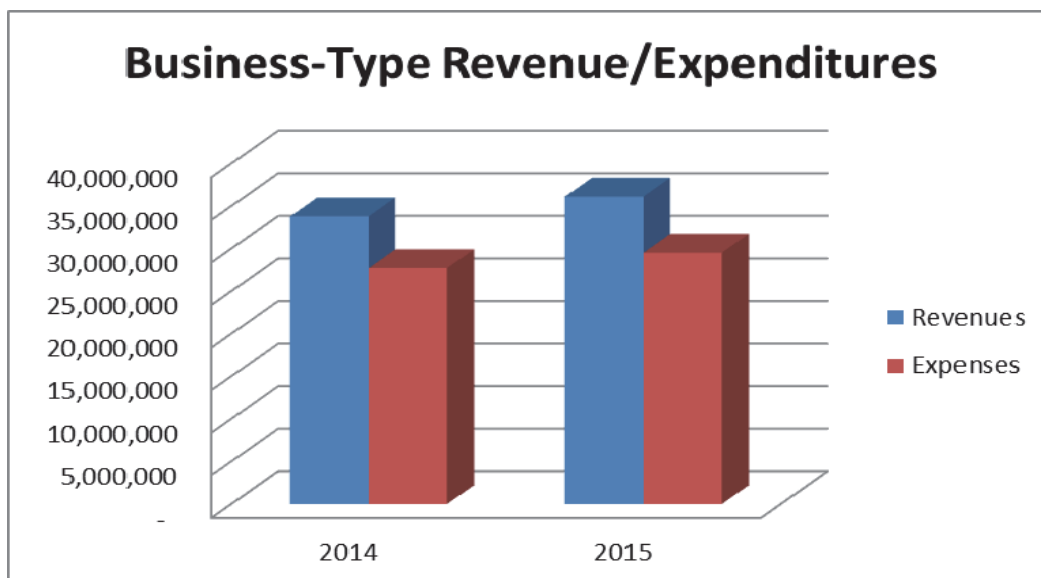
**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

General Revenues from Governmental Activities represented 57%, and Program revenues reflected 43% of total Governmental Activities revenues. Total General Revenues from Governmental Activities were \$35.9M in Fiscal Year 2014-2015. Sales Taxes comprised the largest percentage of General Revenues, 32.7% or \$11.7M, received during the fiscal year.

	2015		2014	
Program Revenues	\$ 27,492,896	43%	\$ 28,644,250	42%
General Revenues	<u>35,864,987</u>	57%	<u>39,655,091</u>	58%
	\$ 63,357,883		\$ 68,299,341	



**Business-Type Activities** – Net position for Business-Type Activities were \$125M, a net increase of \$0.6M from the prior fiscal year. Total program revenues for Business-Type Activities were \$36.1M. Total expenses for the Business-Type Activities were \$29.5M for the Fiscal Year 2014-2015.



**City of Pittsburgh**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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**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.

At the end of the current fiscal year, the City’s Governmental Funds reported a combined ending fund balance of \$42.1M, a decrease of \$5.4M, in comparison to the prior year. Approximately 35% of this total amount or \$14.6M, constitutes unassigned general fund balance, which is available for spending at the government's discretion and \$7.9M is designated to balance future budgets. The remainder of the fund balance is designated as "Nonspendable" \$2.9M to indicate that it is not available for new spending because it is not in a spendable form, or designated as "Assigned" due to being committed to liquidate contracts (encumbrances) and various departmental reservations \$0.6M. However, the "Assigned" balance is an internal designation and can be altered to become unassigned, if needed. For a detailed 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 in the fund balance of \$324K. This is due to decreases in program funding from the United States Department of Housing and Urban Development (HUD) to deplete the excess reserve.

**General Fund Budgetary Highlights** – The final amended budget totaled \$36.9M, including \$821,907 on prior fiscal year budget carry forward totals and new appropriation amendments to the originally adopted budget. These amendments are briefly summarized below.

Per Resolutions 14-12176 the City Council adopted the approval of the following additional appropriations and project carry-forwards:

**Budget Carry Forwards**

\$ 2,060	Contractual & Professional Services	City Manager
789	Equipment Rental	City Manager
20,000	Special Departmental Supplies	City Clerk
2,000	Travel, Training & Conferences	City Clerk
5,000	Capital Equipment & Furniture	City Clerk
51,938	Contractual & Professional Services	Human Resources
2,439	Safety	Human Resources
2,199	Citywide Training	Human Resources
1,971	Special Departmental Supplies	Human Resources
1,945	Contractual & Professional Services	Finance/Accounting
14,806	Financial Management System	Finance/Utility Billing
3,000	Computer Supplies	Engineering
20,000	Contractual & Professional Services	Engineering
13,000	Maintenance & Repairs	Police Department
10,000	Contractual & Professional Services	Police Department
9,000	EBRCS Membership Fee	Police Department
10,000	Miscellaneous Services & Supplies	Non-Departmental
10,000	Maintenance and Repairs	Non-Departmental
500	Contractual & Professional Services	Non-Departmental
19,411	Economic Development	
37,748	Contingencies	
<u>\$ 237,806</u>	<b>Sub-Total Budget Carry Forwards</b>	

**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

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Approved Amendments	
\$ 3,331	City Council
13,833	City Manager
(10,969)	City Clerk
(344)	City Attorney
5,599	Human Resources
2,223	Finance/Accounting
(1,752)	Finance/Utility Billing
1,458	Graffiti Removal Program
13,031	Planning
17,176	Building Code Enforcement
58,112	Engineering
(2,736)	Recreation
44,403	Police
14,214	Public Works
(15,713)	Non-Departmental
157,349	Economic Development
<b>\$ 299,215</b>	<b>Sub-Total Approved Amendments</b>
<b>\$ 537,021</b>	

The City continues to see signs of improvement through increases in property taxes and permit fees. The Property Taxes and permits fees exceeded their budget forecasts by \$492K and \$260K respectively. The increase in property taxes and permit fees were due to a steady increase in property value and an increase in construction. The sales taxes dropped by \$820K this year due to a refund of true-up for the FY 2013-14.

At the end of the fiscal year, General Fund expenditures exceeded budgeted expenses by \$993K. This was due to the payment obligation for Contra Costa County Employees' Retirement Association (CCCERA).

There is a total deferral of revenue of \$763K in the General Fund (see Note 4). With \$652K being set aside for future Engineering related construction, such as: inspection fees and plan check fees. Other deferrals can be attributed to business license fees of \$38K, deferred interest loans of \$15K, future GIS mapping fees of \$32K, various donations to Recreation Services for Teen activities, the Senior Center, Sister City, recycling containers of \$8K and miscellaneous unavailable revenues of \$18K.



**City of Pittsburg**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2015**

The City's Proprietary Funds provide the same type of information found in the Government-Wide Financial Statements, but with more detail. According to standardized Governmental reporting standards, the Water Fund, Sewer Fund, and Pittsburg Power Company are major funds. The Marina and Waterfront funds are not considered to be major funds; however, the City has elected to continue to report both as major funds.

Total net position of the Proprietary Funds at the end of the year were \$125.2M; an increase of \$0.6M from the prior fiscal year, in which \$84.1M 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, 2015, amounted to \$400M (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 \$5M.

**City of Pittsburg**  
**Capital Assets**  
**(Net of Depreciation)**  
**June 30, 2015**

	Governmental Activities		Business-Type Activities		Total	
	2014	2015	2014	2015	2014	2015
Non-depreciable assets:						
Land	\$ 33,828,944	\$ 33,838,944	\$ 1,143,506	\$ 1,143,506	\$ 34,972,450	\$ 34,982,450
Construction in progress	25,194,054	15,913,273	20,659,398	10,019,500	45,853,452	25,932,773
Total	<u>59,022,998</u>	<u>49,752,217</u>	<u>21,802,904</u>	<u>11,163,006</u>	<u>80,825,902</u>	<u>60,915,223</u>
Depreciable assets (net of depreciation):						
Buildings and improvements	56,259,237	58,390,478	6,178,264	15,167,671	62,437,501	73,558,149
Machinery and equipment	2,356,234	2,540,322	4,082,505	6,511,375	6,438,739	9,051,697
Infrastructure	158,395,235	157,968,576	97,613,839	98,806,010	256,009,074	256,774,586
Total	<u>217,010,706</u>	<u>218,899,376</u>	<u>107,874,608</u>	<u>120,485,056</u>	<u>324,885,314</u>	<u>339,384,432</u>
<b>Total capital assets</b>	<u>\$ 276,033,704</u>	<u>\$ 268,651,593</u>	<u>\$ 129,677,512</u>	<u>\$ 131,648,062</u>	<u>\$ 405,711,216</u>	<u>\$ 400,299,655</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, 2015**

**Debt Service Administration** - At the end of the fiscal year, the City had total long-term debt outstanding of \$82.4M. Governmental Activity debt of \$34.4M consisted of Pension Obligation Bonds \$33.8M, a loan from the California energy Resources Conservations and Development Commission for the City's LED light pole project \$467K and a capital lease for a voice over internet protocol system (VOIP) \$72K. Business-Type debt of \$47.6M consisted of two Water and Sewer bonds \$36.2M and a loan from the California Infrastructure and Economic Development Bank (I-Bank) to finance modifications at the water treatment plant and water related infrastructure \$11.4M.

**City of Pittsburg**  
**Long-Term Debt**  
**June 30, 2015**

	Governmental Activities		Business-Type Activities		Total	
	2014	2015	2014	2015	2014	2015
Pension Obligation Bonds	\$ 33,157,051	\$ 33,826,975	\$ -	\$ -	\$ 33,157,051	\$ 33,826,975
Energy Conservation Loan	526,313	467,166	-	-	526,313	467,166
Capital Lease-VOIP	105,815	71,520	-	-	105,815	71,520
2008A Revenue Bonds	-	-	32,610,000	31,575,000	32,610,000	31,575,000
2014 Waste Water Revenue Bonds	-	-	5,342,000	4,601,000	5,342,000	4,601,000
2014 I-Bank Loan	-	-	-	11,387,398	-	11,387,398
<b>Total</b>	<u>\$ 33,789,179</u>	<u>\$ 34,365,661</u>	<u>\$ 37,952,000</u>	<u>\$ 47,563,398</u>	<u>\$ 71,741,179</u>	<u>\$ 81,929,059</u>

During this past year, the City's economy continued to show signs of recovery: Measure P sales tax revenues and property values are increasing while the City's unemployment rate continues to decline. Unfortunately, the City's Pension Obligation Bond ("POBs") debt service and Contra Costa County Employee Retirement Association (CCCERA) liability sharply increased in FY 2014-15, putting a damper on the revenue upside. The City restored two new full-time equivalent ("FTE") positions that were eliminated during the great recession in an effort to restore vital City services. In addition, the City successfully renegotiated new contracts on expiring union contracts. These changes allowed the staff to respond to the Council's and management's goals of continuing to prioritize public safety and maintain responsive, high quality public services to the Pittsburg Community.

The City continues to work to provide top quality services to its citizens, while being fiscally conservative. This approach ensures staff continually monitor expenses, while exploring alternative revenue sources and the use of the Budget Stabilization Fund when necessary, on its way to a balanced General Fund by Fiscal year 2018-19.

**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.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**BASIC  
FINANCIAL  
STATEMENTS**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**GOVERNMENT-WIDE  
FINANCIAL  
STATEMENTS**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**City of Pittsburg**  
**STATEMENT OF NET POSITION**  
**June 30, 2015**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments (Note 2)	\$ 44,182,634	\$ 31,524,241	\$ 75,706,875
Restricted cash and investments (Note 2)	2,742,453	15,529,182	18,271,635
Receivables:			
Accounts	6,048,830	4,211,614	10,260,444
Interest	188,710	-	188,710
Loans/notes (Note 3)	41,402,455	-	41,402,455
Internal balances (Note 1H)	(2,848,806)	2,848,806	-
Inventory	760,543	303,126	1,063,669
Prepaid items and other assets	49,831	102,196	152,027
Total current assets	<u>92,526,650</u>	<u>54,519,165</u>	<u>147,045,815</u>
Noncurrent assets:			
Capital assets (Note 6):			
Land and nondepreciable assets	49,752,217	11,163,006	60,915,223
Depreciable capital assets, net of accumulated depreciation	218,899,376	120,485,056	339,384,432
Total capital assets, net	<u>268,651,593</u>	<u>131,648,062</u>	<u>400,299,655</u>
Total Assets	<u>361,178,243</u>	<u>186,167,227</u>	<u>547,345,470</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Accumulated decrease in fair value of hedging derivatives (Note 7)	-	5,258,967	5,258,967
Pension related (Note 11)	4,832,124	566,742	5,398,866
Total Deferred Outflow of Resources	<u>4,832,124</u>	<u>5,825,709</u>	<u>10,657,833</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	4,057,662	3,200,503	7,258,165
Salaries payable	1,034,704	-	1,034,704
Interest payable (Note 1J)	745,124	258,033	1,003,157
Refundable deposits	1,046,587	1,018,101	2,064,688
Taxes payable	7,374	177,940	185,314
Loans payable	155,893	-	155,893
Due to other agencies	12,281	-	12,281
Unearned revenue (Note 4)	1,099,490	940,179	2,039,669
Claims and judgment payable due within one year (Note 10)	249,052	-	249,052
Compensated absences - due within one year (Note 1M)	1,211,450	328,869	1,540,319
Long-term debt - due within one year (Note 7)	2,051,161	2,047,227	4,098,388
Total current liabilities	<u>11,670,778</u>	<u>7,970,852</u>	<u>19,641,630</u>
Noncurrent liabilities:			
Compensated absences - due in more than one year (Note 1M)	444,258	109,622	553,880
Derivative instrument (Note 7)	-	5,258,967	5,258,967
Net pension liability (Note 11)	36,880,405	3,404,617	40,285,022
OPEB liability (Note 12)	18,514,548	3,596,960	22,111,508
Long-term debt - due in more than one year (Note 7)	32,314,500	45,516,171	77,830,671
Total noncurrent liabilities	<u>88,153,711</u>	<u>57,886,337</u>	<u>146,040,048</u>
Total Liabilities	<u>99,824,489</u>	<u>65,857,189</u>	<u>165,681,678</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related (Note 11)	7,696,094	940,276	8,636,370
Total Deferred Inflows of Resources	<u>7,696,094</u>	<u>940,276</u>	<u>8,636,370</u>
<b>NET POSITION (Note 9)</b>			
Net investment in capital assets	<u>268,580,073</u>	<u>84,084,664</u>	<u>352,664,737</u>
Restricted for:			
Capital projects	13,246,621	15,612,339	28,858,960
Debt service	3,546,247	4,036,363	7,582,610
Ibank loan reserve	-	813,000	813,000
Special purpose projects (Note 9D)	10,869,725	14,744,262	25,613,987
Facility fee reserve	-	4,136,554	4,136,554
Total restricted net position	<u>27,662,593</u>	<u>39,342,518</u>	<u>67,005,111</u>
Unrestricted	<u>(37,752,882)</u>	<u>1,768,289</u>	<u>(35,984,593)</u>
Total Net Position	<u>\$ 258,489,784</u>	<u>\$ 125,195,471</u>	<u>\$ 383,685,255</u>

See accompanying notes to financial statements



**City of Pittsburg**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2015**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Governmental Activities:</b>							
General government	\$ 6,088,705	\$ 8,097,253	\$ -	\$ -	\$ 2,008,548	\$ -	\$ 2,008,548
City Council	80,833	-	-	-	(80,833)	-	(80,833)
City Manager and City Clerk	641,990	601	-	-	(641,389)	-	(641,389)
City Attorney	544,195	30,000	-	-	(514,195)	-	(514,195)
Human Resources	909,284	21,361	-	-	(887,923)	-	(887,923)
Finance and services	2,829,332	179,351	-	-	(2,649,981)	-	(2,649,981)
Community development and services	21,998,387	4,685,299	12,094,406	48,709	(5,169,973)	-	(5,169,973)
Public safety	24,833,843	1,206,225	605,136	-	(23,022,482)	-	(23,022,482)
Public works	18,213,277	524,555	-	-	(17,688,722)	-	(17,688,722)
Interest on long-term debt	4,074,415	-	-	-	(4,074,415)	-	(4,074,415)
<b>Total Governmental Activities</b>	<b>80,214,261</b>	<b>14,744,645</b>	<b>12,699,542</b>	<b>48,709</b>	<b>(52,721,365)</b>	<b>-</b>	<b>(52,721,365)</b>
<b>Business-type Activities:</b>							
Water Utility	17,477,524	18,979,002	-	2,145,271	-	3,646,749	3,646,749
Sewer Utility	2,264,022	5,123,475	-	-	-	2,859,453	2,859,453
Marina	2,352,274	2,071,214	-	-	-	(281,060)	(281,060)
Pittsburg Power	6,670,282	6,919,807	-	-	-	249,525	249,525
Water Front Operations	750,765	863,297	-	-	-	112,532	112,532
<b>Total Business-type Activities</b>	<b>29,514,867</b>	<b>33,956,795</b>	<b>-</b>	<b>2,145,271</b>	<b>-</b>	<b>6,587,199</b>	<b>6,587,199</b>
<b>Total</b>	<b>\$ 109,729,128</b>	<b>\$ 48,701,440</b>	<b>\$ 12,699,542</b>	<b>\$ 2,193,980</b>	<b>(52,721,365)</b>	<b>6,587,199</b>	<b>(46,134,166)</b>
<b>General revenues:</b>							
<b>Taxes:</b>							
Property taxes					3,204,965	-	3,204,965
Sales taxes					11,745,524	-	11,745,524
Franchise taxes					4,327,160	-	4,327,160
Motor vehicle (unrestricted)					4,169,031	-	4,169,031
Gas taxes					1,853,567	-	1,853,567
Other taxes					7,347,881	-	7,347,881
Investment earnings-unrestricted					539,473	440,462	979,935
Gain on sale of assets					-	63,754	63,754
Transfers (Note 5C)					2,677,386	(2,677,386)	-
<b>Total General Revenues and Transfers</b>					<b>35,864,987</b>	<b>(2,173,170)</b>	<b>33,691,817</b>
<b>Change in Net Position</b>					<b>(16,856,378)</b>	<b>4,414,029</b>	<b>(12,442,349)</b>
<b>Net Position-Beginning of Year, as restated (Note 9E)</b>					<b>315,739,741</b>	<b>124,646,855</b>	<b>440,386,596</b>
<b>Prior period adjustments (Notes 9F)</b>					<b>(40,393,579)</b>	<b>(3,865,413)</b>	<b>(44,258,992)</b>
<b>Net Position-End of Year</b>					<b>\$ 258,489,784</b>	<b>\$ 125,195,471</b>	<b>\$ 383,685,255</b>

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, 2015*

# 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.

**City of Pittsburg**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
<b>ASSETS</b>			
Cash and investments (Note 2)	\$ 17,550,142	\$ 763,333	\$ 843,108
Restricted cash and investments (Note 2)	-	-	-
Receivables:			
Accounts	4,306,924	50,702	-
Interest	188,710	-	-
Loans and notes (Note 3)	3,435,416	-	33,053,410
Due from other funds (Note 5A)	452,668	-	-
Inventory	96,933	1,374	-
Prepaid items and other assets	21,464	-	-
Advances to other funds (Note 5B)	163,865	-	-
<b>Total Assets</b>	<b>\$ 26,216,122</b>	<b>\$ 815,409</b>	<b>\$ 33,896,518</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 3,214,808	\$ 12,798	\$ 4,061
Salaries payable	1,034,557	-	-
Taxes payable	7,374	-	-
Refundable deposits	909,282	3,605	-
Loans payable	-	-	-
Due to other agencies	-	-	-
Due to other funds (Note 5A)	-	-	-
Advances from other funds (Note 5B)	1,416,788	48,236	-
<b>Total Liabilities</b>	<b>6,582,809</b>	<b>64,639</b>	<b>4,061</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue (Note 4B)	1,577,058	133,688	33,053,410
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>8,159,867</b>	<b>198,327</b>	<b>33,057,471</b>
<b>Fund Balances (Deficit) (Note 9):</b>			
Nonspendable	2,904,078	1,374	-
Restricted	-	615,708	839,047
Committed	-	-	-
Assigned	538,194	-	-
Unassigned	14,613,983	-	-
<b>Total fund balances (deficits)</b>	<b>18,056,255</b>	<b>617,082</b>	<b>839,047</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 26,216,122</b>	<b>\$ 815,409</b>	<b>\$ 33,896,518</b>

See accompanying notes to basic financial statements

	Other Governmental Funds		Total Governmental Funds
\$	20,928,022	\$	40,084,605
	2,742,453		2,742,453
	1,127,847		5,485,473
	-		188,710
	4,913,629		41,402,455
	-		452,668
	283,371		381,678
	6,615		28,079
	3,303,957		3,467,822
\$	33,305,894	\$	94,233,943

\$	564,990	\$	3,796,657
	-		1,034,557
	-		7,374
	133,700		1,046,587
	155,893		155,893
	12,281		12,281
	2,581		2,581
	4,806,010		6,271,034
	5,675,455		12,326,964

	4,976,518		39,740,674
	10,651,973		52,067,638

	289,986		3,195,438
	19,926,735		21,381,490
	2,875,776		2,875,776
	47,972		586,166
	(486,548)		14,127,435
	22,653,921		42,166,305
\$	33,305,894	\$	94,233,943



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**City of Pittsburg**  
**Reconciliation of the**  
**Governmental Funds Balance Sheet**  
**with the Statement of Net Position**  
**June 30, 2015**

Total fund balances reported on the Governmental Funds Balance Sheet \$ 42,166,305

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. 267,009,516

**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 Governmental Funds:

Long-term debt	(34,294,141)
Interest payable	(745,124)
Compensated absences	(1,594,605)
OPEB obligation	(18,514,548)
Net pension liability	(39,744,375)

**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 assets or liabilities in the Governmental Funds:

Prepaid item and other asset	(648)
Unavailable revenue	38,641,184

**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 on the Statement of Net Position.

Cash and investments	4,098,029
Accounts receivable	563,357
Inventory	378,865
Prepaid/other assets	22,400
Capital assets	1,642,077
Accounts payable	(261,005)
Salaries payable	(147)
Due to other funds	(450,087)
Compensated absences	(61,103)
Advance from other funds	(45,594)
Claims and judgments payable	(249,052)
Capital lease	(71,520)

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 258,489,784

See accompanying notes to financial statements



**City of Pittsburgh**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2015**

	General Fund	Housing Authority (Section 8)	Successor Agency Housing
<b>REVENUES:</b>			
Property tax	\$ 3,204,965	\$ -	\$ -
Sales tax	11,745,524	-	-
Franchise tax	4,171,756	-	-
Other taxes	5,662,960	-	-
Intergovernmental revenues	1,344,024	11,570,487	-
Permits, licenses, and fees	981,810	-	-
Fines and forfeitures	172,374	-	-
Special assessments	-	-	-
Service fees	3,426,535	1,126,341	-
Use of money and property	257,699	6,863	64,271
Other revenues	1,829,070	130,134	277,788
<b>Total Revenues</b>	<b>32,796,717</b>	<b>12,833,825</b>	<b>342,059</b>
<b>EXPENDITURES:</b>			
Current:			
General government	4,364,158	-	-
City Council	80,833	-	-
City Manager and City Clerk	524,063	-	-
City Attorney	543,898	-	-
Human resources	815,515	-	-
Finance and services	2,423,502	-	-
Community development and services	5,627,635	13,162,720	270,632
Public safety	21,484,994	-	-
Public works - administration	85,968	-	-
Public works - streets	2,036,911	-	-
Public works - parks	100,214	-	-
Capital outlay and improvements	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total Expenditures</b>	<b>38,087,691</b>	<b>13,162,720</b>	<b>270,632</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(5,290,974)</b>	<b>(328,895)</b>	<b>71,427</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Proceeds from sale of capital assets	1,591	-	-
Transfers in (Note 5C)	3,981,449	16,392	-
Transfers out (Note 5C)	(1,249,481)	(11,714)	-
<b>Total Other Financing Sources (uses)</b>	<b>2,733,559</b>	<b>4,678</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(2,557,415)</b>	<b>(324,217)</b>	<b>71,427</b>
<b>FUND BALANCES (Note 9):</b>			
Beginning of year, as restated (Note 9E)	20,613,670	941,299	767,620
End of year	<b>\$ 18,056,255</b>	<b>\$ 617,082</b>	<b>\$ 839,047</b>

See accompanying notes to basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 3,204,965
-	11,745,524
155,404	4,327,160
4,335,349	9,998,309
1,220,122	14,134,633
653,304	1,635,114
-	172,374
3,372,170	3,372,170
5,430,786	9,983,662
213,624	542,457
790,482	3,027,474
<u>16,171,241</u>	<u>62,143,842</u>
36,032	4,400,190
-	80,833
9,991	534,054
-	543,898
37,828	853,343
79,925	2,503,427
3,225,427	22,286,414
1,664,495	23,149,489
540,492	626,460
5,706,414	7,743,325
-	100,214
3,473,512	3,473,512
589,147	589,147
2,890,463	2,890,463
<u>18,253,726</u>	<u>69,774,769</u>
<u>(2,082,485)</u>	<u>(7,630,927)</u>
2,500	4,091
2,548,808	6,546,649
(3,237,368)	(4,498,563)
<u>(686,060)</u>	<u>2,052,177</u>
(2,768,545)	(5,578,750)
25,422,466	47,745,055
<u>\$ 22,653,921</u>	<u>\$ 42,166,305</u>

**City of Pittsburg**  
**Reconciliation of the**  
**Net Change in Fund Balances-Total Governmental Funds**  
**with the Statement of Activities**  
**For the year ended June 30, 2015**

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 \$ (5,578,750)

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	3,473,512
Amounts charged to Community Services department	101,136
Amounts charged to Public Works department	210,245

Depreciation expense is deducted from the fund balance (Depreciation expense is net of Internal Service Fund depreciation \$584,621 which has already been allocated to serviced funds.)	(11,153,856)
--	--------------

Retirements of capital assets are deducted from the fund balance	(97,506)
--	----------

**LONG TERM DEBT AND PAYMENTS**

Repayment of debt principal is added back to fund balance	589,147
Accreted interest	(1,199,924)

**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):

Prepaid item and other asset	(648)
Interest payable	15,972
Deferred revenue	(502,401)
Compensated absences	320,774
OPEB obligation	(2,528,640)
Net pension liability, deferred inflows and deferred outflows	649,204

**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	(1,154,643)
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ (16,856,378)
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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.

*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. This fund also accounts 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.

*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 Pittsburgh**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2015**

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
<b>ASSETS</b>			
Current assets:			
Cash and investments (Note 2)	\$ 16,260,624	\$ 8,534,407	\$ 943,973
Restricted cash and investments (Note 2)	15,426,959	-	-
Receivables:			
Accounts	2,445,001	667,454	20,083
Inventory	153,783	39,823	9,149
Prepaid items and other assets	-	-	-
<b>Total current assets</b>	<b>34,286,367</b>	<b>9,241,684</b>	<b>973,205</b>
Noncurrent assets:			
Advance to other funds (Note 5B)	1,671,998	400,904	-
Capital assets (Note 6):			
Land and nondepreciable assets	8,258,946	445,988	-
Depreciable assets, net	71,192,410	28,288,374	14,018,005
<b>Total noncurrent assets</b>	<b>81,123,354</b>	<b>29,135,266</b>	<b>14,018,005</b>
<b>Total Assets</b>	<b>115,409,721</b>	<b>38,376,950</b>	<b>14,991,210</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Accumulated decrease in fair value of hedging derivatives (Note 7)	5,258,967	-	-
Pension related (Note 11)	295,692	73,923	49,282
<b>Total Deferred Outflow of Resources</b>	<b>5,554,659</b>	<b>73,923</b>	<b>49,282</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	2,676,912	19,573	56,831
Salaries payable	-	-	-
Refundable deposits	804,370	5,000	84,209
Taxes payable	-	-	49,524
Accrued interest payable	252,090	5,943	-
Due to other funds (Note 5A)	-	-	-
Unearned revenue (Note 4)	3,411	-	-
Compensated absences payable - due within one year (Note 1M)	153,636	36,835	48,364
Claims and judgments payable - due within one year (Note 10C)	-	-	-
Long-term debt - due within one year (Note 7)	1,310,227	737,000	-
<b>Total current liabilities</b>	<b>5,200,646</b>	<b>804,351</b>	<b>238,928</b>
Noncurrent liabilities:			
Advance from other funds (Note 5B)	-	-	-
Compensated absences payable - due in more than one year (Note 1M)	51,211	12,279	16,121
Derivative instrument (Note 7)	5,258,967	-	-
Net pension liability (Note 11)	1,776,322	444,081	296,053
OPEB liability (Note 12)	1,726,540	431,635	431,635
Long-term debt - due in more than one year (Note 7)	41,652,171	3,864,000	-
<b>Total noncurrent liabilities</b>	<b>50,465,211</b>	<b>4,751,995</b>	<b>743,809</b>
<b>Total Liabilities</b>	<b>55,665,857</b>	<b>5,556,346</b>	<b>982,737</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related (Note 11)	490,580	122,645	81,763
<b>Total Deferred Inflow of Resources</b>	<b>490,580</b>	<b>122,645</b>	<b>81,763</b>
<b>NET POSITION (Note 9)</b>			
Net investment in capital assets	36,488,958	24,133,362	14,018,005
Restricted for:			
Capital projects	10,921,020	3,502,709	105,669
Debt service	3,230,899	805,464	-
Ibank loan reserve	813,000	-	-
Special purpose	14,613,959	-	-
Facility fees	3,964,134	172,420	-
Unrestricted	(5,224,027)	4,157,927	(147,682)
<b>Total Net Position</b>	<b>\$ 64,807,943</b>	<b>\$ 32,771,882</b>	<b>\$ 13,975,992</b>

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities Internal Service Funds
Pittsburg Power	Water Front Operations		
\$ 5,504,848	\$ 280,389	\$ 31,524,241	\$ 4,098,029
102,223	-	15,529,182	-
1,074,617	4,459	4,211,614	563,357
100,371	-	303,126	378,865
71,582	30,614	102,196	22,400
<u>6,853,641</u>	<u>315,462</u>	<u>51,670,359</u>	<u>5,062,651</u>
926,181	-	2,999,083	-
2,298,096	159,976	11,163,006	-
6,977,844	8,423	120,485,056	1,642,077
<u>10,202,121</u>	<u>168,399</u>	<u>134,647,145</u>	<u>1,642,077</u>
<u>17,055,762</u>	<u>483,861</u>	<u>186,317,504</u>	<u>6,704,728</u>
-	-	5,258,967	-
123,205	24,640	566,742	-
<u>123,205</u>	<u>24,640</u>	<u>5,825,709</u>	<u>-</u>
403,644	43,543	3,200,503	261,005
-	-	-	147
56,286	68,236	1,018,101	-
128,416	-	177,940	-
-	-	258,033	-
-	-	-	450,087
783,699	153,069	940,179	-
73,603	16,431	328,869	-
-	-	-	249,052
-	-	2,047,227	35,263
<u>1,445,648</u>	<u>281,279</u>	<u>7,970,852</u>	<u>995,554</u>
-	150,277	150,277	45,594
24,534	5,477	109,622	61,103
-	-	5,258,967	-
740,134	148,027	3,404,617	-
1,007,150	-	3,596,960	-
-	-	45,516,171	36,257
<u>1,771,818</u>	<u>303,781</u>	<u>58,036,614</u>	<u>142,954</u>
<u>3,217,466</u>	<u>585,060</u>	<u>66,007,466</u>	<u>1,138,508</u>
204,408	40,880	940,276	-
<u>204,408</u>	<u>40,880</u>	<u>940,276</u>	<u>-</u>
9,275,940	168,399	84,084,664	1,570,557
1,082,941	-	15,612,339	-
-	-	4,036,363	-
-	-	813,000	-
102,223	28,080	14,744,262	-
-	-	4,136,554	-
3,295,989	(313,918)	1,768,289	3,995,663
<u>\$ 13,757,093</u>	<u>\$ (117,439)</u>	<u>\$ 125,195,471</u>	<u>\$ 5,566,220</u>

**City of Pittsburgh**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 17,302,315	\$ 4,919,896	\$ 1,262,308
Meter fees	60,160	-	-
Other fees	222,036	-	50
Facility reserve fees	905,740	101,602	-
Rent and concessions	-	-	79,650
Gas and oil sales	-	-	718,717
Other operating revenues	488,751	101,977	10,489
<b>Total Operating Revenues</b>	<b>18,979,002</b>	<b>5,123,475</b>	<b>2,071,214</b>
<b>OPERATING EXPENSES:</b>			
Salaries and wages	2,441,663	560,916	424,733
Department supplies	6,182,289	55,045	600,441
Rentals	9,856	672	14,862
Utilities	667,251	6,976	146,362
Maintenance and operations	2,117,518	159,588	180,078
Depreciation (Note 6)	1,589,239	793,906	516,439
Insurance premiums	-	-	-
Insurance deductible	67,992	19,404	9,930
Fringe benefits	1,652,988	440,856	322,568
Other operating expenses	1,037,864	144,673	136,861
<b>Total Operating Expenses</b>	<b>15,766,660</b>	<b>2,182,036</b>	<b>2,352,274</b>
<b>OPERATING INCOME (LOSS)</b>	<b>3,212,342</b>	<b>2,941,439</b>	<b>(281,060)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Investment earnings	173,547	74,651	8,426
Interest and fiscal charges	(1,710,864)	(81,986)	-
Gain (loss) on disposal of assets	-	-	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(1,537,317)</b>	<b>(7,335)</b>	<b>8,426</b>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>1,675,025</b>	<b>2,934,104</b>	<b>(272,634)</b>
<b>CONTRIBUTIONS AND TRANSFERS:</b>			
Capital contributions	2,145,271	-	-
Transfers in (Note 5C)	78,700	-	-
Transfers out (Note 5C)	(1,237,166)	(715,009)	(21,126)
<b>Total Contributions and Transfers</b>	<b>986,805</b>	<b>(715,009)</b>	<b>(21,126)</b>
<b>Change in Net Position</b>	<b>2,661,830</b>	<b>2,219,095</b>	<b>(293,760)</b>
<b>NET POSITION:</b>			
Beginning of Year	64,162,850	31,056,971	14,605,875
Prior period adjustments (Notes 9E & 9F)	(2,016,737)	(504,184)	(336,123)
End of Year	<b>\$ 64,807,943</b>	<b>\$ 32,771,882</b>	<b>\$ 13,975,992</b>

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental Activities Internal Service Funds
Pittsburg Power	Water Front Operations		
\$ 5,975,383	\$ -	\$ 29,459,902	\$ 8,079,920
-	-	60,160	-
659,308	-	881,394	-
-	-	1,007,342	-
211,557	832,783	1,123,990	-
-	-	718,717	-
73,559	30,514	705,290	152,656
6,919,807	863,297	33,956,795	8,232,576
1,244,785	200,136	4,872,233	577,199
2,047,273	4,264	8,889,312	780,905
24,892	2,084	52,366	41,671
17,761	-	838,350	301,493
889,249	30,762	3,377,195	1,491,688
481,468	-	3,381,052	541,574
562,529	-	562,529	808,779
27,462	5,034	129,822	163,226
794,847	175,732	3,386,991	5,249,171
580,016	332,476	2,231,890	70,569
6,670,282	750,488	27,721,740	10,026,275
249,525	112,809	6,235,055	(1,793,699)
180,534	3,304	440,462	(2,984)
-	(277)	(1,793,127)	-
63,754	-	63,754	12,740
244,288	3,027	(1,288,911)	9,756
493,813	115,836	4,946,144	(1,783,943)
-	-	2,145,271	-
50,000	-	128,700	741,755
(832,785)	-	(2,806,086)	(112,455)
(782,785)	-	(532,115)	629,300
(288,972)	115,836	4,414,029	(1,154,643)
14,886,372	(65,213)	124,646,855	6,720,863
(840,307)	(168,062)	(3,865,413)	
\$ 13,757,093	\$ (117,439)	\$ 125,195,471	\$ 5,566,220



**City of Pittsburg**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended June 30, 2015**

	Major Enterprise Funds		
	Water Utility	Sewer Utility	Marina
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 18,980,070	\$ 5,070,196	\$ 2,059,960
Cash payments to suppliers of goods and services	(8,102,858)	(543,110)	(1,099,460)
Cash payments to or on behalf of employees for services	(4,138,120)	(1,013,188)	(750,683)
Other operating revenues	488,751	101,977	10,489
<b>Net cash provided (used) by operating activities</b>	<b>7,227,843</b>	<b>3,615,875</b>	<b>220,306</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Interfund receipts	1,064,001	-	-
Interfund payments	-	(400,904)	-
Transfers in	78,700	-	-
Transfers out	(1,237,166)	(715,009)	(21,126)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(94,465)</b>	<b>(1,115,913)</b>	<b>(21,126)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Principal paid on long-term debt	10,352,398	(741,000)	-
Interest and fiscal charges paid on long-term debt	(1,492,804)	(81,831)	-
Capital lease obligations	-	-	-
Proceeds from sale of capital assets	-	-	-
Capital contributions	2,145,271	-	-
Acquisition of capital assets	(3,998,918)	(155,665)	(97,504)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>7,005,947</b>	<b>(978,496)</b>	<b>(97,504)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest on investments	173,547	74,651	8,426
<b>Net cash provided (used) by investing activities</b>	<b>173,547</b>	<b>74,651</b>	<b>8,426</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>14,312,872</b>	<b>1,596,117</b>	<b>110,102</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of Year	17,374,711	6,938,290	833,871
End of Year	<b>\$ 31,687,583</b>	<b>\$ 8,534,407</b>	<b>\$ 943,973</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ 3,212,342	\$ 2,941,439	\$ (281,060)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	1,589,239	793,906	516,439
Changes in operating assets and liabilities:			
Accounts receivable	489,819	48,698	(765)
Inventory	-	-	-
Prepaid items	-	-	-
Accounts payable	1,837,142	(156,752)	9,146
Salaries and wages payable	-	-	-
Refundable deposits	142,770	-	169
Taxes payable	-	-	(20,241)
Unearned revenue	-	-	-
Compensated absences	2,058	(35)	4,207
Due to retirement system	(45,527)	(11,381)	(7,589)
OPEB obligation	-	-	-
Insurance claims payable	-	-	-
<b>Net cash provided (used) by operating activities</b>	<b>\$ 7,227,843</b>	<b>\$ 3,615,875</b>	<b>\$ 220,306</b>

See accompanying notes to basic financial statements

Major Enterprise Funds		Total Enterprise Funds	Governmental
Pittsburg Power	Water Front Operations		Activities Internal Service Funds
\$ 6,618,834	\$ 859,860	\$ 33,588,920	\$ 7,992,297
(4,028,172)	(313,962)	(14,087,562)	(5,824,526)
(2,053,603)	(357,755)	(8,313,349)	(3,696,629)
73,559	30,514	705,290	152,656
<u>610,618</u>	<u>218,657</u>	<u>11,893,299</u>	<u>(1,376,202)</u>
-	150,277	1,214,278	-
(551,181)	-	(952,085)	(26,603)
50,000	-	128,700	-
(832,785)	-	(2,806,086)	629,300
<u>(1,333,966)</u>	<u>150,277</u>	<u>(2,415,193)</u>	<u>602,697</u>
-	-	9,611,398	-
-	(277)	(1,574,912)	-
-	-	-	(34,295)
63,754	-	63,754	12,740
-	-	2,145,271	-
(931,116)	(168,399)	(5,351,602)	(618,137)
<u>(867,362)</u>	<u>(168,676)</u>	<u>4,893,909</u>	<u>(639,692)</u>
180,534	3,304	440,462	(2,984)
<u>180,534</u>	<u>3,304</u>	<u>440,462</u>	<u>(2,984)</u>
(1,410,176)	203,562	14,812,477	(1,416,181)
7,017,247	76,827	32,240,946	5,514,210
<u>\$ 5,607,071</u>	<u>\$ 280,389</u>	<u>\$ 47,053,423</u>	<u>\$ 4,098,029</u>
\$ 249,525	\$ 112,809	\$ 6,235,055	\$ (1,793,699)
481,468	-	3,381,052	541,574
(239,202)	(791)	297,759	(537,710)
-	-	-	-
1,570	21,151	22,721	-
68,555	17,322	1,775,413	(92,285)
-	-	-	3,253
7,187	43,336	193,462	-
45,268	-	25,027	-
10,218	6,717	16,935	450,087
4,999	21,908	33,137	(1,409)
(18,970)	(3,795)	(87,262)	-
-	-	-	-
-	-	-	53,987
<u>\$ 610,618</u>	<u>\$ 218,657</u>	<u>\$ 11,893,299</u>	<u>\$ (1,376,202)</u>



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

# 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.

*Miscellaneous Employee Retirement System* - This fund was established to account for the activities of the Miscellaneous Employees' Retirement System of 1962.

*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 Pittsburgh**  
**Statement of Fiduciary Net Position**  
**June 30, 2015**

<b>ASSETS</b>	Successor Agency to the Redevelopment Agency Private-Purpose Trust	MERS Pension Trust Fund	Agency Funds
Cash and investments (Note 2)	\$ 922,714	\$ -	\$ 3,839,997
Cash and investments held by fiscal agent (Note 2)	101,664,704	-	2,933,792
Assessment receivable	-	-	2,191,330
Accounts receivable	17,200	-	-
Inventory	16,821	-	-
Prepaid items and other assets	225,933	-	-
Loans receivable (Notes 14A)	11,008,711	-	-
Capital Assets (Note 14B):			
Land and construction in progress	22,017,046	-	-
Depreciable capital assets, net	1,720,755	-	-
<b>Total assets</b>	<b>137,593,884</b>	<b>-</b>	<b>8,965,119</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Accumulated decrease in fair value of hedging derivatives (Note 14C)	16,010,220	-	-
<b>Total Deferred Outflow of Resources</b>	<b>16,010,220</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>			
Accounts payable	186,943	-	997,343
Interest payable	4,694,740	-	-
Refundable deposits	114,170	-	-
Deferred assessments	-	-	2,191,330
Due to other parties	-	-	6,780
Due to other governments	794,420	-	-
Due to bond-holders	-	-	5,769,666
Compensated absences payable:			
Due within one year	14,463	-	-
Due within more than one year	6,198	-	-
Long-term obligations (Note 14C):			
Derivative instrument	16,010,220	-	-
Due in one year	16,505,575	-	-
Due in more than one year	345,604,023	-	-
<b>Total Liabilities</b>	<b>383,930,752</b>	<b>-</b>	<b>\$ 8,965,119</b>
<b>NET POSITION</b>			
<b>Held in Trust for Private Purpose</b>	<b>\$ (230,326,648)</b>	<b>\$ -</b>	

See accompanying notes to financial statements

**City of Pittsburgh**  
**Statement of Changes in Fiduciary Net Position**  
**For the Year Ended June 30, 2015**

	Successor Agency to the Redevelopment Agency Private-Purpose Trust	MERS Pension Trust Fund
<b>ADDITIONS</b>		
Property tax	\$ 40,387,530	\$ -
Use of money and property	1,013,151	-
Employer Contributions	-	1,772
Other revenues	847,996	-
Total Additions	<u>42,248,677</u>	<u>1,772</u>
<b>DEDUCTIONS</b>		
General administration	1,719,862	-
Benefit Payments	-	5,274
Depreciation expense	43,542	-
Interest and fiscal charges	20,481,866	-
Total Deductions	<u>22,245,270</u>	<u>5,274</u>
Change in Net Position	20,003,407	(3,502)
<b>NET POSITION HELD IN TRUST</b>		
Beginning of Year, as restated (Note 1P)	<u>(250,330,055)</u>	<u>3,502</u>
End of Year	<u>\$ (230,326,648)</u>	<u>\$ -</u>

See accompanying notes to financial statements



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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, 2015**

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**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, 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.

Pittsburg 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. No separate financial report is issued by PACF.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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, 2015**

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

<u>Fund</u>	<u>Balances</u>
General Fund	\$ 9,844,234
Budget Stabilization	7,897,005
Economic Development	315,016
Total	<u>\$18,056,255</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.

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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

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 Pittsburgh. It also accounts for the maintenance of water plant, distribution reservoirs, and water lines.

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

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

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

Pittsburg Power Fund - This fund was created by the Joint Powers Agreement between the City of Pittsburg and the former Redevelopment Agency to develop revenue streams, to manage different activities for power related projects, capital improvement projects, and bond issuance process. This fund also accounts 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.

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.

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

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

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

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, a pension 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.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

Successor Agency to the Redevelopment Agency Private Purpose Trust Fund (Successor Agency) – This fund was created to account for the accumulation of resources to be used for payments at appropriate amounts and times in the future.

Miscellaneous Employee Retirement System – This fund was established to account for the activities of the Miscellaneous Employees' Retirement System of 1962.

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.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

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

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

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

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

**F. Restricted Cash and Investments**

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

**G. Property Taxes**

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

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

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

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

*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.

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. Contributed assets are valued at their estimated fair value on the date contributed.

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, 2015**

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**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, 2015**

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**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. Compensated absences for governmental activities are liquidated primarily by the General Fund.

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, 2015**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

The change in compensated absences was as follows:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$ 1,977,891	\$ 405,354	\$ 2,383,245
Additions/Payments, net	(322,183)	33,137	(289,046)
Ending Balance	<u>\$ 1,655,708</u>	<u>\$ 438,491</u>	<u>\$ 2,094,199</u>
Current Portion	<u>\$ 1,211,450</u>	<u>\$ 328,869</u>	<u>\$ 1,540,319</u>

**N. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position or balance sheet reports 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, and pension-related adjustments.

In addition to liabilities, the statement of net position or balance sheet reports 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 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 in the governmental funds balance sheet. The governmental funds report unavailable revenues from loans. The City has reported deferred inflows of resources in the Statement of Net Position and proprietary fund statements for pension-related adjustments. 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.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING (Continued)**

*P. New, Reclassified and Renamed Funds*

During fiscal year ended June 30, 2015, the City created the Miscellaneous Employee Retirement System Fiduciary Fund, reclassified the Golf Course Enterprise Fund as a Special Revenue Fund (which is discussed further in Note 9), and changed the name of the Energy Efficiency & Conservation (EECBG) Special Revenue Fund to the California Energy Conservation Program Special Revenue Fund.

*Q. Implementation of Governmental Accounting Standards Board Statement (GASB)*

The City has implemented the requirements of the following GASB Pronouncements:

**GASB Statement No. 68**, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement.

**GASB Statement No. 71**, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB No. 68*. This Statement addresses an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of government's beginning net pension liability.

The implementation of these pronouncements required an adjustment to beginning net position as discussed in Note 9.

**NOTE 2 - CASH AND INVESTMENTS**

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

*A. Policies*

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

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

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 Activities	Business-Type Activities	Total	Fiduciary Funds	
Cash and investments	\$ 44,182,634	\$ 31,524,241	\$ 75,706,875	\$ 4,762,711	\$ 80,469,586
Restricted cash and investments	2,742,453	15,529,182	18,271,635	104,598,496	122,870,131
investments	\$ 46,925,087	\$ 47,053,423	\$ 93,978,510	\$ 109,361,207	\$ 203,339,717

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

*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	none	none
Bankers' Acceptances	180 days	A1/P1	40%	5%
State and Local Obligations	5 years	"A-"	30%	5%
Commercial Paper	270 days	A1/P1/F1	25%	5%
Negotiable Certificates of Deposit	5 years	Aa/AA	30%	5%
Certificates of Deposits	1 year	"A"	30%	5%
Repurchase Agreements	90 days	"A"	15%	5%
Medium-Term Notes	5 years	"A"	30%	5%
Asset-Backed Securities	5 years	"AA"	20%	5%
Money Market Funds	n/a	3 highest ratings	20%	none
Local Agency Investment Fund (LAIF)	n/a	none	\$50 million	none
California Asset Management Program (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, 2015, 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, 2015**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

As of June 30, 2015, the City had \$10,015,178 invested in LAIF, which had invested 2.08% of the pool investment funds in Structured Notes and Medium-term Asset-Backed Securities. The LAIF fair value factor of 1.000375979 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, 2015, these investments matured in an average of 239 days.

**C. 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+/P1
Commercial Paper	270 days	A1/P1/F1
Money Market Fund	n/a	3 highest ratings
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	1 year	none
Guaranteed Investment Agreements	n/a	none
Repurchase Agreements	90 days	A
Local Agency Investment Fund (LAIF)	n/a	none
California Asset Management Program (CAMP)	n/a	none

**D. 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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

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.

Investment Type	Investment Maturities (in years)		Total
	Less than 1 year	1 - 5 years	
U.S. Treasury & Federal Obligations	\$ 30,764,362	\$ 56,373,391	\$ 87,137,753
Medium-Term Notes	6,048,930	6,383,937	12,432,867
Local Agency Investment Fund	10,015,178	-	10,015,178
Municipal Bonds	877,065	-	877,065
Guaranteed Investment Agreements	-	2,179,279	2,179,279
CAMP	3,288,962	-	3,288,962
Money Market Funds	66,289,527	-	66,289,527
Non-negotiable Certificates of Deposit	102,223	-	102,223
Total Investments	<u>\$ 117,386,247</u>	<u>\$ 64,936,607</u>	<u>182,322,854</u>
Cash in banks and on hand			9,629,465
Cash available at I-Bank			11,387,398
Total Cash and Investments			<u>\$ 203,339,717</u>

Money Market Funds are available for withdrawal on demand and at June 30, 2015 matured in an average of 26 days.



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 2 - CASH AND INVESTMENTS (Continued)**

**E. 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, 2015 for each investment type as provided by Standard and Poor's investment rating system.

	Fair Value	AAAm	AA+	AAA	AA-	A+	A	Not Rated
U.S. Treasury & Agency Obligations	\$ 87,137,753	\$ -	\$ 87,137,753	\$ -	\$ -	\$ -	\$ -	\$ -
Medium-Term Notes	12,432,867	-	3,578,629	-	3,416,470	3,435,956	2,001,812	-
CAMP	3,288,962	3,288,962	-	-	-	-	-	-
Money Market Funds	66,289,527	51,249,958	-	-	-	-	-	15,039,569
Municipal Bonds	877,065	-	-	-	877,065	-	-	-
Guaranteed Investment Agreements	2,179,279	-	-	2,179,279	-	-	-	-
Local Agency Investment Fund	10,015,178	-	-	-	-	-	-	10,015,178
Non-negotiable Certificates of Deposit	102,223	-	-	-	-	-	-	102,223
<b>Total Investments</b>	<b>182,322,854</b>	<b>\$ 54,538,920</b>	<b>\$ 90,716,382</b>	<b>\$ 2,179,279</b>	<b>\$ 4,293,535</b>	<b>\$ 3,435,956</b>	<b>\$ 2,001,812</b>	<b>\$ 25,156,970</b>
Cash in banks and on hand	9,629,465							
Cash available with I-Bank	11,387,398							
<b>Total Cash and Investments</b>	<b>\$ 203,339,717</b>							

**F. 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>Government-Wide:</i>		
Federal National Mortgage Association	Securities of U.S. Government	\$ 62,703,620
Federal Home Loan Bank	Securities of U.S. Government	13,495,238

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 3 - LOANS AND NOTES RECEIVABLES**

As of June 30, 2015, loans and notes receivable consisted of the following:

Description	Total Balance at June 30, 2015
<i>Governmental Funds:</i>	
HUD Community Development Block Grant	\$ 326,484
CalHome Program Loans	558,186
Rehabilitation and Construction Loans	1,500,840
9th Street Associates (Santa Fe Commons Housing Development)	1,705,412
Century Plaza Corporation	720,463
Residential Loans on Vidrio	2,621,816
Other Assistance Loan	93,137
Fairfield Belmont, L.P. Loan	4,650,889
Steadfast Marina Heights L.P.	1,400,000
Mariner Walk Loan	180,000
Vista Del Mar Loans	300,000
Mercy Housing California Loan	4,480,492
Domus Development LLC	7,986,586
Low Income Families Loans	917,440
Presidio Village Senior Housing	674,408
Palm Plaza Group, LLC	291,200
Palm Plaza Development	376,000
Resources for Community Development Loan	6,792,296
Domus Development LLC Loan	5,004,099
PACF Loans	822,707
Total Governmental Funds - Loans and Notes Receivable	<u>\$ 41,402,455</u>

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

The HUD CDBG Special Revenue fund had a loans receivable balance of \$326,484 as of June 30, 2015, which consisted of \$140,893 in CDBG entitlement loans and \$185,591 in First Time Homebuyer loans.

**B. CalHome Program Loans**

CalHome Program funds of \$600,000 were awarded by the State of California and are used to provide first-time home buyer mortgage assistance as well as housing rehabilitation assistance for low income homeowners. Loans are payable upon sale or transfer of property, when the property ceases to be owner-occupied, or upon the CalHome loan maturity date. The outstanding balance as of June 30, 2015 was \$558,186.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

*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 \$1,500,840 as of June 30, 2015.

*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 assist improvements and rehabilitation of properties that were currently vacant or underutilized.

- During fiscal year 2011-2012, the City provided 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, 2015 was \$1,705,412.
- During fiscal year 2010-2011, the City approved a loan to Nana's Place for tenant improvements at 51 Marina Boulevard. During fiscal year 2014-2015, this loan was written off as the business terminated.
- During fiscal year 2010-2011, the City approved a loan to La Veranda Café, Inc., for improvements at 711 and 755 Railroad Ave. During fiscal year 2014-2015, this loan was written off, due to ownership change.
- During fiscal year 2009-2010, the City approved a rehabilitation loan to a Pittsburg resident for the property at 48 Dolphin Drive. The loan bears interest of 0% and is fully forgivable in 5 years if the home remains as the buyer's primary residence. During fiscal year 2014-2015 the loan was fully forgiven.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

*E. Other Loans*

During fiscal year 2013-14, the City of Pittsburg approved a loan to Century Plaza Corporation for anchor tenant retention and remodeling of the Century Plaza. The total approved loan amount was \$1,300,000 and will be disbursed in five years. Loan bears 2% annual interest and is due and payable on July 1, 2023. Century Plaza Corporation will receive a loan repayment credit effective July 1, 2019 if it is in compliance with the terms stipulated by the loan agreement. The accrued interest will be forgiven along with the loan credit. The outstanding amount as of June 30, 2015 was \$720,463.

During fiscal year 2010-2011, the City of Pittsburg financed several residential loans to the homebuyers of Vidrio Condominium. The outstanding amount as of June 30, 2015 was \$2,621,816.

During fiscal year 2014-15, the City of Pittsburg approved a loan of up to \$150,000 for the properties at 444 and 446 Railroad Avenue. The loan bears interest of 3% per annum. Payment is deferred until September 1, 2018 at which point monthly payments of principal and interest will be due for a term of 3 years. The outstanding amount as of June 30, 2015 was \$93,137.

*F. Housing Successor Agency Loans*

During fiscal year 2004-2005, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned 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, 2015 was \$4,650,889.

During fiscal year 2004-2005, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned 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, 2015 was \$1,400,000.

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, there loans were assumed by the Housing Successor. The balance outstanding as of June 30, 2015 was \$180,000 and \$300,000 for the property owners.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

During fiscal year 2005-2006, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned 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, 2015 was \$4,480,492.

In Fiscal Year 2005-2006, the former Redevelopment Agency entered into 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, 2015 was \$7,986,586.

During fiscal year 2006-2007 and 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned 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, 2015 was \$917,440.

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned 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, 2015 was \$674,408.

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, 2015 was \$291,200 for Palm Plaza Group, LLC and \$376,000 for Palm Plaza Development, respectively, totaling \$667,200.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 3 - LOANS AND NOTES RECEIVABLES (Continued)**

During fiscal year 2006-2007, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned 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, 2015 was \$6,792,296.

During fiscal year 2007-2008, the former Redevelopment Agency Low-Moderate Income Housing II Special Revenue Fund loaned 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, 2015 was \$5,004,099.

***G. Pittsburgh Arts and Community Foundation (PACF) Loans***

During fiscal year 2010-2011, the PACF assumed a construction loan and lease due from a Pittsburgh resident. The loan will be repaid through lease payments on 159 4<sup>th</sup> Street, with a balloon payment due on December 1, 2023. During fiscal year 2011-2012, PACF assumed an NSP Home Buyer assistance program loan that was issued to a Pittsburgh resident. Loan payments are deferred for 10 years, expiring on March 24, 2020, and will be forgiven if certain terms are met. The outstanding amounts of these loans as of June 30, 2015 were \$798,285 and \$24,422, respectively, totaling \$822,707.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**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, 2015, unearned revenues in the Government-Wide Financial Statements consisted of unearned developer, donation, and grant revenues of \$1,099,490 in Governmental Activities and \$940,179 in Business-Type Activities.

**B. Fund Financial Statements**

At June 30, 2015, 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:

	<b>Governmental Funds</b>				
	General Fund	Housing Authority (Sec. 8)	Successor Agency Housing	Non-Major Governmental Funds	Total Governmental Funds
Unearned developer/ donation revenue	\$ 23,514	\$ -	\$ -	\$ -	\$ 23,514
Unearned service revenue	739,944	133,688	-	202,344	1,075,976
Sub-total	763,458	133,688	-	202,344	1,099,490
Loans receivable	813,600	-	33,053,410	4,774,174	38,641,184
Total	<u>\$ 1,577,058</u>	<u>\$ 133,688</u>	<u>\$ 33,053,410</u>	<u>\$ 4,976,518</u>	<u>\$ 39,740,674</u>

	<b>Business-Type</b>			
	Water	Pittsburg Power	Water Front Operations	Total
Unearned developer/ donation revenue	\$ -	\$ 493,248	\$ -	\$ 493,248
Unearned service revenue	3,411	290,451	153,069	446,931
	<u>\$ 3,411</u>	<u>\$ 783,699</u>	<u>\$ 153,069</u>	<u>\$ 940,179</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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:

DUE FROM FUND:	DUE TO FUND:	AMOUNT
Non-Major Governmental Funds:		
<i>Special Revenue Funds:</i>		
Miscellaneous Grants	General Fund	\$ 2,395
Local Law Enforcement Block Grant	General Fund	186
<i>Other Post Employment Benefit Internal Service Fund</i>	General Fund	<u>450,087</u>
	Due to General Fund	<u><u>\$ 452,668</u></u>



**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 5 - INTERFUND TRANSACTIONS (Continued)**

**B. Interfund Advances**

At June 30, 2015, the following funds had advances that were not expected to be repaid within the next year:

FROM FUND:	TO FUND :	AMOUNT
<b>GOVERNMENTAL FUND</b>		
General Fund	Park Maintenance CFD 2007-1 Special Revenue Fund	\$ 163,865
Regional Traffic Mitigation Capital Projects Fund	Railroad Avenue Specific Plan Area Special Revenue Fund	3,303,957
<b>ENTERPRISE FUNDS</b>		
Water Utility	General Fund	1,416,788
	<i>Special Revenue Funds:</i>	
Water Utility	Housing Authority (Section 8)	48,236
Water Utility	Lighting & Landscape	78,966
Water Utility	Storm Water Utility (NPDES)	26,914
Water Utility	HUD Community Development Block Grant	7,718
Water Utility	San Marco CFD 2004-1	29,042
Water Utility	Vista Del Mar CFD 2005-2	3,024
Water Utility	Public Safety Services CFD 2005-1	13,324
Water Utility	Park Maintenance CFD 2007-1	2,392
	<i>Internal Service Funds:</i>	
Water Utility	Fleet Maintenance	22,006
Water Utility	Building Maintenance	15,848
Water Utility	Information/Communication Services	7,740
	<i>Sub-total: Advance from Water Utility</i>	1,671,998
Sewer Utility	Park Dedication Capital Improvement Fund	400,904
Pittsburg Power	Golf Course Special Revenue Fund	375,000
Pittsburg Power	Park Dedication Capital Improvement Fund	400,904
Pittsburg Power	Waterfront Operations Enterprise Fund	150,277
	<i>Sub-total: Advance from Pittsburg Power</i>	926,181
	<i>Total: Advances from Proprietary Fund</i>	2,999,083
	<b>TOTAL ADVANCES</b>	<b>\$ 6,466,905</b>

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 5 - INTERFUND TRANSACTIONS (Continued)**

During fiscal year 2006-2007, the General Fund advanced \$150,000 to the Park Maintenance CFD 2007-1 Special Revenue Fund to help to eliminate the deficit fund balance. Interest is accrued annually at the LAIF rate. The balance as of June 30, 2015 was \$163,865.

During fiscal year 2014-2015, the Regional Traffic Mitigation Fund advanced \$3,300,000 to the City of Pittsburg Community Facilities District 2014-1 (CFD 2-14-1) Fund to help fund the construction of the eBART Pittsburg Center Station Project. The advance is to be repaid to the Regional Traffic Mitigation Fund by June 30, 2044 and bears simple interest at the average State Local Agency Investment Fund (LAIF) interest rate. The repayment began in fiscal year 2015 with annual payment in amount up to the accrued interest due, and the current balance as of June 30, 2015 was \$3,303,957.

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. The repayment began in fiscal year 2012 - 2013 with an interest only payment, and the current balance as of June 30, 2015 was \$1,671,998.

During fiscal year 2002-2003, the Pittsburg Power Enterprise Fund advanced \$375,000 to the Golf Course Special Revenue 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. The current balance as of June 30, 2015 was \$375,000.

During fiscal year 2014-2015, the Sewer Operations Fund and Pittsburg Power Fund advanced \$400,000 and \$400,000, for a total of \$800,000 to the Park Dedication Fee Fund to help fund the Old Town Park Project. The advance is to be repaid no later than June 30, 2025 and bears simple interest at the average annual State Local Agency Investment Fund (LAIF) interest rate. The Sewer Operations Fund will be repaid first and the Pittsburg Power Fund will be repaid after the Sewer Operations Fund has been fully repaid. The repayment began in fiscal year 2015 with annual payment in amount up to the accrued interest due, and the current balance as of June 30, 2015 was \$801,808.

During fiscal year 2014-2015, the Pittsburg Power Enterprise Fund advanced \$150,000 to the Water Development and Operations Fund for the completion of the construction of non-motorized watercraft launch ramp project and to help maintain a positive fund balance. The advance is to be repaid within three years beginning fiscal year 2016-2017 and ending in 2018-2019, incorporating an interest payback using the average annual State Local Agency Investment Fund (LAIF) interest rate. The balance as of June 30, 2015 was \$150,277.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 5 - INTERFUND TRANSACTIONS (Continued)**

*C. Interfund Transfers*

At June 30, 2015, 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 from Budget Stabilization Fund to cover a one-time stipend expenses.
- C. Transfers to cover Citywide Lighting & Landscaping, Park Maintenance and Golf Course operating expenses.
- D. Transfers to fund Citywide Pavement projects.
- E. Transfers to fund road maintenance projects and accounts for program income in CDBG.
- F. Transfers to the Water Utility Enterprise Fund to subsidize senior discount.
- G. Transfers to cover Future Build program.
- H. Transfers to fund unfunded OPEB liabilities and locker room remodeling.
- I. Transfers to fund capital project.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 5 - INTERFUND TRANSACTIONS (Continued)**

<u>FROM FUND:</u>	<u>TO FUND:</u>	<u>AMOUNT</u>	
Non-Major Governmental Funds		\$ 1,659,009	
Water Utility		839,176	
Sewer Utility		635,156	
Pittsburg Power		766,500	
Internal Service Funds		<u>81,608</u>	
	General Fund	<u>3,981,449</u>	A
General Fund	Housing Authority (Section 8)	<u>16,392</u>	B
General Fund		686,596	C
Water Utility		280,000	D
Sewer Utility		50,000	I
Non-Major Governmental Funds		<u>1,532,212</u>	E
	Non-Major Governmental Funds	<u>2,548,808</u>	
	<i>Sub-total: Total Governmental Funds</i>	<u>6,546,649</u>	
General Fund	Water Utility	78,700	F
General Fund	Pittsburg Power	50,000	G
General Fund	Internal Service Funds	417,793	H
Housing Authority (Section 8)	Internal Service Funds	11,714	H
Non-Major Governmental Funds	Internal Service Funds	46,147	H
Water Utility	Internal Service Funds	117,990	H
Sewer Utility	Internal Service Funds	29,853	H
Marina	Internal Service Funds	21,126	H
Pittsburg Power	Internal Service Funds	66,285	H
Internal Service Fund	Internal Service Funds	<u>30,847</u>	H
	<i>Sub-total: Total Proprietary Funds</i>	<u>870,455</u>	
	<b>TOTAL TRANSFERS</b>	<u><u>\$ 7,417,104</u></u>	

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 6 - CAPITAL ASSETS**

*A. Government-Wide Financial Statements*

At June 30, 2015, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 33,838,944	\$ 1,143,506	\$ 34,982,450
Construction in progress	15,913,273	10,019,500	25,932,773
Total non-depreciable assets	<u>49,752,217</u>	<u>11,163,006</u>	<u>60,915,223</u>
Depreciable assets:			
Buildings and improvements	90,165,660	23,564,814	113,730,474
Machinery and equipment	14,194,183	9,293,425	23,487,608
Infrastructure	290,360,275	141,595,224	431,955,499
Total depreciable assets	<u>394,720,118</u>	<u>174,453,463</u>	<u>569,173,581</u>
Less accumulated depreciation:			
Buildings and improvements	(31,775,182)	(8,397,143)	(40,172,325)
Machinery and equipment	(11,653,861)	(2,782,050)	(14,435,911)
Infrastructure	(132,391,699)	(42,789,214)	(175,180,913)
Total accumulated depreciation	<u>(175,820,742)</u>	<u>(53,968,407)</u>	<u>(229,789,149)</u>
Total net depreciable assets	<u>218,899,376</u>	<u>120,485,056</u>	<u>339,384,432</u>
Total capital assets	<u>\$ 268,651,593</u>	<u>\$ 131,648,062</u>	<u>\$ 400,299,655</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 6 - CAPITAL ASSETS (Continued)**

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

	Balance at July 31, 2014 (as restated)	Additions	Deletions & Transfers	Reclassifications	Balance at June 30, 2015
Non-depreciable assets:					
Land	\$ 33,838,944	\$ -	\$ -	\$ -	\$ 33,838,944
Construction in progress	25,194,054	3,298,675	(97,506)	(12,481,950)	15,913,273
<b>Total</b>	<b>59,032,998</b>	<b>3,298,675</b>	<b>(97,506)</b>	<b>(12,481,950)</b>	<b>49,752,217</b>
Depreciable assets:					
Buildings and improvements	84,087,590	-	-	6,078,070	90,165,660
Machinery and equipment	13,478,648	945,656	(230,121)		14,194,183
Infrastructure	283,948,421	7,974	-	6,403,880	290,360,275
<b>Total</b>	<b>381,514,659</b>	<b>953,630</b>	<b>(230,121)</b>	<b>12,481,950</b>	<b>394,720,118</b>
Less accumulated depreciation:					
Buildings and improvements	(27,828,353)	(3,946,829)	-	-	(31,775,182)
Machinery and equipment	(11,122,414)	(910,088)	378,641	-	(11,653,861)
Infrastructure	(125,553,186)	(6,838,513)	-	-	(132,391,699)
<b>Total</b>	<b>(164,503,953)</b>	<b>(11,695,430)</b>	<b>378,641</b>	<b>-</b>	<b>(175,820,742)</b>
<b>Total depreciable assets, net</b>	<b>217,010,706</b>	<b>(10,741,800)</b>	<b>148,520</b>	<b>12,481,950</b>	<b>218,899,376</b>
<b>Total capital assets, net</b>	<b>\$ 276,043,704</b>	<b>\$ (7,443,125)</b>	<b>\$ 51,014</b>	<b>\$ -</b>	<b>\$ 268,651,593</b>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 6 - CAPITAL ASSETS (Continued)**

Governmental activities depreciation expense for capital assets for the year ended June 30, 2015 is as follows:

General government	\$	1,380,721
City Manager and City Clerk		45,922
City Attorney		6,185
Human Resources		5,685
Finance and services		107,937
Community development and services		148,373
Public Safety		511,756
Public Works		9,488,851
Total depreciation expense	\$	<u>11,695,430</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 6 - CAPITAL ASSETS (Continued)**

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

	Balance at July 1, 2014 (as restated)	Additions & Transfers	Deletions	Reclassifications	Balance at June 30, 2015
Non-depreciable assets:					
Land	\$ 1,143,506	\$ -	\$ -	\$ -	\$ 1,143,506
Construction in progress	20,659,398	4,933,157	-	(15,573,055)	10,019,500
Total	<u>21,802,904</u>	<u>4,933,157</u>	<u>-</u>	<u>(15,573,055)</u>	<u>11,163,006</u>
Depreciable assets:					
Buildings and improvements	21,655,571	7,176	-	1,902,067	23,564,814
Machinery and equipment	6,383,937	94,462	-	2,815,026	9,293,425
Infrastructure	130,422,455	316,807	-	10,855,962	141,595,224
Total	<u>158,461,963</u>	<u>418,445</u>	<u>-</u>	<u>15,573,055</u>	<u>174,453,463</u>
Less accumulated depreciation:					
Buildings and improvements	(15,477,307)	(496,852)	-	7,577,016	(8,397,143)
Machinery and equipment	(2,301,432)	(480,618)	-	-	(2,782,050)
Infrastructure	(32,808,616)	(2,403,582)	-	(7,577,016)	(42,789,214)
Total	<u>(50,587,355)</u>	<u>(3,381,052)</u>	<u>-</u>	<u>-</u>	<u>(53,968,407)</u>
Total depreciable assets, net	<u>107,874,608</u>	<u>(2,962,607)</u>	<u>-</u>	<u>15,573,055</u>	<u>120,485,056</u>
Total capital assets, net	<u>\$ 129,677,512</u>	<u>\$ 1,970,550</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,648,062</u>



**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 6 - CAPITAL ASSETS (Continued)**

Business-type activities depreciation expenses for capital assets for the year ended June 30, 2015 are as follows:

Water Utility	\$	1,589,239
Sewer Utility		793,906
Marina		516,439
Pittsburg Power		481,468
Total	\$	<u>3,381,052</u>

As discussed in Note 9, the Golf Course fund was recategorized from an Enterprise Fund to a Special Revenue, therefore, its assets were transferred from Business-Type activities to Governmental activities.

**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, 2015:

Description	Original Issue Amount	Beginning Balance July 1, 2014 (as restated)	Additions	Retirements	Ending Balance June 30, 2015	Amounts Due Within One Year	Amounts Due in More Than One Year
<b>Governmental Activities:</b>							
2006 Pension Obligation Bonds	\$ 39,566,056	\$ 33,157,051	\$ 1,199,924	\$ 530,000	\$ 33,826,975	\$1,955,000	\$ 31,871,975
CEC Energy Conservation Loan	571,097	526,313	-	59,147	467,166	60,898	406,268
Capital Lease - VOIP	176,450	105,815	-	34,295	71,520	35,263	36,257
<b>Total Governmental Activities</b>		<u>\$ 33,789,179</u>	<u>\$ 1,199,924</u>	<u>\$ 623,442</u>	<u>\$ 34,365,661</u>	<u>\$2,051,161</u>	<u>\$ 32,314,500</u>

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 7 - LONG TERM DEBT (Continued)**

*Series 2006 Pension Obligation Bonds*

On June 15, 2006, the City issued \$39,566,056 of Series 2006 Taxable Pension Obligations Bonds bearing interest at 5.784-6.115% to prepay the City’s unfunded accrued actuarial liability of the Miscellaneous and Safety plans through the California Public Employees’ Retirement System. The City also prepaid the unfunded liability owed to Contra Costa County Employees Retirement Association (CCCERA) which amounted to \$12,700,000 as of June 30, 2006. The Bonds are issued as current interest bonds and capital interest bonds where the current interest is payable annually on July 1, and the capital appreciation bonds will accrete interest from the date of issuance and will be payable only upon maturity or redemption. The bonds are payable from any form of taxation. Annual principal and interest payments on the bonds are expected to require less than 3% percent of city-wide revenues. The total principal and interest remaining to be paid on the bonds is \$81,060,394. For the current year, principal and interest paid were \$2,032,886 and city-wide revenues were \$60,697,330.

The Bonds unaccreted discount and the current year accretion totaled \$24,343,025 and \$1,199,924, respectively at June 30, 2015. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 5.85% and 6.12%. Repayment of the accreted principal will commence July 1, 2015. Final repayment will be July 1, 2031.

The annual debt service requirements to mature the Series 2006 Pension Obligation Bonds outstanding at June 30, 2015, were as follows:

Year Ending June 30,	Principal (1)	Interest	Total
2016	\$ 1,955,000	\$ 1,479,171	\$ 3,434,171
2017	2,020,000	1,461,241	3,481,241
2018	2,090,000	1,440,995	3,530,995
2019	2,160,000	1,418,272	3,578,272
2020	2,240,000	1,392,911	3,632,911
2021-2025	12,680,000	6,479,469	19,159,469
2026-2030	14,025,000	5,493,449	19,518,449
2031-2035	16,875,000	3,603,013	20,478,013
2036	4,125,000	121,873	4,246,873
<b>Total</b>	<b>\$ 58,170,000</b>	<b>\$ 22,890,394</b>	<b>\$ 81,060,394</b>

(1) Includes unaccreted discount in the total amount of \$24,343,025.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 7 - LONG TERM DEBT (Continued)**

CEC Energy Conservation Loan

On May 31, 2012, the City obtained a State of California Energy Resources Conservation and Development Commission loan from the California Energy Commission (CEC), in the amount of \$571,097, bearing an interest rate of 3.00% to convert all decorative lamp fixtures from High Pressure Sodium (HPS) to Light Emitted Diode (LED), including the installation of 621 LED lamps on 610 poles. The loan is repayable from general funds from savings in energy costs, and interest and principal payments are payable semiannually on June 22 and December 22, commencing December 22, 2013.

During fiscal year ended June 30, 2015, the City reclassified this loan, previously reported as “Due to other agencies” in the California Energy Conservation Program Special Revenue fund, as long-term debt in the Governmental Activities. (See Note 9 for more information regarding the restatement.) As of June 30, 2015, the outstanding principal balance on the loan was \$467,166.

The annual debt service requirements to mature the loan outstanding at June 30, 2015 were as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 60,898	\$ 13,899	\$ 74,797
2017	62,775	11,722	74,497
2018	64,672	9,825	74,497
2019	66,627	7,870	74,497
2020	68,626	5,871	74,497
2021-2022	143,568	5,427	148,995
Total	<u>\$ 467,166</u>	<u>\$ 54,614</u>	<u>\$ 521,780</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, 2015, the outstanding principal balance on the lease was \$71,520.

The annual debt service requirements to mature the lease outstanding at June 30, 2015, are as follows:

Year Ending June 30,	Principal	Interest	Totals
2016	\$ 35,263	\$ 2,016	\$ 37,279
2017	36,257	1,021	37,278
Totals	<u>\$ 71,520</u>	<u>\$ 3,037</u>	<u>\$ 74,557</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**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, 2015:

Description	Original Issue Amount	Beginning Balance July 1, 2014	Additions	Retirements	Ending Balance June 30, 2015	Amounts Due Within One Year	Amounts Due in More Than One Year
2008A Water Revenue Refunding Bonds	\$ 38,395,000	\$ 32,610,000	\$ -	\$ 1,035,000	\$ 31,575,000	\$ 1,090,000	\$ 30,485,000
2014 Waste Water Revenue Refunding Bonds	5,342,000	5,342,000	-	741,000	4,601,000	737,000	3,864,000
2014 California Infrastructure and Economic Development Bank Loan	11,387,398	-	11,387,398	-	11,387,398	220,227	11,167,171
		<u>\$ 37,952,000</u>	<u>\$ 11,387,398</u>	<u>\$ 1,776,000</u>	<u>\$ 47,563,398</u>	<u>\$ 2,047,227</u>	<u>\$ 45,516,171</u>

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 rates, 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, 2015, \$31,575,000 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 \$44,850,180. For the current year, principal and interest paid were \$1,106,943 and Water System net operating revenues were \$3,212,342.

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 prior 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.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 7 - LONG TERM DEBT (Continued)**

The annual debt service requirements to mature the 2008 Bonds outstanding at June 30, 2015, were as follows:

Year Ending June 30,	Principal	Interest	Remarketing & LOC Fees	Total
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	1,215,000	1,013,148	317,130	2,545,278
2020	1,265,000	986,391	304,205	2,555,596
2021-2025	7,075,000	4,132,514	1,292,922	12,500,436
2026-2030	8,425,000	2,749,808	865,433	12,040,241
2031-2035	10,200,000	1,110,200	352,326	11,662,526
<b>Total</b>	<b>\$ 31,575,000</b>	<b>\$ 13,275,810</b>	<b>\$ 4,161,592</b>	<b>\$ 49,012,402</b>

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, 2015 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 / S&P/ Fitch	A3/ A- / A
Total Value	(\$5,258,967)

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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 7 - LONG TERM DEBT (Continued)**

*Fair value.* The City's swap had a negative fair value of \$4,254,995 for the 2008 Water Revenue Bonds. This fair value takes into consideration the prevailing interest rate environment, the specific terms and conditions of a given transaction and any upfront payments that may have been received. The fair value was estimated using the zero-coupon discounting method. This method calculates the future payments required by the swap, assuming that the current forward rates implied by the LIBOR swap yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement on the swaps.

*Credit risk.* As of June 30, 2015, 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 A3/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.

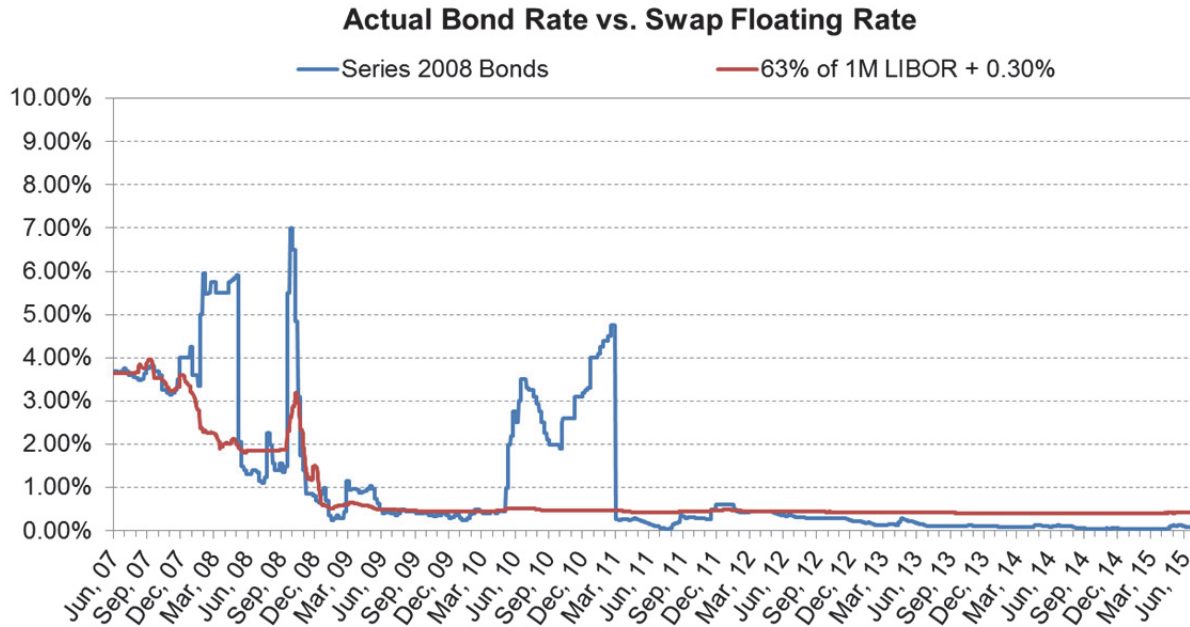
The swap agreement contains a collateral agreement with MSCS which guarantees Piper Jaffray. The swap requires collateralization of the fair value of the swap should the MSCS credit rating fall below the applicable thresholds.

*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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 7 - LONG TERM DEBT (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 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.

*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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 7 - LONG TERM DEBT (Continued)**

2014 Waste Water Revenue Refunding Bonds (Bank of the West Private Placement)

The City of Pittsburgh Financing Authority previously issued \$11,950,000 of Wastewater Revenue Refunding Bonds, Series 2004 pursuant to a Trust Agreement, a Master Installment Sale Agreement and a First Supplemental Installment Sale Agreement; all dated March 1, 2004. The bonds bore interest rates from 2.00%-4.25%.

To refinance the 2004 Bonds, the Financing Authority, with the City, entered into an installment sale agreement to provide funds in an aggregate principal amount of \$5,342,000. The financing was placed privately with Bank of the West. A portion of the proceeds of the Financing was deposited into an irrevocable escrow for full redemption of the 2004 Bonds. The installment sales payments bear an interest rate of 1.55% per annum with interest payments made semi-annually on June 1 and December 1 commencing December 1, 2014 through June 1, 2021. The installments are payable solely from Net Wastewater Revenues. Annual principal and interest payments are expected to require less than 15% percent of net revenues. The total principal and interest remaining to be paid is \$4,835,817. For the current year, principal and interest paid were \$815,537 and wastewater net revenues were \$2,941,439.

The annual debt service requirements to mature the loan outstanding at June 30, 2015 were as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 737,000	\$ 68,464	\$ 805,464
2017	753,000	56,970	809,970
2018	761,000	45,268	806,268
2019	772,000	33,434	805,434
2020	782,000	21,429	803,429
2021	796,000	9,252	805,252
<b>Total</b>	<b>\$ 4,601,000</b>	<b>\$ 234,817</b>	<b>\$ 4,835,817</b>



**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 7 - LONG TERM DEBT (Continued)**

*2014 California Infrastructure and Economic Development Bank Installment Sale Agreement*

On November 17, 2014, the City of Pittsburg entered into an installment sale agreement (agreement) with the California Infrastructure and Economic Development Bank for financing the costs of modifications to the Pittsburg Water Treatment Plant and installation of approximately 9,100 feet of transmission line and other related costs. The principal amount provided under the agreement is \$11,387,398 payable over a term of 30 years. Principal payments are made annually on August 1, commencing August 1, 2015 through August 1, 2044. The installment sales payments bear an interest rate of 3.51% per annum with interest payments made semi-annually on February 1 and August 1, commencing February 1, 2015 through August 1, 2044. The installments are payable from Water Charge Revenues. During fiscal year ended June 30, 2015, no principal was paid and interest paid was \$82,160, and water charge revenues were \$18,979,002.

The annual debt service requirements to mature the outstanding balance at June 30, 2015, were as follows:

Year Ending June 30,	Principal	Interest	Annual Fee	Total
2016	\$ 220,227	\$ 395,833	\$ 34,162	\$ 650,222
2017	227,957	387,967	33,502	649,426
2018	235,958	379,825	32,818	648,601
2019	244,240	371,398	32,110	647,748
2020	252,812	362,675	31,377	646,864
2021-2025	1,403,563	1,671,424	144,962	3,219,949
2026-2030	1,667,799	1,402,551	122,378	3,192,728
2031-2035	1,981,778	1,083,061	95,542	3,160,381
2036-2040	2,354,868	703,423	63,654	3,121,945
2041-2045	2,798,196	252,315	25,763	3,076,274
Total	\$ 11,387,398	\$ 7,010,472	\$ 616,268	\$ 19,014,138

**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, 2015, was as follows:

	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015
2001-03 Century Plaza A.D. Bonds	\$ 3,540,000	\$ -	\$ 110,000	\$ 3,430,000
2005 Vista Del Mar A.D. Bonds	10,365,000	-	10,365,000	-
2011 Pittsburg IFA Bonds	15,910,000	-	1,020,000	14,890,000
2015 Vista Del Mar A.D. Refunding Bonds	-	9,655,000	-	9,655,000
Total	\$ 29,815,000	\$ 9,655,000	\$ 11,495,000	\$ 27,975,000

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 8 - SPECIAL ASSESSMENT DISTRICT DEBT WITHOUT CITY COMMITMENT**  
**(Continued)**

**2001-03 Century Plaza Assessment District Bonds** - 2001-03 Limited Obligation Improvement Assessment District Bonds (Century Plaza Bonds) outstanding at June 30, 2015, amounted to \$3,430,000. 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. The outstanding balance at June 30, 2015 amounted to \$3,430,000.

**2005 Vista Del Mar Assessment District Bonds** - In October 2005, the City of Pittsburg issued \$12,115,000 in 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 were used to finance certain public infrastructure improvements within the City's Community Facilities District No. 2005-2. In June 2015, the bonds were refunded in full and defeased by the issuance of the 2015 Vista Del Mar Assessment District Special Tax Refunding Bonds.

**2011 Pittsburg Infrastructure Financing Authority Bonds** - In August 2011, the City refinanced the 1998 Marina Walk Assessment District Bonds, 1998 Pittsburg 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, 2015 amounted to \$14,890,000.

**2015 Vista Del Mar Assessment District Special Tax Refunding Bonds** - In June 2015, the City refunded and defeased the 2005 Vista Del Mar Assessment District Bonds. The 2015 Vista Del Mar Bonds bear interest rates between 2.00% and 5.00% with interest payments made semi-annually on March 1 and September 1. The outstanding balance at June 30, 2015, amounted to \$9,655,000.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

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.

*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 Senior Executive Team members for items below \$75,000) and may be changed at the discretion of the City Council or its designee.

*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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

To comply with GASB 54 requirements, the Budget Stabilization, Economic Development and California Theatre activities are consolidated within the General Fund. The following table provides details of the General Fund's fund balance at June 30, 2015:

<u>Fund/Activity</u>	<u>Nonspendable</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Total</u>
General	\$ 2,904,078	\$ 223,178	\$ 6,716,978	\$ 9,844,234
Budget stabilization	-	-	7,897,005	7,897,005
Economic development	-	315,016	-	315,016
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 2,904,078	\$ 538,194	\$ 14,613,983	\$ 18,056,255

***Budget Stabilization Arrangement***

City Council adopted a Resolution establishing a Budget Stabilization Fund 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. As of June 30, 2015, the Budget Stabilization, which is reported within the unassigned fund balance of the General Fund, had a balance of \$7,897,005.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

Detailed classifications of the City's Fund Balances, as of June 30, 2015, are listed below:

Fund Balance Classifications	General Fund	Special Revenue			Total
		Housing Authority Section 8	Successor Agency Housing	Other Governmental Funds	
<b>Nonspendables:</b>					
Items not in spendable form:					
Deposits for Land	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000
Loans & Notes Receivable	2,621,816	-	-	-	2,621,816
Interfund Advances	163,865	-	-	-	163,865
Prepaid	6,464	-	-	6,614	13,078
Inventory	96,933	1,374	-	283,372	381,679
<b>Total Nonspendable Fund</b>	<b>2,904,078</b>	<b>1,374</b>	<b>-</b>	<b>289,986</b>	<b>3,195,438</b>
<b>Restricted for:</b>					
Special Revenue	-	-	-	5,644,078	5,644,078
Debt Service	-	-	-	2,699,024	2,699,024
Redevelopment Low Income	-	615,708	839,047	490,757	1,945,512
Capital Projects	-	-	-	11,092,876	11,092,876
<b>Total Restricted Fund Balances</b>		<b>615,708</b>	<b>839,047</b>	<b>19,926,735</b>	<b>21,381,490</b>
<b>Committed to:</b>					
Capital Improvement	-	-	-	1,504,235	1,504,235
Field Replacement	-	-	-	985,481	985,481
Public Education	-	-	-	386,060	386,060
<b>Total Committed Fund Balances</b>				<b>2,875,776</b>	<b>2,875,776</b>
<b>Assigned to:</b>					
Capital Projects					
Encumbrances	252,233	-	-	29,729	281,962
Reserved for Police Buys	1,220	-	-	-	1,220
Reserved for Leisure Service	6,656	-	-	-	6,656
Payroll Imprest Fund Balance	22,798	-	-	-	22,798
For Economic Development	255,287	-	-	-	255,287
Public Safety	-	-	-	18,243	18,243
<b>Total Assigned Fund Balances</b>	<b>538,194</b>	<b>-</b>	<b>-</b>	<b>47,972</b>	<b>586,166</b>
<b>Unassigned:</b>					
General fund	6,716,978	-	-	-	6,716,978
Stabilization Arrangements	7,897,005	-	-	-	7,897,005
Other governmental fund deficit	-	-	-	(486,548)	(486,548)
<b>Total Unassigned Fund Balances</b>	<b>14,613,983</b>	<b>-</b>	<b>-</b>	<b>(486,548)</b>	<b>14,127,435</b>
<b>Total Fund Balances</b>	<b>\$ 18,056,255</b>	<b>\$ 617,082</b>	<b>\$ 839,047</b>	<b>\$ 22,653,921</b>	<b>\$ 42,166,305</b>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

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

At June 30, 2015, the following funds had deficit fund balances:

Fund	Amount
<i>Special Revenue Funds:</i>	
Public Safety Services CFD 2005-1	\$ 6,119 (a)
Park Maintenance CFD 2007-1	114,175 (a)
Golf Course	366,254 (b)
<i>Enterprise Funds:</i>	
Water Front Operations	117,439 (c)

- (a) The deficits will be reduced with future years' assessment revenues.
- (b) The deficit is caused by the recategorization of the Golf Course from an Enterprise Fund to a Special Revenue fund, as capital assets are no longer recorded within the fund, and will be reduced with future revenues.
- (c) The deficit will be reduced with future revenues.

**D. Restricted Net Position for Special Projects and Programs**

At June 30, 2015, the City has the following restricted net position for special projects and programs approved by Resolution 15-13112:

General Fund	\$ 28,100
Measure C Fund	2,324,352
E-Bart CFD Fund	3,484,043
Gas Tax Fund	139,663
NPDES Fund	90,240
Local Traffic Mitigation Fund	671,037
Park Dedication Fund	1,571,978
City Capital Improvement Project Fund	498,209
Kirker Creek Drainage Fund	212,380
Community Capital Improvement Fund	1,247,997
Regional Traffic Mitigation Fund	599,460
Golf Course Fund	2,266
	\$ 10,869,725

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 9 - NET POSITION AND FUND BALANCES (Continued)**

***E. Restatement of Fund Balance and Net Position***

In fiscal year 2015, the City recategorized its Golf Course Fund from an enterprise fund to a special revenue fund. The City also reclassified the California Energy Commission (CEC) loan as long-term debt (see Note 6). As a result, July 1, 2014 balances were restated as follows:

Classifications	Fund Level			Entity-Wide		
	Golf Course Enterprise	California Energy Conservation Program Special Revenue	Governmental Funds	Governmental Activities	Business-type Activities	Total Activities
Net Position/Fund Balance:						
Balances as previously reported	\$ (36,077)	\$ (487,907)	\$ 47,587,790	\$ 315,775,818	\$ 124,610,778	\$ 440,386,596
Increase (Decrease) in Net Position/Fund Balance						
Capital Assets	(332,970)			332,970	(332,970)	-
Restricted for Capital Projects	(74,487)		74,487	74,487	(74,487)	-
Unassigned		526,312	526,312			-
Unrestricted Net Position	443,534		(443,534)	(443,534)	443,534	-
Total Recategorizations	36,077	526,312	157,265	(36,077)	36,077	-
Net Position/Fund Balance: As restated	\$ -	\$ 38,405	\$ 47,745,055	\$ 315,739,741	\$ 124,646,855	\$ 440,386,596

***F. Prior Period Adjustment Due to Implementation of GASB Pronouncements***

For the fiscal year ended June 30, 2015, the City implemented the provisions of GASB No. 68 and 71 – *Accounting and Financial Reporting for Pensions*. Accordingly, beginning net positions of the Governmental Activities and Business Activities was reduced by \$40,393,579 and \$3,865,413, respectively. The reductions reflect the recording of net pension liability, deferred inflows of resources and deferred outflows of resources as required under the new GASBs.



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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.

**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	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
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
2014	128,885	88,503	(22,323)	195,065
2015	195,065	202,195	(148,208)	249,052

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 10 - RISK MANAGEMENT (Continued)**

*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	None	Statutory Limits
Liability	25,000	29,000,000
Employment Liability	50,000	2,000,000
Cyber Liability	50,000	2,000,000
Public Entity Pollution Liability	100,000	1,000,000
Government Crime Coverage	10,000	1,000,000

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

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

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

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

*E. Adequacy of Protection*

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

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN**

**A. General Information about the Pension Plans - Miscellaneous**

Plan Descriptions - All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	<b>Miscellaneous</b>		
	Prior to July 10, 2011	On or after July 10, 2011	On or after January 1, 2013
Hire date			
Benefit formula	2.0% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	62	62
Monthly benefits, as a % of eligible compensation	1.426% to 2.366%	1.092% to 2.272%	1 to 2%
Required employee contribution rates	7%	7%	6.25%
Required employer contribution rates	13.517%	13.517%	13.517%

**Employees Covered** - At June 30, 2015, the following employees were covered by the benefit terms for each Plan:

	<b>Miscellaneous</b>
Inactive employees or beneficiaries currently receiving benefits	102
Inactive employees entitled to but not yet receiving benefits	139
Active employees	154
<b>Total</b>	<b>395</b>

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Contributions* - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**B. Net Pension Liability**

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

*Actuarial Assumptions* - The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous (1)
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Actuarial Assumptions:	
Discount Rate	7.5%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase	3.3% - 14.2% (2)
Investment Rate of Return	7.5% (3)
Mortality	Derived using CalPers Membership Data for all Funds (4)

- (1) Actuarial assumptions are the same for all benefit tiers (Classic, Tier II, and PEPRA)
- (2) Depending on age, service and type of employment
- (3) Net of pension plan investment expenses, including inflation

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

*Discount Rate* – The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+(b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	100%		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

**C. Changes in Net Pension Liability**

The changes in the Net Pension Liability for each Plan follows:

*Miscellaneous Plans:*

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2013</b>	\$ 70,559,887	\$ 51,531,626	\$ 19,028,261
<b>Changes in the year:</b>			
Service cost	1,857,954	-	1,857,954
Interest on the total pension liability	5,258,464	-	5,258,464
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contribution - employer	-	-	-
Contribution - employee (paid by employer)	-	1,519,402	(1,519,402)
Contribution - employee	-	873,360	(873,360)
Net investment income	-	8,949,231	(8,949,231)
Administrative expenses	-	-	-
Benefit payments, including refunds of employee contributions	(2,752,016)	(2,752,016)	-
<b>Net changes</b>	4,364,402	8,589,977	(4,225,575)
<b>Balance at June 30, 2014</b>	\$ 74,924,289	\$ 60,121,603	\$ 14,802,686

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate* - The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>Miscellaneous</u>	
1% Decrease		6.50%
Net Pension Liability	\$	25,592,416
Current Discount Rate		7.50%
Net Pension Liability	\$	14,802,686
1% Increase		8.50%
Net Pension Liability	\$	5,932,701

*Pension Plan Fiduciary Net Position* - Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

For the year ended June 30, 2015, the City recognized pension expense of \$2,084,707. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 2,464,100	\$ -
Differences between actual and expected experience	-	-
Changes in assumptions	-	-
Net differences between projected and actual earnings on plan investments	-	(4,088,163)
Total	<u>\$ 2,464,100</u>	<u>\$ (4,088,163)</u>

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

\$2,464,100 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2016	\$ (1,022,041)
2017	(1,022,041)
2018	(1,022,041)
2019	(1,022,040)

**E. General Information about the Pension Plans - Safety**

**Plan Descriptions** - All qualified permanent and probationary employees are eligible to participate in the Local Government’s separate Safety (police and fire) Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2015, are summarized as follows:

	<b>Safety</b>		
	Prior to July 10, 2011	On or after July 10, 2011	On or after January 1, 2013
Hire date			
Benefit formula	3% @ 50	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50	50	50
Monthly benefits, as a % of eligible compensation	3%	2.7%	2.7%
Required employee contribution rates	9%	11.5%	11.5%
Required employer contribution rates	30.014%	21.367%	11.5%



**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Contributions* - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2015, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>Safety</u>
Contributions - employer	\$ 2,924,602
Contributions - employee (paid by employer)	203,123

**F. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2015, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Tier I	\$ 14,164,846
Tier II	3,367
Tier III	<u>1,770</u>
Total Net Pension Liability	<u>\$ 14,169,983</u>

The City's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2014, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2013 and 2014 was as follows:

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

	Safety		
	Tier I	Tier II	Tier III
Proportion - June 30, 2013	0.39204%	0.00009%	0.00005%
Proportion - June 30, 2014	0.37763%	0.00009%	0.00005%
Change - Increase (Decrease)	-0.01441%	0.00000%	0.00000%

For the year ended June 30, 2015, the City recognized pension expense of \$1,668,052. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,924,602	\$ -
Differences between actual and expected experience	-	-
Changes in assumptions	-	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	-	(4,278,385)
Net differences between projected and actual earnings on plan investments	10,164	(269,822)
<b>Total</b>	<b>\$ 2,934,766</b>	<b>\$ (4,548,207)</b>

\$2,924,602 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	Safety			
Year Ended	Tier I	Tier II	Tier III	Total
June 30				
2016	\$ (1,151,328)	\$ (14,500)	\$ 3,496	\$ (1,162,332)
2017	(1,151,328)	(14,500)	3,496	(1,162,332)
2018	(1,134,903)	(11,652)	2,770	(1,143,785)
2019	(1,069,208)	(254)	(132)	(1,069,594)
2020	-	-	-	-

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Actuarial Assumptions* - The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	<u>All Safety Plans</u>
Valuation Date	June 30, 2013
Measurement Date	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.5%
Inflation	2.75%
Projected Salary Increase	Depending on age, service and type of employment
Investment Rate of Return	7.5% (1)
Mortality	Derived using CalPers Membership Data for all Funds (2)

(1) Net of pension plan investment expenses, including inflation

(2) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the CalPERS 2014 experience study report available on CalPERS' website.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**Discount Rate** - The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	47.0%	5.25%	5.71%
Global Fixed Income	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	12.0%	6.83%	6.95%
Real Estate	11.0%	4.50%	5.13%
Infrastructure and Forestland	3.0%	4.50%	5.09%
Liquidity	2.0%	-0.55%	-1.05%
Total	<u>100%</u>		

(a) An expected inflation of 2.5% used for this period.

(b) An expected inflation of 3.0% used for this period.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

*Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* – The following presents the City’s proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Tier I	Tier II	Tier III	Total
1% Decrease	6.50%	6.50%	6.50%	6.50%
Net Pension Liability	\$ 24,375,866	\$ 5,795	\$ 3,045	\$ 24,384,706
Current Discount Rate	7.50%	7.50%	7.50%	7.50%
Net Pension Liability	\$ 14,164,846	\$ 3,367	\$ 1,770	\$ 14,169,983
1% Increase	8.50%	8.50%	8.50%	8.50%
Net Pension Liability	\$ 5,751,407	\$ 1,368	\$ 719	\$ 5,753,494

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**G. 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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

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

Almost a year later the City received a letter from CCCERA dated August 23, 2007, providing the December 31, 2006 withdrawal liability update. In summary, the update reported the funding ratio of the present value of benefits (\$47.9 million) to allocated market assets (\$45.4 million) as 94.8%. The August 23, 2007 letter stated that since this ratio is below 95% this triggers a lump sum payment as of December 31, 2006 for \$2,505,433 plus interest at the rate of 7.8% to date of payment or an annual payment of \$289,144 to be amortized over 15 years starting with the first payment due on December 31, 2007.

In December of 2010, CCCERA sent a letter to the City regarding the triennial update of the City of Pittsburgh's withdrawal liability as of December 31, 2009. The City of Pittsburgh'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 2013-14, 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.

In December of 2013 CCCERA sent a triennial update of the City Of Pittsburgh's pension liability with CCCERA. The liability increased to \$11,312,353 resulting in 14 annual payments of \$1,306,656 at an interest rate of 7.25% per annum.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 11 - DEFINED BENEFIT PENSION PLAN (Continued)**

**H. Miscellaneous Employees' Retirement System of 1962**

The Miscellaneous Employees' Retirement System of 1962 of the City of Pittsburg, California (MERS), a single-employer defined benefit plan, was established effective July 1, 1962 for employees who entered the City's service on or after July 1, 1962, or who transferred from the Retirement System of 1948. The Plan is a government pension plan and is not subject to the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The City and employees both contributed to the establishment of a reserve for the purpose of paying an annuity at age sixty-five of one-one hundred fortieth of the final compensation for each year of service after entry into the system. The Plan is a terminated plan and as such, all participants are fully vested.

As of June 30, 2015 and 2014, there was only one retired participant remaining in the plan who is receiving periodic benefits.

The funded status of the Plan as of June 30, 2014, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a percentage of Covered Payroll ((b-a)/c)
June 30, 2014	\$ 3,502	\$ 15,768	\$ 12,266	22.2%	N/A	N/A

The Schedule of Funding Progress, presented as required supplementary information ("RSI") following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of Plan assets are increasing or decreasing over time relative to the AAL for benefits. Additionally, the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

The most recent actuarial valuation for the Plan was performed as of June 30, 2014. A 3.0% increase in the cost of living adjustment (COLA) was recommended for the current year.

Assumptions and methods used for the valuation were as follows:

Inflation	3.00%
Interest rate	0 - 4.25%
Mortality Table	RP-2000 Projected with MP 2014

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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.

On December 24, 2013, the City established an agreement with the California Public Employees' Retirement System (CalPERS) to set aside funds and deposit into the California Employer's Retiree Benefit Trust (CERBT) fund to accumulate, and distribute assets for the exclusive benefit of retirees and their beneficiaries. Plan assets are irrevocable and may not be used for any purpose other than funding post-retirement health care. The CERBT fund is an agent multiple employer plan and in order to ensure that the CERBT fund remains compliant with all reporting requirements, the CalPERS is responsible for publishing aggregate GASB 43 compliance Financial Statements, Notes, and Required Supplementary Information (RSI). The information may be found on CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

*Funding Policy.* There is not statutory requirement for the City to prefund its OPEB obligation. The City has currently chosen to prefund OPEB. There are no employee contributions.

For fiscal year 2014-2015, the City paid \$3,158,819 for retiree healthcare plan benefits, including \$1,067,606 in premium payments for retirees, \$269,458 for implied subsidies and \$1,821,755 for contributions to CERBT fund.

For fiscal year 2014-2015 the City received reimbursements from CERBT fund totaling \$1,067,606 for premium payments for retirees.

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 employees. 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, 2015**

**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 18, 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	\$ 5,079,000
Interest on net OPEB obligation	994,000
Adjustment to annual required contribution	<u>(1,455,000)</u>
Annual OPEB cost (expense)	4,618,000
Payments made on current retiree premiums	(1,065,633)
Contributions to CERBT	(1,821,755)
Reimbursements from CERBT	1,067,606
Implied subsidy payments	<u>(269,578)</u>
Increase in net OPEB obligation	2,528,640
Net OPEB obligation - beginning of year	<u>19,582,868</u>
Net OPEB obligation - end of year	<u><u>\$ 22,111,508</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, 2013	\$ 5,314,000	23.3%	\$ 17,538,328
June 30, 2014	4,532,000	23.0%	19,582,868
June 30, 2015	4,618,000	23.1%	22,111,508

*Funded Status and Funding Progress.* The funded status of the plan as of June 30, 2013, 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, 2015**

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**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 June 30, 2010 and will be amortized as a level dollar amortization over a 27 year period from 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, 2015, 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.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 13 - COMMITMENTS AND CONTINGENCIES (Continued)**

**C. Construction Commitments**

As of June 30, 2015 the City has construction commitments to various capital projects as shown in the table below:

Project	Amount
Main W Leland (WTP to SW Hills)	\$ 4,466,000
eBart Pittsburg Center Station	3,484,043
2010/11 Sewer Replacement Program	2,620,900
Water Treatment Plant Sludge Handling Facility	1,963,788
Multimodal Transit Station Access Impr 2013-19	1,500,964
Rossmoor Well Replacement	1,205,719
Ambrose Park Master Plan & Improvements (2008-21)	1,106,980
2013/14 Water Main/Service/Valve Repl Program	974,474
2013/14 WTP Capital Repairs & Improvements	749,256
Loveridge Road Waterline Project	717,025
Seismic Retrofit Bridge	690,115
James Donlon Extension Project	599,460
Citywide Storm Drain Improvements (2009-01)	578,712
2014/15 CCTV/Inspection/Sewer Replacement	500,000
School Area Safety Improvements 2013-18	477,839
Mare Island Residential Units - Gas Electric Meters	396,896
California Ave Widening - Phase I (North Side) (2007-05)	380,735
Old Town Park	305,486
IE Facility Relocation Project	300,272
Railroad Ave Improvements (Linscheid to Hwy 4)	286,959
Water Main - Buchanan Road	283,764
Railroad Ave Pavement Rehab (2009-28)	239,247
Railroad Ave. Storm Drainage Improvements (2009-10)	212,380
Traffic Signal Install - 4 Locations	202,759
Railroad Ave. Building Improvements	198,625
Sidewalk Repair Project	189,989
San Marco/Santa Teresa Signal	160,853
Water Main/Service/Valve Replacement Project	160,350
2009/10 Citywide Sewer Rehab/Water & Sewer Conversion	152,968
West Leland Reservoir Demolition	144,586
2015/16 Citywide Pavement Management	134,663
Highway 4 Trunk Line Relief (2007-09)	133,113
Capital Reinvestment Projects	113,349
Mare Island Residential Units - Development Refund	106,356
South Island RA Switch Removal	105,277
Total of Construction Commitments < \$100,000	1,552,527
Total Construction Commitments	<u>\$ 27,396,429</u>

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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 \$11,008,711 as of June 30, 2015. 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, 2015 was \$314,126.
- 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, 2015 was \$4,545,226.
- The remaining loans receivable of \$6,149,359 as of June 30, 2015 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, 2015**

**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, 2014	Additions	Balance at June 30, 2015
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	(155,197)	(43,542)	(198,739)
Net capital assets being depreciated	<u>1,764,297</u>	<u>(43,542)</u>	<u>1,720,755</u>
Total capital assets, net	<u>\$ 23,781,343</u>	<u>\$ (43,542)</u>	<u>\$ 23,737,801</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, 2015**

**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)**

**C. Long-Term Debt**

The Successor Agency' long term debt activities for fiscal year ended June 30, 2015 are as follows:

Description	Original Issue Amount	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Amounts Due Within One Year	Amounts Due in More Than One Year
Tax Allocation Bonds:							
1999 RDA Bonds	\$30,106,357	\$ 27,935,871	\$ 3,026,365	\$ -	\$ 30,962,236	\$ -	\$ 30,962,236
2002A RDA Refunding Bonds	59,970,000	9,710,000	-	4,730,000	4,980,000	4,980,000	-
2004A RDA Housing Set-Aside Bonds	18,270,000	15,390,000	-	395,000	14,995,000	415,000	14,580,000
2004A RDA Subordinated Bonds	117,615,000	109,695,000	-	4,170,000	105,525,000	4,330,000	101,195,000
2006A RDA Housing Set-Aside Bonds	11,020,000	9,550,000	-	220,000	9,330,000	230,000	9,100,000
2006B RDA Subordinated Bonds	36,840,000	29,965,000	-	3,655,000	26,310,000	3,840,000	22,470,000
2006C RDA Subordinated Refunding Bonds	46,660,000	45,225,000	-	170,000	45,055,000	175,000	44,880,000
2008A RDA Subordinated Refunding Bonds	61,660,856	60,510,856	-	15,000	60,495,856	40,000	60,455,856
2014 RDA Tax Allocation Refunding Bonds	67,445,000	67,445,000	-	-	67,445,000	2,645,000	64,800,000
Sub-total		<u>375,426,727</u>	<u>3,026,365</u>	<u>13,355,000</u>	<u>365,098,092</u>	<u>16,655,000</u>	<u>348,443,092</u>
Unamortized Premium		2,652,539	-	2,652,539	-	-	-
Deferred amount on refunding on 2006C RDA		<u>(3,137,919)</u>	<u>-</u>	<u>(149,425)</u>	<u>(2,988,494)</u>	<u>(149,425)</u>	<u>(2,839,069)</u>
<b>Total Successor Agency Debt</b>		<u><u>\$374,941,347</u></u>	<u><u>\$ 3,026,365</u></u>	<u><u>\$ 15,858,114</u></u>	<u><u>\$ 362,109,598</u></u>	<u><u>\$ 16,505,575</u></u>	<u><u>\$ 345,604,023</u></u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**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, 2015 amounted to \$95,795,000. 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 \$95,795,000. For FY 2014-15, there were no principal and interest payments. 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 June 2014, the City issued the 2014 Successor Agency to the Redevelopment Agency of the City of Pittsburgh Bonds which partially refunded \$6,110,000 of currently outstanding Current Interest Bonds of the 1999 bonds.

The Bonds unaccreted discount and the current year accretion totaled \$64,832,764 and \$3,026,365, respectively at June 30, 2015. The Bonds do not pay periodic interest. Interest on the Bonds will accrete in value at the rates between 6.10% and 6.20%. Repayment of the accreted principal will commence August 1, 2019. Final repayment will be August 1, 2030.

The annual debt service requirements to mature the Capital Appreciation Bond portion of the 1999 RDA Bonds outstanding at June 30, 2015, were as follows:

Year Ending June 30,	Principal (1)	Interest	Totals
2016	\$ -	\$ -	\$ -
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	5,150,000	-	5,150,000
2021-2025	36,560,000	-	36,560,000
2026-2030	44,940,000	-	44,940,000
2031-2031	9,145,000	-	9,145,000
Totals	<u>\$ 95,795,000</u>	<u>\$ -</u>	<u>\$ 95,795,000</u>

(1) Includes unaccreted discount in the total amount of \$64,832,764.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**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, 2015 amounted to \$4,980,000. 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 \$5,110,725. For FY 2014-15, principal and interest paid were \$5,115,613. 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, 2015, are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 4,980,000	\$ 130,725	\$ 5,110,725
Total	\$ 4,980,000	\$ 130,725	\$ 5,110,725

2003 Series A Redevelopment Agency Tax Allocation Bonds

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 issuance of Redevelopment Agency 2008A Subordinate Tax Allocation Refunding Bonds paid a partial early payment of \$4,365,000 in 2008 to principal. In June 2014, the City issued the 2014 Successor Agency to the Redevelopment Agency of the City of Pittsburg Bonds which refunded the outstanding principal balance of the 2003A bonds. The unamortized bond premium associated with the 2003A RDA Bonds was fully amortized as of June 30, 2015.



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)**

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, 2015 amounted to \$14,995,000. 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.

The total principal and interest remaining to be paid on the bonds is \$25,107,286. For FY 2014-15, principal and interest paid were \$1,229,542. 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, 2015, are as follows:

Year Ending June 30,	Principal	Interest	Total
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	485,000	744,136	1,229,136
2020	510,000	717,370	1,227,370
2021-2025	2,995,000	3,130,478	6,125,478
2026-2030	3,910,000	2,190,859	6,100,859
2031-2035	5,125,000	935,590	6,060,590
2036	655,000	18,406	673,406
<b>Total</b>	<b>\$ 14,995,000</b>	<b>\$ 10,112,286</b>	<b>\$ 25,107,286</b>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)**

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, 2015 amounted to \$105,525,000. 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 \$174,799,511. For FY 2014-15, total principal and interest paid were \$4,211,205.

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 2013-14, the LOC fee increased by \$853,955. Because Tax Increment growth has been relatively stagnant, the LOC providers agreed to defer charging the increased LOC fee until December 29, 2014. Despite the fact that Fitch upgraded the underlying rating on the bonds to BB+ on December 8, 2014, the LOC fee stays at 2.75%.

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)**

The annual debt service requirements on the 2004A Bonds outstanding at June 30, 2015, are as follows:

Year Ending June 30,	Principal	Interest	Remarketing & LOC Fees	Total
2016	\$ 4,330,000	\$ 3,629,828	\$ 2,987,636	\$ 10,947,464
2017	4,495,000	3,471,765	2,850,030	10,816,795
2018	4,660,000	3,307,845	2,715,458	10,683,303
2019	4,835,000	3,137,804	2,575,860	10,548,664
2020	5,025,000	2,961,153	2,437,203	10,423,356
2021-2025	26,660,000	12,002,541	9,857,535	48,520,076
2026-2030	27,065,000	7,280,819	5,979,671	40,325,490
2031-2035	25,915,000	2,217,371	1,821,007	29,953,378
2036	2,540,000	22,536	18,449	2,580,985
Total	<u>\$ 105,525,000</u>	<u>\$ 38,031,662</u>	<u>\$ 31,242,849</u>	<u>\$ 174,799,511</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.

*Terms.* The terms, including the counterparty credit ratings of the outstanding swap, as of June 30, 2015 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>Series 2004A Tax Allocation Bonds</u>
City Pays	3.5490%
City Receives	63% of USD-LIBOR + 0.35%
Maturity Date	9/1/2035
Initial Notional	\$117,615,000.00
Bank Counterparty	Piper Jaffray Financial Products Inc. with a Guarantee from Morgan Stanley Capital Services
Credit Rating by Moody's / S&P/ Fitch	A3/ A- / A
Total Value	(\$16,010,220)

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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)**

*Fair value.* The Agency's swap had a negative fair value as of June 30, 2015 of \$16,010,220 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, 2015, 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.

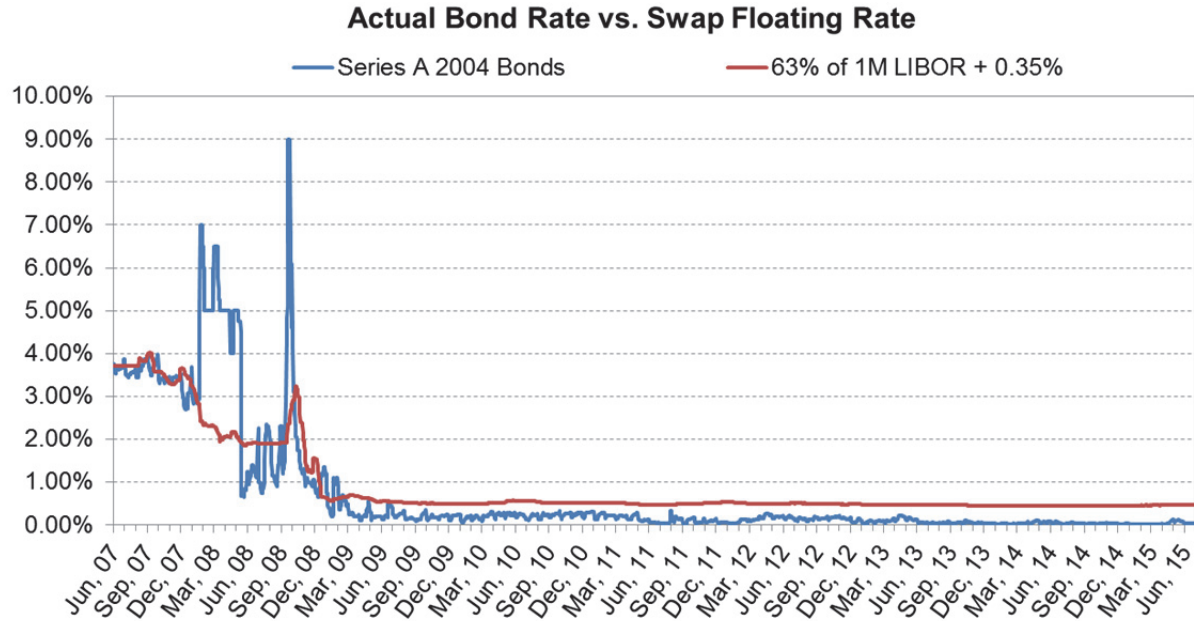
The swap agreement contains a collateral agreement with MSCS which guarantees Piper Jaffray. The swap requires collateralization of the fair value of the swap should the MSCS credit rating fall below the applicable thresholds.

*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, 2015**

**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.

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**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, 2015 amounted to \$9,330,000. 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 \$15,897,439. For FY 2014-15, principal and interest paid were \$719,170. 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, 2015, were as follows:

June 30,	Principal	Interest	Total
2016	\$ 230,000	\$ 487,662	\$ 717,662
2017	240,000	475,641	715,641
2018	255,000	462,855	717,855
2019	265,000	449,296	714,296
2020	280,000	435,085	715,085
2021-2025	1,640,000	1,931,207	3,571,207
2026-2030	2,125,000	1,434,901	3,559,901
2031-2035	2,755,000	790,147	3,545,147
2036- 2037	1,540,000	100,645	1,640,645
Total	<u>\$ 9,330,000</u>	<u>\$ 6,567,439</u>	<u>\$ 15,897,439</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

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**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, 2015 amounted to \$26,310,000. 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 \$30,627,598. For FY 2014-15, principal and interest paid were \$5,112,664. 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, 2015, were as follows:

Year Ending June 30,	Principal	Interest	Total
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	4,475,000	622,797	5,097,797
2020	4,700,000	383,559	5,083,559
2021	5,005,000	130,506	5,135,506
Total	<u>\$ 26,310,000</u>	<u>\$ 4,317,598</u>	<u>\$ 30,627,598</u>

**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**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, 2015 amounted to \$45,055,000. On November 29, 2006, the Agency issued \$46,660,000 of Series 2006C Bonds bearing interest at 3.50-4.50% to refund, on an advance basis, the Agency's outstanding Los Medanos Community Development Project Tax Allocation Bonds, Series 1993B, to make a deposit to a debt service reserve account, and to pay costs of issuance incurred in connection with issuance, sale and delivery of the Series 2006C 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 \$78,772,433. For FY 2014-15, total principal and interest paid were \$2,120,733. 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, 2015, were as follows:

Year Ending June 30,	Principal	Interest	Total
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	195,000	1,921,240	2,116,240
2020	205,000	1,913,586	2,118,586
2021-2025	1,150,000	9,436,424	10,586,424
2026-2030	1,410,000	9,170,156	10,580,156
2031-2035	41,550,000	5,468,034	47,018,034
Total	45,055,000	\$ 33,717,433	\$ 78,772,433
Deferred amount on refunding	(2,988,494)		
Total	\$ 42,066,506		



**City of Pittsburgh**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**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, 2015 amounted to \$60,495,856. 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 \$101,109,305. For FY 2014-15, total principal and interest paid were \$3,927,925. 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, 2015 were as follows:

Year Ending June 30,	Principal	Interest	Total
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	120,000	3,898,756	4,018,756
2020	150,000	3,890,806	4,040,806
2021-2025	26,965,000	16,170,192	43,135,192
2026-2030	33,065,856	4,928,582	37,994,438
Total	<u>\$ 60,495,856</u>	<u>\$ 40,613,449</u>	<u>\$ 101,109,305</u>

**City of Pittsburg**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2015**

**NOTE 14 - SUCCESSOR AGENCY ACTIVITIES (Continued)**

2014 Refunding Bonds

2014 Series Successor Agency to the Redevelopment Agency Subordinate Tax Allocation Refunding Bonds (2014 STAB Bonds) outstanding at June 30, 2015 amounted to \$67,445,000. The 2014 STAB Bonds bear interest at rates between 4.00% and 5.00% with interest payments made semi-annually on February 1 and August 1. The 2014 STAB Bonds mature annually from 2016 to 2030 on August 1 in amounts ranging from \$2,645,000 to \$6,335,000. Proceeds from the 2014 STAB Bonds were used to refund \$74,049,000 of the Agency's 2003A RDA Bonds, partially refund the 1999 RDA Bonds, and to pay costs of issuance incurred in connection with the issuance, sales and delivery of 2014 STAB Bonds. 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 \$87,034,750. 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 Bond. The Refunding of the 2003A bonds resulted in a net present value savings of \$7,532,075 of the refunded bonds.

The annual debt service requirements to mature the Series 2014 Bonds outstanding at June 30, 2015 were as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 2,645,000	\$ 3,203,300	\$ 5,848,300
2017	7,960,000	2,991,200	10,951,200
2018	9,145,000	2,603,375	11,748,375
2019	8,735,000	2,156,375	10,891,375
2020	5,755,000	1,794,125	7,549,125
2021-2025	20,210,000	5,211,250	25,421,250
2026-2030	12,995,000	1,630,125	14,625,125
Total	\$ 67,445,000	\$ 19,589,750	\$ 87,034,750

**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 amounts, if any, of transfers or expenditures may be disallowed. The State Controller's Office conducted a review of 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 issued an opinion on July 30, 2015 requesting two parcels be transferred back to the Successor Agency from the City. The City has decided to transfer the two parcels in question back to the Successor Agency in November 2015.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**REQUIRED**

**SUPPLEMENTARY**

**INFORMATION**



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**City of Pittsburg**  
**Required Supplementary Information**  
**For the Year Ended June 30, 2015**

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**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, 2015, 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 2014-2015 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, 2015**

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**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:

General Fund	\$ 993,030	(a)
Successor Agency Housing	81,911	(b)
Lighting & Landscape (Oak Hills Assessment District) Special Revenue Fund	3,562	(c)
CalHome Program Special Revenue Fund	18	(d)
Assets Seizure Special Revenue Fund	41,887	(e)
Public, Education and Government Fees Special Revenue Fund	15,245	(f)
Pension Obligations Debt Service Fund	693,040	(g)

- (a) Excess was due to the accrual of a one-time repayment to the Board of Equalization for the overpayment of Siemen taxes. The actual payment will be made in fiscal year 2015-16.
- (b) The excess was due to an entry for professional fees rendered in lieu of Common Area revenue.
- (c) The excess was due to higher expenditures in part-time employees.
- (d) The excess was due to a one-time unexpected County fee expenditure.
- (e) The current year expenditures were based upon available fund balance accumulated over time for the police department.
- (f) The excess was due to an expenditure incurred from an open purchase order.
- (g) The excess was due to the expenditures being budgeted in prior years, but paid in the current year.

**City of Pittsburgh**  
**General Fund**  
**Schedule of Revenues and Expenditures**  
**and Changes in Fund Balance**  
**Budget and Actual**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final		Final Budget
				Positive
				(Negative)
<b>REVENUES:</b>				
Property tax	\$ 2,712,987	\$ 2,712,987	\$ 3,204,965	\$ 491,978
Sales tax	10,647,906	10,647,906	11,745,524	1,097,618
Franchise tax	4,029,224	4,029,224	4,171,756	142,532
Other taxes	5,317,749	5,317,749	5,662,960	345,211
Intergovernmental revenues	1,501,802	1,501,802	1,344,024	(157,778)
Permits, licenses, and fees	721,650	721,650	981,810	260,160
Fines and forfeitures	154,600	154,600	172,374	17,774
Service fees	3,436,507	3,436,507	3,426,535	(9,972)
Use of money and property	305,850	305,850	257,699	(48,151)
Other revenues	1,916,969	1,932,052	1,829,070	(102,982)
<b>Total revenues</b>	<b>30,745,244</b>	<b>30,760,327</b>	<b>32,796,717</b>	<b>2,036,390</b>
<b>EXPENDITURES:</b>				
Current:				
General government	2,715,713	2,818,213	4,364,158	(1,545,945)
City Council	77,227	80,558	80,833	(275)
City Manager and City Clerk	569,496	602,209	524,063	78,146
City Attorney	508,985	508,641	543,898	(35,257)
Human resources	691,039	755,185	815,515	(60,330)
Finance and services	2,555,561	2,572,783	2,423,502	149,281
Community development and services	5,494,224	5,706,538	5,627,635	78,903
Public safety	21,676,214	21,677,617	21,484,994	192,623
Public works - administration	101,504	90,804	85,968	4,836
Public works - streets	2,167,918	2,193,176	2,036,911	156,265
Public works - parks	89,281	88,937	100,214	(11,277)
<b>Total expenditures</b>	<b>36,647,162</b>	<b>37,094,661</b>	<b>38,087,691</b>	<b>(993,030)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from the sale of capital assets	-	-	1,591	(1,591)
Transfers in	7,182,936	7,482,983	3,981,449	3,501,534
Transfers (out)	(4,137,175)	(4,640,518)	(1,249,481)	(3,391,037)
<b>Total other financing sources (uses)</b>	<b>3,045,761</b>	<b>2,842,465</b>	<b>2,733,559</b>	<b>108,906</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (2,856,157)</b>	<b>\$ (3,491,869)</b>	<b>(2,557,415)</b>	<b>\$ 934,454</b>
<b>FUND BALANCE:</b>				
Beginning of year			20,613,670	
End of year			\$ 18,056,255	



# 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, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental revenues	\$ 11,980,056	\$ 11,980,056	\$ 11,570,487	\$ (409,569)
Service fee	1,198,997	1,198,997	1,126,341	(72,656)
Use of money and property	-	-	6,863	6,863
Other revenues	104,625	104,625	130,134	25,509
<b>Total revenues</b>	<b>13,283,678</b>	<b>13,283,678</b>	<b>12,833,825</b>	<b>(449,853)</b>
<b>EXPENDITURES:</b>				
Community development and services	13,299,222	13,305,770	13,162,720	143,050
Interest and fiscal charges	30,982	30,982	-	30,982
<b>Total expenditures</b>	<b>13,330,204</b>	<b>13,336,752</b>	<b>13,162,720</b>	<b>174,032</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	15,235	16,392	(1,157)
Transfers (out)	(11,714)	(11,714)	(11,714)	-
<b>Total other financing sources (uses)</b>	<b>(11,714)</b>	<b>3,521</b>	<b>4,678</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (58,240)</b>	<b>\$ (49,553)</b>	<b>(324,217)</b>	<b>\$ (274,664)</b>
<b>FUND BALANCE:</b>				
Beginning of year			941,299	
End of year			\$ 617,082	

**City of Pittsburg**

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

**Successor Agency Housing**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 3,670	\$ 3,670	\$ 64,271	\$ 60,601
Other revenues	158,012	158,012	277,788	119,776
<b>Total revenues</b>	<b>161,682</b>	<b>161,682</b>	<b>342,059</b>	<b>180,377</b>
<b>EXPENDITURES:</b>				
Community development and services	187,912	188,721	270,632	(81,911)
<b>Total expenditures</b>	<b>187,912</b>	<b>188,721</b>	<b>270,632</b>	<b>(81,911)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (26,230)</b>	<b>\$ (27,039)</b>	<b>71,427</b>	<b>\$ 98,466</b>
<b>FUND BALANCE:</b>				
Beginning of year			767,620	
End of year			<b>\$ 839,047</b>	

**CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER PENSION PLAN  
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**

**As of fiscal year ending June 30, 2015**

Last 10 Years\*

	<b>2015</b>
<b>Total Pension Liability</b>	
Service Cost	\$ 1,857,954
Differences between expected and actual experience	5,258,464
Changes in assumptions	-
Changes in benefits	-
Benefit payments, including refunds of employee contributions	(2,752,016)
<b>Net change in total pension liability</b>	<b>4,364,402</b>
<b>Total pension liability - beginning</b>	<b>70,559,887</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 74,924,289</b>
 <b>Plan fiduciary net position</b>	
Contributions - employer	\$ 1,519,402
Contributions - employee	873,360
Net investment income	8,949,231
Benefit payments, including refunds of employee contributions	(2,752,016)
<b>Net change in plan fiduciary net position</b>	<b>8,589,977</b>
<b>Plan fiduciary net position - beginning</b>	<b>51,531,626</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 60,121,603</b>
 Net pension liability - ending (a)-(b)	<b>\$ 14,802,686</b>
 Plan fiduciary net position as a percentage of the total pension liability	80.24%
 Covered - employee payroll	\$ 11,526,481
 Net pension liability as percentage of covered-employee payroll	128.42%

**Notes to Schedule:**

**Benefit changes.** In 2015, benefit terms were modified to base public safety employee pensions on a final three-year average salary instead of a final five-year average salary.

**Changes in assumptions.** In 2015, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

\* Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF PITTSBURG, AGENT MULTIPLE EMPLOYER PENSION PLAN**  
**SCHEDULE OF CONTRIBUTIONS**  
**As of fiscal year ending June 30, 2015**  
 Last 10 Years\*

		<u>2015</u>
Actuarially determined contribution	\$	2,464,100
Contributions in relation to the actuarially determined contributions		2,464,100
Contribution deficiency (excess)	\$	<u>-</u>
Covered-employee payroll	\$	<u>11,526,481</u>
Contributions as a percentage of covered-employee payroll		21.38%

**Notes to Schedule**

Valuation date: June 30, 2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by Entry Age and Service
Investment rate of return	7.50 Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.
Mortality	

\* Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF PITTSBURG, A COST-SHARING DEFINED PENSION PLAN**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**As of fiscal year ending June 30, 2015**  
 Last 10 Years\*

	Safety Plans		
	Tier I 2015	Tier II 2015	Tier III 2015
Plan's Proportion of the Net Pension Liability/ Asset	0.22764%	0.00005%	0.00003%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$14,164,846	\$3,367	\$1,770
Plan's Covered-Employee Payroll	\$6,592,918	\$355,962	\$137,946
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of it's Covered-Employee Payroll	214.85%	0.95%	1.28%
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of the Plan's Total Pension Liability	81.42%	81.42%	81.41%
Plan's Proportionate Share of Aggregate Employer Contributions	\$1,757,180	\$418	\$219

\* Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF PITTSBURG, A COST-SHARING DEFINED PENSION PLAN**  
**SCHEDULE OF CONTRIBUTIONS**  
**As of fiscal year ending June 30, 2015**  
**Last 10 Years\***

	Safety Plans		
	Tier I 2015	Tier II 2015	Tier III 2015
Actuarially determined contribution	\$ 1,831,268	\$ 82,813	\$ 46,970
Contributions in relation to the actuarially determined contributions	(1,831,268)	(82,813)	(46,970)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	<u>\$ 6,592,918</u>	<u>\$ 355,962</u>	<u>\$ 137,946</u>
Contributions as a percentage of covered-employee payroll	27.78%	23.26%	34.05%

**Notes to Schedule**

Valuation date: June 30, 2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	30 years
Asset valuation method	5-year smoothed market
Inflation	2.75%
Salary increases	Varies by Entry Age and Service 7.5%, net of pension plan investment and administrative expenses, including inflation
Investment rate of return	
Retirement age	55 yrs. Tier I, 55 yrs. Tier II, 62 yrs. Tier III The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2014 CalPERS Experience Study. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB.
Mortality	

\* Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF PITTSBURG  
OTHER POST-EMPLOYMENT BENEFIT PLAN  
SCHEDULE OF FUNDING PROGRESS  
As of fiscal year ending June 30, 2015  
Last Three Actuarial Valuations**

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%
6/30/2013	-	46,094,000	46,094,000	0%	17,985,000	256.3%

**SUPPLEMENTARY**

**INFORMATION**





**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

# 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.

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

*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.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## SPECIAL REVENUE FUNDS, Continued:

*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.

*California Energy Conservation Program* - 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.

*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.

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## SPECIAL REVENUE FUNDS, Continued:

*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.

*Railroad Avenue Specific Area Plan* - This fund was created to account for the funding and financing of facilities according to the Railroad Avenue Specific Plan.

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

## DEBT SERVICE FUND:

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

# NON-MAJOR GOVERNMENTAL FUNDS, Continued

## CAPITAL PROJECTS FUNDS:

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

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

*Proposition 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.

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

*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.

*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.

*Bailey Road Maintenance* - This fund was created to account for surcharges collected from Keller Canyon Landfill Company to fund repair and maintenance of Bailey Road from Highway 4 to the Landfill entrance.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

City of Pittsburgh  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2015

	Special Revenue			
	Small Cities Grants	Gas Tax	Traffic Congestion Relief	Measure C Tax Fund
<b>ASSETS</b>				
Cash and investments	\$ 3,198	\$ 1,195,769	\$ -	\$ 322,018
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	176,910	-	136,956
Loans/notes	1,500,840	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,504,038</b>	<b>\$ 1,372,679</b>	<b>\$ -</b>	<b>\$ 458,974</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 22,256	\$ -	\$ 15,402
Refundable deposits	-	-	-	-
Loans payable - current	15,000	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	-	-
<b>Total Liabilities</b>	<b>15,000</b>	<b>22,256</b>	<b>-</b>	<b>15,402</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	1,485,840	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>1,485,840</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	3,198	1,350,423	-	443,572
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (deficit)</b>	<b>3,198</b>	<b>1,350,423</b>	<b>-</b>	<b>443,572</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,504,038</b>	<b>\$ 1,372,679</b>	<b>\$ -</b>	<b>\$ 458,974</b>

Special Revenue

Lighting & Landscape	Lighting & Landscape Oak Hills	Miscellaneous Grants	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II
\$ 235,257	\$ 7,011	\$ 99,807	\$ 73,947	\$ 196,745	\$ 35,668	\$ 2,800,913
-	-	-	-	-	-	-
-	-	56,188	2,500	-	185	9,149
-	-	-	-	-	-	-
43,411	-	69,709	15,874	-	31,848	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 278,668</u>	<u>\$ 7,011</u>	<u>\$ 225,704</u>	<u>\$ 92,321</u>	<u>\$ 196,745</u>	<u>\$ 67,701</u>	<u>\$ 2,810,062</u>
\$ 85,920	\$ 1,569	\$ 3,193	\$ -	\$ -	\$ 9,854	\$ 205
-	-	-	58,204	-	-	(4,213)
-	-	-	-	-	-	-
-	-	12,281	-	-	-	-
-	-	2,395	-	-	186	-
78,966	-	-	-	-	-	-
<u>164,886</u>	<u>1,569</u>	<u>17,869</u>	<u>58,204</u>	<u>-</u>	<u>10,040</u>	<u>(4,008)</u>
-	-	138,126	-	-	25,813	-
-	-	138,126	-	-	25,813	-
43,411	-	69,709	15,874	-	31,848	-
70,371	5,442	-	-	-	-	2,814,070
-	-	-	-	196,745	-	-
-	-	-	18,243	-	-	-
-	-	-	-	-	-	-
<u>113,782</u>	<u>5,442</u>	<u>69,709</u>	<u>34,117</u>	<u>196,745</u>	<u>31,848</u>	<u>2,814,070</u>
<u>\$ 278,668</u>	<u>\$ 7,011</u>	<u>\$ 225,704</u>	<u>\$ 92,321</u>	<u>\$ 196,745</u>	<u>\$ 67,701</u>	<u>\$ 2,810,062</u>

(Continued)



City of Pittsburgh  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2015

	Special Revenue			
		HUD	NSP	
	Storm Water Utility (NPDES)	Community Development Block Grant	Neighborhood Stabilization Program	CalHome Program
<b>ASSETS</b>				
Cash and investments	\$ 323,110	\$ 19,179	\$ 43,323	\$ 33,487
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	16,509	118,265	-	-
Loans/notes	-	326,484	1,705,412	558,186
Inventory	1,829	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 341,448</b>	<b>\$ 463,928</b>	<b>\$ 1,748,735</b>	<b>\$ 591,673</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 5,146	\$ 100,613	\$ -	\$ -
Refundable deposits	-	-	-	-
Loans payable - current	-	140,893	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	26,914	7,718	-	-
<b>Total liabilities</b>	<b>32,060</b>	<b>249,224</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	-	185,591	1,705,412	558,186
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>185,591</b>	<b>1,705,412</b>	<b>558,186</b>
<b>Fund Balances:</b>				
Nonspendable	1,829	-	-	-
Restricted	277,830	29,113	43,323	33,487
Committed	-	-	-	-
Assigned	29,729	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>309,388</b>	<b>29,113</b>	<b>43,323</b>	<b>33,487</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 341,448</b>	<b>\$ 463,928</b>	<b>\$ 1,748,735</b>	<b>\$ 591,673</b>

Special Revenue

California Energy Conservation Program	San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Pittsburg Arts & Community Foundation
\$ 38,408	\$ 172,828	\$ 172,881	\$ 17,329	\$ 7,205	\$ 26,063	\$ 448,950
-	-	-	-	-	-	-
-	-	119,192	-	-	26,058	45,419
-	-	-	-	-	-	822,707
-	-	1,448	-	-	-	118,366
-	-	-	-	-	-	6,615
-	-	-	-	-	-	-
<u>\$ 38,408</u>	<u>\$ 172,828</u>	<u>\$ 293,521</u>	<u>\$ 17,329</u>	<u>\$ 7,205</u>	<u>\$ 52,121</u>	<u>\$ 1,442,057</u>
-	-	31,193	-	-	39	12,421
-	-	-	-	-	-	31,500
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	29,042	-	3,024	13,324	166,257	-
-	<u>29,042</u>	<u>31,193</u>	<u>3,024</u>	<u>13,324</u>	<u>166,296</u>	<u>43,921</u>
-	-	-	-	-	-	846,635
-	-	-	-	-	-	846,635
-	-	1,448	-	-	-	124,981
38,408	143,786	260,880	14,305	-	-	426,520
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(6,119)	(114,175)	-
<u>38,408</u>	<u>143,786</u>	<u>262,328</u>	<u>14,305</u>	<u>(6,119)</u>	<u>(114,175)</u>	<u>551,501</u>
<u>\$ 38,408</u>	<u>\$ 172,828</u>	<u>\$ 293,521</u>	<u>\$ 17,329</u>	<u>\$ 7,205</u>	<u>\$ 52,121</u>	<u>\$ 1,442,057</u>

(Continued)

City of Pittsburgh  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2015

	Special Revenue			
	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)	Railroad Avenue Specific Area Plan	Golf Course
<b>ASSETS</b>				
Cash and investments	\$ 140,113	\$ 344,777	\$3,484,874	\$ 10,897
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	-	41,282	-	1,372
Loans/ notes	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	-	-	-
<b>Total Assets</b>	<b>\$ 140,113</b>	<b>\$ 386,059</b>	<b>\$ 3,484,874</b>	<b>\$ 12,269</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 810	\$ 2,608
Refundable deposits	-	-	-	-
Loans payable - current	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	-	3,303,957	375,000
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>3,304,767</b>	<b>377,608</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	-	-	-	915
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>915</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	-	-	180,107	-
Committed	140,113	386,059	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(366,254)
<b>Total Fund Balances (deficit)</b>	<b>140,113</b>	<b>386,059</b>	<b>180,107</b>	<b>(366,254)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 140,113</b>	<b>\$ 386,059</b>	<b>\$ 3,484,874</b>	<b>12,269</b>

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
\$ -	\$ 381,635	\$ 504,414	\$ -	\$ 770,162	\$ 2,828,841	\$ 357,618
2,699,024	-	-	-	-	-	-
-	-	-	-	99,647	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,699,024</u>	<u>\$ 381,635</u>	<u>\$ 504,414</u>	<u>\$ -</u>	<u>\$ 869,809</u>	<u>\$ 2,828,841</u>	<u>\$ 357,618</u>

\$ -	\$ -	\$ -	\$ -	\$ 200,846	\$ 1,781	\$21,372
-	-	-	-	-	-	48,209
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	200,846	1,781	69,581
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,699,024	381,635	504,414	-	668,963	2,827,060	-
-	-	-	-	-	-	288,037
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,699,024</u>	<u>381,635</u>	<u>504,414</u>	<u>-</u>	<u>668,963</u>	<u>2,827,060</u>	<u>288,037</u>
<u>\$ 2,699,024</u>	<u>\$ 381,635</u>	<u>\$ 504,414</u>	<u>\$ -</u>	<u>\$ 869,809</u>	<u>\$ 2,828,841</u>	<u>\$ 357,618</u>

(Continued)

City of Pittsburgh  
Combining Balance Sheet  
Non-Major Governmental Funds  
June 30, 2015

	Capital Projects			
	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement	Community Capital Improvement
<b>ASSETS</b>				
Cash and investments	\$ 1,031,265	\$ 2,346,247	\$ 1,216,199	\$ 605,639
Restricted cash and investments	-	-	-	43,429
Receivables:				
Accounts	140,732	-	-	65,542
Loans/ notes	-	-	-	-
Inventory	886	-	-	-
Prepaid items	-	-	-	-
Advance to other funds	-	3,303,957	-	-
<b>Total assets</b>	<b>\$ 1,172,883</b>	<b>\$ 5,650,204</b>	<b>\$ 1,216,199</b>	<b>\$ 714,610</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 13,775	\$ -	\$ -	\$ 35,987
Refundable deposits	-	-	-	-
Loans payable - current	-	-	-	-
Due to other agencies	-	-	-	-
Due to other funds	-	-	-	-
Advance from other funds	801,808	-	-	-
<b>Total Liabilities</b>	<b>815,583</b>	<b>-</b>	<b>-</b>	<b>35,987</b>
<b>Deferred inflows of resources:</b>				
Unearned revenue	-	-	-	30,000
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,000</b>
<b>Fund Balances:</b>				
Nonspendable	886	-	-	-
Restricted	356,414	5,650,204	-	-
Committed	-	-	1,216,199	648,623
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>Total Fund Balances (deficit)</b>	<b>357,300</b>	<b>5,650,204</b>	<b>1,216,199</b>	<b>648,623</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,172,883</b>	<b>\$ 5,650,204</b>	<b>\$ 1,216,199</b>	<b>\$ 714,610</b>

<u>Capital Projects</u>		
<u>Bailey Road Maintenance</u>	<u>Non-Major Governmental Funds</u>	
\$ 632,245	\$ 20,928,022	
-	2,742,453	
71,941	1,127,847	
-	4,913,629	
-	283,371	
-	6,615	
-	3,303,957	
<u>\$ 704,186</u>	<u>\$ 33,305,894</u>	
\$ -	\$ 564,990	
-	133,700	
-	155,893	
-	12,281	
-	2,581	
-	4,806,010	
<u>-</u>	<u>5,675,455</u>	
-	4,976,518	
<u>-</u>	<u>4,976,518</u>	
-	289,986	
704,186	19,926,735	
-	2,875,776	
-	47,972	
-	(486,548)	
<u>704,186</u>	<u>22,653,921</u>	
<u>\$ 704,186</u>	<u>\$ 33,305,894</u>	

**City of Pittsburg**  
**Combining Statements of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2015**

	Special Revenue			
	Small Cities Grants	Gas Tax	Traffic Congestion Relief	Measure C Tax Fund
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	1,853,567	-	703,984
Intergovernmental revenues	-	-	-	11,956
Licenses, permits, and fees	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	200	-	85
Use of money and property	919	10,442	49	5,116
Other revenues	82,137	-	-	125,000
<b>Total Revenues</b>	<b>83,056</b>	<b>1,864,209</b>	<b>49</b>	<b>846,141</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	18	-	-	438,297
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	1,489,092	17,116	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>18</b>	<b>1,489,092</b>	<b>17,116</b>	<b>438,297</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>83,038</b>	<b>375,117</b>	<b>(17,067)</b>	<b>407,844</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	348,685	17,116	-
Transfers out	(125,835)	(1,052,560)	(5,305)	(710,088)
<b>Total other financing sources (uses)</b>	<b>(125,835)</b>	<b>(703,875)</b>	<b>11,811</b>	<b>(710,088)</b>
<b>Net change in fund balances</b>	<b>(42,797)</b>	<b>(328,758)</b>	<b>(5,256)</b>	<b>(302,244)</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year, as restated	45,995	1,679,181	5,256	745,816
End of Year	\$ 3,198	\$ 1,350,423	\$ -	\$ 443,572

Special Revenue

Lighting & Landscape	Lighting & Landscape Oak Hills	Miscellaneous Grants	Assets Seizure	Marina Vista Field Replacement	Local Law Enforcement Block Grant	Southwest Pittsburg GHAD II
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	692,042
-	-	255,526	-	-	63,702	-
-	-	-	-	-	-	-
2,784,294	33,959	-	-	-	-	-
-	-	-	-	23,730	-	-
1,317	282	1,167	604	1,735	276	24,377
10,000	-	5,000	12,884	-	-	18,904
<u>2,795,611</u>	<u>34,241</u>	<u>261,693</u>	<u>13,488</u>	<u>25,465</u>	<u>63,978</u>	<u>735,323</u>
36,032	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	17,848	-	-	-	-
-	-	-	-	-	-	-
-	-	10,248	-	-	37,008	399,161
-	-	233,597	41,887	-	26,970	-
-	-	-	-	-	-	-
3,484,521	66,492	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,520,553</u>	<u>66,492</u>	<u>261,693</u>	<u>41,887</u>	<u>-</u>	<u>63,978</u>	<u>399,161</u>
<u>(724,942)</u>	<u>(32,251)</u>	<u>-</u>	<u>(28,399)</u>	<u>25,465</u>	<u>-</u>	<u>336,162</u>
-	-	-	2,500	-	-	-
725,986	10,000	-	-	-	-	-
(93,336)	-	-	-	-	-	(6,430)
<u>632,650</u>	<u>10,000</u>	<u>-</u>	<u>2,500</u>	<u>-</u>	<u>-</u>	<u>(6,430)</u>
(92,292)	(22,251)	-	(25,899)	25,465	-	329,732
206,074	27,693	69,709	60,016	171,280	31,848	2,484,338
<u>\$ 113,782</u>	<u>\$ 5,442</u>	<u>\$ 69,709</u>	<u>\$ 34,117</u>	<u>\$ 196,745</u>	<u>\$ 31,848</u>	<u>\$ 2,814,070</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, 2015**

	Special Revenue			
	Storm Water	HUD	NSP	CalHome Program
	Utility (NPDES)	Community Development Block Grant	Neighborhood Stabilization Program	
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	664,240	-	-	-
Intergovernmental revenues	-	456,280	-	-
Licenses, permits, and fees	-	-	-	-
Special assessments	-	-	-	-
Service fees	-	-	-	-
Use of money and property	1,943	1,811	402	312
Other revenues	5,155	31,230	-	-
<b>Total Revenues</b>	<b>671,338</b>	<b>489,321</b>	<b>402</b>	<b>312</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	597,111	-	18
Public safety	-	-	-	-
Public works - administration	340,679	-	-	-
Public works - streets	565,118	-	-	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>905,797</b>	<b>597,111</b>	<b>-</b>	<b>18</b>
<b>REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES</b>	<b>(234,459)</b>	<b>(107,790)</b>	<b>402</b>	<b>294</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	100,000	125,835	-	-
Transfers out	(54,351)	(1,414)	-	-
<b>Total other financing sources (uses)</b>	<b>45,649</b>	<b>124,421</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(188,810)</b>	<b>16,631</b>	<b>402</b>	<b>294</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year, as restated	498,198	12,482	42,921	33,193
End of Year	\$ 309,388	\$ 29,113	\$ 43,323	\$ 33,487

Special Revenue

California Energy Conservation Program	San Marco CFD 2004-01	Solid Waste	Vista Del Mar CFD 2005-2	Public Safety Services CFD 2005-1	Park Maintenance CFD 2007-1	Pittsburg Arts & Community Foundation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	174,173	247,343	-	-
-	-	-	-	-	26,058	11,015
-	-	-	-	-	-	-
-	515,636	-	-	-	38,281	-
-	-	449,880	-	-	-	10,413
-	380	2,260	34	6	324	22,458
-	-	1,606	-	-	-	489,566
-	516,016	453,746	174,207	247,349	64,663	533,452
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	277,455	-	-	-	775,755
-	312,089	167,745	150,040	212,654	-	-
-	-	-	-	-	-	-
-	-	-	-	-	48,446	-
-	-	-	-	-	-	-
59,147	-	-	-	-	-	-
15,350	4,848	-	-	4,528	3,522	-
74,497	316,937	445,200	150,040	217,182	51,968	775,755
(74,497)	199,079	8,546	24,167	30,167	12,695	(242,303)
-	-	-	-	-	-	-
74,500	-	-	-	-	731	-
-	(6,722)	(101,980)	(865)	(3,228)	(266)	-
74,500	(6,722)	(101,980)	(865)	(3,228)	465	-
3	192,357	(93,434)	23,302	26,939	13,160	(242,303)
38,405	(48,571)	355,762	(8,997)	(33,058)	(127,335)	793,804
\$ 38,408	\$ 143,786	\$ 262,328	\$ 14,305	\$ (6,119)	\$ (114,175)	\$ 551,501

(Continued)

**City of Pittsburgh**  
**Combining Statements of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2015**

	Special Revenue			
	Hillview Jr. High Athletic Field	Public, Education and Government Fees (PEG)	Railroad Avenue Specific Area Plan	Golf Course
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ 155,404	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	-	-	-	-
Licenses, permits, and fees	-	-	-	-
Special assessments	-	-	-	-
Service fees	49,095	-	-	-
Use of money and property	1,207	2,859	-	-
Other revenues	-	-	-	-
<b>Total Revenues</b>	<b>50,302</b>	<b>158,263</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	139,245	32,332	160,428
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	15,958	-
Capital outlay and improvements	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	3,957	-
<b>Total Expenditures</b>	<b>-</b>	<b>139,245</b>	<b>52,247</b>	<b>160,428</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>50,302</b>	<b>19,018</b>	<b>(52,247)</b>	<b>(160,428)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	233,184	163,221
Transfers out	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>233,184</b>	<b>163,221</b>
<b>Net change in fund balances</b>	<b>50,302</b>	<b>19,018</b>	<b>180,937</b>	<b>2,793</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year, as restated	89,811	367,041	(830)	(369,047)
End of Year	\$ 140,113	\$ 386,059	\$ 180,107	\$ (366,254)

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
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	99,647	202,298	-
-	-	-	-	-	-	-
4,896,595	-	-	-	360	-	-
246	3,542	4,682	19	9,858	25,676	3,852
-	-	-	-	-	-	-
<u>4,896,841</u>	<u>3,542</u>	<u>4,682</u>	<u>19</u>	<u>109,865</u>	<u>227,974</u>	<u>3,852</u>
-	-	-	-	-	-	-
9,991	-	-	-	-	-	-
19,980	-	-	-	-	-	-
79,925	-	-	-	-	-	-
169,841	-	-	-	-	20,475	-
519,513	-	-	-	-	-	-
199,813	-	-	-	-	-	-
-	-	-	-	-	-	19,671
-	-	-	-	670,715	68,237	89,551
530,000	-	-	-	-	-	-
2,856,450	-	-	-	-	-	-
<u>4,385,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>670,715</u>	<u>88,712</u>	<u>109,222</u>
511,328	3,542	4,682	19	(560,850)	139,262	(105,370)
-	-	-	-	-	-	-
-	-	-	-	-	-	89,550
-	-	-	(1,892)	(16,628)	-	(360,000)
-	-	-	(1,892)	(16,628)	-	(270,450)
511,328	3,542	4,682	(1,873)	(577,478)	139,262	(375,820)
2,187,696	378,093	499,732	1,873	1,246,441	2,687,798	663,857
<u>\$ 2,699,024</u>	<u>\$ 381,635</u>	<u>\$ 504,414</u>	<u>\$ -</u>	<u>\$ 668,963</u>	<u>\$ 2,827,060</u>	<u>\$ 288,037</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, 2015**

	Capital Projects			
	Park Dedication	Regional Traffic Mitigation	Infrastructure Repair & Replacement	Community Capital Improvement
<b>REVENUES:</b>				
Franchise tax	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Intergovernmental revenues	27,809	-	-	367,776
Licenses, permits, and fees	183,485	-	-	-
Special assessments	-	-	-	-
Service fees	428	-	-	-
Use of money and property	22,784	36,353	15,271	5,475
Other revenues	9,000	-	-	-
<b>Total Revenues</b>	<b>243,506</b>	<b>36,353</b>	<b>15,271</b>	<b>373,251</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	-
City Manager and City Clerk	-	-	-	-
Human resources	-	-	-	-
Finance and services	-	-	-	-
Community services	-	-	1,288	166,747
Public safety	-	-	-	-
Public works - administration	-	-	-	-
Public works - streets	-	-	-	-
Capital outlay and improvements	2,518,958	126,051	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	1,808	-	-	-
<b>Total Expenditures</b>	<b>2,520,766</b>	<b>126,051</b>	<b>1,288</b>	<b>166,747</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,277,260)</b>	<b>(89,698)</b>	<b>13,983</b>	<b>206,504</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	-	-	-
Transfers in	660,000	-	-	-
Transfers out	-	(233,184)	(463,284)	-
<b>Total other financing sources (uses)</b>	<b>660,000</b>	<b>(233,184)</b>	<b>(463,284)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(1,617,260)</b>	<b>(322,882)</b>	<b>(449,301)</b>	<b>206,504</b>
<b>FUND BALANCES (DEFICITS):</b>				
Beginning of Year, as restated	1,974,560	5,973,086	1,665,500	442,119
End of Year	\$ 357,300	\$ 5,650,204	\$ 1,216,199	\$ 648,623

Capital Projects	Total Non-Major Governmental Funds
\$ -	\$ 155,404
-	4,335,349
-	1,220,122
167,874	653,304
-	3,372,170
-	5,430,786
5,586	213,624
-	790,482
<u>173,460</u>	<u>16,171,241</u>
-	36,032
-	9,991
-	37,828
-	79,925
-	3,225,427
-	1,664,495
-	540,492
-	5,706,414
-	3,473,512
-	589,147
-	2,890,463
<u>-</u>	<u>18,253,726</u>
<u>173,460</u>	<u>(2,082,485)</u>
-	2,500
-	2,548,808
<u>-</u>	<u>(3,237,368)</u>
<u>-</u>	<u>(686,060)</u>
173,460	(2,768,545)
<u>530,726</u>	<u>25,422,466</u>
<u>\$ 704,186</u>	<u>\$ 22,653,921</u>

**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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 67	\$ 67	\$ 919	\$ 852
Other revenues	-	-	82,137	82,137
<b>Total revenues</b>	<u>67</u>	<u>67</u>	<u>83,056</u>	<u>82,989</u>
<b>EXPENDITURES</b>				
Community development and services	-	-	18	(18)
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>18</u>	<u>(18)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(125,835)	(125,835)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(125,835)</u>	<u>(125,835)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 67</u>	<u>\$ 67</u>	(42,797)	<u>\$ (42,864)</u>
<b>FUND BALANCES (DEFICIT):</b>				
Beginning of year			<u>45,995</u>	
End of year			<u>\$ 3,198</u>	

**City of Pittsburgh**

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

**Gas Tax - Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Other Taxes	\$ 1,692,500	\$ 1,692,500	\$ 1,853,567	\$ 161,067
Intergovernmental Revenue	-	-	-	-
Service fees	-	-	200	200
Use of money and property	6,400	6,400	10,442	4,042
<b>Total revenues</b>	<u>1,698,900</u>	<u>1,698,900</u>	<u>1,864,209</u>	<u>165,309</u>
<b>EXPENDITURES</b>				
Public works - street	500,000	1,680,000	1,489,092	190,908
<b>Total expenditures</b>	<u>500,000</u>	<u>1,680,000</u>	<u>1,489,092</u>	<u>190,908</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	480,000	348,685	(131,315)
Transfers out	(1,052,560)	(1,052,560)	(1,052,560)	-
<b>Total other financing sources (uses)</b>	<u>(1,052,560)</u>	<u>(572,560)</u>	<u>(703,875)</u>	<u>(131,315)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 146,340</u>	<u>\$ (553,660)</u>	<u>(328,758)</u>	<u>\$ 224,902</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,679,181</u>	
End of year			<u>\$ 1,350,423</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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 34	\$ 34	\$ 49	\$ 15
<b>Total revenues</b>	<u>34</u>	<u>34</u>	<u>49</u>	<u>15</u>
<b>EXPENDITURES</b>				
Public works - streets	-	17,116	17,116	-
<b>Total expenditures</b>	<u>-</u>	<u>17,116</u>	<u>17,116</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	17,116	17,116	-
Transfers out	-	-	(5,305)	(5,305)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>17,116</u>	<u>11,811</u>	<u>(5,305)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 34</u>	<u>\$ 34</u>	(5,256)	<u>\$ (5,290)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>5,256</u>	
End of year			<u>\$ -</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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 723,000	\$ 723,000	\$ 703,984	\$ (19,016)
Intergovernmental revenues	-	1,802,000	11,956	(1,790,044)
Use of money and property	2,500	2,500	5,116	2,616
Service fees	-	-	85	85
Other revenues	-	125,000	125,000	-
<b>Total revenues</b>	<b>725,500</b>	<b>2,652,500</b>	<b>846,141</b>	<b>(1,806,359)</b>
<b>EXPENDITURES</b>				
Community development and services	100,000	-	438,297	(438,297)
Capital outlay and improvement	-	2,754,125	-	2,754,125
<b>Total expenditures</b>	<b>100,000</b>	<b>2,754,125</b>	<b>438,297</b>	<b>2,315,828</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(674,287)	(766,403)	(710,088)	56,315
<b>Total other financing sources (uses)</b>	<b>(674,287)</b>	<b>(766,403)</b>	<b>(710,088)</b>	<b>56,315</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (48,787)</b>	<b>\$ (868,028)</b>	<b>(302,244)</b>	<b>\$ 565,784</b>
<b>FUND BALANCES:</b>				
Beginning of year			745,816	
End of year			<b>\$ 443,572</b>	

**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Special assessments	\$ 2,800,000	\$ 2,800,000	\$ 2,784,294	\$ (15,706)
Use of money and property	3,600	3,600	1,317	(2,283)
Other revenues	-	-	10,000	10,000
<b>Total revenues</b>	<u>2,803,600</u>	<u>2,803,600</u>	<u>2,795,611</u>	<u>(7,989)</u>
<b>EXPENDITURES</b>				
General government	37,288	37,288	36,032	1,256
Public works - streets	3,603,739	3,625,899	3,484,521	141,378
<b>Total expenditures</b>	<u>3,641,027</u>	<u>3,663,187</u>	<u>3,520,553</u>	<u>142,634</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	695,301	725,470	725,986	516
Transfers out	(93,336)	(93,336)	(93,336)	-
<b>Total other financing sources (uses)</b>	<u>601,965</u>	<u>632,134</u>	<u>632,650</u>	<u>516</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ (235,462)</u>	<u>\$ (227,453)</u>	<u>(92,292)</u>	<u>\$ 135,161</u>
<b>FUND BALANCES (DEFICIT):</b>				
Beginning of year			<u>206,074</u>	
End of year			<u>\$ 113,782</u>	

**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Special assessments	\$ 33,959	\$ 33,959	\$ 33,959	\$ -
Use of money and property	140	140	282	142
<b>Total revenues</b>	<b>34,099</b>	<b>34,099</b>	<b>34,241</b>	<b>142</b>
<b>EXPENDITURES</b>				
Public works - streets	62,930	62,930	66,492	(3,562)
<b>Total expenditures</b>	<b>62,930</b>	<b>62,930</b>	<b>66,492</b>	<b>(3,562)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	10,000	10,000	10,000	-
<b>Total other financing sources (uses)</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>
<b>Total other financing sources (uses)</b>	<b>\$ (18,831)</b>	<b>\$ (18,831)</b>	<b>(22,251)</b>	<b>\$ (3,420)</b>
<b>FUND BALANCES (DEFICIT):</b>				
Beginning of year			27,693	
End of year			\$ 5,442	

**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 306,138	\$ 255,526	\$ (50,612)
Use of money and property	1,400	2,359	1,167	(1,192)
Other revenues	-	-	5,000	5,000
<b>Total revenues</b>	<b>1,400</b>	<b>308,497</b>	<b>261,693</b>	<b>(46,804)</b>
<b>EXPENDITURES</b>				
Human resources	-	12,848	17,848	(5,000)
Community development and services	-	4,280	10,248	(5,968)
Public safety	-	449,282	233,597	215,685
<b>Total expenditures</b>	<b>-</b>	<b>466,410</b>	<b>261,693</b>	<b>204,717</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ 1,400</b>	<b>\$ (157,913)</b>	<b>-</b>	<b>\$ 157,913</b>
<b>FUND BALANCES:</b>				
Beginning of year			69,709	
End of year			\$ 69,709	

**City of Pittsburgh**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Assets Seizure - Special Revenue Fund**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 705	\$ 705	\$ 604	\$ (101)
Other revenues	-	-	12,884	12,884
<b>Total revenues</b>	<b>705</b>	<b>705</b>	<b>13,488</b>	<b>12,783</b>
<b>EXPENDITURES</b>				
Public safety	-	-	41,887	(41,887)
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>41,887</b>	<b>(41,887)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from sale of capital assets	-	-	2,500	2,500
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>2,500</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 705</u>	<u>\$ 705</u>	(25,899)	<u>\$ (26,604)</u>
<b>FUND BALANCES:</b>				
Beginning of year			60,016	
End of year			<u>\$ 34,117</u>	

**City of Pittsburgh**  
**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service fees	\$ 32,000	\$ 32,000	\$ 23,730	\$ (8,270)
Use of money and property	890	890	1,735	845
<b>Total revenues</b>	<u>32,890</u>	<u>32,890</u>	<u>25,465</u>	<u>(7,425)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 32,890</u>	<u>\$ 32,890</u>	25,465	<u>\$ (7,425)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>171,280</u>	
End of year			<u>\$ 196,745</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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 64,348	\$ 63,702	\$ (646)
Use of money and property	215	215	276	61
<b>Total revenues</b>	<b>215</b>	<b>64,563</b>	<b>63,978</b>	<b>(585)</b>
<b>EXPENDITURES</b>				
Community development and services	-	58,306	37,008	21,298
Public safety	14,115	64,215	26,970	37,245
<b>Total expenditures</b>	<b>14,115</b>	<b>122,521</b>	<b>63,978</b>	<b>58,543</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ (13,900)</u>	<u>\$ (57,958)</u>	-	<u>\$ 57,958</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>31,848</u>	
End of year			<u>\$ 31,848</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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 625,000	\$ 625,000	\$ 692,042	\$ 67,042
Use of money and property	14,200	14,200	24,377	10,177
Other revenues	-	-	18,904	18,904
<b>Total revenues</b>	<b>639,200</b>	<b>639,200</b>	<b>735,323</b>	<b>96,123</b>
<b>EXPENDITURES</b>				
Community development and services	450,855	461,568	399,161	62,407
<b>Total expenditures</b>	<b>450,855</b>	<b>461,568</b>	<b>399,161</b>	<b>62,407</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(6,430)	(6,430)	(6,430)	-
<b>Total other financing sources (uses)</b>	<b>(6,430)</b>	<b>(6,430)</b>	<b>(6,430)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ 181,915</b>	<b>\$ 171,202</b>	<b>329,732</b>	<b>\$ 158,530</b>
<b>FUND BALANCES:</b>				
Beginning of year			2,484,338	
End of year			\$ 2,814,070	

**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 768,850	\$ 768,850	\$ 664,240	\$ (104,610)
Use of money and property	1,420	1,420	1,943	523
Other revenue	-	-	5,155	5,155
<b>Total revenues</b>	<b>770,270</b>	<b>770,270</b>	<b>671,338</b>	<b>(98,932)</b>
<b>EXPENDITURES</b>				
Public works - Admin	458,605	489,534	340,679	148,855
Public works - Streets	523,431	734,841	565,118	169,723
<b>Total expenditures</b>	<b>982,036</b>	<b>1,224,375</b>	<b>905,797</b>	<b>318,578</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	100,000	100,000	100,000	-
Transfers out	(54,351)	(54,351)	(54,351)	-
<b>Total other financing sources (uses)</b>	<b>45,649</b>	<b>45,649</b>	<b>45,649</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (166,117)</b>	<b>\$ (408,456)</b>	<b>(188,810)</b>	<b>\$ 219,646</b>
<b>FUND BALANCES:</b>				
Beginning of year			498,198	
End of year			\$ 309,388	

**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 692,630	\$ 717,630	\$ 456,280	\$ (261,350)
Service fees	-	-	-	-
Use of money and property	-	-	1,811	1,811
Other revenues	-	-	31,230	31,230
<b>Total revenues</b>	<b>692,630</b>	<b>717,630</b>	<b>489,321</b>	<b>(228,309)</b>
<b>EXPENDITURES</b>				
Community development and services	688,671	1,283,354	597,111	686,243
Interest and fiscal charges	3,741	3,741	-	3,741
<b>Total expenditures</b>	<b>692,412</b>	<b>1,287,095</b>	<b>597,111</b>	<b>689,984</b>
<b>OTHER FINANCING (USES)</b>				
Transfers in	-	-	125,835	125,835
Transfers (out)	(1,414)	(1,414)	(1,414)	-
<b>Total other financing (uses)</b>	<b>(1,414)</b>	<b>(1,414)</b>	<b>124,421</b>	<b>125,835</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (1,196)</b>	<b>\$ (570,879)</b>	<b>16,631</b>	<b>\$ 587,510</b>
<b>FUND BALANCES:</b>				
Beginning of year			12,482	
End of year			\$ 29,113	

**City of Pittsburg**

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

**Neighborhood Stabilization Program - Special Revenue Fund**

**For the Year Ended June 30, 2015**

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	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 240	\$ 240	\$ 402	\$ 162
<b>Total revenues</b>	<u>240</u>	<u>240</u>	<u>402</u>	<u>162</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 240</u>	<u>\$ 240</u>	402	<u>\$ 162</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>42,921</u>	
End of year			<u>\$ 43,323</u>	

**City of Pittsburg**

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

**CalHome Program - Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 240	\$ 240	\$ 312	\$ 72
<b>Total revenues</b>	<u>240</u>	<u>240</u>	<u>312</u>	<u>72</u>
<b>EXPENDITURES</b>				
Community development and services	-	-	18	(18)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>18</u>	<u>(18)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 240</u>	<u>\$ 240</u>	294	<u>\$ 54</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>33,193</u>	
End of year			<u>\$ 33,487</u>	

**City of Pittsburg**

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

**California Energy Conservation Program - Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES</b>				
Interest and fiscal charges	\$ 59,149	\$ 59,149	\$ 59,147	\$ 2
	15,351	15,351	15,350	1
<b>Total expenditures</b>	<b>74,500</b>	<b>74,500</b>	<b>74,497</b>	<b>3</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	74,500	74,500	74,500	-
<b>Total other financing sources (uses)</b>	<b>74,500</b>	<b>74,500</b>	<b>74,500</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ -</u>	<u>\$ -</u>	3	<u>\$ 3</u>
<b>FUND BALANCES:</b>				
Beginning of year, as restated			<u>38,405</u>	
End of year			<u>\$ 38,408</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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property tax	\$ 474,342	\$ 474,342	\$ 515,636	\$ 41,294
Use of money and property	640	640	380	(260)
<b>Total revenues</b>	<u>474,982</u>	<u>474,982</u>	<u>516,016</u>	<u>41,034</u>
<b>EXPENDITURES</b>				
General government	17,779	17,779	-	17,779
Public safety	435,074	435,780	312,089	123,691
Interest and fiscal charges	5,400	5,400	4,848	552
<b>Total expenditures</b>	<u>458,253</u>	<u>458,959</u>	<u>316,937</u>	<u>142,022</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers out	(6,722)	(6,722)	(6,722)	-
<b>Total other financing sources (uses)</b>	<u>(6,722)</u>	<u>(6,722)</u>	<u>(6,722)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 10,007</u>	<u>\$ 9,301</u>	192,357	<u>\$ 183,056</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>(48,571)</u>	
End of year			<u>\$ 143,786</u>	

**City of Pittsburg**

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

**Solid Waste - Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service fees	\$ 455,000	\$ 455,000	\$ 449,880	\$ (5,120)
Use of money and property	1,200	1,200	2,260	1,060
Other revenues	1,100	1,100	1,606	506
<b>Total revenues</b>	<b>457,300</b>	<b>457,300</b>	<b>453,746</b>	<b>(3,554)</b>
<b>EXPENDITURES</b>				
Community development and services	319,512	329,082	277,455	51,627
Public safety	208,813	210,978	167,745	43,233
<b>Total expenditures</b>	<b>528,325</b>	<b>540,060</b>	<b>445,200</b>	<b>94,860</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers out	(101,980)	(101,980)	(101,980)	-
<b>Total other financing sources (uses)</b>	<b>(101,980)</b>	<b>(101,980)</b>	<b>(101,980)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (173,005)</b>	<b>\$ (184,740)</b>	<b>(93,434)</b>	<b>\$ 91,306</b>
<b>FUND BALANCES:</b>				
Beginning of year			355,762	
End of year			\$ 262,328	



**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 164,643	\$ 164,643	\$ 174,173	\$ 9,530
Use of money and property	180	180	34	(146)
<b>Total revenues</b>	<u>164,823</u>	<u>164,823</u>	<u>174,207</u>	<u>9,384</u>
<b>EXPENDITURES</b>				
Public safety	151,156	151,448	150,040	1,408
Interest and fiscal charges	6,000	6,000	-	6,000
<b>Total expenditures</b>	<u>157,156</u>	<u>157,448</u>	<u>150,040</u>	<u>7,408</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(865)</u>	<u>(865)</u>	<u>(865)</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>(865)</u>	<u>(865)</u>	<u>(865)</u>	<u>-</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 6,802</u>	<u>\$ 6,510</u>	23,302	<u>\$ 16,792</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>(8,997)</u>	
End of year			<u>\$ 14,305</u>	

**City of Pittsburg**

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

**Public Safety Service CFD 2005-1-Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Other taxes	\$ 247,343	\$ 247,343	\$ 247,343	\$ -
Use of money and property	180	180	6	(174)
<b>Total revenues</b>	<b>247,523</b>	<b>247,523</b>	<b>247,349</b>	<b>(174)</b>
<b>EXPENDITURES</b>				
Public safety	224,309	224,611	212,654	11,957
Interest and fiscal charges	4,500	4,500	4,528	(28)
<b>Total expenditures</b>	<b>228,809</b>	<b>229,111</b>	<b>217,182</b>	<b>11,929</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(3,228)	(3,228)	(3,228)	-
<b>Total other financing sources (uses)</b>	<b>(3,228)</b>	<b>(3,228)</b>	<b>(3,228)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ 15,486</b>	<b>\$ 15,184</b>	26,939	<b>\$ 11,755</b>
<b>FUND BALANCES:</b>				
Beginning of year			(33,058)	
End of year			<b>\$ (6,119)</b>	

**City of Pittsburgh**

**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 28,000	\$ 28,000	\$ 26,058	\$ (1,942)
Special assessments	32,785	32,785	38,281	5,496
Use of money and property	180	180	324	144
<b>Total revenues</b>	<b>60,965</b>	<b>60,965</b>	<b>64,663</b>	<b>3,698</b>
<b>EXPENDITURES</b>				
Public works	61,957	62,656	48,446	14,210
Interest and fiscal charges	3,200	3,200	3,522	(322)
<b>Total expenditures</b>	<b>65,157</b>	<b>65,856</b>	<b>51,968</b>	<b>13,888</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	683	731	(48)
Transfers out	(266)	(266)	(266)	-
<b>Total other financing sources (uses)</b>	<b>(266)</b>	<b>417</b>	<b>465</b>	<b>(48)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (4,458)</b>	<b>\$ (4,474)</b>	13,160	<b>\$ 17,634</b>
<b>FUND BALANCES:</b>				
Beginning of year			(127,335)	
End of year			\$ (114,175)	

**City of Pittsburg**

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

**Pittsburg Arts & Community Foundation - Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 80,015	\$ 80,015	\$ 11,015	\$ (69,000)
Service fees	-	-	10,413	10,413
Use of money and property	22,467	22,467	22,458	(9)
Other revenues	487,906	487,906	489,566	1,660
<b>Total revenues</b>	<b>590,388</b>	<b>590,388</b>	<b>533,452</b>	<b>(56,936)</b>
<b>EXPENDITURES:</b>				
Community development and services	805,743	805,743	775,755	29,988
<b>Total expenditures</b>	<b>805,743</b>	<b>805,743</b>	<b>775,755</b>	<b>29,988</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ (215,355)</u>	<u>\$ (215,355)</u>	(242,303)	<u>\$ (26,948)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>793,804</u>	
End of year			<u>\$ 551,501</u>	

**City of Pittsburg**

**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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service fees	\$ 25,000	\$ 25,000	\$ 49,095	\$ 24,095
Use of money and property	420	420	1,207	787
<b>Total revenues</b>	<u>25,420</u>	<u>25,420</u>	<u>50,302</u>	<u>24,882</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 25,420</u>	<u>\$ 25,420</u>	50,302	<u>\$ 24,882</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>89,811</u>	
End of year			<u>\$ 140,113</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, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Franchise Tax	\$ 145,000	\$ 145,000	\$ 155,404	\$ 10,404
Use of money and property	1,420	1,420	2,859	1,439
Other revenues	-	-	-	-
<b>Total revenues</b>	<u>146,420</u>	<u>146,420</u>	<u>158,263</u>	<u>11,843</u>
<b>EXPENDITURES:</b>				
Community services	124,000	124,000	139,245	(15,245)
<b>Total expenditures</b>	<u>124,000</u>	<u>124,000</u>	<u>139,245</u>	<u>(15,245)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 22,420</u>	<u>\$ 22,420</u>	19,018	<u>\$ (3,402)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>367,041</u>	
End of year			<u>\$ 386,059</u>	

**City of Pittsburgh**

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

**Railroad Avenue Specific Area Plan - Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
Community services	\$ -	\$ 33,184	\$ 32,332	\$ 852
Public works - streets	-	3,500,000	15,958	3,484,042
Interest and fiscal charges	-	-	3,957	(3,957)
<b>Total expenditures</b>	<b>-</b>	<b>3,533,184</b>	<b>52,247</b>	<b>3,480,085</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers out	-	3,533,184	233,184	(3,300,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>3,533,184</b>	<b>233,184</b>	<b>(3,300,000)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ -</u>	<u>\$ 3,533,184</u>	180,937	<u>\$ 3,480,085</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>(830)</u>	
End of year			<u>\$ 180,107</u>	

**City of Pittsburgh**

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

**Golf Course Special Revenue Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>EXPENDITURES:</b>				
Public Works	\$ 15,000	\$ 165,487	\$ 160,428	\$ 5,059
<b>Total expenditures</b>	<u>15,000</u>	<u>165,487</u>	<u>160,428</u>	<u>5,059</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in	15,000	165,487	163,221	(2,266)
<b>Total other financing sources (uses)</b>	<u>15,000</u>	<u>165,487</u>	<u>163,221</u>	<u>(2,266)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ -</u>	<u>\$ -</u>	2,793	<u>\$ 2,793</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>(369,047)</u>	
End of year			<u>\$ (366,254)</u>	



**City of Pittsburg**

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

**Pension Obligations - Debt Service Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Service fees	\$ 4,079,491	\$ 4,754,718	\$ 4,896,595	\$ 141,877
Use of money and property	2,500	2,500	246	(2,254)
<b>Total revenues</b>	<u>4,081,991</u>	<u>4,757,218</u>	<u>4,896,841</u>	<u>139,623</u>
<b>EXPENDITURES</b>				
General administration	-	-	999,063	(999,063)
Principal retirement	1,757,773	1,757,773	530,000	1,227,773
Interest and fiscal charges	2,321,717	2,321,717	2,856,450	(534,733)
<b>Total expenditures</b>	<u>4,079,490</u>	<u>4,079,490</u>	<u>4,385,513</u>	<u>(306,023)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 2,501</u>	<u>\$ 677,728</u>	511,328	<u>\$ (166,400)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>2,187,696</u>	
End of year			<u>\$ 2,699,024</u>	

**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, 2015**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 2,250	\$ 2,250	\$ 3,542	\$ 1,292
<b>Total revenues</b>	<u>2,250</u>	<u>2,250</u>	<u>3,542</u>	<u>1,292</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 2,250</u>	<u>\$ 2,250</u>	3,542	<u>\$ 1,292</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>378,093</u>	
End of year			<u>\$ 381,635</u>	

**City of Pittsburg**

**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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 2,960	\$ 2,960	\$ 4,682	\$ 1,722
<b>Total revenues</b>	<u>2,960</u>	<u>2,960</u>	<u>4,682</u>	<u>1,722</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 2,960</u>	<u>\$ 2,960</u>	4,682	<u>\$ 1,722</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>499,732</u>	
End of year			<u>\$ 504,414</u>	

**City of Pittsburgh**

**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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 12	\$ 12	\$ 19	\$ 7
<b>Total revenues</b>	<u>12</u>	<u>12</u>	<u>19</u>	<u>7</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers out	-	-	(1,892)	(1,892)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(1,892)</u>	<u>(1,892)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ 12</u>	<u>\$ 12</u>	(1,873)	<u>\$ (1,885)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,873</u>	
End of year			<u>\$ -</u>	

**City of Pittsburg**

**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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Permits, licenses, and fees	\$ -	\$ -	\$ 99,647	\$ 99,647
Service fees	-	-	360	360
Use of money and property	7,800	7,800	9,858	2,058
<b>Total revenues</b>	<b>7,800</b>	<b>7,800</b>	<b>109,865</b>	<b>102,065</b>
<b>EXPENDITURES</b>				
Capital outlay and improvements	-	883,096	670,715	212,381
<b>Total expenditures</b>	<b>-</b>	<b>883,096</b>	<b>670,715</b>	<b>212,381</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(16,628)	(16,628)	(16,628)	-
<b>Total other financing sources (uses)</b>	<b>(16,628)</b>	<b>(16,628)</b>	<b>(16,628)</b>	<b>-</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (8,828)</b>	<b>\$ (891,924)</b>	<b>(577,478)</b>	<b>\$ 314,446</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,246,441	
End of year			\$ 668,963	

**City of Pittsburgh**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**Traffic Mitigation - Capital Projects Fund**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 85	\$ -	\$ (85)
Permits, licenses, and fees	-	-	202,298	202,298
Use of money and property	16,500	16,500	25,676	9,176
Other revenues	-	99,015	-	(99,015)
<b>Total revenues</b>	<b>16,500</b>	<b>115,600</b>	<b>227,974</b>	<b>112,374</b>
<b>EXPENDITURES</b>				
Community services	20,605	21,021	20,475	(546)
Capital outlay and improvements	158,763	739,597	68,237	671,360
<b>Total expenditures</b>	<b>179,368</b>	<b>760,618</b>	<b>88,712</b>	<b>670,814</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(75,000)	-	75,000
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(75,000)</b>	<b>-</b>	<b>75,000</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (162,868)</b>	<b>\$ (720,018)</b>	139,262	<b>\$ 859,280</b>
<b>FUND BALANCES:</b>				
Beginning of year			2,687,798	
End of year			<b>\$ 2,827,060</b>	

**City of Pittsburg**

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

**Capital Improvement - Capital Projects Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 3,600	\$ 3,600	\$ 3,852	\$ 252
<b>Total revenues</b>	<u>3,600</u>	<u>3,600</u>	<u>3,852</u>	<u>252</u>
<b>EXPENDITURES</b>				
Public works - streets	-	301,938	19,671	282,267
Capital outlay and improvements	-	305,000	89,551	215,449
<b>Total expenditures</b>	<u>-</u>	<u>606,938</u>	<u>109,222</u>	<u>497,716</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	305,000	89,550	(215,450)
Transfers out	-	(360,000)	(360,000)	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(55,000)</u>	<u>(270,450)</u>	<u>(215,450)</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 3,600</u>	<u>\$ (658,338)</u>	<u>(375,820)</u>	<u>\$ 282,518</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>663,857</u>	
End of year			<u>\$ 288,037</u>	

**City of Pittsburgh**

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

**Park Dedication - Capital Projects Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 1,178,429	\$ 27,809	\$ (1,150,620)
Permits, licenses and fees	-	-	183,485	183,485
Use of money and property	13,000	13,000	22,784	9,784
Service fees	-	-	428	428
Other revenues	-	9,000	9,000	-
<b>Total revenues</b>	<b>13,000</b>	<b>1,200,429</b>	<b>243,506</b>	<b>(956,923)</b>
<b>EXPENDITURES</b>				
Capital outlay and improvements	53,763	4,617,677	2,518,958	2,098,719
Interest and fiscal charges	-	-	1,808	(1,808)
<b>Total expenditures</b>	<b>53,763</b>	<b>4,617,677</b>	<b>2,520,766</b>	<b>2,096,911</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	1,460,000	660,000	(800,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>1,460,000</b>	<b>660,000</b>	<b>(800,000)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<b>\$ (40,763)</b>	<b>\$ (1,957,248)</b>	<b>(1,617,260)</b>	<b>\$ 339,988</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,974,560	
End of year			\$ 357,300	



**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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 35,900	\$ 35,900	\$ 36,353	\$ 453
<b>Total revenues</b>	<u>35,900</u>	<u>35,900</u>	<u>36,353</u>	<u>453</u>
<b>EXPENDITURES</b>				
Capital outlay and improvements	-	725,512	126,051	599,461
<b>Total expenditures</b>	<u>-</u>	<u>725,512</u>	<u>126,051</u>	<u>599,461</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(3,533,184)	(233,184)	3,300,000
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(3,533,184)</u>	<u>(233,184)</u>	<u>3,300,000</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 35,900</u>	<u>\$ (4,222,796)</u>	(322,882)	<u>\$ 3,899,914</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>5,973,086</u>	
End of year			<u>\$ 5,650,204</u>	

**City of Pittsburg**

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

**Infrastructure Repair & Replacement - Capital Projects Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Use of money and property	\$ 10,000	\$ 10,000	\$ 15,271	\$ 5,271
<b>Total revenues</b>	<u>10,000</u>	<u>10,000</u>	<u>15,271</u>	<u>5,271</u>
<b>EXPENDITURES</b>				
Community services	-	-	1,288	(1,288)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>1,288</u>	<u>(1,288)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(1,261,000)	(463,284)	797,716
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(1,261,000)</u>	<u>(463,284)</u>	<u>797,716</u>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 10,000</u>	<u>\$ (1,251,000)</u>	(449,301)	<u>\$ 801,699</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,665,500</u>	
End of year			<u>\$ 1,216,199</u>	

**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, 2015**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 999,985	\$ 367,776	\$ (632,209)
Use of money and property	-	-	5,475	5,475
<b>Total revenues</b>	<b>-</b>	<b>999,985</b>	<b>373,251</b>	<b>(626,734)</b>
<b>EXPENDITURES</b>				
Community services	-	1,571,161	166,747	1,404,414
<b>Total expenditures</b>	<b>-</b>	<b>1,571,161</b>	<b>166,747</b>	<b>1,404,414</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	411,260	-	(411,260)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>411,260</b>	<b>-</b>	<b>(411,260)</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>\$ -</b>	<b>\$ (159,916)</b>	<b>206,504</b>	<b>\$ 366,420</b>
<b>FUND BALANCES:</b>				
Beginning of year			442,119	
End of year			\$ 648,623	

**City of Pittsburg**

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

**Bailey Road Maintenance - Capital Projects Fund**

**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Permits, licenses and fees	\$ -	\$ -	\$ 167,874	\$ 167,874
Use of money and property	-	-	5,586	5,586
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>173,460</b>	<b>173,460</b>
<b>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>				
	<u>\$ -</u>	<u>\$ -</u>	173,460	<u>\$ 173,460</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>530,726</u>	
End of year			<u>\$ 704,186</u>	



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

# 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, 2015**

	Fleet Maintenance	Building Maintenance	Insurance
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 1,094,266	\$ 704,261	\$ 655,158
Receivables:			
Accounts	18,216	1,070	-
Inventory	38,558	15,725	-
Prepaid items	-	-	-
Total current assets	<u>1,151,040</u>	<u>721,056</u>	<u>655,158</u>
Noncurrent assets:			
Capital assets:			
Depreciable assets, net	1,321,951	174,031	-
Total noncurrent assets	<u>1,321,951</u>	<u>174,031</u>	<u>-</u>
<b>Total Assets</b>	<u><u>2,472,991</u></u>	<u><u>895,087</u></u>	<u><u>655,158</u></u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	91,539	101,045	7,287
Salaries payable	-	-	-
Due to other funds	-	-	-
Claims and judgments payable - due within one year	-	-	249,052
Long-term-debt - due within one year	-	-	-
Advance from other funds	22,006	15,848	-
Total current liabilities	<u>113,545</u>	<u>116,893</u>	<u>256,339</u>
Noncurrent liabilities:			
Compensated absences - due in more than one year	24,026	32,294	-
Long-term-debt - due in more than one year	-	-	-
Total noncurrent liabilities	<u>24,026</u>	<u>32,294</u>	<u>-</u>
<b>Total Liabilities</b>	<u><u>137,571</u></u>	<u><u>149,187</u></u>	<u><u>256,339</u></u>
<b>NET POSITION</b>			
Net investment in capital assets	1,321,951	174,031	-
Unrestricted	1,013,469	571,869	398,819
<b>Total Net Position</b>	<u><u>\$ 2,335,420</u></u>	<u><u>\$ 745,900</u></u>	<u><u>\$ 398,819</u></u>

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 791,760	\$ 852,584	\$ -	\$ 4,098,029
3,875	244	539,952	563,357
324,582	-	-	378,865
-	22,400	-	22,400
<u>1,120,217</u>	<u>875,228</u>	<u>539,952</u>	<u>5,062,651</u>
146,095	-	-	1,642,077
<u>146,095</u>	<u>-</u>	<u>-</u>	<u>1,642,077</u>
<u>1,266,312</u>	<u>875,228</u>	<u>539,952</u>	<u>6,704,728</u>
12,536	48,598	-	261,005
-	147	-	147
-	-	450,087	450,087
-	-	-	249,052
35,263	-	-	35,263
7,740	-	-	45,594
<u>55,539</u>	<u>48,745</u>	<u>450,087</u>	<u>1,041,148</u>
4,783	-	-	61,103
<u>36,257</u>	<u>-</u>	<u>-</u>	<u>36,257</u>
<u>41,040</u>	<u>-</u>	<u>-</u>	<u>97,360</u>
<u>96,579</u>	<u>48,745</u>	<u>450,087</u>	<u>1,138,508</u>
74,575	-	-	1,570,557
1,095,158	826,483	89,865	3,995,663
<u>\$ 1,169,733</u>	<u>\$ 826,483</u>	<u>\$ 89,865</u>	<u>\$ 5,566,220</u>



**City of Pittsburgh**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended June 30, 2015**

	Fleet Maintenance	Building Maintenance	Insurance
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 1,565,676	\$ 1,314,276	\$ 696,480
Other operating revenues	15,451	100,564	-
<b>Total operating revenues</b>	<b>1,581,127</b>	<b>1,414,840</b>	<b>696,480</b>
<b>OPERATING EXPENSES:</b>			
Salaries and wages	255,688	262,779	-
Department supplies	661,722	74,553	-
Rentals	40,509	1,162	-
Utilities	7,268	294,225	-
Maintenance and operations	113,829	728,801	-
Depreciation and amortization	421,073	47,734	-
Insurance premiums	8,670	156,714	643,395
Insurance deductible	6,912	6,252	148,208
Fringe benefits	199,626	222,480	-
Other operating expenses	13,296	8,445	-
<b>Total operating expenses</b>	<b>1,728,593</b>	<b>1,803,145</b>	<b>791,603</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(147,466)</b>	<b>(388,305)</b>	<b>(95,123)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Gain (loss) on sale of assets	12,740	-	-
Investment income	-	-	-
<b>Total nonoperating revenues</b>	<b>12,740</b>	<b>-</b>	<b>-</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(134,726)</b>	<b>(388,305)</b>	<b>(95,123)</b>
<b>TRANSFERS:</b>			
Transfers in	-	75,000	-
Transfers out	(15,883)	(10,639)	-
<b>Transfers in (out)</b>	<b>(15,883)</b>	<b>64,361</b>	<b>-</b>
<b>Change in net position</b>	<b>(150,609)</b>	<b>(323,944)</b>	<b>(95,123)</b>
<b>NET POSITION:</b>			
Beginning of year	2,486,029	1,069,844	493,942
End of year	\$ 2,335,420	\$ 745,900	\$ 398,819

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 667,218	\$ 1,338,504	\$ 2,497,766	\$ 8,079,920
36,641	-	-	152,656
<u>703,859</u>	<u>1,338,504</u>	<u>2,497,766</u>	<u>8,232,576</u>
58,732	-	-	577,199
44,630	-	-	780,905
-	-	-	41,671
-	-	-	301,493
625,164	14,534	9,360	1,491,688
72,767	-	-	541,574
-	-	-	808,779
1,854	-	-	163,226
45,362	1,622,870	3,158,833	5,249,171
3,804	45,120	(96)	70,569
<u>852,313</u>	<u>1,682,524</u>	<u>3,168,097</u>	<u>10,026,275</u>
<u>(148,454)</u>	<u>(344,020)</u>	<u>(670,331)</u>	<u>(1,793,699)</u>
-	-	-	12,740
<u>(2,984)</u>	<u>-</u>	<u>-</u>	<u>(2,984)</u>
<u>(2,984)</u>	<u>-</u>	<u>-</u>	<u>9,756</u>
<u>(151,438)</u>	<u>(344,020)</u>	<u>(670,331)</u>	<u>(1,783,943)</u>
-	-	666,755	741,755
<u>(4,325)</u>	<u>(81,608)</u>	<u>-</u>	<u>(112,455)</u>
<u>(4,325)</u>	<u>(81,608)</u>	<u>666,755</u>	<u>629,300</u>
<u>(155,763)</u>	<u>(425,628)</u>	<u>(3,576)</u>	<u>(1,154,643)</u>
<u>1,325,496</u>	<u>1,252,111</u>	<u>93,441</u>	<u>6,720,863</u>
<u>\$ 1,169,733</u>	<u>\$ 826,483</u>	<u>\$ 89,865</u>	<u>\$ 5,566,220</u>

**City of Pittsburgh**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended June 30, 2015**

	Fleet Maintenance	Building Maintenance	Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers/other funds	\$ 1,547,460	\$ 1,315,054	\$ 696,480
Cash payments to suppliers for goods and services	(814,799)	(1,234,972)	(745,075)
Cash payments to employees for services	(452,689)	(484,196)	-
Other operating revenues	15,451	100,564	-
<b>Net cash provided (used) by operating activities</b>	<b>295,423</b>	<b>(303,550)</b>	<b>(48,595)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Interfund payments	(13,697)	(9,176)	-
Transfers (out)	(15,883)	64,361	-
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(29,580)</b>	<b>55,185</b>	<b>-</b>
<b>CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:</b>			
Payments made on capital lease	-	-	-
Proceeds from sale of capital assets	12,740	-	-
Net changes in capital assets	(598,531)	(6,003)	-
<b>Net cash provided (used) by capital financing activities</b>	<b>(585,791)</b>	<b>(6,003)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest revenue	-	-	-
<b>Net cash provided (used) by investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(319,948)</b>	<b>(254,368)</b>	<b>(48,595)</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	1,414,214	958,629	703,753
End of year	\$ 1,094,266	\$ 704,261	\$ 655,158
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (147,466)	\$ (388,305)	\$ (95,123)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	421,073	47,734	-
Changes in operating assets and liabilities:			
Accounts receivable	(18,216)	778	-
Inventory	-	-	-
Prepaid items	-	-	-
Accounts payable	37,407	35,180	(7,459)
Salaries and wages payable	-	-	-
Unearned revenue	-	-	-
Compensated absences	2,625	1,063	-
Insurance claims payable	-	-	53,987
<b>Net cash provided (used) by operating activities</b>	<b>\$ 295,423</b>	<b>\$ (303,550)</b>	<b>\$ (48,595)</b>

Information / Communication Services	Fringe Benefits	Other Post Employment Benefits	Total
\$ 682,880	\$ 1,338,328	\$ 2,412,095	\$ 7,992,297
(763,660)	(128,774)	(9,349)	(3,696,629)
(109,191)	(1,616,962)	(3,161,488)	(5,824,526)
36,641	-	-	152,656
(153,330)	(407,408)	(758,742)	(1,376,202)
(3,730)	-	-	(26,603)
(4,325)	(81,608)	666,755	629,300
(8,055)	(81,608)	666,755	602,697
(34,295)	-	-	(34,295)
-	-	-	12,740
(13,603)	-	-	(618,137)
(47,898)	-	-	(639,692)
(2,984)	-	-	(2,984)
(2,984)	-	-	(2,984)
(212,267)	(489,016)	(91,987)	(1,416,181)
1,004,027	1,341,600	91,987	5,514,210
\$ 791,760	\$ 852,584	\$ -	\$ 4,098,029
\$ (148,454)	\$ (344,020)	\$ (670,331)	\$ (1,793,699)
72,767	-	-	541,574
15,662	(176)	(535,758)	(537,710)
-	-	-	-
-	-	-	-
(88,208)	(69,120)	(85)	(92,285)
-	5,908	(2,655)	3,253
-	-	450,087	450,087
(5,097)	-	-	(1,409)
-	-	-	53,987
\$ (153,330)	\$ (407,408)	\$ (758,742)	\$ (1,376,202)



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

# 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, 2015**

	Beginning Balance July 1, 2014	Additions	Deletions	Ending Balance June 30, 2015
<b><u>Assessment Districts Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 2,833,603	\$ 2,225,612	\$ 2,148,458	\$ 2,910,757
Cash and investments held by fiscal agent	1,943,225	1,771,870	1,682,667	2,032,428
Assessment receivable	2,204,521	-	13,191	2,191,330
<b>Total assets</b>	<b>\$ 6,981,349</b>	<b>\$ 3,997,482</b>	<b>\$ 3,844,316</b>	<b>\$ 7,134,515</b>
<b>Liabilities:</b>				
Accounts payable	\$ 28,598	\$ 46,253	\$ 46,857	\$ 27,994
Deferred assessment	2,204,521	-	13,191	2,191,330
Due to bondholders	4,748,230	7,171,258	7,004,297	4,915,191
<b>Total liabilities</b>	<b>\$ 6,981,349</b>	<b>\$ 7,217,511</b>	<b>\$ 7,064,345</b>	<b>\$ 7,134,515</b>
 <b><u>Environmental Impact Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,047	\$ 10	\$ -	\$ 1,057
<b>Total assets</b>	<b>\$ 1,047</b>	<b>\$ 10</b>	<b>\$ -</b>	<b>\$ 1,057</b>
<b>Liabilities:</b>				
Due to bondholders	\$ 1,047	\$ 10	\$ -	\$ 1,057
<b>Total liabilities</b>	<b>\$ 1,047</b>	<b>\$ 10</b>	<b>\$ -</b>	<b>\$ 1,057</b>
 <b><u>Other Impact Fees Fund</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 217,898	\$ 2,887,095	\$ 2,298,261	\$ 806,732
<b>Total assets</b>	<b>\$ 217,898</b>	<b>\$ 2,887,095</b>	<b>\$ 2,298,261</b>	<b>\$ 806,732</b>
<b>Liabilities:</b>				
Accounts payable	\$ 211,451	\$ 2,846,347	\$ 2,264,399	\$ 793,399
Due to other parties	6,006	19,111	18,337	6,780
Due to bondholders	441	6,161	49	6,553
<b>Total liabilities</b>	<b>\$ 217,898</b>	<b>\$ 2,871,619</b>	<b>\$ 2,282,785</b>	<b>\$ 806,732</b>
 <b><u>Vista Del Mar &amp; San Marco CFD's</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,776,672	\$ 2,047,163	\$ 3,702,384	\$ 121,451
Cash and investments held by fiscal agent	820,815	908,244	827,695	901,364
<b>Total assets</b>	<b>\$ 2,597,487</b>	<b>\$ 2,955,407</b>	<b>\$ 4,530,079</b>	<b>\$ 1,022,815</b>
<b>Liabilities:</b>				
Accounts payable	\$ 133	\$ 178,673	\$ 2,856	\$ 175,950
Due to bondholders	2,597,354	37,255,461	39,005,950	846,865
<b>Total liabilities</b>	<b>\$ 2,597,487</b>	<b>\$ 37,434,134</b>	<b>\$ 39,008,806</b>	<b>\$ 1,022,815</b>

**City of Pittsburg**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended June 30, 2015**

<u>Total Agency Funds</u>	Beginning Balance July 1, 2014	Additions	Deletions	Ending Balance June 30, 2015
<b>Assets:</b>				
Cash and investments	\$ 4,829,220	\$ 7,159,880	\$ 8,149,103	\$ 3,839,997
Cash and investments held by fiscal agent	2,764,040	2,680,114	2,510,362	2,933,792
Assessment receivable	2,204,521	-	13,191	2,191,330
<b>Total assets</b>	<b>\$ 9,797,781</b>	<b>\$ 9,839,994</b>	<b>\$ 10,672,656</b>	<b>\$ 8,965,119</b>
<b>Liabilities:</b>				
Accounts payable	\$ 240,182	\$ 3,071,273	\$ 2,314,112	\$ 997,343
Deferred assessment	2,204,521	-	13,191	2,191,330
Due to other parties	6,006	19,111	18,337	6,780
Due to bondholders	7,347,072	44,432,890	46,010,296	5,769,666
<b>Total liabilities</b>	<b>\$ 9,797,781</b>	<b>\$ 47,523,274</b>	<b>\$ 48,355,936</b>	<b>\$ 8,965,119</b>





**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

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# STATISTICAL SECTION

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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**

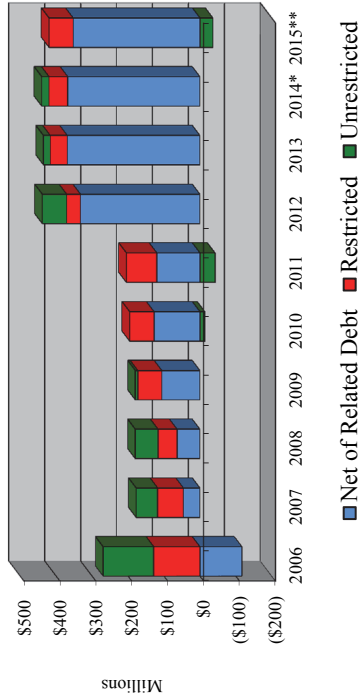
These schedules contain information about the City of Pittsburg's operations and resources to help the CAFR reader understand how the City's financial information relates to the services the City provides and the activities it performs.

\*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 dissolves 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 actives for the former Pittsburg Redevelopment Agency.



**CITY OF PITTSBURG**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

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



	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2015**
<b>Governmental activities</b>										
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	\$275,604,919	\$268,580,073
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	31,094,899	27,662,593
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	8,632,467	(37,752,882)
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	\$315,332,285	\$258,489,784
<b>Business-type activities</b>										
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	\$92,058,482	\$84,084,664
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	21,038,895	39,342,518
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	11,513,401	1,768,289
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	\$124,610,778	\$125,195,471
<b>Primary government</b>										
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	\$367,663,401	\$352,664,737
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	52,133,794	67,005,111
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	20,145,868	(35,984,593)
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	\$439,943,063	\$383,685,255

\* FY 2013-2014 Fund balances had been restated as a result of reclass of Golf Course Fund from Enterprise Fund to Special Revenue Fund. See FY 2014-15 Note 9E for details  
 \*\* FY 2014-15, THE City adopted GASB 68 and 71. See FY 2014-15 Note 11 for details.

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

**Fiscal Year Ended June 30,**

	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>									
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	\$7,027,878	\$10,232,271
Public Safety	16,949,031	19,147,330	37,075,329	20,844,081	20,111,317	22,929,002	20,955,624	22,683,125	24,833,843
Public Works	17,949,516	16,356,492	15,020,101	13,685,011	19,975,441	16,741,235	19,679,890	16,305,801	18,213,277
Community Development	25,815,463	31,332,797	37,032,108	22,565,100	25,958,714	26,418,644	23,214,430	18,705,444	21,998,387
Culture and Recreation	1,892,674	1,854,555	1,741,484	733,417	476,739	595,285	699,730	806,965	862,068
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	1,574,056	4,074,415
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	67,103,269	80,214,261
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	16,513,159	17,477,524
Wastewater	1,929,214	1,972,310	2,218,519	2,407,534	2,317,726	2,442,521	2,212,309	2,490,191	2,264,022
Marina	2,378,869	2,112,615	2,320,709	2,139,241	2,168,789	2,405,288	2,448,483	2,230,133	2,352,274
Pittsburg Power								5,659,707	6,670,282
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	821,344	750,765
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	27,714,534	29,514,867
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	\$94,817,803	\$109,729,128
<b>Program Revenues</b>									
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	\$4,736,292	\$7,595,331
Public Safety	633,513	750,286	1,054,367	1,287,433	987,348	1,044,743	842,598	1,072,098	1,206,225
Public Works	4,077,620	2,930,076	1,186,331	5,733,983	2,755,943	3,596,128	4,356,858	905,135	524,555
Community Development	90,302	4,318,365	8,392,107	5,914,983	6,498,599	19,229,249	8,189,144	7,054,779	4,685,299
Culture and Recreation	533,114	419,320	198,873	212,184	257,627	420,047	685,418	762,357	733,235
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	13,133,883	12,699,542
Capital Grants and Contributions	948,905	5,243,189	2,193,823	1,119,989	929,465	3,997,403	314,203	979,706	48,709
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	28,644,250	27,492,896

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

	Fiscal Year Ended June 30,								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
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	19,640,140	18,979,002
Wastewater	3,864,420	3,305,065	3,846,151	4,471,813	4,373,309	4,566,645	5,049,987	4,918,873	5,123,475
Marina	1,653,350	1,732,960	1,829,397	1,681,500	1,850,375	1,942,681	1,914,502	2,020,396	2,071,214
Pittsburg Power Co.*	-	-	-	-	-	-	-	5,913,071	6,919,807
WaterFront Operations**	-	-	-	-	-	-	-	-	863,297
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	519,498	-
Operating Grants and Contributions	-	-	-	-	-	-	-	40,000	-
Capital Grants and Contributions	197,903	331,649	18,110,472	591,456	309,021	205,675	2,019,849	748,904	2,145,271
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	33,800,882	36,102,066
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	\$62,445,132	\$63,594,962
<b>Net (Expense)/Revenue</b>									
Governmental Activities	(\$63,353,190)	(\$81,680,431)	(\$108,217,613)	(\$61,325,871)	(\$70,859,497)	(\$40,533,689)	(\$40,577,815)	(\$38,459,019)	(\$52,721,365)
Business-Type Activities	3,589,923	2,688,071	20,712,915	4,630,932	9,436,950	5,077,641	9,630,700	6,086,348	6,587,199
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)	(\$32,372,671)	(\$46,134,166)

\*Pittsburg Power Co. was reported as Non-Major Enterprise Funds prior to FY 2013.

\*\*Waterfront Operation was reported as Non-Major Enterprise Funds prior to FY 2014.

\*\*\*Golf Course was reported as Non-Major Enterprise Funds prior to FY 2014 and had been reclassified to Special Revenue Fund in FY 2015.

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

	Fiscal Year Ended June 30,								
	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Revenues and Other Changes in Net Position</b>									
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	\$2,613,321	\$3,204,965
Sales Taxes	7,953,283	7,295,549	7,167,394	5,998,652	5,438,354	6,168,690	11,232,622	12,563,378	11,745,524
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	3,795,560	4,169,031
Transient Occupancy Tax	149,393	172,734	185,120	256,226	279,852	361,238	447,537	503,265	645,115
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	4,063,561	4,327,160
Interest Earnings	11,146,109	11,718,198	10,602,828	2,414,528	2,314,878	1,583,156	74,095	600,555	539,473
Other	2,134,499	940,352	1,166,245	3,309,593	7,375,344	6,822,671	8,252,592	13,172,704	8,556,333
Transfers	563,960	10,773,070	6,242,560	1,454,110	3,957,110	273,042,911	1,681,364	2,342,747	2,677,386
Gain (loss) on sale of assets	-	-	-	-	(18,539,878)	-	-	-	-
Total Government Activities	81,153,482	91,099,147	82,553,241	59,826,222	47,879,665	319,060,297	31,483,269	39,655,091	35,864,987
Business-Type Activities:									
Interest Earnings	2,263,490	1,961,224	1,093,600	321,967	447,506	400,199	268,315	129,786	440,462
Transfers	(563,960)	(8,688,861)	(6,242,560)	(1,454,110)	(3,957,110)	(7,720,043)	(1,681,364)	(2,342,747)	(2,677,386)
Gain (loss) on sale of assets	-	-	-	-	-	-	-	98,692	63,754
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)	(2,114,269)	(2,173,170)
Total Primary Government	\$82,853,012	\$84,371,510	\$77,404,281	\$58,694,079	\$44,370,061	\$311,740,453	\$30,070,220	\$37,540,822	\$33,691,817
<b>Change in Net Position</b>									
Governmental Activities	\$17,800,292	\$9,418,716	(\$25,664,372)	(\$1,499,649)	(\$22,979,832)	\$278,126,409	(\$9,094,546)	\$1,196,072	(\$16,856,378)
Business-Type Activities	5,289,453	(4,039,566)	15,563,955	3,498,789	5,927,346	(2,242,203)	8,217,651	3,972,079	4,414,029
Total Primary Government	\$23,089,745	\$5,379,150	(\$10,100,417)	\$1,999,140	(\$17,052,486)	\$275,884,206	(\$876,895)	\$5,168,151	(\$12,442,349)
Prior Period Adjustment (See Note 9F)	-	-	-	-	-	-	-	-	(\$44,258,992)
Total Primary Government after adjustment	\$23,089,745	\$5,379,150	(\$10,100,417)	\$1,999,140	(\$17,052,486)	\$275,884,206	(\$876,895)	\$5,168,151	(\$56,701,341)

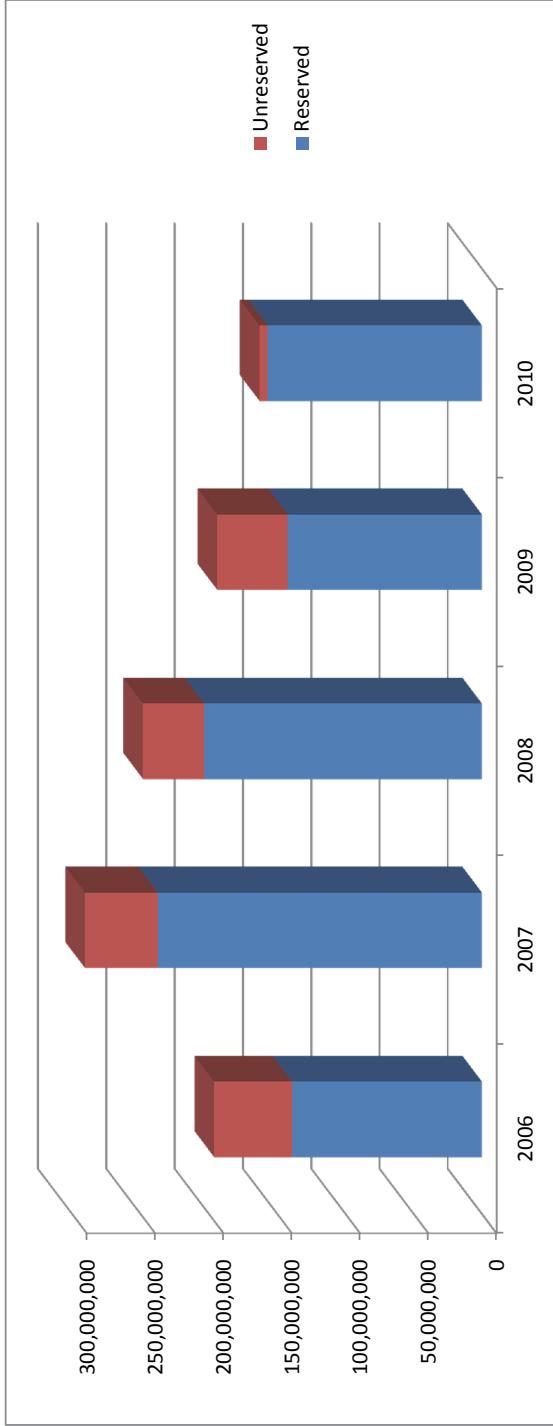
Due to the dissolution of Redevelopment Agency in Jan. 2012, trend information might be shrewd due to this one time event.  
In FY 2014-15, implementation of GASB 68 & 71 resulted in prior period adjustments.



**CITY OF PITTSBURG**  
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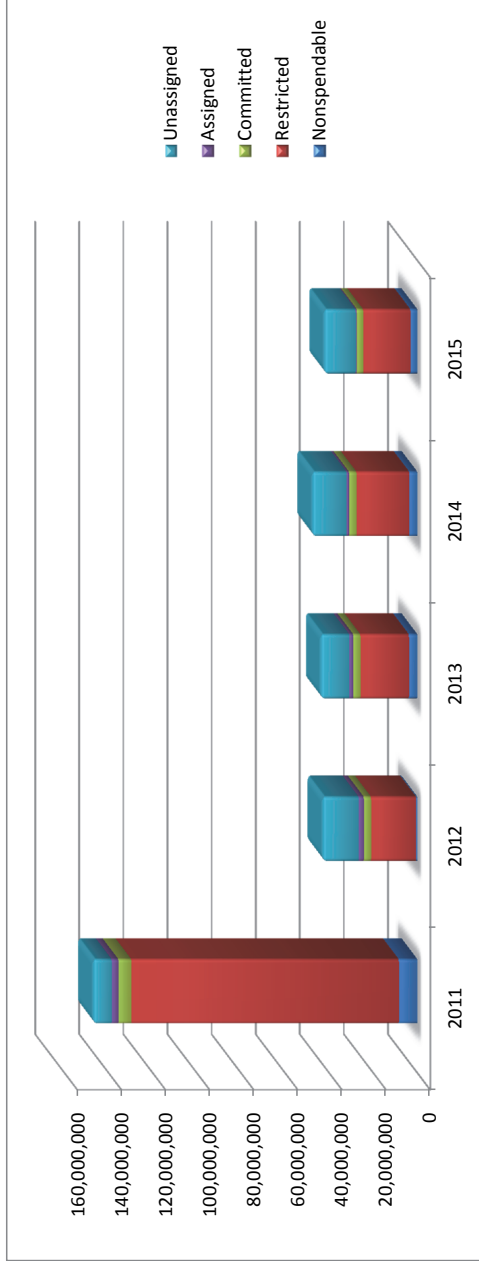


**CITY OF PITTSBURG**  
**Fund Balances of Governmental Funds**  
**First Five Fiscal Years**  
**(Modified Accrual Basis of Accounting)**  
**(Pre GASB 54 Implementation)**



	2006	2007	2008	2009	2010
<b>General Fund</b>					
Reserved	\$ 372,186	\$ 492,681	\$ 208,767	\$ 202,586	\$ 215,249
Unreserved	8,183,807	9,566,686	10,793,012	6,428,850	6,798,062
<b>Total General Fund</b>	<u>8,555,993</u>	<u>10,059,367</u>	<u>11,001,779</u>	<u>6,631,436</u>	<u>7,013,311</u>
<b>All Other Governmental Funds</b>					
Reserved	138,881,219	236,888,018	203,272,346	142,074,124	156,737,984
Unreserved, designated	29,455,358	41,043,642	33,855,453	45,107,266	(777,130)
Unreserved, reported in:					
Special Revenue Funds	9,204,969	2,526,959	-	-	-
Capital Project Funds	10,007,934	-	-	-	-
<b>Total all other governmental funds</b>	<u>187,549,480</u>	<u>280,458,619</u>	<u>237,127,799</u>	<u>187,181,390</u>	<u>155,960,854</u>
<b>Total Government Funds</b>					
Reserved	139,253,405	237,380,699	203,481,113	142,276,710	156,953,233
Unreserved	56,852,068	53,137,287	44,648,465	51,536,116	6,020,932
<b>Total Government Funds</b>	<u>\$ 196,105,473</u>	<u>\$ 290,517,986</u>	<u>\$ 248,129,578</u>	<u>\$ 193,812,826</u>	<u>\$ 162,974,165</u>

**CITY OF PITTSBURG**  
**Fund Balances of Governmental Funds**  
**Last Five Fiscal Years**  
**(Post GASB 54 FY2011 Implementation)**



	Fiscal Year Ended June 30,				
	2011	2012	2013	2014	2015
<b>General Fund</b>					
Nonspendable	\$ 280,573	\$ 305,497	\$ 3,054,208	\$ 3,370,929	\$ 2,904,078
Assigned	2,058,442	2,254,797	1,574,732	1,057,673	538,194
Unassigned	16,456,660	16,513,473	13,544,751	16,185,068	14,613,983
<b>Total General Fund</b>	<b>18,795,675</b>	<b>19,073,767</b>	<b>18,173,691</b>	<b>20,613,670</b>	<b>18,056,255</b>
<b>All Other Governmental Funds</b>					
Nonspendable	8,169,424	288,763	823,003	294,491	291,360
Restricted	121,278,118 *	20,415,122	21,970,943	23,930,077	21,381,490
Committed	5,847,490	3,317,275	3,228,348	3,399,608	2,875,776
Assigned	1,025,382	86,405	220,995	56,642	47,972
Unassigned	(8,180,337)	(271,836)	(677,255)	(706,698)	(486,548)
<b>Total all other governmental funds</b>	<b>128,140,077</b>	<b>23,835,729</b>	<b>25,566,034</b>	<b>26,974,120</b>	<b>24,110,050</b>
<b>Total Government Funds</b>					
Nonspendable	8,449,997	594,260	3,877,211	3,665,420	3,195,438
Restricted	121,278,118	20,415,122	21,970,943	23,930,077	21,381,490
Committed	5,847,490	3,317,275	3,228,348	3,399,608	2,875,776
Assigned	3,083,824	2,341,202	1,795,727	1,114,315	586,166
Unassigned	8,276,323	16,241,637	12,867,496	15,478,370	14,127,435
<b>Total Fund Balances</b>	<b>146,935,752 *</b>	<b>42,909,496</b>	<b>43,739,725</b>	<b>47,587,790</b>	<b>42,166,305</b>

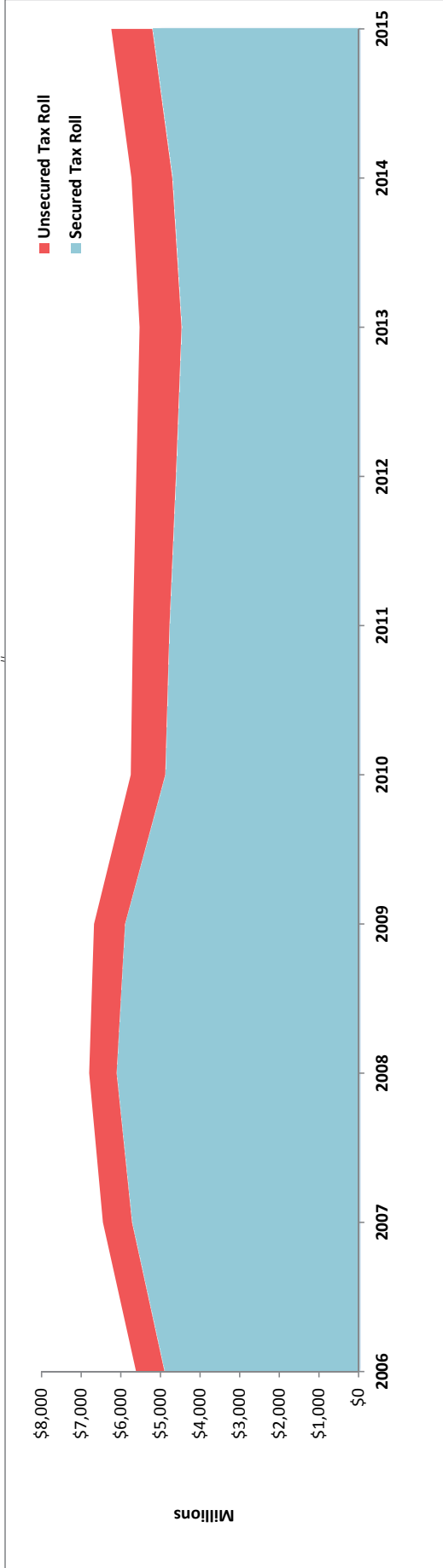
\* See Note on Statistics Introduction Tab which explains the Jan 2012 RDA Dissolution by State of California  
For additional Detail on Fund Classifications, see Note 9 of Notes to Basic Financial Statements

**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,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Taxes	\$ 55,803	\$ 65,549	\$ 65,453	\$ 62,819	\$ 54,174	\$ 56,023	\$ 40,582	\$ 29,727	\$ 31,968	\$ 32,648
Licenses, permits and fees	2,016	8,620	2,091	599	1,145	2,120	2,794	3,633	1,888	1,635
Fines and forfeitures	170	249	880	670	185	175	187	168	187	172
Use of money and property	7,594	10,899	11,444	10,602	2,780	2,764	1,689	61	615	542
Intergovernmental revenues	21,896	21,277	25,119	23,692	21,089	23,118	27,584	17,627	16,060	14,135
Charges for services	3,692	5,584	4,810	5,705	4,879	6,205	4,071	7,333	7,400	9,984
Other	4,992	1,626	2,360	2,641	7,470	3,738	7,557	3,484	3,432	3,027
<b>Total Revenues</b>	<b>96,163</b>	<b>113,804</b>	<b>112,157</b>	<b>106,728</b>	<b>91,722</b>	<b>94,143</b>	<b>84,464</b>	<b>62,033</b>	<b>61,550</b>	<b>62,143</b>
<b>Expenditures</b>										
Current:										
General government	60,290	19,986	20,127	18,473	16,766	13,528	12,496	5,247	5,487	8,055
Public safety	15,900	16,572	18,141	18,819	19,334	19,253	19,536	19,580	20,842	23,149
Public works	7,472	10,998	8,889	8,295	8,394	11,947	6,609	5,849	7,371	8,469
Community development	18,724	24,232	37,243	33,465	23,809	38,541	29,535	27,909	22,388	22,286
Culture and recreation	1,773	1,893	1,855	1,741	733	476	595	477	700	862
Capital outlay	23,649	47,903	49,763	29,245	24,467	10,262	4,901	1,446	813	3,474
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal repayment	4,790	4,960	7,550	9,311	8,269	9,667	11,485	375	450	589
Interest and fiscal charges	15,525	18,221	23,261	32,089	23,205	23,121	13,598	1,609	1,588	2,890
<b>Total Expenditures</b>	<b>148,123</b>	<b>144,765</b>	<b>168,829</b>	<b>151,438</b>	<b>124,977</b>	<b>126,795</b>	<b>98,755</b>	<b>62,492</b>	<b>59,639</b>	<b>69,774</b>
Excess (deficiency) of revenues over (under) expenditures	(51,960)	(30,961)	(56,672)	(44,710)	(33,255)	(32,652)	(14,291)	(459)	1,911	(7,631)
<b>Other Financing Sources (Uses)</b>										
Transfers in	47,720	75,014	94,537	87,911	111,605	68,170	45,327	7,235	5,084	6,547
Transfers (out)	(51,305)	(74,999)	(83,373)	(82,193)	(110,316)	(63,633)	(37,343)	(5,950)	(3,169)	(4,499)
Capital Contributions	3,208	(180)	(15)	-	-	-	-	-	-	-
Refunding tax allocation bonds	-	-	-	(79,665)	-	-	-	-	-	-
Payment to escrow Account	-	(44,218)	-	-	-	-	-	-	-	-
Tax allocation bonds issued	39,566	169,820	-	61,661	-	-	-	-	-	-
Bond Insurance Costs	(248)	(4,171)	(13)	-	-	-	-	-	-	-
Sale of capital assets	3,193	4,109	2,315	2,680	1,127	(18,553)	2,211	4	22	4
<b>Total other financing sources (uses)</b>	<b>42,134</b>	<b>125,375</b>	<b>13,451</b>	<b>(9,606)</b>	<b>2,416</b>	<b>(14,016)</b>	<b>10,195</b>	<b>1,289</b>	<b>1,937</b>	<b>2,052</b>
<b>Net Change in fund balances before</b>	<b>\$ (9,826)</b>	<b>\$ 94,414</b>	<b>\$ (43,221)</b>	<b>\$ (54,316)</b>	<b>\$ (30,839)</b>	<b>\$ (46,668)</b>	<b>\$ (4,096)</b>	<b>\$ 830</b>	<b>\$ 3,848</b>	<b>\$ (5,579)</b>
<i>Extraordinary Items (Note 4)</i>										
Assets Transferred to Housing Successor							\$ (2,002)			
Liabilities Assumed by Successor Agency							(97,928)			
<b>NET Change in Fund Balances</b>							<b>(104,026)</b>			
Debt service as a percentage of noncapital expenditures	16.3%	23.6%	26.6%	29.2%	32.7%	31.9%	25.9%	3.3%	3.5%	5.2%

\* Intergovernmental Revenues Re-classified to Program Income & Other Taxes  
 RDA no longer classified as Government fund due to dissolution in FY 2011-2012.

**CITY OF PITTSBURG**  
**Assessed and Estimated Actual**  
**Value of Taxable Property**  
**Last Ten Fiscal Years**



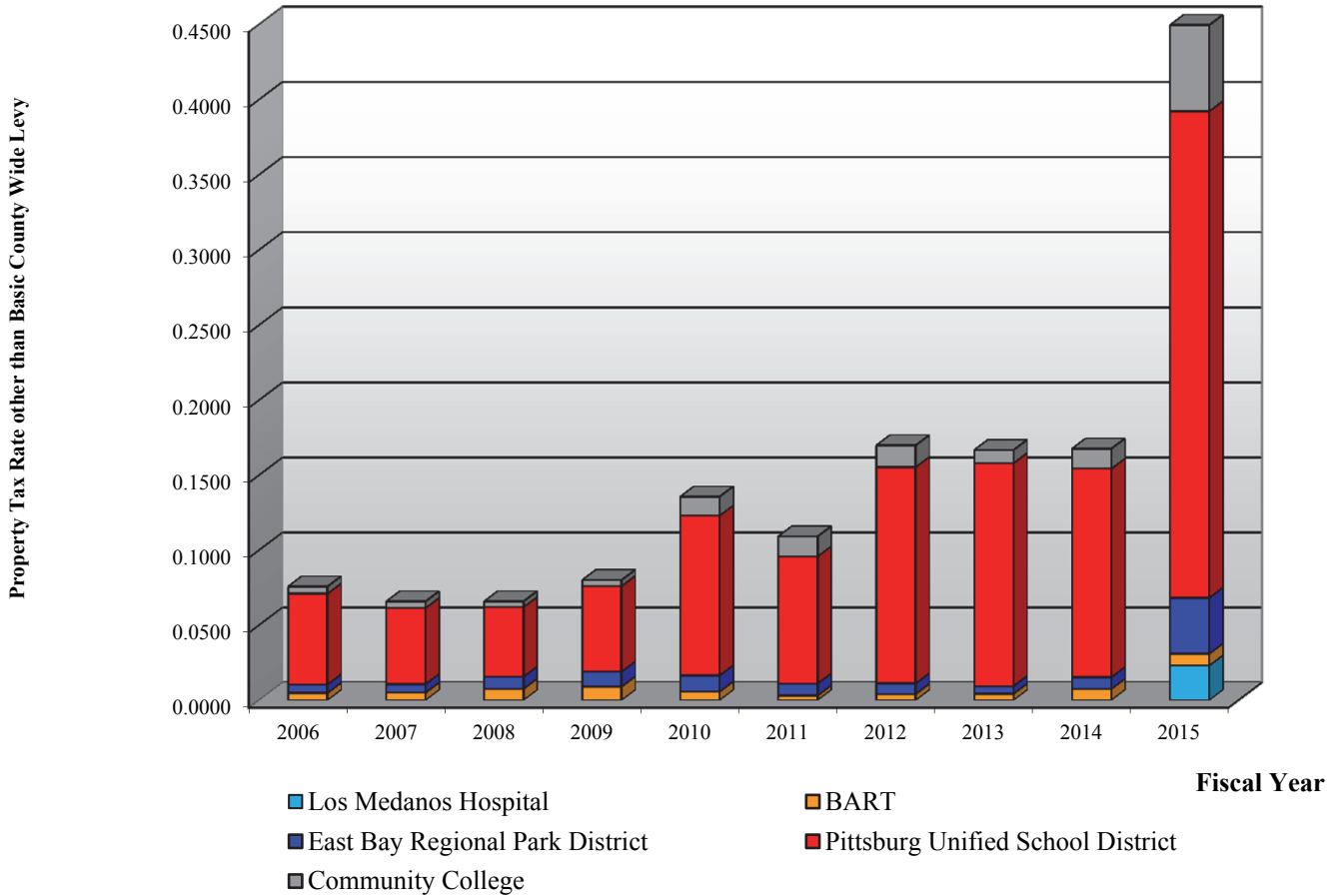
Fiscal Year	Secured Tax Roll		Unsecured Tax Roll	GROSS Tax Roll	HOPT <sup>(1)</sup>	LESS: Exemptions		NET Assessed Valuation (a)	Total Direct Tax Rate (b)
	Land	Improvements				Personal Property	HOPT <sup>(1)</sup>		
2006	\$ 1,417,629,819	\$ 3,461,480,941	\$ 19,005,669	\$ 717,030,128	\$ 68,931,232	\$ 66,144,479	\$ 5,480,070,846	0.73642	
2007	1,755,807,325	3,935,984,909	25,561,424	735,525,554	67,070,432	111,498,185	6,274,310,595	0.73326	
2008	2,079,929,185	3,998,818,379	27,034,992	692,059,619	66,662,966	129,436,694	6,601,742,515	0.74171	
2009	1,886,619,969	3,977,346,545	29,871,943	782,213,672	66,141,210	138,181,611	6,471,729,308	0.74057	
2010	1,355,858,246	3,488,509,274	35,030,993	868,770,588	65,495,515	148,448,271	5,534,225,315	0.73534	
2011	1,271,652,002	3,468,075,002	32,556,725	921,168,099	64,704,851	174,568,314	5,454,178,663	0.73265	
2012	1,199,342,285	3,380,327,868	29,398,082	1,000,793,072	62,930,462	163,259,839	5,383,671,006	0.73307	
2013	1,154,280,061	3,284,318,842	29,454,784	1,058,290,739	61,050,228	167,858,949	5,297,435,249	0.72809	
2014	1,244,373,590	3,426,800,074	29,431,527	1,030,705,786	58,985,158	184,163,403	5,488,162,416	0.17411	
2015	1,431,988,767	3,744,776,351	29,751,906	1,033,971,545	57,725,918	187,268,875	5,995,493,776	0.17497	

(1) Homeowners' Property Tax Relief

(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. Beginning in 2013/14 the total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

**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
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
2014	1.0000	0.17411	0.0000	0.0075	0.0078	0.1391	0.0133	1.3343
2015	1.0000	0.17497	0.0231	0.0079	0.0373	0.3241	0.0572	1.6167

\* 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**

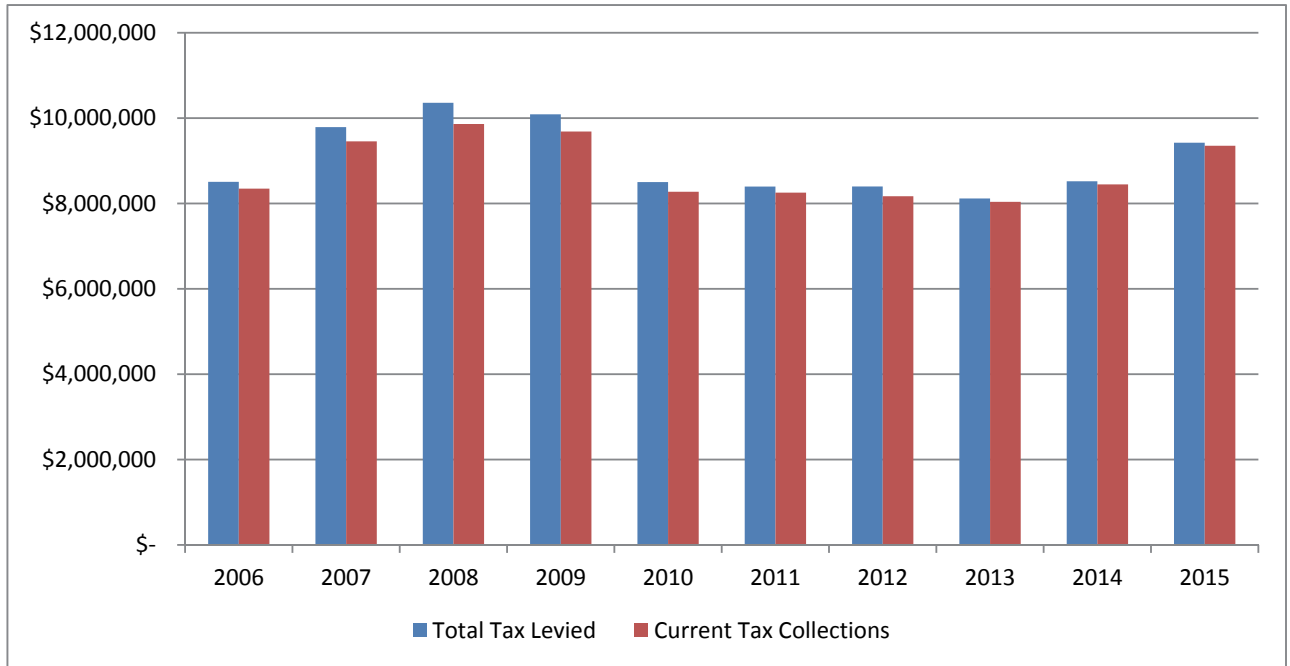
<b>Taxpayer</b>	<b>2014-15</b>			<b>2005-06</b>		
	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>	<b>Taxable Assessed Value</b>	<b>Rank</b>	<b>Percentage of Total City Taxable Assessed Value</b>
Dow Agrosiences LLC	\$ 355,835,024	1	5.88%	\$ 226,454,400	4	4.08%
Calpine Corporation	295,000,000	2	4.87%	413,644,524	2	
USS - Posco Industries	267,799,140	3	4.42%	250,183,795	3	4.51%
Delta Energy Center	241,133,000	4	3.98%	476,200,000	1	8.58%
K2 Pure Solution	133,756,769	5	2.21%			
United Spiral Pipe LLC	132,224,055	6	2.18%			
Sierra Pacific Properties	104,255,294	7	1.72%	90,356,158	5	1.63%
Kirker Creek Limited Partnership	68,407,616	8	1.13%	43,273,075	7	0.78%
Century Plaza Corporation	66,042,431	9	1.09%	47,408,534	6	0.85%
San Marco Properties LLC	58,023,617	10	0.96%			
National Energy				28,009,605	10	0.50%
Seecon Financial				38,744,722	8	0.70%
Oakmont Properties II & III LP				29,655,175	9	0.53%
<b>Subtotal</b>	<b>\$ 1,722,476,946</b>		<b>28.46%</b>	<b>\$ 1,643,929,988</b>		<b>29.63%</b>

Total Net Assessed Valuation:

Fiscal Year 2014-15	\$6,053,219,694
Fiscal Year 2005-2006	\$5,548,973,357

Source: Hdl Coren & Cone

**CITY OF PITTSBURG**  
**Property Tax Levies and Collections June 30**  
**Last Ten Fiscal Years**

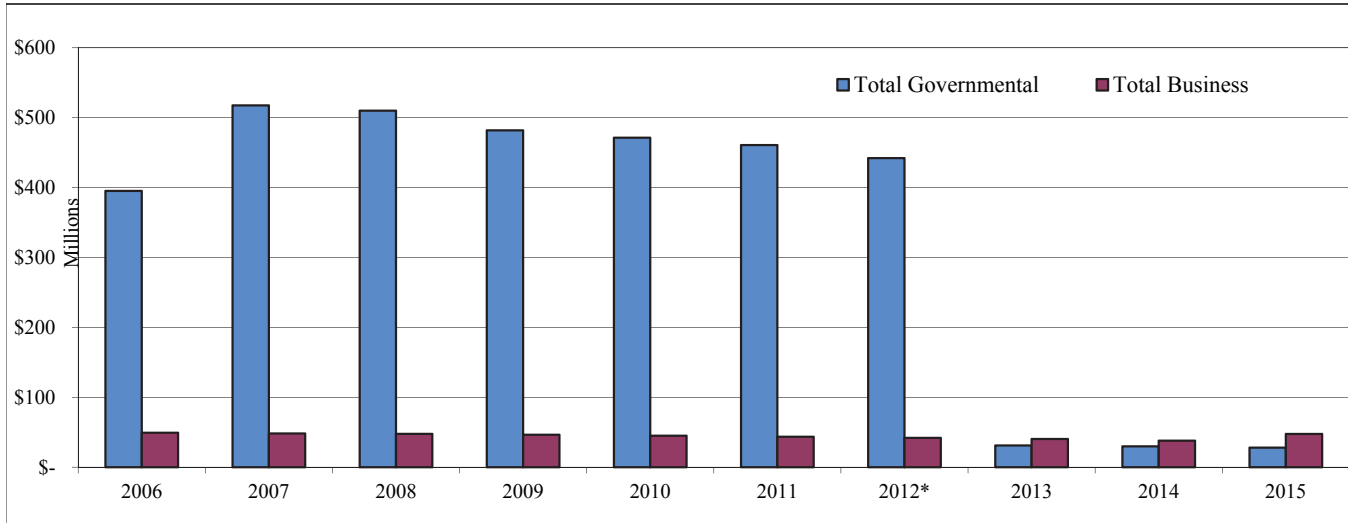


<u>Fiscal Year</u>	<u>Total Tax Levied</u>	<u>Current Tax Collections</u>	<u>Percent of Levy County Collected<sup>1</sup></u>	<u>Delinquent Tax Collections<sup>1</sup></u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections To Tax Levy</u>
2006	\$ 8,509,194	\$ 8,348,903	98.12%	\$ -	\$ 8,348,903	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%
2014	8,520,700	8,448,650	99.15%	-	8,448,650	99.15%
2015	9,425,580	9,353,572	99.24%	-	9,353,572	99.24%

<sup>1</sup> 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-Contoller (Procedure 10-147)

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



Fiscal Year	Governmental Activities			
	Tax Allocation Bonds	Pass Through Obligations	Special Assessment Debt	Special Assessment Debt
2006	\$ 347,766,357	\$ 9,162,781	\$ 38,265,000	\$ 395,194,138
2007	472,741,357	7,232,732	37,595,000	517,569,089
2008	465,191,354	8,186,499	36,655,000	510,032,853
2009	438,152,213	8,050,000	35,675,000	481,877,213
2010	430,167,213	6,488,051	34,650,000	471,305,264
2011	420,857,213	6,342,224	33,580,000	460,779,437
2012*	409,672,213	-	32,490,000	442,162,213
2013	-	-	31,175,000	31,175,000
2014	-	-	29,815,000	29,815,000
2015	-	-	27,975,000	27,975,000

Fiscal Year	Business-Type Activities				Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
	Water Revenue Bonds	Sewer Revenue Bonds	I-Bank Loan	Total			
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
2014	32,610,000	5,342,000	-	37,952,000	67,767,000	1.75%	1,016
2015	31,575,000	4,601,000	11,387,398	47,563,398	75,538,398	2.07%	1,109

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

Sewer Revenue Bond was fully defeased as of June 30, 2014. It has been replaced with a private placement debt.

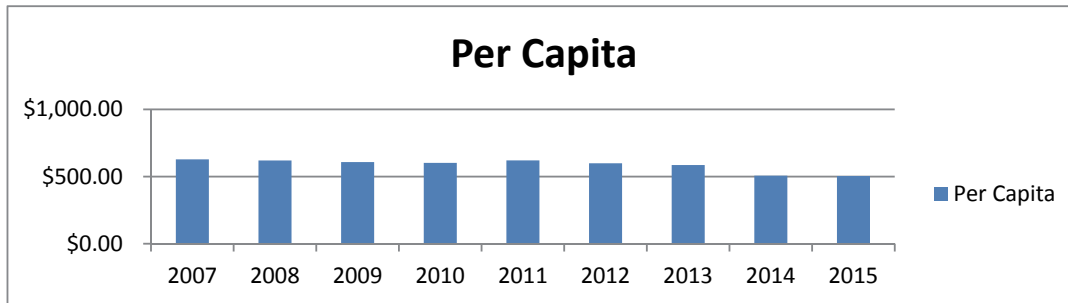
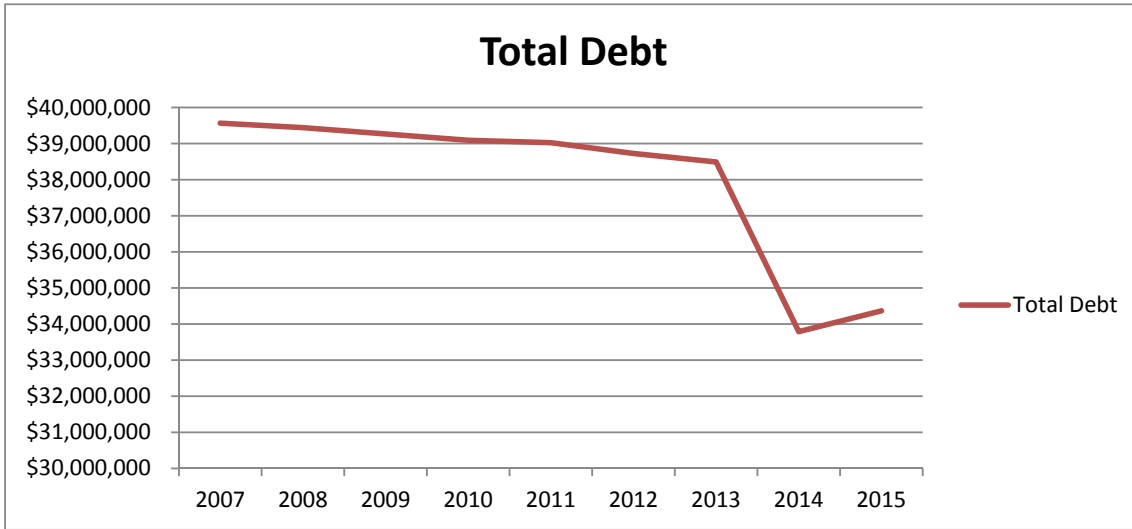
Please refer to Note 7 for further information.

Sources: City of Pittsburgh  
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 Nine Fiscal Years\***



**General Government Debt Outstanding**

Fiscal Year	General Government Debt Outstanding				Percentage of	
	POB Bonds	Capital Lease	CEC Energy	Total Debt	Total Gross Revenue	Per Capita
2007	\$ 39,566,056	\$ -	\$ -	\$ 39,566,056	34.77%	\$627.99
2008	39,441,056	-	-	39,441,056	35.17%	\$619.64
2009	39,266,056	-	-	39,266,056	36.79%	\$607.83
2010	39,091,056	-	-	39,091,056	42.62%	\$601.71
2011	39,026,056	-	-	39,026,056	41.45%	\$620.67
2012	38,726,056	-	-	38,726,056	45.85%	\$598.92
2013	38,351,056	139,171	-	38,490,227	62.05%	\$586.17
2014	33,157,051	105,815	526,313	33,789,179	54.90%	\$506.62
2015	33,826,975	71,520	467,166	34,365,661	55.30%	\$504.34

Pension Obligation Bonds (POB) issued June 2006.

The POB Bonds service schedule includes the accreted amount of Capital Appreciation Bonds.

**CITY OF PITTSBURG**  
**Computation of Direct and Overlapping Debt**  
**June 30, 2015**

2014-15 Assessed Valuation (2) \$2,138,417,124

<u>Direct Debt</u>	Total Debt Outstanding 6/30/2015	Percentage Applicable To City of Pittsburg (1)	Amount Applicable To City of Pittsburg
2006 Pension Obligation Bonds	\$ 37,371,056	100.000%	\$ 37,371,056
Capital Lease	71,520	100.000%	71,520
<b>SUB-TOTAL Direct Debt</b>			<u>37,442,576</u>
 <u>Overlapping Debt</u>			
Contra Costa County Pension Debt	236,920,000	3.769%	8,929,727
CCC PFA 1998A Lease Revenue Bonds	13,720,000	3.769%	517,119
CCC PFS 1999A Lease Revenue Bonds	11,240,000	3.769%	423,646
CCC PFS 2002A Lease Revenue Bonds	7,375,000	3.769%	277,970
CCC PFS 2002B Lease Revenue Bonds	5,350,000	3.769%	201,646
CCC PFS 2003A Lease Revenue Bonds	6,630,000	3.769%	249,891
CCC PFS 2007A Lease Revenue Bonds	110,185,000	3.769%	4,152,972
CCC PFS 2007B Lease Revenue Bonds	31,870,000	3.769%	1,201,209
CCC PFS 2009A Lease Revenue Bonds	16,950,239	3.769%	638,870
CCC PFS 2010A-1 Lease Revenue Bonds	5,010,000	3.769%	188,831
CCC PFS 2010A-2 Lease Revenue Bonds	13,130,000	3.769%	494,881
CCC PFS 2010A-3 Lease Revenue Bonds	20,700,000	3.769%	780,202
CCC PFS 2010B Lease Revenue Bonds	13,415,000	3.769%	505,623
CCC PFS 2012 Lease Revenue Bonds	11,514,097	3.769%	433,977
Contra Costa Fire Pension Obligation	92,805,000	8.171%	7,572,987
BART	179,807,423	3.769%	6,777,103
East Bay Regional Park Bond	78,104,202	3.769%	2,943,817
Antioch USD SFID 1	39,137,634	3.937%	1,370,306
Antioch USD SFID 1 2012	23,650,000	3.937%	828,045
Mt. Diablo 2002 Bond	339,585,000	2.818%	10,956,629
Mt. Diablo 2010 Bond	294,865,057	2.818%	9,513,751
Pittsburg Unified 1995	23,455,000	97.441%	22,893,108
Pittsburg Unified 2004	57,290,000	97.441%	55,917,551
Pittsburg Unified 2006	104,375,000	97.441%	101,874,574
Pittsburg Unified 2010	102,573,211	97.441%	100,115,949
Contra Costa Community College 2002 Bond	186,230,000	3.784%	7,046,654
Contra Costa Community College 2006 Bond	298,570,000	3.784%	11,297,426
Contra Costa Community College 2014 Bond	120,000,000	3.784%	4,540,614
<b>Sub-Total Overlapping Debt</b>			<u>362,645,078</u>
 <b>Total Direct and Overlapping Debt</b>			 <u><u>\$ 400,087,654</u></u>

DEBT TO ASSESSED VALUATION RATIOS

Direct Debt	1.75%
Overlapping Debt	16.96%
Total Debt	18.71%

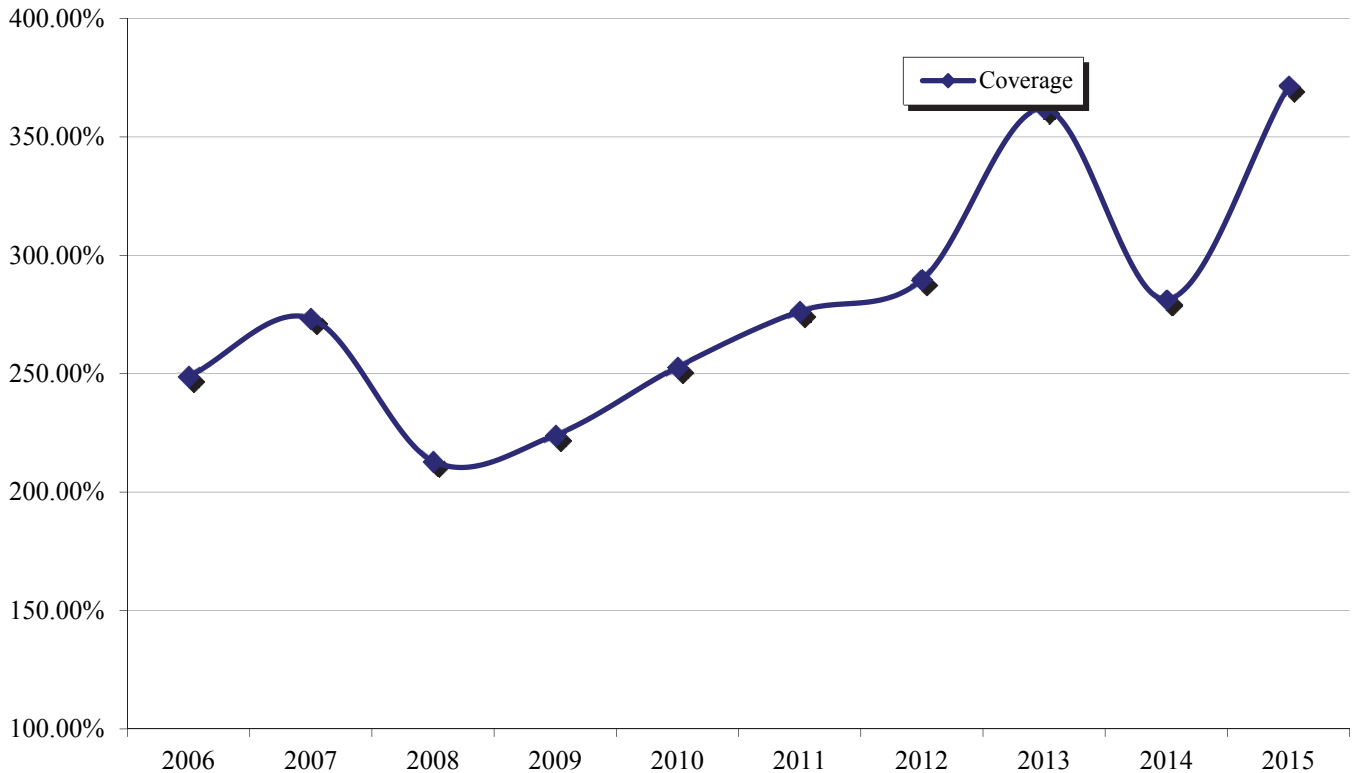
(1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

(2) Net of \$3,914,802,570 Redevelopment Incremental Valuation

Source: HDL Coren & Cone, Contra Costa County Assessor and Auditor combined 2014/15 Lien Date Tax Rolls



**CITY OF PITTSBURG**  
**Revenue Bond Coverage**  
**Wastewater Revenue Bonds**



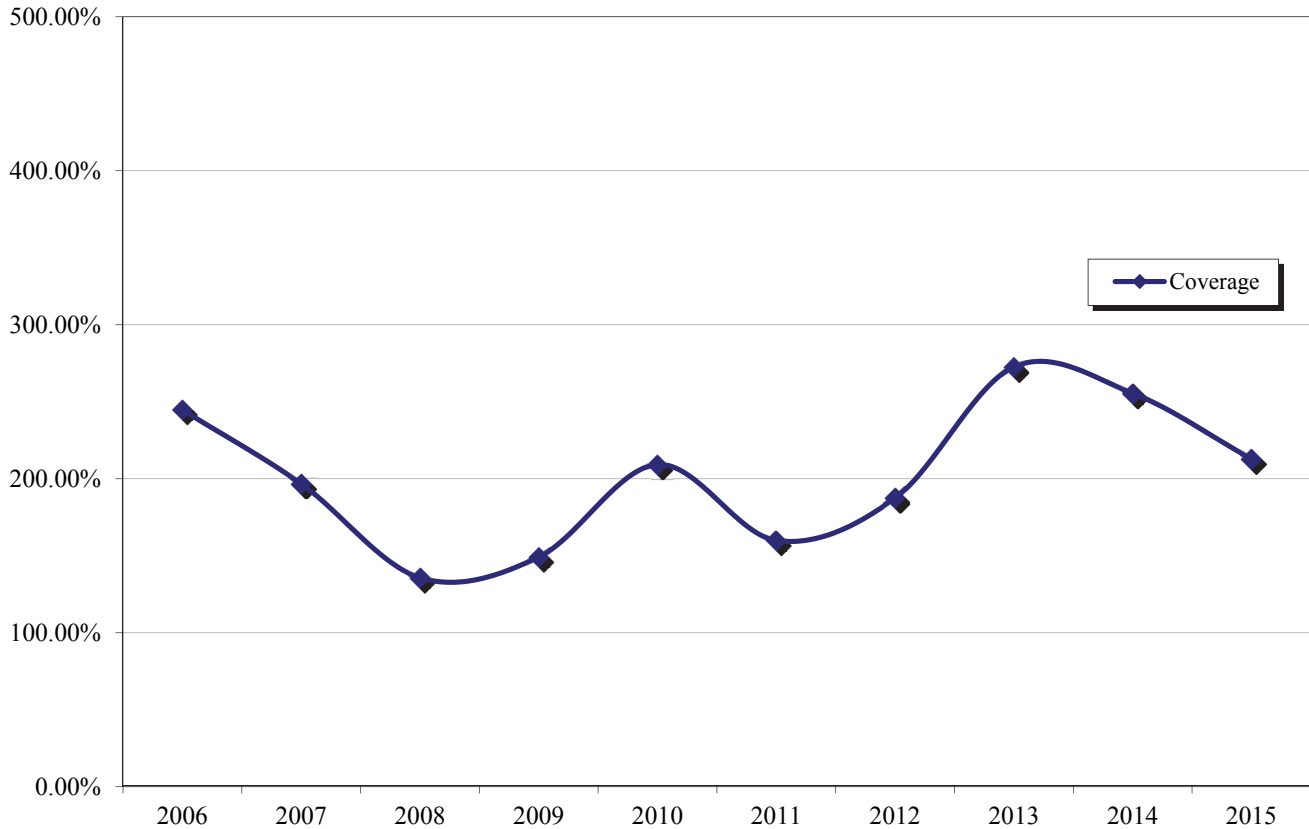
Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2006	\$ 3,821,139	\$ 1,559,752	\$ 2,261,387	\$ 520,000	\$ 388,978	\$ 908,978	2.49
2007	4,104,374	1,557,192	2,547,182	530,000	401,640	931,640	2.73
2008	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
2014	4,917,728	1,992,182	2,925,546	640,000	399,786	1,039,786	2.81
2015	5,022,745	1,965,165	3,057,580	741,000	81,986	822,986	3.72

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**

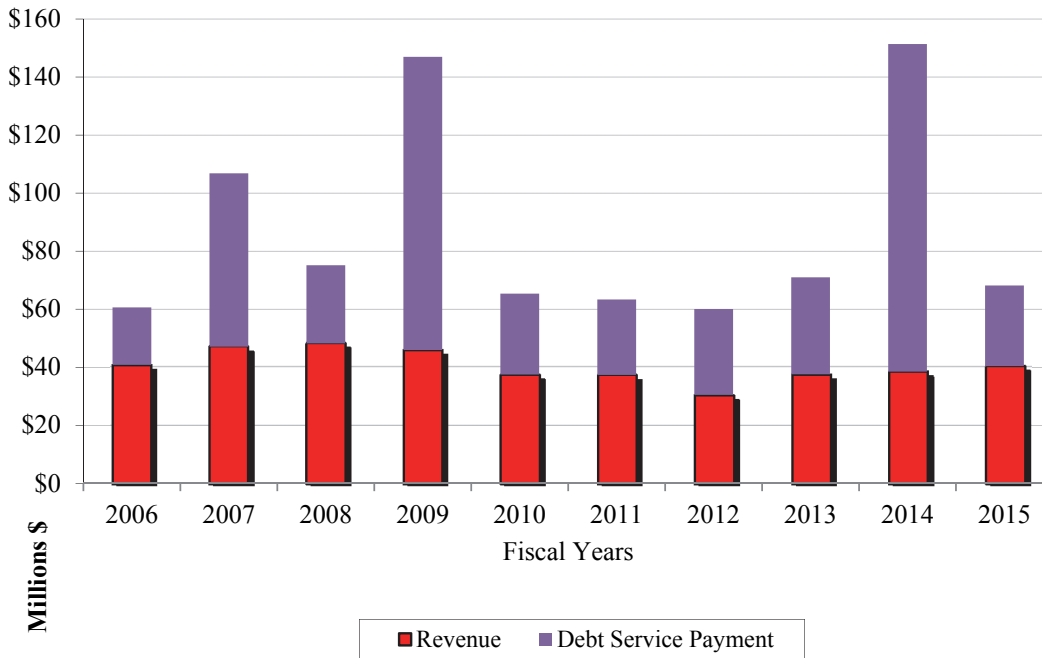


Fiscal Year	Gross Revenue	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2006	\$ 13,696,163	\$ 9,990,031	\$ 3,706,132	\$ 330,000	\$ 1,184,744	\$ 1,514,744	2.45
2007	15,675,745	11,075,094	4,600,651	720,000	1,618,683	2,338,683	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
2014	18,991,247	12,777,146	6,214,101	1,010,000	1,421,992	2,431,992	2.56
2015	18,272,979	12,379,283	5,893,696	1,035,000	1,734,374	2,769,374	2.13

Notes:

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

**CITY OF PITTSBURG**  
**Successor Agency Bonded Debt Pledged Revenue Coverage**  
**Tax Allocation Bonds**  
**Last Ten Fiscal Years**



Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest <sup>3</sup>	Total	
2006	\$ 40,823,118	\$ 4,790,000	\$ 14,995,717	\$ 19,785,717	2.06
2007	47,087,969	44,845,000 <sup>1</sup>	14,888,380	59,733,381	0.79
2008	48,211,302	7,550,000	19,390,241	26,940,241	1.79
2009	45,913,508	84,335,000 <sup>2</sup>	16,727,258	101,062,260	0.45
2010	37,493,101	7,985,000	19,873,150	27,858,150	1.35
2011	37,342,837	9,310,000	16,683,580	25,993,580	1.44
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
2014	38,486,428	93,635,000 <sup>4</sup>	19,250,447	112,885,447	0.34
2015	40,387,530	13,355,000 <sup>4</sup>	14,415,839	27,770,839	1.45

<sup>1</sup> The 1993 Series B Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.

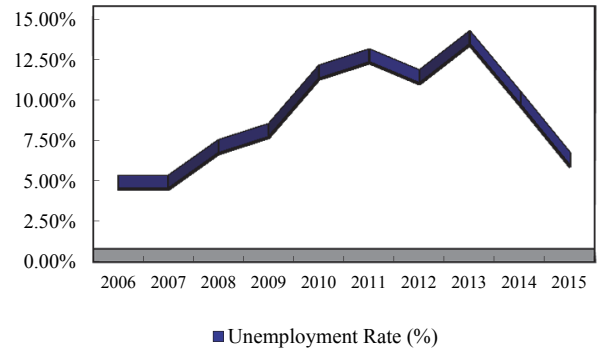
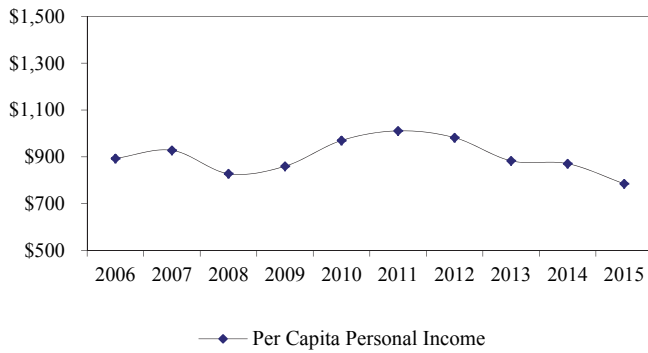
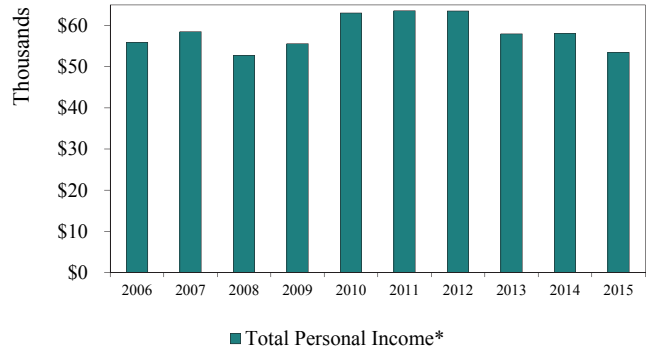
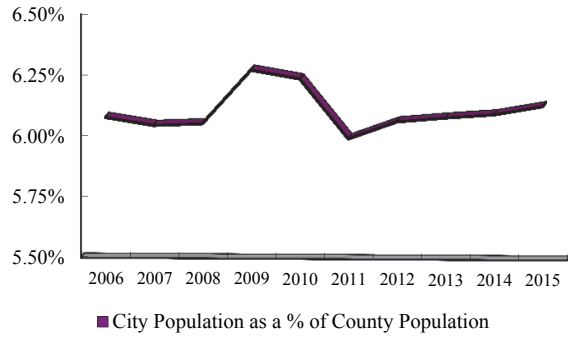
<sup>2</sup> The 2006 Series B Redevelopment Agency Tax Allocation Refunding Bonds were totally defeased.

<sup>3</sup> The interest amount excludes the Letter of Credit fees.

<sup>4</sup> The 2014 Tax Allocation Refunding Bond was issued to refunded in full 2003A Bonds and partly refunded the 1999 CIP portion. Refer to Note 14 for additional information on refunding.

Source: City of Pittsburgh 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
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%
2014	66,695	58,063	871	9.7%	1,094,000	6.10%
2015	68,140	53,482	785	5.9%	1,111,339	6.13%

Source: On-line factfinder.census.gov

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

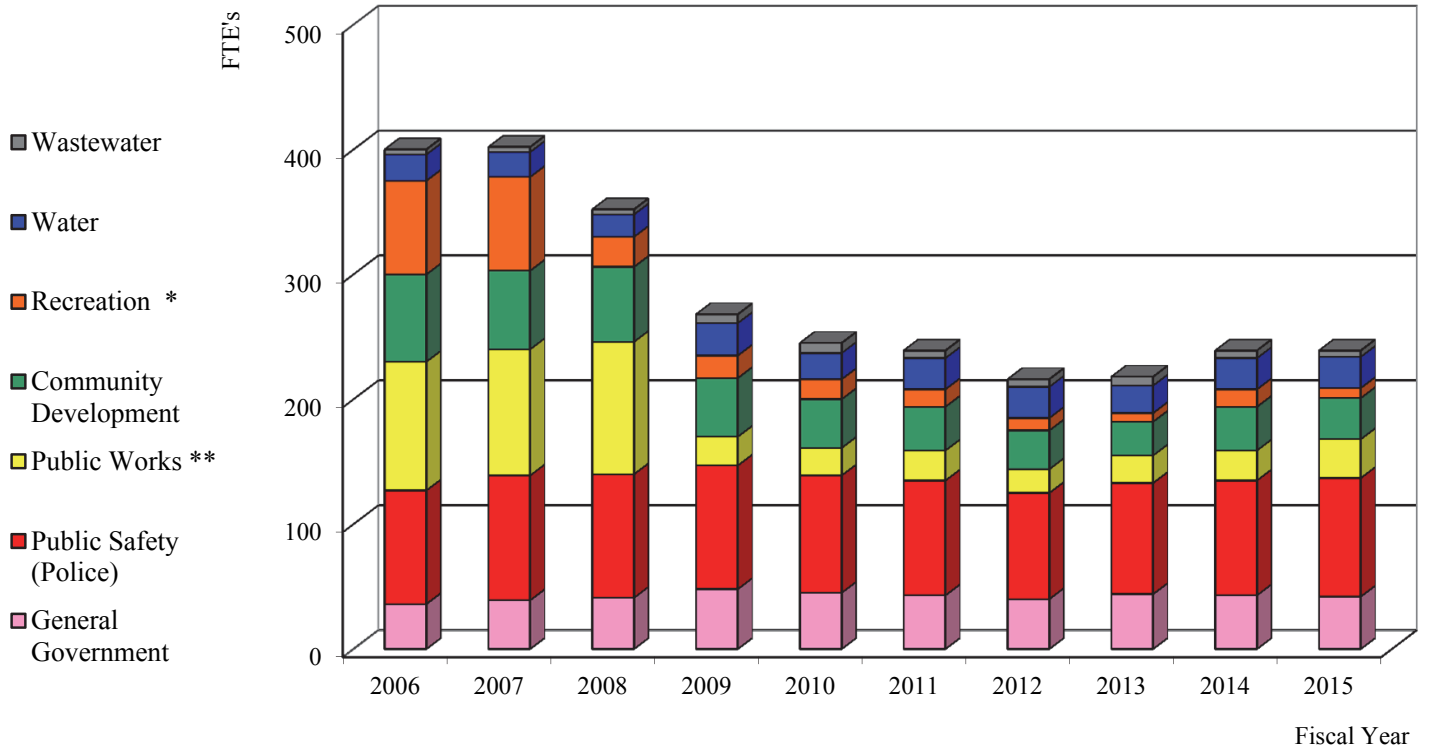
**CITY OF PITTSBURG**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<u>Employer</u>	<u>2014-15</u>			<u>2005-06</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	1,179	1	3.1%	1,400	1
USS - Posco Industries	653	2	1.7%	1,000	2
Los Medanos Community College	487	3	1.3%	640	3
Dow Chemical Company	370	4	1.0%	380	4
Walmart	250	5	0.7%		
City of Pittsburg	239	6	0.6%		
Angelica Corporation (Laundry)	210	7	0.6%		
Ramar Foods	158	8	0.4%	220	5
WinCo Foods	137	9	0.4%		
Mi Pueblo Foods	136	10	0.4%		
Home Depot				180	7
Target				170	8
Safeway				150	10
Bio Zone				200	6
Loctite Aerospace				160	9
Subtotal	<u>3,819</u>		<u>10.2%</u>	<u>4,500</u>	
Employees in the City of Pittsburg	<u>37,523</u>				

Source: Telephone Survey by Financial Analyst  
2005-06 data from CAFR (Chamber of Commerce)  
American FactFinder



**CITY OF PITTSBURG**  
**Full-Time Equivalent City Government Employees by Function**  
**Last Ten Fiscal Years**



Function	Actual for Fiscal Year Ended June 30, 2015									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	36	39	41	48	45	43	40	44	42	42
Public Safety (Police)	91	100	99	99	94	92	85	89	89	95
Public Works **	103	101	106	23	22	24	19	22	23	31
Community Development	70	63	60	47	39	35	31	27	29	33
Recreation *	75	75	24	18	16	14	10	7	8	8
Water	21	20	18	26	21	25	25	22	26	25
Wastewater	4	4	4	7	8	6	6	7	5	5
<b>Total</b>	<b>400</b>	<b>402</b>	<b>352</b>	<b>268</b>	<b>245</b>	<b>268</b>	<b>245</b>	<b>218</b>	<b>222</b>	<b>239</b>

\* Prior Years (2006-2007) 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**  
*Comprehensive Annual Financial Report*  
*June 30, 2015*

**CITY OF PITTSBURG**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

	Fiscal Year			
	2006	2007	2008	2009
<b>Function/Program</b>				
Public safety:				
Police:				
Police calls for Service	67,591	71,643	70,707	74,487
Law violations:				
Part I and Part II crimes	8,308	8,923	8,117	8,545
Physical arrests (adult and juvenile)	3,688	4,042	3,955	4,406
Traffic violations (VC14601 & VC12500)	636	901	1,163 (1)	1,613
 (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)	42,509	76,240	133,103	86,553
Leisure Services:				
Community Services:				
Swim Participants	8,737	9,135	9,134	*
Softball Participants	320	429	465	*
Small World Park Gate Attendance	18,600	18,660	17,376	*
Senior Center Nutrition/Exercise Class Participants	21,423	18,777	15,735	*
Water				
Number of Meters Served	16,291	16,731	16,579	16,718
Water Main Breaks	61	102	76	65
Average Daily Consumption (millions of gallons)	10	10	10	9
Wastewater				
Miles of Sewer Line (Excluding line operated by Delta Diablo District 7-A)	158	159	159	159
Average daily treatment (thousands of gallons)	27	34	34	34
Solid Waste				
Refuse Landfilled (tons per year)	90,500	68,000	85,700	77,817
Recyclables Processed (tons per year)	35,000	42,000	43,425	25,750

\*Leisure Services Data not Available due to City Reorganization and Early Retirement.

\*\* FY 2013 & FY 2014 Number corrected. Prior CAFR reported number of classes, updated to reflect number of Participants.

Source: City of Pittsburg Divisions & Prior Year CAFR's

Fiscal Year					
2010	2011	2012	2013	2014	2015
69,078	70,623	67,779	64,573	73,915	77,947
7,568	8,084	8,044	7,412	7,477	8,168
3,512	4,708	4,558	3,401	3,227	3,204
1,502	1,986	1,950	1,007	935	735
71,809	84,420	84,001	82,314	24,404	46,905
			14.26	13.41	1.55
*	*	264	1,980	2,320	3,100
*	*	2,300	580	850	731
15,833	*	19,783	24,732	25,780	28,420
16,777	18,186	13,786	14,980 **	19,339 **	22,423
17,097	17,254	17,444	17,664	17,880	18,094
74	45	60	50	59	71
8	8	9	9	8	8
171	172	172	175	177	171
34	34	34	34	34	195
49,978	45,106	46,892	52,722	53,753	51,564
33,948	35,868	37,784	42,213	44,213	39,313

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

Function/Program	Fiscal Year				
	2006	2007	2008	2009	2010
<b>Public safety:</b>					
Police stations	1	1	1	1	1
Police patrol units (Includes Unmarked)	52	52	52	52	52
<b>Public works</b>					
Miles of streets (Center Line)	154.00	154.80	156.80	156.80	157.00
Street lights (Total)	3,796	3,975	4,008	4,107	4,194
Traffic Signals	52	59	60	60	61
<b>Culture and recreation:</b>					
<b>Community services:</b>					
City Parks	17	21	21	21	21
City parks acreage	125	145	145	145	145
Roadway landscaping acreage	13	13	15	17	19
Regional park acreage	54	56	56	56	56
<b>Regional park facilities:</b>					
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	3
<b>Water</b>					
Storage capacity (millions of gallons)	16.9	16.9	16.9	16.3	19.3
Miles of Water Mains			219	221	222
<b>Wastewater</b>					
Miles of Storm Drains	82	87	89	91	92

Note: n/a denotes information is not available.

\*FY 2012 # OF City Parks Corrected. 2-School Soccer Fields not included in City parks number.

Source: City of Pittsburgh Staff & Prior Year CAFR's

Fiscal Year

2011	2012	2013	2014	2015
1	1	1	1	1
52	52	55	63	64
157.00	165.35	165.35	165.35	163.79
4,278	2,041	2,122	4,331	4,358
61	61	60	61	61
21	23 *	23	23	24
145	145	145	145	147
19	19	19	20	22
56	56	56	56	56
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
3	3	3	3	3
19.3	19.3	19.3	19.3	19.3
222	224	225	227	229
93	94	95	95	101



**CITY OF PITTSBURG**  
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