

# 2022 COUNTY OF ALLEGHENY PENNSYLVANIA

## Annual Comprehensive Financial Report

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For the Fiscal Year Ended  
December 31, 2022



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PREPARED BY COREY O'CONNOR, CONTROLLER



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## Controller's Letter of Transmittal



## County of Allegheny Office of the Controller

104 Courthouse 436 Grant Street  
Pittsburgh, PA 15219-2498  
Phone (412) 350-4660 Fax (412) 350-3006

June 23, 2023

### ***TO THE CITIZENS OF ALLEGHENY COUNTY***

I am pleased to present the 2022 Annual Comprehensive Financial Report (ACFR) for the County of Allegheny County (the County).

The financial information presented herein is accurate in all material respects and is reported in a manner designed to fairly set forth the County's financial position and the results of its operations for the year ended December 31, 2022. This report contains the government-wide financial statements and fund financial statements of the County, as well as the financial data of the discretely presented component units that are included as part of the County's reporting entity. Management is responsible for the contents of this report.

This report is intended to provide information to various users, stakeholders and persons interested in the fiscal health of the County, including: the taxpayers of the County, investors, creditors, government officials and the general public. The intent of the ACFR is to describe an accurate portrayal of the County's financial position and the financial results of its operations as of and for the year ended December 31, 2022.

This ACFR also includes a narrative introduction and an analytical overview of the government's financial activities in the form of "Management's Discussion and Analysis" (MD&A). This analysis is similar to the types of information provided in the private sector in an annual report, and information regarding the County's results of operations, formerly included in this transmittal letter, can now be found in the MD&A.

### ***PROFILE OF THE GOVERNMENT***

#### ***COUNTY OF ALLEGHENY, PENNSYLVANIA***

Founded in 1788, the County of Allegheny is the second most populous county in Pennsylvania and the 28th most populous county in the United States with 1.2 million residents residing in 730.74 square miles encompassing 130 municipalities. The County provides numerous essential services to

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the poor and needy (including operating nursing homes for the indigent elderly), enforces laws, constructs roads and seeks to stimulate economic development to make Allegheny County and its greater region more prosperous and competitive in the 21st century global marketplace.

The County serves as the municipal core and primary economic engine of the seven-county, Southwestern Pennsylvania area known as the Greater Pittsburgh Metropolitan Region (the Region) that also comprises Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland counties.

Effective January 1, 2000, the County began operating under a Home Rule Charter (the Charter). The Charter superseded certain provisions of the Pennsylvania Second Class County Code pertaining to the County's governing framework. Specifically, the Charter established a 15-member County Council to serve as the legislative branch of government and a Chief Executive to perform the executive branch functions. Under the Chief Executive, the Charter requires the appointment of a County Manager to manage the day-to-day affairs of the County in a professional, non-partisan manner. The County Council and Chief Executive replaced the three-member Board of Commissioners that previously performed all legislative and executive functions as set forth in the Second Class County Code.

The Charter also required adoption of an Administrative Code to direct the internal operation of the County. Unless expressly and implicitly modified or repealed by the Charter, all provisions of the Second Class County Code and other applicable state laws still govern the operations of the County.

The Controller is elected to serve as the County's Chief Financial Officer. The Controller is independent of both the County Council and Chief Executive. The statutory duties and obligations of the Controller derive from the Second Class County Code and were not affected or diminished by the Home Rule Charter. The Treasurer is elected to collect taxes and invest government funds. The other independently elected row officers are the District Attorney and the Sheriff. The Court of Common Pleas of Allegheny County is part of the unified judicial system provided for in the Pennsylvania Constitution, and the ultimate supervision and management of the local court system lies with the Pennsylvania Supreme Court.

### **REPORTING ENTITY**

Statement of Governmental Accounting Standards No. 14, "The Financial Reporting Entity," and as amended by Statement No. 61 establishes standards for defining and reporting on the financial reporting entity - in this case the County. The core of the financial reporting entity is the "primary government." The Governmental Accounting Standards Board's Codification, Section 2100.112, classifies all general-purpose local governments as primary governments. For this report, the County is considered the primary government.

The financial reporting entity includes both the primary government and all of its "component units." A component unit is a legally separate entity that meets any one of the following criteria:

- The primary government appoints a voting majority of the board, and is able to impose its will on the component unit, or is in a relationship of financial benefit or burden with the component unit;
- The component unit is fiscally accountable to the primary government, or;
- The financial statements of the primary government and component units are closely related to or integrated with and would be misleading if not included.

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In conformity with generally accepted accounting principles (GAAP) in the United States, the financial statements of the County's component units are included in this report because of the significance of their operation or financial relationships with the County. The majority of the board of directors of the component units, except Soldiers and Sailors Memorial Hall and Museum Trust, Inc. (Memorial Hall) are appointed by the County's Chief Executive and confirmed by the County Council.

Individual financial data for the Allegheny County Airport Authority (ACAA), Pittsburgh Regional Transit (PRT), previously known as Port Authority of Allegheny County (PAT), Community College of Allegheny County (CCAC), Redevelopment Authority of Allegheny County (RAAC), Allegheny County Industrial Development Authority (ACIDA), and combined data for the Allegheny HealthChoices, Inc. (AHCI), Allegheny County Parks Foundation (Parks Foundation), and Memorial Hall have been included in the County's government-wide financial statements. They are reported in a separate column to emphasize that they are legally separate from the County.

### **COUNTY WIDE SERVICES**

Reflected in this report are the services provided by the County, including health and social services, education and cultural programs, public safety, operation of a jail, construction, maintenance and repair of infrastructure, judicial services, transportation, economic development, long-term nursing care and rehabilitation of the chronically ill and elderly, treatment, counseling and housing for people with intellectual disabilities or drug and alcohol dependency, services for abused children and their families, support of a system of county parks for conservation and recreation, and general government administration.

### **INTERNAL CONTROL**

The County's internal accounting control system is an established comprehensive framework that provides taxpayers and other interested persons and entities with assurances that the assets of the County are reasonably safeguarded against loss from unauthorized use, mismanagement and negligence. These controls are also utilized to compile sufficient reliable information for the preparation of the County's financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the County's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Under provisions of the Second Class County Code, the Controller is responsible for developing and maintaining the accounting system for the County. In addition, the Controller must audit all claims before disbursement, audit accounts of all County offices, file an annual financial report with the Court of Common Pleas and perform many administrative and board functions.

### **INDEPENDENT AUDIT**

For the 43rd consecutive year, an independent public accounting firm audited the County's financial statements. The firm of Zelenkofske Axelrod LLC, Certified Public Accountants, performed the current audit. Such an audit is performed to provide reasonable assurance the financial statements of the County for the year ending December 31, 2022 stood free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The auditor concluded there to be a reasonable basis upon which to render an unmodified opinion that the County's financial statements for the year ended December 31, 2022, are fairly presented in conformity with GAAP. The independent auditor's report is presented in the Financial Section of this report.

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### **BUDGET**

As specified in the Home Rule Charter, the Chief Executive must present the annual operating and capital budgets to County Council 75 days before the end of each fiscal year. No later than 25 days before the end of the year, County Council must adopt, by resolution, balanced operating and capital budgets. The annual operating budget contains estimated revenues and expenditures for the following funds: General, Liquid Fuel Tax, Transportation, Infrastructure Support and Debt Service. Budgetary control is maintained at the total budget, fund, department and character levels of expenditures by encumbering the total dollars indicated on purchase requisitions prior to their release to vendors. Encumbrance, as employed in governmental accounting, means a restriction is placed on the budget allowance to control expenditures. Expenditure documents that result in an overrun of available appropriation balances at the various levels of control are not released until appropriation transfers are officially requested and made available pursuant to the County's Administrative Code. At year-end, open encumbrances in the General Fund are reported as assigned fund balance and reappropriated at the start of the next fiscal year.

### **FINANCIAL INFORMATION**

Financial experts and rating agencies recommend governments should maintain a fund balance of at least 5.0% of operating revenues. The General Fund's unassigned portion of the fund balance increased in 2022 by \$4.3 million and the resulting balance of \$56.1 million is over the 5.0% target, representing 7.14% of General Fund revenue. The County's General Fund Balance more than doubled in calendar year 2012 and came close to doubling again in calendar year 2013, correlating with a 2012 increase in the property tax millage. In recent years, growth of the General Fund Balance has slowed and although the combined General and Debt Service funds grew by \$7.2 million in 2022, funds from the American Rescue Plan Act of 2021 (ARPA) contributed \$15.0 million to that growth.

Bond ratings serve as a key indicator of a government's creditworthiness and provide governments with the fiscal flexibility to borrow funds to build and rehabilitate essential infrastructure. Rating agencies have recognized the fiscal improvements of the County over the last decade. The County investment rating remained steady at "Aa3" with a stable outlook by Moody's Rating Services. In support of its rating, Moody's cited the County's large and growing tax base anchored upon the education, medical and technology sectors. Additionally, Standard and Poor's rating of "AA-" with a stable outlook remained the same. Rating agencies did report long-term concerns with the County's underfunded pension status, a concern certainly not unique to the County, but one which may be exacerbated in the coming years as the County retirees continue to enjoy longer lifespans and the County hires fewer full-time workers to contribute to pension obligations.

The County ended 2022 with a General Obligation Bond Debt of \$939 million, a decrease of \$43.5 million over 2021. Debt levels represent about \$761 for every County resident as compared to \$796 as of December 2021. A refunding that occurred in 2020 resulted in debt service savings of \$13.9 and \$11.9 million in 2021 and 2020 respectively, however, debt service payments that had been \$71 million annually before the refunding will increase to \$73 million in years 2023 through 2029. Managing debt levels continue to be a challenge as the County is responsible for maintaining 533 bridges and 408 miles of inter-municipal roads. Additionally, unanticipated problems caused by extreme weather events demand funding, including projects to remediate or prevent landslides.

A chronic concern for the County is an underfunded pension liability. Typically, a "healthy" pension fund has a funded ratio of at least 80%. Despite increasing the contribution rate .5% in 2021 to 10.5% of gross eligible wages and a .5% increase in both 2018 and 2019 to 9.5% and 10%, respectively, the County's pension fund stood at 33.26% funded status in 2022, a slight improvement

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from 32.44% in 2021, with a net pension liability of \$1.9 billion, down from a net pension liability of \$2.3 billion in 2021. The funded status remains low despite the average discount rate improving from 3.46% to 5.08%, as municipal bond interest rates increased in 2022. The low funded status persisted due to a drop of 9.02% in the market value of plan assets. Benefit payments increased by \$10 million or 8.1% while employee and employer contributions remained flat. Measures have been taken to curb the steep increase of benefits into the future. In December 2013, at the County's insistence, the Commonwealth passed Act 125 amending the pension structure for Allegheny County. Under Act 125, new employees, as of February 25, 2014, must have 10 to 25 years of service (rather than the previous 8 to 20 years) to qualify for retirement benefits. Additionally, contribution rates on salary calculation are now based upon the highest 48 months of the last 8 years of employment rather than the highest 24 months of the last 4 years. Overtime wages are only included in pensionable wages up to 10% of base pay. Contributions of both the employee and the County have increased from 7.0% in 2011 to a contribution rate of 10.5% in 2022. These changes, in aggregate, will eventually reduce the County's actuarial liability and could save an estimated \$340 million. However, such steps are a mere tourniquet over a more systemic funding issue. The positive changes enacted by the County provide an estimated savings based upon hypothetical future employees. The changes do not improve the immediate outlook of an underfunded pension. Additionally, since based upon current trends the County in future years will likely employ less persons than it does now, the hypothetical future pension system will have fewer active employees paying into the system to provide liquidity.

Challenges faced by the County can be exacerbated by cuts in funding of mandated services from higher levels of government. Both the federal and state governments continue to limit funding of mandated essential services provided by urban municipalities, and budgetary instability at both the state and federal levels threaten additional austerity at a time when multiple social and public health crises loom.

*COVID-19:* Revenue continues to rebound and in some cases are exceeding pre-pandemic levels.

Hotel Tax collected in 2022 was up \$13.8 million, or 55.5%, to \$38 million, which is slightly higher than 2019 collections. Drink Tax revenue increased by \$11.2 million, a 26.3% increase, up to \$53.8 million in 2022, back to 2019 levels. Sales Tax increased by \$3.8 million, a 6.5% increase, up to \$62.3 million in 2022. State revenues increased \$6.8 million, as Children, Youth and Services providers returned to pre-pandemic levels of service. Royalties from drilling saw an increase of \$1.3 million and combined with revenue transfers from other funds resulted in a \$3.9 million increase in Miscellaneous revenues. Interest earnings also saw an increase of \$4.4 million as rates significantly increased. Some revenue areas suffered. Charges for Services and Facilities dropped by more than \$5.8 million largely due to filing fees and commissions earned on real estate deeds fell back to normal levels after a surge in housing sales in 2021. A drop of \$3.9 million in the amount billed to federal sources for the Maintenance of incarcerated people and a drop in Medicare revenue of \$3.3 million at the Kane Community Living Centers were responsible for the net decline of Federal revenues. While it is a welcome statistic to see the population of the Jail drop by 222 from December 1, 2022 over 2021, it was not a welcome statistic to see further decline of the average daily census from 675 to 600 at the County's four Kane Community Living Centers, leaving the occupancy at 51.62%.

Federal legislation was passed providing COVID-related assistance.

On March 27, 2020 under the Coronavirus Aid, Relief, and Economic Security Act (CARES) the County was awarded \$212 million. The County awarded approximately \$40 million to provide things such as meals and child care, \$20 million was made available for grants to small businesses, \$18 million was given to municipalities, \$14 million for rental assistance, \$12 million to the Regional Asset District,



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and \$11 million to institutions of higher education. The County also used \$22 million of CARES for salary and benefit costs for public safety services as well as overtime and hazard pay incurred due to the result of the pandemic.

On March 11, 2021 the American Rescue Plan (ARP) was signed into law. It included \$350 billion in State and Local Fiscal Recovery Funds (SLFRF) to help state and local governments address the financial shock caused by the COVID-19 pandemic. Allegheny County received \$381 million from ARP's SLFRF provision, half came in May 2021 and the rest in June 2022. The funds must be obligated by December 31, 2024 and spent by December 31, 2026. Using federal guidelines, Allegheny County has budgeted \$220 million of its SLFRF money for Government Services, \$88 million for Public Health, \$63 million for aid to combat Negative Economic Impact, \$9 million for Stormwater mitigation, and \$1 million for administrative expenses.

Total expenditures of \$139.6 million have been spent through December 31, 2022. The Redevelopment Authority of Allegheny County (RAAC) has received \$40 million of ARP funding for site development and trail design and \$5 million has again been provided to volunteer fire companies as provided in 2021 under the Coronavirus Aid, Relief, and Economic Security Act (CARES). Under the category Aid to Tourism, Travel or Hospitality \$20 million was paid to Sports and Exhibition Authority (SEA) and \$5 million to Visit Pittsburgh. The County also contributed \$10 million to the Community College of Allegheny County Educational Foundation to establish a Dr. Charles J. Martoni Endowed Scholarship Fund. Funds have been deposited to the County's General fund in the amount of \$27.5 million, \$12.5 million in 2021 and \$15 million in 2022, to replace revenue lost due to the pandemic.

## LOCAL ECONOMIC CONDITIONS

Many indicators show that Allegheny County's economy has mostly bounced back to its pre-pandemic condition: Unemployment in 2022 was back to the near-record lows of 2019; employment increased in almost every major sector; and after a significant drop in 2020, the region's GDP regained nearly all its losses the following year.

However, there are also signs of some longer-term effects of the pandemic. The number of employed persons is still 2.4% lower than it was in 2019, and Allegheny County's older age structure means there is little room for the labor pool to grow without attracting more workers to the area. Also, after a long period of steadily increasing home prices, interest rate hikes to bring down inflation this past year have also cooled off the local housing market somewhat. Some long-standing problems also remained, like inequality: The median income for Black families in Allegheny County is less than half the income of white families, and poverty rates range from less than 1% in some wealthy municipalities to more than 40% in the poorest.

According to many economists, the U.S. faces the strong possibility of a recession in 2023, and some local analysts believe the effects could be amplified by the region's weak labor market recovery. If older workers delay retirement due to a poor economy and employers pull back on entry-level hiring, younger workers will likely look outside of the region to begin their careers. The challenge for the County will be to attract and retain young workers in the area, while also opening opportunities to existing residents that have been left out of the region's recent economic growth.

## DEMOGRAPHICS

*Population:* Population: Allegheny County has a population of 1,233,253 according to the 2022 Census, down 12,192 residents from 2021. This population drop was the tenth largest decrease in the country; the population of the U.S. as a whole increased by 0.4% over that same time period.

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*Age:* The most recent Census estimates (2021) show that Allegheny County has an older age structure than the country as a whole. In Allegheny County, 19.7% of residents are over the age of 65; nationally only 16.8% of the population was in that age bracket. At the other end of the age scale, 18.8% of Allegheny County residents were under 18, well below the national average of 22.2%.

**Percent of the population in each age bracket**

	<b>Allegheny County</b>	<b>US</b>	<b>Difference</b>
<b>Under 5</b>	5.1%	5.7%	-0.6%
<b>Under 18</b>	18.8%	22.2%	-3.4%
<b>Over 65</b>	19.7%	16.8%	2.9%

The older age structure means that Allegheny County loses residents to natural population change: between 2021 and 2022 there were 2,876 more deaths than births in Allegheny; this was the eighth highest decline due to natural population loss of any county in the U.S.

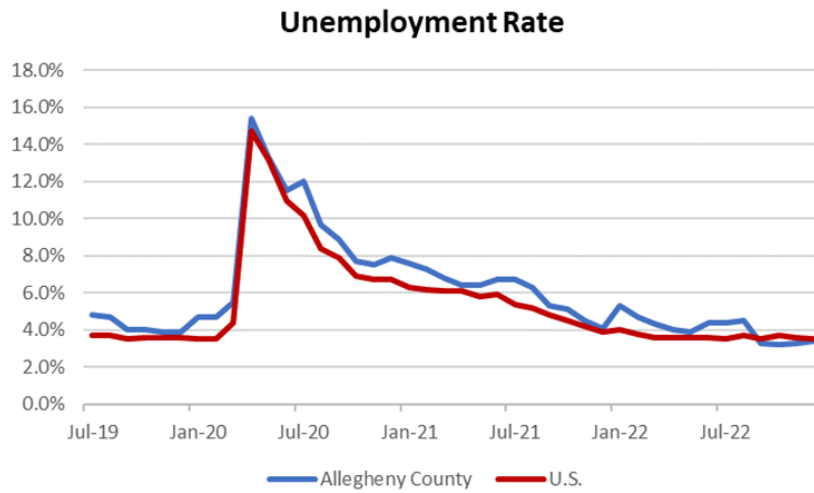
*Migration:* Between 2021 and 2022, Allegheny County lost an estimated net total 9,147 residents due to migration: the County lost a net 12,078 residents to other parts of the U.S., however this was partially offset by a net gain of 2,931 residents from international migration.

## **EMPLOYMENT & ECONOMIC GROWTH**

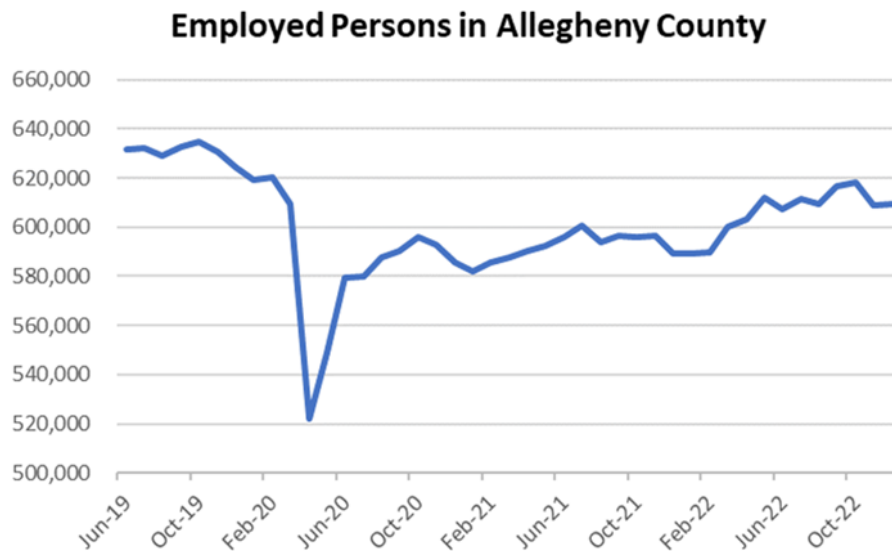
*GDP:* According to the most recent release from the U.S. Commerce Department, the GDP of Allegheny County grew by 5.2%, from \$87.7 billion in 2020 to \$92.2 billion in 2021. This large increase was expected after GDP fell by 5.3% in 2020 due to stay-at-home orders and other public health measures to address the COVID-19 pandemic. However, the growth in GDP lagged the U.S. as a whole: Nationally, GDP increased 5.9% in 2021 after falling just 2.8% in 2020. Overall, the country's GDP was 2.6% higher than in 2019, while Allegheny County's GDP is still slightly below (-0.4%) its pre-pandemic level.

*Unemployment:* Due to the COVID-19 pandemic, the annualized unemployment rate for Allegheny County spiked to 9.0% in 2020. In 2021, it was down to 5.9%, and in 2022 the unemployment rate was 4.1%, the lowest it has been in more than two decades. Even so, through most of 2022, the County's monthly unemployment rate was still higher than the U.S. average; but by December 2022, it was 3.4%, slightly lower than the country's average of 3.5%.

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**Employment:** Prior to the pandemic, employment had been steadily increasing in Allegheny County, with positive job growth in all but one year of the previous decade. In early 2020, the number of employed persons fell dramatically, as it did throughout the U.S. due to the COVID-19 pandemic. Employment has rebounded since then, but more slowly than for the country as a whole: In December 2022, the number of employed persons in Allegheny County was 2.4% lower than in December 2019, while employment was 1.8% higher nationally.



**Industries:** Employment increased over the past year in almost every major industrial sector in the Pittsburgh region. One notable exception was Construction, where employment in December 2022 was down almost 6% compared to December 2021, according to data from the Bureau of Labor Statistics. However, employment in many sectors was still below pre-pandemic levels: Mining & Logging and Educational Services had the weakest recoveries, with employment at less than 90% of 2019 levels as of December 2022. Healthcare, which is one of the region's largest employment sectors, was at 93% of pre-pandemic employment. However, Professional & Business Services, another major employment sector locally, is above pre-pandemic levels, along with Utilities, Information, Financial



## Controller's Letter of Transmittal

Activities, and Transportation & Warehousing. Jobs in Leisure & Hospitality saw the biggest drop-off during the pandemic: It's currently at almost 97% of pre-pandemic levels, which is close to the U.S. average.

### INCOME & POVERTY

*Income:* Median household income in Allegheny County was \$66,659 according to the most recent five-year ACS estimate (2017-21), slightly less than the median of \$69,021 across the entire U.S. Real per capita personal income (which adjusts for inflation and different costs of living across regions) was up 2.5% for the Pittsburgh area in 2021. However, this was a smaller increase than the national average of 3.2%.

*Poverty:* The poverty rate for Allegheny County rose from 10.5% in 2020 to 11.3% in 2021, but this is still the lowest poverty rate for any other year since 2003 and below the U.S. average of 11.6%. The official poverty rates also do not account for non-cash government benefits, which were greatly expanded during the pandemic. The effective poverty rate, as measured by the Census' Supplemental Poverty Measure, was just 7.8% nationally in 2021 and possibly even lower locally. However, many pandemic assistance programs expired in 2022 — emergency rental assistance and the Child Tax Credit, for example — or are set to expire in 2023, like expanded SNAP funding and Medicaid continuous coverage, which will greatly increase hardship for families at the lower end of the income scale.

*Inequality:* Statistics on income and poverty at the County level obscure inequality across Allegheny County's municipalities. For example, Braddock had a median household income of just \$22,670 in the most recent Census, while at the other end of the spectrum, Fox Chapel's median household income was more than 10 times that. In Fox Chapel and Aspinwall, the estimated poverty rate was less than 1%; in Rankin, the poverty rate was more than 40%. There are also huge racial gaps in the County, with a 26.8% poverty rate for Black residents versus 7.9% for white residents in the most recent five-year American Community Survey (2017-2021).

### HOUSING & REAL ESTATE

*Home Prices:* Allegheny County has a rate of home ownership very close to the U.S. average: 65.0% here compared to 64.6% nationally. At the end of 2022, the median home sales price in Allegheny County was \$207,500 (compared to \$388,387 nationally), according to data collected by the real estate site Redfin. This was slightly less than the median sales price at the end of 2021 (\$213,000), a sign that the real estate market is cooling off somewhat, likely due to higher interest rates. The previous year, according to an analysis of data from the Federal Housing Finance Agency by the University of Pittsburgh's Center for Social and Urban Research, residential housing prices in the Pittsburgh metropolitan area increased at the fastest rate since the 1970s.

*Residential Construction:* According to an analysis by the Tall Timber Group, due to high inflation and rising interest rates, construction was down in 2022 for all types of residential property: Single-family housing construction fell by 20% and multi-family units started were down by 25%. Analysts expect apartment construction to increase significantly in 2023 due to projects already in the development pipeline, but say that single-family housing is unlikely to experience a similar bounce-back.

*Evictions:* Emergency pandemic orders from the Centers for Disease Control and Prevention and the County's district courts slowed evictions substantially: Data from Princeton University's Eviction Lab shows that eviction filings were down 50% to 70% for most of 2021 compared to pre-pandemic averages. After the court order expired at the end of October 2021, evictions started to climb, and this trend continued throughout 2022. The ending of the County's Emergency Rental Assistance

## Controller's Letter of Transmittal

Program, which had been funded with American Rescue Plan money, likely also contributed to the increase in evictions: In the second half of 2022, monthly evictions in Allegheny County were up to 80% to 90% of pre-pandemic averages.

*Commercial Real Estate:* In 2021, there was a record \$5.29 billion in nonresidential/commercial construction, thanks in large part to the revival of projects deferred in 2020. In 2022, that figure declined to \$4.39 billion, with the largest drop coming from a \$300 million decline in office construction. The analysts at Tall Timber Group point out that there are large projects still in the pipeline for 2023, including the Pittsburgh International Airport's Terminal Modernization Program and UPMC's Heart and Transplant Hospital, which should increase spending on construction in 2023. There are still concerns about the effect of the pandemic on the demand for office real estate, particularly in Downtown Pittsburgh, where the office vacancy is more than 20%. According to a study commissioned by the New York Times, 66% of real estate square footage in Downtown Pittsburgh is devoted to office space, the fifth highest percentage in the country. In response to the decline in demand for downtown office space, the County, City of Pittsburgh, and state plan to use a combined \$9 million in American Rescue Plan funding to create a pilot program to revitalize empty Downtown office buildings into residential units.

### INFRASTRUCTURE

The collapse of Pittsburgh's Fern Hollow Bridge in January 2022 prompted much more attention to the condition of the 1,500 bridges in Allegheny County, which are maintained by either the state, County, or the municipality where the bridge is located.

The County maintains 305 bridges that are eight feet or longer. At the beginning of 2022, 27 of those were rated as being in poor condition, and by the end of the year, repairs and demolitions had brought that number to 20. Of the remaining bridges in poor condition, the County Public Works Department has said it plans to repair five in 2023, has worked planned on another 13 through 2025, and has begun design work to improve the other two.

According to an analysis of Pennsylvania Department of Transportation inspection data by the Pittsburgh Tribune-Review, the number of poorly rated locally-owned bridges in Allegheny County has dropped from 80 to 75 over the past year. One of the newly repaired bridges was the Fern Hollow Bridge, which was rebuilt and opened to traffic in December 2022, while the number of poorly rated state-owned bridges in the County has increased from 95 to 98. State transportation officials say that funding from 2021's federal infrastructure bill is helping to pay for more repairs, but inflation has made repairs more costly and labor shortages limit the pace at which projects can be completed.

### ALLEGHENY COUNTY AUTHORITIES

*Allegheny County Airport Authority (ACAA):* ACAA manages the Pittsburgh International Airport (PIT) and the Allegheny County Airport (AGC). PIT's passenger traffic increased by 27.9% in 2022 with 8.1 million passengers flying the Airport representing 83% of the airport's 2019 level. By the end of 2022, airlines were serving 58 nonstop destinations, including a nonstop flight to London Heathrow.

The burgeoning cargo business at PIT hit a milestone with groundbreaking of Cargo 4, a 75,000 square foot cargo processing building. Another facility, Cargo B, is in the planning phase will add over 100,000 square feet will accommodate import and export air freight.

The greatest regional undertaking continues to be the Terminal Modernization Program (TMP), The TMP project will build a new terminal for the airport and feature an open, two level design at the cost of \$1.4 billion, on schedule to open in 2025.

## Controller's Letter of Transmittal

Total operating revenues increased \$20.4 million, or 16.9% over 2021 primarily from parking and ground transportation revenues up \$14.5 million. Net position increased \$9.2 million, or 1.4%.

*Pittsburgh Regional Transit (PRT):* In 2022, the most noticeable change in the authority charged with overseeing mass transit in the county is the name change of Port Authority of Allegheny County (PAT) to Pittsburgh Regional Transit (PRT). The rebranding was estimated to cost around \$720,000 but promised to herald a new direction of collaboration with the greater community.

Financially, PRT continues to operate in the shadow of the COVID-19 era, utilizing a sum of \$163.9 million in CARES and ARP funding between 2020 and 2022 to reduce the impact of the reduction in passenger revenues. They still have a considerable amount of \$338.6 million in federal stimulus funds to help their operations in the aftermath of the pandemic.

In 2022, PRT witnessed a 43% increase in ridership, and their total passenger revenue rose to \$46.9 million. They also attained an operating surplus of \$3.7 million and passed a resolution to keep one month's operating budget in reserves. Furthermore, PRT solidified development of a 25-year Long-Range Plan called NEXTransit to enhance their services, along with a new Strategic Plan for 2023 through 2028 that built on community input.

*Allegheny County Housing Authority (ACHA):* The ACHA owns and manages over 3,300 dwelling units and administers over 5,000 housing vouchers in order to provide safe and sanitary housing for low-income families and senior citizens.

Since 2021, the ACHA experienced a 1.4% decrease in total assets, amounting to \$3.0 million. The decrease was mainly due to a \$5.2 million reduction in capital assets. However, this was partially offset by increases in cash and cash equivalents, as well as accounts and notes receivable. The rise in cash was largely attributed to the COVID subsidy assistance received from HUD, which amounted to \$2.1 million.

Meanwhile, predevelopment notes for Hawkins Village and Mount Lebanon II Tax Credit deals contributed to a \$2.5 million increase in accounts and notes receivable. As a result, the ACHA's net position decreased to \$178.9 million, with the unrestricted net position showing an increase of \$5.6 million, while the restricted net position decreased by \$2.9 million. The fund's total revenues decreased by \$4.7 million, while both total operating and non-operating expenses increased.

*Community College of Allegheny County (CCAC):* CCAC is a public community college with four campuses, and another four educational centers, that provides academic programs leading to an associate's degree, a certificate, or a transfer to a four-year institution of higher learning. The Board of Trustees of CCAC is appointed by the County Executive.

CCAC has not been immune to the economic conditions facing the nation and our region. Despite maintaining tuition and fee levels from the previous year, enrollment decreased by 11% from the previous year as 18,900 students were enrolled full-time in 2022. This decline presents a significant risk for the College should this trend continue.

Nevertheless, this past year showed an enhanced financial state with the total net position increasing by \$18.5 million to \$163.2 million and an investment bond rating from Moody's labeled A3 with a stable outlook.

## Controller's Letter of Transmittal

### ***LONG-TERM FINANCIAL PLANNING***

#### ***FIVE-YEAR CAPITAL IMPROVEMENT PLAN***

The Five-Year Capital Improvement Plan (CIP) for Allegheny County is a strategic planning instrument utilized by the County to identify and plan for capital projects. It is also used to coordinate the financing of capital projects in order to maximize the benefits to the public. The CIP is a guide for expenditure decisions and not necessarily a firm commitment, as priorities and needs may change from year to year. This document has been prepared based on the priority of identified projects and the funding available. The mix of projects in the CIP is evaluated annually. Projects are added or subtracted based on priority and available funding. Some of the 2023 planned projects for bridges include the final touches of the rehabilitation of the Roberto Clemente (6th Street) Bridge including structural steel repairs, concrete repairs, deck replacement, and blast-cleaning and painting. Work will continue in 2023 on the rehabilitation of the Kenmawr Ramp Bridge. This work will include structural steel, concrete repairs and repainting the structure. Significant projects for Buildings include improvements at the Police and Fire Training Academy in North Park. Other projects include improvements at Kane Community Living Centers, Jail, and improvements to other County facilities including mechanical, HVAC, plumbing and other modernization projects. The 2023 Roads program will allow the County to continue its goal of improving at least 40 miles of County-owned road each year. Major projects planned for 2024 include \$10 million on Campbell's Run Road, \$5 million on Becks Run Road and \$3 million on the Talbot Ramp Bridge.

#### ***FUTURE COUNTY OPERATING BUDGETS***

The Home Rule Charter requires the County to project revenues and expenditures for two subsequent years. The County's 2023 budget is \$1.020 billion. The 2024 and 2025 budgets were forecasted at \$1.051 billion and \$1.082 billion, respectively.

## Controller's Letter of Transmittal

**RELEVANT FINANCIAL POLICIES**

It is the County's goal to ensure current year operating revenues are sufficient to fund current year expenditures without using non-recurring and/or unbudgeted revenues. However, non-recurring and unbudgeted revenues used to finance 2022 expenditures are as follows (in millions):

American Rescue Plan Operating Deficit	\$ 15.0
Total	\$ <u>15.0</u>

As described in the Notes to the Financial Statements, the County has a pay-as-you-go policy for the following:

Self-Insured Healthcare, Workers' Compensation and Dental Care  
 Accrued Sick Time  
 Net Pension Liability  
 Postemployment Benefits Other than Pension Benefits  
 Termination Payments

**AWARDS AND ACKNOWLEDGMENTS****CERTIFICATE OF ACHIEVEMENT FOR THE ANNUAL REPORT**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Allegheny, Pennsylvania, for its Annual Report for the fiscal year ended December 31, 2021. This was the 40th consecutive year that the County Controller's Office has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

## Controller's Letter of Transmittal

### **INTERNAL AUDIT PEER REVIEW**

Zelenkofske Axelrod, LLC conducted an external quality control review on the Controller's Audit Division in 2022 for years 2019 through 2021. The objectives of the peer review were to ensure the Audit Division's internal quality control system was suitably designed, operating effectively and in compliance with Government Auditing Standards issued by the Comptroller General of the United States. The Audit Division received full compliance, which is the best score possible. The peer review is valid for a period of three years. This was the fifth time that the County Controller's Office has requested a peer review and received full compliance.

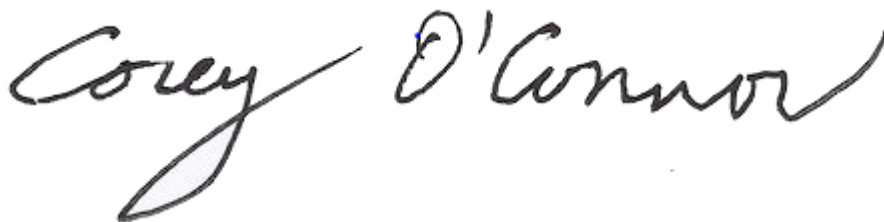
### **INTERNAL AUDIT**

The Controller's Audit Division routinely conducts financial and compliance audits of County departments, agencies, row offices and federal and State grants to ensure that County government is efficient, effective and compliant. Management and performance reviews are performed when the need arises. The division issued 10 Financial and Compliance audits, 11 Hotel AUP reports, one Street Pricing at the Airport engagement, and one analysis of Court Costs, Fines and Fees for a total of 23 reports, along with audits of 20 Single Audit programs for year 2021, during the 2022 calendar year to inform County taxpayers and protect their financial interests.

### **ACKNOWLEDGMENTS**

In closing, I am very proud of all of my employees in the Controller's Office who contributed to the 2022 Annual Comprehensive Financial Report. The Controller's Office will continue to monitor and report wasteful spending, identify ways to reduce costs and remain a forthright advocate for the taxpayer to encourage government to become more innovative, transparent and efficient in all that it does.

Respectfully submitted,

A handwritten signature in black ink that reads "Corey O'Connor". The signature is written in a cursive, flowing style. The first name "Corey" is written with a large, sweeping 'C' that extends downwards. The last name "O'Connor" is written in a more compact, cursive script.

Controller

Controller's Letter of Transmittal



## Controller's Letter of Transmittal





GFOA Certificate of Achievement



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Allegheny County  
Pennsylvania**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morrill*

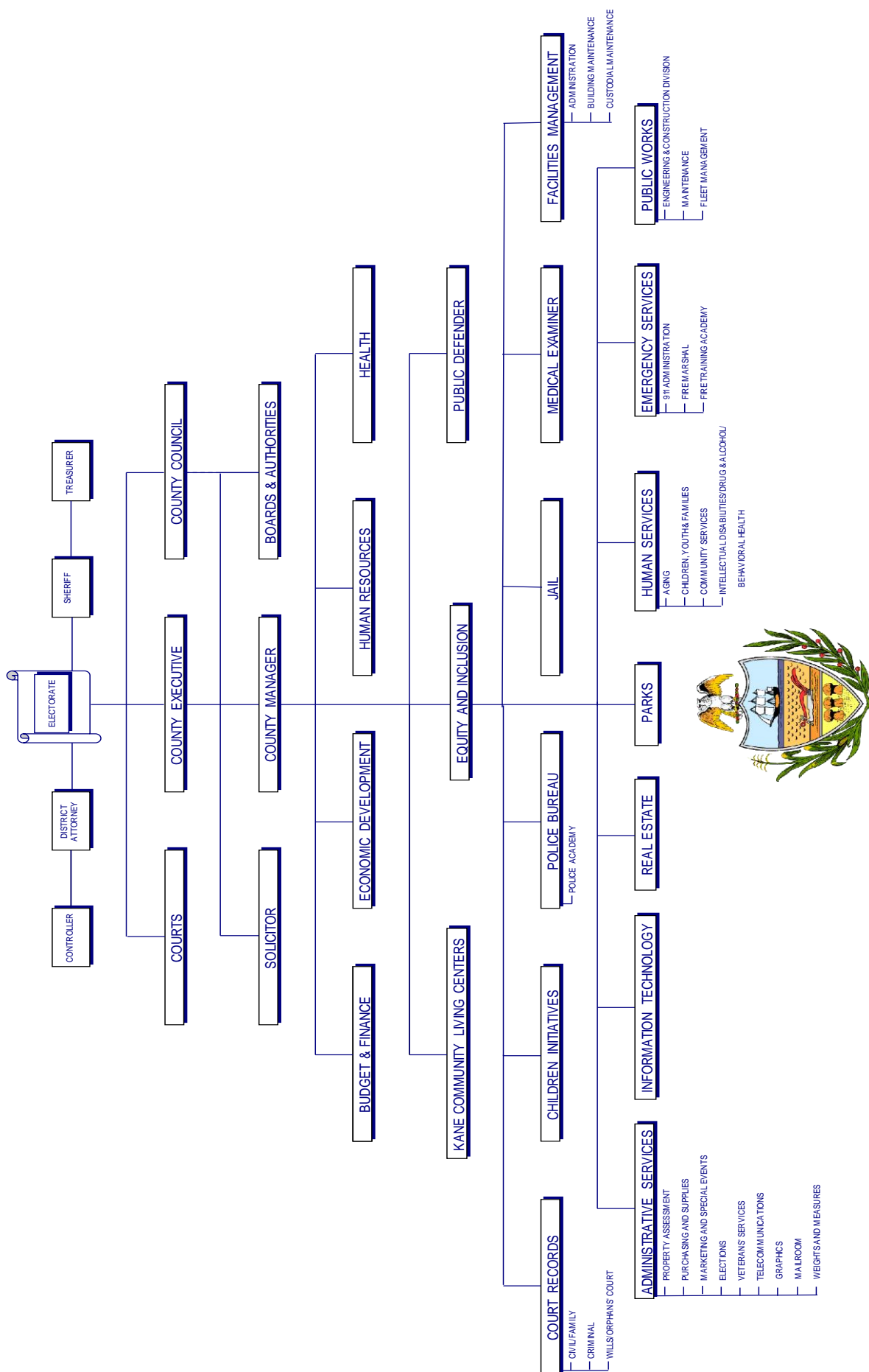
Executive Director/CEO

## GFOA Certificate of Achievement



## Organizational Chart

## ALLEGHENY COUNTY ORGANIZATIONAL CHART



## Organizational Chart



## Officials of Allegheny County

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Officials of Allegheny County**  
**December 31, 2022**

**CHIEF EXECUTIVE**

Rich Fitzgerald

**COUNTY COUNCIL****COUNCIL DISTRICT AT LARGE #1**

Bethany Hallam

**COUNCIL DISTRICT #1**

Jack Betkowski

**COUNCIL DISTRICT #2**

Suzanne Filiaggi

**COUNCIL DISTRICT #3**

Anita Prizio

**COUNCIL DISTRICT #4**

Patrick Catena\*

**COUNCIL DISTRICT #5**

Tom Duerr

**COUNCIL DISTRICT #6**

John F. Palmiere\*\*

**COUNCIL DISTRICT #7**

Nicholas Futules

**COUNCIL DISTRICT #8**

Michelle Naccarati-Chapkis

**COUNCIL DISTRICT #9**

Robert J. Macey

**COUNCIL DISTRICT AT LARGE #2**

Samuel DeMarco III

**COUNCIL DISTRICT #10**

DeWitt Walton

**COUNCIL DISTRICT #11**

Paul M. Klein

**COUNCIL DISTRICT #12**

Robert Palmosina

**COUNCIL DISTRICT #13**

Olivia Bennett

**ROW OFFICERS****CONTROLLER**Corey O'Connor  
(as of 7/10/22)**TREASURER**

John K. Weinstein

**DISTRICT ATTORNEY**

Stephen A. Zappala, Jr.

**SHERIFF**

Kevin Kraus

**COUNTY MANAGER**William D. McKain, CPA  
Jennifer M. Liptak (as of 2/21/23)**DIRECTOR OF  
BUDGET AND FINANCE**

Mary Soroka

**SOLICITOR**

George Janocsko, Esquire

\*President of Council

\*\*Vice President of Council

## Officials of Allegheny County



Independent Auditor's Report



**INDEPENDENT AUDITORS' REPORT**

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## Independent Auditor's Report







# *Zelenkofske Axelrod LLC*

**CERTIFIED PUBLIC ACCOUNTANTS**

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

## *Independent Auditor's Report*

To the Allegheny County Chief Executive,  
Controller, and County Council

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Allegheny, as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise County of Allegheny's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of County of Allegheny, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Allegheny County Airport Authority, Pittsburgh Regional Transit, Community College of Allegheny County, Allegheny County Industrial Development Authority, Allegheny HealthChoices, Inc., and Soldiers' and Sailors' Memorial Hall and Museum Trust, Inc., which represent 97 percent, 95 percent, and 97 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We did not audit the financial statements of the Pension Trust Fund, which represent 62 percent, 91 percent, and -3 percent, respectively, of the assets, net position/fund balance, and revenues of the aggregate remaining fund information. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the component units listed above and Pension Trust Fund, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about County of Allegheny's ability to continue as a going concern for one year after the date that the financial statements are issued.



# *Zelenkofske Axelrod LLC*

**CERTIFIED PUBLIC ACCOUNTANTS**

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To the Allegheny County Chief Executive,  
Controller, and County Council  
Page 2

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

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

In performing an audit in accordance with GAAS, we:

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

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

## ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedules of net pension liability and contributions related to pension plans, and schedules of total OPEB liability (as listed in the table of contents as required supplementary information) be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.



# *Zelenkofske Axelrod LLC*

**CERTIFIED PUBLIC ACCOUNTANTS**

EXPERIENCE | EXPERTISE | ACCOUNTABILITY

To the Allegheny County Chief Executive,  
Controller, and County Council  
Page 3

## ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise County of Allegheny's basic financial statements. The other supplementary information in the financial section (as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other supplementary information in the financial section 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 other supplementary information in the financial section is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

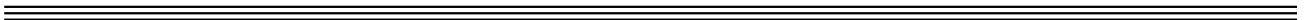
## ***Other Information Included in the Annual Comprehensive Financial Report***

Management is responsible for the other information in the annual comprehensive financial report. The other information comprises the introductory and statistical sections, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Zelenkofske Axelrod LLC*  
Zelenkofske Axelrod LLC

June 23, 2023  
Pittsburgh, Pennsylvania

## Independent Auditor's Report



Management's Discussion and Analysis



**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**



## Management's Discussion and Analysis



## Management's Discussion and Analysis

### **INTRODUCTION**

This section of the County's Annual Report presents a narrative overview and analysis of the County's financial performance for the year ended December 31, 2022. It is recommended that it be read in conjunction with the accompanying basic financial statements and notes to the financial statements in order to obtain a thorough understanding of the County's financial condition at December 31, 2022.

### **RESULTS IN BRIEF**

- Government-wide net position deficit decreased \$15.7 million in 2022.
- Government-wide unrestricted net deficit at December 31, 2022 was \$1.5 billion.
- Total assets increased \$348.1 million, deferred outflows of resources decreased (\$104.5) million, total liabilities decreased (\$224.1) million, and deferred inflows of resources increased \$452.0 million.
- The net pension liability decreased to \$1.7 billion.
- The County implemented GASB Statement No. 87, Leases, for year ended December 31, 2022. As a result of implementation, a lease liability of \$158.3 million and a right-to-use asset of \$167.3 million were included in the financial statements.
- The County's real property tax rate remained at 4.73 mills.
- The County's investment bond ratings from two major rating agencies remained steady at Aa3 with a stable outlook from Moody's Investor Service and AA- with a stable outlook from Standard and Poor's on outstanding debt.
- At December 31, 2022, the County had \$942 million of bond debt outstanding. This represents a decrease of (\$43.9) million from the previous year.
- The General Fund's total fund balance increased \$6.8 million in 2022 to \$100.9 million from \$94.1 million in 2021. The unassigned portion of the fund balance was \$56.1 million, which is 7.1% of revenues in the General Fund for fiscal year 2022. The unassigned fund balance increased \$4.3 million, or 8.3% between years. The County has assigned \$44.8 million of fund balance to pay future healthcare cost, claims and judgments, future tax appeals, and purchases on order.

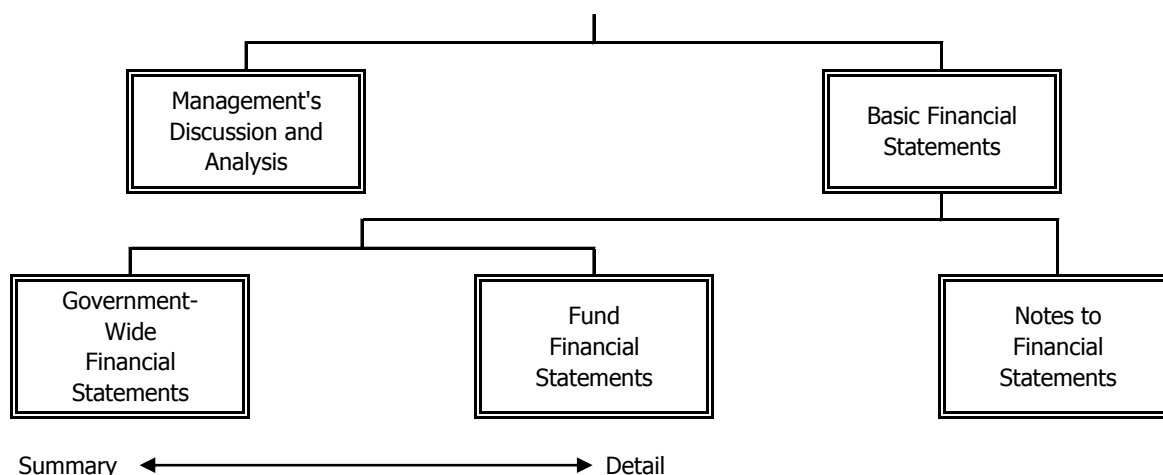
### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The discussion and analysis provided here are intended to serve as an introduction to the County's basic financial statements. The basic financial statements consist of three parts: government-wide financial statements, fund financial statements and the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves. The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements.

## Management's Discussion and Analysis

The following diagram shows how the required components of this annual comprehensive financial report are arranged and relate to one another.

### **REQUIRED COMPONENTS OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT**



The first two statements (pages 53-57) are government-wide financial statements that provide information about the primary government's overall financial status, as well as the financial status of the County's component units (pages 76-83). The remaining statements (pages 58-75) are fund financial statements that focus on individual parts of County government, reporting the County's operations in more detail than the government-wide statements. The fund financial statements include:

- *Governmental funds statements (pages 58-68) explain how services such as public safety were financed in the short term, as well as what remains for future spending. A budgetary comparison statement is provided to demonstrate compliance.*
- *Proprietary fund statements (pages 69-71) offer financial information about the activities the County operates like a business.*
- *Fiduciary funds statements (pages 72-75) reflect activities involving resources that are held by the County as a trustee or agent for individuals, private organizations, or other government units. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support the County's programs.*

The financial statements also include notes that provide additional information essential to a full understanding of the financial data provided in the government-wide and fund financial statements (pages 85-219) as well as required supplementary information including the County's budget and pension as well as the component units pension (pages 223-244).

In addition to these required elements, a section is included with combining and detailed individual comparative statements, capital assets and debt schedules, and schedules that provide specifics about major and nonmajor funds (pages 249-340).

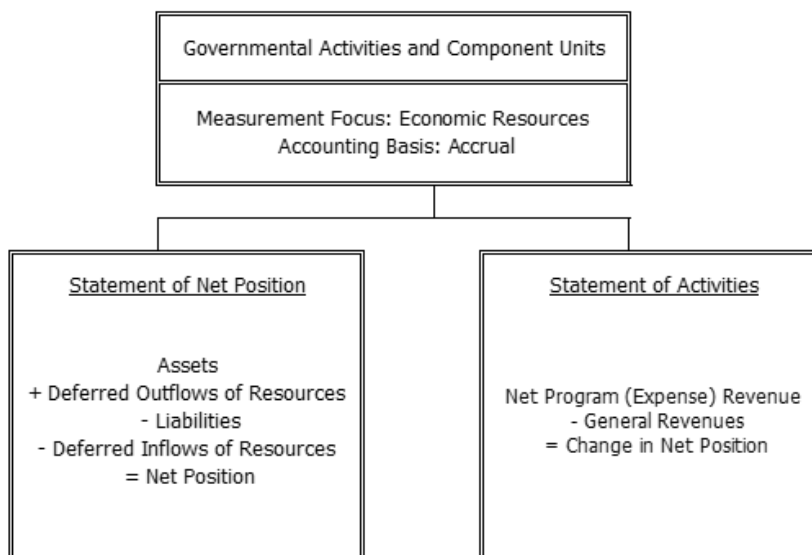
The remainder of this overview explains the structure and contents of the government-wide and fund financial statements.



## Management's Discussion and Analysis

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

The government-wide financial statements report information about the County as a whole using accounting methods similar to those used by private-sector companies. The primary features are reflected in the following diagram.

**Government-wide Financial Statements**

The statement of net position includes all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources except fiduciary funds, with the difference reported as net position. This statement serves a purpose similar to that of the balance sheet of a private-sector business. The statement of activities focuses on how the County's net position changed during the year. Because it separates program revenue (revenue generated by specific programs through charges for services, grants and contributions) from general revenue (revenue provided by taxes and others sources not tied to a particular program), it shows to what extent each program has to rely on taxes for funding. All changes in net position are reported using the accrual method of accounting, which requires that revenues be reported when they are earned and expenses be reported when the goods and/or services are received, regardless of when cash is received or paid. Net position is one way to measure the County's financial condition. Over time, increases or decreases in the County's net position are one indicator of whether the County's financial condition is improving or deteriorating. However, other non-financial factors such as changes in the County's real property tax base and general economic conditions must be considered to assess whether overall the County is improving or deteriorating.

The County's government-wide financial statements are divided into two categories:

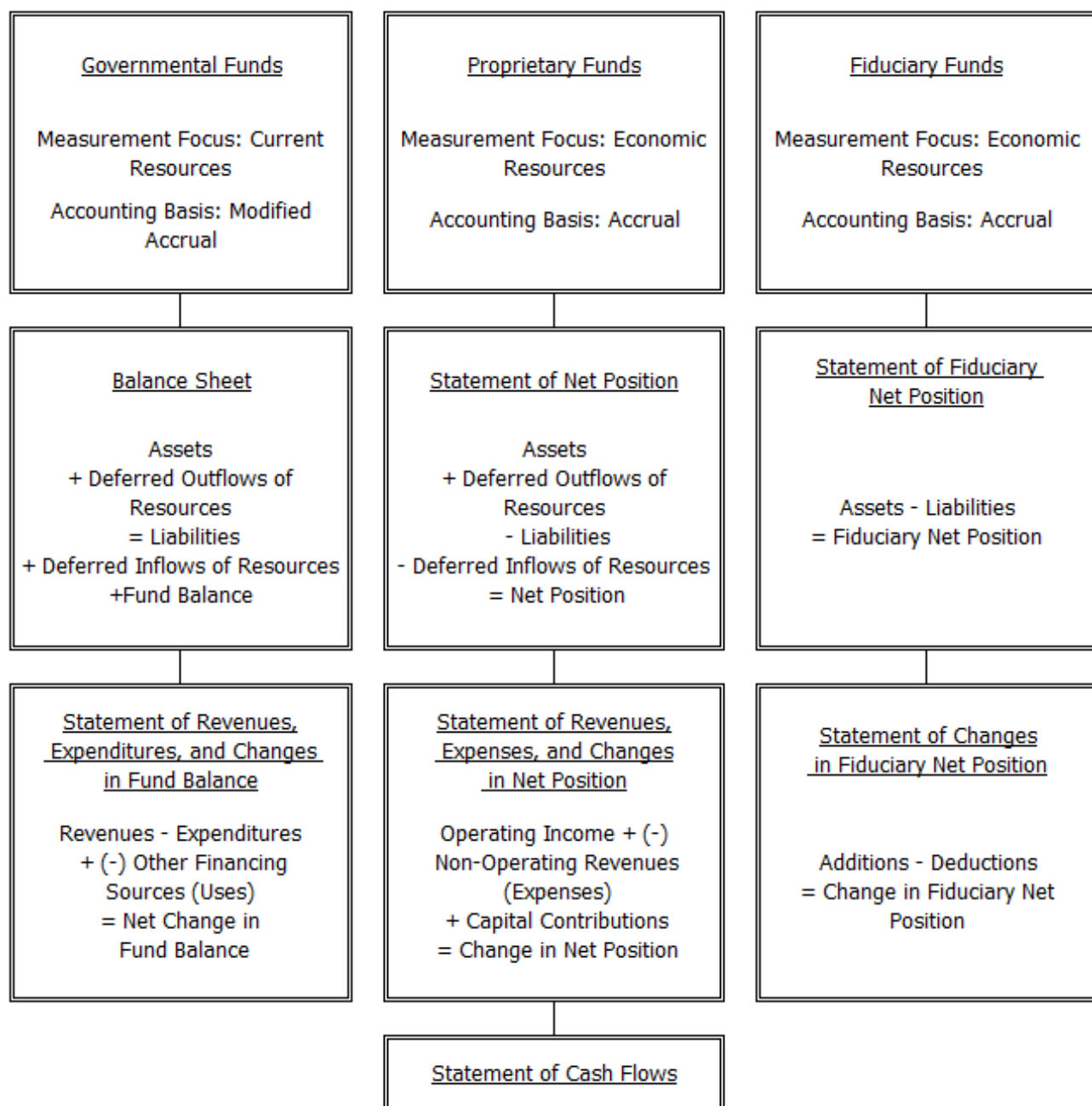
- *Governmental activities* – include the County's basic services such as public safety, public works, health and welfare, and general government, funded through program based charges for services and intergovernmental operating and capital grants, as well as general revenues such as property taxes, sales taxes and other revenues.
- *Component units* – reflecting the activities of legally separate entities for which the County is financially accountable.

## Management's Discussion and Analysis

### FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting groups that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by state law. Other funds are established to control and manage resources designated for specific purposes. The following diagram presents the major features of the fund financial statements, including the types of information contained therein.

#### Fund Financial Statements



## Management's Discussion and Analysis

The County has three kinds of funds, in addition to its component units:

- *Governmental funds* – Most of the County's basic services are included in governmental funds, which focus on: (1) the flow in and out of cash and other financial assets that can readily be converted into cash, and; (2) the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting basis and a current financial resources measurement focus. Consequently, the governmental funds statements provide a detailed short-term view that helps determine the financial resources available in the near future to finance County programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements. The County adopts an annual budget for the General Fund, Transportation, Liquid Fuel Tax, Infrastructure Support, and Debt Service Funds, as required by the Home Rule Charter. Because it is considered one of the County's major funds, a budgetary comparison schedule is presented for the General Fund, reflecting the following: (1) the original budget; (2) the final amended budget; (3) actual revenues and expenditures, and; (4) the variance between the final budget and actual revenues and expenditures.
- *Proprietary funds* – Used to report activities that provide services for the County's other programs and activities. These internal service activities predominantly benefit governmental rather than business-type activities; therefore, they have been included with governmental activities in the government-wide financial statements.
- *Fiduciary funds* – The County is the trustee, or fiduciary, for the Employees' Retirement System. In addition, the County is also responsible for certain custodial funds, which are clearing accounts for assets held by the County in its role as custodian, until the funds are allocated to the private parties, organizations or government agencies to which they belong. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. This fiduciary activity is reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. These funds are excluded from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

## Management's Discussion and Analysis

**FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

The County is presenting its financial statements as required by the Government Accounting Standards Board (GASB) Statement No. 34, "Basic Financial Statements – and MD&A – for State and Local Governments." The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities to measure the results of the year's activities.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS:**

The County's net position at December 31, 2022 and 2021 are presented below:

<b>Summary of Statement of Net Position</b> <b>December 31, 2022</b> <b>With Comparative Totals for December 31, 2021</b> <b>(rounded in millions)</b>		
	<b>Governmental</b> <b>Activities</b>	
	<b>2022</b>	<b>2021</b>
Current and other assets	\$ 1,074.6	893.2
Capital assets	875.8	709.1
<b>Total assets</b>	<b>1,950.4</b>	<b>1,602.3</b>
Deferred outflows of resources	673.8	778.3
<b>Total deferred outflows</b>	<b>673.8</b>	<b>778.3</b>
Current and other liabilities	660.0	575.9
Non-current liabilities	2,835.7	3,143.9
<b>Total liabilities</b>	<b>3,495.7</b>	<b>3,719.8</b>
Deferred inflows of resources	523.1	71.1
<b>Total deferred inflows</b>	<b>523.1</b>	<b>71.1</b>
Net position:		
Net investment in capital assets	(37.0)	(100.8)
Restricted	161.3	66.3
Unrestricted	(1,518.9)	(1,375.8)
<b>Total net position</b>	<b>\$ (1,394.6)</b>	<b>(1,410.3)</b>

## Management's Discussion and Analysis

Total assets increased from \$1,602.3 million in 2021 to \$1,950.4 million in 2022 and deferred outflows decreased from \$778.3 million in 2021 to \$673.8 million in 2022. The total liabilities decreased from \$3,719.8 million in 2021 to \$3,495.7 million in 2022 and deferred inflows increased from \$71.1 million in 2021 to \$523.1 million in 2022.

**NET POSITION:**

For 2022, net position of governmental activities increased \$15.7 million to (\$1,394.6) million from (\$1,410.3) million in 2021. Net position consists of (\$37.0) million in net investment in capital assets of which \$9.0 million was lease amortization, \$161.3 million restricted for the opioid settlement, various grant related purposes, and workers' compensation claims and an unrestricted net deficit of (\$1,518.9) million. Unfunded long-term liabilities for compensated absences of \$10.0 million, workers' compensation of \$3.7 million, pension of \$1.7 billion, and Other Post-Employment Benefits (OPEB) of \$64.3 million are responsible for the County's unrestricted net deficit.

The following table presents the County's change in net position for the years ended December 31, 2022 and 2021:

<b>Change in Net Position</b> <b>Year Ended December 31, 2022</b> <b>With Comparative Amounts for December 31, 2021</b> <b>(rounded in millions)</b>			
	<b>Governmental Activities</b>		<b>Variance</b>
	<b>2022</b>	<b>2021</b>	
<b>Revenues</b>			
Program revenues:			
Fees, fines and charges for services	\$ 229.6	69.2	160.4
Operating grants and contributions	1,555.4	1,546.2	9.2
Capital grants and contributions	101.5	21.7	79.8
General revenues:			
Property taxes	380.5	385.3	(4.8)
Sales and use taxes	62.3	58.5	3.8
Gaming local share assessment	5.3	6.5	(1.2)
Hotel Tax	6.4	0.9	5.5
Other	10.5	5.7	4.8
<b>Total revenues</b>	<b>2,351.5</b>	<b>2,094.0</b>	<b>257.5</b>
<b>Program expenses</b>			
General government	421.4	520.2	(98.8)
Public safety	182.4	176.7	5.7
Public works	64.9	67.1	(2.2)
Transportation	39.9	60.5	(20.6)
Health and welfare	1,469.1	1,390.0	79.1
Culture and recreation	36.1	28.5	7.6
Education	27.9	27.5	0.4
Economic development	26.5	46.3	(19.8)
Economic opportunity	28.8	28.7	0.1
Interest on long-term debt	38.8	32.9	5.9
<b>Total expenses</b>	<b>2,335.8</b>	<b>2,378.4</b>	<b>(42.6)</b>
<b>Change in net position</b>	<b>15.7</b>	<b>(284.4)</b>	<b>300.1</b>
<b>Net position – beginning</b>	<b>(1,410.3)</b>	<b>(1,125.9)</b>	
<b>Net position – ending</b>	<b>\$ (1,394.6)</b>	<b>(1,410.3)</b>	

## Management's Discussion and Analysis

### *CHANGE IN NET POSITION:*

In 2022, the change in net position increased \$15.7 million compared to a decrease of (\$284.4) million in 2021, resulting in a \$300.1 million increase over 2021. Revenue increased \$257.4 million over 2022 due to a \$160.4 million increase in fees, fines, and charges for services, a \$79.8 million increase in capital grants contributions, a \$9.2 million increase in operating grants, a \$5.4 million increase in hotel tax, a \$4.8 million increase in interest and investment earnings, and a \$3.8 million increase in sales and use tax and offsetting these increases was a (\$4.8) million decrease in property taxes, and a (\$1.2) million decrease in gaming local share assessment. A brief summary of the (\$42.6) million decrease in program expenses follows.

General Government expenses decreased (\$98.8) million or 19.0% due to pension expense decreasing (\$109.3) million and lease amortization of (\$6.4) million. This was offset by a \$11.2 million increase in capital lease expense and departments incurring \$5.9 million more expenses.

Public Safety expenses increased \$5.7 million or 3.2% due to a \$5.7 million increase in 911 Act 12 expenses as a result of a reduction in expenditure recovery. Capital Assets increased \$3.2 million. This was offset by lease amortization of (\$2.0) million.

Public Works expenses decreased (\$2.2) million or 3.3%. There was a (\$10.8) million reduction in capital assets and a (\$1.8) million decrease in contracted services due to rescinding a construction contract in 2022. This was offset by a \$10.3 million increase in capital asset expenses.

Transportation expenses decreased (\$20.6) million or 34.0% due to a (\$21.6) million decrease in capital asset expenses which was slightly offset by a \$1.0 million increase in funding provided to the Pittsburgh Regional Transit.

Health and Welfare expenses increased \$79.1 million or 5.7% in 2022. County grants increased \$65.7 million as there was a \$106.6 million increase in American Rescue Plan Act expenses in 2022, which was partially offset by a (\$44.0) decrease in CARES Act expenses which was largely spent in 2021. Human Service grants increased \$23.6 million primarily due to a Managed Care capitation rate increase and a \$17.0 million accrual to BH Fellows. These were slightly offset by a (\$5.0) million decrease at Kane Community Living Centers as personnel expenses decreased due to a significant decline in employees. Also, lease amortization was (\$6.1) million.

Culture and Recreation expenses increased \$7.6 million or 26.7% due to a \$5.2 million increase in capital assets, \$2.7 million increase in Parks services in 2022 and \$1.0 million increase in long-term debt. These were offset by a (\$1.5) million decrease in capital expenses.

Education expenses increased \$0.4 million or 1.5% in 2022 due to a \$0.5 million increase in the CCAC allocation. Offsetting this increase was a (\$0.2) million decrease in County grants as there were no expenses at Shuman Detention Center in 2022 as it closed in September 2021.

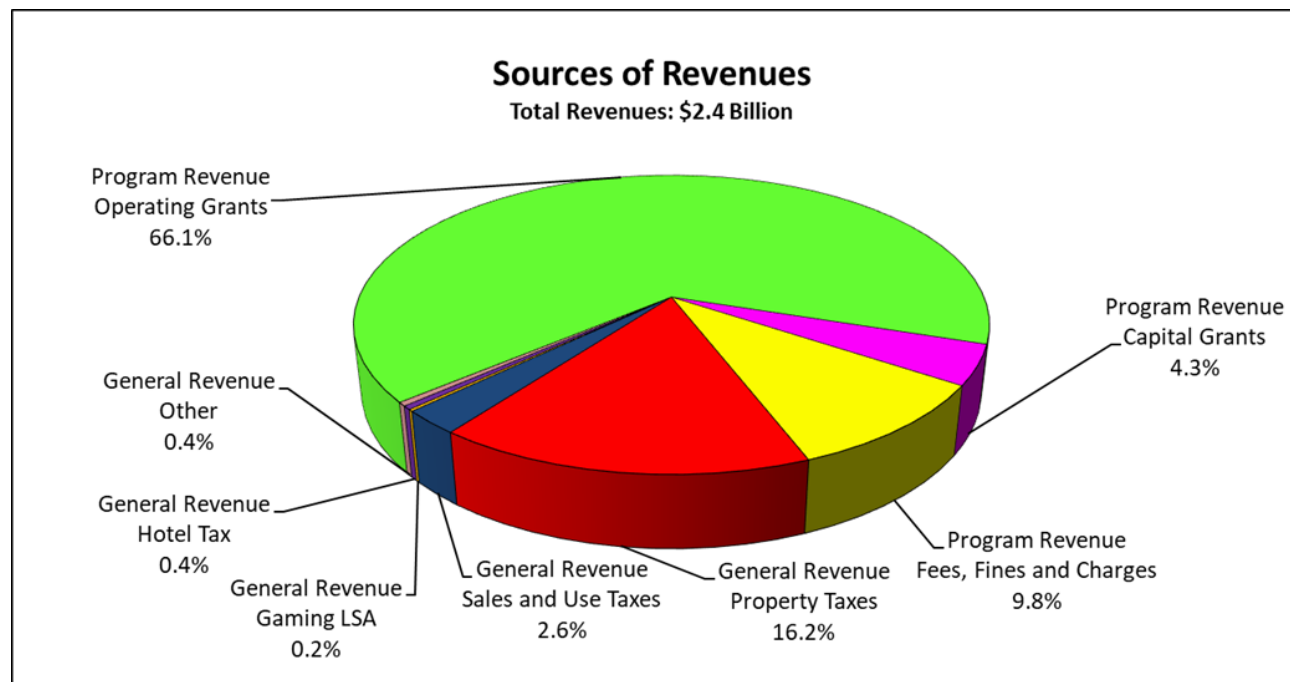
Economic Development expenses decreased (\$19.8) million or 42.8% as the \$13.8 million COVID-19 Hospitality Industry grant was fully expensed during 2021. Other County grants reported less expenses as the Home Investment Partnership grant decreased (\$3.8) million and CDBG decreased (\$1.5) million in 2022. Lease amortization was (\$0.5) million.

Interest on long-term debt increased \$5.9 million or 17.9%, as interest expense for leases was \$6.0 million.

## Management's Discussion and Analysis

*SOURCES OF REVENUES:*

The following chart graphically depicts the government-wide sources of revenues for the year ended December 31, 2022:

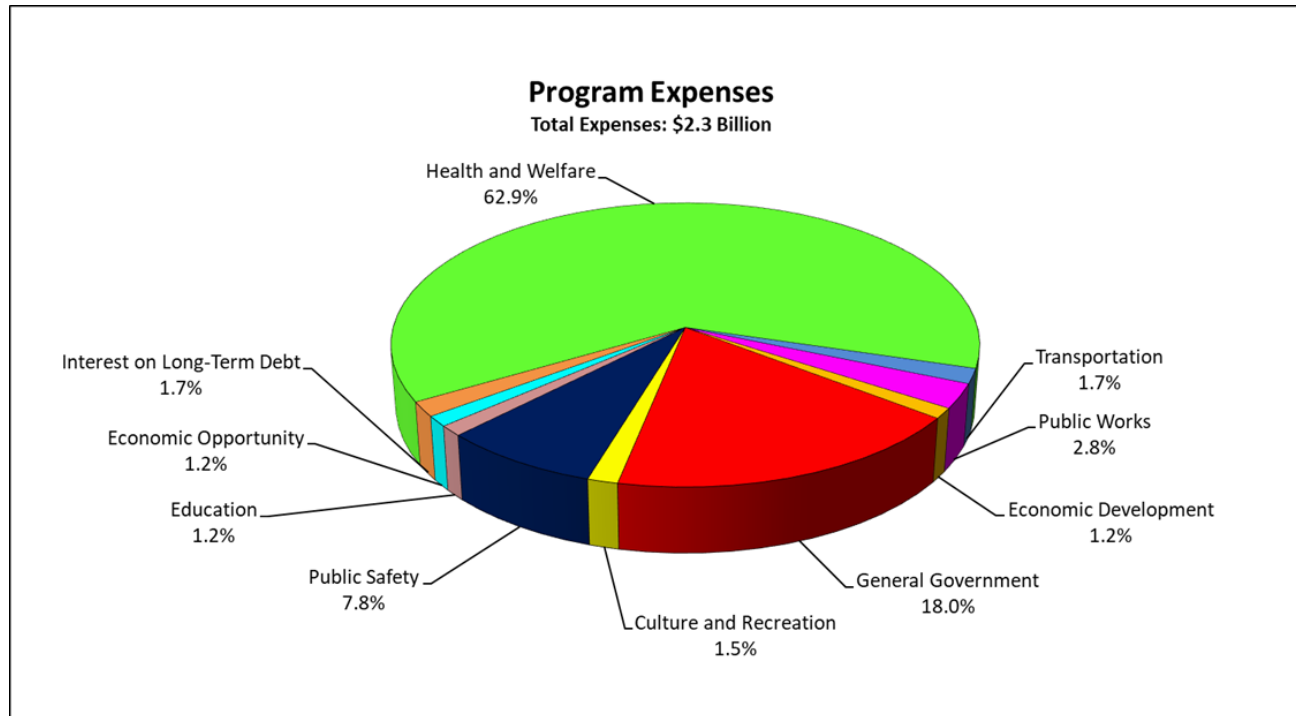


Total government-wide revenues of \$2.4 billion were derived primarily from program based operating grants and contributions, representing 66.1% of the total. Property taxes made up the second largest source of revenue at 16.2%, followed by program fees, fines and charges at 9.8%, program based capital grants and contributions at 4.3%, sales and use tax at 2.6%, other general revenue, and hotel tax both at 0.4%, and gaming tax at 0.2%.

## Management's Discussion and Analysis

### PROGRAM EXPENSES:

The following chart graphically depicts the government-wide program expenses for the year ended December 31, 2022:



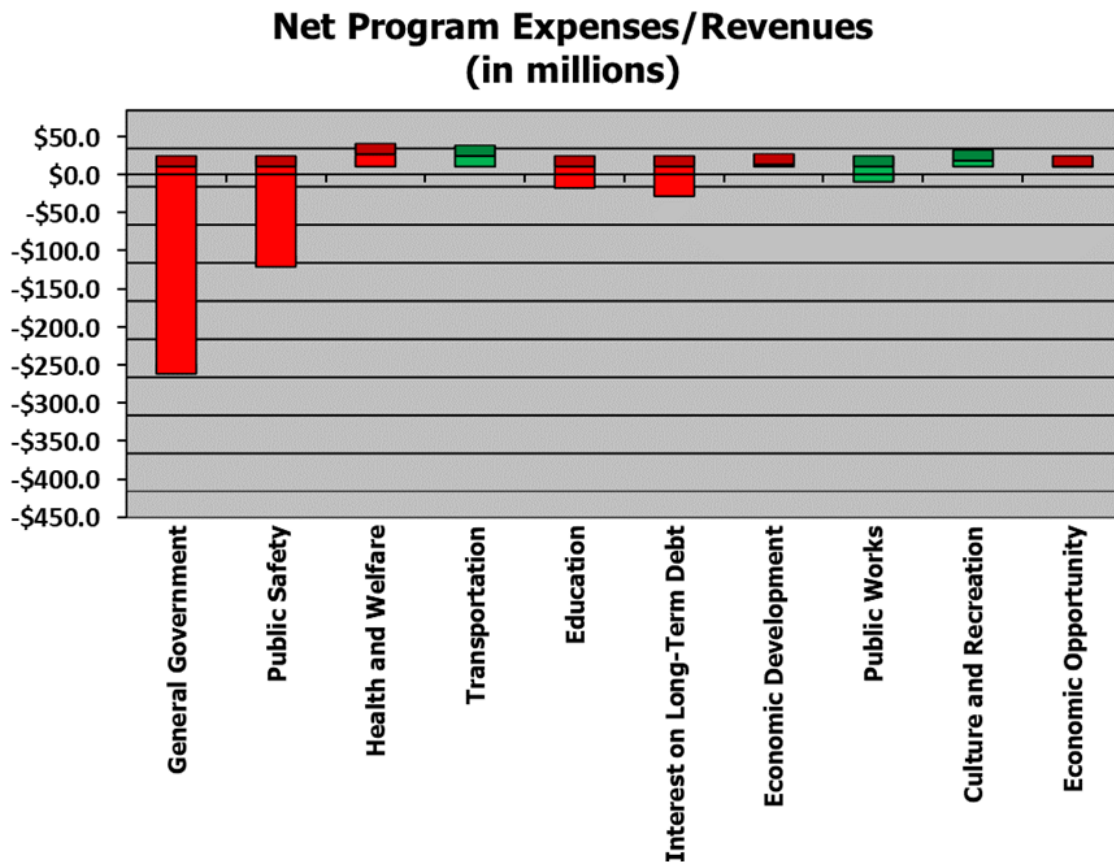
Total expenses for all programs in 2022 were \$2.3 billion. The expenses cover a range of services, with the largest being health and welfare (Health, Behavioral Health, Intellectual Disability, Drug and Alcohol program, Children, Youth and Family Services, Aging, Kane Community Living Centers) at 62.9%. The second largest program area was general government (central management, Facilities Management, Administrative Services, Row Offices and Courts) at 18.0%, followed by public safety (Jail, Police, Emergency Services) at 7.8%, public works (maintenance and engineering) at 2.8%, transportation expenses (contributions to the Pittsburgh Regional Transit) at 1.7%, interest and long term debt at 1.7%, culture and recreation at 1.5%, economic development (community development) at 1.2%, economic opportunity (community service, employment and training) at 1.2%, and education (contributions to Allegheny Community College) at 1.2%.



## Management's Discussion and Analysis

**NET PROGRAM EXPENSES/REVENUES:**

Net program expenses/revenues indicates the amount of support required from taxes and other general revenues for the year. The following chart graphically depicts the net program expenses/revenues by function/program for the year ended December 31, 2022:



General Government expenses required the most general revenue for support, needing \$271.6 million or 64.5% of the \$421.4 million in 2022 expenses. Public safety required \$131.4 million or 72.1% in general revenue support for \$182.3 million of total expenses, while interest payments on long-term debt required \$38.8 million or 100% of the \$38.8 million of interest expense, education programs required \$27.9 million or 100% of the \$27.9 million of expenses, public works required \$19.9 million or 30.6% of \$64.9 million in expenses, and economic opportunity required \$0.2 million or 0.8% of the \$28.8 million of expenses. Health and welfare had an excess of \$16.1 million or 1.1% of \$1.5 billion of expenses, transportation had an excess of \$14.0 million or 35.1% of \$39.8 million in expenses, culture and recreation had an excess of \$7.7 million or 21.3% of expenses on \$36.1 million, and economic development had an excess of \$2.8 million or 10.4% of the \$26.5 million of expenses.

## Management's Discussion and Analysis

### **FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

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

#### **GOVERNMENTAL FUNDS:**

The General Fund, County Grants, Human Services Grants and Capital Projects make up the County's major governmental funds. The Liquid Fuel Tax, Transportation, Infrastructure Support and Debt Service Funds, are considered nonmajor (other governmental) funds. The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned General Fund balance may serve as a useful measure of the County's net resources available for spending at the end of the fiscal year.

#### **NORMAL IMPACTS:**

There are nine basic impacts on revenues and expenditures, as outlined below:

##### **Revenues:**

**Economic conditions** – Economic conditions, which can reflect a growing, stable or declining economic environment, and have a substantial impact on tax revenues as well as public spending habits for permits and other elective user fees and taxable consumer spending.

**Changing patterns in intergovernmental and grant revenue (both recurring and non-recurring)** – Certain recurring revenues (formula grants, etc.) may experience significant changes periodically while non-recurring or one-time revenues (project grants, direct payments for specified use, etc.) are less predictable and often distorting in their impact on year-to-year comparisons.

**Increase in assessed valuations of real property** – The County derives a substantial amount of its revenues from property taxes, which are based on the market value of real property. The County's Home Rule Charter limits property tax revenue from a countywide reassessment to an amount of real estate tax revenue received in the preceding year, excluding new construction or improvements made to existing structures.

**Increase/decrease in County Council approved rates** – While the County's sales tax is fixed at one percent, County Council has the authority to periodically increase or decrease various other rates (property taxes, alcoholic beverage and rental vehicle taxes, recording and filing fees, recreation fees, etc.).

**Market impacts on investments** – Market conditions can cause income on the County's investment portfolio to fluctuate year-to-year.

## Management's Discussion and Analysis

**Expenditures:**

**Introduction of new programs** – Within the functional expense categories (public safety, public works, health and welfare, etc.) individual programs may be added or deleted based upon the changing needs of the community.

**Increase/decrease in personnel** – Changes in service demand may cause an increase or decrease in staffing costs (salaries and fringe benefits), which represent a significant expense to the County.

**Salary increases (cost of living, merit and market adjustment and collective bargaining agreements)** – The ability to attract and retain human resources requires the County to strive to approach a competitive salary range position in the marketplace.

**Inflation** – While overall inflation appears to be modest, the various health related programs and services the County provides have increased significantly. This sector of the economy has in recent years experienced above average increases in costs. In addition, the County is a consumer of various commodities which may experience unusual commodity specific increases.

Governmental fund revenues, expenditures and net changes at fiscal year ended December 31, 2022 and 2021 were:

<b>Governmental Fund Revenues, Expenditures, Other Financing and Net Change in Fund Balance (rounded in millions)</b>					
<b>Fund</b>	<b>2022</b>			<b>Net Change in Fund Balances</b>	
	<b>Revenues</b>	<b>Expenditures</b>	<b>Net Other Financing</b>	<b>2022</b>	<b>2021</b>
<b>General</b>	\$ 786.0	774.6	(4.5)	6.9	5.3
<b>County Grants</b>	317.8	296.3	(9.7)	11.8	2.9
<b>Human Services Grants</b>	949.5	962.4	12.9	-	-
<b>Capital Projects</b>	103.6	93.1	3.9	14.4	(69.0)
<b>Other</b>	127.5	113.7	(4.9)	8.9	7.1
<b>Total Change</b>	\$ <u>2,284.4</u>	<u>2,240.1</u>	<u>(2.3)</u>	<u>42.0</u>	<u>(53.7)</u>

At December 31, 2022, the County's government funds reported a combined fund balance of \$363.8 million, an increase of \$42.0 million compared to the previous year's decrease of (\$53.7) million.

## Management's Discussion and Analysis

The General Fund net change in fund balance was an increase of \$6.9 million compared to a \$5.3 million increase in 2021. General Fund revenues increased \$0.7 million, net other financing uses increased \$3.2 million and expenditures were \$3.2 million more than the previous year.

The following is an analysis of the increase in General Fund revenue of \$0.7 million and increase in net other financing uses of \$3.2 million.

The major factor causing the increase in General Fund revenue is a \$5.5 million increase in hotel rental taxes due to increased travel resulting in more people staying in hotels. Sales and use tax increased by \$3.8 million due to increased consumer spending along with the rise in prices due to inflation. These increases were offset by a (\$7.3) million decrease in General Fund taxes due to a lower millage split. Gaming local share assessment decreased by (\$1.2) million due to a one time payment for interactive gaming in 2021.

Federal revenues decreased by (\$3.3) million or 6.4% as detailed below (in millions):

• Maintenance of incarcerated people decreased	\$ (3.9)
• Medicare decreased	(3.2)
• Title IV-E - Guardianship Assistance decreased	(1.8)
• Skilled and intermediate nursing care decreased	(0.5)
• Emergency services overtime decreased	(0.2)
• Title IV-E - Adoption Assistance increased	3.0
• Title IV - Child Placement increased	2.8
• Temporary assistance for needy families increased	0.4
• Title IV-E - Foster Care increased	0.1

State revenues increased by \$6.7 million or 4.0% for the reasons detailed below (in millions):

• Act 148 - Children, Youth and Family Services increased	\$ 4.7
• Act 148 - Special Grant Initiative increased	2.0
• Skilled and intermediate nursing care increased	0.7
• Health department decreased	(0.5)
• Adult Probation decreased	(0.2)

## Management's Discussion and Analysis

Local government units revenues increased \$1.1 million or 5.0% in 2022.

Charges for services decreased (\$5.8) million or 4.3% for the following reasons (in millions):

• Commercial insurance at Kane decreased	\$ (7.1)
• General government decreased	(4.4)
• Private Pay decreased	(1.7)
• Administrative fees decreased	(1.0)
• Health decreased	(0.2)
• Managed Care/Intergovernmental transfers increased	3.8
• Patient income increased	3.1
• Public safety increased	0.5
• Recreation increased	0.4
• Use of property and equipment increased	0.4
• Election increased	0.4

Other financing uses - net totaled (\$4.5) million in 2022 for the following reasons (in millions):

• Matching requirement for County Grants deficit funding	\$ (9.9)
• Matching requirement for Human Service Grants	(9.2)
• Worker's compensation reserve transfer	(2.3)
• Interdepartmental transfer agreement	(0.4)
• American Rescue Plan deficit funding	15.0
• Act 13 funds transfer	1.2
• Capital interest transfer	1.1

The following is an analysis of the General Fund expenditures increase of \$3.2 million.

General Government expenditures increased \$3.4 million or 1.5% between years. The following departments reported increases in personnel and services. The Courts increased \$2.2 million, Facilities Management increased \$1.0 million, Public Defender increased \$0.7 million, Controller and District Attorney both increased \$0.6 million each, and the Sheriff increased \$0.5 million. These increases were partially offset by a (\$2.6) million decrease in Elections as election equipment and software was purchased in 2021.

Public Safety expenditures decreased by (\$0.8) million or 0.6% due to a decrease in Emergency Service as many one time equipment and lease payments were made in 2021 resulting in a (\$5.4) million decrease. Partially offsetting this decrease was a \$2.7 million increase at the Jail as supplies and services increased along with a reduction in expenditure recovery. Police had a \$1.7 million increase in personnel, supplies, and a reduction in expenditure recovery.

Public Works expenditures increased \$2.3 million or 13.5% in 2022 due to increases in personnel, services, supplies, materials, and equipment.

CCAC's appropriation increased \$0.5 million or 2.0% in 2022.

Health and Welfare expenditures decreased (\$4.9) million or 1.4% in 2022. These was a (\$5.0) million decrease in Kane Community Living Centers as it experienced a significant decline in its labor force in 2022. There was a (\$0.7) million decrease in Human Services due to lower personnel costs as Shuman Juvenile Detention Center closed in September 2021.

## Management's Discussion and Analysis

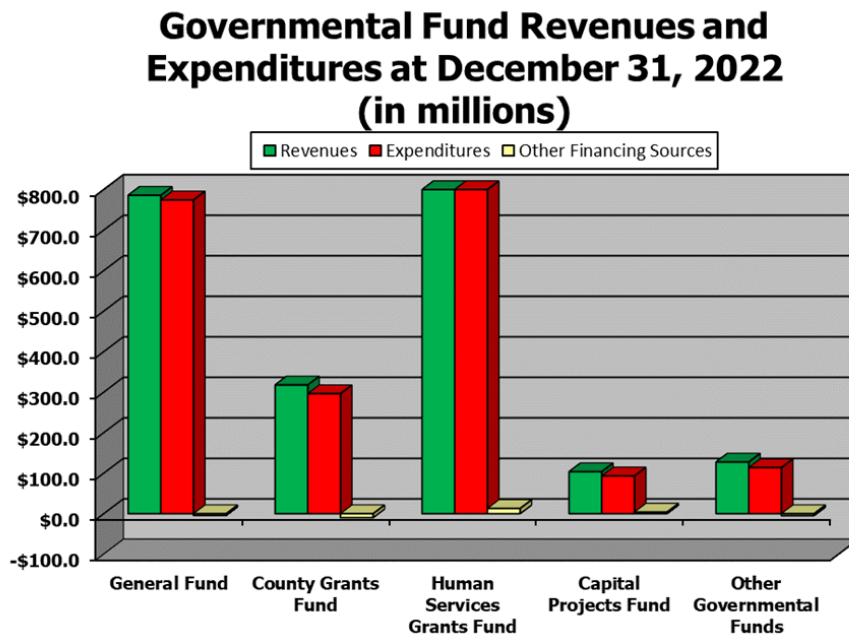
Culture and Recreation expenditures increased \$2.7 million or 13.1% as the Parks had increases in personnel and services as food and utility costs increased.

The Human Services Grants Fund had no significant change in net fund balances in 2022. This occurs because grants are generally expenditure driven and capped at mandated spending levels. The County Grants fund balance increased \$11.8 million. Of that amount, there was a \$14.0 million increase Restricted for Health Services. \$8.0 million was a result of receiving funding from the Opioid Settlement. Another \$6.0 million was a result of receiving fines for Air Pollution violations. However, that is currently pending further litigation. The offset is a (\$2.2) million decrease Restricted for Judicial Services. It should be noted the County received Human Services Grants Fund intergovernmental revenues of \$936.2 million and County Grants Fund revenue of \$275.3 million in 2022. Human Services revenues increased \$20.7 million compared to last year and County Grants revenues increased \$63.9 million.

The Capital Projects increase in fund balance was \$14.4 million in 2022 versus a (\$69.0) million decrease in 2021. The County did not issue bonds in either 2022 or 2021.

Other governmental fund balances increased by \$8.8 million. The Transportation Fund increased \$8.4 million due to an increase in drink tax collections due in part to an increase in tourism which in turn increased vehicle rental tax collections. The Debt Service Fund balance increased \$0.4 million.

The following chart graphically depicts the total revenues received and expenditures incurred by fund for the year ended December 31, 2022:

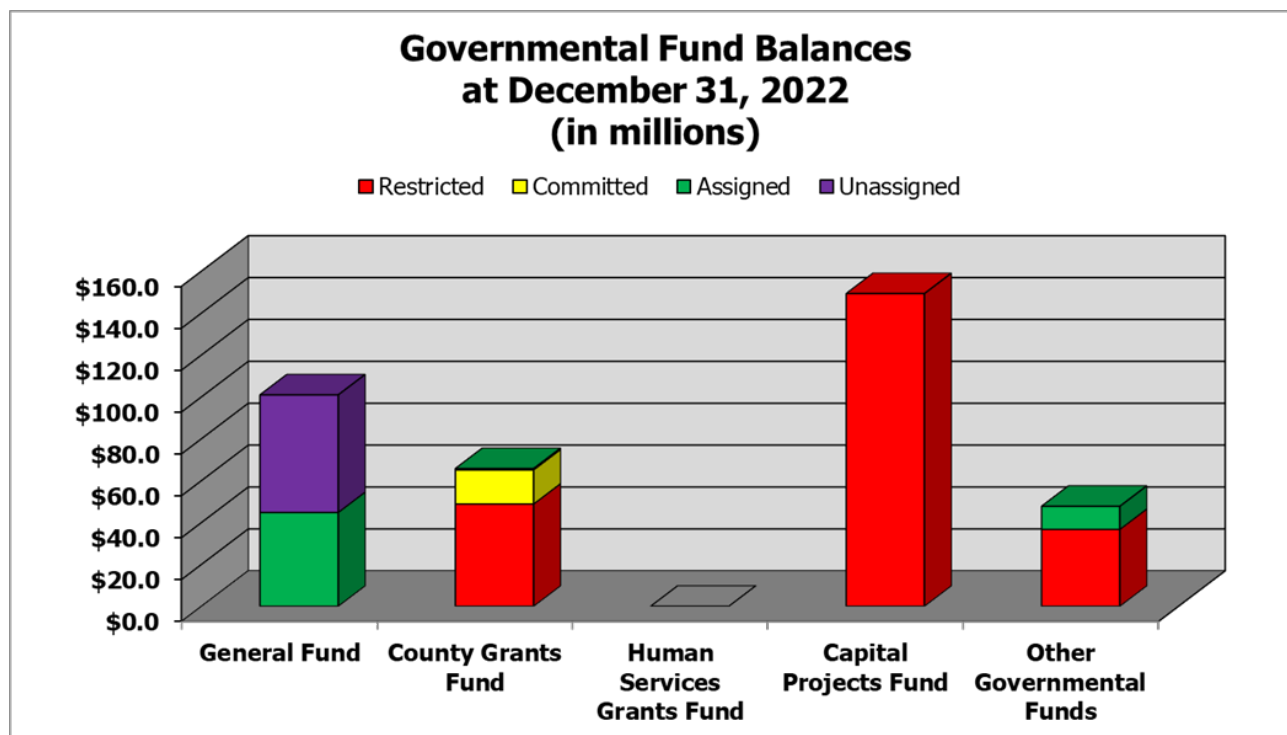


## Management's Discussion and Analysis

The following table presents the County's previously analyzed change in governmental fund balances for the year ended December 31, 2022:

<b>Change in Governmental Fund Balances</b> <b>Year Ended December 31, 2022</b> <b>(rounded in millions)</b>					
<b>Fund Balance</b>	<b>General</b>	<b>County Grants</b>	<b>Human Services Grants</b>	<b>Capital Projects</b>	<b>Other</b>
<b>Beginning 1/1/22</b>	\$ 94.1	53.9	-	134.9	38.8
<b>Net Change</b>	6.9	11.8	-	14.4	8.9
<b>Ending 12/31/22</b>	<u>\$ 101.0</u>	<u>65.7</u>	<u>-</u>	<u>149.3</u>	<u>47.7</u>

The following chart illustrates the governmental fund balances at December 31, 2022:



The General Fund is the chief operating fund of the County. At December 31, 2022, the total fund balance in the General Fund was \$101.0 million. The unassigned fund balance was \$56.1 million, which is 7.1% of 2022 General Fund revenues. The unassigned fund balance increased \$4.3 million, or 8.3% between years. The County has assigned \$33.0 million for future healthcare costs, \$5.0 million for claims and judgments, \$4.0 million for future tax appeals, and \$2.8 million for purchases on order. These assignments should not affect the availability of fund resources for future use.



## Management's Discussion and Analysis

### **2022 GENERAL FUND BUDGET**

The 2022 adopted and the 2022 final (including financing uses) General Fund budget is \$863.1 million, net of \$1.9 million in reappropriated 2021 encumbrances. Numerous budget transfers were approved by County Council throughout the year to increase some and reduce other departments' appropriations to arrive at the final budget. The major transfers to provide appropriations were \$4.0 million to the Department of Human Services, and \$0.6 million to the Parks.

The variance between actual revenues to final budget was a \$32.3 million unfavorable variance. Charges for services were \$28.1 million under budget, State revenues were \$12.4 million lower than projected, and Property taxes were \$5.4 million under budget. Federal revenue was \$2.5 million under budget, and Fines and Forfeitures were 1.1 million lower than projected. This is offset by Sales and Use Tax that was \$8.9 million over budget, Hotel Tax was \$1.1 million higher than projected, Interest revenue was \$3.5 million over budget and Miscellaneous revenues came in at \$4.6 million higher than projected. The variance between actual expenditures and budget was a \$67.9 million favorable variance. The decrease in expenditures are attributed to health and welfare programs being \$30.0 million under budget, general government being \$23.1 million under budget, public safety being \$11.9 million under budget, public works being \$2.1 million under budget, and economic development being \$0.8 million less than projected.

### **2023 OPERATING BUDGET**

On December 6, 2022, Allegheny County Council adopted a 2023 operating budget of \$1.02 billion, which is \$29.2 million or 2.9% higher than 2022's budget. This also marks the eleventh consecutive year that the Comprehensive Fiscal Plan is presented without the use of one-time revenue sources to balance the County's Operating Budget. Some highlights:

The increase in the 2023 operating budget is the average of personnel increases expected in 2023. Our property tax continues to provide a strong base with new construction activity continuing to increase our taxable base and offset negative impacts of the pandemic. For the 21st time in 22 years, the budgets are balanced without a property tax millage rate increase. During 2022, we saw the return of other revenues that had been impacted by the pandemic and that trend continues in this 2023 plan.

Hiring has been challenging nationwide and this budget includes our commitment to continue to rebuild our workforce back to pre-pandemic levels. During these uncertain times, we have worked to give our partners in labor and our employees a sense of security by making the negotiations with our bargaining units a priority.

The newly approved Department of Sustainability, dedicated to boosting the county's work on environmental issues, is included in the operating budget for the first time for 2023. This department will work to bring best practices related to these issues to all areas of our government, being intentional about what happens.

The capital budget continues to support a robust capital program without issuing new debt, saving the taxpayer over \$100 million over the life of what could have been new bonds. This is possible because this budget leverages American Rescue Plan funding to support the projects that need to be done this year while we ride out the turbulent bond market. Deferring a bond issue reduced our debt per capita by 4.4%, or \$32 per resident. This is the first time in at least 43 years that we haven't used bond sales to support our contribution to our capital program.



## Management's Discussion and Analysis

**CAPITAL ASSET AND DEBT ADMINISTRATION****CAPITAL ASSETS:**

The County's investment in capital assets at December 31, 2022, net of accumulated depreciation, amounted to \$875.8 million. Capital assets consist primarily of land, land improvements, construction in progress, buildings, equipment and infrastructure. The following is a summary of capital assets at December 31, 2022 and 2021:

Summary of Capital Assets			
	Balance at December 31, 2022	Balance at December 31, 2021	Increase (Decrease)
Land	\$ 30,979,157	30,879,857	99,300
Land improvements	8,655,791	8,655,791	-
Construction in progress	84,493,646	65,453,925	19,039,721
Buildings	488,753,529	487,663,269	1,090,260
Infrastructure	780,871,205	757,673,263	23,197,942
Furniture & other equipment	130,915,045	125,841,149	5,073,896
Right-to-use buildings	167,320,620	-	167,320,620
<b>Total capital assets</b>	<b>1,691,988,993</b>	<b>1,476,167,254</b>	<b>215,821,739</b>
Less accumulated depreciation for:			
Land improvements	8,285,174	8,262,029	23,145
Buildings	296,594,449	284,873,186	11,721,263
Infrastructure	413,740,069	383,076,421	30,663,648
Furniture & other equipment	97,561,682	90,885,364	6,676,318
<b>Total accumulated depreciation</b>	<b>816,181,374</b>	<b>767,097,000</b>	<b>49,084,374</b>
<b>Total</b>	<b>\$ 875,807,619</b>	<b>709,070,254</b>	<b>166,737,365</b>

The rise in capital assets of \$215.8 million is due to the addition of right-to-use buildings (\$167.3 million), as well as increases in infrastructure (\$23.2 million), construction in progress (\$19.0), furniture and equipment (\$5.1 million), buildings (\$1.1 million), and land (\$0.1 million). The total capital assets increase of \$215.866.7 million was offset by the increase in accumulated depreciation of \$49.1 million, resulting in a net increase in capital assets of \$166.7 million.

Major capital events during the current fiscal year included the following:

- Misc. capital roads reconstruction by Blythe Construction was closed and increased infrastructure by \$10.2 million.
- Dookers Hollow Bridge replacement is continuing, resulting in the \$8.6 million increase in construction in progress.
- On-going Capital Road rehabilitation projects, added \$5.7 million in construction in progress.
- South Park green parking was completed and increased infrastructure by \$2.2 million
- Reconstruction on Pine Creek Bridge No.9 was completed and increased infrastructure by \$2.2 million.
- Pearce Mill bike pedestrian line was closed, resulting in a \$1.9 million increase in infrastructure.
- Capital Bridge Repairs increased construction in progress by \$2.4 million.
- Settlers Cabin maintenance garage was completed, resulting in a \$1 million increase in infrastructure.
- Act 13 highway bridge improvement on Long Run Bridge #3 was closed, which increased infrastructure by \$1.3 million.

Additional information on the County's capital assets can be found in Note 5 of this report.

## Management's Discussion and Analysis

### *LONG-TERM DEBT:*

At December 31, 2022, the County had \$938.9 million of bond debt outstanding. This was a decrease of \$43.6 million, or 4.4%, from the previous year. The following chart details activity related to general obligation bonds during 2022:

<b>Summary of General Obligation Bond Activity</b>		
<b>Beginning Balance at 1/1/2022</b>	<b>\$</b>	<b>982,451,683</b>
<b>Less: Principal Payments</b>		<b>(38,810,000)</b>
<b>General Obligation Bonds/Notes</b>		<b>943,641,683</b>
<b>Less: Amortization of Premium/Discount</b>		<b>(4,741,002)</b>
<b>Ending Balance at 12/31/2022</b>	<b>\$</b>	<b>938,900,681</b>

Additional information on the County's long-term debt can be found in Note 9 of this report.

### *BOND RATING:*

The County's investment grade bond ratings from the two major rating agencies remained steady at Aa3 with a stable outlook from Moody's Investor Service and AA- with a stable outlook from Standard & Poor's on outstanding debt.

### **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability. Questions concerning this report or requests for additional information should be directed to:

Office of the Controller  
County of Allegheny, Pennsylvania  
Room 104 Courthouse  
436 Grant Street  
Pittsburgh, PA 15219

## Basic Financial Statements



## BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**  
**GOVERNMENTAL FUND FINANCIAL STATEMENTS**  
**PROPRIETARY FUND FINANCIAL STATEMENTS**  
**FIDUCIARY FUND FINANCIAL STATEMENTS**  
**COMPONENT UNIT FINANCIAL STATEMENTS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**

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## Basic Financial Statements



## Basic Financial Statements

## Exhibit 1 (Page 1 of 3)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**December 31 or June 30, 2022**

	Governmental Activities	Component Units
<u>Assets</u>		
Cash and short-term investments (note 3)	\$ 568,297,234	399,388,461
Time deposits and other investments (note 3)	14,070,000	25,093,921
Restricted/noncurrent cash and short-term investments (note 3)	99,567,552	872,871,540
Delinquent property taxes receivable, net (note 4)	8,769,924	-
Liened property taxes receivable, net (note 4)	35,227,806	-
Sales tax receivable (note 4)	11,235,260	-
Due from other governments, net (note 4)	217,398,393	89,908,138
Due from component units (note 10)	2,555,791	-
Due from primary government (note 10)	-	1,207,243
Loans receivable (note 4)	-	10,687,977
Alcoholic beverage tax receivable (note 4)	4,557,440	-
Rental vehicle tax receivable (note 4)	546,195	-
Accounts receivable (note 4):		
Trade	-	11,578,710
Other	110,424,692	23,234,154
Accrued penalty and interest receivable	367,710	-
Accrued interest and dividends receivable	1,583,562	961,390
Lease Receivable (note 6):		
Current	-	8,567,607
Non-current	-	185,147,179
Restricted accrued interest receivable	-	407,825
Restricted for passenger and customer facility charge receivable	-	1,855,916
Inventory	-	31,821,593
Other assets	-	5,513,110
Prepaid bond insurance costs	-	10,707
Designated for reserve fund	-	43,247,892
Land (note 5)	30,979,157	212,612,614
Land improvements, net of accumulated depreciation (note 5)	370,617	-
Construction in progress (note 5)	84,493,646	757,632,009
Infrastructure, net of accumulated depreciation (note 5)	367,131,136	-
Buildings and equipment, net of accumulated depreciation (note 5)	225,512,443	1,467,081,363
Right to use assets (note 5)	167,320,620	10,746,090
<b>Total assets</b>	<b>1,950,409,178</b>	<b>4,159,575,439</b>
<u>Deferred Outflows of Resources</u>		
Deferred charges on refunding debt	38,270,875	5,431,297
Accumulated decrease in fair value of hedging derivative (note 15)	317,241	-
Net difference between projected and actual earnings on pension plan investments	80,849,489	8,037,004
Difference between expected and actual experience - pension plan	64,244,784	6,865,980
Change of assumptions - net pension liability	473,105,907	53,722,101
Change in proportion - net pension liability	2,313,127	23,377,322
Difference between employer contributions and proportionate share of total contributions - net pension liability	-	65,509
Contributions subsequent to the measurement date - net pension liability	-	20,088,727
Difference between expected and actual experience - OPEB	1,814,500	-
Deferred charges on OPEB liability	-	128,452,253
Change of assumptions or other inputs - OPEB	9,748,619	-
Benefit payments subsequent to the measurement date - OPEB	3,130,323	-
<b>Total deferred outflows of resources</b>	<b>673,794,865</b>	<b>246,040,193</b>

## Basic Financial Statements

## Exhibit 1 (Page 2 of 3)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**December 31 or June 30, 2022**

	Governmental Activities	Component Units
<u>Liabilities</u>		
Vouchers payable	93,075,596	81,877,525
Accrued interest payable	4,854,938	-
Accrued payroll	15,545,137	26,817,642
Payroll withholdings	2,091,978	-
Due to component units (note 10)	1,957,243	-
Due to primary government (note 10)	-	2,555,791
Due to other governments	70,224	308,715
Accrued liabilities	114,768,620	39,406,846
Tax refunds payable	314,475	-
Unearned revenue:		
Current	367,015,779	252,313,271
Non-current	-	1,931,908
Unearned tuition and student deposits	-	2,840,070
Accrued unemployment compensation	59,537	-
Other liabilities:		
Current	-	28,724,416
Non-current (note 7)	-	955,144
Other post-employment benefits (note 12):		
Non-current	64,322,191	594,116,229
Accrued pension costs:		
Current contributions	3,249,840	-
Non-current net pension liability (note 11)	1,709,287,075	389,697,389
Accrued workers' compensation (notes 7 and 9):		
Current	3,729,230	-
Non-current	3,725,274	-
Compensated absences (notes 1 and 9):		
Current	888,325	2,674,364
Non-current	10,027,081	-
Derivative instrument - rate swap	317,241	-
General obligation/revenue bonds/notes (notes 9 and 15):		
Current	42,847,560	52,503,644
Non-current	899,249,050	1,220,094,247
Leases (note 6)		
Current	9,441,498	1,266,920
Non-current	148,867,843	10,141,272
Reserve for claims and settlements (note 7):		
Current	-	44,733,162
Non-current	2,150	2,169,895
<b>Total liabilities</b>	<b>3,495,707,885</b>	<b>2,755,128,450</b>
<u>Deferred Inflows of Resources</u>		
Leases	-	190,260,132
Changes in pension plan assumptions	495,152,727	49,126,776
Net difference between projected and actual earnings on pension plan investments	-	94,446,143
Changes in proportions - net pension liability	22,369,813	3,385,150
Net difference between expected and actual experience - pension plan	-	4,373,345
Difference between employer contributions and proportionate share of total contributions - net pension liability	-	40,281
Net difference between expected and actual experience - OPEB	3,917,263	-
Change in assumptions or other inputs - OPEB	1,678,322	-
Deferred amounts on OPEB liability	-	142,595,142
<b>Total deferred inflows of resources</b>	<b>523,118,125</b>	<b>484,226,969</b>

## Basic Financial Statements

## Exhibit 1 (Page 3 of 3)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**December 31 or June 30, 2022**

	Governmental Activities	Component Units
<u>Net Position</u>		
Net position (deficit): (note 1)		
Net investment in capital assets	(37,020,683)	1,868,848,089
Restricted for:		
Workers' compensation claims	2,291,186	-
Opioid settlement	73,436,859	-
County grants	48,850,885	-
Capital projects	-	18,751,241
Debt service	6,624,706	407,825
Liquid fuel	11,423	-
Transportation	30,088,936	-
Infrastructure support	4,091	-
Scholarship and tuition funds	-	169,435
Other student funds	-	2,581,243
Other projects	-	89,263,307
Investments held in perpetuity	-	16,178,464
Unrestricted net position (deficit)	(1,518,909,370)	(829,939,391)
Total net position	\$ (1,394,621,967)	1,166,260,213

See accompanying notes to financial statements.

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Activities**  
**Year Ended December 31 or June 30, 2022**

Functions/Programs	Expenses	Charges for Services
Primary government:		
General government	\$ 421,399,159	52,048,359
Public safety	182,313,591	13,117,258
Public works	64,933,109	-
Transportation	39,848,603	-
Health and welfare	1,469,094,459	156,521,597
Culture and recreation	36,145,966	7,105,336
Education	27,909,495	-
Economic development	26,492,777	805,108
Economic opportunity	28,785,366	-
Interest on long-term debt	38,815,209	-
Total primary government	<u>\$ 2,335,737,734</u>	<u>229,597,658</u>
Component units:		
Allegheny County Airport Authority	\$ 240,342,223	141,218,540
Pittsburgh Regional Transit	506,247,324	57,572,420
Community College of Allegheny County	168,893,091	27,697,632
Redevelopment Authority of Allegheny County	32,920,832	991,885
Allegheny County Industrial Development Authority	981,041	138,122
Nonmajor Component Units	12,507,240	2,741,153
Total component units	<u>\$ 961,891,751</u>	<u>230,359,752</u>

## General Revenues:

Property taxes, levied for general purpose
Property taxes, levied for debt service
Sales taxes
Hotel rental tax
Gaming local share assessment
Payment from Allegheny County
Interest and investment earnings
Lease interest revenue
Gaming Act revenue
Gas drilling revenue
Miscellaneous
Total general revenues
Change in net position
Net position - beginning of year
Net position - end of year

See accompanying notes to financial statements.



## Basic Financial Statements

## Exhibit 2

Program Revenues		Net (Expense) Revenue and Changes in Net Position	
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Total	Component Units
41,263,232	56,470,891	(271,616,677)	-
37,820,977	-	(131,375,356)	-
9,837,991	35,227,999	(19,867,119)	-
53,820,013	-	13,971,410	-
1,328,709,137	-	16,136,275	-
26,943,108	9,793,563	7,696,041	-
-	-	(27,909,495)	-
28,444,048	-	2,756,379	-
28,545,508	-	(239,858)	-
-	-	(38,815,209)	-
<u>1,555,384,014</u>	<u>101,492,453</u>	<u>(449,263,609)</u>	<u>-</u>
22,884,069	46,705,982	-	(29,533,632)
355,428,164	95,429,777	-	2,183,037
116,656,902	19,052,660	-	(5,485,897)
27,460,927	-	-	(4,468,020)
25,636	-	-	(817,283)
6,486,493	2,223,578	-	(1,056,016)
<u>528,942,191</u>	<u>163,411,997</u>	<u>-</u>	<u>(39,177,811)</u>
		\$ 316,986,025	-
		63,491,253	-
		62,296,573	-
		6,376,858	-
		5,305,823	-
		-	66,441,706
		9,310,627	7,570,372
		-	6,788,935
		-	12,400,000
		-	12,205,005
		1,240,960	4,088,495
		<u>465,008,119</u>	<u>109,494,513</u>
		15,744,510	70,316,702
		(1,410,366,477)	1,095,943,511
		<u>\$ (1,394,621,967)</u>	<u>1,166,260,213</u>

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2022**

	General Fund	County Grants Fund	Human Services Grants Fund
<b>Assets</b>			
Cash and short-term investments (note 3)	\$ 75,318,193	243,261,718	61,768,500
Time deposits and other investments (note 3)	-	7,000,000	-
Restricted cash and short-term investments (note 3)	-	2,776,492	86,492,032
Delinquent property taxes receivable, net (note 4)	7,302,952	-	-
Liened property taxes receivable, net (note 4)	28,021,563	-	-
Sales tax receivable (note 4)	11,235,260	-	-
Due from other funds (note 10)	8,772,418	6,732,982	10,444,204
Due from other governments (note 4)	81,912,729	39,724,756	89,780,797
Due from component units (note 10)	1,901,767	47,859	606,165
Alcoholic beverage tax receivable (note 4)	-	-	-
Rental vehicle tax receivable (note 4)	-	-	-
Other accounts receivable (note 4)	12,566,129	89,578,815	8,277,935
Accrued penalty and interest receivable	309,134	-	-
Accrued interest and dividends receivable	1,117,323	35,781	260,743
Total assets	\$ 228,457,468	389,158,403	257,630,376
<b>Liabilities</b>			
Vouchers payable	\$ 12,803,025	1,826,938	77,762,643
Accrued payroll	12,518,487	2,459,350	567,300
Payroll withholdings	2,091,978	-	-
Due to other funds (note 10)	17,295,840	2,228,375	6,756,052
Tax refunds payable	264,379	-	-
Accrued pension costs	2,602,100	524,324	123,416
Accrued liabilities	32,945,658	4,089,765	56,504,061
Due to component units (note 10)	293,487	293,487	592,814
Due to other governments	48,209	22,015	-
Unearned revenue	12,016,516	238,518,956	115,324,001
Accrued workers' compensation (note 7)	574,717	1,317	89
Accrued unemployment compensation	57,802	1,735	-
Total liabilities	93,512,198	249,966,262	257,630,376

## Basic Financial Statements

## Exhibit 3 (Page 1 of 2)

Capital Projects	Other Governmental Funds	Total Governmental Funds
159,916,385	24,985,301	565,250,097
-	7,070,000	14,070,000
-	10,299,028	99,567,552
-	1,466,972	8,769,924
-	7,206,243	35,227,806
-	-	11,235,260
22,298	272,783	26,244,685
5,980,111	-	217,398,393
-	-	2,555,791
-	4,557,440	4,557,440
-	546,195	546,195
-	-	110,422,879
-	58,576	367,710
104,510	65,205	1,583,562
<u>166,023,304</u>	<u>56,527,743</u>	<u>1,097,797,294</u>
564,759	91,559	93,048,924
-	-	15,545,137
-	-	2,091,978
301,498	214,294	26,796,059
-	50,096	314,475
-	-	3,249,840
14,666,512	2,781	108,208,777
27,455	-	1,207,243
-	-	70,224
1,156,306	-	367,015,779
-	-	576,123
-	-	59,537
<u>16,716,530</u>	<u>358,730</u>	<u>618,184,096</u>

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2022**

	General Fund	County Grants Fund	Human Services Grants Fund
<u>Deferred Inflows of Resources</u>			
Unavailable revenue - property taxes	34,002,149	-	-
Other unavailable long-term revenue	-	73,436,859	-
Total deferred inflows of resources	<u>34,002,149</u>	<u>73,436,859</u>	<u>-</u>
<u>Fund Balances (note 11)</u>			
Restricted for:			
Special projects	-	2,393,911	-
Community redevelopment	-	11,175,101	-
Law enforcement	-	9,612,175	-
Transit system	-	-	-
Parks' system	-	-	-
Emergency services	-	701,064	-
Health services	-	20,197,149	-
Technology projects	-	4,244,925	-
Debt service	-	-	-
Bridges	-	-	-
Roads	-	-	-
Buildings	-	-	-
Equipment	-	-	-
Feasibility studies	-	-	-
Various projects	-	-	-
Judicial services	-	498,840	-
Recreation events	-	27,720	-
Committed to:			
Special projects	-	98,385	-
Community redevelopment	-	589,234	-
Law enforcement	-	567,742	-
Emergency services	-	229,683	-
Rehabilitation programs	-	2,171,886	-
Health services	-	11,956,282	-
Judicial services	-	668,735	-
Assigned to:			
Purchases on order	2,806,892	-	-
Future tax appeals	4,000,000	-	-
Future healthcare cost	33,000,000	-	-
Claims and judgments	5,000,000	-	-
Debt service	-	-	-
Judicial services	-	64,565	-
Recreation events	-	482,368	-
Public maintenance	-	75,517	-
Unassigned	56,136,229	-	-
Total fund balances	<u>100,943,121</u>	<u>65,755,282</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>228,457,468</u>	<u>389,158,403</u>	<u>257,630,376</u>

See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 3 (Page 2 of 2)

Capital Projects	Other Governmental Funds	Total Governmental Funds
-	8,422,642	42,424,791
-	-	73,436,859
-	8,422,642	115,861,650
-	-	2,393,911
-	-	11,175,101
-	-	9,612,175
-	30,088,936	30,088,936
9,915,070	-	9,915,070
-	-	701,064
-	-	20,197,149
-	-	4,244,925
-	6,624,706	6,624,706
3,272,186	-	3,272,186
6,241,619	15,514	6,257,133
16,902,484	-	16,902,484
33,227,733	-	33,227,733
1,164,437	-	1,164,437
78,583,245	-	78,583,245
-	-	498,840
-	-	27,720
-	-	98,385
-	-	589,234
-	-	567,742
-	-	229,683
-	-	2,171,886
-	-	11,956,282
-	-	668,735
-	136,080	2,942,972
-	-	4,000,000
-	-	33,000,000
-	-	5,000,000
-	10,881,135	10,881,135
-	-	64,565
-	-	482,368
-	-	75,517
-	-	56,136,229
149,306,774	47,746,371	363,751,548
166,023,304	56,527,743	1,097,797,294

## Basic Financial Statements



## Basic Financial Statements

## Exhibit 3-A

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**December 31, 2022**

<b>Total Fund Balance - Governmental Funds</b>		\$ 363,751,548
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, including infrastructure and construction in progress, used in governmental activities are not current financial resources and therefore, are not reported as assets in governmental funds.		
		708,486,999
Property taxes receivable, and other accounts receivable will be collected in the future, but are not available to pay for the current period's expenditures and therefore, are deferred in the fund statements.		
		115,861,650
Governmental funds report the effect of deferred refunding loss when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
		38,270,875
Net pension obligation, net of deferred inflows and outflows and other post-employment benefits are reflected on the Statement of Net Position, but are not considered a current liability for the fund statements.		
		(1,661,520,642)
Net position of the Risk Management Fund is reported as government funds on the Statement of Net Position		
		2,291,186
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
Accrued workers' compensation	\$ (6,878,381)	
Compensated absences	(10,915,406)	
GO Bonds/Revenue Bonds/Notes/Leases	(933,085,331)	
Accrued interest on bonds	(4,854,938)	
Obligation to component unit	(750,000)	
Obligation for healthcare IBNR	(5,277,377)	
Claims and settlements	(2,150)	(961,763,583)
<b>Total Net Position - Governmental Activities</b>		<b>\$ (1,394,621,967)</b>

See accompanying notes to financial statements.

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended December 31, 2022**

	General Fund	County Grants Fund	Human Services Grants Fund
Revenues:			
Property taxes (notes 1 and 4)	\$ 322,359,852	-	-
Sales and use tax (note 4)	62,296,573	-	-
Alcoholic beverage tax	-	-	-
Rental vehicle tax	-	-	-
Hotel tax	6,376,858	-	-
Gaming local share assessment	5,305,823	-	-
Licenses and permits	3,254,621	-	-
Federal revenues	48,523,680	236,443,325	167,894,237
State revenues	166,020,693	38,817,873	768,315,721
Local governmental units revenues	23,404,700	-	-
Charges for services and facilities	130,153,420	17,591,549	-
Fines and forfeitures	2,989,492	-	-
Interest earnings	4,976,215	107,800	2,957,216
Miscellaneous	10,329,854	24,868,631	10,342,429
Total revenues	<u>785,991,781</u>	<u>317,829,178</u>	<u>949,509,603</u>
Expenditures:			
Current:			
General government	228,962,936	44,384,371	-
Public safety	132,078,214	39,235,785	-
Public works	19,388,960	68,584	-
Transportation	-	-	-
Health and welfare	340,444,069	188,603,047	933,704,324
Culture and recreation	23,201,819	26,307	-
Education	27,909,495	-	-
Economic development	2,652,679	23,968,706	-
Economic opportunity	-	-	28,785,366
Capital projects	-	-	-
Debt Service (note 9):			
Principal	-	-	-
Interest	-	-	-
Total expenditures	<u>774,638,172</u>	<u>296,286,800</u>	<u>962,489,690</u>
Excess (deficiency) of revenue over expenditures	<u>11,353,609</u>	<u>21,542,378</u>	<u>(12,980,087)</u>



## Basic Financial Statements

## Exhibit 4 (Page 1 of 2)

Capital Projects	Other Governmental Funds	Total Governmental Funds
-	64,570,714	386,930,566
-	-	62,296,573
-	47,089,281	47,089,281
-	6,730,732	6,730,732
-	-	6,376,858
-	-	5,305,823
-	-	3,254,621
85,845,614	336,391	539,043,247
14,717,848	8,438,184	996,310,319
928,991	-	24,333,691
-	-	147,744,969
-	-	2,989,492
885,684	383,712	9,310,627
1,240,960	-	46,781,874
<u>103,619,097</u>	<u>127,549,014</u>	<u>2,284,498,673</u>
-	-	273,347,307
-	-	171,313,999
-	8,350,103	27,807,647
-	34,907,603	34,907,603
-	-	1,462,751,440
-	-	23,228,126
-	-	27,909,495
-	-	26,621,385
-	-	28,785,366
93,035,954	-	93,035,954
-	38,810,000	38,810,000
-	31,671,976	31,671,976
<u>93,035,954</u>	<u>113,739,682</u>	<u>2,240,190,298</u>
<u>10,583,143</u>	<u>13,809,332</u>	<u>44,308,375</u>

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended December 31, 2022**

	General Fund	County Grants Fund	Human Services Grants Fund
Other financing sources (uses):			
Transfers in (note 10)	17,294,909	14,877,687	13,046,801
Transfers out (note 10)	(21,802,154)	(24,561,715)	(66,714)
Total other financing sources (uses)	(4,507,245)	(9,684,028)	12,980,087
Net change in fund balances	6,846,364	11,858,350	-
Fund balances at beginning of year	94,096,757	53,896,932	-
Fund balances at end of year	\$ 100,943,121	65,755,282	-

See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 4 (Page 2 of 2)

Capital Projects	Other Governmental Funds	Total Governmental Funds
5,123,588 <u>(1,262,588)</u>	5,533,561 <u>(10,474,561)</u>	55,876,546 <u>(58,167,732)</u>
<u>3,861,000</u>	<u>(4,941,000)</u>	<u>(2,291,186)</u>
14,444,143	8,868,332	42,017,189
<u>134,862,631</u>	<u>38,878,039</u>	<u>321,734,359</u>
<u><u>149,306,774</u></u>	<u><u>47,746,371</u></u>	<u><u>363,751,548</u></u>

## Basic Financial Statements

## Exhibit 4-A

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Reconciliation of the Statement of Revenues, Expenditures**  
**And Changes in Fund Balances of Governmental Funds**  
**To the Statement of Activities**  
**Year Ended December 31, 2022**

<b>Net Change in Fund Balance - Governmental Funds</b>	\$	42,017,189
<p>Amounts reported for governmental activities in the statement of net position are different because:</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of net position, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount, net of deletions, by which capital outlays exceeded depreciation in the current period:</p>		
Capital outlays	\$ 50,605,120	
Less: Depreciation expense	<u>(51,188,375)</u>	(583,255)
<p>Some taxes will not be collected for several months after the County's year-end, they are not considered as "available" revenues in the governmental fund statements. Unavailable revenue - property taxes decreased by this amount during the year.</p>		
		(6,453,288)
<p>The issuance of long-term obligations (e.g. bonds, leases, loans) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of deferred refunding loss when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term obligations and related items.</p>		
		40,916,718
<p>Other long-term revenues due for several years after the County's year end, they are not considered as "available" revenue in the governmental fund statements.</p>		
		73,436,859
<p>Net pension obligation, net of deferred inflows and outflows and other post-employment benefits are reflected on the statement of net position, but are not considered a current expenditure for the fund statements.</p>		
		(144,046,802)
<p>Leases are reflected on the statement of net position, but are not considered a current expenditure for fund statements.</p>		
		9,011,279
<p>In the statement of net position, long term obligations due for healthcare IBNR and due to component units are included, whereas these amounts are not current financial liabilities and are not reported on the government funds.</p>		
		(29,865)
<p>Interest on long-term obligations in the statement of net position differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of net position, interest expense is recognized as the interest accrues, regardless of when it is due. The difference between the interest accrued in the statement of net position and the amount due is shown here.</p>		
		(1,051,798)
<p>Changes in net position for the Risk Management Fund are reported as governmental funds in the statement of activities.</p>		
		2,291,186
<p>In the statement of net position, certain operating expenses - accumulated employee benefits (workers' compensation, sick days and voluntary separation, claims and settlements) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used. This amount represents the difference between the amount earned versus the amount used.</p>		
		<u>236,287</u>
<b>Change in Net Position of Governmental Activities</b>	\$	<u><u>15,744,510</u></u>

See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 5

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**Proprietary Fund**  
**December 31, 2022**

	<u>Governmental Activities Risk Management Fund</u>
<u>Assets</u>	
Current assets:	
Cash and cash equivalents	\$ 3,047,137
Due from other funds:	
General Fund	552,697
Accounts receivable	<u>1,813</u>
Total assets	<u>3,601,647</u>
<u>Liabilities</u>	
Current liabilities:	
Vouchers payable	26,672
Due to other funds:	
General Fund	1,323
Accrued liabilities	<u>1,282,466</u>
Total liabilities	<u>1,310,461</u>
<u>Net Position</u>	
Net position:	
Restricted for workers' comp claims	\$ <u><u>2,291,186</u></u>

See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 6

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Fund**  
**Year Ended December 31, 2022**

	Governmental Activities Risk Management Fund
Operating revenues:	
Contribution - employee	\$ 168,724
Contribution - employer	1,364,711
Miscellaneous income	20,348
Total operating revenues	<u>1,553,783</u>
Operating expenses:	
Insurance claims expense	<u>1,553,783</u>
Total operating expenses	<u>1,553,783</u>
Operating income	-
Non-operating expenses:	
Transfers in	<u>2,291,186</u>
Change in net position	<u>2,291,186</u>
Net position at beginning of year	<u>-</u>
Net position at end of year	<u><u>\$ 2,291,186</u></u>

See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 7

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**Year Ended December 31, 2022**

	Governmental Activities Risk Management Fund
Cash flows from operating activities:	
Receipts from customers	\$ 1,562,597
Payments to suppliers	(1,488,776)
Net cash used for operating activities	<u>73,821</u>
Cash flows from noncapital financing activities:	
Transfers in	2,291,186
Net cash used by noncapital financing activities	<u>-</u>
Net cash and cash equivalents	2,365,007
Balance - beginning of year	<u>682,130</u>
Balance - end of year	<u>\$ 3,047,137</u>
Adjustments to reconcile operating income to net cash used for operating activities:	
Decrease in accounts receivable	\$ 22
Decrease in due from other funds	8,792
Decrease in due to other funds	(138,453)
Decrease in vouchers payable	(6,506)
Increase in accrued liabilities	209,966
Total adjustments	<u>73,821</u>
Net cash used for operating activities	<u>\$ 73,821</u>

See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 8 (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2022**

<u>Assets</u>	<u>Pension Trust Fund</u>	<u>Custodial Funds</u>
Cash and short-term investments (note 3)	\$ 49,818,501	68,367,617
Investments (at fair value): (note 3)		
Equity:		
U.S. common and preferred stock	74,429,387	-
American Depositary Receipts (ADRs)	350,227	-
S&P 500 index fund	68,771,098	-
Non-U.S. stock and equity mutual fund	120,567,257	-
Bonds and Notes:		
Corporate certificates of deposit	656,596	-
U.S. government and related agency debt	40,047,699	-
Fannie Mae and Freddie Mac debt	16,170,135	-
Fixed income mutual funds	150,805,240	-
U.S. corporate debt instruments	28,231,711	-
Non-U.S. government and corporate debt	11,667,861	-
Other Investments:		
Hedge funds	24,216,372	-
Real estate	127,165,694	-
Venture capital / private equity	223,820,417	-
	<u>886,899,694</u>	<u>-</u>
Amount due from brokers	244,482	-
Accrued interest and dividends receivable	1,622,127	2,202
Accrued employer contributions receivable	1,814,140	-
Accrued employee contributions receivable	1,811,480	-
Accounts receivable:		
Other, net of \$49,142,439 allowance for doubtful accounts in the Custodial Fund	-	445,975,042
Due from other governments	-	791,510
Other assets	<u>6,916</u>	<u>-</u>
Total assets	<u>\$ 942,217,340</u>	<u>515,136,371</u>



## Basic Financial Statements

## Exhibit 8 (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2022**

	Pension Trust Fund	Custodial Funds
<u>Liabilities</u>		
Fines and fees payable	\$ -	303,788,548
Due to crime victims	-	138,789,635
Due to other governments	-	22,547,077
Due to litigants	-	3,977,880
Due to landlords	-	964,760
Due to child support recipients	-	520,022
Accrued payroll	9,769	-
Vouchers payable	200,354	4,035,076
Payroll withholdings	2,335	-
Accrued liabilities	1,456,457	-
Amount due to brokers	4,277,590	-
Other liabilities	1,926	18,003
	<u>5,948,431</u>	<u>474,641,001</u>
Total liabilities		
Net position:		
Restricted for:		
Pensions	936,268,909	-
Hotel tax collections	-	21,234,409
Distribution to litigants	-	5,937,159
Distribution to beneficiaries	-	2,129,667
Kane patients	-	1,054,219
Payment of future court costs	-	495,171
Law enforcement expenditures	-	342,528
Incarcerated-related expenditures	-	425,814
Property management activities	-	6,613,595
Solicitors property funds	-	134,873
Environmental remediation	-	62,078
Narcotics investigations	-	316,694
Child welfare expenditures	-	1,726,827
Change funds	-	3,082
Miscellaneous expenditures	-	19,254
Total net position	\$ <u>936,268,909</u>	<u>40,495,370</u>

See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 9 (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Year Ended December 31, 2022**

	Pension Trust Fund	Custodial Funds
Additions:		
Contributions:		
Employee	\$ 42,673,844	-
Employer	42,522,522	-
Total contributions	85,196,366	-
Investment income:		
Net depreciation in fair value of investments	(114,027,033)	-
Interest	3,299,195	-
Dividends	10,818,871	-
Stock loan income	41,032	-
Partnership income	3,800,280	-
	(96,067,655)	-
Less: Investment management fees	3,297,432	-
Total investment loss - net	(99,365,087)	-
Collection of delinquent tax for third parties	-	266,830,528
Licenses fees collected for other governments	-	46,325,429
Hotel tax collections	-	32,150,729
Sheriff sales	-	24,756,350
Patient income	-	3,689,085
Incarcerated account collections	-	7,166,591
Collections for CYF	-	2,382,799
Collections from defendants	-	874,409
Collections from parents	-	616,700
Recording and filing fees	-	402,033
Interest	-	71,905
Fees and fines collected	-	25,304
Miscellaneous income	46,384	557,184
Total additions	(14,122,337)	385,849,046

## Basic Financial Statements

## Exhibit 9 (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Year Ended December 31, 2022**

	Pension Trust Fund	Custodial Funds
Deductions:		
Benefit payments	132,764,392	-
Refunds of employee contributions	13,756,044	-
Salaries, wages and related expenses	325,138	-
Administrative and miscellaneous expenses	1,348,058	5,214,760
Distribution of delinquent tax for third parties	-	266,830,528
Payments of fees collected to other governments	-	44,674,909
Hotel tax distributions	-	23,853,536
Sheriff sales	-	25,107,996
Kane patients' expense	-	716,974
Payments of CYF income	-	2,395,203
Incarcerated commissary purchases	-	7,109,157
Payments to litigants	-	717,050
Miscellaneous	-	424,421
Total deductions	<u>148,193,632</u>	<u>377,044,534</u>
Change in net position	<u>(162,315,969)</u>	<u>8,804,512</u>
Net position - beginning of year	<u>1,098,584,878</u>	<u>31,690,858</u>
Net position - end of year	\$ <u><u>936,268,909</u></u>	<u><u>40,495,370</u></u>

See accompanying notes to financial statements.

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**Component Units**  
**December 31 or June 30, 2022**

	Allegheny County Airport Authority as of December 31	Pittsburgh Regional Transit as of June 30
<u>Assets</u>		
Cash and short-term investments (note 3)	\$ 111,111,587	160,144,214
Time deposits and other investments (note 3)	-	-
Restricted cash and short-term investments (note 3)	763,557,473	14,304,536
Due from other governments (note 4)	26,578,771	32,932,090
Due from primary government (note 10)	586,974	-
Accounts receivable (note 4):		
Trade, net of allowance for doubtful accounts	7,630,349	-
Other	3,966,210	5,830,130
Accrued interest receivable	961,390	-
Restricted for passenger and customer facility charge receivable	1,855,916	-
Restricted interest and dividends receivable	407,825	-
Inventory	2,324,238	20,231,995
Other assets	-	1,679,998
Leases receivable (note 6):		
Current	8,567,607	-
Non-current	185,147,179	-
Loans receivable, net of allowance for loan losses (note 4)	-	-
Prepaid bond insurance costs	10,707	-
Designated for reserve fund	-	43,247,892
Land (note 5)	112,630,772	95,953,095
Construction in progress (note 5)	617,927,663	108,385,448
Right to use assets (note 5)	-	10,086,832
Buildings and equipment net of accumulated depreciation (note 5)	306,582,314	1,005,668,225
<b>Total assets</b>	<b>2,149,846,975</b>	<b>1,498,464,455</b>
<u>Deferred Outflows of Resources</u>		
Deferred charges on refunding debt	-	4,513,744
Net difference between projected and actual earnings on pension plan investments	8,037,004	-
Difference between expected and actual experience	6,373,125	471,658
Change of assumptions - net pension liability	46,932,061	6,315,396
Change in proportion - net pension liability	22,369,813	-
Difference between employer contributions and proportionate share of total contributions	-	-
Contributions subsequent to the measurement date - pension	-	19,435,493
Deferred charges on OPEB liability	-	128,379,939
<b>Total deferred outflows of resources</b>	<b>83,712,003</b>	<b>159,116,230</b>

## Basic Financial Statements

## Exhibit 10 (Page 1 of 3)

Community College of Allegheny County as of June 30	Redevelopment Authority of Allegheny County as of December 31	Allegheny County Industrial Development Authority as of December 31	Nonmajor Component Units as of December 31	Total
55,571,369	61,410,382	3,263,763	7,887,146	399,388,461
24,358,901	414,629	-	320,391	25,093,921
41,363,244	13,711,428	4,381	39,930,478	872,871,540
6,626,991	23,770,286	-	-	89,908,138
-	-	-	620,269	1,207,243
3,771,449	-	24,243	152,669	11,578,710
12,107,311	547,283	-	783,220	23,234,154
-	-	-	-	961,390
-	-	-	-	1,855,916
-	-	-	-	407,825
-	9,246,980	-	18,380	31,821,593
3,708,744	4,123	-	120,245	5,513,110
-	-	-	-	8,567,607
-	-	-	-	185,147,179
-	9,993,089	694,888	-	10,687,977
-	-	-	-	10,707
-	-	-	-	43,247,892
4,028,747	-	-	-	212,612,614
31,318,898	-	-	-	757,632,009
659,258	-	-	-	10,746,090
151,231,402	-	-	3,599,422	1,467,081,363
334,746,314	119,098,200	3,987,275	53,432,220	4,159,575,439
917,553	-	-	-	5,431,297
-	-	-	-	8,037,004
21,197	-	-	-	6,865,980
474,644	-	-	-	53,722,101
1,007,509	-	-	-	23,377,322
65,509	-	-	-	65,509
653,234	-	-	-	20,088,727
72,314	-	-	-	128,452,253
3,211,960	-	-	-	246,040,193

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**Component Units**  
**December 31 or June 30, 2022**

	Allegheny County Airport Authority as of December 31	Pittsburgh Regional Transit as of June 30
<u>Liabilities</u>		
Vouchers payable	\$ 35,272,129	13,427,740
Accrued payroll	-	22,590,501
Due to primary government (note 10)	1,949,626	-
Due to other governments	-	-
Accrued liabilities	32,520,480	-
Unearned tuition and student deposits	-	-
Other liabilities:		
Current	26,746,968	1,793,500
Non-current	955,144	-
Unearned revenue:		
Current	11,038,557	196,211,680
Non-current (note 9)	1,931,908	-
Reserve for claims and settlements:		
Current	-	7,221,341
Non-current	-	2,169,895
Compensated absences:		
Current	-	-
Long term debt (notes 9 and 15):		
Current	32,211,371	13,220,000
Non-current	1,016,379,732	114,287,136
Lease liability (note 6):		
Current	-	1,005,829
Non-current	-	9,735,536
Accrued pension costs:		
Non-current net pension liability	169,562,428	213,438,022
Accrued OPEB liability:		
Non-current	-	593,890,229
	<u>1,328,568,343</u>	<u>1,188,991,409</u>
<u>Deferred Inflows of Resources</u>		
Leases	190,260,132	-
Net difference between projected and actual earnings on pension plan investments	-	93,021,777
Changes in proportions	2,313,127	-
Differences between expected and actual experience - pension	-	4,305,482
Difference between employer contributions and proportionate share of total contributions	-	-
Change in assumptions	49,119,484	7,292
Differences between expected and actual experience - OPEB	-	-
Deferred amounts on OPEB liability	-	142,556,142
	<u>241,692,743</u>	<u>239,890,693</u>
Total deferred inflows of resources		

## Basic Financial Statements

## Exhibit 10 (Page 2 of 3)

Community College of Allegheny County as of June 30	Redevelopment Authority of Allegheny County as of December 31	Allegheny County Industrial Development Authority as of December 31	Nonmajor Component Units as of December 31	Total
13,649,303	19,269,946	146,319	112,088	81,877,525
4,227,141	-	-	-	26,817,642
-	-	-	606,165	2,555,791
-	308,715	-	-	308,715
4,516,750	-	-	2,369,616	39,406,846
2,840,070	-	-	-	2,840,070
-	-	-	183,948	28,724,416
-	-	-	-	955,144
-	43,391,502	-	1,671,532	252,313,271
-	-	-	-	1,931,908
-	-	-	37,511,821	44,733,162
-	-	-	-	2,169,895
2,667,448	-	-	6,916	2,674,364
7,072,273	-	-	-	52,503,644
89,427,379	-	-	-	1,220,094,247
261,091	-	-	-	1,266,920
405,736	-	-	-	10,141,272
6,696,939	-	-	-	389,697,389
226,000	-	-	-	594,116,229
131,990,130	62,970,163	146,319	42,462,086	2,755,128,450
-	-	-	-	190,260,132
1,424,366	-	-	-	94,446,143
1,072,023	-	-	-	3,385,150
67,863	-	-	-	4,373,345
40,281	-	-	-	40,281
-	-	-	-	49,126,776
-	-	-	-	-
39,000	-	-	-	142,595,142
2,643,533	-	-	-	484,226,969

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**Component Units**  
**December 31 or June 30, 2022**

	Allegheny County Airport Authority as of December 31	Pittsburgh Regional Transit as of June 30
<u>Net Position</u>		
Net investment in capital assets	602,987,861	1,140,764,116
Restricted for:		
Capital projects	12,666,688	-
Debt service	407,825	-
Scholarship and tuition funds	-	-
Student development funds	-	-
Other projects	20,010,731	-
Investments held in perpetuity	-	-
Unrestricted (deficit)	27,224,787	(912,065,533)
Total net position	\$ 663,297,892	228,698,583

See accompanying notes to financial statements.



## Basic Financial Statements

## Exhibit 10 (Page 3 of 3)

Community College of Allegheny County as of June 30	Redevelopment Authority of Allegheny County as of December 31	Allegheny County Industrial Development Authority as of December 31	Nonmajor Component Units as of December 31	Total
121,593,209	-	-	3,502,903	1,868,848,089
2,619,771	-	-	3,464,782	18,751,241
-	-	-	-	407,825
169,435	-	-	-	169,435
2,581,243	-	-	-	2,581,243
19,211,293	46,494,124	3,547,159	-	89,263,307
16,178,464	-	-	-	16,178,464
40,971,196	9,633,913	293,797	4,002,449	(829,939,391)
203,324,611	56,128,037	3,840,956	10,970,134	1,166,260,213

## Basic Financial Statements

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Activities**  
**Component Units**  
**Year Ended December 31 or June 30, 2022**

		Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants & Contributions
	Expenses			
Allegheny County Airport Authority	\$ 240,342,223	141,218,540	22,884,069	46,705,982
Pittsburgh Regional Transit	506,247,324	57,572,420	355,428,164	95,429,777
Community College of Allegheny County				
Education	155,246,329	26,924,485	116,006,699	-
Auxiliary enterprise - Bookstore	62,494	161,693	-	-
Educational Foundation	13,584,268	611,454	650,203	15,126,948
Chalfant Hall	-	-	-	3,925,712
Total Community College of Allegheny County	168,893,091	27,697,632	116,656,902	19,052,660
Redevelopment Authority of Allegheny County				
General government	1,066,643	-	-	-
Community development	30,658,970	821,340	27,460,927	-
Lending program	18,590	138,826	-	-
Rental activity	1,176,629	31,719	-	-
Total Redevelopment Authority	32,920,832	991,885	27,460,927	-
Allegheny County Industrial Development Authority				
Economic opportunity	723,207	14,673	-	-
Administrative fund	257,834	123,449	25,636	-
Total Industrial Development Authority	981,041	138,122	25,636	-
Nonmajor Component Units	12,507,240	2,741,153	6,486,493	2,223,578
Total Component Units	\$ 961,891,751	230,359,752	528,942,191	163,411,997
General Revenues:				
Payment from County				
Interest and investment earnings				
Lease interest revenue				
Gaming Act revenue				
Gas drilling revenue				
Miscellaneous income				
Total general revenues				
Change in net position				
Net Position beginning of year				
Net Position end of year				

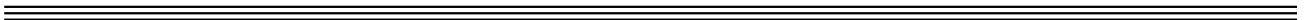
See accompanying notes to financial statements.

## Basic Financial Statements

## Exhibit 11

Net Revenue (Expense) and Changes in Net Position						
Allegheny County Airport Authority Year Ended December 31	Pittsburgh Regional Transit Year Ended June 30	Community College of Allegheny County Year Ended June 30	Redevelopment Authority of Allegheny County Year Ended December 31	Allegheny County Industrial Develop Authority Year Ended December 31	Nonmajor Component Units Year Ended December 31	Total
(29,533,632)	-	-	-	-	-	(29,533,632)
-	2,183,037	-	-	-	-	2,183,037
-	-	(12,315,145)	-	-	-	(12,315,145)
-	-	99,199	-	-	-	99,199
-	-	2,804,337	-	-	-	2,804,337
-	-	3,925,712	-	-	-	3,925,712
-	-	(5,485,897)	-	-	-	(5,485,897)
-	-	-	(1,066,643)	-	-	(1,066,643)
-	-	-	(2,376,703)	-	-	(2,376,703)
-	-	-	120,236	-	-	120,236
-	-	-	(1,144,910)	-	-	(1,144,910)
-	-	-	(4,468,020)	-	-	(4,468,020)
-	-	-	-	(708,534)	-	(708,534)
-	-	-	-	(108,749)	-	(108,749)
-	-	-	-	(817,283)	-	(817,283)
-	-	-	-	-	(1,056,016)	(1,056,016)
(29,533,632)	2,183,037	(5,485,897)	(4,468,020)	(817,283)	(1,056,016)	(39,177,811)
\$ -	37,716,078	28,029,897	-	-	695,731	66,441,706
7,139,253	29,667	97,570	229,119	11,843	62,920	7,570,372
6,788,935	-	-	-	-	-	6,788,935
12,400,000	-	-	-	-	-	12,400,000
12,205,005	-	-	-	-	-	12,205,005
204,712	-	3,221,980	627,789	-	34,014	4,088,495
38,737,905	37,745,745	31,349,447	856,908	11,843	792,665	109,494,513
9,204,273	39,928,782	25,863,550	(3,611,112)	(805,440)	(263,351)	70,316,702
654,093,619	188,769,801	177,461,061	59,739,149	4,646,396	11,233,485	1,095,943,511
\$ 663,297,892	228,698,583	203,324,611	56,128,037	3,840,956	10,970,134	1,166,260,213

## Basic Financial Statements



## Basic Financial Statements

**(1) Summary of Significant Accounting Policies****(A) Organization and Reporting Entity**

The organization of the County and the basis of the reporting entity are presented below to assist the reader in evaluating the financial statements and the accompanying notes. The County follows Statement of Governmental Accounting Standards No. 61, "The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34." As noted below, this statement has required the inclusion of component units in the accompanying financial statements, as well as disclosures concerning other related entities. The reporting period for the County is for the year ended December 31, 2022.

The County provides public safety, public works, health and welfare, economic development, education, economic opportunity, cultural, recreation and transportation services.

The County was organized in 1788. Until January 1, 2000, the County operated under the Second Class County Code, adopted by the Commonwealth of Pennsylvania State Legislature in 1953. A three-member Board of County Commissioners, elected County-wide for four-year terms, performed the executive and legislative functions.

In accordance with the Constitution and laws of the Commonwealth of Pennsylvania, the electorate of Allegheny County approved adoption of the Charter, to supersede certain provisions of the Second Class County Code pertaining to the governing framework of the County. The effective date of the Charter was January 1, 2000.

The Charter transferred substantial authority and responsibility to act in local affairs from State law to the County's electorate through their locally elected officials. With regard to County governance, the Charter replaced the three-commissioner form of government with an elected Chief Executive, an elected, 15-member, part-time County Council and an appointed professional County Manager. It also required adoption of an Administrative Code to detail the County's administration and operation. The Administrative Code was enacted June 30, 2000.

Unless expressly or implicitly modified or repealed by the Charter, the provisions of the Second Class County Code and other applicable laws still govern the operations of the County.

In June 1999, GASB issued Statement No. 34, "Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments." This statement, known as the "Reporting Model" statement, affects the way the County and its component units prepare and present financial information. State and local governments traditionally have used a financial reporting model substantially different from the one used to prepare private sector financial reports. GASB Statement No. 35, "Basic Financial Statement and Management's Discussion and Analysis - For Public Colleges and Universities" establishes accounting and financial reporting standards for public colleges within the financial reporting guidelines of GASB 34.

GASB Statement Nos. 34 and 35 established requirements and a reporting model for the annual financial reports of state and local governments and colleges. The Statements were developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions and includes:

## Basic Financial Statements

**Management's Discussion and Analysis**– Requires that financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of MD&A. This analysis is similar to an analysis the private sector provides in their annual reports.

**Government-Wide Financial Statements**– The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities (such as cash and accounts payable) but also capital assets and long-term liabilities (such as buildings and infrastructure, including bridges and roads, and general obligation debt). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter.

**Statement of Net Position**– The Statement of Net Position is designed to display all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the net financial position of the primary government (governmental activities) and its discretely presented component units. Governments report all debt and long-term liabilities as well as, capital assets, including infrastructure, in the government-wide Statement of Net Position and report depreciation expense – the cost of "using up" capital assets – in the Statement of Activities. The net position of a government will be broken down into three components - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

**Statement of Activities**– The government-wide statement of activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

**Budgetary Comparison Schedules**– Demonstrating compliance with the adopted budget is an important component of a government's accountability to the public. Many citizens participate in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. The County and many other governments revise their original budgets over the course of the year for a variety of reasons. Under the new reporting model, governments will continue to provide budgetary comparison information in their annual report and are required to add the government's original budget to the current comparison of final budget and actual results.

As required by generally accepted accounting principles in the United States, these financial statements present the primary government and its component units. A component unit is a legally separate entity for which the primary government is financially accountable based on the following criteria: 1) the primary government appoints the voting majority of the board and is able to impose its will on the component unit, or there is the potential the component unit could provide a specific financial benefit or burden on the primary government; 2) the component unit is fiscally dependent on the primary government, and there is potential the component unit could provide a specific financial benefit or burden on the primary government; or 3) management's professional judgment concludes the reporting entity's financial statements would be misleading without the component unit. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. The County has no component units that meet the requirements for blending. The discretely presented component units, on the other hand, are reported in a separate column in the government-wide statements to emphasize they are legally separate from the primary government. The discretely presented component units have various fiscal year-ends.

## Basic Financial Statements

### **Component Units**

The following entities are included in the financial statements because of the significance of their operations or financial relationships with the County. The majority of the Board of Directors of the component units, except Memorial Hall are appointed by the County's Chief Executive and confirmed by the County Council. The component units' column of the applicable government-wide statements include financial data for: the Allegheny County Airport Authority (ACAA), the Pittsburgh Regional Transit (PRT), the Community College of Allegheny County (CCAC), the Redevelopment Authority of Allegheny County (RAAC), and the Allegheny County Industrial Development Authority (ACIDA). These entities are considered major component units of the County. Allegheny HealthChoices, Inc. (AHC), Allegheny County Parks Foundation (Parks Foundation), and Soldiers and Sailors Memorial Hall and Museum Trust, Inc. (Memorial Hall) are considered nonmajor component units. They are included with the major component units in the Statement of Net Position in the nonmajor component units' column of the Statement of Net Position – Component Units and Statement of Activities – Component Units. The Allegheny County Employees Retirement System listed as the Pension Trust Fund on the statement of fiduciary net position and statement of changes in fiduciary net position is considered a fiduciary component unit. The Retirement System is detailed further in Note 12.

ACAA presently leases and operates the Pittsburgh International Airport (PIT) and the Allegheny County Airport (AGC) (collectively, the Airport System). ACAA's activities are commercial in nature and are intended to be self-sustaining. ACAA is a body corporate and politic existing under the laws of the State pursuant to the Municipality Authorities Act of 1945, approved on May 2, 1945, P.L. 382, and subsequently amended by the Municipal Authority Act, Act 22 of 2001. ACAA was organized by the County on June 17, 1999. On September 16, 1999, pursuant to an Airport Operation, Management and Transfer Agreement, and Lease between the County and ACAA, as amended, the County transferred and leased the Airport System to ACAA for an initial term of 25 years with two 25-year extension options exercisable at the option of ACAA. In connection with the Transfer Agreement, the County transferred to ACAA all of the County's rights, title, and interest in the property utilized by the County in connection with the Airport System. In addition, all contractual rights, obligations, and liabilities pertaining to the Airport System, including revenue and general obligation bonds issued by the County to finance construction and development of PIT, were transferred to ACAA by the County. Prior to the organization of ACAA, the operations were included in the County's Department of Aviation.

Board members of ACAA are appointed by the County Executive, subject to confirmation by a majority of the County Council. ACAA's financial statements are presented as a component unit in the County's general purpose financial statements and Annual Comprehensive Financial Report. Given the relationship of the parties to the Transfer Agreement, no adjustments were made to the historical carrying values of the Airport System's assets and liabilities and net position. The accompanying financial statements reflect the financial position and results of operations of ACAA as of and for the year ended December 31, 2022.

PRT, previously known as PAT, was established under the Second-Class County Port Authority Act of 1956 and is responsible for the management and operation of certain transit facilities serving the County and portions of adjacent counties. The County provides substantial operating subsidies and capital funding. Pursuant to Pennsylvania Act 72 of 2013, signed into law on July 19, 2013, PRT's board appointments were restructured whereas the County Chief Executive has six appointments, and the remaining five members are appointed by the Governor and legislative leaders of the State Senate and House. As discussed with Note 14, PRT contracts with Transdev Services, Inc. for professional services to coordinate ACCESS, a paratransit system, which provides transit service within PRT's jurisdiction. ACCESS financial statements have not been included in the reporting entity because PRT has neither control, financial responsibility, nor accountability for ACCESS.

## Basic Financial Statements

CCAC is an institution of higher education. General State legislation "The Community College Act of 1963" (Act 1963), as amended, provides for the establishment of community colleges and for the reimbursement of certain community college expenditures from State funds appropriated for this purpose. In addition, the State shall reimburse CCAC for one-half of all approved capital expenditures, including debt service and net rental costs (gross rentals less amounts included therein for maintenance). The remaining operating expenses must be provided by the sponsor of CCAC or by private sources, non-state public sources and from student tuition. The remaining capital expenditures must be provided by the sponsor. The County is the sponsor of CCAC. CCAC is exempt from income taxes, except for unrelated business income, as a political subdivision under federal income tax laws and regulations of the IRS.

The Allegheny County Community College Educational Foundation is a legally separate, not-for-profit component unit of CCAC that acts primarily as a fund-raising organization to supplement the resources that are available to CCAC. The Foundation operates under an independent Board of Trustees and management. In carrying out its responsibilities, the Board of Trustees of the Foundation forms policy and maintains fiscal accountability over funds administered by the Foundation. The majority of resources, or income thereon, are restricted to the activities of CCAC by the donors. As the sponsor of the newly renovated Chalfant Hall, the College created the Chalfant Hall Foundation, a legally separate, tax exempt, special-purpose entity under its control to lease Chalfant Hall and serve as the Qualified Active Low Income Community Business. Chalfant Hall's Board of Directors forms policies and maintains fiscal accountability over funds administered by Chalfant. The majority of resources or income are restricted to be used by, or for the benefit of, the College. Accordingly, the financial statements of the Foundations have been included in the basic financial statements with CCAC.

RAAC was incorporated in the State in 1950 as a redevelopment authority under the provisions of the Urban Redevelopment Law, Act No. 385. RAAC operates as a non-profit corporation and, accordingly, is not subject to income taxes. The County appoints RAAC's Board of Directors and a financial benefit/burden relationship exists between the County and RAAC. RAAC currently reports the following major proprietary funds: (1) The *Economic Development Fund* (EDF) is a revolving loan fund of RAAC. The purpose of the EDF is to positively impact the regional economy by promoting economic development and providing employment opportunities in the County; (2) The *200 Industry Drive Fund* accounts for all operations of a building owned by RAAC; (3) The *Section 108 Loan Fund* accounts for loans made to a single borrower for specific economic development projects. The County provides administrative services to RAAC. Administrative costs for 2022 were approximately \$786,000. The County also provides administrative services to RAAC's *Community Infrastructure Tourism Fund* (CITF).

ACIDA was incorporated in 1969, pursuant to a resolution of the Board of Commissioners of the County under the Economic Development Financing Law. ACIDA's purpose is to aid in alleviating unemployment and to maintain levels of existing employment through promotion to the construction of industrial, manufacturing, research, and development facilities. ACIDA has a legal life through 2060. ACIDA issues revenue bonds and notes for eligible projects in the County. Each issue is payable from receipts derived by ACIDA from the entity on whose behalf the debt was issued; and each issue is secured separately and distinctly. All debt instruments are supported by the credit of the respective institution involved in each individual project. The interest rate, terms of repayment, and dollar amount of the bonds are matters of direct negotiation between the institution and the bond underwriters. In 1996, ACIDA entered into an agreement with the County, whereby the County transferred the administration of certain programs to ACIDA. The Small Business Distressed Communities, Development Action Assistance Program, Port of Pittsburgh Loan Program and Allegheny County Economic Development Administration programs are all revolving loan programs that ACIDA also administers, whereby ACIDA is fully exposed to the risk that the borrower will not repay the full balance of the loans outstanding. The Port of Pittsburgh Loan Program loans were all paid off in



## Basic Financial Statements

1999. In addition, ACIDA administers the proceeds of the University of Pittsburgh Applied Research Center (UPARC) grant repayments on behalf of the County. During 2002, the MEC Loans Program was transferred to ACIDA and the Sanders SELF Loan Program was funded. The governing body of ACIDA consists of a Board of Directors (Board). Members of the Board are appointed by the County Executive. ACIDA contracts with the County Department of Economic Development for various administrative support services, including space and personnel.

AHCI began operations during 1998 as a private, non-profit corporation for the purpose of monitoring the behavioral health services of the HealthChoices program in the County. HealthChoices is Pennsylvania's managed care program for adults and children on medical assistance. AHCI has been determined to be exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code as "other than a private foundation." AHCI operates primarily under funding administered through the Allegheny County Department of Human Services. In April 2022, a contract was signed with Allegheny County Department of Human Services (ACDHS) which will merge the HealthChoices services that AHCI currently provides the County into ACDHS itself effective March 31, 2023. At this date, AHCI operations will transition to ACDHS and a final return will take place in which all program funds and AHCI property will be transferred to ACDHS.

The Parks Foundation was established in 2007 to stimulate public investment in the County parks system. The Parks Foundation and the County administration have partnered with County Council in parks betterment. Historically, the County has committed to provide operating funds to the Parks Foundation. In 2013, the County committed to providing a total of \$750,000 in operating funds to the Parks Foundation over a three-year period starting in 2013. According to the agreement with the County, at the County's sole and exclusive discretion, an additional \$250,000 was provided to the Parks Foundation in both 2016 and 2017. During 2018, Allegheny County committed to providing a total of \$1,000,000 in operating funds to the Parks Foundation over a four-year period starting in 2018. In 2022, the County committed to providing a total of \$1,050,00 over a three-year-period. The Parks Foundation's initial Board of Directors (Board) was elected by representatives of the County. Subsequent directors are jointly elected by the Parks Foundation's Board and the County. An agreement with the County indicates that the County is committed to match funds, dollar for dollar, raised by the Parks Foundation in the amount of \$10,000,000 for approved capital projects. The approved and proposed capital projects' design, finance and construction will be governed by the individual capital project agreements. To date, as of December 31, 2022, the County had matched or committed to match approximately \$6,665,558 of capital projects for the Parks Foundation. At December 31, 2022 matching funds of approximately \$27,455 were recorded in due from Allegheny County.

Memorial Hall separated from the County as of January 1, 2000 as an independent not-for-profit corporation. Prior to 2000, it was an operating division of the County. The purpose of Memorial Hall is to preserve a lasting tribute to those who unselfishly gave of themselves in serving their country during the wars spanning the period of the Civil War to our current era and to support and enhance the use of Memorial Hall for educational, cultural, and patriotic purposes. The County does not appoint the Board of Directors of Memorial Hall, guarantee debt, or approve the budget. However, the County does consider Memorial Hall to be a component unit due to Memorial Hall being fiscally dependent on the County.

The reporting periods for ACAA, RAAC, ACIDA, AHCI, Parks Foundation and Memorial Hall are for the year ended December 31, 2022. The reporting periods for PRT and CCAC are for the year ended June 30, 2022. Complete and more detailed financial statements for all of the individual component units can be obtained from their respective administrative offices.

## Basic Financial Statements

### Administrative Offices

Allegheny County Airport Authority  
Pittsburgh International Airport  
Landside Terminal, 4<sup>th</sup> Floor Mezzanine  
Pittsburgh, PA 15231

Pittsburgh Regional Transit  
345 Sixth Avenue, 3<sup>rd</sup> Floor  
Pittsburgh, PA 15222

Community College of Allegheny County  
800 Allegheny Avenue  
Pittsburgh, PA 15233

Redevelopment Authority of Allegheny County  
Koppers Building Suite 500  
436 Seventh Avenue  
Pittsburgh, PA 15219

Allegheny County Industrial Development Authority  
Koppers Building Suite 500  
436 Seventh Avenue  
Pittsburgh, PA 15219

Allegheny HealthChoices, Inc.  
444 Liberty Avenue, Suite 240  
Pittsburgh, PA 15222

Allegheny County Parks Foundation  
675 Old Frankstown Road  
Pittsburgh, PA 15239

Soldiers and Sailors Memorial Hall and Museum Trust, Inc.  
4141 Fifth Avenue  
Pittsburgh, PA 15213

### ***Related Organizations***

The Chief Executive is also responsible for appointing, and the County Council is responsible for confirming, the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. These organizations include:

Allegheny County Residential Finance Authority  
Authority for Improvements in Municipalities  
Allegheny County Hospital Development Authority  
Allegheny County Higher Education Building Authority  
Allegheny County Housing Authority

The financial statements for these organizations are not included herein.

## Basic Financial Statements

### ***Joint Ventures***

The Sports and Exhibition Authority of Pittsburgh and Allegheny County was incorporated under the Public Auditorium Authorities Act of 1953 as a joint authority organized by the City of Pittsburgh (the City) and the County to provide space for educational, cultural, physical, civic and social events of benefit to the general public. The County's only access to the Sports and Exhibition Authority's resources would be a residual interest in the net position in the event of dissolution.

The City and the County are equally responsible for funding certain debt service requirements of the Sports and Exhibition Authority. At December 31, 2022 the County had no outstanding balance on this debt. Additionally, in accordance with the fiduciary responsibilities of the Hotel Room Rental Tax Act of 1990, the County collects a 7% hotel room tax and distributes the funds to designated agencies, including the Sports and Exhibition Authority. Complete and more detailed financial statements for the Sports and Exhibition Authority of Pittsburgh and Allegheny County can be obtained from the Sports and Exhibition Authority's administrative office:

Sports and Exhibition Authority  
of Pittsburgh and Allegheny County  
171 10th Street, 2nd Floor  
Pittsburgh, PA 15222

### ***Jointly Governed Organization***

The Allegheny County Sanitary Authority (ALCOSAN) was organized under the Municipality Authorities Act of 1945 to collect, transport and treat wastewater for the City and 82 other Allegheny County municipalities. ALCOSAN's board has seven members; three are appointed by the County, three are appointed by the City and one is appointed jointly by the County and City. The County has no ongoing financial accountability for ALCOSAN.

### ***(B) Government-Wide and Fund Financial Statements***

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous reporting model emphasized fund types (the total of all funds of a particular type), in the new reporting model, the focus is either on the County as a whole (which includes component units) or major individual funds within the fund financial statements.

Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental. In the government-wide statement of net position, governmental activities are presented on a consolidated basis, and are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. For the most part, the effect of interfund activity has been eliminated from these statements. Activity between component units and the primary government is generally reported as external transactions and not operating transfers. Internal service account balances are reported as governmental activities on the statements of net position and activities.

The government-wide statement of activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) that are otherwise being supported by general government revenues (property, sales and use taxes, interest earnings and certain other general revenues). The statement of activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health and welfare, etc.). Program revenues include 1) charges (including fines) to customers or applicants who purchase, use,

## Basic Financial Statements

or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues. The County does not allocate indirect expenses. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities, a reconciliation is presented which briefly explains the adjustments necessary to reconcile the fund financial statements to the governmental column of the government-wide financial statements.

The County's fiduciary funds are presented in the fund financial statements by type (pension and custodial). Since by definition these assets are being held for the benefit of a third party (State and other local governments, litigants, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The following is a brief description of the specific funds used by the County in the current year.

### **Governmental Funds**

Governmental funds are those through which most governmental functions of the County are financed. The County's expendable, available financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds wherein the measurement focus is on changes in financial position, rather than on net income. Following are descriptions of the County's governmental funds:

General Fund - Accounts for all financial resources except those accounted for in another fund. Operating activities reflected in the General Fund include County administrative, planning and service departments, the County's Court of Common Pleas and the elected County row officers, as well as the operations of the Kane Community Living Centers, a series of four regional, long-term healthcare facilities for the chronically ill and elderly who have limited financial resources. The Centers are operated as a general welfare benefit for these people and are partially supported by property tax revenues. Other activities accounted for in the General Fund include child welfare services. The General Fund is always considered a major fund for government-wide reporting purposes.

Special Revenue Funds - Account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Special Revenue Funds consist of the following: Transportation Fund, Liquid Fuel Tax Fund, Infrastructure Support Fund, County Grants Fund and Human Services Grants Fund. Operating activities in the Human Services Grants Fund include Behavior Health/Intellectual Disability/Drug & Alcohol (BH/ID/DA), Aging, Community, and Children, Youth and Family services to eligible citizens. The County Grants Fund operating activities mainly consist of public safety, health and welfare, economic development and general government services.

## Basic Financial Statements

The County Grants Fund and Human Services Grants Fund are considered major funds for government-wide reporting purposes. While both of these major funds receive federal and state revenue, the County Grants Fund receives a large portion of its revenue from federal grants such as CARES Act, Community Development Block Grant, Child Support Enforcement Program, Improvement Program, and Women, Infants and Children Program, and some revenue from State grants such as 911 Act 12, Act 13 Marcellus Shale, and Statewide Interconnectivity. Also, County Grant Funds receive fees related to the services provided. Human Services Grant Fund receives the larger portion of its revenue from State grants such as Behavioral Health Managed Care, Human Services Block Grant, Human Services Aging Block Grants, Early Intervention, and Early Learning Resource Center. The County Grants Fund predominantly uses its revenues for general government expenditures, while the Human Services Grants Fund revenues are used mostly for health and welfare expenditures.

Capital Projects Fund - Accounts for financial resources that are restricted, committed, or assigned to expenditures for capital outlays including acquisition or construction of capital facilities and other capital assets. The Capital Projects Fund is considered a major fund for government-wide reporting purposes.

Debt Service Fund - Accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

### ***Proprietary Fund***

Proprietary fund accounts for the County's ongoing activities that are similar to those found in the private sector. The measurement focus is on determination of net income. Following is a description of the County's proprietary fund:

Internal Service Fund - Accounts for and finances services furnished exclusively to user offices, departments and other agencies and funds of the County on a cost reimbursement basis. The principal services provided include a self-insurance program for health and dental coverage and risk management. Operating revenues are from charges for services and employer/employee contributions and claims expense. The Internal Service Fund is included in governmental activities for government-wide reporting purposes.

### ***Fiduciary Funds***

Fiduciary funds account for assets held by the County as the agent for litigants, individuals, private organizations, Kane residents, incarcerated people, the Convention Centers, Visitor's Bureau, Landfill Trust, state and local governmental units. Following is a description of the County's fiduciary funds:

Fiduciary Funds - Include the Pension Trust, which accounts for the activities of the Allegheny County Employees' Retirement System, and the Custodial Fund, which accounts for funds held by the County on behalf of others. The Pension Trust is accounted for in a manner similar to a proprietary fund. The Custodial Fund is for fines and fees for the State, escrow from Sheriff sales, Kane patients' funds, incarcerated accounts and hotel taxes for Convention Centers. Fiduciary funds are not included in the government-wide statements.

### ***(C) Measurement Focus and Basis of Accounting***

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using the current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet in the funds statements. Long-term assets and long-term liabilities are included

## Basic Financial Statements

in the government-wide statements. Operating statements of the governmental funds present increases (i.e. revenues and other financial sources) and decreases (i.e. expenditures and other financing uses) in net fund balance. Note 10 discloses interfund transactions and their accounting treatment on the government-wide statement of activities.

The government-wide statements of net position and statements of activities, the proprietary fund, and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these activities are either included on the statement of net position or on the statement of fiduciary net position.

The statements of net position, statements of activities and the financial statements of the Internal Service Fund and Fiduciary Funds are presented on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recorded when liabilities are incurred without regard to receipt or disbursement of cash.

The fund financial statements of the Governmental Funds are maintained and reported on the modified accrual basis of accounting using the current financial resources measurement focus. Under this method of accounting, revenues are recognized in the period in which they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. With respect to real property tax revenue and sales taxes, the term "available" is limited to collection within 60 days of the year-end. Property taxes of \$42,424,791 is the portion of the County's deferred inflows of resources recorded, because it is not available. Interest income is recorded as earned. Federal and State reimbursement-type grants are recorded as revenue when related eligible expenditures are incurred. Expenditures, other than accrued interest on long-term debt, as well as the long-term expenditures related to compensated absences, workers compensation, settlements and other post-employment benefits, are recorded when the fund liability is incurred.

### ***(D) Allowance for Uncollectible Accounts***

The County calculated its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance at December 31, 2022, is composed of the following:

	General Fund	Other Governmental Funds	Total
Taxes receivable:			
Property taxes:			
Delinquent	\$ 556,222	111,730	667,952
Liened	4,505,101	3,174,306	7,679,407
Total taxes	<u>5,061,323</u>	<u>3,286,036</u>	<u>8,347,359</u>
Total allowance	\$ <u>5,061,323</u>	<u>3,286,036</u>	<u>8,347,359</u>

There were no allowances for: sales tax receivable, accounts receivable, alcoholic beverage and rental tax receivables, and accrued interest and dividends receivable.



## Basic Financial Statements

**Component Units - Allowance for Uncollectible Accounts****All Component Units**

The allowance at the component unit's respective year-end is composed of the following:

	ACAA	CCAC	RAAC	ACIDA
Trade receivable	\$ 3,671,442	11,843,394	-	-
Other receivable	-	30,000	-	-
Loans receivable	-	-	637,968	693,582
Liens receivable	-	-	1,700,000	-
Total allowance	\$ 3,671,442	11,873,394	2,337,968	693,582

**(E) Cash, Cash Equivalents and Investments**

For purposes of the accompanying Statement of Cash Flows, the County considers all highly liquid investments with an original maturity of three months or less when acquired to be cash equivalents.

The County follows GASB Statement No. 72, "Fair Value Measurement and Application" and reports investments at fair value. Securities traded on a national exchange are valued at the last reported sales price. Other investments not regularly traded on a national exchange are valued based on the last reported sales price or mean of the latest bid and ask price.

The County allocates income to the various funds based upon their average monthly investment balances.

**(F) Capital Assets**

Capital outlays are recorded as expenditures of the Governmental Funds and as assets in the government-wide financial statements to the extent the County's capitalization threshold of \$5,000 is met and a useful life of greater than one year. To the extent the County's capitalization threshold of \$5,000 is met, capital outlays are recorded as capital assets and depreciated over their estimated useful lives on the government-wide statements, using the straight-line method and the following estimated useful lives:

	Years
Buildings	50
Buildings - Leasehold Improvements	20
Furniture and Other Equipment	3-20
Shelter	25
Infrastructure	7-40

All capital assets are valued at historical cost or estimated historical cost if actual cost was not available. Donated capital assets are reported at acquisition value at the time of donation. The County maintains many artifacts, books, art objects and buildings of historical significance that are held for educational, research, and curatorial purposes. Each of the items is cataloged, preserved, cared for, and activities verifying their existence and assessing their condition are performed periodically. The County has a policy that requires that the proceeds from the sale of historical treasures or works of art be used to acquire other items for the collection. The County does not capitalize historic treasures or works of art.

## Basic Financial Statements

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized. Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

### **(G) Compensated Absences**

Certain union employees of the District Attorney's Office, Court Records, the Public Defender's Office and the Medical Examiner's Office may carryover five days of vacation to be used in the following year. The liability for such benefits is recorded in the governmental statements at current rates of compensation; amounts currently payable are not material.

The County's vacation policy for all other union and nonunion employees provides that such employees are to take vacation within the year it is earned, with no carry forward provisions.

Certain County police, jail guards, probation officers and deputy sheriffs earn vested sick benefits that are paid at termination or retirement based on current rates of compensation. The liability for such benefits is recorded in the government-wide statements at current rates of compensation (see Note 9); amounts currently payable are not material.

Personnel of all other County departments generally may accumulate up to 120 days of sick leave. These future benefits do not vest and, accordingly, have not been recognized in the accompanying financial statement.

### **(H) Pension Trust Fund**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to Pension Trust Fund, and retirement deductions, information about the fiduciary net position of the Pension Trust Fund and additions to/deductions from the Pension Trust Fund fiduciary net position have been determined on the same basis as they are reported by the Retirement System. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **(I) Fund Balances/Net Position**

#### Classification of Fund Balance

As of December 31, 2022 the County had \$2,942,972 of encumbrances in operating funds which rolled over into the next fiscal year. Capital Projects had \$78,531,812 of encumbrances at December 31, 2022. For more details on Capital Projects encumbrances, see Note 5.

GASB Statement No. 54 establishes accounting and financial standards for all governments that report governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions as follows:

**Nonspendable** -- This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally required to be maintained intact. The County has no amount to report in this classification.

**Restricted** -- This classification consists of amounts that are restricted to specific purposes. The County's restricted fund balances consist of external enabling legislation for the state, federal or local government grants.



## Basic Financial Statements

Committed -- This classification consists of amounts used for specific purposes imposed by Ordinance of the County's highest level of decision-making authority (Council). The removal or modification of the use of committed funds can only be accomplished by formal action (Ordinance) prior to fiscal year-end by the County's highest level of authority.

Assigned -- This classification consists of amounts constrained by the County's intent to be used for specific purposes that are neither restricted nor committed. The policy is for the Chief Executive to assign amounts to be used for specific purposes for Controller review before issuance of audited financial statements. As of December 31, 2022, there is a total of \$2,942,972 for purchases of supplies on order, of this balance, \$567,067 is assigned for the purpose of public safety, \$1,744,455 for health and welfare, \$365,760 for general government, \$191,487 for Public Works, and \$74,203 for recreation.

Unassigned -- This classification consists of amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance.

It is the County's policy, when more than one classification of fund balance is available for a particular purpose, to first apply expenditures against the restricted fund followed by committed, assigned, and then unassigned fund balance.

### Classification of Net Position

GASB Statement No. 63 requires the classification of net position into three components – Net Investment in Capital assets; Restricted; and Unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets -- This component of net position consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of these assets.

Restricted -- This component of net position consists of constraints placed on net position use through external restrictions, such as, constitutional provisions or enabling legislation reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted -- This component of net position consists of net amount not included in the determination of the net investment in capital assets or the restricted component of net position.

The County's policy is to apply expenses against restricted and then unrestricted net position.

### ***(J) Newly Adopted and Issued Governmental Accounting Standards Board Pronouncements***

The GASB has issued the following statements, which were evaluated and adopted by the County during the fiscal year ended December 31, 2022:

GASB Statement No. 87, "Leases", which requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract.

## Basic Financial Statements

GASB Statement No. 91, "Conduit Debt Obligations," which provides guidance for a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Implementation of this statement had no effect on the County's financial statements.

GASB Statement No. 92, "Omnibus 2020," which provides guidance for reporting on pensions and related assets. Implementation of this statement had no effect on the County's financial statements.

GASB Statement No. 93, "Replacement of Interbank Offered Rates which provides guidance for accounting and reporting implications resulting from the replacement of the London Interbank Offered Rate (LIBOR) Implementation of this statement had no effect on the County's financial statements.

Implementation Guide No. 2019-3 "Leases". which provides guidance that clarifies, explains, or elaborates on the requirements of Statement No. 87, Leases.

GASB Statement No. 97, "Certain Component Unit Criteria, and Accounting Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.", which provides guidance for reporting component units and certain defined contribution pension plans. Implementation of this statement had no effect on the County's financial statements.

GASB Statement No. 99, "Omnibus 2022", which provides guidance regarding derivatives, leases, public-private and public-private partnerships, subscription-based information technology arrangements, London Interbank Offered Rates, and other reporting items. Requirements in paragraphs 11 -25 regarding leases, PPPs and SBITAs were implemented.

The GASB has issued the following statements not yet implemented by the County:

GASB Statement No. 94, "*Public-Private and Public--Public Partnerships and Availability Payment Arrangements*," effective for reporting periods starting with the fiscal year that ends June 30, 2023. This statement improves the financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. The effect of implementation of this statement has not yet been determined.

GASB Statement No. 96, "*Subscription-Based Information Technology Arrangements*," effective for reporting periods starting with the fiscal year that ends June 30, 2023. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITA's) for government ends users. The effect of implementation of this statement has not yet been determined.

GASB Statement No. 99, "Omnibus 2022", which provides guidance regarding derivatives, leases, public-private and public-private partnerships, subscription-based information technology arrangements, London Interbank Offered Rates, and other reporting items. The requirements in paragraphs 4-10, regarding financial guarantees and derivative instruments are effective for reporting periods after June 15, 2023 and all reporting periods thereafter. The effect of implement of this statement has not yet been determined.

## Basic Financial Statements

GASB Statement No. 100, "Accounting Changes and Error Corrections", an Amendment of GASB 62, which provides guidance for reporting accounting changes and error corrections. This statement is effective for reporting periods after June 15, 2023 and all reporting periods thereafter.

GASB Statement No. 101, "Compensated Absences", which provides guidance for measuring and reporting liabilities for compensated absences. This statement is effective for reporting periods after December 15, 2023 and all reporting periods thereafter. The effect of implementation of this statement has not yet been determined.

### ***(K) Reclassification of Prior Year Statements***

Certain previously reported items in the financial statements have been reclassified to conform with the current year's classifications.

### ***Component Units - Summary of Significant Accounting Policies***

Significant accounting policies for the component units included in the accompanying financial statements are described below:

#### ***Allegheny County Airport Authority***

#### ***Accounting and Reporting Principles***

The Governmental Accounting Standards Board (GASB) establishes standards for external financial reporting for state and local governments and components thereof. The ACAA's net position is classified into three categories according to external restrictions or availability of assets for satisfaction of authority obligations. ACAA's net position is classified as follows:

- *Net Investment in Capital Assets* - This represents the ACAA's total investment in capital assets - net of outstanding debt obligations related to those capital assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.
- *Restricted Net Position* - This includes resources for which the ACAA is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.
- *Unrestricted Net Position* - Unrestricted net position represents resources derived from operations that may be used at the discretion of the board of directors for any purpose.

When both restricted and unrestricted resources are available for use, it is ACAA's policy to use restricted resources first and then unrestricted resources as they are needed.

### ***Basis of Accounting***

ACAA is accounted for as a single-purpose, business-type entity since its operations are financed and operated in a manner similar to a private business. ACAA's financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

## Basic Financial Statements

### ***Revenues and Expenses***

Revenue from airlines, concessionaires, lessees, and parking is reported as operating revenue. Operating expenses include the cost of administering the airport system, plus depreciation and amortization of capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses or capital contributions and grants.

### ***Revenue Recognition and Unearned Revenue***

*Airport Operating Agreement (AOA)* - Landing fees and terminal building lease rental revenue include amounts computed in accordance with the AOA between ACAAA and those airlines serving PIT that sign this agreement (the "Signatory Airlines"). The AOA provides that the aggregate of airline fees and charges, together with other revenues, including non-airline revenues, for each fiscal year should be sufficient to pay for the operating expenses of the cost centers included in the AOA and to make all deposits and payments under the bond indentures issued in connection with financings of capital projects for ACAAA. In 2021, the AOA was extended to expire December 31, 2028.

American Airlines, together with its affiliated commuter airlines, accounted for approximately 24 percent of total enplaned passengers at PIT in 2022. Southwest Airlines accounted for approximately 25 percent of total enplaned passengers at PIT in 2022. Revenue from American Airlines represents approximately 13.7 percent of PIT operating revenue in 2022. Revenue from Southwest Airlines represents approximately 8.2 percent of PIT operating revenue in 2022. No other airline represents more than 10 percent of operating revenue or 20 percent of total enplaned passengers.

*Concession and Rental Car Revenue* - Concession and rental car revenue is generally based on a fixed percentage of tenant revenue, subject to certain minimum monthly fees. On Wednesday, June 15, 2022, ACAAA terminated the Fourth Amended and Restated Master Lease, Development and Concession Agreement (the "Master Lease") between ACAAA and Fraport Pittsburgh Inc., formerly known as Airmall Pittsburgh, Inc. (Fraport). Fraport also filed a request to remain as the airport concession operator. On Wednesday, August 17, 2022, the court denied Fraport's request to remain as the airport concession operator, and, as a result, ACAAA assumed the management of the Pittsburgh International Airport concession operations. The litigation with Fraport remains ongoing as of December 31, 2022, and any liability ACAAA has is unknown at this time.

*Parking Revenue* - Parking revenue is derived from a third-party operator and is based on a fixed percentage of net revenue, as defined in the associated management agreement.

## Basic Financial Statements

*Gas Drilling Revenue* - In February 2013, a lease was executed with CNX Gas Company LLC for the exploration, drilling, and production of minerals, namely Marcellus Shale natural gas, on the properties of Pittsburgh International and Allegheny County Airports. ACAA's contract includes approximately \$45.1 million nonrefundable bonus payments, which were accreted to nonoperating revenue during the initial five-year term (March 2013 through February 2018) of the lease. The lease term continues from year-to-year as long as any leased minerals are produced in paying quantities from the leased premises. During 2016, ACAA began receiving royalty revenue payments for gas production. Total royalty revenue approximated \$11.8 million during 2022. ACAA has and continues to receive ground rent payments for underdeveloped acreage. During the year ended December 31, 2022, this revenue was approximately \$370,000.

*Passenger Facility Charges (PFCs)* - On October 1, 2001, the airlines began collecting PFCs on qualifying enplaning passengers at PIT on behalf of ACAA. PFCs are fees imposed on enplaning passengers by airports to finance eligible airport-related projects that preserve or enhance safety, capacity, or security of the national air transportation system; fund noise mitigation at the airport; or furnish opportunities for enhanced competition between or among air carriers. Regulations have been promulgated by the Federal Aviation Administration (FAA) that enhance the eligibility of PFC usage to include, among other things, debt service payments. Both the fee imposed and the intended uses must be reviewed and approved by the FAA.

Previously, ACAA received approval to impose and use a \$3.00 PFC. Effective December 1, 2004, the FAA approved an increase to the PFC, allowing ACAA to collect at the current maximum rate of \$4.50. The project summary was approved by the FAA in its Record of Decision, dated July 2001, and subsequently amended through December 17, 2019, as follows:

Reimbursement for preapplication projects (to be applied to debt service)	\$ 215,055,143
Safety and security-related projects	160,695,520
Environmental-related projects	82,427,857
Terminal development projects	741,021,344
Total	\$ <u>1,199,199,864</u>

ACAA has expended \$365,351,401 on these projects through December 31, 2022. PFC revenue is classified as nonoperating in the statement of revenue, expenses, and changes in net position and is restricted for capital improvements, debt service, and certain other uses approved by the FAA.

*Customer Facility Charges (CFCs)* - Beginning June 1, 2011, ACAA began collecting CFCs from all rental car concessionaires that operate at PIT. CFC revenue is classified as nonoperating in the statement of revenue, expenses, and changes in net position. Such amounts are restricted for operating and maintenance expense, capital improvements, and debt service related to the rental car operation at the Airport or for any rental car-related purpose ACAA determines is a reasonable use of such funds.

The CFC fee is charged to each on-airport rental car concessionaire customer on a per transaction day basis. The CFC rate was increased to \$6.00 effective February 1, 2020. Also, at the request of the rental car companies, in April 2020, ACAA raised the cap on the number of days of collection from seven to 30. Pursuant to the new rental car agreements, prior to DBO, CFCs equal to the first \$5.00 per transaction day will be used to fund rental car-allocable project costs on a pay-as-you-go basis, and the remaining \$1.00 in incremental CFCs will be used to fund up to \$1 million in costs to realign service areas and up to \$7 million to fund Terminal Modernization Program rental car tenant improvements.

## Basic Financial Statements

*Federal and State Grants* - Outlays for airport capital improvements and, from time to time, certain airport operating expenses are subject to reimbursement from federal grant programs. Funds are also received for airport development from the State. Funding provided from government grants is considered earned as the related approved capital outlays or expenses are incurred and are recorded as a component of capital contributions and grants. Costs claimed for reimbursement are subject to audit and acceptance by the granting agency.

*Tenant-financed Improvements* - Unearned revenue also includes amounts funded by tenants of ACAA for certain capital assets. These unearned revenue amounts are being amortized to contribution revenue using the straight-line method over the depreciable lives of the related assets through credits to current rents payable.

### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments (including restricted assets) with a maturity of three months or less when acquired. Cash equivalents at December 31, 2022 consisted of government investment pools, Treasury notes, and commercial paper.

### **Investments**

Investments are reported at fair value or estimated fair value. Short-term investments are reported at cost, which approximates fair value. Changes in the fair value of investments are reported as nonoperating revenue, expenses, and changes in net position.

### **Inventories**

Inventories are valued at cost, which is determined using the weighted-average method of accounting. Inventories are composed of construction-related materials and parts used for maintenance of facilities and equipment.

### **Capital Assets**

Capital assets are defined by ACAA as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Costs incurred for major improvements are carried in construction in progress until the assets are placed in service or are available for use, whichever occurs first.

## Basic Financial Statements

Capital assets are depreciated using the straight-line method over the following useful lives:

	<u>Years</u>
Terminal buildings	10-30
Airfield (runways/taxiways/deicing)	20
Site development	30-50
Parking garage/lots/etc.	15-40
Hangers	5-30
Roadways	10-20
Mobile and other equipment	10-20
Computer/security equipment and systems	5-20
Utilities	10-40
Other assets	10-30
Other structures	10-30
Landing area - Non sub	20-50

### ***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then. ACAA reports deferred inflows and outflows related to pension. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

### ***Pension***

ACAA participates in a single-employer defined benefit pension plan sponsored by the County, known as the Allegheny County Employees' Retirement System (the "Plan"). For reporting and accounting purposes, the Plan is treated as a cost-sharing multiple-employer defined-benefit plan, as the Plan covers both ACAA's and the County's employees. ACAA records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Allegheny County Employees' Retirement System Pension Plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

### ***Compensated Absences (Vacation and Sick Leave)***

It is ACAA's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. Certain firefighters employed by ACAA earn vested sick benefits that are accrued for based on the estimated amount that ACAA will pay upon employment termination (current rates of compensation plus appropriate taxes); vacation pay is accrued based upon assumptions concerning the probability that certain employees will become eligible to receive these benefits in the future.



## Basic Financial Statements

### ***Leases***

ACAA is a lessor for noncancelable leases of certain assets, including airport facilities, surrounding property, and locations within the airport. ACAA recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, ACAA initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments include how ACAA determines the discount rate it uses to discount the expected lease receipts to present value, lease term, and lease receipts.

- ACAA uses its incremental borrowing rate at lease inception as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

ACAA monitors changes in circumstances that would require a re-measurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. Lease activity is further described in note 6.

### ***Pittsburgh Regional Transit***

#### ***Basis of Accounting***

The financial statements of PRT have been prepared in conformity with generally accepted accounting principles in the United States of America as applicable to government units. The GASB is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. PRT accounts are reported as an Enterprise Fund on the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Operating revenues and expenses consist of those revenues and expenses that result from ongoing principal operations of PRT. Operating revenues consist primarily of user charges. Non-operating revenues and expenses consist of those revenues and expenses that are related to grants and other financing and investing types of activities.

When an expense is incurred for purposes for which there are both restricted and unrestricted net position available, it is PRT's policy to apply those expenses to restricted net position to the extent such are available and then to unrestricted net position.

#### ***Cash and Cash Equivalents***

Cash and cash equivalents include amounts in demand deposits, as well as short-term investments, with a maturity date within three months of the date acquired by PRT.



## Basic Financial Statements

***Materials and Supplies***

PRT maintains spare parts and supplies that are used to maintain transit equipment. The inventory is stated at cost, net of an allowance for obsolete parts of \$379,905 at June 30, 2022.

***Capital Assets***

Transit operating property and equipment are recorded at cost and include certain property acquired from predecessor private mass transportation companies. Transit operating property and equipment also include certain capitalized labor and overhead expenses incurred to ready such property and equipment for use. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. During fiscal year 2022, no interest expense was capitalized. Depreciation is recorded using the straight-line method based on estimated useful lives that generally range from 4 to 30 years. Projects in progress remaining on June 30, 2022 primarily consist of various infrastructure upgrades and building improvements.

***Revenue, Receivables and Unearned Revenues***

PRT utilizes an automated fare collection system. Fares are recorded as revenue at the time services are performed. Grants and contributions are recorded as revenue when all applicable eligibility requirements are met. The Federal Transit Administration (FTA), the Pennsylvania Department of Transportation, and the County provide financial assistance and make grants directly to PRT for operation, acquisition of property and equipment, and other capital related expenses. Operating grants and subsidies in the accompanying statements of revenues and expenses include only operating grants from the indicated sources. PRT is permitted to utilize certain capital funds for operating expenses including labor, fringe benefits, materials and supplies, and other expense classifications. Capital funds used for operating assistance represent capital grant funds applied to these expenses. Capital grants for the acquisition of property and equipment and other capital related expenditures are recorded as capital grant funding.

The Commonwealth of Pennsylvania (State) created Act 44 to provide a dedicated source of funding called the Public Transportation Trust Fund (PTTF), which provides both operating and capital assistance to PRT as well as all other transit agencies in the State. PTTF includes several existing sources of state funding as well as some new sources. Also, it eliminates the filing of separate applications to receive those funds. The sources of revenue available to the State to fund PTTF are: (1) A percentage from sales tax (4.4%); (2) Lottery funds for the Free Transit for Senior Citizens Program; (3) State bond funding for capital projects; (4) Remainder of Public Transportation Assistance Fund (PTAF) after funding payments on existing debt; and (5) Annual payments from the Turnpike Commission. Five program accounts have been created within the new trust fund: Transit Operating Assistance, Asset Improvement Program, Capital Improvements Program, New Initiatives, and Programs of Statewide Significance. Local matching funds are required to receive assistance under most of the programs.

***Capital and Operating Funding for the Year Ended June 30, 2022***

PRT received \$251.2 million in State Operating Assistance during fiscal year 2022. After recognizing unearned revenue for State Operating Assistance carried forward to future years, PRT recognized \$249.6 million in State Operating Assistance for fiscal year 2022 under ACT 44. The State Operating Assistance funds required a 15% local match of \$37.7 million. Allegheny County provided \$34.8 million of with an additional \$2.9 million provided by RAD. Because of existing debt agreements, PRT obtained capital funding under PTAF totaling \$17.4 million to use for debt service. Local matching share required for this funding was provided by the County. PRT utilized \$203.8 million in capital funding for capital improvements, debt service payments, and to support bus purchases in fiscal year

## Basic Financial Statements

2022. PRT applied \$108.4 million of this capital funding in its operating budget. PRT utilized a total of \$4.8 million in capital funding from the County during fiscal year 2022, which was required to match federal and state capital grants.

As of June 30, 2022, the primary components of unearned revenue were: \$157.8 million of State operating assistance carryover, \$26 million of County funds to be used for capital grant matching, and \$7.5 million of State PTAF funds to be used for debt service.

### ***Deferred Outflows and Inflows of Resources***

In addition to assets and liabilities, the statement of net position reports separate sections for deferred outflows and inflows of resources. These separate financial statement elements represent a consumption (outflows) or addition (inflow) of net assets that applies to a future period and so will not be recognized as an outflow (expense) or inflow (revenue) of resources until then.

### ***Compensated Absences***

In accordance with GAAP, PRT accrues vacation benefits earned by its employees.

### ***Self-Insurance***

PRT has a self-insurance program for public liability, property damage, and workers' compensation claims. Estimated costs of these self-insurance programs are accrued in the year the expenses are incurred, based upon the estimates of the claim liabilities made by management and legal counsel of PRT. Estimates of claim liabilities are accrued based on projected settlements for claims and include estimates for claims incurred but not reported. Any adjustments made to previously recorded reserves are reflected in current operating results.

### ***Refunding Transactions***

In accordance with applicable guidance, the excess of the reacquisition price over the net carrying amount of refunded debt is recorded as a deferred outflow of resources on the statements of net position and amortized as a component of interest expense over the shorter of the term of the refunding issue or refunded bonds.

### ***Adopted Pronouncement***

The requirements of the following Governmental Accounting Standards Board (GASB) Statement were adopted for the financial statements: GASB Statement No. 87, "Leases," that were previously classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. As a result of this implementation, a right to use lease asset and lease liability have been reflect for year ended June 30, 2022.

GASB Statement No. 92 (Omnibus 2020) was also adopted for the year ended June 30, 2022. This statement had no impact on the financial statements of PRT.

## Basic Financial Statements

**Pending Standards**

GASB has issued statements that will become effective in future years, including Statements Nos. 91 (Conduit Debt Obligations), 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), and 99 (Omnibus 2022, 100 (Accounting Changes and Error Corrections), and 101 (Compensated Absences). Management has not yet determined the impact of these statements on the financial statements.

**Classification of Net Position**

Accounting standards require the classification of net position into three components - net investment in capital assets; restricted; and unrestricted.

These classifications are defined as follows: *Net Investment in capital assets*-consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets; *Restricted*-consists of constraints placed on assets through external restrictions, reduced by liabilities related to those assets; *Unrestricted*-consists of assets that do not meet the definition of "restricted" or "net investment in capital assets."

**Reclassifications**

Certain reclassifications have been made in the prior financial statements in order for them to be in conformity with current year presentation.

**Community College of Allegheny County****Basis of Accounting**

The Allegheny County Community College Educational Foundation (Foundation) and the Chalfant Hall Foundation (Chalfant) are component units of CCAC. Both of the component units are a legally separate organization for which the nature and significance of the relationship with CCAC is such that exclusion would cause CCAC's audited financials to be misleading or incomplete. The Foundation and Chalfant's financial statements identify the financial data of CCAC's component unit, which are legally separate, not-for-profit organization incorporated and operated exclusively for the benefit of CCAC and is presented as a discrete component unit in the accompanying financial statements in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14*. They are reported separately to emphasize that it is legally separate from CCAC. The Foundation and Chalfant are private nonprofit organizations that reports under Financial Accounting Standards Board (FASB) standards. As such, certain revenue-recognition criteria and presentation features are different from GASB revenue-recognition criteria and presentation features. No modifications have been made to the Foundation and Chalfant's audited financial information as it is presented herein. Complete financial statements for the Foundation can be obtained from Mr. James R. McMahon, Executive Director of the Foundation, 808 Ridge Avenue, Pittsburgh, Pennsylvania 15212.

*Foundation's Basis of Accounting* - The Foundation's policy is to prepare its financial statements on the accrual basis of accounting. Under this basis, revenues are recognized when earned and expenses are recognized when incurred. Unconditional promises to give are recorded as received as either without donor restrictions or with donor restrictions. When a donor restriction expires (that is, when a purpose or time restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released

## Basic Financial Statements

from restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

### ***Foundation's Adopted Accounting Standards***

ASU 2020-07, *Not-For-Profit Entities* (Topic 958). The amendments in this update expand upon the presentation and disclosure of contributed nonfinancial assets to provide the reader of the financial statements a clearer understanding of the types of nonfinancial assets received and how they are utilized and recognized by the not-for-profit organization.

Of the total net position of CCAC as of June 30, 2022, the following constraints upon their use have been imposed, either externally or internally by action of the Board:

Restricted CCAC expendable net position:	
Scholarship and tuition funds	\$ 169,435
Student development funds	2,581,243
Capital outlay	2,619,771
Restricted Foundation net position	
Expendable	14,088,819
Nonexpendable	16,178,464
Restricted Chalfant Hall net position	
Nonexpendable	5,122,474
Total restricted net position	<u>\$ 40,760,206</u>
Unrestricted net position:	
CCAC Board-designated:	
Campus building projects	\$ 1,585,365
Reserve for facilities, emergency and other compelling needs	202,019
915 Ridge property	444,472
Allegheny County Schools Health Consortium	1,876,208
Visual Arts Center	702,709
Milton Hall exterior renovations	1,024,163
Emergency erosion improvements and repairs	118,500
Roof replacement fund	2,497,516
CCAC undesignated:	
Auxiliary services	8,575,642
Future operations	14,217,491
Future capital projects	5,012,437
Chalfant Hall undesignated net position	241
Foundation undesignated net position	<u>4,714,433</u>
Total unrestricted net position	<u>\$ 40,971,196</u>

### ***Revenues - Exchange and Non-Exchange Transactions***

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. Non-exchange transactions, in which CCAC receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which CCAC must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to CCAC on a reimbursement basis. Reimbursements for operating expenditures from the County and the State are recorded as revenue when earned.

## Basic Financial Statements

**Unearned Revenue**

Unearned revenue arises when cash is received before revenue recognition criteria has been satisfied. Unearned revenues are composed of deferred grant revenue and student tuition revenue and deposits. Unearned grant revenue represents monies received on approved grants in advance of incurring the corresponding expenses. Student deposits and tuition received at June 30 and applicable to the subsequent summer and fall terms have been deferred and are included in revenue in the succeeding year. In addition, certain grant proceeds that do not meet the revenue recognition criteria under GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions* and GASB Statement No. 36, *Recipient Reporting for Certain Sharing Nonexchange Revenues* (an amendment of GASB Statement No. 33) are deferred.

**Capital Assets**

Land, buildings and equipment are recorded at cost at the date of acquisition, or fair value at the date of donation in the case of gifts. Building improvements and improvements other than buildings are recorded at the aggregate cost of the construction of the improvement. Expenditures for construction in progress are capitalized as incurred. Repair and maintenance costs are expensed as incurred; renovations and improvements, which extend the physical or economic life of an asset, are capitalized. Library books are purchased and recorded as a composite group of similar assets according to the limits within the depreciation and amortization note. When property is sold or otherwise disposed of, the carrying value of such assets is removed from the accounts.

Depreciation and amortization of leased and owned assets are computed on the straight-line method over the estimated useful lives of the leased and owned property and equipment and are presented as a separate functional expense category in the statements of revenues, expenses and changes in net position.

CCAC's estimated useful lives used to compute depreciation and capitalization limits are as follows:

	Years
Buildings	50
Leasehold improvements and infrastructures	25
Land improvements	15
Furniture and fixtures	10
Library books	10
Equipment (other than computer) and vehicles	7
Computer equipment	5
Computer software	3

**Right to Use Assets and Liabilities**

CCAC has entered into lease agreements for equipment and rentals. As CCAC enters into a lease, the right to use an asset and any associated receivables and liabilities are recorded at the net present value. The useful life of assets ranges from three to five years, and the assets are amortized over the shorter the term of the lease or the useful life.

**Bond Interest Expense**

GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the end of a Construction Period*, requires interest to be expensed in the period that it occurred for all construction-in-progress. As of July 1, 2020, the College implemented this standard and no longer capitalized interest costs during

## Basic Financial Statements

construction. The GASB provides for a prospective application of the implementation and does not require the restatement of any balances or the removal of interest previously capitalized. For fiscal year 2022, total interest incurred and expensed approximated to \$3,100,000.

### ***Compensated Absences***

Full-time employees receive paid time off for vacation, illness, and personal reasons. Time is accrued on a monthly basis based on a calendar year or academic calendar year based on employee job classification. The amount of time accrued plus the amount of unused leave that can be carried over into the next calendar year or academic year is dependent on the employee's job classification. Compensated absences, including unpaid vacation and sick leave, are accrued to conform to GASB Statement No. 16, *Accounting for Compensated Absences*, using the vesting method. In accordance with Allegheny Federation of Teachers (AFT) collective bargaining agreement Article XXV, A9, a tenured full-time teaching employee may accumulate a maximum of 24 unpaid credit teaching overage hours. Compensated balances also include banked credits. Banked credits occur when a tenured full-time teaching employee teaches above his/her base course load of 15 credits, he/she can then elect to bank the time instead of receiving overage compensation at that time. The person may later elect to utilize the earned leave to reduce his/her work schedule at 90% of the compensable rate. At time of retirement or separation of employment, any remaining credit will be paid at the overage rate in effect at the time of their accumulation with no accrued interest.

### ***Net Position Classifications***

Net position is required to be classified for accounting and reporting purposes into the following categories:

*Net Investment in Capital Assets* - This category includes all of CCAC's capital assets, net of accumulated depreciation, reduced by outstanding debt attributable to the acquisition, construction or improvement of those assets.

*Restricted* - CCAC classifies the net position resulting from transactions with purpose restrictions as restricted net position until the specific resources are used for the required purpose or for as long as the provider requires the resources to remain intact. Restricted expendable - may be spend by CCAC, but only for the purpose specified by the donor, grantor or other external entity. Restricted nonexpendable - funds held in perpetuity as designated by the donor; however, interest and dividends from these funds are used for scholarships of students and other needs, as directed by the donor.

*Unrestricted* - The net position that is neither reserved, restricted, nor invested in capital assets, net of related debt, is classified as unrestricted net position. CCAC's unrestricted net position may be designated by actions of the CCAC's Board of Trustees.

### ***Operating Revenues and Expenses***

All revenues from tuition, auxiliary enterprises and grant sources are considered to be operating revenues. Operating expenses include educational costs, auxiliary enterprises, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition, including State appropriations, investment income and interest on capital asset-related debt, are reported as non-operating revenues and expenses.



## Basic Financial Statements

**Scholarship Allowances**

Scholarship allowances represent the difference between the stated charge for services provided by CCAC and the amount that is paid by the student or third parties making payments on behalf of the student. Accordingly, some types of student financial aid, such as Federal Pell grants and scholarships awarded by CCAC, are considered to be scholarship allowances. These allowances are netted against tuition and fees revenues in the statement of revenues, expenses and changes in net position.

**Bond Premiums and Discounts**

Bond premiums and discounts are amortized over the term of the bonds. Bond premiums are presented as an increase in the face amount of the applicable debt payable, while discounts are presented as a decrease in the face amount of the debt payable. CCAC refinances bonds when the market conditions are appropriate for refinancing.

**Unrestricted Net Position**

*Campus Building Projects Reserve* - From time to time, the Board authorizes allocations to this reserve to carry out renovation and construction projects. The most significant projects include the Video Conferencing System and Classroom Technology Presentation Equipment. For the fiscal year 2022, project expenses exceeded Board-designated transfers and revenues by \$949,603, reducing the reserve to \$1,585,365 as of June 30, 2022.

*Facilities Emergency and Other Compelling Needs* - For fiscal 2022, Board-designated transfers out and expenses to fund network infrastructure upgrades, deferred maintenance and the State match required for the electrical power and HVAC upgrade project loans exceeded miscellaneous revenues by \$411,595, thereby reducing the reserve to \$202,019 as of June 30, 2022. The reserve has been designated for the following capital projects as of June 30: HVAC Upgrade Project Match \$123,035; Allegheny Parking Lots \$64,562; Miscellaneous Deferred Maintenance Projects - College-wide \$14,422. Total reserve for designated capital projects totals \$202,019.

*915 Ridge Property* - Rental income in excess of rental expenses is designated for future improvements or renovations to the 915 Ridge property. During fiscal 2022, expenses exceeded revenues by \$10,031, thereby reducing the designated net position to \$444,472 as of June 30, 2022.

*Allegheny County Schools Health Insurance Consortium (Consortium)* - CCAC is a member of the Consortium which was formed to purchase health benefits on behalf of Allegheny County Schools. CCAC's portion of the Consortium's total net assets available for benefits as of June 30, 2022 was \$1,876,208.

*Visual Arts Center (900 Lincoln Avenue Property)* - In August 2016, CCAC entered into a three-year lease agreement with the City of Pittsburgh (City) for the space that formerly served as CCAC's Visual Arts Center located at 900 Lincoln Avenue. The lease agreement contained a renewal provision for up to three one-year renewals. CCAC has exercised the first three renewals through June 30, 2022. The City utilizes the space as a training center for its police force. The income in excess of rental expenses is designated for future improvements or renovations to the 900 Lincoln Avenue property. During fiscal year 2022, expenses exceeded revenues by \$145,464, thereby decreasing the designated net position to \$702,709 as of June 30, 2022.

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*Milton Hall Exterior Fund* - The Board of Trustees designated \$980,000 in 2021 for the Milton Hall Exterior project to correct water penetration into the facility. The funds are part of CCAC's match required for state revenues to fund debt service in the Capital Framework Cycle. During fiscal year 2022, revenues and transfers exceeded expenses by \$44,163, thereby increasing the reserve to \$1,024,163 as of June 30, 2022.

*Emergency Erosion Improvements and Repairs Fund* - At the March 2020 meeting, the Board authorized a reserve fund in the amount of \$600,000 for emergency improvements and repairs related to an erosion control project. For the fiscal year 2022, project expenses exceeded Board-designated transfers and revenues by \$3,500 reducing the reserve to \$118,500 as of June 30, 2022.

*Roof Replacement Fund* - The Board of Trustees designated funding for the roof replacement projects at West Hills Main Roof and the Student Service Center on the Allegheny Campus for \$2,497,516 in the Capital Outlay budget that was adopted in June 2022. The reserve was funded by transferring \$2,497,516 from the reserves for future capital projects.

*Reserve for Auxiliary Services* - The reserve is the excess of revenues over expenses from auxiliary enterprise operations.

*Reserve for Future Operation* - Reserve for future operations is composed of funds that have not been currently designated by the Board for future operations.

*Reserve for Future Capital Projects* - This reserve was established by CCAC in 2017 to fund future capital projects. For fiscal 2022, board-designated transfers in exceeded expenses by \$845,745, and capital outlay revenues increase by \$2,070,116 from a \$1,900,544 gain on the sale of IP addresses and a \$169,572 gain on sale of other assets. Additionally, there was a \$2,497,516 transfer out to fund a new reserve for repairs and replacement of roofs, thereby increasing the reserve to \$5,012,437 as of June 30, 2022.

*Undesignated and Unrestricted Reserve Fund* - At the January 2018 meeting of CCAC's Board, the annual operating budget policy was revised to call for an administrative process that annually sets aside a portion of actual current fund operating revenues and existing unrestricted net position to maintain an Unrestricted Reserve Fund for future years for either Undesignated reserves or for Designated reserves for ongoing facilities maintenance, renovations, construction and other emergencies or compelling needs, including, but not limited to legal, technological, safety/risk management, academic or other financial imperatives. After actual current fund operating revenues used to fund current operating needs and strategic goals for the current fiscal year have been identified, it is CCAC's goal to generate excess revenues to provide for an ongoing unrestricted reserve balance at a level equal to at least 15% of the annual actual current fund operating revenues.

### **Foundation Endowment**

The Foundation's endowment was established for a variety of purposes, including for scholarships, facilities, or Board-designated operating purposes. Its endowment includes both donor-restricted endowment funds and without donor unrestricted funds designated by the Board of Directors (Board) to function as endowments. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

*Interpretation of Relevant Law* - The Foundation has interpreted Pennsylvania State Act 141 of 1998 as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation,



## Basic Financial Statements

the Foundation classifies as net assets in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund and investment income in excess of amounts designated for current operations and losses up to the extent of accumulated gains.

Endowment net asset composition by type of fund at June 30, 2022, and changes in endowment net assets for the fiscal year ended June 30, 2022 are as follows:

	Board-Designated	Held In Perpetuity	Total
Endowment Net Assets, Beginning of Year	\$ 2,804,509	5,561,554	8,366,063
Investment return, net	(680,194)	(2,258,461)	(2,938,655)
Contributions	-	10,616,910	10,616,910
Transfers in		2,258,461	2,258,461
Other changes:			
Withdrawals	(200,234)	-	(200,234)
Transfers out	-	-	-
Miscellaneous expense	(23,592)	-	(23,592)
Endowment Net Assets, End of Year	<u>\$ 1,900,489</u>	<u>16,178,464</u>	<u>18,078,953</u>

### ***Redevelopment Authority of Allegheny County***

#### ***Basis of Accounting***

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the government considers revenues to be available if they are collected within 365 days of the end of the current fiscal period.

Major revenues that are susceptible to accrual in governmental funds are grants from other governments and interest on investments. Expenditures are recognized in governmental funds under the modified accrual basis of accounting when the related fund liability is incurred.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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The accounts of RAAC are organized on the basis of governmental 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 balance, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

RAAC's enterprise funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, and expenses, such as charges for services, and costs associated with operating the business type activities; result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues and expenses, such as subsidies, investment earnings, and interest expense, result from nonexchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expense. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

*General Fund* - The General Fund is the general operating fund of RAAC, and is considered a major fund for accounting purposes. It is used to account for grants and projects for which separate accounting records are not deemed practicable and to account for operations not included in other funds or projects. These projects are financed through state, county, and local grants, although the ultimate source of funds may be pass-through grants of federal funds.

*Major Program Funds* - RAAC currently reports the following major governmental programs: The Allegheny County Home Improvement Loan Program, and the Community Infrastructure and Tourism Fund.

The Allegheny County Home Improvement Loan Program ("AHILP") accounts for the activities of the issuance of loans to finance the rehabilitation of residential housing for persons and families of low to middle income throughout the County.

The Community Infrastructure Tourism Fund ("CITF Fund") dispenses grants and manages loans for economic and infrastructure development projects to municipalities within the County. Such development projects are to be funded through the Pennsylvania Department of Community and Economic Development ("DCED") over a span of 12 years, as apportioned to the County under Act 53 of 2007. Act 53 of 2007 provides funding for economic development from State taxes on gaming transactions.

Program funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. RAAC operates projects that are financed by grants from state, county, or local governmental units or a combination thereof. Operations must be conducted in accordance with the terms and conditions of a specific grant and a contract between the grantor(s) and RAAC.

## Basic Financial Statements

***Cash and Cash Equivalents***

Cash and cash equivalents consist of demand deposits as well as short-term certificates of deposit with a maturity date within three months of the date acquired by RAAC. For purposes of the statement of cash flows, RAAC considers all highly liquid investments, including investment agreements, to be cash equivalents.

***Interfund Transactions***

Intergovernmental revenue is recognized when the related expenditure is incurred. Unearned revenues arise when RAAC receives resources prior to incurring qualifying expenditures. Any amounts not collected, for which related expenditures have been incurred prior to December 31, 2022, are reflected as intergovernmental receivables.

Interfund accounts receivable are considered to be available expendable resources and are reported as assets in the "due from other funds" account. Interfund accounts payable are considered to be committed expendable resources and are reported as liabilities in the "due to other funds" accounts. Interfund accounts between governmental funds are eliminated on the government-wide financial statements.

Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

***Loans Receivable***

Loans receivable in the governmental funds are recognized when the loan is established. On the fund statements, the loan balances are fully offset by unearned revenue, as loans receivable are not considered to be available as current resources. Program expense is recognized upon establishment. Loans receivable on the entity-wide statements are recorded at their principal balance due less an allowance for uncollectable accounts.

RAAC has residential rehabilitation loans, which are presented at a net zero value, as they are only repayable out of available sale proceeds. These loans are fully reserved at the time of issue. The reserve is reversed, and income is recognized when the loans are repaid, or when the amount of repayment is determinable and reasonably assured.

It is RAAC's policy to provide for future losses on loans based on an evaluation that, in RAAC's judgment, require consideration in estimating loan losses of the various programs. In the proprietary funds, loans receivable are recorded at their principal balance due, less an allowance for uncollectable loans. Interest income on loans is recognized at the loans' stated interest rates.

***Loan Fees***

Loan fees for the proprietary funds consist of a \$750 application fee, a 1% loan origination fee, and an annual administrative fee of 0.1% of the loan.

***Capital Assets***

Real estate acquired in conjunction with RAAC's various programs is recognized as an expenditure when purchased and is not capitalized in the fund statements because (1) the property is not used in RAAC's operations and (2) the ultimate amount to be realized by RAAC upon disposition of the

## Basic Financial Statements

property does not generally accrue to the benefit of RAAC. Land inventory is recorded as an asset at the lower of cost or market value on the government-wide statement of net position until released to a developer for development program activities.

Capital assets, which include land, buildings, and building improvements, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by RAAC as assets with an initial, individual cost of more than \$5,000 and an estimated useful life exceeding one year. Such assets are recorded at historical costs. Donated capital assets are recorded at the estimated fair market value at the time of donation. The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend assets' lives are not capitalized.

Buildings and building improvements are depreciated using the straight-line method. Buildings are assigned a useful life of 30 years and tenant improvements are amortized over the life of the lease.

### ***Long Term Obligations***

In the government-wide financial statements, long-term debts are reported as liabilities in the statement of net position and bond discounts and premiums are deferred and amortized over the life of the bonds using the straight line method. In the fund financial statements, the face amount of debt issued is reported as other financing sources.

### ***Unearned Revenues***

Unearned revenues are reported in the government-wide, governmental fund, and enterprise fund financial statements. Those amounts represent revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned revenues. RAAC deems revenues received within 365 days of year end to be available.

### ***Net Position/Fund***

*Fund Balance Classification* - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which RAAC is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. RAAC had no fund balances under this classification at year end.
- *Restricted* - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. At year end, the General Fund had \$2,137,381 of restricted fund balance that is to be used as matching funds for other projects. The AHILP had \$705,562 of restricted fund balance to be used for home improvement loans. The CITF had \$5,655,697 of restricted fund balance that is to be used for economic development and infrastructure projects, all of which has already been allocated to specific projects. The restricted classification also includes a residual fund balance of \$53,752 in the Non-Major Special Revenue Funds, which are restricted for various projects.

## Basic Financial Statements

- *Committed* - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. RAAC did not have any committed resources as of December 31, 2022.
- *Assigned* - This classification includes amounts that are constrained by RAAC's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or through the Board delegating this responsibility to RAAC's management. At year end, the AHILP had \$3,352,260 of assigned fund balance to be used for home improvement loans.
- *Unassigned* - This classification includes the residual fund balance for the General Fund.

RAAC would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

The government-wide financial statements utilize a net position presentation. Net positions are categorized as net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* – This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted net position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted net position* – This category represents RAAC's net position, not restricted for any project or other purpose.

### ***CITF Fund Grant Accounting***

Grants are approved on a reimbursement basis. The recipients cannot qualify for the grants without first incurring allowable costs. Until allowable costs are incurred, the fund does not accrue a liability and, in turn, the recipient does not accrue a receivable.

### ***Adopted Accounting Standards***

In June 2017, the GASB issued Statement No. 87, "Leases". RAAC was required to adopt Statement No. 87 for its fiscal year 2022 financial statements. The adoption of this standard had no effect on RAAC's financial statements.

In May 2019, the GASB issued Statement No. 91, "Conduit Debt Obligations". RAAC was required to adopt Statement No. 91 for its fiscal year 2022 financial statements. The adoption of this standard had no effect on RAAC's financial statements.

## Basic Financial Statements

In January 2020, the GASB issued Statement No. 92, "Omnibus 2020". RAAC was required to adopt Statement No. 92 for its fiscal year 2022 financial statements. The adoption of this standard had no effect on RAAC's financial statements.

In March 2020, the GASB issued Statement No. 93, "Replacement of Interbank Offered Rates". RAAC was required to adopt Statement No. 93 for its fiscal year 2022 financial statements. The adoption of this standard had no effect on RAAC's financial statements.

In June of 2020, the GASB issued statement No. 97 "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32". RAAC was required to adopt statement No. 97 for its fiscal year 2022 financial statements. The adoption of this standard had no effect on RAAC's financial statements.

### ***Allegheny County Industrial Development Authority***

#### ***Basis of Accounting***

ACIDA has various programs that are reported as separate Enterprise Funds. ACIDA accounts for its programs on the accrual basis of accounting in accordance with the provisions of GASB Statements. Accordingly, revenues are recorded when earned and expenses are recorded when incurred.

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of ACIDA. Operating revenues consist primarily of fees and interest on loans receivable. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions, such as capital contributions, grants or ancillary activities.

When an expense is incurred, for purposes in which there are both restricted and unrestricted resources available, it is ACIDA's policy to apply those expenses first to restricted resources, to the extent that such are available; and then to unrestricted resources.

ACIDA reports the following major proprietary funds: (1) Administrative Fund is ACIDA's primary operating fund. It accounts for all financial resources of ACIDA, except for those required to be accounted for in another fund; (2) Small Business Distressed Communities (SBDC) Fund is a revolving loan program which uses Community Development Funds for the promotion of industrial and economic development in the County; (3) The Mon Valley Revolving Loan Program (MON) is a revolving loan program to assist small businesses with the purchase of equipment and machinery in the promotion of industrial and economic development in the County; (4) The Allegheny County UPARC Program (UPARC) is a revolving loan program to assist small businesses with the purchase of equipment and machinery in the promotion of industrial and economic development in the County; (5) The Allegheny County EDA Program (EDA) is a revolving loan program which uses Economic Development Administration funds for the promotion of industrial and economic development in the County; and (6) The Development Action Assistance Program (DAAP) was a revolving loan fund originally capitalized with Community Development Block Grant funds. The program is no longer revolving as all loan repayments are returned to program income annually.

#### ***Cash and Cash Equivalents***

For purposes of presentation, the ACIDA considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.



## Basic Financial Statements

***Restricted Cash***

Restricted cash represents cash and cash equivalents set aside for Local Economic Development Assistance programs (LEDA).

***Allowance for Uncollectible Accounts***

ACIDA uses the allowance method in providing for loan losses. Accordingly, potential loan losses are recorded to the allowance and provided for as provision for uncollectible loans receivable when the collection is doubtful. Conversely, when management is of the opinion that previously reserved loans are collectible, the current year's provision is reduced.

***Administrative Fees***

The Administrative Fund charges those entities on whose behalf the debt is issued a closing fee at the inception of each issue, and annual fees due on each anniversary of the issue for as long as the issue is outstanding. Borrowers must pay the first annual fee at closing, and then on each anniversary of the issue for as long as the issue is outstanding. Administrative fees are non-refundable and are recognized as revenue at the time they are due.

***Classification of Net Position***

Net position is classified into three components: net investment in capital assets, restricted, and unrestricted.

***Administrative Services***

ACIDA contracts with the County Department of Economic Development for various administrative support services, including space and personnel. ACIDA was required to pay \$200,000 for the year ending December 31, 2022.

***Allegheny HealthChoices, Inc.******Basis of Accounting***

The financial statements of AHCI have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

***Cash and Cash Equivalents***

Cash and cash equivalents and restricted deposits include cash on hand, in banks, as well as all short-term highly liquid investments with maturities from the date of purchase of three months or less.

***Basis of Presentation***

To ensure observance of limitations and restrictions placed on the uses of AHCI's available resources, the accounts of AHCI are classified according to two classes of net assets: with donor restrictions and without donor restrictions, established according to their nature and purpose. Net assets of AHCI are reported as follow: Without Donor Restrictions - represent the portion of expendable funds that are available for support of AHCI's operations; With Donor Restrictions - are specifically restricted by donors. Some donor-imposed restrictions are temporary in nature, such as those that will be met by

## Basic Financial Statements

the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. AHCI has no net assets with donor restrictions.

### ***Revenue Recognition***

AHCI records unconditional promises to give as receivables and revenues and distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. AHCI considers its governmental contracts to be exchange transactions, meaning that all of its government grants are derived in exchange for rendering services. Accordingly, none of such revenues are considered to be contributions.

### ***Revenue from Contracts with Customers***

Funding administered by the County, Beaver County program service revenue and other miscellaneous program service revenue is considered to be revenue from contracts with customers. The contracts are held with governmental entities in the state of Pennsylvania and are fee for service contracts under which AHCI provides administrative support, training, technical assistance, and data warehousing and related services. Services are provided over the life of the contract, which is typically one calendar year in duration. Revenue is recognized when the performance obligation of the contract is satisfied, that is, the service identified in the contract is rendered to the contracting entity. At December 31, 2022, receivables related to the contracts were \$713,053 and payables related to the contracts were \$606,165.

### ***Capital Assets***

Prior to 2001, capital assets purchased with the County MH/ID base funds, as well as certain capital assets purchased with AHCI funds, were expensed as opposed to being capitalized and depreciated as the County retains title to these assets. These amounts are reported as capital assets with an offset, costs applied to the program.

The majority of the furniture and equipment at December 31, 2022 is fully depreciated. For periods after 2008 through 2010, acquisitions of furniture and equipment in excess of \$3,000 were capitalized. Beginning in 2011, the threshold for capitalization was raised to \$5,000. Furniture and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the capital assets. Capital assets will be assumed by Allegheny County Department of Human Services after the contract termination date of March 31, 2023.

### ***Vacation and Sick Policy***

Employees of AHCI are required to use a minimum of 50% of their allotted vacation every year. Employees can carry over no more than half the annual accrual total of vacation into the next year. Any exception to this vacation carry-over limit must be requested in writing and approved in writing by the CEO. Such decisions will be made on a case-by-case basis. As a result, employees may accrue vacation hours in excess of one year's accrual amount. At December 31, 2022, approximately \$126,000 has been accrued as an estimated liability related to vacation earned but not taken prior to year-end. This liability is included in accrued expenses on the statements of financial position.



## Basic Financial Statements

### ***Due to Allegheny County***

In accordance with the terms of the agreement between AHCI and the County Human Services – Behavioral Health Department, excess funds are to be transferred back to the County to be deposited into a holding account to be used for risk and contingency or an approved reinvestment plan. At December 31, 2022, the amount due to the County under this contract is approximately \$606,000. As discussed in Funding Source, below, an amount equal to approximately two months' working capital has been deferred for working capital purposes under this contract.

### ***Funding Source***

Effective January 1, 2021, AHCI entered into an amended agreement with the County's Human Services Department– Behavioral Health Department. Under this agreement, AHCI is to be paid 1.25% of the capitation payments per month. Effective January 1, 2022 through March 31, 2023, AHCI entered into an amended agreement with the County's Human Services Department– Behavioral Health Department. Under this agreement, AHCI is to be paid 1.5% of the capitation payments per month. Total AHCI revenue for the year ended December 31, 2022 is \$5,784,292. This amount is calculated as follows: gross capitation revenues received of \$6,390,457, plus interest earned of \$0, less the amount to be repaid to the County of \$606,165 related to 2022, and the change in the amount of capitation revenue deferred. There was no change in the deferred revenue County balance from December 31, 2021. The agreement permitted AHCI to defer an amount equal to approximately two months' gross revenues as of December 31, 2022, for cash flow purposes. The total deferral amount is \$1,621,532 at December 31, 2022.

### ***Allegheny County Parks Foundation***

#### ***Basis of Accounting***

The financial statements of the Parks Foundation have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States. Net assets, revenues, and support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Parks Foundation and the changes therein are classified and reported as follows: (1) Net Assets Without Donor Restrictions - Net Assets that are not subject to donor-imposed stipulations. The Board has designated, from net assets without donor restrictions, net assets for operating funds; (2) Net Assets With Donor Restrictions - Net Assets subject to donor-imposed stipulations that may or will be met, either by action of the Parks Foundation and/or the passage of time, or that are maintained in perpetuity by the Parks Foundation. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and changes in net assets as net assets released from restrictions.

Contributions with or without donor restrictions are recorded as revenue when received or pledged. Contributions with donor restrictions are reported in the statements of activities and changes in net assets as net assets released from restrictions when a stipulated time restriction ends or purpose restriction is accomplished. Conditional promises to give are not included as support until the conditions are substantially met.

## Basic Financial Statements

### **Contributions Receivable**

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. At December 31, 2022, approximately \$392,545 is expected to be collected within one year. Decisions to charge off receivables are based on management's judgment after consideration of facts and circumstances surrounding potential uncollectible accounts. The Parks Foundation did not consider an allowance for doubtful accounts to be necessary at December 31, 2022.

### **Government Grant Revenue and Receivable**

In 2022, the Parks Foundation filed claims of \$168,547 to receive the Employee Retention Credit (ERC) during the fiscal year ended December 31, 2022. Management believes it has met all of the eligibility requirement to overcome the barriers for revenue recognition and the full amount has been received. As such, the Parks Foundation has recognized \$168,547 as government grant revenue in 2022.

### **Cash and Cash Equivalents**

The Parks Foundation maintains, at a financial institution, cash that may exceed federally insured amounts at times. For purposes of the statements of cash flows, the Parks Foundation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash and cash equivalents.

### **Capital Assets**

Furniture, computer equipment and software with a purchase price in excess of \$500 is capitalized if the useful life is estimated to be three or more years and is valued at cost for purchased assets and fair value for contributed assets. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the respective assets. The Parks Foundation reviews the recoverability of the carrying value of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset might not be recoverable.

Net assets with donor restrictions as of December 31, 2022, are restricted for the following purposes:

Subject to expenditure for specified purpose:	
Hartwood Sculpture Garden	\$ 445,072
North Park Observation Tower	400,000
South Cascades Restoration	331,372
Settlers Cabin-Pinkertons Run	147,035
Hartwood Sculpture Garden Activation Strategy	133,775
Park User Survey 2022-2023	37,500
Bench Program	54,531
Parks Connectivity Feasibility Study	114,280
South-Paul Riis Trail Signs	112,001
South Edgebrook Shelter	100,400
North Park Story Pole	100,000
Earnings on Hartwood Sculpture Garden Endowment	20,391
Other Projects	128,803
Subject to Passage of Time Total	750,000
Perpetual In Nature:	
Hartwood Sculpture Garden Endowment	300,000
	<u>3,175,160</u>

## Basic Financial Statements

Net assets were released from donor restrictions by incurring expenses that satisfied the restricted purpose or by occurrence of the passage of time or other events specified by donors or grantors, as follows, for the year ended December 31, 2022:

Satisfaction of purpose restrictions:		
Hartwood Sculpture Garden	\$	515,667
South Cascades Restoration		72,023
Settlers Cabin-Pinkertons Run		9,855
Hartwood Sculpture Garden Activation Strategy		16,225
Park User Survey 2022-2023		112,500
Bench Program		120,875
Parks Eco Plan Implementation		85,978
Parks Connectivity Feasibility Study		5,750
South-Paul Riis Trail Signs		5,666
Other Projects		133,970
Expiration of time restrictions		300,000
	\$	<u>1,378,509</u>

### ***Deferred Revenue***

Sponsorship revenue is recognized as revenue when the event takes place. Amounts received in advance of the event are deferred until the period the event occurs. Deferred revenue may also include advanced contributions that are refundable to the donor until related expenses are incurred.

### ***Soldiers and Sailors Memorial Hall and Museum Trust, Inc.***

#### ***Basis of Accounting***

Memorial Hall uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

#### ***Financial Statement Presentation***

Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Memorial Hall are classified and reported as follows:

- *Without Donor Restriction* - Net assets that are not subject to donor-imposed stipulations. Additionally, at times Memorial Hall will designate amounts to be used for certain projects. Memorial Hall had no designated amounts as of December 31, 2022.
- *With Donor Restrictions* - Net assets whose use is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of Memorial Hall pursuant to those stipulations. Also included in this category are net assets subject to donor-imposed stipulations to be maintained in perpetuity by Memorial Hall. Memorial Hall currently has no net assets with donor restrictions that are to be maintained in perpetuity as of December 31, 2022.

## Basic Financial Statements

### ***Support and Revenue***

Government financial assistance, grants, and contributions, including unconditional promises to give, are recognized when received and are recorded as with or without donor restrictions, depending on the existence or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Conditional promises to give stipulate a measurable performance or other barrier and a right of return and are recognized only when the conditions on which they depend have been met. During 2021, Memorial Hall received a \$190,100 United States Small Business Administration (SBA) loan through the Federal Government's Paycheck Protection Program (PPP) that resulted from the COVID-19 pandemic. The PPP loan was treated as a conditional federal grant. All conditions were met during 2021. As a result, \$190,100 has been recognized as government financial assistance on the statement of activities. Memorial Hall received full forgiveness of the PPP loan from the SBA on November 4, 2021. There were no conditional promises to give at December 31, 2022.

Contributed services (in-kind contributions) for the year ending December 31, 2022 do not meet the criteria for inclusion in the accompanying financial statements. Memorial Hall receives donations of services of immeasurable benefit to the organization from many individuals. Memorial Hall recognizes revenue from building rentals and program service fees, net of any related discounts, at the time services are provided. Fees for rentals and program services received in advance are deferred and are reported as rental deposits.

### ***Collections***

Collections include items transferred to Memorial Hall from the County in prior years, as well as items that have been purchased or acquired through donation. Collection items are not capitalized. Purchases of collections items are recorded as decreases in net assets without donor restrictions if purchased with assets without donor restrictions and as decreases in net assets with donor restrictions if purchased with donor-restricted assets. Contributions of collection items are not recognized in the statement of activities. Proceeds from deaccessions or insurance recoveries are reflected on the statement of activities based on the absence or existence and nature of donor-imposed restrictions.

Memorial Hall's collections are made up of artifacts and books of historical significance and art objects that are held for educational, research, and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. Memorial Hall employs a curator to ensure that the collections are protected and preserved. The collections are subject to a policy that requires proceeds from their sales to be used to acquire new collection items or for the direct care of existing collections. Direct care is an investment in existing or new collections that enhances life, usefulness, or quality of the collection items to ensure they will continue to benefit the public. Memorial Hall's collection management policy includes maintenance, protection, and storage activities, as well as conservation and archival services as activities that are considered direct care of collection items.

### ***Grants Receivable***

Grants receivable represents amounts awarded by donors that have not been received. Memorial Hall has determined that no allowance was considered necessary at December 31, 2022. All grants receivable are expected to be collected within one year.

## Basic Financial Statements

***Accounts Receivable***

Accounts receivable are reported at net realizable value. Accounts are written off when they are determined to be uncollectible based upon management's assessment of individual accounts. Accounts receivable are considered fully collectible by management and, accordingly, no allowance for doubtful accounts is considered necessary. Memorial Hall does not currently recognize or accrue interest on any unpaid receivable balance.

***Inventory***

Inventory is stated at the lower of cost or net realizable value and determined using the first-in, first-out method.

***Capital Assets***

Capital assets are recorded at cost. Depreciation of capital assets and leasehold improvements are calculated on a straight-line basis over the estimated service lives. Capital purchases greater than \$5,000 and with a life greater than one year are capitalized. Estimated useful lives are: Equipment 3-15 years and Leasehold improvements 10-40 years.

***Concentrations***

Memorial Hall received 32% of its income from the County and 18% of its income from RAD.

***(2) Legal Compliance***

To comply with no windfall legislation, County management has restricted \$2.3 million of net position, as required by the State, for self insurance of future workers' compensation claims and assigned \$33.0 million for future healthcare costs and \$5.0 million for future claims and judgments.

## Basic Financial Statements

### (3) Cash and Investments

GASB Statement No. 40, "Deposit and Investment Risk Disclosures," requires disclosures related to the following deposit and investment risks: credit risk, custodial credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. The following is a description of the County's deposit and investment risks:

#### **Deposits and Investments**

Pennsylvania statutes provide for investment of governmental funds into certain authorized investments. The statutes also allow pooling of governmental funds for investment purposes. The County Investment Board has adopted an investment policy that adheres to State statutes and further limits permitted investment types and procedures. This policy was last revised January 2019. The primary objectives, in priority order, of the Board's investment activities are safety of principal, liquidity, and return on investment.

As of December 31, 2022 the book value of County cash, short-term investments, and long-term investments (excluding Custodial funds which will be described separately) was \$667,864,786. Of this book value of County cash, are restricted funds of \$99,567,552 for debt service, liquid fuel, infrastructure support, managed care, aging and economic development.

The bank balance of deposits and fair value of short and long term investments as of December 31, 2022:

Cash on hand	\$	112,749
Checking and savings accounts		16,543,196
Certificates of deposit		14,070,000
Money market checking/savings accounts		489,823,472
Pennsylvania INVEST		147,372,424
Total cash and cash equivalents	\$	<u>667,921,841</u>

The following is a description of the risks related to the cash deposits:

#### Deposits

**Custodial Credit Risk** – The risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County's investment policy mitigates custodial credit risk by requiring collateralization of uninsured balances of certain investments, including certificates of deposit, savings accounts, time deposits, checking with interest accounts, and repurchase agreements. The County's investment policy limits collateral to U.S. Treasury Obligations and U.S. Government Agency investments. The policy requires a collateralization level of 102% of the market value of principal and accrued interest and that collateralization be pledged in accordance with Act 72 of the Pennsylvania State Legislature, Section 3836-1 through Section 3836-6.

As of December 31, 2022, \$1,928,776 of the County's bank balance was insured by the Federal Depository Insurance Corporation. The remaining bank balance of \$665,993,065 is uninsured, exposed to custodial credit risk but is collateralized in accordance with Act 72, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

## Basic Financial Statements

### Investments

As of December 31, 2022, the County's short term investments are considered to be cash equivalents for presentation on the Statement of Net Position and Governmental Fund Balance Sheet. The County had no long term investments and maturities as of December 31, 2022.

The following is a description of the risks related to the County's investments:

**Credit Risk**-The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. Since the highest priority of the investment program is safety of principal, the County's investment policy minimizes credit risk by permitting only certain types of investments and establishing minimum quality levels for the riskier investments.

The County Treasurer is authorized by the County Board of Investment to invest in U.S. Treasury Obligations, directly issued U.S. Federal Agency securities, repurchase agreements, deposit accounts, obligations of the Commonwealth of Pennsylvania, shares of investment companies (mutual funds), certificates of deposit, commercial paper, Pennsylvania Local Government Investment Trust (PLGIT), and INVEST. INVEST is a government pool established by the State Treasurer exclusively for investment by Pennsylvania municipalities.

Repurchase agreements may only be established with a primary government securities dealer or a depository institution doing business in Pennsylvania. All agreements must be collateralized at 100% of the fair value of principal and accrued interest by U.S. Treasury or U.S. Government Agency securities with A ratings and maturities up to 20 years. In addition, the agreements must include a definite termination date.

Shares of Investment Companies must be rated AAA. The Investment Company's holdings may only be in the investments listed in the previous paragraph. In addition, the Companies must be in compliance with Section 2a-7 of the SEC rules.

Commercial Paper must be rated A-1 / P-1 (by Moody's and S&P respectively) or better. Maturities of commercial paper must not exceed 270 days. All transactions must be made from a registered broker or dealer.

At December 31, 2022, the Pennsylvania INVEST Daily (investment pool) was rated AAAM by S&P.

**Custodial Credit Risk** – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity. The County's safekeeping and custody policy minimally requires that all security transactions be conducted within the confines of Act 72. Direct security transactions must be on a delivery-versus payment basis. All securities are to be held in the Treasurer's name. If a counterparty is used, the counterparty must send written confirmation of the transaction to the Treasurer.

**Concentration of Credit Risk** – According to the County's investment policy, diversification will prevent over concentration in a sector and minimize the opportunity for risky investments. With the exception of U.S. Treasury securities, no more than 55% of Allegheny County's total investment portfolio will be invested in a single security type or with a single financial institution. As of December 31, 2022, there were no investments over 55% in a single security type or with a single financial institution, therefore the Treasurer's Office was in compliance with this policy.



## Basic Financial Statements

Interest Rate Risk – Unless matching reserve funds to a specific cash flow, the County's investment policy limits investment maturities to a maximum of 13 months from the date of purchase. An exception to this rule regards repurchase agreements which should be collateralized with maturities up to twenty years. Reserve funds may be invested in securities exceeding five years if the maturity of such investments reasonably coincides with the expected use of the funds.

### Fair Value of Assets

The County categorized its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value: Level 1 quoted prices in active markets for identical assets or liabilities; Level 2 Inputs are significant other observable inputs; and Level 3 Inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of December 31, 2022.

- PA Invest Program funds (external investment pool) of \$147,372,424 are valued at \$147,372,424 the same as the value of the pool shares of \$1 and are reported at NAV.

### Custodial Fund Deposits and Investments

The County maintains bank accounts for the various Custodial funds. The Office of the County Treasurer is responsible for investing a portion of these deposits. All the policies described above which govern investment of the County's other funds also govern the Custodial deposits the County Treasurer manages. The other County departments manage the rest of the deposits in accordance with various legislation. The amount of deposits held in investments by departments other than the Treasurer's Office is very minimal. Most funds are held in FDIC insured checking, savings, or certificates of deposit.

All investments are considered cash equivalents for presentation on the Statement of Fiduciary Net Position. The maturity dates of all investments are less than one year. As of December 31, 2022 the total book balance for cash and investments was \$68,367,617. The bank balance of deposits and fair value of short-term investments as of December 31, 2022:

Cash on hand	\$	44,226
Checking and savings accounts		62,280,407
Certificates of deposit		2,645,728
Money market checking/savings accounts		3,512,266
	\$	<u>68,482,627</u>

As of December 31, 2022, \$1,262,361 of the bank balance was insured by the FDIC. The remaining bank balance of \$67,220,266 was uninsured, exposed to custodial credit risk, but is collateralized in accordance with Act 72 of the Pennsylvania State Legislature which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.



## Basic Financial Statements

***Pension Trust Fund Deposits and Investments***

The Pension Trust Fund's investments are held separately from those of other County funds. Investments in the pension trust fund are stated at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued based on the last reported sale price. Bonds and notes not regularly traded on a national exchange are valued based on the last reported sale price. Other investments consist of ownership interests in various private equity funds. These interests are recorded at the latest available book value of the Pension Trust Fund's ownership interest, generally being December 31, 2022. The book value for the investments approximates fair value due to the requirement for these funds to follow the guidance of accounting standards.

**Fair Value of Assets**

The Pension Trust categorized its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value: Level 1 Inputs are quoted prices in active markets for identical assets or liabilities; Level 2 Inputs are significant other observable inputs; and Level 3 Inputs are significant unobservable inputs. The Level 3 investments are classified at the book value of the ownership interest in the limited partnership.

Investments in entities that calculate their Net Asset Value (NAV) per share, or its equivalent, are exempt from classification by the fair value hierarchy. The other investments are recorded as the book value of the Pension Trust Fund's capital account, which is considered to be equivalent to NAV and an approximation of fair value since these investments are reported at fair value under FASB standards.

## Basic Financial Statements

The Pension Trust has the following recurring fair value measurements as of December 31, 2022:

Investments by Fair Value Level	December 31, 2022	Fair Value Measurements Using			
		Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3	Measured At Net Asset Value (NAV)
U.S. Common and Preferred Stock	\$ 74,429,387	74,429,387	-	-	-
American Depository Receipts	350,227	350,227	-	-	-
S&P 500 Index Fund	68,771,098	1,347,768	-	-	67,423,330
Non-U.S. Stocks / Equity Mutual Funds	120,567,257	85,884,566	-	-	34,682,691
U.S. Gov't & Related Agency Debt	40,047,699	-	40,047,699	-	-
Fannie Mae & Freddie Mac	16,170,135	-	16,170,135	-	-
Fixed Income Mutual Funds	150,805,240	9,155,582	-	-	141,649,658
U.S. Corporate Debt	28,231,711	-	28,231,711	-	-
Non-US Govt and Corp Debt	11,667,861	-	11,667,861	-	-
Hedge Funds	24,216,372	-	-	-	24,216,372
Real Estate Investment Trusts	127,165,694	-	-	-	127,165,694
Private Equity/Venture Capital	223,820,417	-	-	-	223,820,417
Totals	\$ 886,243,098	171,167,530	96,117,406	-	618,958,162

Equity and Bonds and Notes securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Bonds and Notes classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The Equity and Bonds and Notes securities reported at NAV are valued daily and the Pension Trust Fund can generally withdraw their investment in these funds. The Pension Trust Fund has no obligation to make additional investments in these funds.

The Other Investments reported at NAV are valued over a range; generally, either monthly or quarterly. Most of these investments do not allow the Pension Trust Fund to withdraw their funds from the investment. For those that allow withdrawals, they can occur either monthly or quarterly, with notice of 60 to 120 days. The Pension Trust Fund is obligated to contribute approximately \$35 million to these funds as explained further in Note 11.

There are no remaining unfunded commitments for the investments measured at net asset value or limitations on the ability of the Pension Trust Fund to redeem their shares in these investments.

The Retirement Board has adopted investment guidelines that summarize the investment philosophy of the Board and set forth investment targets and performance objectives for the Pension Fund. In 2016 the Retirement Board approved changes to the target allocations for investments. The investment guidelines, adopted June 16, 2011, were last revised June 16, 2022. The target allocations are included in the revised investment guidelines and are included in these notes.

## Basic Financial Statements

As of December 31, 2022 the Retirement Board had the following cash and investments in its Pension Trust Fund:

Cash or Investment Type	Fair Value	Investment Maturities from December 31, 2022			
		Less than 1 year	1-10 Years	11-20 Years	More than 20 years
Government & related agency debt	\$ 40,047,699	3,568,787	27,600,473	6,537,839	2,340,600
Fannie Mae and Freddie Mac debt	656,596	-	656,596	-	-
Corporate certificates of deposit	16,170,135	34,533	281,453	2,106,587	13,747,562
Corporate debt	28,231,711	1,585,938	19,664,287	3,270,046	3,711,440
Non-U.S. government and corporate notes	11,667,861	544,550	10,061,294	920,827	141,190
Total debt securities	96,774,002	5,733,808	58,264,103	12,835,299	19,940,792
Cash and cash equivalents	49,818,501				
Bond mutual funds	150,805,240				
Equity mutual funds	120,567,257				
Stocks and ADRs	74,779,614				
Real estate investment trusts	127,165,694				
S&P 500 index fund	68,771,098				
Hedge fund	24,216,372				
Private equity/venture capital	223,820,417				
Total cash and other investments	839,944,193				
Total cash and investments reported on Pension Trust Fund Statement of Net Position	\$ 936,718,195				

Following is a description of the Pension Trust Fund's deposit and investment risks:

**Credit Risk** - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Pension Fund's Fixed-Income Investment Managers are authorized by the Retirement Board to invest in marketable debt issues of the U.S. Treasury, U.S. Agencies, U.S. corporations, U.S. banks or other financial institutions, mortgage or asset backed securities, Yankee bonds, and cash equivalents. Domestic bonds in the core-fixed income portfolios must be rated Baa/BBB or better by either Moody's or Standard & Poor's.

The investment guidelines allow for two different classifications of fixed-income managers – core fixed income or high-yield fixed income. Core-fixed income portfolios should normally maintain an average market-weighted quality of Aa/AA. High-yield fixed income securities are bonds that are typically below investment grade bonds. These high-yield income securities do carry credit ratings below BBB by definition.

The Retirement Board has passed a "Statement of Investment Policy" which gives the High Yield Fixed Income asset class a target asset allocation of 12% of total fund assets. Within the High Yield Fixed Income class, the policy allows 60% of this class to be invested in Defensive High Yield investments and 40% to be invested in Opportunistic High Yield Investments. The Policy further defines the Opportunistic High Yield investments as "may include CCC and below rated securities", and Defensive High Yield investments "only generally excludes CCC and below securities".

## Basic Financial Statements

The Pension Trust Fund's December 31, 2022 fixed income investments have received the following ratings:

Standard & Poor's Rating	Investment Type				
	Corporate Bonds	Corporate Certificates of Deposit	FNMA & FHLMC	Other Government Securities	Non-US Gov't & Corporate Debt
AAA	\$ 1,579,471	-	-	-	-
AA	1,702,691	-	-	11,553,605	-
A	6,609,848	-	-	-	1,864,987
BBB	14,603,721	-	-	-	1,635,211
BB	27,919	-	-	-	-
B	-	-	-	-	-
CCC	-	-	-	-	-
CC	-	-	-	-	-
D	-	-	-	-	-
Not Rated	3,708,061	656,596	16,170,135	28,494,094	8,167,663
Totals	<u>\$ 28,231,711</u>	<u>656,596</u>	<u>16,170,135</u>	<u>40,047,699</u>	<u>11,667,861</u>

Moody's Rating	Investment Type				
	Corporate Bonds	Corporate Certificates of Deposit	FNMA & FHLMC	Other Government Securities	Non-U.S. Gov't & Corporate Debt
Aaa	\$ 2,688,487	-	-	38,181,550	750,265
Aa	1,814,353	-	-	-	114,426
A	7,584,853	-	-	-	1,671,401
Baa	11,851,183	-	-	-	1,901,642
Ba	291,078	-	-	-	-
B	-	-	-	-	-
Caa	-	-	-	-	-
Ca	-	-	-	-	-
C	-	-	-	-	-
WR	-	-	-	-	-
Not Rated	4,001,757	656,596	16,170,135	1,866,149	7,230,127
Totals	<u>\$ 28,231,711</u>	<u>656,596</u>	<u>16,170,135</u>	<u>40,047,699</u>	<u>11,667,861</u>

The credit ratings for the Pension Fund's mutual fund investments are unknown.

**Custodial Credit Risk – Cash and Cash equivalents** - For deposits custodial credit risk is the risk that, in the event of bank failure, the fund's deposits may not be returned to it. As of December 31, 2022, the book value of the Pension Trust Fund's cash and deposits was \$3,671,736 and the bank balance was \$4,524,715. Of the \$4,524,715 bank balance, \$250,000 is covered by federal depository insurance; \$4,274,715 is uninsured and subject to custodial credit risk and is collateralized in accordance with Act 72. An additional \$46,146,765 in cash equivalents was held by the fund's investment managers in temporary investment vehicles. The investment guidelines state cash equivalent investments may be U.S. Treasury Bills, U.S. Government repurchase agreements (with a minimum of 102% collateral), money market funds, or commercial paper. If commercial paper is used for short-term investments, it must be rated at least A-1 or A by Moody's or Standard & Poor's.

**Custodial Credit Risk - Investments** - For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside entity. To mitigate custodial credit risk, the Board's investment guidelines set target asset allocations for all investments.

The 2022 approved target allocations are as follows:

<u>Asset Allocation</u>	<u>Target</u>
Diversified Equity	33%
Fixed-income	29.5%
Real Estate	12.5%
Alternative Assets	25%
Total	<u>100%</u>

## Basic Financial Statements

**Concentration of Credit Risk** - The Retirement Board's investment guidelines do not set total fund diversification guidelines. However they do attempt to minimize the impact of substantial loss in any specific industry or issue by establishing specific limits for the portfolios of each of the investment managers. For equity investment managers, no more than 5% of each manager's equity portfolio may be invested in any one company (valued at cost), and no more than 10% of each manager's equity portfolio may be invested in any one company (valued at market). In addition, equity investments may not exceed the benchmark index by 20% of the GICS economic sector allocation.

For the core fixed-income managers - Except for U.S. Treasury and Agency obligations, each manager's fixed-income portfolio may not contain more than 10% (valued at market) of a given domestic issuer; no more than 10% of each portfolio's market value may be in Yankee bonds. If an investment manager chooses to invest in SEC Rule 144A securities without registration rights, such securities may not consist of more than 10% of the portfolio.

**Interest Rate Risk** - Limiting investment maturities is a means of managing exposure to fair value losses arising from rising interest rates. The Retirement Board's investment guidelines require the effective duration of each fixed-income manager's portfolio to comply with the following schedule:

<u>Fixed-Income Class</u>	<u>Index</u>	<u>Duration Limitation</u>
Short-term	Merrill Lynch One-Three-Year Gov't	±20%
Government/Credit	Lehman Brothers Gov't/Credit	±20%
Core	Lehman Brothers Aggregate	±20%

**Foreign Currency Risk** – For cash and investments, foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment. At December 31, 2022 the Pension Trust Fund held \$86,161 in foreign cash; \$32,916,063 in common stock investments and \$11,667,861 in fixed income investments, all in various non-U.S. dollar denominations.

## Basic Financial Statements

### **Component Units - Cash and Investments**

#### **Allegheny County Airport Authority**

ACAA's investment policy is to follow Section 5611 of the State Municipality Authorities Act and Act 131 of 2014 (Section 2) (collectively the "Acts"). In accordance with the Acts, ACAA is authorized to invest in: (1) U.S. Treasury bills; (2) short-term obligations of the U.S. government or its agencies or instrumentalities; (3) obligations of the U.S.A. or any of its agencies or instrumentalities backed by the full faith and credit of the U.S.A., the State or any of its agencies or instrumentalities backed by the full faith and credit of the State, or any political subdivision of the State or any of its agencies or instrumentalities backed by the full faith and credit of the political subdivision; (4) commercial paper rated in the highest rating category, without reference to a subcategory, by a rating agency; and (5) shares of an investment company registered under the Investment Company Act of 1940 whose shares are registered under the Securities Act of 1933 if the only investments of that company are in the authorized investments for authority funds listed (1) through (4) above.

State law requires that ACAA's deposits be placed in savings accounts, time deposits, or share accounts of institutions insured by the FDIC, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Insurance Fund. To the extent that such accounts are so insured, and for any amounts above the insured maximum, the approved collateral, as provided by law, shall be pledged by the depository.

ACAA has designated four banks for the deposit of its funds. ACAA's deposits and investments are in accordance with statutory authority and the adopted investment policy. There are no limitations or restrictions on participant withdrawals for the investment pools that are recorded at amortized cost. ACAA's cash and cash investments are subject to several types of risk, which are examined in more detail below:

*Custodial Credit Risk of Bank Deposits* - Custodial credit risk is the risk that, in the event of a bank failure, ACAA's deposits may not be returned to it. ACAA's cash deposits are insured up to \$250,000 at financial institutions insured by the FDIC. Any cash deposits in excess of the \$250,000 FDIC limits are uninsured and collateralized by financial institutions via single collateral pool arrangements, as permitted by Act No. 72 of the 1971 session of the Pennsylvania General Assembly, for the protection of public depositors. At December 31, 2022, ACAA had \$26,537,005 of bank deposits that were uninsured but collateralized.

*Custodial Credit Risk of Investments* - Custodial credit risk is the risk that, in the event of the failure of the counterparty, ACAA will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At December 31, 2022, ACAA's investments were not exposed to custodial credit risk. ACAA's investments are held by the pledging financial institution's trust department or agent in ACAA's name. ACAA's investment policy does not address how investment securities and securities underlying repurchase agreements are to be held.

*Interest Rate Risk* - Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. ACAA does not have an investment policy that manages exposure to fair value losses arising from rising interest rates.

## Basic Financial Statements

As of December 31, 2022, ACAA had the following investments and maturities with the credit quality ratings of investments:

Type of Investment	Standard & Poor's	Moody's	Carrying Value	Less Than 1 Year	1-5 Years
Investment pool - Federated government obligations fund*	AAA	Aaa	\$ 37,180,008	37,180,008	-
Commercial paper	A-1	P-1	214,898,809	214,898,809	-
Treasury notes	AAA	Aaa	570,157,862	91,414,795	478,743,067
Municipal bonds	AA	Not Rated	23,048,006	23,048,006	-
Total			\$ 845,284,685	366,541,618	478,743,067

\* Investment is valued at amortized cost rather than fair value

**Credit Risk** - The risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Act provides for investment of governmental funds into certain authorized investment types. Statutes do not prescribe regulations related to demand deposits; however, they do allow pooling of governmental funds for investment. ACAA has no investment policy that would further limit its investment choices. The deposit and investment policy of ACAA adheres to state statutes, related trust indentures, and prudent business practices.

**Concentration of Credit Risk** - ACAA's investment policy places no limit on the amount ACAA may invest in any one issuer. At December 31, 2022, ACAA does not have any investments subject to concentration of credit risk.

**Foreign Currency Risk** - Foreign currency risk is the risk that an investment denominated in the currency of a foreign country could reduce its U.S. dollar value as a result of changes in foreign currency exchange rates. ACAA's exposure to foreign currency risk derives from its investments in commercial paper issued by Canadian, Asian, and other foreign corporations. ACAA's investment policy permits it to hold commercial paper rated in the highest rating category, without reference to a subcategory, by a rating agency. At December 31, 2022, ACAA's investment in commercial paper of foreign currencies matured in less than one year and had a fair value of \$121,497,328.

Deposits and investments are reported in the financial statements as follows:

Cash and cash equivalents	\$ 38,715,618
Investments	114,518,277
Restricted cash and cash equivalents - current	46,460,473
Restricted cash and cash equivalents - noncurrent	647,434,799
Restricted Investments - noncurrent	27,539,893
Total deposits and investments	\$ 874,669,060

These amounts are classified into the following deposit and investment categories.

Deposits with financial institutions	\$ 29,384,375
Investments:	
Reported at cost - Investment pool - Federated govt obligations fund	37,180,008
Reported at fair value:	
Commercial paper	214,898,809
Treasury notes	570,157,862
Municipal bonds	23,048,006
Total deposits and investments	\$ 874,669,060

## Basic Financial Statements

*Fair Value Measurements* - ACAA categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. ACAA's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

ACAA has the following recurring fair value measurements as of December 31, 2022:

Assets Measured at Carrying Value on a Recurring Basis at December 31, 2022				
Investments by Fair Value Level	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2022
US Treasury securities	\$ 570,157,862	-	-	570,157,862
Municipal bonds	-	23,048,006	-	23,048,006
Commercial paper	-	214,898,809	-	214,898,809
Total investments by fair value level	\$ <u>570,157,862</u>	<u>237,946,815</u>	<u>-</u>	<u>808,104,677</u>

- U.S. Treasury securities of \$570,157,862 at quoted prices in active markets for identical assets (Level 1).
- Commercial paper of \$214,898,809 at significant other observable inputs (Level 2).
- Municipal bonds of \$23,048,006 at significant other observable inputs (Level 2).

Securities classified in Level 1 are valued using prices quoted in active markets for those securities.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 and Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy.



## Basic Financial Statements

**Pittsburgh Regional Transit**

The investment and deposit policy of PRT funds is governed by the by-laws of PRT and the Second-Class County Port Authority Act. In accordance with these regulations, PRT has established investment procedures that require that monies be deposited with FDIC-insured banks in demand deposit accounts or certificates of deposit (which are required to be 100% collateralized by separately identified U.S. obligations, if not covered by FDIC insurance). Investments are limited to U.S. obligations and repurchase agreements. Repurchase agreements must be purchased from banks located within the State and the underlying collateral securities must have a market value of at least 100% of the cost of the related repurchase agreement. PRT's investment procedures do not require the delivery of the underlying securities to PRT; however, it is the obligation of the bank to deposit the pledged obligations with either the Federal Reserve Bank, the trust department of the financial institution issuing the repurchase agreement, or another bank, trust company or depository satisfactory to PRT. There were no deposits or investment transactions during fiscal year 2022 that were in violation of either state statutes or the policies of PRT. PRT does not have a formal investment policy which addresses custodial credit risk, interest rate risk, credit risk, or concentration of credit risk.

PRT's unrestricted cash and investments are available for general operating purposes, and restricted cash and investments in the amount of \$14,304,536 are available for acquisition of assets under capital projects and scheduled payments of the Special Revenue Transportation Bonds. Board-designated funds in the amount of \$43,247,892 are available to fund future operating deficits.

GAAP requires disclosures related to the following deposit and investment risks: credit risk (including custodial credit risk and concentrations of credit risk), interest rate risk, and foreign currency risk. PRT's cash and investments as reported on the statements of net position consist of the following:

		2022	
		Cash and Cash Equivalents	Restricted and Designated
Deposits	\$	10,247,436	43,247,892
INVEST		149,896,778	-
Money Market		-	14,304,536
Total	\$	<u>160,144,214</u>	<u>57,552,428</u>

The following is a description of PRT's deposit and investment risks:

**Custodial Credit Risk - Deposits.** Custodial credit risk is the risk that in the event of a bank failure, PRT's deposits may not be returned to it. As of June 30, 2022, \$59,328,295 of PRT's bank balance of \$59,828,295 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name.

**Interest Rate Risk - Interest rate risk** is the risk that changes in interest rates will adversely affect the fair market value of PRT's investments. The investments noted above have maturities of less than one year.

**Credit Risk - Credit risk** is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2022, PRT's investments in INVEST and money markets were rated AAA by Standard & Poor's.

## Basic Financial Statements

PRT's investments in money markets and INVEST are reported at cost which approximates fair value. The fair value of PRT's investments in INVEST is the same as the valued of the pool shares. All investments in an external investment pool that is not SEC registered are subject to oversight by the State. PRT can withdraw funds from INVEST without limitations or fees.

### ***Community College of Allegheny County***

By policy of the Board, CCAC is permitted to invest funds consistent with sound business practices in the following types of investments: U.S. Treasury Bills, obligations of the United States of America and related agencies, and the Commonwealth of Pennsylvania excluding bonds or related instruments issued on behalf of CCAC; A-1, P-1 rated commercial paper, or equivalent instruments; fully collateralized, per Act 72, time deposits, certificates of deposit, and repurchase agreements of financial institutions that have a short-term rating by Moody's (or equivalent) of "P-1" or better and whose long-term senior debt rating is "A2" or better, and which have a combined capital surplus and undivided profits of not less than \$1,000,000; money market mutual funds/investment companies that are AAA-rated by Moody's (or equivalent), managed to a \$1.00 NAV, and are in compliance with Section 2A-7 of SEC rules, and which restrict their investment to instruments described above; real estate, to the extent that the property will be utilized or held for investment purposes. No more than \$5,000,000 of CCAC's cash reserves may be invested in instruments with maturities of more than one year, and in no event may any investment have a maturity of more than five years. Pursuant to Act 72 of the Pennsylvania State Legislature, a depository must pledge assets to secure state and municipal deposits.

The pledged assets must at least be equal to the amount of such assets required to secure all of the public deposits at the depository and may be on a pooled basis. Additionally, all such pledge assets must be delivered to a legal custodian. The following information classifies deposits and investments by categories of risk as defined in GASB No. 40, *Deposit and Investment Risk Disclosures*.

*Custodial Credit Risk* - Custodial credit risk is the risk that, in the event of a failure of a depository financial institution or counterparty to a transaction, CCAC will be unable to recover the value of deposits or collateral securities that are in the possession of an outside party. CCAC's policy for deposits requires any balance not covered by depository insurance to be collateralized by the financial institution with eligible pledged securities. As of June 30, 2022, bank balances for cash and cash equivalents and restricted cash and cash equivalents were \$50,038,553 and \$32,835,644; the balances covered by FDIC were \$750,000; the balances covered by pledged securities held by the financial institution's trust department or in the name of CCAC were \$71,564,305. The remaining bank balance as of June 30, 2022 of \$10,559,891 was not covered by depository insurance or collateralized by the financial institution with eligible pledged securities.

### Foundation Fair Value Hierarchy

Fair values for Level 1 investments are determined by reference to quoted market prices and other relevant information generated by market transactions. Fair values for Level 2 investments are determined by reference to quoted prices for similar investments in active markets. Level 3 investments have significant unobservable inputs, as they trade infrequently or not at all. Fair Values for Level 3 financial instruments are determined by significant unobservable inputs, including the Foundation's own assumptions in determining the fair value of financial instruments.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

## Basic Financial Statements

Fair values of assets measured on a recurring basis at June 30, 2022 are as follows:

	June 30, 2022	Fair Value Measurement at Reporting Date		
		Level 1	Level 2	Level 3
Equities:				
Domestic stocks	\$ 1,012,813	1,012,813	-	-
Foreign stocks	249,863	249,863	-	-
Mutual Funds:				
Fixed income	4,070,674	4,070,674	-	-
Real estate	1,622,485	1,622,485	-	-
ETF funds	10,958,723	10,958,723	-	-
Money Market Funds	4,809,343	4,809,343	-	-
Total investments	\$ 22,723,901	22,723,901	-	-

### ***Redevelopment Authority of Allegheny County***

*Deposits* - Custodial credit risk is the risk that in the event of a bank failure, RAAC's deposits may not be returned to it. The amount of FDIC insurance is \$250,000. RAAC does not have a formal deposit policy for custodial credit risk. As of December 31, 2022, \$73,672,225 of RAAC's bank balance of \$74,672,225 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. As of December 31, 2022, the carrying amounts of RAAC's deposits were \$74,416,248.

*Investments* - In addition to the deposits noted above, RAAC holds short-term investments of mutual funds totaling \$1,120,191.

*Interest Rate Risk* - RAAC does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All of RAAC's investments have a maturity of less than one year.

*Credit Risk* - RAAC does not have a formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations.

RAAC categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At December 31, 2022, RAAC's mutual funds of \$1,120,191 are valued using quoted prices in active markets for identical assets (Level 1).

## Basic Financial Statements

### ***Allegheny County Industrial Development Authority***

The following is a description of ACIDA's deposit and investment risks:

*Custodial Credit Risk* - Deposits - Custodial credit risk is the risk that in the event of a bank failure, ACIDA's deposits may not be returned to it. ACIDA does not have a formal deposit policy for custodial credit risk. As of December 31, 2022, approximately \$2,291,864 of ACIDA's bank balance of \$2,541,864 was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have carrying amounts of \$2,541,864 as of December 31, 2022 and are classified as cash and cash equivalents on the statement of net position.

*Investments* - ACIDA is authorized to make investments of the following types: (1) United States Treasury bills, (2) short-term obligations of the United States government or its agencies or instrumentalities, (3) deposits in savings accounts or time deposits or share accounts of institutions which are insured, (4) obligations of the State or any of its agencies or instrumentalities of any political subdivision thereof, and (5) shares of an investment company registered under the Investment Company Act of 1940, whose shares are registered under the Securities Act of 1933, provided that the investments of that company meet the criteria in (1) through (4) above.

ACIDA also has deposits managed by the Pennsylvania Local Government Investment Trust (PLGIT). These funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical form. ACIDA's investment in PLGIT (an external investment pool) is the same as the value of the pool shares and is reported at amortized cost which approximates fair value. All investments in an external investment pool that is not SEC-registered are subject to oversight by the State. ACIDA can withdraw funds from the external investment pool without limitations or fees. As of December 31, 2022, the bank and book balances of the investments in PLGIT are \$726,280 and are classified as cash and cash equivalents on the statement of net position. As of December 31, 2022, ACIDA's investments in PLGIT are rated AAAM by Standard & Poor's.

### ***Allegheny HealthChoices, Inc.***

Cash and cash equivalents are deposited at local banks. Custodial credit risk is the risk that in the event of a bank failure, AHCI's deposits may not be returned to it. AHCI does not have a formal deposit policy for custodial credit risk. As of December 31, 2022, \$40,275,822 of the AHCI's bank balance of \$40,525,822 was exposed to custodial credit risk. AHCI's deposits are collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. As of December 31, 2022, the carrying amount of AHCI's deposits was \$40,481,122.

In accordance with the AHCI contract, a separate cash account is maintained for claims funding. As of December 31, 2022, the restricted cash related to claims funding was \$37,511,821. Additionally, a separate cash account is maintained for County conference funds from prior years. As of December 31, 2022, the restricted cash related to conference funds was \$14,691. AHCI holds the funds for which the use is at the discretion of AHCI and the County; therefore, a corresponding liability is reflected on the statements of financial position.

## Basic Financial Statements

*Investments* - Investments include investments in fixed income and money market funds for the 457(b) deferred compensation plan. These investments are valued based on the underlying fair value of investments. For the purpose of calculating a net asset value, portfolio securities and other assets are valued as of the close of trading daily. The value of an employee's account is equal to the daily unit value multiplied by the number of units accumulated. Interest income is recorded daily on the accrual basis and dividend income is recorded on the ex-dividend date or as soon as the information from foreign issuers is available. The investments are invested in various types of financial instruments. This diversification of the investment portfolio serves to assist in mitigating the various types of risks associated with different types of financial instruments. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments could occur in the near-term and that such a change could materially affect the amount reported on the statements of financial position. All other investments, other than the 457(b) investments, are also reported at fair value based on quoted market prices.

***Allegheny County Parks Foundation***

Cash and cash equivalents are held in banks which both carry FDIC insurance. At December 31, 2022, the Parks Foundation had \$2,721,299 on deposit at two financial institutions, \$486,595 of which was insured by the FDIC. The remaining balance of \$2,234,704 was uninsured, exposed to custodial risk and was not otherwise collateralized. The Parks Foundation does not have a formal investment policy.

***Soldiers and Sailors Memorial Hall and Museum Trust, Inc.***

Cash and cash equivalents are held in banks which carry FDIC insurance. At December 31, 2022, book balance and bank balance of all deposits totaled \$1,816,583 and \$1,986,732, respectively. \$352,750 of the bank balance was FDIC insured. Memorial Hall has not experienced any losses on such accounts and management does not presently have any concerns regarding the solvency of the institutions involved.

*Investments Held by Others* - A donor has established an endowment with The Pittsburgh Foundation from which Memorial Hall is eligible to receive annual disbursements, which were minimal during the year. At December 31, 2022, Memorial Hall's share of the endowment fund income is 25%. The funds are not under the control of Memorial Hall and are not recorded as assets by Memorial Hall, as it is management's understanding that the donor granted The Pittsburgh Foundation variance power over the assets.

## Basic Financial Statements

**(4) Property and Sales Tax Revenue and Receivables**

Receivables at December 31, 2022 consist of the following:

Governmental Activities	Property Taxes Receivable		Sales Tax Receivable	Due from Other Governments	Alcohol / Car Rental Tax Receivable	Other Accounts Receivable
	Delinquent	Lien				
General Fund	\$ 7,859,174	32,526,664	11,235,260	81,912,729	-	12,566,129
County Grants Fund	-	-	-	39,724,756	-	89,578,815
Human Service Grant Fund	-	-	-	89,780,797	-	8,277,935
Capital Projects Fund	-	-	-	5,980,111	-	-
Other Governmental Funds	1,578,702	10,380,549	-	-	5,103,635	-
Total Governmental Receivables	9,437,876	42,907,213	11,235,260	217,398,393	5,103,635	110,422,879
Less: allowances (Note 1D)	667,952	7,679,407	-	-	-	-
Net Governmental Receivables	\$ 8,769,924	35,227,806	11,235,260	217,398,393	5,103,635	110,422,879

The reconciliations (Exhibits 3A and 4A) of Governmental Funds to the government-wide statements contain information related to revenue recognition.

**Property and Sales Taxes**

The County's real property tax is levied by ordinance of the County Council on real property located in the County. In 2001, the County changed its predetermined ratio, which is the ratio of assessed value to market value uniformly applied in determining assessed value in any year. Prior to 2001, the assessed value of real property equaled 25% of market value. Beginning in 2001, the assessed value equaled 100% of market value. The last revaluation of real property was completed for the property list of January 1, 2013. The total estimated assessed and market value of taxable real estate at January 1, 2022 was \$84,389,840,791.

The tax rate to finance general governmental services, other than debt service requirements, for the year ended December 31, 2022 was \$.39388 per \$100. The tax rate to finance debt service requirements for the year ended December 31, 2022 was \$.07912 per \$100.

Real property taxes levied are recorded as receivables, net of amounts estimated to be uncollectible. At December 31, 2022, the allowances for uncollectible delinquent and lien property taxes aggregated \$667,952 and \$7,679,407, respectively.

Real property taxes for 2021 were levied on January 1, 2021, with a final due date of April 30, 2022. A 2% discount was granted on remittances through March 31, 2022. In 2022, tax liens were filed for taxes due June 30, 2021.

Effective July 1, 1994, under authority granted by the State, the Board of Commissioners adopted an ordinance imposing a 1% sales, use and hotel occupancy excise tax within the County. One-half of the annual revenue generated by the sales tax was dedicated to funding regional assets throughout the County. One-quarter of the annual revenue generated was used for municipal tax reform, and the remaining one-quarter was used for County tax reform. Accordingly, the County eliminated the personal property tax in 1995 and reduced real property taxes. The County's sales tax revenue for 2022 was \$62,296,573.

## Basic Financial Statements

**Component Units – Receivables****All Component Units**

Receivables at the component unit's respective year-ends consisted of the following:

Component Unit	Due from Other Governments	Due from Primary Government	Trade Receivable	Other Receivable	Interest & Dividends	Loans Receivable
ACAA	\$ 26,578,771	586,974	11,301,791	5,822,126	1,369,215	-
PAT	32,932,090	-	-	5,830,130	-	-
CCAC	6,626,991	-	15,614,843	12,137,311	-	-
RAAC	23,770,286	-	-	2,247,283	-	13,602,857
ACIDA	-	-	24,243	-	-	1,388,470
AHCI	-	592,814	120,239	-	-	-
Parks Foundation	-	27,455	-	765,090	-	-
SSMH	-	-	32,430	18,130	-	-
	<u>89,908,138</u>	<u>1,207,243</u>	<u>27,093,546</u>	<u>26,820,070</u>	<u>1,369,215</u>	<u>14,991,327</u>
Less: allowances	-	-	15,514,836	1,730,000	-	1,331,550
Total	<u>\$ 89,908,138</u>	<u>1,207,243</u>	<u>11,578,710</u>	<u>25,090,070</u>	<u>1,369,215</u>	<u>13,659,777</u>

**Allegheny County Airport Authority**

At December 31, 2022, restricted assets are comprised of the following:

Passenger and customer facility charge receivables	\$ 1,855,916
Operations and maintenance reserve	24,674,840
Airport system capital fund	45,235,453
Passenger facility charges fund	1,492,125
Equipment and capital outlay fund	5,839,683
Deposits held for others	960,881
Customer facility charges fund	7,349,308
Unspent bond proceeds	626,755,106
Prefunded grant proceeds	7,945,497
Other	1,590,097
Total	<u>\$ 723,698,906</u>

Under the AOA, ACAA must also maintain certain funds and accounts (as therein defined). The AOA further requires the use of a cost-center structure. In general, revenue from all cost centers is pledged to the payment of ACAA's revenue bonds. However, future debt service on the Terminal Modernization Program will be charged to the terminal cost enter exclusively.

The PFC Fund provides for the segregation of PFC receipts, as required by the FAA. Such revenue are to be expended only for allowable capital projects, or to repay debt issued for allowable capital projects, under a Record of Decision granted by the FAA.

All other restricted funds and accounts (including those established under the AOA) of ACAA represent amounts held for customer facility charge fund expenditures, specific grants and capital projects, or deposits held on behalf of others.



## Basic Financial Statements

**Redevelopment Authority of Allegheny County**

*Loans Receivable* - The Allegheny County Home Improvement Loan Program (AHILP) is a comprehensive program of the County for the financing of rehabilitation of residential properties occupied by persons of low to middle income within designated areas throughout the County. Under AHILP, loans and grants are provided under several different plans based on income eligibility and geographic restrictions. The loans bear interest rates from 0% to 5%, with terms from one to twenty years. The carrying value of AHILP loans receivable, as of December 31, 2022, is \$1,739,670 and is reported net of an allowance for loan losses of \$105,344.

Economic Development Fund (EDF) loans receivable consist of loans with rates ranging from 0% to 5.5% and with terms ranging from 10 years to 20 years. The loan amounts range from approximately \$100,000 to \$3,500,000. Total EDF loans receivable outstanding at December 31, 2022 are \$7,805,720 and are reported on the statement of net position-proprietary funds, net of an allowance for loan losses of \$532,624.

The Section 108 Loan fund has six loans outstanding to a single borrower. These loans earn variable rate interest of 3-month LIBOR plus 50 basis points. As of December 31, 2022, 3-month LIBOR was 4.66%. The Section 108 loans receivable outstanding at December 31, 2022 are \$2,971,800.

RAAC also has \$447,699 of loans receivable in other loan programs.

The following is a summary of loans receivable outstanding at December 31, 2022:

	Receivable Balance	Allowance for Loan Losses	Net Receivable Balance
Economic Development Fund (EDF)	\$ 8,338,344	532,624	7,805,720
Home Improvement Loan Program (AHILP)	1,845,014	105,344	1,739,670
Section 108 Loan Fund*	2,971,800	-	2,971,800
Other loan programs	447,699	-	447,699
	<u>\$ 13,602,857</u>	<u>637,968</u>	<u>12,964,889</u>

*Liens Receivable* - During December of 2008, RAAC purchased County real estate liens from an outside party for approximately \$1.7 million. Total face value of the liens outstanding is in excess of \$56 million. RAAC paid approximately 3 cents per dollar for the liens. These liens were originally sold to the outside party by the County in the 1990s and primarily were issued during the period of 1960 – 1990. As of year-end, the remaining liens are fully reserved, as management determined the receivable to be uncollectable.



## Basic Financial Statements

***Allegheny County Industrial Development Authority***

*Receivables* - ACIDA receives an annual administrative fee for each bond series that is outstanding. The fees are recorded in the Administrative Fund. As of December 31, 2022, the fees receivable in the Administrative Fund are \$24,243.

*Loan Receivables* - ACIDA administers certain programs on behalf of other entities. Under this arrangement, ACIDA collects certain loans from third parties. These loans receivable are recorded in the various proprietary funds. The following is a summary of commercial loans outstanding, not including deferred loans that are recorded at a net zero value, at December 31, 2022:

Program	Number of Loans	Receivable Balance	Allowance for Loan Losses	Net Receivable Balance
Small Business Distressed Communities	3	\$ 400,364	192,573	207,791
Development Action Assistance Program	1	144,476	2,890	141,586
Allegheny County EDA	14	843,630	498,119	345,511
	18	\$ 1,388,470	693,582	694,888

The above loans bear interest at rates ranging from 0% to 3.5% per annum. These loans range in amounts from \$17,434 to \$400,000 and mature through 2038.

***Allegheny County Parks Foundation***

At December 31, 2022, one donor accounted for approximately 38% of total revenue and support and two donors accounted for 100% of total contributions receivable.

## Basic Financial Statements

**(5) Capital Assets**

The following is a summary of the changes in capital assets for the year ended December 31, 2022:

	Balance January 1, 2022	Increases	Decreases	Balance December 31, 2022
Capital Assets, not being depreciated:				
Land	\$ 30,879,857	99,300	-	30,979,157
Construction in progress	65,453,925	40,171,337	21,131,616	84,493,646
Total capital assets, not being depreciated	96,333,782	40,270,637	21,131,616	115,472,803
Capital Assets, being depreciated:				
Land Improvements	8,655,791	-	-	8,655,791
Buildings	459,399,670	1,090,260	-	460,489,930
Buildings - Financed Purchase	7,678,839	-	-	7,678,839
Buildings - Leasehold Improvements	20,584,760	-	-	20,584,760
Infrastructure	757,673,263	23,197,942	-	780,871,205
Furniture and Other Equipment	125,841,149	7,177,897	2,104,001	130,915,045
Right-to-use buildings	175,504,953	-	8,184,333	167,320,620
Total capital assets, being depreciated	1,555,338,425	31,466,099	10,288,334	1,576,516,190
Less accumulated depreciation for:				
Land Improvements	8,262,029	23,145	-	8,285,174
Buildings	284,873,186	11,721,263	-	296,594,449
Infrastructure	383,076,421	30,663,648	-	413,740,069
Furniture and Other Equipment	90,885,364	8,780,319	2,104,001	97,561,682
Total accumulated depreciation	767,097,000	51,188,375	2,104,001	816,181,374
Net depreciated assets	788,241,425	(19,722,276)	8,184,333	760,334,816
Net capital assets	\$ 884,575,207	20,548,361	29,315,949	875,807,619

## Governmental Activities

No events or changes in circumstances affected a capital asset that may indicate impairment.

## Basic Financial Statements

Depreciation was charged to governmental functions as follows:

General government	\$	8,052,707
Public safety		4,821,531
Public works		32,960,698
Health and welfare		2,192,395
Culture and recreation		3,161,044
Total	\$	<u>51,188,375</u>

The County has active construction projects as of December 31, 2022. The projects include bridge design, construction, and repairs; road improvement and reconstruction; park repairs and improvements; purchases of equipment; and building improvements, repairs, and renovations. At year-end, the County's encumbrances with contractors for major capital projects are as follows:

Project	Encumbrance
6th St Bridge-Roberto Clemente Repair	\$ 6,654,709
IT Tech Infrastructure upgrade Software Purchase	5,699,346
District 5 Warehouse Design & Maintenance	4,802,074
Heavy Equip & County Fleet	3,671,918
Lateral Support County Projects	3,530,434
Park Equipment SLFRF & Recreation Repairs	3,032,670
Bridge Construction and preservation	3,008,309
Swimming Pool Improvements	3,005,537
Kane Physical Plant SLFRF	2,804,449
Rehabilitation Projects	2,032,443
City-County Building Roof Repairs	1,948,416
Act 13 Highway Bridge Improvement	1,731,636
County Roads SLFRF	1,671,213
County Facility Building Improvements	1,432,566
Public Works Equipment SLFRF	1,350,812
Jail Physical Plant SLFRF	1,188,650
Treasurer's Tech Improvement SLFRF	1,165,938
Net Zero Park Project	1,030,372

This year's encumbrances were mostly for equipment, bridge, road and parks projects. They are being financed through capital fund general obligation bonds, with the subsequent costs to be reimbursed by federal and state funding. All other fund's encumbrances are insignificant.

## Basic Financial Statements

**Component Units - Capital Assets****Allegheny County Airport Authority**

Capital asset activity for the year ended December 31, 2022 is as follows:

	Balance January 1, 2022	Increases	Decreases	Transfers	Balance December 31, 2022
Capital assets not being depreciated:					
Land	\$ 112,630,772	-	-	-	112,630,772
Construction in progress	290,659,807	344,659,048	-	(17,391,192)	617,927,663
Subtotal	403,290,579	344,659,048	-	(17,391,192)	730,558,435
Capital assets being depreciated:					
Terminal buildings	728,217,364	-	-	1,072,231	729,289,595
Airfield (runways/taxiways/deicing)	202,669,165	-	-	1,491,572	204,160,737
Site development	78,082,183	-	-	106,500	78,188,683
Parking garage and lots	121,908,692	-	-	459,933	122,368,625
Hangers	48,218,949	-	-	1,184,320	49,403,269
Other structures	209,508,335	-	-	993,069	210,501,404
Roadways	71,565,379	-	-	2,973,191	74,538,570
Mobile and other equipment	54,851,717	-	(549,780)	5,091,086	59,393,023
Computer and security equipment/systems	64,094,279	-	-	2,290,577	66,384,856
Utilities	51,957,874	-	-	107,951	52,065,825
Other Assets	35,638,294	-	-	1,620,762	37,259,056
Landing area (non sub)	343,202,403	-	(15,920,000)	-	327,282,403
Subtotal	2,009,914,634	-	(16,469,780)	17,391,192	2,010,836,046
Accumulated depreciation:					
Terminal buildings	668,323,012	15,154,412	-	-	683,477,424
Airfield (runways/taxiways/deicing)	122,265,896	9,152,218	-	-	131,418,114
Site development	50,897,442	1,650,549	-	-	52,547,991
Parking garage and lots	93,106,631	4,339,898	-	-	97,446,529
Hangers	42,926,786	657,606	-	-	43,584,392
Other structures	140,086,440	6,151,290	-	-	146,237,730
Roadways	64,171,302	1,242,246	-	-	65,413,548
Mobile and other equipment	42,071,080	2,917,074	(508,098)	-	44,480,056
Computer and security equipment/systems	49,764,867	2,754,454	-	-	52,519,321
Utilities	46,498,934	1,190,164	-	-	47,689,098
Other Assets	23,468,150	2,456,151	-	-	25,924,301
Landing area (non sub)	324,157,728	5,277,500	(15,920,000)	-	313,515,228
Subtotal	1,667,738,268	52,943,562	(16,428,098)	-	1,704,253,732
Net capital assets being depreciated	342,176,366	(52,943,562)	(41,682)	17,391,192	306,582,314
Net business-type activity capital assets	\$ 745,466,945	291,715,486	(41,682)	-	1,037,140,749

**Construction Commitments**

Construction in progress related to runway and taxiway rehabilitation, garage and parking lots, terminal enhancements, non-airfield property development, and terminal modernization program. As of December 31, 2022, ACAA's equipment purchases and construction commitments are as follows:

	Spent to Date	Remaining Commitment
Terminal Modernization Project	\$ 470,416,630	583,561,611
Airside terminal projects	5,086,966	8,385
Development area projects	36,083,131	2,953,849
Other projects	144,082,206	206,246,552
Total	\$ 655,668,933	792,770,397

## Basic Financial Statements

**Inexhaustible Assets**

ACAA maintains various collections of inexhaustible assets to which no value can be determined. Such collections could include contributed works of art, historical treasures, literature, etc., that are held for exhibition and public service. These collections are neither disposed of for financial gain nor encumbered in any means. Accordingly, such collections are not capitalized or recognized for financial statement purposes.

**Pittsburgh Regional Transit**

A summary of changes in capital assets for the year ended June 30, 2022 is as follows:

	June 30, 2021	Increases	Decreases	June 30, 2022
Capital assets, not being depreciated:				
Land	\$ 95,953,095	-	-	95,953,095
Projects in progress	97,055,105	36,005,188	24,674,845	108,385,448
Total capital assets, not being depreciated	193,008,200	36,005,188	24,674,845	204,338,543
Capital assets, being depreciated:				
Buildings	384,423,646	7,162,486	4,245,606	387,340,526
Transportation equipment	719,948,778	37,181,579	32,297,737	724,832,620
Track, roadway, and subway stations	1,416,957,561	16,943,651	4,622,001	1,429,279,211
Right to use leased office space	12,608,540	-	-	12,608,540
Other property, equipment, and assets	180,008,989	4,424,298	24,583,345	159,849,942
Total capital assets, being depreciated	2,713,947,514	65,712,014	65,748,689	2,713,910,839
Less accumulated depreciation for:				
Buildings	204,956,350	15,865,058	4,245,606	216,575,802
Transportation equipment	460,906,717	38,030,933	32,297,737	466,639,913
Track, roadway, and subway stations	853,593,279	39,142,398	4,622,001	888,113,676
Right to use leased office space	910,301	1,611,407	-	2,521,708
Other property, equipment, and assets	140,197,999	8,690,029	24,583,345	124,304,683
Total accumulated depreciation	1,660,564,646	103,339,825	65,748,689	1,698,155,782
Net depreciated assets	1,053,382,868	(37,627,811)	-	1,015,755,057
Net capital assets	\$ 1,246,391,068	(1,622,623)	24,674,845	1,220,093,600

## Basic Financial Statements

**Community College of Allegheny County**

The following is a summary of changes in capital assets for the year ended June 30, 2022:

	<u>July 1, 2021</u>	<u>Increases</u>	<u>Decreases*</u>	<u>June 30, 2022</u>
Capital assets, not being depreciated:				
Construction-in-progress	\$ 16,040,172	23,755,259	8,476,533	31,318,898
Land	4,028,747	-	-	4,028,747
	<u>20,068,919</u>	<u>23,755,259</u>	<u>8,476,533</u>	<u>35,347,645</u>
Capital assets, being depreciated:				
Buildings	230,428,825	1,540,938	130	231,969,633
Land improvements	8,079,469	-	-	8,079,469
Infrastructure	12,456,212	850,142	-	13,306,354
Leasehold improvements	461,179	14,016	-	475,195
Equipment & vehicles	18,893,004	2,943,989	268,711	21,568,282
Grant-related equipment	9,168,929	2,505,510	118,188	11,556,251
Furniture and fixtures	3,410,165	431,818	29,192	3,812,791
Computer equipment	26,246,786	6,105,593	1,199,889	31,152,490
Computer software	6,168,739	100,128	-	6,268,867
Right to use assets	1,072,191	-	74,534	997,657
Library books	6,188,070	118,466	-	6,306,536
	<u>322,573,569</u>	<u>14,610,600</u>	<u>1,690,644</u>	<u>335,493,525</u>
Total Capital Assets	342,642,488	38,365,859	10,167,177	370,841,170
Accumulated depreciation and amortization:				
Buildings	112,346,938	3,874,404	-	116,221,342
Land improvements	6,908,124	150,559	-	7,058,683
Infrastructure	3,632,428	495,736	-	4,128,164
Leasehold improvements	109,891	18,731	-	128,622
Equipment and vehicles	14,007,708	1,526,697	283,661	15,250,744
Grant-related equipment	6,458,724	740,653	83,738	7,115,639
Furniture and fixtures	2,561,660	190,471	5,094	2,747,037
Computer equipment	17,313,373	3,171,849	1,122,952	19,362,270
Computer software	5,559,676	370,673	-	5,930,349
Right to use assets	-	338,399	-	338,399
Library books	5,140,437	181,179	-	5,321,616
	<u>174,038,959</u>	<u>11,059,351</u>	<u>1,495,445</u>	<u>183,602,865</u>
Net investment in capital assets	\$ <u>168,603,529</u>			<u>187,238,305</u>

\*Included within decreases is the transfer of assets capitalized from within the construction-in-progress category.

## Basic Financial Statements

**State Appropriations**

State legislation provides for the establishment of community colleges and for the reimbursement of certain community college expenditures from State funds appropriated for this purpose. The legislation currently in effect (Act 46) provides that the State shall reimburse the College an amount for operating expenditures each year, consisting of a base amount not less than the amount received for the 2005 fiscal year. In addition, the College shall receive a pro rata share of the Economic Development Stipend fund, based on its enrollments in certain categories of workforce development-related programs and courses as compared to the other State community colleges' enrollments in those categories.

In addition, the State shall reimburse the College for one-half of all approved capital expenditures, including debt service and net rental costs (gross rentals less amounts included therein for maintenance). The State pays its share of operating expenses at the end of each quarter and has the option of paying its share of capital expenditures either when incurred or over a period of time. Election of the latter method requires the State to also pay a pro rata share of the interest expense incurred by CCAC. The remaining operating expenses must be provided by the sponsor of CCAC or by private sources, nonstate public sources and from student tuition. The remaining capital expenditures must be provided by the sponsor.

**Redevelopment Authority of Allegheny County**

The following is a summary of changes in capital assets for the year ended December 31, 2022:

	Balance January 1, 2022	Increases	Decreases	Balance December 31, 2022
Capital Assets, not being depreciated:				
Land	\$ 1,528,300	-	1,528,300	-
Capital Assets, being depreciated:				
Building and tenant improvements	5,489,223	-	5,489,223	-
Less: accumulated depreciation	3,797,719	36,772	(3,834,491)	-
Net depreciated assets	<u>1,691,504</u>	<u>36,772</u>	<u>1,654,732</u>	<u>-</u>
Net capital assets	<u>\$ 3,219,804</u>	<u>36,772</u>	<u>3,183,032</u>	<u>-</u>

Depreciation expense was \$36,772 for the year ended December 31, 2022.

In May 2022 the building and all capital assets at 200 Industry Drive were sold to a third party for approximately \$2,150,000, resulting in a loss on the sale of approximately \$1,033,000. This loss is recorded as an operating expense on the 2022 statement of revenues, expenses and changes in fund net position for the proprietary funds.

## Basic Financial Statements

***Allegheny HealthChoices, Inc.***

The following is a summary of capital assets for the year ended December 31, 2022:

	January 1, 2022	Increases	Decreases	December 31, 2022
Furniture & Equipment	\$ 1,551,138	36,119	-	1,587,257
Leasehold Improvements	21,927	-	-	21,927
	<u>1,573,065</u>	<u>36,119</u>	<u>-</u>	<u>1,609,184</u>
Less: accumulated depreciation	1,484,431	34,330	-	1,518,761
	<u>1,484,431</u>	<u>34,330</u>	<u>-</u>	<u>1,518,761</u>
Net depreciated assets	\$ <u>88,634</u>	<u>1,789</u>	<u>-</u>	<u>90,423</u>

Under provisions of the agreement with the County, furniture and equipment acquired with MH/ID funds remain the property of the funding agency. If the contractual relationship is terminated, the funding agency may, at its discretion, take possession of such assets. AHCI maintains perpetual records to account for capital assets and performs annual physical inventories for control purposes. Total County investment in AHCI's gross asset value at December 31, 2022 is \$85,875.

***Allegheny County Parks Foundation***

The following is a summary of capital assets for the year ended December 31, 2022:

	Balance January 1, 2022	Increases	Decreases	Balance December 31, 2022
Equipment	\$ 35,684	-	-	35,684
Less: accumulated depreciation & amortization	<u>24,364</u>	<u>5,224</u>	<u>-</u>	<u>29,588</u>
Net assets	\$ <u>11,320</u>	<u>(5,224)</u>	<u>-</u>	<u>6,096</u>

***Allegheny County Agreement*** - Under the agreement with the County, the design, finance and construction of capital projects will be governed by individual project agreements. Depending on the nature of the costs and the project agreement, the Parks Foundation may pay the respective costs directly to a third party and be reimbursed by the County for the 50% match of the associated costs, or the County may pay the third party directly and the Parks Foundation will reimburse the County for 50% of the associated costs. The Parks Foundation will only recognize a matching contribution from the County in the statements of activities and changes in net assets for contracts and costs whereby the County reimburses the Parks Foundation directly. The matching contribution will not be recognized until a memorandum of understanding is executed and expenditures are incurred related to the project. The County has committed to fund \$329,822 of design costs for ongoing projects, of which \$280,690 has been funded at December 31, 2022.



## Basic Financial Statements

***Soldiers and Sailors Memorial Hall and Museum Trust, Inc.***

The following is a summary of capital assets and related balances at December 31, 2022:

	Balance January 1, 2022	Increases	Decreases	Balance December 31, 2022
Equipment	\$ 362,696	-	-	362,696
Leasehold improvements	7,728,228	393,230	-	8,121,458
Leasehold improvements - work in progress	454,492	54,829	100,000	409,321
Total capital assets	8,545,416	448,059	100,000	8,893,475
Less accumulated depreciation for:				
Equipment	332,739	7,963	-	340,702
Leasehold improvements	4,714,682	335,188	-	5,049,870
Total accumulated depreciation	5,047,421	343,151	-	5,390,572
Net assets	\$ 3,497,995	104,908	100,000	3,502,903

Memorial Hall's building is owned by the County and leased to Memorial Hall for \$1 per year until December 31, 2025, with options to renew. No financial statement value has been assigned to this donated space, as its fair value is not susceptible to reasonable estimation. Memorial Hall is required to maintain the property in good working order. Memorial Hall reflects renovations to its facilities as leasehold improvements on the statement of financial position. The majority of work in progress for leasehold improvements at December 31, 2022 relates to ongoing work for Remembrance Park and costs related to roof and plumbing repairs.

**(6) Leases**

For the year ending December 31, 2022 the financial statements included the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information pertaining to governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The County is a lessee for noncancelable leases of buildings. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County is also a lessee for leases of equipment, however, these leases are immaterial to the financial statements as a whole, and therefore, not included.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured at the initial amount of the lease liability, adjusted for lease payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

## Basic Financial Statements

Key estimates and judgements related to leases include how the County determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The County used its estimated incremental borrowing rate of 4.31% as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments that the County is reasonably certain to exercise.

The County monitors changes in circumstance that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Pertinent information regarding building leases is presented below.

Initial Liability	Purpose	Outstanding Liability Balance 12/31/22	Asset Value 12/31/22	Accumulated Amortization 12/31/22
\$ 175,504,953	The County has 90 building lease agreements. Under these agreements the county is required to make monthly principal and interest payments ranging from \$71 to \$187,046	158,309,341	167,320,620	9,011,279

Future principal and interest payments as of December 31, 2022 are as follows:

Year Ending December 31	Principal	Interest	Total
2023	\$ 9,441,498	6,643,194	16,084,692
2024	9,634,631	6,235,359	15,869,990
2025	10,260,531	5,806,121	16,066,652
2026	10,761,295	5,352,885	16,114,180
2027	10,352,781	4,895,487	15,248,268
2028-32	48,838,988	17,935,910	66,774,898
2033-37	38,710,586	8,404,532	47,115,118
2038-42	20,309,031	1,834,552	22,143,583
Total	\$ 158,309,341	57,108,040	215,417,381

## Basic Financial Statements

**Component Units - Leases****Allegheny County Airport Authority**

For the year ended December 31, 2022, ACAA's financial statements include the adoption of GASB Statement No. 87, Leases. Under GASB 87, a lessor is required to recognize a lease receivable and a deferred inflow of resources, and a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. The Authority's operations as a lessee are immaterial to the financial statements as a whole and, therefore, not disclosed in the footnote, whereas ACAA's operations as a lessor are material and disclosures are shown below.

ACAA leases certain assets to various third parties. The assets leased include airport facilities, surrounding property, and locations within the airport. The discount rates applicable to these leasing arrangements range from 1.21 percent to 3.71 percent. Payments are generally fixed annually or monthly, with variable payments based on airport usage or concession sales, which are not included which are not included in the measurement of the lease receivable.

During the year ended December 31, 2022, ACAA recognized the following related to its lessor agreements:

Lease revenue	\$ 11,022,022
Interest income related to its lease	6,788,935
Revenue from variable payments not previously included in the measurement of the lease receivable	60,281,669

In addition, ACAA received amounts recorded as revenue in 2022 that related to common area maintenance, work orders, utilities, and other operating charges under the leases. These amounts are considered non-lease components and are not included in the calculation of the lease receivable.

Future principal and interest payment requirements related to ACAA's Lease receivable at December 31, 2022 are as follows:

Year Ending December 31	Principal	Interest	Total
2023	\$ 8,567,607	7,003,959	15,571,566
2024	6,871,935	6,730,016	13,601,951
2025	6,855,072	6,484,964	13,340,036
2026	7,062,348	6,233,828	13,296,176
2027	6,498,401	5,982,080	12,480,481
2028-2032	19,333,845	27,126,218	46,460,063
2033-2037	15,285,202	24,366,583	39,651,785
2038-2042	11,141,844	21,693,091	32,834,935
2043-2047	8,607,664	20,021,506	28,629,170
2048-2052	11,911,237	18,162,880	30,074,117
2053-2057	14,849,328	15,640,881	30,490,209
2058-2062	19,051,150	12,570,108	31,621,258
2063-2067	23,815,488	8,510,117	32,325,605
2068-2072	12,610,583	4,962,715	17,573,298
2073-2077	8,287,767	3,172,422	11,460,189
2078-2082	12,965,315	1,379,267	14,344,582
Total	\$ <u>193,714,786</u>	<u>190,040,635</u>	<u>383,755,421</u>

## Basic Financial Statements

ACAA is party to certain regulated leases, as defined by GASB Statement No. 87. The leased assets include contracts with airlines and are regulated under the Federal Aviation Administration. Certain gates, baggage claim areas, passenger hold areas, and ticket counter and office space are subject to preferential or exclusive use by the airlines and represent 22.5 percent of the square feet of the airport. In addition, airlines have preferential use of 34.4 percent of aircraft parking position and 40.34 percent of jet bridges.

During the year ended December 31, 2022, ACAA recognized the following from regulated leases:

Lease revenue	\$ 3,361,611
Revenue from variable payments excluded from the schedule of expected future minimum payments	51,267,392

Future expected minimum payments related to ACAA's regulated leases at December 31, 2022 are as follows:

Year Ending December 31	Future Minimum Lease Payments
2023	\$ 3,366,585
2024	3,115,297
2025	2,989,798
Total	<u>\$ 9,471,680</u>

### ***Pittsburgh Regional Transit***

During 2017, PRT entered into an agreement to extend its agreement as lessee for office space for the period July 1, 2020 to June 30, 2030. An initial lease liability was recorded in the amount of \$12,608,540. As of June 30, 2022, the lease liability was \$10,741,365. PRT is required to make monthly principal and interest payments of \$126,671 for fiscal years 2020 to 2025 and \$142,796 for fiscal years 2026 to 2030. The lease has an interest rate of 5%. The value of the right-to-use asset, net of accumulated amortization, as of June 30, 2022 was \$10,086,832.

The following is a summary of lease transactions of PRT for the year ended June 30, 2022:

	Outstanding Balance as of July 1, 2021	Additions	Deletions	Outstanding Balance as of June 30, 2022
Lease payable	\$ <u>11,698,239</u>	<u>-</u>	<u>956,874</u>	<u>10,741,365</u>

The future principal and interest lease payments related to the lease is as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 1,005,829	514,226	1,520,055
2024	1,057,290	462,765	1,520,055
2025	1,111,382	408,673	1,520,055
2026	1,366,237	347,316	1,713,553
2027	1,436,137	277,416	1,713,553
2028-2029	4,764,490	376,167	5,140,657
Total	<u>\$ 10,741,365</u>	<u>2,386,563</u>	<u>13,127,928</u>

## Basic Financial Statements

**Community College of Allegheny County**

CCAC has entered into various lease agreements as lessee primarily for other equipment and facilities throughout the college that are separate from the main campuses and involve commitments that extend into future years. The equipment and facilities are used for educational purposes only. The college's leases have initial terms of up to five years, and contain one or more renewals at the college's option, generally for up to five-year periods. CCAC has generally included these renewal periods in the lease term when it is reasonably certain that the lease renewal option will be exercised. CCAC leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. The college's leases do not include any variable payments. The college's lease arrangements do not contain any material residual value guarantees.

As the interest rate implicit in the college's leases is not readily determinable, CCAC utilizes its incremental borrowing rate of three percent to discount the lease payment.

Future minimum payments required under lease obligations existing at June 30, 2022 are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 261,091	3,556	264,647
2024	139,086	855	139,941
2025	131,689	311	132,000
2026	107,962	38	108,000
2027	26,999	1	27,000
	<u>\$ 666,827</u>	<u>4,761</u>	<u>671,588</u>

**(7) Risk Management**

The County is exposed to various risks of losses related to torts, theft of, damage to and destruction of assets; errors and omissions; employee injuries and occupational diseases; residential care facility operations; jail operations and natural disasters. The Risk Management Fund is used to account for the risks associated with a limited self-insured medical plan, dental program and settlements. The General Fund accounts for all other risks.

The County is self-insured for healthcare. The County has retained its self-insured dental program and has a third-party insurance for dental. The Risk Management Fund provides coverage for up to a maximum of \$1,250 per year for dental coverage, and \$575,000 for individual medical claims.

Payments are made to the Risk Management Fund from the various County funds based on appropriations required to pay prior and current year claims.

The healthcare, dental, workers' compensation settlements, workers' compensation claims and general, automobile and public official liability balance at December 31, 2022 of \$8,739,120 is based on the requirements of GASB Statement No. 10, as amended by GASB Statement No. 30, which requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated (IBNR).

The claim liability is provided to the County by the various healthcare third-party administrators and the workers' compensation third-party administrator and other third-party advisors. Any adjustments made to previously recorded estimated liabilities are reflected in current operating result.

## Basic Financial Statements

The County is self-insured for workers' compensation and claims are paid from the General Fund. As required by the State, commercial insurance is purchased with a retention of \$1,250,000 for each accident and each employee. The County contracts with a program administrator to operate the program.

Changes in the various claims liability for the years ended December 31, 2022 and 2021 were:

		Liability Balance as of January 1	Current Year Claims and Changes in Estimates	Claim Payments	Liability Balance as of December 31
Risk Management fund (Dental and Settlements)					
2022	\$	1,072,500	1,856,362	1,646,396	1,282,466
2021		1,125,036	1,798,773	1,851,309	1,072,500
Government-wide Financial Statement (General, Automobile, and Public Officials Liability)					
2022	\$	70,434	408,517	476,801	2,150
2021		78,716	495,049	503,331	70,434
Government-wide Financial Statement (Worker's Compensation Claims)					
2022	\$	7,794,466	3,145,625	3,485,587	7,454,504
2021		8,286,029	3,304,269	3,795,832	7,794,466
Total all Funds and government-wide financial statement (Dental and Settlements, Workers' Compensation, General, Automobile and Public Officials Liabilities)					
2022	\$	8,937,400	5,410,504	5,608,784	8,739,120
2021		9,489,781	5,598,091	6,150,472	8,937,400

The non-current portion of unpaid workers' compensation claims amounted to \$3,725,274 as of December 31, 2022, and is reflected in the government-wide statements. The government-wide financial statements record one year as current claims. The liability in the General Fund is the amount that is due and payable at the end of the year. Liabilities are reported when it is probable that losses have occurred and the amounts of the losses can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported to date. Liabilities are determined using a combination of actual claims experience and actuarially determined amounts and include incremental claim adjustment expense and estimated recoveries.

There have been no significant changes in insurance coverage since the prior year. Settled claims from risks have not exceeded commercial insurance coverage for the past three years.

### **Component Units – Risk Management**

#### **Allegheny County Airport Authority**

ACAA is exposed to various risks of loss related to property loss, torts, errors and omissions, natural disasters, and employee injuries (workers' compensation) as well as medical benefits provided to employees. ACAA carries commercial insurance to cover these risks of loss. The commercial insurance coverage is on a guaranteed-cost basis covering any expense of ACAA. Settled claims have not exceeded this commercial coverage in any of the past three years. The range of deductibles is from \$0 on aviation liability to a maximum of \$100,000 on employees and officers and property insurance.

#### **Pittsburgh Regional Transit**

The Supreme Court of Pennsylvania has held PRT to be a Commonwealth Agency as defined in the Political Subdivision Tort Claims Act. As such, PRT is immune from certain claims and its liability is limited to \$1,000,000 per occurrence and \$250,000 per plaintiff claim arising out of an occurrence. As the result of this holding, it has not been necessary for PRT to purchase excess public liability insurance, and it is self-insured for public liability claims.

## Basic Financial Statements

PRT is self-insured for its compensation and occupational disease liability in accordance with the provisions of Article III, Section 305 of the Pennsylvania Workmen's Compensation Act. On a yearly basis, PRT carries excess workers' compensation insurance in the amount of \$5,000,000 over its self-insurance retention of \$1,000,000 per occurrence to further ensure that it can meet its obligation under the Workers' Compensation Act.

PRT maintains an estimate of its potential liability related to claims that have been filed as of June 30, 2022. The reserve balance is approximately \$11.9 million at June 30, 2022.

### ***Redevelopment Authority of Allegheny County***

RAAC receives significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of such funds generally requires compliance with contract requirements and is subject to audit. Any disallowed costs resulting from such audits could become a liability of RAAC. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. RAAC management expects such amounts, if any, to be immaterial.

*Economic Dependency* - RAAC relies on grants from governmental agencies to fund a significant portion of the operations of RAAC's Governmental Funds. During 2022 grants represented \$27,460,927 or 93.4% of total revenues in the Governmental Funds. If these grants were to cease RAAC would not be able to sustain its current level of operations.

### ***Allegheny County Industrial Development Authority***

ACIDA receives significant financial assistance from governmental agencies in the form of contracts, grants, and other entitlements. The disbursement of funds received under such programs generally requires compliance with terms and conditions specified in the contract/grant agreements and are subject to audit by grantor agencies. Any disallowed costs resulting from such audits could become a liability of ACIDA. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. Management expects such amount, if any, to be immaterial.

### ***Parks Foundation***

For the year ended December 31, 2022, one donor accounted for approximately 38% of total revenue and support and two donors accounted for 100% of total contributions receivable.

## ***(8) Short-Term Debt***

### ***Component Units - Short-Term Debt***

#### ***Soldiers and Sailors Memorial Hall and Museum Trust, Inc.***

Memorial Hall established two, \$100,000 lines of credit, renewed annually, for short-term operating cash flow purposes. One line of credit bears an interest rate of 3.25% and the other line of credit has a variable interest rate at December 31, 2022. There was no activity during the year and no outstanding balances under these lines of credit at December 31, 2022.

## Basic Financial Statements

**(9) Long-Term Debt**

General obligation bonds payable at December 31, 2022, are summarized as follows:

Bond Series	Interest Rate	Issue Dates	Final Maturity Dates	Amount	
				Issued	Outstanding
C-50	Variable (1)	2000	2027	\$ 37,345,000	18,880,000
C-51	Variable (1)	2000	2027	14,455,000	14,455,000
C-59B	Indexed (2)	2007	2026	43,945,000	19,740,000
C-64	6.25	2010	2027	9,385,000	9,385,000
C-69	2.00 - 5.000	2012	2032	54,560,000	15,985,000
C-72	2.00 - 5.250	2013	2024	37,950,000	10,170,000
C-74	3.00 - 5.000	2014	2034	63,570,000	52,340,000
C-75	2.00 - 5.000	2016	2033	208,215,000	191,775,000
C-76	2.25 - 5.000	2016	2041	68,600,000	68,490,000
C-77	3.00 - 5.000	2018	2043	87,565,000	87,540,000
C-78	3.00 - 5.000	2020	2049	112,195,000	111,790,000
C-79	0.442 - 2.236	2020	2037	288,995,000	275,660,000
General obligation (G.O.) bonds				\$ 1,026,780,000	876,210,000
Premium on issues					62,690,681
Total long-term debt					938,900,681
Less: current maturities					42,490,000
					\$ 896,410,681

(1) At December 31, 2022, the rate was 3.67%; the maximum for this issue is 10%.

(2) The 4.1355% synthetic fixed rate achieved through a pay-fixed, receive variable interest rate swap contract (Note 15).



## Basic Financial Statements

The following is a summary of the changes in general obligation bonds payable of the County during 2022:

	Governmental Funds
G.O. Bonds payable at January 1, 2022	\$ 982,451,683
Deletions:	
Retirements	38,810,000
Amortization of premium and adjustments	4,741,002
Total deductions	<u>43,551,002</u>
G.O. Bonds payable at December 31, 2022	938,900,681
Less: Current maturities	<u>42,490,000</u>
	<u>\$ 896,410,681</u>

On August 12, 2020 the County issued General Obligation Bonds, Series C-78 in the amount of \$112,195,000. The proceeds from the sale of the C-78 Bonds will be used for the purposes of (i) providing funds for various capital projects approved in the Allegheny County Capital Budget, and (ii) paying the costs of issuing the C-78 Bonds.

On August 12, 2020 the County issued General Obligation Refunding Bonds, Series C-79 in the amount of \$288,995,000. The proceeds from the sale of the C-79 Bonds will be used for the purposes of (i) the refunding of all of the County's General Obligation Bond Series C-65, C-67, C-68, C-70, and portions of C-69 and C-72, and (ii) paying the costs of issuing the C-79 Bonds.

As noted above, in 2020 the County General Obligation Notes, Series C-65, C-67, C-68, and C-70 were fully refunded, General Obligation Bond Series C-69 and C-72 was partially refunded, thereby decreasing the County's total debt service payments over the next 18 years by approximately \$30,752,469 representing an economic gain (the difference between the present value of the old and new debt service payments) to the County of \$30,393,404.

On July 24, 2018 the County issued General Obligation Bonds, Series C-77 in the amount of \$87,565,000. The proceeds of the Series C-77 Bonds were used to (1) provide funds for various capital projects approved in the County Capital Budget, (2) pay capitalized interest on the C-77 Bonds and (3) pay for the costs of issuing the C-77 Bonds.

On July 7, 2016 the County issued General Obligation Bonds, Series C-76 in the amount of \$68,600,000. The proceeds of the Series C-76 Bonds were used to (1) provide funds for various capital projects approved in the County Capital Budget and (2) pay for the costs of issuing the C-76 Bonds.

On July 7, 2016 the County issued General Obligation Refunding Bonds, Series C-75 in the amount of \$208,215,000. The proceeds of the Series C-75 Bonds were used to: (1) refund all of the County's General Obligation Bonds Series C-60, C-61, C-62 and portions of C-65 and C-68, and (2) paying for the costs of issuing the C-75 Bonds.

## Basic Financial Statements

As noted above, in 2016 the County General Obligation Notes, Series C-60, C-61 and C-62 were fully refunded, General Obligation Bond Series C-65 and C-68 was partially refunded, thereby decreasing the County's total debt service payments over the next 18 years by approximately \$29,080,857 representing an economic gain (the difference between the present value of the old and new debt service payments) to the County of \$26,461,828.

On August 5, 2014 the County issued General Obligation Bonds, Series C-74 in the amount of \$63,570,000. The proceeds of the Series C-74 Bonds were used to: (1) fund various projects of the County's Capital Budget and (2) pay certain costs related to the issuance of Series C-74 Bonds.

On October 23, 2013 the County issued General Obligation Bonds, Series C-72 in the amount of \$37,950,000. The proceeds of the Series C-72 Bonds were used to: (1) fund various projects of the County's Capital Budget (2) provide capitalized interest on the Bonds and (3) pay certain costs related to the issuance of Series C-72 Bonds.

On October 11, 2012, the County issued General Obligation Refunding Bonds, Series C-69 in the amount of \$54,560,000. The proceeds of the Series C-69 Bonds were used to: (1) refund portions of the County's General Obligation Bonds, Series C-55, and all of the ACIDA Guaranteed Revenue Bonds, Series 2002A and Series 2002B and the County's Adjustable Rate Demand General Obligation Bonds, Series 58A and (2) pay certain costs related to the issuance of the Series C-69 Bonds.

On November 30, 2010 the County issued Taxable General Obligation Energy Conservation Bonds, Series C-64 in the amount of \$9,385,000. The proceeds of the Series C-64 Bonds were used to fund various energy conservation projects of the County's Capital Budget.

On March 14, 2007, the County issued General Obligation Refunding Notes, Series C-59A (Fixed Rate), in the amount of \$28,730,000 and General Obligation Refunding Notes, Series C-59B (Index Rate) in the amount of \$43,945,000, totaling an aggregate principal amount of \$72,675,000. The proceeds of the Series C-59 A & B Notes were to: (1) refund certain of the ACIDA series 2002A and 2002B Bonds; and (2) refund the County's General Obligation Bond Series C-45. To achieve a synthetic fixed rate for the C-59B interest payments, the County entered into an interest rate swap contract. See Note 14, Derivative Financial Instruments, for more detail on this contract.

As noted above, in 2007 the ACIDA Series 2002A and 2002B Bonds were partially refunded and the County's General Obligation Bonds Series C-45 were refunded, thereby decreasing the County's total debt service payments over the next 23 years by approximately \$2,357,648 representing an economic gain (the difference between the present value of the old and new debt service payments) to the County of \$2,825,825. The deferred refunding loss on this issue was \$1,431,781.

During August 2000, the County Adjustable Rate Demand General Obligation Bonds, Series C-50 was restructured. Principal amounts for the years 2015 to 2020 totaling \$18,675,000 were combined with principal amounts maturing from 2020 through 2023. The term of the debt and the total outstanding principal were unchanged.

In prior years the County has defeased various general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the accompanying government-wide financial statements. At December 31, 2022, no bonds and other long-term debt obligations outstanding are considered defeased.

## Basic Financial Statements

The annual debt service requirements to amortize all general obligation bonds outstanding as of December 31, 2022, are as follows:

Year Ending December 31	Principal	Interest	Total
2023	\$ 42,490,000	31,408,666	73,898,666
2024	43,775,000	30,002,951	73,777,951
2025	45,145,000	28,546,506	73,691,506
2026	46,625,000	27,015,933	73,640,933
2027	57,700,000	25,254,387	82,954,387
2028/2032	250,920,000	94,412,760	345,332,760
2033/2037	207,265,000	56,728,033	263,993,033
2038/2042	122,930,000	27,448,150	150,378,150
2043/2047	44,765,000	7,616,550	52,381,550
2048/2049	14,595,000	881,400	15,476,400
	<u>876,210,000</u>	<u>329,315,336</u>	<u>1,205,525,336</u>
Premium on issues	96,927,402	-	96,927,402
Amortization	<u>(34,236,721)</u>	<u>-</u>	<u>(34,236,721)</u>
	<u>\$ 938,900,681</u>	<u>329,315,336</u>	<u>1,268,216,017</u>

*Notes Payable* - In 2006 the County entered into a finance purchase agreement to renovate a building for the Medical Examiner's laboratory and office space. The terms of the arrangement are 20 years and provide an option for the County to purchase the building at the end of the term in 2026. The present value amount of the obligation was \$7,678,839. The obligation is at a 4.0% interest rate, and is payable in monthly installments of \$34,174 through June 2026. Also included in the obligation amount is a bargain purchase option of \$4,125,000, payable at the end of the lease. The balance due as of December 31, 2022 is \$3,195,929.

Future minimum payments required under the notes payable obligations are as follows:

Year Ending December 31	Principal	Interest	Total
2023	\$ 357,560	52,533	410,093
2024	371,863	38,230	410,093
2025	386,737	23,356	410,093
2026	2,079,769	2,250,278	4,330,047
	<u>\$ 3,195,929</u>	<u>2,364,397</u>	<u>5,560,326</u>

The following is a summary of changes in all general obligation bonds /notes payable/leases long-term liabilities for the year ended December 31, 2022:

	Balance at January 1, 2022	Increase	Decrease	Balance at December 31, 2022	Current Portion
General Obligation Bonds	\$ 982,451,683	-	43,551,002	938,900,681	42,490,000
Notes Payable	3,539,737	-	343,808	3,195,929	357,560
Leases	175,504,953	-	17,195,612	158,309,341	9,518,495
GO Bonds/notes payable	<u>\$ 1,161,496,373</u>	<u>-</u>	<u>61,090,422</u>	<u>1,100,405,951</u>	<u>52,366,055</u>

## Basic Financial Statements

Workers' compensation and claims as well as compensated absences for sick benefits are paid from the General Fund. The following is a summary of changes in all other long-term liabilities for the year ended December 31, 2022:

	Balance at January 1, 2022	Increase	Decrease	Balance at December 31, 2022	Current Portion
Accrued sick benefits (Note 1G)	\$ 10,699,113	1,101,905	(885,612)	10,915,406	888,325
Accrued workers' compensation	7,794,466	3,145,625	(3,485,587)	7,454,504	3,729,230
Total	<u>\$ 18,493,579</u>	<u>4,247,530</u>	<u>(4,371,199)</u>	<u>18,369,910</u>	<u>4,617,555</u>

At December 31, 2022, the County had no arbitrage liability included in the General Fund's accrued liability balance.

### Component Units - Long-Term Debt

#### Allegheny County Airport Authority

Long-Term Debt activity for the year ended December 31, 2022 can be summarized as follows:

	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable:							
Direct borrowing and direct placements:							
Line of credit	Variable	N/A	\$ 1,116,543	30,404,199	-	31,520,742	31,520,742
BIOS Loan	2.00%	\$ 82,783 - 217,925	2,895,009	2,949,754	-	5,844,763	-
Tax Increment Financing Note, Series 2022 (McClaren Road Tax Increment Financing District)	5.00%	192,991 - 1,239,389	-	1,935,781	-	1,935,781	-
Total direct borrowings and direct placements principal outstanding			4,011,552	35,289,734	-	39,301,286	31,520,742
Other Debt:							
Series 2021A and 2021B bonds	4.00% to 5.00%	12,560,000 - 26,860,323	832,670,000	-	-	832,670,000	-
Unamortized bond premiums - Series 2021A and 2021B bonds			182,668,667	-	(11,007,323)	171,661,344	-
Total long-term debt			<u>1,019,350,219</u>	<u>35,289,734</u>	<u>(11,007,323)</u>	<u>1,043,632,630</u>	<u>31,520,742</u>
Other direct debt:							
2020 Capital lease - 3D printer	6.25%	29,294 - 45,085	2,652,705	-	(389,067)	2,263,638	414,094
2022 Capital lease - 3D printer	1.99%	20,724 - 24,632	-	1,900,333	(230,361)	1,669,972	256,856
Capital lease - Powder facility	6.25%	1,459 - 6,895	1,043,353	-	(18,490)	1,024,863	19,679
Total capital leases			<u>3,696,058</u>	<u>1,900,333</u>	<u>(637,918)</u>	<u>4,958,473</u>	<u>690,629</u>
Total long-term debt and capital leases			<u>\$1,023,046,277</u>	<u>37,190,067</u>	<u>(11,645,241)</u>	<u>1,048,591,103</u>	<u>32,211,371</u>

## Basic Financial Statements

***Lines of Credit - Direct Borrowings***

On December 17, 2021, the Authority updated an existing subordinate revolving line of credit. The terms of the latest agreement include a maturity date of December 16, 2023; a par amount available of \$50,000,000; and interest rates of 79% of BSBY plus 40 basis points for tax-exempt draws or BSBY plus 50 basis points on taxable draws. The funds are to be used to pay for costs of the Authority's Terminal Modernization Program. The security for repayment of the loan is a subordinate lien on the net revenue per the new Master Trust Indenture. Interest paid in 2022 on the line of credit was \$498,939. The December 31, 2022 balance on this line of credit was \$31,520,742.

After year end, significant payments were made. As of April 10, 2023 the outstanding balance was \$7,436,653.

***BIOS Loan - Direct Borrowings***

On June 20, 2020, the ACAA entered into an agreement with the PA Department of Community & Economic Development for a Business in Our Sites (BIOS) loan in the amount of \$6 million. This loan will be used to advance land development at the Neighborhood 91 site. ACAA has drawn down \$5,844,763 as of December 31, 2022. Per modified payment terms of the note, upon the earlier of the leasing of 30% of Site or the fifth anniversary of the Effective Date the Borrower will begin to make monthly principle and interest payments in an amount to fully amortize the loan by the Maturity Date. As of December 31, 2022, there is one tenant under this lease.

***Series 2021A and 2021B Bonds***

On August 26, 2021, ACAA issued its Airport Revenue Bonds: Series 2021A (AMT) and Series 2021B (Non-AMT) (the "2021 Bonds") in the amounts of \$719,850,000 and \$112,820,000, respectively. The proceeds of the 2021 Bonds will be used to pay (1) a portion of the costs of the ACAA's Terminal Modernization Program, (2) the costs of funding capitalized interest on and a debt service reserve account for the 2021 Bonds, and (3) the costs of issuing the 2021 Bonds.

The principal of, interest on, and premium on the Bonds are payable by ACAA only out of net revenue (as defined under the provisions of the Master Indenture and Supplemental Indentures) and from such other moneys as may be available for such purpose. Neither the general credit of ACAA nor the credit or taxing power of the County, the State, or any political subdivision thereof is pledged for the payment of the Bonds. The Bonds shall not be or be deemed a general obligation of the Authority or an obligation of the County, the State, or any political subdivision thereof. The scheduled payments of principal and interest on the Revenue Bonds when due are guaranteed by third-party insurers. The ultimate ability of such insurers and guarantors to meet their obligations with respect to ACAA's Revenue Bonds will be predicated on their future financial condition.

***Tax Increment Financing Loan - Direct Borrowing***

In 2022, ACAA entered into a series of agreements surrounding the development and financing of certain land owned by ACAA to be known as the McClaren Site. As part of the project, ACAA performed certain improvements, including grading, wetlands mitigation, and the extension of utilities required to accommodate future development. The McClaren Site will provide an additional 52 acres for development, composed of logistic/warehouse and tech/flexspace, which will be leased to tenants through the third-party developer for further construction and development.

## Basic Financial Statements

ACAA's development of this site project will be partially financed through a tax increment financing (TIF). ACAA issued Tax Increment Financing Note, Series 2022 in the principal amount of \$3,090,000 to finance the project. As of December 31, 2022, ACAA has received \$1,935,781 in proceeds under the TIF note. The TIF note is a limited obligation of ACAA. Payments on the TIF note will be made in accordance with the McClaren Road Tax Increment Financing Plan, which includes a tax increment financing agreement entered into by and among Redevelopment Authority of Allegheny County and local taxing authorities. Pursuant to the TIF agreement, 70% of the tax increment revenue will be pledged by the local taxing authorities for the payment of debt service on the TIF note. Additionally, ACAA is not required to contribute revenue on a current basis towards the TIF note.

As of December 31, 2022, the project is still in the development phase. ACAA has incurred \$11,981,444 in development costs, which have been capitalized as construction in progress. Of this amount, \$1,935,781 has been funded through the TIF note. The remaining costs will be funded out of ACAA funds and other grant programs.

### **Debt Service Requirements to Maturity**

Annual debt service requirements to maturity for the BIOS loan and Series 2021A and 2021B bonds, excluding any premiums and discounts, are as follows:

Year Ending December 31	Direct - BIOS loan and TIF Note		Other than direct - Series 2021A and 2021B bonds		Total
	Principal	Interest	Principal	Interest	
2023	\$ -	156,646	-	38,042,100	38,198,746
2024	192,991	157,075	-	38,042,100	38,392,166
2025	374,774	206,149	-	38,042,100	38,623,023
2026	561,831	249,948	12,560,000	38,042,100	51,413,879
2027	579,866	232,094	13,190,000	37,414,100	51,416,060
2028-2032	2,989,070	761,908	76,520,000	176,493,500	256,764,478
2033-2037	2,085,633	264,199	97,610,000	155,409,000	255,368,832
2038-2042	996,379	58,455	120,695,000	132,319,550	254,069,384
2043-2047	-	-	146,835,000	106,171,350	253,006,350
2048-2052	-	-	184,010,000	69,001,250	253,011,250
2053-2056	-	-	181,250,000	21,153,500	202,403,500
Total	\$ 7,780,544	2,086,474	832,670,000	850,130,650	1,692,667,668

### **Pledged Revenue from Airport Operations**

The principal, interest, and redemption premiums, if any, related to bonds authorized and issued under the provisions of the Master Indenture and Supplemental Indentures are payable by ACAA only out of net revenue (as defined) and from such other monies as may be available for such purpose. Bonds authorized and issued do not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any of ACAA's properties, including PIT, or upon any of its income or receipts of revenue, except as noted above. The holders of the revenue bonds have no claim upon the taxing power or tax revenue of the County.

As required by the Master Indenture, ACAA must attain a debt service coverage ratio of 1.25, as well as meet other nonfinancial covenants. As of December 31, 2022, amounts available to pay debt service charges were approximately \$25 million. There was no required principal and interest debt service per the terms of the Master Indenture for the year ended December 31, 2022.

## Basic Financial Statements

ACAA's ability to derive net revenue from operations depends upon various factors, many of which are not within the control of ACAA. The primary source of net revenue is the AOA between ACAA and the Signatory Airlines. The AOA provides for the landing fees, terminal rentals, and ramp fees to be charged to the airlines. In addition, the Signatory Airlines are obligated to pay costs associated with aircraft support systems and tenant improvements.

At any point in time, the U.S. economy, excess airline capacity, and industry-wide competition through airfare discounting may create significant constraints on the operations of the airlines. Due to these factors, the financial results of ACAA are largely dependent upon conditions in the national economy and the U.S. airline industry and the financial condition of air carriers serving ACAA.

### ***Installment Purchase Obligations***

ACAA reports capital lease obligations related to three asset purchases- two purchases related to 3D printing equipment and one for a Powder Facility located in Neighborhood 91. As of December 31, 2022, assets recorded under capital leases were \$3,077,000 and \$1,900,333, and \$1,050,723 respectively, and accumulated depreciation associated with the assets was \$952,405, \$294,533, and \$49,053, respectively.

In November 2020, ACAA entered into an agreement to lease 3D printer equipment from a lessor over a period of seven years. Lease terms include monthly payments of \$45,320 including interest of 6.25%. The lease agreement includes an option for ACAA to purchase the equipment from the lessor for the amount of unpaid lease payments remaining. The Powder Facility lease commenced on August 1, 2021 and is a 25 year lease that includes monthly payments of \$6,931, including interest at 6.25%. The lease agreement includes an option for ACAA to purchase the facility from the lessor for the amount of unpaid lease payments remaining. In January 2022, ACAA entered into an agreement to lease 3D printer equipment from a lessor over a period of seven years. Lease terms include monthly payments of \$24,684, including interest of 1.99%. The lease agreement includes purchasing the equipment at the end of the lease for \$1. Based on the structure of these agreements, these assets are accounted for as installment purchases.

Annual debt service requirements to maturity for the installment purchase agreements are as follows:

Fiscal Year Ending December 31	2020 3D Printer lease		Powder Facility lease		2022 3D Printer lease		Total
	Principal	Interest	Principal	Interest	Principal	Interest	
2023	\$ 414,094	129,749	19,679	63,497	256,856	39,348	923,223
2024	440,729	103,113	20,945	62,231	263,352	32,853	923,223
2025	469,078	74,765	22,292	60,884	270,012	26,193	923,224
2026	499,250	44,593	23,726	59,450	276,840	19,365	923,224
2027	440,487	12,716	25,252	57,924	283,841	12,364	832,584
2028-2032	-	-	118,329	214,373	319,071	5,340	657,113
2033-2037	-	-	196,093	219,785	-	-	415,878
2038-2042	-	-	267,810	148,068	-	-	415,878
2043-2047	-	-	330,737	50,484	-	-	381,221
Total	\$ 2,263,638	364,936	1,024,863	936,696	1,669,972	135,463	6,395,568



## Basic Financial Statements

### ***Other Pledges of Revenues***

In 2005, ACAA entered into a series of agreements surrounding the development and financing of certain land owned by ACAA to be known as the Clinton Industrial Park. As part of this endeavor, a funding and development agreement was signed with RAAC to provide tax increment financing (TIF) for the project. RAAC originally issued TIF Notes in the amount of \$5,000,000 (the "2005 TIF Notes") to a single lender, and in July 2015, the lender refinanced the notes. The refinanced notes totaled \$3,786,718 and carry an annual interest rate of 2.75% with a maturity date of June 1, 2025. These notes are a limited obligation of RAAC and are generally payable from two sources. The first source is 100% of the tax increment revenue pledged by the local taxing authorities. The second source is ACAA's pledge of 75% of gross revenue from the leasing of the property. All amounts pledged in this agreement are maintained in separate trust accounts under the direction of the trustee, U.S. Bank, National Association. As principal payments are due to the lender, the trustee makes the payments from the trust accounts. At December 31, 2022, the TIF notes' balance was \$1,116,718, and the corresponding trust accounts contained \$2,180,441. As additional security and credit enhancement, the Commonwealth Financing Authority has agreed to guarantee the payment of the TIF notes. While ACAA has pledged to assign certain of its revenue to the trustee for the satisfaction of the TIF notes, ACAA is not party to the respective trust indentures and is under no obligation to repay the TIF notes; therefore, the TIF notes are not reflected as liabilities of ACAA in these financial statements. Revenue from the leasing of the property are reported net of any pledged amounts remitted according to this agreement.

In 2008, ACAA entered into a series of agreements surrounding the development and financing of certain land owned by ACAA to be known as the Northfield Site, Phase I. As part of this endeavor, a funding and development agreement was signed with RAAC to provide tax increment financing for the project. RAAC originally issued TIF notes in the amount of \$5,000,000 (the "2008 TIF Notes") to a single lender, and, in December 2015, the lender refinanced the notes. The refinanced notes totaled \$4,577,000 and carry an annual interest rate of 4.5%, with a maturity date of December 1, 2028. These notes are a limited obligation of RAAC and are generally payable from two sources. The first source is 75% of the tax increment revenue pledged by the local taxing authorities. The second source is ACAA's pledge of 75% of gross revenue from the leasing of the property. All amounts pledged in this agreement are maintained in separate trust accounts under the direction of the trustee, Wells Fargo Bank, National Association. As principal payments are due to the lender, the trustee makes the payments from the trust accounts. At December 31, 2022, the TIF notes balance was \$2,598,693 and the corresponding trust accounts contained \$301,897. As additional security and credit enhancement, the Commonwealth Financing Authority has agreed to guarantee the payment of the TIF notes. While ACAA has pledged to assign certain of its revenue to the trustee for the satisfaction of the TIF notes, ACAA is not party to the respective trust indentures and is under no obligation to repay the TIF notes, therefore; the TIF notes are not reflected as liabilities of ACAA in these financial statements. Revenue from the leasing of the property is reported net of any pledged amounts remitted according to this agreement.



## Basic Financial Statements

**Pittsburgh Regional Transit**

Long-term obligations of PRT consist of the following at June 30, 2022:

Special Revenue Transportation Bonds	
Unpaid principal	\$ 107,610,000
Unamortized bond discount	19,897,136
Total long-term debt	<u>127,507,136</u>
Less current maturities:	
Bonds	<u>13,220,000</u>
	<u>\$ 114,287,136</u>

On December 2, 2020, PRT issued \$120,200,000 of the Special Revenue Transportation Bonds, Refunding Series of 2020. The proceeds from the sale of the 2020 Bonds, together with the amounts on deposit in the 2011 debt service reserve fund, were used to provide funds required for refunding the 2011 Bonds. This refunding resulted in an economic gain and savings of approximately \$30 million.

Interest on the 2020 Bonds was payable semiannually on each March 1 and September 1, commencing September 1, 2021. Interest rate is 5% throughout the term of the 2020 Bonds. The 2020 Bonds were issued at a premium of \$24.3 million, which was being amortized over the life of the 2020 Bonds.

The 2020 Bonds were secured by funds distributed to PRT by the State pursuant to Section 1310 of the Public Transportation Assistance Law, specifically including all monies distributed from PTAF.

The following is a summary of debt transactions of PRT for the year ended June 30, 2022:

	Balance at June 30, 2021	Issuance	Amortization/ Payments and Retirements	Balance at June 30, 2022
Series of 2020 Bonds	\$ 120,200,000	-	12,590,000	107,610,000
Unamortized net bond premium	22,844,860	-	2,947,724	19,897,136
Net Outstanding	<u>143,044,860</u>	<u>-</u>	<u>15,537,724</u>	<u>127,507,136</u>
Less: current amount:				
Series of 2020 Bonds				<u>13,220,000</u>
Total long-term bonds payable, net				<u>\$ 114,287,136</u>

## Basic Financial Statements

The annual debt service requirements related to the Bonds are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 13,220,000	5,380,500	18,600,500
2024	13,875,000	4,719,500	18,594,500
2025	14,575,000	4,025,750	18,600,750
2026	15,300,000	3,297,000	18,597,000
2027	16,065,000	2,532,000	18,597,000
2028-2029	34,575,000	2,614,000	37,189,000
Total	\$ 107,610,000	22,568,750	130,178,750

Restricted assets include approximately \$9.3 million of cash invested in a debt service fund restricted for debt service on the above bonds.

### **Community College of Allegheny County**

Long-term obligations of CCAC consist of the following at June 30, 2022:

Interest Rate	Next Installment Due	Maturity Date	Balance Due 2022
<b>Bonds payable - SPSBA:</b>			
2012 - 2.00 to 5.0%	July 15	2034	\$ -
2015 - 1.07 to 4.0%	Nov 15	2035	2,875,000
2016 - 2.00 to 5.0%	Dec 15	2027	5,240,000
2018 - 3.50 to 5.0%	Dec 15	2037	17,060,000
2019 A - 3.00 to 5.0%	Jul 15	2026	5,405,000
2019 B - 3.00 to 4.0%	Jul 15	2026	1,500,000
2020 - 3.00 to 5.0%	Sept 1	2039	17,355,000
2021 - 4.00 to 5.0%	Jul 15	2034	27,115,000
Total bonds payable			76,550,000
Net Premiums			11,070,788
			87,620,788
<b>Loans payable:</b>			
2017 - 2.00%, \$317,006 paid semi-annually		2021	-
2017 - 2.00%, \$ 52,577 paid semi-annually		2021	-
2018 - 2.25%, \$246,069 paid semi-annually		2022	243,324
2019 - 2.75%, \$ 35,693 paid monthly		2023	263,110
2020 - 1.50%, \$ 20,332 paid monthly		2024	472,591
2021 - 1.50%, \$ 22,025 paid monthly		2025	774,839
2022 - 1.00%, \$ 71,250 paid quarterly		2029	7,125,000
Total loans payable			8,878,864
Total obligations			96,499,652
Less: current portion			7,072,273
Total noncurrent long-term obligations			\$ 89,427,379

## Basic Financial Statements

**Bonds Payable**

Unexpended bond proceeds and interest earned on proceeds of \$32,835,644 at June 30, 2022 are available to finance the completion of the projects included in the various bond issuances noted above and are included in noncurrent restricted cash and cash equivalents.

The following provides a summary description of CCAC's bond issuance activity through June 30, 2022:

*Series of 2012 SPSBA Bonds (SPSBA 2012)* -- In June 2012, CCAC, through the SPSBA, accomplished a new \$40,000,000 bond issue (Series of 2012). Bond proceeds were used to finance renovation and improvement projects and ITS infrastructure improvements. The final payment for the bonds is scheduled for July 15, 2034. In May 2021, the College issued its Series of 2021 bonds. The proceeds of the 2021 bond issue will be used to refund the Series of 2012 bonds on its call date of July 15, 2021. The refunding debt service was issued through the SPSBA to take advantage of bond savings. The debt service that will be retired totaled \$45,237,600. (See Series of 2021 SPSBA below.).

*Series of 2015 SPSBA Bonds (SPSBA 2015)* -- In June 2015, CCAC, through the SPSBA, accomplished a new \$4,000,000 bond issue (Series of 2015). Bond proceeds were used to finance the acquisition and installation of energy-saving facilities, equipment, retro-commissioning and other energy-related upgrades at South Campus. The final payment for the bonds is scheduled for May 15, 2035. Principal payments on the bonds are due annually in May, while interest is due semiannually in November and May on the 15th.

*Series of 2016 SPSBA Bonds Refinancing Debt Service Bonds (SPSBA Series 2008)* -- In September 2016, CCAC, through the SPSBA, refunded the second Series of 2008 Bonds (see above). The \$9,250,000 issue became the Series of 2016 Bonds. The issuance totaled \$10,198,333 and included the \$9,805,000 retirement of the Series of 2008 Bonds. The refunding resulted in \$1,089,779 in savings to be recognized. Principal payments on the bonds are due annually in June, while interest is due semiannually on December and June 15. Interest rates for the Series of 2016 bonds range from 2.0% to 5.0%, compared to the 3.6% to 4.55% for the remainder of the Series 2008 Bonds. The final payment on the bonds is scheduled for June 15, 2027.

*Series of 2018 SPSBA Bonds (SPSBA 2018)* -- In May 2018, CCAC, through the SPSBA, accomplished a new \$20,000,000 bond issue (Series of 2018) for the construction of the new Workforce Training Center-Phase 1. The final payment for the bonds is scheduled for June 15, 2037. Principal payments on the bonds are due annually in December, while interest is due semiannually in December and June on the 15th.

*Series A of 2019 SPSBA Bonds Refinancing Debt Service Bonds (SPSBA Series A of 2019)* -- In December 2019, CCAC, through the SPSBA, refunded the Series A of 2011 Bonds. The \$7,525,000 issue became the Series A of 2019 Bonds. The issuance totaled \$8,336,739 and included the \$8,208,125 retirement of the 2011 bonds. The refunding resulted in \$349,015 in savings to be recognized. Principal payments on the bonds are due annually in July, while interest is due semiannually on January and July 15. Interest rates for the Series A of 2019 Bonds range from 3.0% to 5.0%, compared to the 3.0% to 4.0% for the remainder of the 2011 Bonds. The final payment on the bonds is scheduled for July 15, 2025.

*Series B of 2019 SPSBA Bonds Refinancing Debt Service Bonds (SPSBA Series B of 2019)* -- In December 2019, CCAC, through the SPSBA, refunded the second Series of 2011 Bonds (see above). The \$2,115,000 issue became the Series B of 2019 Bonds. The issuance totaled \$2,275,831 and included the \$2,240,315 retirement of the second Series of 2011 bonds. The refunding resulting in \$106,692 in

## Basic Financial Statements

savings to be recognized. Principal payments on the bonds are due annually in July, while the interest is due semiannually on January and July 15. Interest rates for the Series A of 2019 Bonds range from 3.0% to 4.0%, compared to the 3.0% to 3.75% for the remainder of the second Series 2011 Bonds. The final payment on the bonds is scheduled for July 15, 2025.

*Series 2020 Bond SPSBA Bonds (SPSBA 2020)* -- In June 2020, CCAC, through SPSBA, accomplished a new \$18,920,000 bond issue (Series of 2020) for the construction of the new Workforce Training Center-Phase Two. The final payment for the bonds is scheduled for March 1, 2039. Principal payments on the bonds are due annually in March, while interest is due semiannually in March and September on the 15th.

*Series B of 2021 SPSBA Bonds Refinancing Debt Service Bonds (SPSBA Series 2021)* -- In May 2021, CCAC, through the SPSBA, issued bonds with the intent to refund the Series of 2012 Bonds on its July 15, 2021 call date. The \$27,995,000 issue became the Series of 2021 Bonds. The issuance totaled \$34,911,963 and included the \$34,512,900 for the retirement of the Series of 2012 Bonds. The refunding resulted in \$6,070,408 in savings to be recognized. Principal payments on the bonds are due annually in July, while interest is due semiannually on January and July 15. Interest rates for the Series of 2021 Bonds range from 4.0% to 5.0%, compared to the 3.0% to 5.0% for the remainder of the Series 2012 Bonds. The final payment on the bonds is scheduled for July 15, 2034.

### **Loans Payable**

In 2017, CCAC entered into a renovation loan to upgrade CCAC's electrical infrastructure in the amount of \$3,000,000.

In 2017, CCAC entered into a renovation loan to upgrade CCAC's electrical infrastructure in the amount of \$500,000.

In 2018, CCAC entered into a renovation loan to upgrade CCAC's HVAC infrastructure in the amount of \$2,315,000.

In 2019, CCAC entered into a replacement loan for microcomputer systems, laptops and workstations in the amount of \$1,620,726.

In 2020, CCAC entered into a replacement loan for microcomputer systems, laptops and workstations in the amount of \$947,249.

In 2021, CCAC entered into a replacement loan for microcomputer systems, laptops and workstations in the amount of \$1,026,150.

All of the loans are collateralized by the equipment or the renovations.

## Basic Financial Statements

Future minimum payments required under bonds payable, and loans payable existing at June 30, 2022, are as follows:

Years Ending June 30	SPSBA Bonds	Loans	Total
2023	\$ 8,485,075	1,020,035	9,505,110
2024	8,489,832	500,228	8,990,060
2025	8,494,594	264,304	8,758,898
2026	8,493,082	-	8,493,082
2027	7,541,480	-	7,541,480
2028-2032	32,332,469	-	32,332,469
2033-2037	25,229,669	-	25,229,669
2038-2039	2,963,800	-	2,963,800
Total	<u>102,030,001</u>	<u>1,784,567</u>	<u>103,814,568</u>
Less interest	25,480,001	30,703	25,510,704
	<u>\$ 76,550,000</u>	<u>1,753,864</u>	<u>78,303,864</u>

Long-term liabilities transactions activity for the years ended June 30 are as follows:

	Beginning Balance at July 1, 2021	Additions	Reductions	Ending Balance at June 30, 2022	Current Portion
Long-term obligations	\$ 132,016,748	-	42,642,096	89,374,652	<u>7,072,273</u>
Lease Liability	1,072,191	-	405,364	666,827	<u>261,091</u>
Net pension liability	8,933,601	-	2,236,662	6,696,939	<u>-</u>
Net OPEB liability	246,000	-	20,000	226,000	<u>-</u>
Total long-term liabilities	<u>\$ 142,268,540</u>	<u>-</u>	<u>45,304,122</u>	<u>96,964,418</u>	

The composition of the compensated absences liability as of June 30 is as follows:

Accrued vacation leave	\$ 1,834,056
Banked credits	833,392
	<u>\$ 2,667,448</u>

## Basic Financial Statements

**Redevelopment Authority of Allegheny County**

During 2005, RAAC and the County entered into an agreement with the U.S. Department of Housing and Urban Development (HUD) to receive Section 108 loans for \$6 million.

The following is a summary of changes in long-term debt for RAAC during 2022:

	Outstanding Balance as of January 1, 2022	Additions	Reductions	Outstanding Balance as of December 31, 2022	Current Portion
Business Type Activities:					
Section 108 Loans	\$ 3,282,000	-	3,282,000	-	-
Total Debt	\$ 3,282,000	-	3,282,000	-	-

As of December 31, 2022, RAAC's proprietary funds had outstanding commitments of \$400,000 related to loans that have not yet been fully drawn upon. This amount includes commitments to related parties as further discussed in Note 14.

RAAC issued TIF Bonds to provide funds to finance public infrastructure improvements within the County. The outstanding balance of these TIF Bonds at December 31, 2022 was \$22,553,140. The TIF Bonds are a limited obligation of RAAC payable solely from the tax increment revenues from the taxing bodies within the TIF District. RAAC is not obligated to pay the principal of, premium, interest, or other costs associated with the TIF Bonds. Accordingly, RAAC is substantively a conduit facilitator, and the TIF Bonds are not included in RAAC's financial statements.

RAAC and the County entered into an agreement in fiscal year 2005 with HUD to receive Section 108 loans for \$6.0 million. These funds were to be made available for loans to RIDC for specific economic development projects. As of December 31, 2022 the full \$6.0 million of loans had been made from these proceeds, and the loan has been fully repaid.

## Basic Financial Statements

RIDC is currently required to make interest payments on the outstanding loan balance at a rate of 3-month LIBOR plus 50 basis points. As of December 31, 2022, 3-month LIBOR was 4.66%. RAAC is permitted to retain 30 basis points as income along with a \$60,000 origination fee paid by the borrower. RIDC began making principal payments in 2012 to correspond with RAAC's obligation to HUD. The required principal payments schedule was established by HUD and includes a final balloon payment of \$2,314,000 due on August 1, 2025. The debt service on the Section 108 Loan is included in the debt service table on the previous page.

### ***Allegheny County Industrial Development Authority***

*Conduit Debt* - ACIDA issues tax-exempt and taxable limited-obligation debt through various lending and financial institutions to provide below-market interest rate financing to private-sector entities for eligible projects. The debt is secured by the property financed, and is payable solely from the payments received on the underlying loans. Neither ACIDA, the State, nor any political subdivision thereof, is obligated in any manner for the repayment of the debt. Accordingly, the debt is not reported as a liability in the accompanying financial statements.

The principal amount outstanding for the debt issued, as of December 31, 2022, is approximately \$324 million.

### ***Allegheny HealthChoices, Inc.***

AHCI has entered into lease agreements for program facility space and office equipment. Rental expenses for these lease agreements were approximately \$288,000 for the year ended December 31, 2022. With AHCI's impending closure, an additional \$318,809 was recorded as an accrued expense related to the office lease termination for which payment will be made in 2023.

### ***(10) Interfund Receivables, Payables and Transfers***

Interfund receivables, payables and transfers at December 31, 2022 were comprised of the following amounts on an individual fund basis:

Fund	Due from Other Funds	Due to Other Funds	Transfers	
			In	Out
Major:				
General	\$ 8,772,418	17,295,840	17,294,909	(21,802,154)
County Grants	6,732,982	2,228,375	14,877,687	(24,561,715)
Human Service Grants	10,444,204	6,756,052	13,046,801	(66,714)
Capital Projects	22,298	301,498	5,123,588	(1,262,588)
Nonmajor:				
Debt Service	272,783	213,740	5,533,561	-
Liquid Fuel	-	-	-	-
Transportation	-	-	-	(10,474,561)
Infrastructure Support	-	554	-	-
Other:				
Internal Service	552,697	1,323	2,291,186	-
	<u>\$ 26,797,382</u>	<u>26,797,382</u>	<u>58,167,732</u>	<u>(58,167,732)</u>

## Basic Financial Statements

Transfers and interfund receivables are eliminated in the government-wide statement of activities.

The majority of interfund receivable balances represent adjustments to reimburse the General Fund for cash disbursements made on behalf of the other funds and tax distributions. Payable balances represent County Cash Match, tax refunds, and a variety of other transfers.

The General Fund Transfers-In represents \$16.2 million from County Grants relating to the Act 13 Marcellus Shale program and the American Rescue Plan funds covering deficits to the General Fund that were lost due to the COVID-19 pandemic. Transfers-Out represent transfers to cover deficits and County matches in the Child Support Enforcement program totaling \$5.0 million, the 9-1-1 Act 12 fund totaling \$4.8 million, and various programs within the Human Service Grants Fund totaling \$9.1 million.

The Human Service Grants and County Grants Funds Due To/From are the result of cash match funding required from operating funds or to cover deficits within projects. Transfers-In represent transfers to cover deficits and County matches. These include \$5.0 million to the Child Support Enforcement program, \$4.8 million to the 9-1-1 Act 12 fund, \$1.2 million to the Drug Court programs as well as various programs within the Human Service Grants Fund totaling \$9.1 million and \$3.8 million in interdepartmental revenues. Transfers-Out represent cash matches from the County Offender Supervision program of \$1.3 million, Act 63 Interlock of \$1.3 million, Act 13 program transfers of \$1.2 million, Clean Air Project transfers of \$0.5 million, and interdepartmental expenditures from the Americorps, Drug Court, and Emergency Solution programs totaling \$3.8 million. Also, \$15 million was transferred from the American Rescue Plan funds to cover General Fund revenue deficit.

In 2022, the Debt Service fund Transfers-In represents \$5.5 million related to Pittsburgh Regional Transit's debt payment from the Transportation fund. And Transportation fund Transfers-Out represents \$4.9 million related to Capital Projects for Pittsburgh Regional Transit project obligations. The Due To/From for Capital Projects are typically interest related or to move expenditures that were paid off in the following year. The Internal Service fund Transfers-In represents \$2.3 million related to workers compensation settlement funding for reserves.

### Component Unit – Transactions

Due from/to component units and due to/from primary government as of December 31, 2022:

	Due from Component Unit	Due to Primary Government
ACAA	\$ 1,949,626	1,949,626
AHCI	606,165	606,165
	Due to Component Unit	Due from Primary Government
ACAA	586,974	586,974
AHCI	592,814	592,814
Parks Foundation	27,455	27,455



## Basic Financial Statements

**(11) Retirement Benefits****General Information about the Pension Plan****Plan Description**

The Retirement System is sponsored by the County. The Retirement system is present as the Pension Trust Fund (Fund) of the County, within the financial statements of the County as a whole. The Retirement System Board (Board) administers the Retirement System. The Board consists of the following seven members: the County Executive, the County Controller, the County Treasurer, two members elected by the County employees and retirees, one member appointed by the County Executive, and one member appointed by the County Council.

The Retirement System is a single-employer, defined benefit, contributory retirement benefit plan covering substantially all employees of the County. Benefit and contribution provisions for the Retirement System are determined under the statutes enacted by the General Assembly of the State. The Board, pursuant to express statutory authority, has the right to increase the employee contributions in the event it is actuarially determined that a contribution increase is required in order for the Board to meet its funding requirements. Any increase in employee contributions imposes a statutory requirement upon the County to match the employee contributions. Also, the obligation of the Fund to pay retirement benefits is further secured by statutory obligation imposed upon the County to utilize its taxing authority to meet the Board's obligation to make monthly benefit payments to retirees.

Monthly benefit payments are determined for each individual according to the retirement option and the age and length of service at retirement. Additionally, the Board, at its discretion, can provide for cost of living allowances to retirees based on meeting certain actuarial funding levels as more fully described in the House Bill 869 of the General Assembly of the State. Under normal retirement (attainment of age 50 with 20 year employees hired prior to February 21, 2014 (attainment of age 50 with 20 years of service for police and firefighters; age 55 with 20 years of service for deputy sheriffs, jail guards, and probation officers; age 60 with 20 years of service for non-uniformed employees), the retirement benefit is equal to 50% of the final average salary, plus 1% thereon for each full year of service between 20 and 40 years. Final average salary is the monthly average of the 24 highest months of compensation in the last 48 months of employment preceding retirement.

Act 125 was passed in December, 2013 and applies to County employees hired or re-hired on or after February 21, 2014. It changed vesting from 8 to 10 years and the service requirement from 20 to 25 years. For the purpose of calculating final average salary, final average salary was changed from the highest 24 months out of the final 4 years to the highest 48 months out of the final 8 years and overtime compensation is limited to 10% of base pay.

At January 1, 2022, participants in the Retirement System were as follows:

Inactive participants or beneficiaries	
currently receiving benefits	5,225
Inactive participants entitled to but	
not yet receiving benefits	318
Active participants	6,610
	<u>12,153</u>

## Basic Financial Statements

Employees are required to contribute 10.5% of covered compensation. Employee contributions are matched equally by the County, as prescribed by the Second Class County Code of the State. Employees with at least 24 months of service who terminate prior to satisfying the minimum service requirements for a retirement benefit are entitled to refunds of their contributions plus interest thereon, approximately .47% in 2022. Employees with less than 24 months of service who terminate prior to satisfying the minimum service requirements for a retirement benefit are entitled to refunds of their contributions only.

Historical employee contribution rates are as follows:

<b>Years</b>	<b>Rate</b>
2022-2021	10.5%
2020-2019	10.0%
2018	9.5%
2017-2015	9.0%
2014	8.5%
2013-2012	8.0%
2011	7.0%

*Actuarial Assumptions* - The total pension liability was determined by an actuarial valuation as of January 1, 2022, using the following actuarial assumptions, applied to all periods included in the measurement:

Projected salary increases	5.75% for age <25 5.25% for age 25-29 4.25% for age 30-34 3.75% for age 35-39 3.25% for age >40
Investment rate of return	7.75%
General inflation	2.75%
Contribution rate	10.5% of salary

Mortality rates were based on the PubG-2010 Healthy Retiree Total Dataset with Pub-2010 Contingent Survivor Total Dataset table for spouses for all healthy employees except Police/Fire employees who use PubS-2010(A) Healthy Retiree Amount-Weighted, Above Median for Public Safety Employees. Pub-2010(A) contingent Survivor Amount-Weighted, Above Median table for spouses. PubG2010 Disabled Retiree table for Non-Safety Employees is used for disabled Non-Uniformed Employees with all other disabled employees using PubS2010 Disabled Retiree table.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial valuation as of January 1, 2022 with update procedures used to roll forward the Total Pension Liability to December 31, 2022.

The long-term expected rate of return on the Pension Trust Fund 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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding

## Basic Financial Statements

expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022 (see Note 4 for the discussion of the Pension Trust Fund's investment policy) are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity	16.50%	7.50%
Non-US Equity	16.50%	8.50%
Domestic Bonds	29.50%	2.50%
Real Estate	12.50%	4.50%
Alternative Assets	25.00%	5.25%
Total	100.00%	

**Discount Rate** - The discount rate used to measure the total pension liability was 5.08%. A projection of Plan Net Fiduciary Position was performed in order to determine if a depletion date was reached. Benefit payments were projected from the January 1, 2022 valuation date for the closed group of plan participants on that date. Administrative expenses are assumed to remain at 2.75%. Future employer and employee contribution rates are assumed to be 10.5% of covered payroll effective January 1, 2022. Future new entrants are included in the projection of future contributions only to the extent that contributions in excess of their service costs are considered. Asset projections include future new entrants to the plan. The demographic composition of the new entrant group is similar to the recent group of new participants to the plan. Projections assume that the active headcount maintains a consistent level from January 1, 2020 level of 7,269 under the assumption that there was a temporary dip as of January 1, 2021, due to the impact of COVID-19. Based on those assumptions, the Pension Trust Fund's fiduciary net position was projected to reach a depletion date in 2038. Therefore, in the determination of the discount rate, the long-term expected rate of return was applied through 2037 to projected benefit payments and a municipal bond rate of 4.31% was applied to projected benefit payments thereafter. For this purpose, the index used as the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2022.

	County of Allegheny Increase (Decrease)			ACAA Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
<b>Balances at 1/1/22</b>	\$3,080,887,362	999,439,779	2,081,447,582	\$ 305,626,099	99,145,099	206,481,001
<b>Changes for the year:</b>						
Service cost	83,580,498	-	83,580,498	8,291,242	-	8,291,242
Interest	108,194,407	-	108,194,407	10,732,958	-	10,732,958
Differences between expected and actual experience	34,740,804	-	34,740,804	3,446,311	-	3,446,311
Changes in benefit terms	-	-	-	-	-	-
Changes in assumptions	(613,046,234)	-	(613,046,234)	(60,814,599)	-	(60,814,599)
Contributions - employer	-	38,684,949	(38,684,949)	-	3,837,573	(3,837,573)
Contributions - employee	-	38,822,615	(38,822,615)	-	3,851,229	(3,851,229)
Net investment income	-	(90,355,388)	90,355,388	-	(8,963,315)	8,963,315
Benefit payments, included refunds of employee contributions	(133,297,258)	(133,297,258)	-	(13,223,178)	(13,223,178)	-
Administrative expense	-	(1,522,193)	1,522,193	-	(151,003)	151,003
Net changes	(519,827,783)	(147,667,276)	(372,160,507)	(51,567,266)	(14,648,693)	(36,918,573)
<b>Balances at 12/31/22</b>	<u>\$2,561,059,579</u>	<u>851,772,504</u>	<u>1,709,287,075</u>	<u>\$ 254,058,833</u>	<u>84,496,405</u>	<u>169,562,428</u>

**Split of Net Pension Liability**

ACAA	\$ 254,058,833	84,496,405	169,562,428
County of Allegheny	2,561,059,579	851,772,504	1,709,287,075
	<u>\$ 2,815,118,412</u>	<u>936,268,909</u>	<u>1,878,849,503</u>

## Basic Financial Statements

*Change of Assumptions - The discount rate changed from 3.46% to 5.08%.*

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the County using the discount rate of 5.08%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1% point lower (4.08%) or 1% point higher (6.08%) than the current rate:*

<b>Sensitivity of the Net Pension Liability to changes in Discount Rate</b>	<b>1% Decrease (4.08%)</b>	<b>Current Discount Rate (5.08%)</b>	<b>1% Increase (6.08%)</b>
Total pension liability	\$ 3,182,179,072	2,815,118,412	2,510,487,454
Plan fiduciary net position	936,268,909	936,268,909	936,268,909
Net pension liability	\$ 2,245,910,163	1,878,849,503	1,574,218,545
Net pension liability share for County	\$ 2,043,221,241	1,709,287,075	1,432,148,455
Net pension liability share for ACAA	202,688,922	169,562,428	142,070,090
	\$ 2,245,910,163	1,878,849,503	1,574,218,545

*Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued financial Retirement System report. A copy of the report may be obtained by writing to:*

Allegheny County Retirement Board  
106 County Office Building  
542 Forbes Avenue  
Pittsburgh, PA 15219

### ***Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions***

For the year ended December 31, 2022, the County recognized pension expense of \$205,838,805.

#### **Split of Pension Expense**

ACAA	\$ 23,315,989
County of Allegheny	182,522,816
Pension Expense	<u>\$205,838,805</u>

At December 31, 2022, the County and ACAA reported deferred outflows of resources and deferred inflows of resources related to pensions:

	<b>County of Allegheny</b>		<b>ACAA</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between expected and actual experience	\$ 64,244,784	-	6,373,125	-
Changes of assumptions	473,105,907	495,152,727	46,932,061	49,119,484
Difference between projected and actual investment earnings	80,849,489	-	8,037,004	-
Change in proportion	2,313,127	22,369,813	22,369,813	2,313,127
Total	<u>\$ 620,513,307</u>	<u>517,522,540</u>	<u>83,712,003</u>	<u>51,432,611</u>

#### **Split of Deferred Outflows and Inflows**

ACAA	\$ 83,712,003	51,432,611
County of Allegheny	620,513,307	517,522,540
Total	<u>\$ 704,225,310</u>	<u>568,955,151</u>

## Basic Financial Statements

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended December 31:</b>	<b>ACAA</b>	<b>County</b>	<b>Total</b>
2023	\$ 12,612,118	76,586,848	89,198,966
2024	12,626,553	77,416,740	90,043,293
2025	8,318,623	27,497,083	35,815,706
2026	(25,108)	(55,313,710)	(55,338,818)
2027	(1,252,794)	(23,196,194)	(24,448,988)
Thereafter	-	-	-

### ***Payable to the Pension Plan***

At December 31, 2022, the County reported a payable of \$3,249,840 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2022.

### ***Commitments and Contingencies***

The Retirement System is subject to asserted and unasserted potential claims encountered in the normal course of business. In the opinion of management and legal counsel, the resolution of these claims will not have a material adverse effect on the Retirement System's net assets or results of operations. Certain other investments of the Retirement System consist of the Retirement System entering into agreements as limited partners in private equity funds. These agreements generally provide for the Retirement System to make commitments as to the amount of funds the Retirement System will contribute to these funds. The decisions as to whether these funds are required to be contributed and the amounts of any particular contribution are determined by the general partners of these funds. As of December 31, 2022, the Retirement System has approximately \$35 million in outstanding commitments under these agreements.

## Basic Financial Statements

### ***Component Units - Retirement Benefits***

#### ***Allegheny County Airport Authority***

Employees of ACAA are members of the County's Retirement System, and as such, all required disclosures are the same. At December 31, 2022, ACAA reported a liability of \$169,562,428 for its proportionate share of the net pension liability.

#### ***Pittsburgh Regional Transit***

##### ***Pension Plans***

PRT offers three single-employer defined benefit retirement and disability plans for eligible employees. The three plans are as follows: Plan for Employees Represented by Local 85 of the Amalgamated Transit Union (the ATU Plan), Plan for Employees Represented by Local Union 29 of the International Brotherhood of Electrical Workers (the IBEW Plan), and Plan for Employees who are Not Represented by a Union (the NonRep Plan). The IBEW and NonRep Plans are closed to new participation.

Under each of the three plans, employees' eligibility for normal benefits begins at age 65, at which time the individual is entitled to an annual retirement benefit, payable monthly for life. This benefit is equal to 2.25% of the average annual compensation for the last 16 quarters of employment times the years and months of continuous service or the average of the highest four of the last eight years immediately preceding the date of retirement, whichever is highest.

Early retirement is available to all participants who have reached the age of 55 and have at least 10 years of service or who meet certain continuous service requirements. Early retirement with full pension benefits is available after 25 years of continuous service for all plans. Early retirement with full pension benefits is also available after age 55 to those participants meeting certain service requirements. Individuals not meeting these requirements who retire after age 55 but prior to the date for normal benefits receive reduced benefits. The cost sharing of healthcare benefits is provided from PRT operating revenues for ATU and IBEW employees. Health care benefits for retirees in the NonRep Plan were eliminated for those retiring on or after July 1, 2007.

For new hires, the plans have been amended to replace the eligibility requirement for unreduced early retirement benefits from 25 years of service without regard to age, to 25 years of service and age 55. These amendments were effective as of December 1, 2005 for the ATU and NonRep Plans and May 1, 2006 for the IBEW Plan.

No new employees are permitted to start participation in the NonRep and IBEW Plans effective September 2011 and January 2012, respectively. Current participants in the Plans have the option to continue participation in the Plan or to exit the Plan and roll their current accumulated contributions to a Section 457 deferred compensation plan. New employees are required to participate in the newly offered Section 457 deferred compensation plan.

Benefit provisions for the ATU and IBEW Plans are established and amended by the Retirement and Disability Allowance Committees for each plan, as stated in written agreements.

## Basic Financial Statements

*Employees Covered by Benefit Terms* - As of the most recent actuarial valuations, the following employees were covered by the benefit terms:

	<b>ATU</b>	<b>IBEW</b>	<b>NonRep</b>	<b>Total</b>
Inactive plan members or beneficiaries				
currently receiving benefits	3,176	142	430	3,748
Participants who transferred to another plan	39	28	52	119
Inactive plan members entitled to but				
not yet receiving benefits	28	3	22	53
Active plan members	2,187	26	95	2,308
Total plan members	<u>5,430</u>	<u>199</u>	<u>599</u>	<u>6,228</u>

*Contributions* - Participants in the ATU Plan, IBEW Plan, and NonRep Plan contribute 10.5% of earnings to their respective plans. PRT's contributions to the plans are based on actuarially determined rates.

*Net Pension Liability* - PRT's net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of January 1, 2021. There were no plan changes between the January 1, 2021 valuation date and the December 31, 2021 liability measurement date. Standard actuarial techniques were used to roll forward the total pension liability from the valuation date to the measurement date.

*Actuarial Assumptions* - The total pension liability in the January 1, 2021 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method Individual entry age normal

Actuarial assumptions:

Investment rate of return: 7.25%

Underlying inflation rate: 2.50%

Salary projection: 3.50% \*

\*with exceptions for years covered by the ATU and IBEW collective bargaining agreement

*ATU* - For healthy lives, mortality is in accordance with the RP-2000 Combined Mortality Table adjusted for blue collar employees with separate rates for employees and annuitants. Mortality improvements use 2004 as a base year and are projected through 2014 using 100% of Scale AA after 2014 using 50% of Scale AA. For disabled lives, mortality is in accordance with the disabled mortality table specified in IRS Revenue Ruling 96-7 for disabilities occurring prior to 1995.

*IBEW and NonRep* - For healthy lives, mortality is in accordance with PubG-2010(A) Retiree Table. For disabled lives, mortality is in accordance with the PubNS-2010 Disabled Retiree Table.

Actuarial assumptions are based on actuarial experience study for the period January 1, 2020 to December 31, 2020.

*Change of Actuarial Assumptions* -No significant changes were made from the prior valuation.

## Basic Financial Statements

*Long-Term Expected Rate of Return* - The long-term expected rate of return on 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 investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2021:

Asset Class	IBEW and NonRep	
	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	33.0%	6.40%
International equity	17.0%	7.80%
Defensive equity	5.0%	4.80%
Global infrastructure	5.0%	5.80%
Core real estate	7.0%	5.40%
Private equity	5.0%	9.00%
Private credit	5.0%	7.10%
Fixed income	22.0%	1.70%
Cash	1.0%	0.10%
Total	100.0%	

Asset Class	ATU	
	Target Allocation	Long-Term Expected Real Rate of Return
US large cap equity	39.0%	6.30%
Non-US developed markets	18.0%	6.70%
Non-US emerging markets	3.0%	7.90%
Private equity	2.5%	10.50%
Equity long/short	5.0%	4.00%
Fixed income	27.5%	1.00%
Absolute return	5.0%	4.60%
	100.0%	



## Basic Financial Statements

*Discount Rate* - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that PRT's contributions will be made based on the actuarially determined contribution. Based on those assumptions, the fiduciary net position of each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Changes in Net Pension Liability* - Changes in PRT's net pension liability for the year ended June 30, 2022 are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Balances at 6/30/21</b>	\$ 1,274,453,512	964,214,677	310,238,835
<b>Changes for the year:</b>			
Service cost	22,565,123	-	22,565,123
Interest	90,657,579	-	90,657,579
Differences between expected and actual experience	(262,543)	-	(262,543)
Changes of assumptions	(13,369)	-	(13,369)
Employer Contributions	-	43,137,588	(43,137,588)
Member Contributions	-	17,068,486	(17,068,486)
Net investment income	-	150,388,828	(150,388,828)
Benefit payments, included refunds of employee contributions	(89,047,588)	(89,047,588)	-
Employer reimbursement for healthcare expenses	3,582,933	3,582,933	-
Administrative expense	-	(847,299)	847,299
Net changes	27,482,135	124,282,948	(96,800,813)
<b>Balances at 6/30/22</b>	\$ 1,301,935,647	1,088,497,625	213,438,022

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**Pension Plan Fiduciary Net Position** - Detailed information about the pension plan's fiduciary net position is available in the separately issued ATU, IBEW, and NonRep financial reports that can be obtained from PRT's Finance Department.

**Sensitivity of the Net Pension Liability to Changes in Discount Rate** - The following presents the net pension liability of PRT, calculated using the discount rate of 7.25%, as well as what PRT's net pension liability would be if it were calculated using a discount rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
ATU	\$ 297,743,443	186,534,304	91,336,412
IBEW	7,021,244	4,536,620	2,417,743
NonRep	35,280,298	22,367,098	11,336,510
	<u>\$ 340,044,985</u>	<u>213,438,022</u>	<u>105,090,665</u>

**Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - For the year ended June 30, 2022, PRT recognized pension expense of \$5,483,606. Cash payments into the plan are included in fringe benefits on the statement of revenues, expenses, and changes in net position and any remaining excess (deficiency) is reported as pension expense, net.

At June 30, 2022, PRT reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 471,658	4,305,482
Changes of assumptions	6,315,396	7,292
Net difference between projected and actual earnings on pension plan investments	-	93,021,777
Contributions made subsequent to the measurement date	19,435,493	-
Total	<u>\$ 26,222,547</u>	<u>97,334,551</u>

Deferred outflows of resources related to PRT's pension contributions subsequent to the measurement date, but before the end of December 31, 2021 of \$19,435,493 are recognized as a reduction of the net pension liability in the subsequent year and are not recognized in the current fiscal period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	
2023	\$ (11,762,434)
2024	(40,148,489)
2025	(22,255,728)
2026	(16,380,846)
	<u>\$ (90,547,497)</u>

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**Community College of Allegheny County****January 2021 Restructuring**

In January 2021, the College implemented a restructuring plan in the academic affairs and the information technical service divisions. The restructuring plan resulted in the elimination of ten positions effective June 30, 2021. The employees affected by the restructuring plan were expected to remain in their current position and continue to perform their job duties and responsibilities through June 30. The employees were eligible to apply to fill any openings at the college for which they were qualified. Employees who did not apply or were not selected for any other available position prior to June 30 would be eligible to elect to receive the following severance benefits during the Salary Continuation Period defined as July 1 through November 30, 2021:

- Salary continuation equivalent to the current base salary;
- Health insurance benefit continuation including medical, dental, and vision insurance;
- Outplacement services available at no cost through the College's Employee Assistance Program provider.

The severance benefits were contingent upon the employee signing a general release form provided by the College. All of the employees impacted by the restructuring plan elected to receive the severance benefits.

As of June 30, 2021, the College expensed \$564,156 for the total cost of the restructuring and has a liability of \$564,156. The final payments were made in fiscal year 2022, and as of June 30, 2022, CCAC had no remaining liability related to the restructuring plan.

**Pensions and Benefit Plans**

Substantially all full-time employees of CCAC are covered under either the Pennsylvania Public School Employees' Retirement System (PSERS), the Pennsylvania State Employees' Retirement System (SERS), the Teachers Insurance and Annuity Association-College Retirement and Equity Fund (TIAA-CREF) Retirement Plan, Fidelity investment Retirement Plan (Fidelity), or Lincoln Financial Retirement Plan. The Lincoln Financial Retirement Plan was removed as a retirement plan option effective November 1, 2019. CCAC recognized annual pension expense equal to its contractually required contributions for the TIAA-CREF, Fidelity and Lincoln Financial Plans through June 30, 2022.

*TIAA-CREF, Fidelity and Lincoln Financial* -About 92.6% of eligible employees participate in TIAA-CREF, Fidelity or Lincoln Financial plans, which are cost-sharing multiple-employer defined contribution plans. In a defined contribution plan, benefits depend on amounts contributed to the plan plus investment earnings. Employer and employee contribution rates are established by collective bargaining agreements with the American Federation of Teachers (AFT) and the Service Employees International Union (SEIU). The agreements require contributions by active members and CCAC. Active members contribute at a rate of 5% of qualifying compensation and CCAC contributes at a rate of 5% of the first \$6,000 and 10% of the remaining qualifying compensation. SEIU members have an alternate option to contribute at a rate of 1% of the qualifying compensation instead of the 5% rate and CCAC would contribute at the rate of 1%. The contributions to the TIAA-CREF, Fidelity and Lincoln Financial plans for the year ended June 30, 2022 were \$3,732,095 from CCAC and \$1,976,413 from employees. Employees are vested immediately in all of their contributions and CCAC's contributions.

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### **SERS AND PSERS DEFINED BENEFIT PLANS**

#### **A. Plan Description**

**SERS** is the administrator of a cost-sharing multiple-employer defined benefit pension plan established by the State. SERS is also the administrator of a defined contribution plan that was established as part of ACT 2017-5 effective on January 1, 2019 offering a hybrid defined benefit/defined contribution plan and also a straight defined contribution plan. The plans operate under separate trusts with the purpose of providing retirement benefits for employees of state government and certain independent agencies. SERS is a component unit of the State and is included in the State's financial report as a pension trust fund.

Membership in SERS is mandatory for most state employees. Members and employees of the Pennsylvania General Assembly, certain elected or appointed officials in the executive branch, department heads and certain employees in the field of education are not required but are given the option to participate.

Section 5507 of the State Employees' Retirement Code (SERC) (71 Pa. C.S. §5507) requires the State and other employers whose employees are SERS members to make contributions to the fund on behalf of all active members and annuitants necessary to fund the liabilities and provide the annuity reserves required to pay benefits. SERS funding policy, as set by the SERS board, provides for periodic active member contributions at statutory rates. The SERS funding policy also provides for periodic employer contributions at actuarially determined rates based on SERS funding valuation, expressed as a percentage of annual retirement covered payroll, such that they, along with employee contributions and an actuarially determined rate of investment return, are adequate to accumulate assets to pay benefits when due. In a defined contribution plan, employees choose how their contributions will be invested for retirement. Employees and employers make mandatory contributions toward the employee's investment plan and the amount available for retirement is dependent on the accumulation of contributions and the performance of the investments selected by the employee.

**PSERS** is a governmental cost-sharing multi-employer defined benefit pension plan that provides retirement benefits to public school employees of the State. PSERS also administers a defined contribution plan that was established as part of Act 2017-5 with an effective date of January 1, 2019. Employees and employers make mandatory contributions toward the employee's investment plan and the amount available for retirement is dependent on the accumulation of contributions and the performance of the investments selected by the employee.

Members eligible to participate in PSERS include full-time public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. The Public School Employee's Retirement Board is established by state law as an independent administrative board of the State and PSERS exercise control and management of PSERS, including the investment of its assets. Changes in benefit and contribution provisions for the retirement plan must be made by legislation.

#### **B. Benefits Provided**

**SERS** provides retirement, disability and death benefits. Article II of the State's constitution assigns the authority to establish and amend the benefit provision of the plan to the Pennsylvania General Assembly. Member retirement benefits are determined by taking years of credited service, multiplied

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by final average salary, multiplied by the annual accrual rate depending on the membership class, multiplied by years of service multiplier. According to the SERC, all obligations of SERS will be assumed by the State should SERS terminate.

Members are eligible for monthly retirement benefits upon the membership class information noted below. Membership Class A-3 (Class A-3) includes all eligible employees hired after December 31, 2010, except members of the judiciary. Certain groups have effective dates after December 31, 2010 that are tied to the expiration of collective bargaining agreements. Membership Class A-4 (Class A-4) is the same as Class A-3 except that this class is for members who elect to pay a higher member contribution amount and receive a higher benefit. Membership Class AA includes all employees hired after June 30, 2001 but prior to January 1, 2011, except State police officers, members of the judiciary and legislators, and employees hired before July 1, 2001, who elected Class AA by December 31, 2001. To qualify for normal retirement, Class A-3 and Class A-4 members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits for Class AA and Class A-4 are equal to 2.5% of the high three-year final average salary (FAS) of the member multiplied by the number of years and fractions of credited service. To qualify for normal retirement, Class AA and Class A members must work until age 60 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits for Class A and Class A-3 are equal to 2% of the high three-year FAS of the member multiplied by the years and fractions of credited service. Members who have 41 or more years of combined Class A-3, A-4, A and AA service are entitled to a supplemental benefit ranging from 2% of the applicable single life annuity for members with 41 years of service to 10% of the applicable single life annuity for members with 45 or more years of service. The benefit for a member who works past age 70 is at least equal to a benefit that is the actuarial equivalent of the prior year's benefit. All Class A-3 and A-4 members have a vested entitlement after 10 years of credited service. All other classes are vested after five years of credited service.

Class A-5/Hybrid, Class A-6/Hybrid and Class DC-Only are the classes that participate in the defined contribution plan. Retirement benefits for the defined contribution plan consist of the defined benefit portion of the hybrid classes and the accumulation of contributions and the performance of the investments selected by the employee for the defined contribution portion. Participants in the defined contribution plan are vested after three years of work. Employees leaving employment prior to three years are entitled to receive the amount of their contributions to the plan adjusted by the investment gains and losses, however those employees are not entitled to any employer contributions.

The disability benefit is equal to the benefit calculated as of normal retirement age, based on years of credited service at disability, if the result is greater than or equal to 33.33% of FAS at time of disability. If the benefit so calculated is less than 33.33% of FAS, the disability benefit is equal to the smaller of: (a) The benefit calculated as of normal retirement age based on service projected to retirement date; or (b) 33.33% of FAS at time of disability.

For service-connected disabilities, the disability benefit payable will be increased, as needed, so that the sum of the plan benefit and the benefits paid or payable under the Workers' Compensation Act, The Pennsylvania Occupational Disease Act and the Social Security Act equals 70% of FAS.

A member is eligible for death benefits prior to retirement if the member is under the age of 60 and has 5 years of credited service for those in Class A and AA and under the age of 65 and has 10 years of credited service for those in Class A-3 and A-4 or has reached the age of 60 for members in Class A and AA (or age 65 for members in Class A-3 and A-4) with three years of credited state service. A member who elects the maximum single life annuity is entitled to a refund of the unpaid balance of

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the accumulated member contributions and interest at the time of retirement. A member may elect one of several optional reduced pensions in lieu of the maximum single life annuity to provide additional death benefit protection. The optional forms of benefit are actuarially equivalent to the maximum single life annuity benefit using 4% interest per annum, compounded annually, and several actuarial equivalence factors.

**PSERS** provides retirement, disability and death benefits. Members are eligible for monthly retirement benefits upon reaching (a) age 62 with at least one year of credited service; (b) age 60 with 30 or more years of credited service; or (c) 35 or more years of service regardless of age. Act 120 of 2010 (ACT 120) preserves the benefits of existing members and introduced benefit reductions for individuals who become new members on or after July 1, 2011. Act 120 created two new membership classes, Membership Class T-E (Class T-E) and Membership Class T-F (Class T-F). To qualify for normal retirement, Class T-E and Class T-F members must work until age 65 with a minimum of three years of service or attain a total combination of age and service that is equal to or greater than 92 with a minimum of 35 years of service. Benefits are generally equal to 2% or 2.5%, depending upon the membership class, of the member's final average salary (as defined by Code) multiplied by the number of years of credited service. For members whose membership started prior to July 1, 2011, after completion of five years of service, a member's right to the defined benefits is vested and early retirement benefits may be elected. For Class T-E and Class T-F members, the right to benefits is vested after ten years of service.

Class T-G (hybrid), Class T-H (hybrid) and Class DC are the classes that participate in the defined contribution plan. Retirement benefits for the defined contribution plan consist of the defined benefit portion of the hybrid classes and the accumulation of contributions and the performance of the investments selected by the employee for the defined contribution portion. Participants Class T-G and Class T-H in the defined contribution plan vest in the defined benefit portion after ten years of service or are 67 with at least three years of service and vest in the employer contribution of the defined contribution portion by contributing to the defined contribution plan in three fiscal years. Employees are always 100% vested in their contributions to the defined contribution portion of the plan. Employees leaving employment prior to vesting for the employer contributions are entitled to receive the amount of their contributions to the plan adjusted by the investment gains and losses.

Participants are eligible for disability retirement benefits after completion of five years of credited service. Such benefits are generally equal to 2% or 2.5%, depending upon the membership class of the member's final average salary (as defined in the Code) multiplied by the number of years of credited service, but not less than one-third of such salary nor greater than the benefit the member would have had at normal retirement age. Members over normal retirement age may apply for disability benefits.

Death benefits are payable upon the death of an active member who has reached 62 with at least one year of credited service (age 65 with at least three years of credited service for Class T-E and Class T-F members) or who has at least five years of credited service (ten years for Class T-E and Class T-F members). Such benefits are actuarially equivalent to the benefit that would have been effective if the member had retired on the day before death.

### **C. Employee Contributions**

**SERS** - Regular SERS member contributions for Class A-3 and Class AA are equal to 6.25% of total compensation, for Class A-4 contributions are equal to 9.3% of total compensation, and Class A contributions are equal to 5% of total compensation. Any SERS member who elects the Social Security Integration Credit pays 5% of any salary in excess of the amount of salary covered by Social Security



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during the year for which contributions are being made. A member electing to end additional contributions is ineligible to make future contributions or accrue future benefits. For defined contribution plans, SERS member contributions for Class A-5 Hybrid are equal to 8.25% (5.0% for defined benefit and 3.25% for defined contribution) of total compensation, for Class A-6 Hybrid contributions are equal to 7.5% (4.0% for defined benefit and 3.50% for defined contribution) of total compensation, for Defined Contribution Only contributions are equal to 7.5%.

*PSERS* - Active members who joined PSERS prior to July 22, 1983, contribute at 5.25% (Membership Class T-C) or at 6.5% (Membership Class T-D) of the member's qualifying compensation. Members who joined PSERS on or after July 22, 1983, and who were active or inactive as of July 1, 2001, contribute at 6.25% (Membership Class T-C) or at 7.5% (Membership Class T-D) of the member's qualifying compensation. Members who joined PSERS after June 30, 2001 and before July 1, 2011, contribute at 7.5% (automatic Membership Class T-D). For all new hires and for members who elected Class T-D membership, the higher contribution rates began with service rendered on or after January 1, 2002. Members who joined PSERS after June 30, 2011 automatically contribute at the Membership Class T-E rate of 7.5% (base rate) of the member's qualifying compensation. All new hires after June 30, 2011 who elect Class T-F membership contribute at 10.3% (base rate) of the member's qualifying compensation. Membership Class T-E and Class T-F are affected by a "shared risk" provision in Act 120 of 2010 that in future fiscal years could cause the Membership Class T-E contribution rate to fluctuate between 7.5% and 9.5% and Membership Class T-F contribution rate to fluctuate between 10.3% and 12.3%.

#### **D. Employer Contributions**

*SERS* - The employer's contractually required defined contribution rates for SERS for fiscal year ended December 31, 2022 were as follows:

<b>Class/Description</b>	<b>Category Description</b>	<b>Employer Contribution Rate</b>
A3/A4 Effective 1/1/2011	All others with age 65 retirement	25.90%
A	All others with retirement age of 60	29.98%
AA	All others with retirement age of 60	37.46%

The percentages above were actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability. CCAC's contributions to SERS for the year ended June 30, 2022 was \$386,317, equal to the required contractual contribution.

*PSERS* - The employer's contractually required contribution rate for PSERS was 33.99% of covered payroll for fiscal year ended June 30, 2022. This amount was actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability. In accordance with section 8327 of the PSERS Retirement Code, the State is required to contribute 50% of the above-stated contribution rate directly to PSERS on behalf of the employer. CCAC's contributions to PSERS for the year ended June 30, 2022 was \$440,151 equal to the required contractual contributions.

*Combined Net Pension Liability and Proportionate Share - SERS AND PSERS* - At June 30, 2022, CCAC reported a liability for its proportionate share of the net pension liability of SERS and PSERS. The amount recognized by CCAC in the accompanying statements of net position as its proportionate share was as follows:

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<b>Plan</b>	<b>Measurement Date</b>	<b>Net Pension Liability 2022</b>	<b>Proportionate Share 2022</b>
SERS	December 31	\$ 2,755,939	.01891%
PSERS	June 30	3,941,000	.00960%
Net Pension Liability		<u>\$ 6,696,939</u>	

*SERS Proportionate Share* - The net pension liability relative to SERS was measured as of December 31, 2021 and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of December 31, 2020 to December 31, 2021. The employer's portion of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. At December 31, 2021, the employer's proportion share of the net pension liability was 0.01891%, which was an increase of 0.00103% from the proportion measured as of December 31, 2020. This amount was recognized by CCAC in its June 30, 2022 statement of net position.

*PSERS Proportionate Share* - At June 30, 2022, CCAC reported a liability for its proportionate share of the net pension liability that reflected a decrease for State pension support provided to CCAC. The amounts recognized by CCAC as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with CCAC are in the table above.

The net pension liability relative to PSERS was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2020 to June 30, 2021. CCAC's portion of the net pension liability was calculated utilizing CCAC's one-year reported covered payroll as it relates to the total one-year reported covered payroll. As of the measurement date of June 30, 2021, CCAC's proportionate share of the net pension liability was 0.00960%, which was a decrease of 0.00190% from the proportion measured as of June 30, 2020. CCAC's proportionate share of the net pension liability at June 30, 2022 was \$3,941,000. This amount was recognized by CCAC in its June 30, 2022 statement of net position.

The State is required to contribute 50% of CCAC's contribution directly to PSERS on behalf of CCAC. The total of the collective net pension liability relative to PSERS that is associated with CCAC as of the respective measurement date of June 30, 2022 is as follows:

	<b>2022</b>
CCAC	\$ 3,941,000
State	3,941,000
Total	<u>\$ 7,882,000</u>

*Combined Deferred Outflows of Resources and Deferred Inflows of Resources* - For the year ended June 30, 2022, CCAC recognized pension expense of \$911,468. There were no employer contributions payable at June 30, 2022.



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At June 30, 2022, CCAC reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS		PSERS		Total	
	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	Deferred Outflows
Difference between expected and actual experience	\$ 15,863	18,197	52,000	3,000	67,863	21,197
Changes in assumptions	-	283,644	-	191,000	-	474,644
Net differences between projected and actual investment earnings	797,366	-	627,000	-	1,424,366	-
Changes in proportions	386,023	913,509	686,000	94,000	1,072,023	1,007,509
Difference between employer contributions and proportionate share of total contributions	40,281	65,509	-	-	40,281	65,509
Contributions subsequent to the measurement date	-	213,083	-	440,151	-	653,234
Total	\$ 1,239,533	1,493,942	1,365,000	728,151	2,604,533	2,222,093

The \$653,234 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

*SERS Deferred Outflows of Resources and Deferred Inflows of Resources* - The components of deferred outflows of resources and deferred inflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expenses over a 5.2-year closed period, which reflects the weighted average remaining service life of all SERS members, beginning the year in which the deferred amount occurs (current year). The components of deferred outflows of resources and deferred inflows of resources were amortized into pension expense over a 5.2-year closed period in the prior period. The annual difference between the projected and actual earnings on SERS investments is amortized over a five-year closed period beginning the year in which the difference occurs (current year).

*PSERS Deferred Outflows of Resources and Deferred Inflows of Resources* - The components of deferred outflows of resources and deferred inflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expenses over five years, which is the average expected remaining service lives of active and inactive members. The components of deferred outflows of resources and deferred inflows of resources were amortized into pension expense over five years in the prior period. The annual difference between the projected and actual earnings on PSERS investments is amortized over a five-year period.

The amounts of deferred outflows of resources and deferred inflows of resources related to the above items that will be recognized in pension expense in future periods as of June 30, 2022 are as follows:

Fiscal Year	SERS		PSERS	
	Net Deferred Inflows/Outflows			
2022	\$	(124,594)		264,000
2023		107,863		305,000
2024		(65,572)		305,000
2025		43,614		203,000
2026		(2,637)		-

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### E. Actuarial Assumptions

**SERS** - The total pension liability as of December 31, 2021 was determined by rolling forward the SERS's total pension liability as of the December 31, 2020 actuarial valuation to the December 31, 2021 valuation using the following actuarial assumptions, applied to all periods included in the measurement: Actuarial cost method - entry age for 2021; Investment return - 7.000% net of expenses for 2021, including inflation of 2.5% for 2021; Salary increases - Average of 4.60%, with range of 3.30% to 6.95%, including inflation for 2021; Mortality rates for 2021 were projected PubG-2010 and PubNS-2010 Mortality Tables adjusted for actual plan experience and future improvement; Amortization method - Used straight-line amortization of investments over a five year period, and amortized assumption changes and non-investment gains/losses over the average expected remaining service lives of all employees that are provided benefits for 2021; Asset valuation method - Fair market value for 2021; Cost-of-Living Adjustments (COLA) - Provided ad hoc at the discretion of the General Assembly, none were provided during 2021.

The actuarial assumptions used in the December 31, 2021 valuation were based upon an actuarial experience study of SERS covering the years 2015 through 2019 that was adopted by the SERS board in July 2020. The recommended assumption changes based on this experience study were adopted by the SERS Board at its April 2017 Board meeting. The SERS Board approved the recommendations of the actuary, and the new assumptions were first used in the December 31, 2016 actuarial valuation.

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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2022 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Alternate investments	12%	6.00%
Global public equity	14%	4.50%
Real assets	7%	3.75%
Inflation Protection (TIPS)	3%	-0.30%
Private Credit	4%	4.25%
US Equity	31%	4.60%
Emerging markets equity	5%	4.90%
Fixed income	22%	-0.25%
Liquidity reserve	2%	-1.00%
Total	100%	

**PSERS** - The total pension liability as of June 30, 2021 was determined by rolling forward the PSERS's total pension liability as of the June 30, 2020 actuarial valuation to June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement: Actuarial cost method - Entry Age Normal - level percentage of pay for 2021; Investment return - 7.00% includes inflation at 2.50% for 2021; Salary increases - For 2021, effective average of 4.50%, which reflects an allowance for inflation of 2.50% and 2.00% for real wage growth and for merit or seniority increases; Mortality - For 2021, mortality rates were based on a blend of 50% Pub T-2010 and 50% Pub G-2010 Retiree Tables for Males and Females, adjusted to reflect PSER's experience and projected using a

## Basic Financial Statements

modified version of PM-2020 Mortality Improvement Scale; Amortization method - Level dollar, open for 2021; Asset valuation method - 10-year smoothed market for 2021; and COLA - provided from the annuity reserve account, none were provided during 2021.

The actuarial assumptions used in the June 30, 2021 valuation were based on the experience study that was performed for the five-year period ended June 30, 2020. The recommended assumption changes based on this experience study were adopted by the PSERS Board as of June 30, 2021.

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. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pensions plan's policy in regard to the allocation of invested plan assets is established and may be amended by the PSERS Board. Plan assets are managed with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the pension.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Public markets global equity	27.0%	5.2%
Private real estate	10.0%	4.7%
Global fixed income	35.0%	1.8%
Cash	3.0%	0.1%
Absolute return	8.0%	3.1%
Risk parity	0.0%	0.0%
MLPs/Infrastructure	8.0%	5.1%
Private equity	12.0%	7.3%
Commodities	10.0%	2.0%
Leverage	-13.0%	0.1%
Total	100%	

The above was the PSERS Board's adopted asset allocation policy and best estimate of geometric real rates of return for each major asset class as of June 30, 2021.

#### **F. Combined Discount Rate**

The discount rate used to measure the total pension liability for SERS and PSERS was 7.00% and 7.00%, respectively, for 2022. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the rates applicable for each member and that employer contributions will be made based on rates determined by the actuary. Based on those assumptions, fiduciary net position was projected to be available to make all projected future benefit payments of current active and non-active members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

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**G. Combined Sensitivity of CCAC's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability at June 30, 2022, calculated using the discount rate of 7.00% and 7.00% for SERS and PSERS, respectively, as well as what the net pension liability would be if it were calculated using a discount rate that is 1% point lower (SERS 6.00%/PSERS 6.00%) or 1% point higher (SERS 8.00%/PSERS 8.00%) than the current rate:

	<b>1% Decrease SERS 6.00% PSERS 6.00%</b>	<b>Current SERS 7.00% PSERS 7.00%</b>	<b>1% Increase SERS 8.00% PSERS 8.00%</b>
2022 SERS CCAC's proportionate share of the net pension liability	\$ 3,991,664	2,755,939	1,711,173
2022 PSERS CCAC's proportionate share of the net pension liability	5,173,000	3,941,000	2,902,000
	<u>\$ 9,164,664</u>	<u>6,696,939</u>	<u>4,613,173</u>

**H. Pension Plan Fiduciary Net Position**

**SERS** - Detailed information about SERS's fiduciary net position is available in SERS Annual Comprehensive Financial Report which can be found on the System's website at [www.sers.pa.gov](http://www.sers.pa.gov)

**PSERS** - Detailed information about PSERS's fiduciary net position is available in PSERS Annual Comprehensive Financial Report which can be found on the System's website at [www.psers.state.pa.us](http://www.psers.state.pa.us)

**Allegheny County HealthChoices, Inc.**

AHCI's employees are eligible to participate in a 401(k) Retirement Plan (plan). During 2010, AHCI changed their plan from a traditional 401(k) to a 401(k) Safe Harbor plan. Each participant may contribute a percentage of their compensation up to the maximum percentage allowed by the Internal Revenue Service. AHCI will match 100% of the first 3% of the employee contribution, plus 50% of the employee contribution over 3% but not greater than 5%. In addition, AHCI may make an additional matching contribution as of each December 31 of up to 1% to ensure compliance with contribution limits mandated by the Safe Harbor regulations. To be eligible, an employee must be an active member of the plan at any time during the plan year. Amounts forfeited by nonvested terminated participants are used to offset the amount required to be contributed by AHCI. The net contributions (expense) to the plan for December 31, 2022 was \$137,450.

AHCI established a 457(b) Deferred Compensation Plan for its Chief Executive Officer, two other key employees, and one former employee. All contributions to the plan are made by AHCI. AHCI contributed a total of \$20,500 for December 31, 2022. As the plan document specifies that the investments of the plan are assets of AHCI and are not protected from AHCI's creditors, related assets have been recorded as an investment on the statements of financial position, with an offsetting liability recorded in accrued expenses related to the anticipation of future payouts related to the plan. At December 31, 2022 the fair value of the plan was \$185,495.

## Basic Financial Statements

***Parks Foundation***

Effective January 1, 2020, the Parks Foundation established a retirement plan for its employees. The Parks Foundation provides an annual contribution equal to 2% of the employee's salary. Prior to 2020, in lieu of establishing a retirement plan, the Parks Foundation contributed 2% of salary annually to the personal retirement accounts of each of its employees. Retirement expense for the year ended 2022 was approximately \$12,231.

***Soldiers and Sailors Memorial Hall and Museum Trust, Inc.***

As of January 1, 2000, Memorial Hall established a 401(k) Profit Sharing Plan and Trust (Plan) covering all employees with three months of service. Employees are vested at five years of service or upon attaining the age of 55. Employees may elect to have compensation reduced by up to the maximum IRS dollar limits for elective contributions. Memorial Hall will provide a matching contribution of up to three percent of an employee's compensation. Memorial Hall contributed approximately \$18,200 to the Plan for the year ended December 31, 2022. Effective January 2021, the Plan was amended to be a Safe Harbor Matching plan which provides a matching contribution of 100% of the first 3% of the employee's elected deferral contributions plus 50% of the employee's elected deferral contributions that exceed 3% but that do not exceed 5% of the employee's compensation.

***(12) Other Post Employment Benefits Other Than Pension Benefits (OPEB)******Summary of Plan Provisions***

The County administers a single-employer plan covering the following four groups of County Retirees: Police Officers, Sheriffs/Correctional Officers, a grandfathered group of retirees covered under a major medical program, and all other retirees.

Below is a description of the benefits provided to each group.

***Police Officers***

Retiring police officers who meet the eligibility criteria outlined below are permitted to remain on the County-sponsored medical plan. The plan is administered by Highmark or UPMC. The plan design is the same for each provider. Benefits are provided for both the retiree and eligible dependents up to the age of 65. The only exception to this rule is for police officers hired prior to April 1, 1986, who are not eligible for Medicare. In these cases, benefits are provided for life.

*Contributions* - Retired Police Officers are required to contribute towards medical coverage. Monthly required contributions for 2022 are as follows: Individual \$122.94; Retiree + spouse \$330.70; Retiree + child(ren) \$633.12; or Retiree + family \$576.58.

*Eligibility* - Hired prior to 2/1/14 - Police officers become eligible for retiree medical coverage upon attaining age 50 and 20 years of service. Hired on or after 2/2/2014 - Police Officers become eligible for retiree medical coverage upon attaining age 50 and 25 years of service.

*Surviving Dependent Coverage* - Surviving dependents are not covered. They are offered 36 months of COBRA with the surviving dependent paying the full premium.

The County's expenditures for health insurance benefits were \$1,023,962 (\$1,230,412, net of retiree contributions of \$206,450) in 2022. The costs associated with this benefit are paid by the County's General Fund and are not pre-funded.

## Basic Financial Statements

### ***Sheriffs/Correctional Officers***

Retired Sheriffs and Correctional Officers who have met the eligibility criteria are permitted to take COBRA coverage for an 18-month period. The plan is the Allegheny County Standard PPOBlue plan administered by Highmark. The County will contribute up to \$500, \$600, or \$700 per month, the actual amount depends on retirement date, towards the cost of COBRA. Following the 18-month period, retirees are eligible to be reimbursed, up to their maximum monthly amount, for any premium payments. The County does not directly provide medical benefits to this group. The retirement dates for each monthly amount and the duration of the benefit are as follows:

- Retired on or after January 1, 2012 and before July 1, 2015 - up to \$500 per month. Retirees are eligible to receive this benefit for up to 7 years or age 65, whichever occurs first.
- Retired on or after July 1, 2015 - up to \$600 per month. Retirees are eligible to receive this benefit for up to 7 years or age 65, whichever occurs first.
- Retired on or after July 1, 2017 - up to \$700 per month. Retirees are eligible to receive this benefit for up to 7 years or age 65, whichever occurs first.

*Contributions* - Not applicable since the amount of the reimbursements are capped at different amounts.

*Eligibility* - Hired prior to 2/1/2014 - Retired Sheriffs/Correctional Officers become eligible for retiree medical benefit upon attaining age 55 and 20 years of service and must be drawing pension. Hired on or after 2/1/14 - Retired Sheriffs/Correctional Officers become eligible for retiree medical benefit upon attaining age 55 and 25 years of service and must be drawing pension.

*Surviving Spouse Coverage* - Surviving spouses will continue to receive the reimbursement until one of three things happen: (1) Expiration of the 5 or 7 years (depending on when the retiree retired); (2) Coverage through employment of a spouse, if remarried; (3) Eligible for Medicare.

The County's expenses for sheriffs and correctional officers health insurance benefits were \$509,768 in 2022. The costs associated with this benefit are paid by the County's General Fund and are not pre-funded.

### ***Grandfathered Major Medical Group***

There is a grandfathered group of retirees who are eligible for a Major Medical program. The program is administered by Highmark. Coverage is provided for life.

*Contributions* - Retirees are required to make monthly contributions of \$78.10 for single coverage and \$139.87 for family coverage. Contributions will not increase in the future.

*Surviving Spouse Coverage* - Surviving spouses are permitted to continue in the medical plan provided they make the required contributions.

The County's expenses for major medical insurance benefits were \$50,214 (\$73,379, net of retiree contributions of \$23,165) in 2022.

## Basic Financial Statements

**All Other Retirees**

All other groups of retirees are NOT eligible for retiree medical coverage. However, they are provided with life insurance.

*Employees covered by benefit terms* - At December 31, 2022, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments:	
Total retirees covered for medical	224
Total spouses covered for medical	29
Total retirees covered for life insurance	4,637
Active employees:	
Total covered for medical	792
Total covered for life insurance	6,365

**Life Insurance**

The County provides post-employment life insurance benefits to its approximately 4,600 retirees. Current retirees receive County-paid retiree life insurance in varying amounts falling within a range of \$4,000 to \$10,000 depending on a retiree's bargaining unit/employee group. Future Police retirees are expected to receive \$10,000 of County-paid retiree life insurance and all other groups are expected to receive \$4,000 County-paid retiree life insurance.

*Eligibility* - In order to be eligible for paid life insurance benefits, a retiree must be currently drawing from their pension and meet the following eligibility requirements (depending on their group).

Hired prior to 2/1/14

- Police Officers - 50 years and 20 years of service
- Sheriffs, Correctional Officers, and Probation Officers - 55 years old and 20 years of service
- All other groups - 60 years old and 20 years of service.

Hired on or after 2/1/14

- Police Officers - 50 years of 25 years of service
- Sheriffs, Correctional Officers, and Probation Officers - 55 years old and 25 years of service
- All other groups - 60 years old and 25 years of service

The General Fund expenditures for all post-employment life insurance benefits were \$978,140 (\$1,269,875 net of retiree contributions of \$291,735) in 2022.



## Basic Financial Statements

### *Total OPEB Liability*

The County's total OPEB liability of \$64,322,191 was measured as of January 1, 2022, and was determined by an actuarial valuation as of January 1, 2021.

### *Actuarial Assumptions*

- Cost Method: Entry Age Normal as a Level Percentage of Pay
- Mortality: PRI H-2012 Total Dataset Mortality Table projected using MP-2021. The mortality table is based on tables developed by the Society of Actuaries and includes the most recent improvement scale.
- Discount Rate: 2.06% - Based on the Bond Buyers 20-Bond Index
- Inflation Rate: 3.0%
- Investment Return: Investment return was not utilized in this variation since there are no assets.
- Salary Increases: 2.5%.
- Health Care Trend: Healthcare trend rates are assumed to increase to be 7.00% higher than 2021 and is assumed to decrease .25% each year period beginning 2024 through 2031 & later
- Percent Married - Actual spousal information was utilized for current retirees. For the active population, it was assumed that 55% of Police Officers will have a covered spouse at retirement. Females are assume to be three years younger than males.
- Disability - None assumed
- Participation - It is assumed that 100% of eligible Police Officers will participate in the retiree medical program. It is assumed that 100% of eligible Sheriffs and Correctional Officers will participate in the retiree medical program, but that only 80% of the monthly incentive will be utilized.
- Aging Factors: Pre- and post-65 morbidity rates were developed from the factors found in Charts 5 and 20, respectively, of "Health Care Costs - From Birth to Death" sponsored by the Society of Actuaries and prepared by Dale H. Yamamoto (June 2013)
- Withdrawal Rates: Rates vary by attained age



## Basic Financial Statements

*Changes in the Total OPEB Liability*

	<b>Total OPEB Liability</b>
<b>Balance at December 31, 2021</b>	<b>\$ 63,988,013</b>
<b>Changes for the year:</b>	
Service cost	1,465,903
Interest	1,356,546
Changes in assumptions or other inputs	515,681
Benefit payments	(3,003,952)
Net changes	<u>334,178</u>
<b>Balance at December 31, 2022</b>	<b>\$ <u>64,322,191</u></b>

## Changes of Assumptions and Other Inputs

- Changed the discount rate from 2.12% to 2.06%
- Updated the mortality improvement scale to MP-2021.

*Sensitivity of the Total OPEB liability to Changes in the Discount Rate* - The following is the Total OPEB Liability to the County, as well as the Total OPEB Liability using a discount rate that is 1%-point lower or 1%-point higher than the current discount rate:

<b>Sensitivity of Total OPEB Liability to Changes in the Discount Rate</b>	<b>1% Decrease (1.06%)</b>	<b>Discount Rate (2.06%)</b>	<b>1% Increase (3.06%)</b>
Total OPEB liability	\$ 72,996,144	64,322,191	57,182,898

*Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates*- The following is the Total OPEB Liability of the County, as well as the Total OPEB Liability using healthcare cost trend rates that are 1%-point lower or 1%-point higher than the current healthcare cost trend rates:

<b>Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rates</b>	<b>1% Decrease</b>	<b>Trend Rate</b>	<b>1% Increase</b>
Total OPEB liability	\$ 60,903,875	64,322,191	68,292,529

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

For the year ended December 31, 2022, the County recognized OPEB expense of \$3,339,258. At December 31, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 1,814,500	3,917,263
Changes of assumptions or other inputs	9,748,619	1,678,322
Benefit payments subsequent to the measurement date	3,130,323	-
Total	<u>\$ 14,693,442</u>	<u>5,595,585</u>

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The \$3,130,323 amount reported as deferred outflows of resources resulting from the County's benefit payments subsequent to the measurement date will be recognized as a reduction in next year's total OPEB liability. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b>Year ended December 31:</b>		
2023	\$	516,809
2024		516,809
2025		516,808
2026		1,056,613
2027		912,616
2028 and beyond		2,447,879

The County's defined benefit pension/OPEB plan is not administered through a trust or equivalent arrangement, therefore no assets are accumulated in a GASB-compliant trust.

### ***Allegheny County Airport Authority***

ACAA provides OPEB for all employees who meet eligibility requirements. The benefits are provided through ACAA's OPEB Plan, a single-employer plan administered by ACAA. The plan provides reimbursement for medical benefits to eligible firefighter retirees hired before May 1, 2005 and their spouses. Benefits are provided upon the retiree's date of retirement. The retiree is responsible for any premium cost in excess of the defined benefit. Payments to the retirees are made on a reimbursement basis.

The OPEB Plan provides medical benefits for eligible firefighter retirees who were hired before May 1, 2005 and their spouses. Benefits are provided through a third-party insurer, and the cost of the benefits is split between the OPEB Plan and the retiree. ACAA covers 62.0% of the premiums at age 50, which increases 3.00% each year until the age of 65 when the retiree becomes eligible for Medicare and the benefits are terminated.

ACAA estimates the net OPEB liability (asset) using an actuarial valuation as of December 31, 2020 and, for the year ended December 31, 2022, concluded the net OPEB liability and related deferrals were not material to ACAA's financial statements.

### ***Community College of Allegheny County***

*PSERS Benefits Provided* - PSERS provides Health Insurance Premium Assistance, which is a governmental cost-sharing, multiple-employer OPEB for all eligible retirees who qualify and elect to participate. Employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Effective January 1, 2002 under the provisions of Act 9 of 2001, participating eligible retirees are entitled to receive premium assistance payments equal to the lesser of \$100 per month or their out-of-pocket monthly health insurance premium. To receive premium assistance, eligible retirees must obtain their health insurance through either their school employer or the PSER's Health Options Program (HOP). As of June 30, 2022, there were no assumed future benefit increases to participating eligible retirees.

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Participants are eligible if they have retired from the system and satisfy the following criteria:

- Have 24½ or more years of service, or
- Are a disability retiree, or
- Have 15 or more years of service and retired after reaching superannuation age, and
- Participate in the HOP or employer-sponsored health insurance program

Members eligible to participate in PSERS include fulltime public school employees, part-time hourly public school employees who render at least 500 hours of service in the school year, and part-time per diem public school employees who render at least 80 days of service in the school year in any of the reporting entities in Pennsylvania. The Public School Employees' Retirement Board is established by state law as an independent administrative board of the Commonwealth and exercises control and management of PSERS, including the investment of its assets. Changes in benefit and contribution provisions for the retirement plan must be made by legislation.

*PSERS Employer Contributions* - The employer's contractually required contribution rate for PSERS was 0.80% of covered payroll for the fiscal year ended June 30, 2022. This amount was actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year with an additional amount to finance any unfunded accrued liability. CCAC's contribution to PSERS for the year ended June 30, 2022 was \$10,314, equal to the required contractual contributions.

At June 30, CCAC reported a liability for its proportionate share of the net OPEB liability. The amount recognized by CCAC as its proportionate share was as follows:

Plan	Measurement Date	Net OPEB Liability 2022	Proportionate Share 2022
PSERS	June 30	\$ 226,000	0.00950%

*PSERS Proportionate Share* - At June 30, 2022, CCAC reported a liability for its proportionate share of the OPEB liability. The amount recognized by CCAC as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with CCAC are in the table above.

The net OPEB liability relative to PSERS was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by rolling forward the System's total OPEB liability as of June 30, 2020 to June 30, 2021. CCAC's portion of the net OPEB liability was calculated utilizing CCAC's one-year reported covered payroll as it relates to the total one-year reported covered payroll. As of the measurement date of June 30, 2021, CCAC's proportionate share of the net OPEB liability was 0.00950% which was a decrease of 0.00190% from the proportion measured as of June 30, 2019. CCAC's proportionate share of the net OPEB liability was \$226,000 at June 30, 2022. This amount was recognized by CCAC in its June 30, 2022 statement of net position.

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The State is required to contribute 50% of CCAC's contribution directly to PSERS on behalf of CCAC. The total of the collective OPEB liability relative to PSERS that is associated with CCAC as of the respective measurement date of June 30 is as follows:

	<b>2022</b>
<b>CCAC</b>	\$ 226,000
<b>Commonwealth</b>	226,000
	<u>\$ 452,000</u>

For the year ended June 30, 2022, CCAC recognized OPEB expense of \$21,000. At June 30, 2022, there were no employer contributions payable to PSERS. This amount was for the legally required contributions to the plans.

At June 30, 2022, CCAC reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Difference between expected and actual experience	\$ -	2,000
Changes in assumptions	3,000	24,000
Changes in proportions	36,000	36,000
Contributions subsequent to the measurement date	-	10,314
	<u>\$ 39,000</u>	<u>72,314</u>

The \$10,314 reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022.

The components of deferred outflows of resources and deferred inflows of resources, other than the difference between the projected and actual investment earnings on investments, are amortized into pension expenses over 7 years, which is the average expected remaining service lives of active and inactive members. The components of deferred outflows of resources and deferred inflows of resources were amortized into pension expense over five years in the prior period. The annual difference between the projected and actual earnings on PSERS investments is amortized over a five-year period.

*Future Period Deferred Outflows of Resources and Deferred Inflows of Resources* - The amounts of deferred outflows of resources and deferred inflows of resources related to the above items that will be recognized in OPEB expense in future periods as of June 30 are as follows:

Fiscal Year	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
2023	\$ -	10,000
2024	-	7,000
2025	-	1,000
2026	2,000	-
Thereafter	3,000	-

*PSERS Actuarial Assumptions* - The total OPEB liability as of June 30, 2021 was determined by rolling forward the PSER's total OPEB liability as of the June 30, 2020 actuarial valuation to June 30, 2021 using the following actuarial assumptions, applied to all periods included in the measurement: Actuarial cost method – Entry Age Normal - level percentage of pay for 2021; Investment return - 2.18% for 2021, using the Standard & Poor's Municipal Bond Rate; Salary increases – effective average of 4.50%, which reflects an allowance for inflation of 2.50% for real wage growth and for merit or seniority increases for 2021; Mortality - mortality rates were based on a blend of 50% Pub T-2010 and 50%

## Basic Financial Statements

PubG-2010 Retiree Tables for Males and Females, adjusted to reflect PSER's experience and projected using a modified version of PM-2020 Mortality Improvement Scale; Healthcare cost trend - was applied to retirees with less than \$1,200 in premium assistance per year for 2021; Participation rate - eligible retirees will elect to participate pre age 65 at 50%, and eligible retirees will elect to participate post age 65 at 70% for 2021.

*The following actuarial assumptions were used to determine the contribution rate for 2021:* Cost method – the amount necessary to assure solvency of Premium Assistance through the third fiscal year after the valuation date; Asset valuation method – market value; Participation rate – 63% of eligible retirees are assumed to elect premium assistance; Mortality rates and retirement ages – adjusted to reflect PSER's experience and projected using a modified version of the MP-2015 Mortality Improvement Scale for 2021;

Investments consist primarily of short-term assets designed to protect the principal of the plan assets. The expected rate of return on OPEB plan investments was determined using the OPEB asset allocation policy and best estimates of geometric real rates of return for each asset class.

The OPEB plan's policy in regards to the allocation of invested plan assets is established and may be amended by the Board. Under the program, as defined in the retirement code employer contribution rates for Premium Assistance are established to provide reserves in the Health Insurance Account that are sufficient for the payment of Premium Assistance benefits for each succeeding year.

OPEB Asset Class	2022	
	Target Allocation	Long-Term Expected Real Rate of Return
Cash	79.8%	0.1%
Fixed Income	17.5%	0.7%
Global Fixed Income	2.7%	-0.3%
	100.0%	

The above was the PSERS Board's adopted asset allocation policy and best estimate of geometric real rates of return for each major asset class as of June 30, 2021.

*Discount Rate* - The discount rate used to measure the total OPEB liability for PSERS was 2.18% for 2022. Under the plan's funding policy, contributions are structured for short-term funding of Premium Assistance. The funding policy sets contribution rates necessary to assure solvency of Premium Assistance through the third fiscal year after the actuarial valuation date. The Premium Assistance account is funded to establish reserves that are sufficient for the payment of Premium Assistance benefits for each succeeding year. Due to the short-term funding policy, the OPEB plan's fiduciary net position was not projected to be sufficient to meet projected future benefit payments; therefore, the plan is considered a "pay-as-you-go" plan. A discount rate of 2.18%, which represents the S&P 20-year Municipal Bond Rate at June 30, 2021, was applied to all projected benefit payments to measure the total OPEB liability.

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### *Sensitivity of CCAC's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate -*

The following presents the net OPEB liability at June 30, 2022, calculated using the discount rate of 2.18% as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (1.18%) or 1 percentage point higher (3.18%).

	<b>1% Decrease 1.18%</b>	<b>Current Discount Rate 2.18%</b>	<b>1% Increase 3.18%</b>
2022 PSERS CCAC's proportionate share of the net OPEB liability	\$ 259,000	226,000	199,000

*Sensitivity of CCAC's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend -* The following presents the net OPEB liability at June 30, 2022, calculated using the healthcare trend rate of 2.18%, as well as what the net OPEB liability would be if it were calculated using a healthcare trend rate that is 1% point lower (1.18%) or 1% point higher (3.18%) than the current rate:

	<b>1% Decrease 1.18%</b>	<b>Current Healthcare Trend Rate 2.18%</b>	<b>1% Increase 3.18%</b>
2022 PSERS CCAC's proportionate share of the net OPEB liability	\$ 226,000	226,000	226,000

*PSERS OPEB Plan Fiduciary Net Position* - Detailed information about PSERS's fiduciary net position is available in PSERS Annual Comprehensive Financial Report, which can be found on the System's website at [www.psers.state.pa.us](http://www.psers.state.pa.us).

### **Pittsburgh Regional Transit**

*General Information About the OPEB Plans* - PRT provides certain post-retirement healthcare benefits to its retirees. In accordance with the ATU, IBEW and NonRep Retirement and Disability Allowance Plans, post-retirement benefits are provided to those who become entitled to receive a pension allowance or a disability allowance. Post-retirement benefits consisting of medical, hospital, prescription, dental, and vision insurance coverage, and Medicare Part B premium reimbursement are provided for the retiree.

*Benefits Provided* - Healthcare benefits include medical, dental, and vision coverage for eligible employees as follows:

Effective January 1, 2009, ATU and IBEW employees who were hired prior to July 1, 2012 must meet one of the following conditions to receive lifetime post-retirement healthcare benefits: Attainment of 30 years of service, or Age 65 with 10 years of service; Age 62 with 20 years of service; Attainment of 25 years of service by June 30, 2012.

ATU employees hired on and after July 1, 2012 and IBEW employees hired between July 1, 2012 and April 30, 2015 will receive a maximum of 3 years of healthcare benefits following retirement. Eligibility for an unreduced pension benefit is required to receive retiree healthcare coverage. Such participants must meet one of the following conditions: Age 55 with 25 years of service, or; Age 55 with sum of age plus service equal to 85, or; Age 65 with 10 years of service; Disabled with 10 years of service.

Effective December 31, 2018, ATU retirees are eligible to receive Medicare Part B premium reimbursement upon meeting the following requirements prior to retirement: 25 years of service and hired before December 1, 2005; Age 55 with 10 years of service; Receiving pension disability allowance.

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IBEW employees hired on or after May 1, 2015 will not be eligible for post-retirement coverage.

NonRep employees who retired prior to July 1, 2007 receive post-retirement healthcare benefits. Effective July 1, 2007, NonRep employees who retire with eligibility for a pension benefit (25 years of service with no age requirement if hired before December 1, 2005; age 55 with 10 years of service; or disabled with 10 years of service) may elect to continue healthcare coverage with PAT but are required to pay the full amount of the premiums.

*Contributions* - PRT's contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2022, PAT contributed \$21 million (excluding the implicit rate subsidy) to the plans. Plan members receiving benefits contributed \$2.1 million for fiscal year June 30, 2022, through their contributions as required by the cost sharing provisions of the Plans. Under these provisions, retirees receiving benefits pay a certain percentage of any cost increases after the base year, as determined by the respective plans. Retiree cost sharing percentages for the ATU, IBEW, and NonRep Plans are based on the particular health care coverage that is selected by the retiree, the number of family members covered and the age of the retiree and each covered family member, and when retirement became effective.

*OPEB Liability* - PRT's OPEB liability was measured as of December 31, 2021 and was determined by an actuarial valuation as of January 1, 2020. During the measurement period ending December 31, 2020. Standard actuarial techniques were used to roll forward the total pension liability from the valuation date to the measurement date.

*Actuarial Assumptions* - *The methods and assumptions are as follows:* Discount rate, using Fidelity Fixed Income Market Data for Municipal GO AA Yield Curve at 20 years: 1.84%; Actuarial cost method: Individual Entry Normal Level Percent of Pay; Plan participation: 100% of eligible ATU and IBEW employees (medical, dental, and vision coverage), 25% of eligible NonRep (medical coverage); Mortality: IBEW and NonRep: Society of Actuaries (SOA) scale MP-2020; ATU: RP-2000 Mortality Table, using separate rates for employees and annuitants, and adjusted for white collar employees; Salary increase: 3.5% per year.



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Assumed rates of retirement are as follows:

**ATU**

Age	Service		Bridge Eligible*
	10 to 24 years	25 or more years	
Below 54	0.0%	40%	50%
55-59	0.2%	30%	50%
60-61	0.5%	10%	50%
62	10.0%	80%	60%
63-64	3.0%	30%	35%
65	80.0%	80%	100%
66-69	30.0%	30%	100%
Over 70	100.0%	100%	100%

**IBEW and Non-Rep**

Age	Percentage of Retirement based on pension eligibility	
	Reduced benefits for early retirement	Unreduced benefits
Below 54	0.0%	40%
55-59	3.0%	40%
60-64	10.0%	40%
65	0.0%	70%
66-69	0.0%	30%
Over 70	0.0%	100%

\*Employees who attained 25 years of service by June 30, 2012, who are eligible for retiree medical benefits.

*Changes in Actuarial Assumptions* - The assumed discount rate was 1.84% at the December 31, 2021 measurement date. The following changes were made for the January 1, 2021 valuation: Mortality and mortality improvement assumptions were updated for IBEW and NonRep; ATU retirement rates were updated; Short and long-term historical trend rates for healthcare costs were updated; IBEW employee life insurance benefit was increased to \$12,500.

*Changes in the Total OPEB Liability* - The changes in the total OPEB liability of PRT for the year ended June 30, 2022 were as follows:

	OPEB Liability
<b>Balances at 6/30/21</b>	\$ 524,547,318
<b>Changes for the year:</b>	
Service cost	17,127,635
Interest	11,604,594
Differences between expected and actual	59,847,654
Changes of benefit terms	450,926
Changes in assumptions	5,536,166
Benefit payments	(25,224,064)
<b>Balances at 6/30/22</b>	\$ 593,890,229



## Basic Financial Statements

*Sensitivity of the Total OPEB Liability to Changes in the Discount Rate* - The following represents the total OPEB liability calculated using the stated discount rate, as well as what the total OPEB liability would be if it was calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

<b>1% Decrease</b> <b>0.84%</b>	<b>Current</b> <b>Discount Rate</b> <b>1.84%</b>	<b>1% Increase</b> <b>2.84%</b>
\$ 680,119,773	593,890,229	523,691,708

*Sensitivity of the Total OPEB Liability to Changes in the Medical Trend Rate* - The following presents the total OPEB liability calculated using the stated medical trend assumption, as well as what the total OPEB liability would be if it was calculated using a medical trend rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
Initial rate, pre-Medicare	5.25%	6.25%	7.25%
Initial rate, post-Medicare	3.25%	4.25%	5.25%
Ultimate rate	3.00%	4.00%	5.00%
\$	520,250,582	593,890,229	684,711,918

*OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs* - For the year ended June 30, 2022, PRT recognized OPEB expense of \$12,005,993. Cash payments into the plan are included in fringe benefits on the statement of revenues, expenses, and changes in net position and any remaining excess (deficiency) is reported as OPEB expense, net.

At June 30, 2022, PRT reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	<b>2022</b>	
	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Differences between expected and actual experience	\$ 139,767,412	46,837,294
Changes in assumptions	2,788,730	68,310,156
Contributions subsequent to the measurement date	-	13,232,489
	<u>\$ 142,556,142</u>	<u>128,379,939</u>

Deferred outflows of resources related to PRT OPEB contributions subsequent to the measurement date of \$13,232,489 is recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Year Ending June 30</u>	
2023	\$ (12,994,068)
2024	(14,312,853)
2025	(8,630,095)
2026	8,528,324
	<u>\$ (27,408,692)</u>

## Basic Financial Statements

### **(13) Contingencies**

The County is subject to certain regulatory and contractual requirements and is party to various litigation and claims, the more significant of which are described below. No amounts have been accrued for these cases unless otherwise stated.

A. The County receives significant financial assistance from federal and the Commonwealth of Pennsylvania governmental agencies in the form of grants and other entitlements. The receipt of funds under such programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by grantor agencies. Any disallowed costs resulting from such audits could become a liability of the County's General Fund or other applicable funds. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. County management expects such additional amounts, if any, to be immaterial.

B. In the ordinary course of the County's operations, there are seventeen various legal proceedings initiated by citizens, job applicants, subcontractor employees, and former or current County employees for alleged violations of civil and/or constitutional rights. These include violations of the ADA, ADEA, whistle blower statutes, extra work claims, and discrimination on the basis of political or religious affiliation, age, race, or gender. Management is of the opinion that these matters will not have a materially adverse effect on the County's financial position. One case has a summary judgement in the favor of the County defendants. It is premature at this time to state with any degree of certainty the likelihood of favorable or unfavorable outcomes in any of the remaining cases.

C. The County is a defendant in seven actions associated with former or current incarcerated people for deaths, injuries, unwanted sexual contact, constitutional and/or civil rights violations. Discovery has begun and continues in four cases, and one case has just completed the discovery stage. One case have been filed for a motion to dismiss. Lastly one case has been recently filed. It is premature at this time to state with any degree of certainty the likelihood of favorable or unfavorable outcomes in any of these cases.

D. The County is a defendant in one case for asbestos exposure on the airport premises and within County Worksites. Allegheny County is sued as a premises-based asbestos defendant and a significant number of manufacturer defendants. One filed by the administrator of a decedent's estate and the other two by individual plaintiffs. The County intends to vigorously defend this action and has tendered defense to the Allegheny County Airport Authority. It is premature at this time to state with any degree of certainty the likelihood of favorable or unfavorable outcomes in any of these cases.

E. The County is a defendant or has received notice of eight potential claims for death, personal injury, and/or property damage from incidents on County roadways or properties. All eight cases are have recently been filed. It is premature at this time to state with any degree of certainty the likelihood of favorable or unfavorable outcomes in any of these cases.

F. Several real property tax assessments appeals are pending before the Court of Common Pleas. In aggregate these appeals represent amounts that may be considered material, but separately the amounts under consideration are generally minimal. It is premature at this time to state with any degree of certainty the likelihood of favorable or unfavorable outcomes in any of these cases.

G. The County is a defendant in two cases due to COVID-19 emergency orders and policies claiming civil rights violations. It remains premature at this time to state with a reasonable degree of certainty the likelihood of a favorable or unfavorable outcome, and/or whether an unfavorable outcome would have a material impact on Allegheny County. The County intends to vigorously defend this action.

## Basic Financial Statements

H. The County is a defendant in one tort lawsuit where an indecent assault of a minor occurred due to negligent oversight of the facility that receives funding and is licensed by the Department of Human Services. This case remains in discovery. It remains premature at this time to state with any degree of certainty the likelihood of a favorable or unfavorable outcome.

I. The county is a defendant in one case where damages occurred during Allegheny County police and other law enforcement agencies search and apprehension of a criminal suspect. This case is a writ only. It remains premature at this time to state with a reasonable degree of certainty the likelihood of a favorable or unfavorable outcome.

J. The county is a defendant in two nuisance suits filed in bankruptcy court. The two cases are under investigation and are filed in Federal Bankruptcy Court. The US Attorney's Office is assisting in the matters, and it remains premature at this time to state with any certainty the likelihood of a favorable or unfavorable outcome.

### ***Component Units - Contingencies***

#### ***Allegheny County Airport Authority***

ACAA is subject to various legal proceedings and claims that arise in the ordinary course of its business. ACAA believes that the amount, if any, of ultimate liability with respect to legal actions will be insignificant or will be covered by insurance.

In January 1998, the Pennsylvania Department of Environmental Protection ("DEP") issued an Administrative Order to the Allegheny County Department of Aviation alleging violations of a January 1994 Consent Order and Adjudication (the "Consent Order") and violations of the Pennsylvania Clean Streams Law and Dam Safety Act at the Pittsburgh International Airport. The alleged violations have been resolved except for issues relating to De-Icing and Industrial Waste (DIW). ACAA continues to negotiate the DIW issue with DEP. In connection with these negotiations, sometime between May 2002 and December 2006, ACAA agreed to construct a in-stream lined retention basins in the East Fork of Enlow Run and West Fork of McClarens Run, a conveyance system between the two basins, and a stormwater deicing treatment facility (the "Treatment Facility") to treat the water collected in the retention basins. The retention basins and conveyance system have been constructed but the Treatment Facility has not been constructed. In December 2006, ACAA amended its NPDES permit renewal application to include discharges from the Treatment Facility when it is constructed. DEP prepared a draft NPDES renewal permit in 2010, which included proposed effluent limits for the Treatment Facility. Both ACAA and EPA submitted comments on the draft permit to DEP. A final permit renewal was not issued and the existing permit remained in effect pending renewal. In August 2020, DEP prepared a revised draft NPDES permit, again with proposed effluent limits for the Treatment Facility, and published notice of the draft permit in the Pennsylvania Bulletin for public comment. ACAA again submitted comments which DEP is considering. ACAA's comments include, inter alia, a request for additional time to update studies on DIW generation and treatment, as well as receiving stream conditions, as these are now significantly outdated, and reconsideration of the Treatment Facility effluent limits that are based on DEP's guidance regarding discharges to intermittent and ephemeral streams, which ACAA believes is inapplicable. In March 2022, DEP issued a second pre-draft NPDES permit renewal and a revised Fact Sheet responding to comments submitted by EPA and ACAA. The pre-draft renewal permit includes, among other things, a proposed compliance schedule for the proposed DIW treatment system. The DEP is also proposing a Consent Order and Agreement which would impose an enforceable schedule addressing DIW beyond the 59 month limit for a compliance schedule in a NPDES permit and a requirement to address a discharge containing a white precipitate from Outfall 016.

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### ***Pittsburgh Regional Transit***

In the ordinary course of PRT's operations and capital grant projects, there have been various legal proceedings brought against PRT. Based on an evaluation which included consultation with outside legal counsel concerning the legal and factual issues involved, management is of the opinion that these matters will not result in a material adverse effect on PRT's operations and financial position. PRT is subject to state and federal audits by grantor agencies. These laws and regulations are complex and subject to interpretation. PRT is not aware of any pending audit involving prior or current years; however, compliance with such laws and regulations can be subject to future reviews and interpretation which could result in disallowed costs.

PRT is facing discrimination claims and threats of litigation from approximately 80 former employees who were separated from employment or opted to retire in lieu of complying with a vaccine mandate implemented by PRT in March 2022, along with claims of forced vaccinations for some of this group of employees. PRT is also facing unit and individual grievances from the union - ATU local 85 - representing this group of former employees seeking to have PRT's vaccine mandate deemed void and to return these employees to work with full back pay and seniority. PRT believes it has strong and meritorious defenses to these claims and has been successful in all forums where these claims have been filed/litigated to date. Accordingly, no amounts have been accrued within these financial statements relating to the outcome of this matter.

### ***Community College of Allegheny County***

The nature of the educational industry is such that, from time to time, CCAC is exposed to various risks of loss related to torts; alleged negligence; acts of discrimination; breach of contract; disagreements arising from the interpretation of laws or regulations; theft of; damage to; and destruction of assets; errors and omissions; injuries to employees; and natural disasters. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services in a higher education system. In addition, CCAC's liability associated with some claims may be negated or substantially reduced by the governmental or sovereign immunity afforded to it through the Tort Claims Act. CCAC has not reduced any of its insurance coverage from the prior year and settled claims have not significantly exceeded CCAC's coverage in any of the past three years. CCAC does not participate in any public entity risk pools and does not retain risk related to any aforementioned exposure, except for those amounts incurred relative to policy deductibles that are not significant.

*Litigation* - During the normal course of operations, CCAC has been named as a defendant in certain legal actions and claims. CCAC's management is of the opinion that the disposition of these legal actions and claims will not have a material adverse effect on the financial condition, results of operations or cash flows of CCAC. CCAC purchases commercial insurance to cover certain potential losses. The amount of settlement has not exceeded insurance coverage in the fiscal year ended June 30, 2022.

*Grants* - CCAC received financial assistance from federal and state agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audits by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of CCAC. In the opinion of management, however, any such disallowed claims will not have a material adverse effect on the overall financial position, results of operations or cash flows of CCAC at June 30, 2022.

*Pollution Remediation* - In accordance with GASB Statement No. 49, "Accounting and Financial Reporting for Pollution Remediation Obligations", CCAC is required to recognize and disclose estimated costs for cleanup of pollution that CCAC might have an obligation to remediate. The pollution

## Basic Financial Statements

remediation liability is estimated by reviewing the current status of known polluted sites and developing estimates of cleanup costs. These estimates are subject to change due to improvements in technology, inflation, changes in the scope of work and the pursuit of reimbursement from other responsible parties. Pursuant to this accounting pronouncement, CCAC does not have any known remediation obligations. Accordingly, no recorded liabilities exist as of June 30, 2022.

***Redevelopment Authority of Allegheny County***

RAAC is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; breach of contract; and natural disasters, for which RAAC carries commercial insurance. There have been no claims resulting from these risks in the current year.

***Allegheny HealthChoices, Inc.***

AHCI's financial and program records are subject to examination by appropriate government authorities in accordance with terms of the various grant awards and contracts. The government authorities are authorized to review actual expenditures and to make necessary adjustments in subsequent reimbursements or request refunds of contract amounts, if warranted.

***Soldiers and Sailors Memorial Hall and Museum Trust, Inc.***

Memorial Hall is potentially liable for all expenses that may be disallowed pursuant to the terms of grant programs. Management is not aware of any material items of noncompliance that would result in the disallowance of program expenditures.

Certain grants require the fulfillment of conditions, as set forth in the instrument of the grant, and failure to fulfill the conditions could result in the return of the funds to the grantor. The grant terms generally coincide with the objectives of Memorial Hall and, therefore, do not place any unusual restrictions on the operations of Memorial Hall. Memorial Hall, by accepting the grants and their terms, intends to fulfill the required terms and provisions of the grants.

***(14) Related Party Transactions (see Note 1)***

The County provides various administrative support services to the following related organizations:

- Allegheny County Residential Finance Authority
- Authority for Improvements in Municipalities
- Allegheny County Hospital Development Authority
- Allegheny County Higher Education Building Authority

The costs of services provided to these organizations are fully recovered through contractual arrangements.

The County also enters into agreements with the Allegheny County Housing Authority. These agreements are for services performed for the County by the Housing Authority related to federal and state grant projects.

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### ***Component Unit – Related Party Transactions***

#### ***Allegheny County Airport Authority***

ACAA has entered into intergovernmental agreements with the County that provide for, among other things, contractual services for County police services, 911 services, and certain accounting and professional services. ACAA contracts with the County Treasurer's office to perform audit functions. During 2022, ACAA paid \$5,876 to the County Treasurer and no payments to the County Controller for these services. ACAA contracts with the County Police for public safety services at the airport. During 2022, ACAA recognized expenses of \$11,699,111 paid to the County Police for public safety services at the airport.

In June 2017, ACAA entered into a 20-year lease agreement with the County for the 67,390 square foot property located at 150 Hookstown Grade Road, Coraopolis, PA 15108. The County repurposed the facility to become the Allegheny County Emergency Operations and 911 Center. The lease agreement requires the County to make monthly rental payments of \$87,832 (after the application of rent credits) to ACAA upon occupancy. Rent credits will be granted to the County as a result of the following:

- Improvements made to the facility and funded by the County. All improvements to the facility will accrue to the benefit of ACAA and will be funded as follows: (1) \$2,450,000 funded by the County; (2) \$1,550,000 funded by ACAA and; (3) All remaining funded by the County.
- Certain operating expenses typically paid by lessors, but in this case, paid by the County. In the base year of the lease, these costs are estimated to be \$76,825.

ACAA will pay for certain operating expenses of the facility, and these costs include utilities, janitorial costs, refuse collection, facility manager, routine building and parking lot maintenance, and landscaping costs. ACAA estimates that, in the base year of the lease, these costs will total \$450,165. In 2022, actual costs were \$1,037,139. The lease provides that any increase in the actual operating expense over the base year estimated total, will be paid by the County. In subsequent years, if the actual operating costs paid by ACAA are less than the base year amount, ACAA will issue a rent credit to the County in the amount of the difference. The lease provides for a refurbishment allowance of \$673,390 to be paid by ACAA after year 10 of the lease.

In August 2018, ACAA signed an intergovernmental agreement designed to coincide with the 20-year term of the lease for the Allegheny County Emergency Operations and 911 Center. This agreement requires ACAA to pay the County for certain emergency response services totaling an estimated \$514,910 in the base year and for the 19 following years. Furthermore, this agreement provides that ACAA will reimburse the County for certain capital equipment costs already incurred on behalf of ACAA totaling \$1,187,744. These amounts will be reimbursed via monthly payments of \$4,949 over the 20-year term of the agreement. Both the lease and the intergovernmental agreement commenced on the first day of the month following the day that the County occupies the facility, which was February 1, 2019.

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***Pittsburgh Regional Transit***

PRT has a contract with Transdev Services, Inc., which provides professional services to coordinate the paratransit system, ACCESS, which provides transit services within the County for elderly and handicapped individuals. Expenses under this contract amounted to \$27.8 million in fiscal 2022. PRT currently receives partial reimbursement for these services from the State in the form of a grant. The amount is based on ridership and average fare statistics. Revenue under this program totaled \$7.7 million in fiscal year 2022.

***Redevelopment Authority of Allegheny County***

The County provides administrative services to RAAC. Administrative costs for 2022 were approximately \$786,000. The County also provides administrative services to the RAAC's CITF.

As discussed in Note 9 - Section 108 Loan Fund, RAAC has entered into an agreement with the Regional Industrial Development Corporation of Southwestern Pennsylvania ("RIDC") (who employs a RAAC Board member) to provide certain loan and grant funds. This agreement was entered into prior to the Board member being employed by RIDC.

RAAC approved the issuance of an EDF loan to RIDC to provide funding for the creation of a business park. The loan bears an annual interest rate of 4%. As of December 31, 2022 the loan has an outstanding balance of \$3,510,031.



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### **(15) Derivative Financial Instruments**

During fiscal year 2007, the County entered into a pay-fixed, receive-variable interest rate swap contract. The interest rate swap was effective March 14, 2007. Per the swap agreement the County makes semi-annual interest payments on the first of each May and November through November 1, 2026. The counterparty makes quarterly interest payments on the first of each May, August, November and February through November 1, 2026.

The intention of the swap is to effectively change the County's variable interest rate on the \$43,945,000 General Obligation Refunding Notes, Series C-59B (Index Rate), (C-59B Notes), to a synthetic fixed rate of 4.1355%.

The Series C-59B Notes will accrue interest at a weekly rate that is determined by a remarketing agent on each effective rate date. Per the interest rate swap agreement, the County will receive 67% of 3 month LIBOR plus 0.55% while paying a fixed rate of 4.1355%. The counterparty's interest rate may not exceed a maximum of 15%. 3 month LIBOR at 12/31/2022 was 3.97%.

The interest payments on the interest rate swap are calculated based on a notional amount of \$43,945,000, which reduces beginning on November 1, 2017, so that the notional amount approximates the principal outstanding on the Series C-59B Notes. The interest rate swap expires on November 1, 2026, consistent with the final maturity of the Series C-59B Notes.

During 2022, the County paid \$1,000,154 and received \$317,193 related to the swap.

As of December 31, 2022 and 2021, the swap had a fair value of (\$317,241) and (\$2,091,532), respectively. The current period change in market value of \$1,774,291 for the interest rate swap accounted for as a hedge is recorded on the statement of net position as a deferred outflow. The fair market value of the interest rate swap of December 31, 2022 is reported on the statement of net position as a swap liability. The mark to market value is an estimated net present value of the expected cash flows calculated using relevant mid-market data inputs and based on the assumption of no unusual market conditions or forced liquidation. Level 2 inputs were used to determine fair value.

The County has the ability to early terminate the swap and to cash settle the transaction on any business day by providing at least two business days written notice to the counterparty. Evidence that the County has sufficient funds available to pay any amount payable to the counterparty must be provided at the time notice is given. At early termination, the County will be required to pay or receive a settlement amount which is comprised of the market value of the terminated transaction based on market quotations and any amounts accrued under the contract.

Through the use of derivative instruments such as this interest rate swap, the County is exposed to a variety of risks, including credit risk, interest rate risk, termination risk, market-access risk, and basis risk.

- Credit risk is the risk that a counterparty will not fulfill its obligations. The interest rate swap counterparty is rated A- by Standard and Poor's, a nationally recognized statistical rating organization. If the counterparty failed to perform according to the terms of the interest rate swap agreement, there is some risk of loss to the County, up to the fair market value of the swap. Performance of the counterparty as it relates to this transaction is guaranteed by the counterparty's parent company.



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Because the interest rate swap has a negative fair market value, there is no current credit risk to the County. This risk includes the potential for the counterparty to fail to make periodic variable rate payments to the County and the counterparty to fail to make termination payments to the County, if the swaps are terminated and a termination payment is due from the counterparty.

The County has not entered into a master netting arrangement with its counterparty, as there is only one transaction outstanding.

The County does not have an agreement with the counterparty that requires the counterparty to post collateral if certain circumstances exist related to the swap transaction. During the year, no collateral was posted by the counterparty nor had an event of termination occurred.

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair values of the County's financial instruments or the County's cash flows. The County could be exposed to interest rate risk if long-term interest rates are less than 4.1355%.
- Termination risk is the risk that a derivative instrument's unscheduled end will affect the County's asset/liability strategy or will present the County with potentially significant unscheduled termination payments to the counterparty. The counterparty to the transaction does not have the ability to voluntarily terminate the interest rate swap; however, the County is exposed to termination risk in the event that the counterparty defaults. The transaction would be considered to be terminated in the event that the counterparty's credit rating on their long-term unsecured, unenhanced senior debt (not taking into account the guarantee of the parent) is withdrawn, suspended or falls below Baa3 (Moody's) or BBB- (S&P).
- Basis risk is the risk that arises when variable interest rates on a derivative instrument and an associated bond or other interest-paying financial instrument are based on different indexes. The County is not subject to basis risk as the interest index on the variable rate arm of the swap is based on the same index (67% 3-month LIBOR plus 0.55%) as the variable interest rate on the Series C-59B Notes.
- Rollover risk is the risk that a derivative instrument associated with the County's debt does not extend to the maturity of that debt. When the derivative instrument terminates, the associated debt will no longer have the benefit of the derivative instrument. The County is not exposed to rollover risk as the swap agreement terminates on November 1, 2026 which is the same day as the last payment is due on the Series C-59B Notes.

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### **(16) Tax Abatements**

Tax Abatements are the result of agreements that are entered into by the County to forgo real estate tax revenues for the promise by an individual or entity to take specific action that contributes to economic development in the County. Currently, there are no tax abatements entered into by other governments that reduce the County's tax revenues.

The County has two real estate tax abatement programs: Tax Increment Financing (TIF) and Local Economic Revitalization Tax Assistance (LERTA).

#### ***Tax Increment Financing (TIF)***

TIF is a tool to encourage economic development and revitalization of blighted properties and underutilized property within the County. The Allegheny County TIF Program exists pursuant to the Pennsylvania Tax Increment Financing Act (53 P.S. §6930.1 et seq.). The Allegheny County TIF Program Guidelines created by Allegheny County Economic Development (ACED) and the Redevelopment Authority of Allegheny County (RAAC) provide an understanding of the County's policy and requirements for developments utilizing TIF. The TIF Application is evaluated by ACED to determine if the project, as a general matter, may be eligible for TIF assistance. Upon receipt of a deposit, ACED/RAAC engage a consultant to perform a market study and development impact analysis which may be used to determine the eligibility of the proposed project under the requirements set forth by the State and County. Evaluation requirements considered for a TIF include economic and fiscal impact of the new development, demonstration of the need for TIF, value added to local economy, private investment leverage, type and location of development, project developer experience and other relevant criteria. Prior to the County ordinance authorizing the TIF exemption, RAAC must certify the area to be in need of redevelopment pursuant to the provision of the Urban Redevelopment Law of Pennsylvania of May 24, 1945 (35 P.S. 1701, et seq.). TIFs utilize a portion of future real estate property tax revenues resulting directly from a development. The taxes are pledged to support a revenue bond in connection with the issuance of notes to pay for certain costs of capital improvements necessary within an area.

Incremental increases in real estate property tax revenues within a specific area can finance costs related to that development. Tax revenues are pledged and assigned to RAAC in order to assist in the funding of project costs within a specific area, over a term up to 20 years. Usually 60% of real estate taxes allocable to increased market value over the tax base market value are pledged during the term of the agreement. If the aggregate incremental real estate taxes exceed the debt service on the obligations then the excess will be returned based on the terms of the agreement.

During 2022, sixteen (16) TIFs received abatement from the County's real estate property tax. The total County tax abated during this period was \$2,235,181 related to various projects to support public infrastructure. The total amount abated was recorded as tax revenue and an Economic Development expense in the financial statements.

#### ***Local Economic Revitalization Tax Assistance (LERTA)***

The LERTA program is a tool to encourage private investment and rehabilitation of deteriorated properties within Allegheny County. The LERTA program exists pursuant to the Commonwealth of Pennsylvania Local Economic Revitalization Tax Assistance Act 76 of 1977 (72 P.S. §4722, et seq.). Authorization of LERTA can be driven by either a developer for a specific project or a municipality seeking to redevelop a deteriorated area or facilitate a new economic development project. The Allegheny County LERTA Program Guidelines created by Allegheny County Economic Development (ACED) provide an understanding of the County's policy and requirements for using LERTA. Evaluation

## Basic Financial Statements

requirements considered for LERTA include economic and fiscal impact of the new development, demonstration of the need for LERTA, value added to local economy, private investment leverage, type and location of development. The LERTA Project Review Form is evaluated by ACED to determine eligibility under requirements set forth by the Commonwealth and County. ACED facilitates a meeting for community engagement in the Project. Prior to the County ordinance authorizing the LERTA exemption, the local municipal government must affix the boundaries of the deteriorated area during a public hearing. The determination of deteriorated areas takes into account criteria set forth in the Urban Redevelopment Law of Pennsylvania of May 24, 1945 (35 P.S. 1701, et seq.). LERTA allows for an exemption of real estate property tax for the assessed valuation of new construction or improvements to certain industrial, commercial or other business property in deteriorated areas. An exemption is provided on the assessment attributable to a portion of the actual cost of new construction or improvements.

Each agreement has a proposed development, termination date and maximum tax exemption and/or yearly maximum tax exemptions. The LERTA exemption schedules are generally between 5 and 10 years at 100% declining each year by 20%. The Allegheny County Office of Property Assessment (OPA) assesses the property to determine the valuation attributable to the actual costs of the improvements to the deteriorated property in conjunction with the project. There is no provision or conditions for recapturing.

During 2022, thirty-eight (38) properties in five municipalities received an exemption from County's real estate property tax. The total County tax abated during 2022 was \$1,733,449 related to various projects. The construction of two LERTA supported, industrial development projects in Clairton and Etna are complete. The Clairton parcel hosts 2 new buildings on a vacant former public housing site and adding over \$1.3m annually to the local tax base. In Etna, the rehabilitation of a former steel rolling mill for modern light industrial use has added over \$2.1m to the local tax base and should add a significant amount of employment opportunities once leased.

### ***(17) Subsequent Events***

In April 2022, a contract was signed with Allegheny County Department of Human Services (ACDHS) which will merge the HealthChoices services that AHCI currently provides the County into ACDHS itself effective March 31, 2023. At this date, AHCI operations will transition to ACDHS and a final return will take place in which all program funds and AHCI property will be transferred to ACDHS.

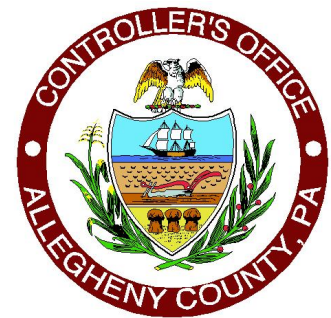
### ***Component Units - Subsequent Events***

***Allegheny HealthChoices, Inc.*** - Effective March 2023, AHCI will be dissolved and Allegheny County Department of Human Services will assume the primary activities of AHCI.

## Basic Financial Statements



## Required Supplementary Information

**REQUIRED SUPPLEMENTARY INFORMATION**

In accordance with Governmental Accounting Standards Board Statement No. 34, the Budgetary Comparison Schedule for the General Fund's legally adopted annual budget is presented as required supplementary information.

In accordance with Governmental Accounting Standards Board Statement No. 68, the Schedule of Changes in the Net Pension Liability and the Schedule of Contributions for the County and its' component units are presented as required supplementary information.

In accordance with Governmental Accounting Standards Board Statement No. 75, the Schedule of Changes in the Total OPEB Liability and Related Ratios for the County and its component units are presented as required supplementary information.

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## Required Supplementary Information



## Required Supplementary Information

## Exhibit 12

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Year Ended December 31, 2022**

	Budget		Actual	Variance to Final Budget
	Original Budget	Final Budget		
Revenues:				
Property taxes	\$ 327,717,978	327,717,978	322,359,852	(5,358,126)
Sales and use tax	53,400,000	53,400,000	62,296,573	8,896,573
Hotel tax	5,250,000	5,250,000	6,376,858	1,126,858
Gaming local share assessment	5,900,000	5,900,000	5,305,823	(594,177)
Licenses and permits	3,575,838	3,575,838	3,254,621	(321,217)
Federal revenues	51,007,921	51,007,921	48,523,680	(2,484,241)
State revenues	178,393,797	178,393,797	166,020,693	(12,373,104)
Local government units revenues	23,404,700	23,404,700	23,404,700	-
Charges for services and facilities	158,226,471	158,226,471	130,153,420	(28,073,051)
Fines and forfeitures	4,106,500	4,106,500	2,989,492	(1,117,008)
Interest earnings	1,501,400	1,501,400	4,976,215	3,474,815
Miscellaneous	5,773,920	5,773,920	10,329,854	4,555,934
Total revenues	818,258,525	818,258,525	785,991,781	(32,266,744)
Expenditures:				
Current:				
General government	251,913,398	252,022,582	228,962,936	(23,059,646)
Public safety	143,252,722	143,960,268	132,078,214	(11,882,054)
Public works	21,309,681	21,526,505	19,388,960	(2,137,545)
Health and welfare	370,205,819	370,360,088	340,444,069	(29,916,019)
Culture and recreation	22,498,872	23,255,189	23,201,819	(53,370)
Education	27,909,495	27,909,495	27,909,495	-
Economic development	3,477,500	3,477,500	2,652,679	(824,821)
Total expenditures	840,567,487	842,511,627	774,638,172	(67,873,455)
Excess (deficiency) of revenues over expenditures	(22,308,962)	(24,253,102)	11,353,609	35,606,711
Other financing sources (uses):				
Transfers in	44,810,000	44,810,000	17,294,909	(27,515,091)
Transfers out	(22,501,038)	(22,501,038)	(21,802,154)	698,884
Total other financing uses	22,308,962	22,308,962	(4,507,245)	(26,816,207)
Net change in fund balances	-	(1,944,140)	6,846,364	8,790,504
Fund balances at beginning of year	94,096,757	94,096,757	94,096,757	-
Fund balances at end of year	\$ 94,096,757	92,152,617	100,943,121	8,790,504

See notes to required supplementary information.

## Required Supplementary Information

### **Notes to Required Supplementary Information**

#### **(1) Budgetary Data**

The County's 2022 comprehensive fiscal plan, which includes the annual appropriated budgets reflected in the supplemental financial statements, was adopted for the primary government as outlined below based upon provisions of the County's Home Rule Charter.

The County Manager prepared the 2022 comprehensive fiscal plan, consisting of the 2022 operating budget and capital budget, a two-year projected operating budget, a five-year capital improvement plan, a grants and special revenues budget, a custodial fund budget and a budget message. The operating budget included proposed expenditures and estimated revenues for the General Fund, Liquid Fuel, Infrastructure Support and Transportation Tax Fund (Special Revenue Funds) and the Debt Service Fund. The budgets for the capital, other special revenue (Human Service and County Grant Funds) and Custodial Funds were adopted on a project basis that covers the life of the project.

No later than 75 days before the end of the year, the Chief Executive must appear before County Council to present the budget message and to submit the fiscal plan. County Council must hold a minimum of two public hearings on the proposal to obtain taxpayers' comments.

No later than 25 days before the end of the fiscal year, the Council must adopt, by resolution, a balanced operating and capital budget for the fiscal year 2021 and established a property tax millage rate for the coming fiscal year. Before adoption, Council is able to add, delete, increase or decrease any appropriation item.

Budgeted appropriations can be amended to the extent that additional, expendable financial resources become available. Only the appropriations for the operating budget lapse at year-end. Previous year encumbrances for all budgets are reappropriated.

Operating budget appropriation transfers within the same department may be approved by the joint signatures of the County Controller, Director of Budget and Finance and Budget Director of County Council. Approval of these transfers shall not alter the total approved budget appropriation allocated to a department, but shall merely reallocate resources within a department's approved budget. Operating Budget transfers may be made between and within departments between the last County Council meeting in December to the last day the books of the County remain open and need to be approved with the same joint signatures. These transfers are subject to ratification by County Council at their earliest appropriate meeting of the subsequent fiscal year.

Bill No. 12056-21 established 2022's Operating Budget at \$990,635,132, of which \$863,068,525 is for the General Fund, including other financing sources of \$44,810,000.

The 2022 Operating Budget was adopted using the modified accrual basis of accounting, and revenues and expenditures are presented in accordance with generally accepted accounting principles accepted in the United States. Legal control over expenditures was exercised by total budget, by fund, by department and by character of expenditure.

#### **(2) Legal Compliance**

##### **Adopted Budget**

In 2022, no Department incurred expenditures that exceeded their budget, once adjusted with operating budget appropriation transfers.



Required Supplementary Information



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## Required Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in the County's Net Pension Liability**  
**And Related Ratios**  
**Last Nine Years**

	2022	2021	2020	2019
<b>Total pension liability</b>				
Service cost	\$ 91,871,740	74,907,088	54,579,545	53,144,885
Interest	118,927,365	106,653,983	119,077,372	115,737,989
Changes of benefit terms	-	20,479,272	-	-
Differences between expected and actual experience	38,187,115	27,482,092	30,167,938	29,935,193
Changes in assumptions	(673,860,833)	513,068,049	428,521,745	23,036,894
Benefit payments, including refunds of member contributions	(146,520,436)	(131,719,898)	(122,418,662)	(114,944,892)
<b>Net change in total pension liability</b>	<u>(571,395,049)</u>	<u>610,870,586</u>	<u>509,927,938</u>	<u>106,910,069</u>
<b>Total pension liability - beginning</b>	<u>3,386,513,461</u>	<u>2,775,642,875</u>	<u>2,265,714,937</u>	<u>2,158,804,868</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 2,815,118,412</u>	<u>3,386,513,461</u>	<u>2,775,642,875</u>	<u>2,265,714,937</u>
<b>Plan fiduciary net position</b>				
Employer actuarially recommended contributions	\$ 42,522,522	42,678,968	41,015,082	40,755,809
Plan member contributions	42,673,844	42,959,431	41,239,884	40,950,512
Net investment income	(99,318,703)	143,326,985	76,241,406	127,906,505
Benefit payments, including refunds of member contributions	(146,520,436)	(131,719,898)	(122,418,662)	(114,944,892)
Administrative expense	(1,673,196)	(1,599,019)	(1,748,093)	(1,573,002)
<b>Net change in plan fiduciary net position</b>	<u>(162,315,969)</u>	<u>95,646,467</u>	<u>34,329,617</u>	<u>93,094,932</u>
<b>Plan fiduciary net position - beginning</b>	<u>1,098,584,878</u>	<u>1,002,938,411</u>	<u>968,608,794</u>	<u>875,513,862</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 936,268,909</u>	<u>1,098,584,878</u>	<u>1,002,938,411</u>	<u>968,608,794</u>
<b>County's net pension liability - ending (a) - (b)</b>	<u>\$ 1,878,849,503</u>	<u>2,287,928,583</u>	<u>1,772,704,464</u>	<u>1,297,106,143</u>
<b>Split of Net Pension Liability</b>				
ACAA	\$ 169,562,428	170,587,105	127,357,162	98,796,640
County of Allegheny	<u>1,709,287,075</u>	<u>2,117,341,478</u>	<u>1,645,347,302</u>	<u>1,198,309,503</u>
	<u>\$ 1,878,849,503</u>	<u>2,287,928,583</u>	<u>1,772,704,464</u>	<u>1,297,106,143</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	33.26%	32.44%	36.13%	42.75%
<b>Covered payroll</b>	\$ 404,976,400	406,466,362	410,150,820	407,558,087
<b>County's net pension liability as a percentage of covered payroll</b>	463.94%	562.88%	432.21%	318.26%

**Notes to Schedule:**

*Changes of assumptions 2022.* The discount rate changed from 3.46% to 5.08% at December 31, 2022.

*Changes of assumptions 2021.* The discount rate changed from 3.80% to 3.46% at December 31, 2021.

*Changes of assumptions 2020.* The discount rate changed from 5.22% to 3.80% at December 31, 2020.

*Changes of assumptions 2019.* The discount rate changed from 5.31% to 5.22% at December 31, 2019.

*Changes of assumptions 2018.* The discount rate changed from 5.54% to 5.31% at December 31, 2018.

Period (number of years) of projected benefit payments:

Discounted at LTRR: through 2037

Discounted at MBR: 2038 and later

\*Reporting and Measurement date is December 31, of each year.

Actuarial Valuation Date is January 1, of each year.

Note: This schedule is being prepared prospectively with GASB 68 until 10 years are presented.

## Required Supplementary Information

## Exhibit 13

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in the County's Net Pension Liability**  
**And Related Ratios**  
**Last Nine Years**

2018	2017	2016	2015	2014
49,762,212	49,757,279	30,707,225	30,573,729	34,628,592
112,947,656	107,626,883	110,765,848	106,192,763	98,256,438
-	-	-	8,150,316	-
20,169,422	34,811,005	35,351,752	(1,277,131)	-
56,077,221	(38,440,255)	443,570,618	9,448,604	(218,138,548)
(107,006,347)	(101,578,731)	(96,537,679)	(91,468,361)	(83,481,880)
131,950,164	52,176,181	523,857,764	61,619,920	(168,735,398)
2,026,854,704	1,974,678,523	1,450,820,759	1,389,200,839	1,557,936,237
2,158,804,868	2,026,854,704	1,974,678,523	1,450,820,759	1,389,200,839
38,142,513	35,123,482	33,975,748	32,925,519	29,830,945
38,344,289	35,184,080	34,102,601	33,151,939	30,170,618
(33,016,189)	115,610,121	66,162,258	11,081,867	35,993,408
(107,006,347)	(101,578,731)	(96,537,679)	(91,468,361)	(83,481,880)
(1,605,245)	(1,454,127)	(1,381,567)	(1,325,422)	(1,274,058)
(65,140,979)	82,884,825	36,321,361	(15,634,458)	11,239,033
940,654,841	857,770,016	821,448,655	837,083,113	825,844,080
875,513,862	940,654,841	857,770,016	821,448,655	837,083,113
1,283,291,006	1,086,199,863	1,116,908,507	629,372,104	552,117,726
98,817,359	81,391,583	83,549,481	48,915,429	40,088,306
1,184,473,647	1,004,808,280	1,033,359,026	580,456,675	512,029,420
1,283,291,006	1,086,199,863	1,116,908,507	629,372,104	552,117,726
40.56%	46.41%	43.44%	56.62%	60.26%
401,500,140	392,349,733	378,411,951	361,963,695	350,743,858
319.62%	276.84%	295.16%	173.88%	157.41%

## Required Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of County Contributions**  
**Last Ten Years**

	2022	2021	2020	2019
Statutory required contribution	\$ 42,522,522	42,678,968	41,015,082	40,755,809
Contributions in relation to the actuarially determined contribution	42,522,522	42,678,968	41,015,082	40,755,809
Contribution deficiency (excess)	\$ -	-	-	-
Covered payroll	\$ 404,976,400	406,466,362	410,150,820	407,558,087
Contributions as a percentage of covered payroll	10.50%	10.50%	10.00%	10.00%

**Notes to Schedule**

Reporting Date is December 31, 2022, the end of both the plan and employer's fiscal year.

Measurement Date is December 31, 2022

Actuarial Valuation Date is January 1, 2022.

Methods and assumptions used to determine contribution rates:

**Interest Rates**

Discount Rate	2022 changed to 5.08%, from 3.46%, net of investment expenses
Discount Rate	2021 changed to 3.46%, from 3.80%, net of investment expenses
Discount Rate	2020 changed to 3.80%, from 5.22%, net of investment expenses
Discount Rate	2019 changed to 5.22%, from 5.31%, net of investment expenses
Discount Rate	2018 changed to 5.31%, from 5.54%, net of investment expenses
Discount Rate	2017 changed to 5.54%, from 5.37%, net of investment expenses
Plan Funding	7.75%, net of investment expenses

**Mortality Rates**

The mortality improvement scale was updated to the SOA MP-2021 scale

**Administrative Expenses**

2.75% per annum

**Salary Scale**

Salaries are assumed to increase by age categories. This assumption includes GSA as well as merits, grade and promotion-related adjustments ranging from 3.25% to 5.75%. See Note 11.

**Actuarial cost method**

Entry age normal

**Amortization**

None

**Other information:**

*Benefit changes.* For employees hired or re-hired on or after February 21, 2014 the vesting changed from 8 to 10 years, the service requirement from 20 to 25 years and the final average salary is the monthly average of the highest 48 months of compensation of the last eight years of service and overtime compensation is limited to 10% of base pay.

## Required Supplementary Information

## Exhibit 14

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of County Contributions**  
**Last Ten Years**

2018	2017	2016	2015	2014	2013
38,142,513	35,123,482	33,975,748	32,925,519	29,830,945	27,587,089
38,142,513	35,123,482	33,975,748	32,925,519	29,830,945	27,587,089
-	-	-	-	-	-
401,500,140	392,349,733	378,411,951	361,963,695	350,743,858	337,015,597
9.50%	8.95%	8.98%	9.10%	8.51%	8.19%

## Required Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in PRT's Net Pension Liability**  
**and Related Ratios - ATU**  
**Last Eight Years**

	2022	2021	2020
<b>Total pension liability</b>			
Service cost	\$ 21,461,427	20,030,979	19,539,210
Interest	79,520,555	77,767,904	76,265,451
Differences between expected and actual experience	(1,775,103)	(5,675,816)	(237,838)
Changes of assumptions	-	1,072,873	25,042,154
Benefit payments, including refunds of member contributions			
and certain healthcare expenses	(77,477,387)	(75,158,721)	(72,447,485)
Employer reimbursement for healthcare expenses	3,195,487	3,063,357	2,807,460
<b>Net change in total pension liability</b>	<u>24,924,979</u>	<u>21,100,576</u>	<u>50,968,952</u>
<b>Total pension liability - beginning</b>	<u>1,117,384,946</u>	<u>1,096,284,370</u>	<u>1,045,315,418</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 1,142,309,925</u>	<u>1,117,384,946</u>	<u>1,096,284,370</u>
<b>Plan fiduciary net position</b>			
Plan member contributions	\$ 16,037,701	15,300,511	15,591,086
Employer actuarially recommended contributions	35,237,520	36,418,627	34,211,911
Net investment income	133,850,150	80,921,632	122,543,622
Benefit payments, including refunds of member contributions			
and certain healthcare expenses	(77,477,387)	(75,158,381)	(72,447,485)
Employer reimbursement for healthcare expenses	3,195,487	3,063,357	2,807,460
Administrative expense	(726,120)	(402,623)	(719,039)
<b>Net change in plan fiduciary net position</b>	<u>110,117,351</u>	<u>60,143,123</u>	<u>101,987,555</u>
<b>Plan fiduciary net position - beginning</b>	<u>845,658,270</u>	<u>785,515,147</u>	<u>683,527,592</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 955,775,621</u>	<u>845,658,270</u>	<u>785,515,147</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 186,534,304</u>	<u>271,726,676</u>	<u>310,769,223</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	83.67%	75.68%	71.65%
<b>Covered payroll</b>	\$ 152,357,516	144,798,145	148,327,726
<b>Net pension liability as a percentage of covered payroll</b>	122.43%	187.66%	209.52%

Note: This schedule is being prepared prospectively with GASB 68 until 10 years are presented.

## Required Supplementary Information

## Exhibit 15

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in PRT's Net Pension Liability**  
**and Related Ratios - ATU**  
**Last Eight Years**

2019	2018	2017	2016	2015
18,544,833	17,959,953	17,641,994	16,952,228	14,262,520
72,730,713	71,007,455	70,211,764	69,033,870	64,022,119
104,701	(2,103,754)	(2,141,941)	3,688,462	-
-	(10,620,990)	(4,479,512)	47,574,706	-
(69,091,544)	(66,892,328)	(65,950,889)	(65,427,602)	(64,382,251)
2,333,274	2,033,015	1,936,792	1,864,037	1,808,498
24,621,977	11,383,351	17,218,208	73,685,701	15,710,886
1,020,693,441	1,009,310,090	992,091,882	918,406,181	902,695,295
1,045,315,418	1,020,693,441	1,009,310,090	992,091,882	918,406,181
14,831,860	14,312,058	13,930,234	13,482,012	13,068,460
32,676,285	29,117,937	26,080,452	22,261,679	20,047,266
(46,218,752)	100,845,535	35,100,028	(2,750,524)	39,425,414
(69,091,544)	(66,892,328)	(65,950,889)	(65,427,602)	(64,382,251)
2,333,274	2,033,015	1,936,792	1,864,037	1,808,498
(751,373)	(582,040)	(496,899)	(583,165)	(530,846)
(66,220,250)	78,834,177	10,599,718	(31,153,563)	9,436,541
749,747,842	670,913,665	660,313,947	691,467,510	682,030,969
683,527,592	749,747,842	670,913,665	660,313,947	691,467,510
361,787,826	270,945,599	338,396,425	331,777,935	226,938,671
65.39%	73.45%	66.47%	66.56%	75.29%
140,278,658	135,837,359	133,588,113	127,714,679	123,363,442
257.91%	199.46%	253.31%	259.78%	183.96%

## Required Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in PRT's Net Pension Liability**  
**and Related Ratios - IBEW**  
**Last Eight Years**

	2022	2021	2020
<b>Total pension liability</b>			
Service cost	\$ 185,985	198,767	222,168
Interest	1,837,171	1,828,037	1,846,891
Changes of benefit terms	-	-	-
Differences between expected and actual experience	152,068	(305,663)	121,451
Changes of assumptions	(13,369)	-	96,811
Benefit payments, including refunds of member contributions and certain healthcare expenses	(2,151,182)	(2,096,598)	(2,087,052)
Employer reimbursement for healthcare expenses	101,061	97,506	85,856
<b>Net change in total pension liability</b>	111,734	(277,951)	286,125
<b>Total pension liability - beginning</b>	26,126,091	26,404,042	26,117,917
<b>Total pension liability - ending (a)</b>	<u>\$ 26,237,825</u>	<u>26,126,091</u>	<u>26,404,042</u>
<b>Plan fiduciary net position</b>			
Plan member contributions	\$ 136,933	149,959	160,688
Employer actuarially recommended contributions	792,066	837,771	821,230
Net investment income	2,746,374	1,756,986	3,020,511
Benefit payments, including refunds of member contributions and certain healthcare expenses	(2,151,182)	(2,096,598)	(2,087,052)
Employer reimbursement for healthcare expenses	101,061	97,506	85,856
Administrative expense	(33,930)	(40,079)	(54,392)
<b>Net change in plan fiduciary net position</b>	1,591,322	705,545	1,946,841
<b>Plan fiduciary net position - beginning</b>	20,109,883	19,404,338	17,457,497
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 21,701,205</u>	<u>20,109,883</u>	<u>19,404,338</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 4,536,620</u>	<u>6,016,208</u>	<u>6,999,704</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	82.71%	76.97%	73.49%
<b>Covered payroll</b>	\$ 1,304,139	1,428,203	1,530,373
<b>Net pension liability as a percentage of covered payroll</b>	347.86%	421.24%	457.39%

Note: This schedule is being prepared prospectively with GASB 68 until 10 years are presented.



## Required Supplementary Information

## Exhibit 16

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in PRT's Net Pension Liability**  
**and Related Ratios - IBEW**  
**Last Eight Years**

2019	2018	2017	2016	2015
231,980	248,724	238,162	252,182	278,428
1,825,648	1,850,223	1,860,812	1,830,476	1,804,357
-	-	-	16,606	-
(454,188)	(234,234)	(259,056)	(327,711)	-
-	-	650,549	669,288	-
(2,010,653)	(2,058,112)	(2,108,295)	(2,095,130)	(2,134,184)
70,829	59,062	60,528	60,633	56,122
(336,384)	(134,337)	442,700	406,344	4,723
26,454,301	26,588,638	26,145,938	25,739,594	25,734,871
26,117,917	26,454,301	26,588,638	26,145,938	25,739,594
179,201	184,388	155,496	120,620	106,547
658,157	806,107	913,536	828,090	815,889
(819,490)	2,458,203	1,127,108	(62,544)	1,266,792
(2,010,653)	(2,058,112)	(2,108,295)	(2,095,130)	(2,134,184)
70,829	59,062	60,528	60,633	56,122
(54,678)	(67,221)	(42,495)	(59,812)	(60,407)
(1,976,634)	1,382,427	105,878	(1,208,143)	50,759
19,434,131	18,051,704	17,945,826	19,153,969	19,103,210
17,457,497	19,434,131	18,051,704	17,945,826	19,153,969
8,660,420	7,020,170	8,536,934	8,200,112	6,585,625
66.84%	73.46%	67.89%	68.64%	74.41%
1,706,677	1,845,900	1,864,753	1,916,931	2,130,900
507.44%	380.31%	457.81%	427.77%	309.05%

## Required Supplementary Information

**COUNTY OF ALLEGHENY COUNTY, PENNSYLVANIA**  
**Schedule of Changes in PRT's Net Pension Liability**  
**and Related Ratios - NonRep**  
**Last Eight Years**

	2022	2021	2020
<b>Total pension liability</b>			
Service cost	\$ 917,711	921,666	1,026,743
Interest	9,299,853	9,134,016	9,138,606
Differences between expected and actual experience	1,360,492	(1,118,353)	287,727
Changes of assumptions	-	-	537,205
Benefit payments, including refunds of member contributions and certain healthcare expenses	(9,419,019)	(9,376,557)	(9,116,116)
Employer reimbursement for healthcare expenses	286,385	260,984	241,294
<b>Net change in total pension liability</b>	<u>2,445,422</u>	<u>(178,244)</u>	<u>2,115,459</u>
<b>Total pension liability - beginning</b>	<u>130,942,475</u>	<u>131,120,719</u>	<u>129,005,260</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 133,387,897</u>	<u>130,942,475</u>	<u>131,120,719</u>
<b>Plan fiduciary net position</b>			
Plan member contributions	\$ 893,852	900,096	984,218
Employer actuarially recommended contributions	7,108,002	7,437,394	7,129,273
Net investment income	13,792,304	8,610,366	13,631,723
Benefit payments, including refunds of member contributions and certain healthcare expenses	(9,419,019)	(9,376,557)	(9,116,116)
Employer reimbursement for healthcare expenses	286,385	260,984	241,294
Administrative expense	(87,249)	(209,483)	(125,325)
<b>Net change in plan fiduciary net position</b>	<u>12,574,275</u>	<u>7,622,800</u>	<u>12,745,067</u>
<b>Plan fiduciary net position - beginning</b>	<u>98,446,524</u>	<u>90,823,724</u>	<u>78,078,657</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 111,020,799</u>	<u>98,446,524</u>	<u>90,823,724</u>
<b>Net pension liability - ending (a) - (b)</b>	<u>\$ 22,367,098</u>	<u>32,495,951</u>	<u>40,296,995</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	83.23%	75.18%	69.27%
<b>Covered payroll</b>	\$ 8,512,962	8,572,438	8,914,879
<b>Net pension liability as a percentage of covered payroll</b>	262.74%	379.07%	452.02%

Note: This schedule is being prepared prospectively with GASB 68 until 10 years are presented.

## Required Supplementary Information

## Exhibit 17

**COUNTY OF ALLEGHENY COUNTY, PENNSYLVANIA**  
**Schedule of Changes in PRT's Net Pension Liability**  
**and Related Ratios - NonRep**  
**Last Eight Years**

2019	2018	2017	2016	2015
1,072,258	1,116,566	1,176,670	1,155,659	1,190,636
8,993,603	8,974,766	8,864,104	8,602,050	8,294,767
(1,039,129)	275,652	904,469	362,560	-
-	-	1,632,561	2,903,673	-
(9,022,211)	(8,878,245)	(8,981,209)	(8,764,596)	(8,512,796)
211,954	203,652	185,834	174,680	166,456
216,475	1,692,391	3,782,429	4,434,026	1,139,063
128,788,785	127,096,394	123,313,965	118,879,939	117,740,876
129,005,260	128,788,785	127,096,394	123,313,965	118,879,939
1,003,129	1,025,619	1,090,555	1,111,025	1,154,760
5,701,085	6,118,561	6,190,809	5,667,461	5,313,090
(3,657,679)	10,398,441	4,657,193	(270,864)	4,854,389
(9,022,211)	(8,878,245)	(8,981,209)	(8,764,596)	(8,512,796)
211,954	203,652	185,834	174,680	166,456
(115,060)	(194,676)	(113,635)	(140,666)	(160,534)
(5,878,782)	8,673,352	3,029,547	(2,222,960)	2,815,365
83,957,439	75,284,087	72,254,540	74,477,500	71,662,135
78,078,657	83,957,439	75,284,087	72,254,540	74,477,500
50,926,603	44,831,346	51,812,307	51,059,425	44,402,439
60.52%	65.19%	59.23%	58.59%	62.65%
9,553,580	9,767,772	9,976,365	10,581,158	10,997,673
533.06%	458.97%	519.35%	482.55%	403.74%

## Required Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of PRT Contributions**  
**Last Ten Years**

	2022	2021	2020	2019	2018
Actuarially determined contribution:					
ATU	\$ 35,237,520	36,418,967	34,211,911	32,676,285	29,117,937
IBEW	792,066	837,771	821,230	658,157	806,107
NonRep	7,108,002	7,437,394	7,129,273	5,701,085	6,118,561
	<u>43,137,588</u>	<u>44,694,132</u>	<u>42,162,414</u>	<u>39,035,527</u>	<u>36,042,605</u>
Contributions in relation to the actuarially determined contribution:					
ATU	35,237,520	36,418,967	34,211,911	32,676,285	29,117,937
IBEW	792,066	837,771	821,230	658,157	806,107
NonRep	7,108,002	7,437,394	7,129,273	5,701,085	6,118,561
	<u>43,137,588</u>	<u>44,694,132</u>	<u>42,162,414</u>	<u>39,035,527</u>	<u>36,042,605</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll:					
ATU	\$ 153,757,623	151,885,562	144,568,395	142,111,013	137,756,902
IBEW	1,232,230	1,420,920	1,506,183	1,551,817	1,750,302
NonRep	8,434,819	8,826,652	8,829,432	8,822,859	9,632,840
	<u>\$ 163,424,672</u>	<u>162,133,134</u>	<u>154,904,010</u>	<u>152,485,689</u>	<u>149,140,044</u>
Contributions as a percentage of covered-employee payroll					

**Notes to Schedule**

Valuation date: Actuarial calculations are performed each year as of January 1. Contributions noted above are as of each pension plan's calendar year ending December 31 using actuarially determined contribution rates calculated as of January 1, one year prior to the end of the calendar year in which contributions are reported.

## Methods and assumptions used to determine contribution rates:

Actuarial cost method	Individual Entry Age Normal
Amortization method	Level-dollar monthly payments
Remaining amortization period	15 years
Asset valuation method	Smoothed market value (with phase-in)
Inflation	2.50%
Salary increases	3.50% (with exception for years covered by the ATU and IBEW collective bargaining agreement)
Investment rate of return	7.25% IBEW and NonRep (8.00% for 2013 and prior)
	7.25% ATU (8.00% for 2016 and prior)
Mortality	ATU: For healthy lives, mortality is in accordance with the RP-2000 Combined Mortality Table adjusted for blue collar employees with fully-generational projected mortality improvement under Scale AA. For disabled lives, mortality is in accordance with the disabled mortality table specified in IRS Revenue Ruling 96-7 for disabilities occurring prior to 1995.
	IBEW and NonRep: Society of Actuaries Scale MP-2020. For non-disabled participants: PubG-2010(a) Retiree Table. For disabled participants: PubNS-2010 Disabled Retiree Table. For surviving beneficiaries: Pub-2010(a) Contingent Survivor Table.

The NonRep plan was closed to new participants effective September 1, 2011.

The IBEW plan was closed to new participants effective January 1, 2012.

\* Preliminary contributions for \$22,261,679 had been determined for the 2015 plan year. The final contribution determination for 2015, reflecting changes approved by the Retirement Committee, was completed in January 2017. A final contribution of \$917,546 toward the 2015 plan year funding was made by PAT in February 2017.

## Required Supplementary Information

## Exhibit 18

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of PRT Contributions**  
**Last Ten Years**

2017	2016	2015	2014	2013
25,162,906	23,179,225 *	20,047,266 *	17,602,620	13,984,742
913,536	828,090	815,889	848,189	774,765
6,190,809	5,667,461	5,313,090	6,100,903	4,674,158
<u>32,267,251</u>	<u>29,674,776</u>	<u>26,176,245</u>	<u>24,551,712</u>	<u>19,433,665</u>
25,162,906	23,179,225	20,047,266	17,602,620	13,984,742
913,536	828,090	815,889	848,189	774,765
6,190,809	5,667,461	5,313,090	6,100,903	4,674,158
<u>32,267,251</u>	<u>29,674,776</u>	<u>26,176,245</u>	<u>24,551,712</u>	<u>19,433,665</u>
-	-	-	-	-
133,588,113	127,714,679	123,363,442	120,440,624	121,432,288
1,885,119	1,916,931	2,130,900	2,267,698	2,404,723
9,976,365	10,581,158	10,997,673	11,821,211	14,030,280
<u>145,449,597</u>	<u>140,212,768</u>	<u>136,492,015</u>	<u>134,529,533</u>	<u>137,867,291</u>

## Required Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in CCAC's Net Pension Liability**  
**and Related Ratios**  
**Last Nine Years**

**Schedule of CCAC's Proportionate Share of the Net Pension Liability**  
**Pennsylvania State Employees' Retirement System Pension Plan**

	2022	2021	2020	2019
CCAC's proportion of the net pension liability	0.01891%	0.01788%	0.01280%	0.01770%
CCAC's proportionate share of the net pension liability	\$ 2,755,939	3,271,601	2,327,518	3,687,439
CCAC's covered-employee payroll	1,351,028	1,298,174	979,311	1,226,373
CCAC's proportionate share of the net pension liability as a percentage of its covered-employee payroll	203.98%	252.02%	237.67%	300.68%
Plan fiduciary net position as a percentage of the total pension liability	76.00%	67.00%	63.10%	56.40%

**Schedule of CCAC SERS Contributions**

Contractually required contribution	\$ 386,317	420,752	382,294	346,131
Contributions in relation to the contractually required contribution	386,317	420,752	382,294	346,131
CCAC's covered-employee payroll	1,388,329	1,309,890	1,294,334	1,210,524
Contributions as a percentage of covered-employee payroll	27.83%	32.12%	29.53%	28.59%

**Schedule of CCAC's Proportionate Share of the Net Pension Liability**  
**Public School Employees' Retirement System**

	2022	2021	2020	2019
CCAC's proportion of the net pension liability	0.0096%	0.0115%	0.0115%	0.0107%
CCAC's proportionate share of the net pension liability	\$ 3,941,000	5,662,000	5,380,000	5,137,000
Commonwealth of Pennsylvania's proportionate share of the net pension liability	3,941,000	5,662,000	5,380,000	5,137,000
Total proportionate share of the net pension liability	\$ <u>7,882,000</u>	<u>11,324,000</u>	<u>10,760,000</u>	<u>10,274,000</u>
CCAC's covered-employee payroll	1,351,949	1,603,023	1,588,906	1,447,554
CCAC's proportionate share of the net pension liability as a percentage of its covered-employee payroll	291.51%	353.21%	338.60%	367.31%
Plan fiduciary net position as a percentage of total pension liability	63.67%	54.32%	55.66%	54.00%

**Schedule of CCAC PSERS Contributions**

Contractually required contribution	\$ 440,151	454,192	510,872	516,281
Contributions in relation to the contractually required contribution	440,151	454,192	510,872	516,281
CCAC's covered-employee payroll	1,371,808	1,351,948	1,576,011	1,583,781
Contributions as a percentage of covered-employee payroll	32.09%	33.60%	32.42%	32.60%

**Notes to Schedule:**

Information prior to 2014 is not readily available.

*Changes of benefit terms.* There were no changes in benefit terms affecting SERS and PSERS plans for the plan years.

The investment return was 7.00% and 7.25% for the PSERS plan years ended June 30, 2021 and 2020, respectively.

PSERS salary increases - Effective average of 4.5% and 5% for 2021 and 2020, respectively, which reflects an allowance for inflation of 2.50% and 2.75% for 2021 and 2020, respectively, and 2.00% and 2.25% for real wage growth and for merit or seniority increases for 2021 and 2020 respectively.

PSERS Mortality - For 2021, mortality rates were based on a blend of 50% Pub T-2010 and 50% PubG-2010 Retire Tables for Males and Females, adjusted to reflect PSERS's experience and projected using a modified version of the PM-2020 Improvement Scale. For 2020, mortality rates were based on the RP-2014 Mortality Tables, adjusted to reflect PSERS's experience and projected using a modified version of MP-2015 Mortality Improvement Scale. For disabled annuitants the RP-2014 Mortality Tables, adjusted to reflect PSERS's experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

Note: This schedule is being prepared prospectively with GASB 68 until 10 years are presented.

## Required Supplementary Information

## Exhibit 19

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in CCAC's Net Pension Liability**  
**and Related Ratios**  
**Last Nine Years**

2018	2017	2016	2015	2014
0.01373%	0.01222%	0.01096%	0.00936%	0.01207%
2,373,448	2,353,456	1,992,757	1,389,994	1,649,081
918,336	800,441	748,662	584,094	425,448
258.45%	294.02%	266.18%	237.97%	387.61%
63.00%	57.80%	58.90%	64.80%	66.70%
279,453	192,720	165,126	105,687	92,510
279,453	192,720	165,126	105,687	92,510
947,822	839,982	768,343	577,914	648,059
29.48%	22.94%	21.49%	18.29%	14.27%
2018	2017	2016	2015	2014
0.0089%	0.0073%	0.0068%	0.0067%	0.0071%
4,396,000	3,618,000	2,945,000	2,652,000	2,907,000
4,396,000	3,618,000	2,945,000	2,652,000	2,907,000
8,792,000	7,236,000	5,890,000	5,304,000	5,814,000
1,181,639	950,000	878,019	858,059	908,725
372.03%	380.80%	335.41%	309.07%	319.90%
51.84%	50.14%	54.36%	57.24%	54.05%
458,639	349,367	251,307	145,378	155,021
458,639	349,367	251,307	145,378	155,021
1,421,378	1,164,982	982,198	882,024	859,250
32.26%	30.00%	25.59%	16.48%	18.04%

## Required Supplementary Information

## Exhibit 20

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in the County's Total OPEB Liability**  
**and Related Ratios**  
**Last Six Years**

	2022	2021	2020	2019	2018	2017
<b>Total OPEB liability</b>						
Service cost	\$ 1,465,903	963,336	829,876	1,600,706	1,507,878	1,482,616
Interest	1,356,546	1,574,223	2,057,526	2,054,882	2,072,523	2,311,873
Changes of benefit terms	-	-	-	(2,884,099)	-	-
Differences between expected and actual		2,332,928	-	(3,019,627)	-	(6,719,082)
Changes of assumptions or other inputs	515,681	4,412,508	6,993,017	(3,020,982)	1,295,967	1,860,872
Benefit payments	(3,003,952)	(2,748,381)	(2,610,579)	(2,268,716)	(1,983,634)	(1,904,449)
<b>Net change in total OPEB liability</b>	<u>334,178</u>	<u>6,534,614</u>	<u>7,269,840</u>	<u>(7,537,836)</u>	<u>2,892,734</u>	<u>(2,968,170)</u>
<b>Total OPEB liability - beginning</b>	<u>63,988,013</u>	<u>57,453,399</u>	<u>50,183,559</u>	<u>57,721,395</u>	<u>54,828,661</u>	<u>57,796,831</u>
<b>Total OPEB liability - ending</b>	<u>\$ 64,322,191</u>	<u>63,988,013</u>	<u>57,453,399</u>	<u>50,183,559</u>	<u>57,721,395</u>	<u>54,828,661</u>
 <b>Covered-employee payroll</b>	 \$ 363,801,471	 354,928,264	 354,869,809	 346,214,448	 340,231,489	 331,933,160
<b>County's OPEB liability as a percentage of covered-employee payroll</b>	17.68%	18.03%	16.19%	14.49%	16.97%	16.52%

**Notes to Schedule:**

*Changes in Assumptions.* Discount Rate used for fiscal year ending:

2022	.....	2.06%
2021	.....	2.12%
2020	.....	2.74%
2019	.....	4.10%
2018	.....	3.56%
2017	.....	3.78%

December 31, 2022 - The mortality improvement scale was updated to MP-2021.

December 31, 2021 - The mortality improvement scale was updated to MP-2020, the mortality table was changed to Pri.H-2012 Total Dataset, and the medical trend rates were updated.

December 31, 2020 - The mortality improvement scale was updated to MP-2019 and the impact for the excise tax on high-cost plans was eliminated.

December 31, 2019 - The mortality improvement scale was updated to MP-2018 and the medical trend rates were updated.

December 31, 2018 - The mortality improvement scale was updated to MP-2017.

December 31, 2017 - Changes were made to the aging factors, mortality table, cost method, and the utilization of the monthly incentive for Sheriffs and Correctional Officers.

This schedule is being prepared prospectively with GASB 75 until 10 years are presented.

No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75



## Required Supplementary Information

## Exhibit 21

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in CCAC's OPEB Liability**  
**and Related Ratios**  
**Last Five Years**

**Schedule of CCAC's Proportionate Share of the Net OPEB Liability**  
**Public School Employees' Retirement System**

	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>					
Service cost	\$ (6,971)	435	10,152	21,569	14,993
Interest cost	(7,503)	207	4,370	9,007	5,465
Expected return on Assets	432	(12)	(245)	(514)	(299)
Current period difference between projected and actual experience	(129)	1	14	289	-
Changes in assumptions	(3,755)	23	479	738	(1,406)
Differences between projected and actual investment earnings	(80)	1	18	64	48
Administrative expenses	(141)	6	128	350	199
Changes in proportion	(912)	362	7,562	12,547	5,000
Current recognition of prior year deferred outflows	(2,896)	27	579	73	-
Current recognition of prior year deferred outflows	1,955	(50)	(1,057)	(2,123)	-
<b>Net change in total OPEB liability</b>	<b>(20,000)</b>	<b>1,000</b>	<b>22,000</b>	<b>42,000</b>	<b>24,000</b>
<b>Total OPEB liability - beginning</b>	<b>246,000</b>	<b>245,000</b>	<b>223,000</b>	<b>181,000</b>	<b>157,000</b>
<b>Total OPEB liability - ending</b>	<b>\$ 226,000</b>	<b>246,000</b>	<b>245,000</b>	<b>223,000</b>	<b>181,000</b>
CCAC's proportion of the net OPEB liability	0.00950%	0.01140%	0.01150%	0.01070%	0.00890%
CCAC's proportionate share of the net OPEB liability	\$ 226,000	246,000	245,000	223,000	181,000
Commonwealth of PA's proportionate share of the net OPEB liability	226,000	246,000	245,000	223,000	181,000
Total proportionate share of the net OPEB liability	\$ 452,000	492,000	490,000	446,000	362,000
CCAC's covered-employee payroll	1,351,949	1,603,023	1,588,906	1,447,554	1,181,639
CCAC's proportionate share of the net OPEB liability					
percentage of its covered-employee payroll	16.72%	15.35%	15.42%	15.41%	15.32%
Plan fiduciary net position as a percentage of the total OPEB liability	5.30%	5.69%	5.56%	5.56%	5.73%

**Schedule of CCAC PSERS Contributions**

Contractually required contribution	\$ 10,314	11,055	12,829	13,145	11,993
Contributions in relation to the contractually required contribution	10,314	11,055	12,829	13,145	11,993
CCAC's covered-employee payroll	1,371,808	1,351,948	1,576,011	1,583,781	1,421,378
Contributions as a percentage of covered payroll	0.75%	0.82%	0.81%	0.83%	0.84%

**Notes to Schedule:**

Changes of benefit terms. There were no changes in benefit terms affecting PSERS plans for the plan year ended June 30, 2022.

Changes of assumptions. There were no changes in assumptions or plan amendments affecting PSERS plans for the plan year ended June 30, 2022.

The investment return was 2.18% and 2.66% for the PSERS plan years ended June 30, 2021 and 2020, respectively.

PSERS salary increases - Effective average of 4.5% and 5.0% for 2021 and 2020, respectively, which reflects an allowance for inflation of 2.50% and 2.75% for 2021 and 2020, respectively, and 2.00% and 2.25% for real wage growth and for merit or seniority increases for 2021 and 2020 respectively.

PSERS Mortality - For 2021, mortality rates were based on a blend of 50% Pub T-2010 and 50% PubG-2010 Retire Tables for Males and Females, adjusted to reflect PSERS's experience and projected using a modified version of the PM-2020 Improvement Scale. For 2020, mortality rates were based on the RP-2014 Mortality Tables, adjusted to reflect PSERS's experience and projected using a modified version of MP-2015 Mortality Improvement Scale. For disabled annuitants the RP-2014 Mortality Tables, adjusted to reflect PSERS's experience and projected using a modified version of the MP-2015 Mortality Improvement Scale.

This schedule is being prepared prospectively with GASB 75 until 10 years are presented.

No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75

## Required Supplementary Information

## Exhibit 22

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in PRT's OPEB Liability**  
**and Related Ratios - ATU**  
**Last Five Years**

	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>					
Service cost	\$ 16,605,085	15,342,073	11,063,966	9,523,002	7,862,601
Interest	10,629,945	16,847,765	18,376,049	18,351,223	18,970,326
Differences between expected and actual experience	54,661,166	(182,014,952)	(62,586,492)	-	-
Changes in benefit terms	-	-	6,327,280	24,477,127	-
Changes of assumptions	5,900,894	44,231,497	104,356,787	(26,986,489)	55,044,733
Benefit payments	(22,414,708)	(25,389,479)	(24,118,471)	(27,352,586)	(26,713,212)
<b>Net changes in total OPEB liability</b>	<u>65,382,382</u>	<u>(130,983,096)</u>	<u>53,419,119</u>	<u>(1,987,723)</u>	<u>55,164,448</u>
<b>Total OPEB liability - beginning</b>	<u>479,015,571</u>	<u>609,998,667</u>	<u>556,579,548</u>	<u>558,567,271</u>	<u>503,402,823</u>
<b>Total OPEB liability - ending</b>	<u>\$ 544,397,953</u>	<u>479,015,571</u>	<u>609,998,667</u>	<u>556,579,548</u>	<u>558,567,271</u>
 <b>Covered-employee payroll</b>	 \$ 149,474,375	 145,777,201	 140,863,321	 131,806,885	 128,520,603
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	364.21%	328.59%	433.04%	422.27%	434.61%

This schedule is being prepared prospectively with GASB 75 until 10 years are presented.  
No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75

## Required Supplementary Information

## Exhibit 23

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in PRT's OPEB Liability**  
**and Related Ratios - IBEW**  
**Last Five Years**

	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>					
Service cost	226,659	257,011	200,062	301,690	277,648
Interest	280,902	452,565	522,209	606,359	644,668
Differences between expected and actual experience	1,463,685	(5,208,621)	(2,009,026)	-	-
Changes of benefit terms	450,926	-	184,596	-	-
Changes of assumptions	(277,062)	1,448,408	845,192	(1,121,548)	1,169,548
Benefit payments	(537,711)	(632,460)	(661,629)	(737,990)	(696,907)
<b>Net change in total OPEB liability</b>	<u>1,607,399</u>	<u>(3,683,097)</u>	<u>(918,596)</u>	<u>(951,489)</u>	<u>1,394,957</u>
<b>Total OPEB liability - beginning</b>	<u>12,833,007</u>	<u>16,516,104</u>	<u>17,434,700</u>	<u>18,386,189</u>	<u>16,991,232</u>
<b>Total OPEB liability - ending</b>	<u>14,440,406</u>	<u>12,833,007</u>	<u>16,516,104</u>	<u>17,434,700</u>	<u>18,386,189</u>
 <b>Covered-employee payroll</b>	 2,983,475	 2,997,599	 3,069,187	 2,950,858	 3,018,623
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	484.01%	428.11%	538.13%	590.83%	609.09%

This schedule is being prepared prospectively with GASB 75 until 10 years are presented.  
No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75

## Required Supplementary Information

## Exhibit 24

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Changes in PRT's OPEB Liability**  
**and Related Ratios - Nonrep**  
**Last Five Years**

	2022	2021	2020	2019	2018
<b>Total OPEB liability</b>					
Service cost	\$ 295,891	206,300	187,362	226,112	206,778
Interest	693,747	1,229,175	1,516,159	1,747,860	1,924,121
Differences between expected and actual experience	3,722,803	(15,028,909)	(6,143,926)	-	-
Changes of benefit terms	-	-	265,483	-	-
Changes of assumptions	(87,666)	3,191,640	2,505,100	(2,567,989)	3,300,173
Benefit payments	(2,271,645)	(2,780,922)	(2,846,595)	(3,174,213)	(3,120,071)
<b>Net change in total OPEB liability</b>	<u>2,353,130</u>	<u>(13,182,716)</u>	<u>(4,516,417)</u>	<u>(3,768,230)</u>	<u>2,311,001</u>
<b>Total OPEB liability - beginning</b>	<u>32,698,740</u>	<u>45,881,456</u>	<u>50,397,873</u>	<u>54,166,103</u>	<u>51,855,102</u>
<b>Total OPEB liability - ending</b>	<u>\$ 35,051,870</u>	<u>32,698,740</u>	<u>45,881,456</u>	<u>50,397,873</u>	<u>54,166,103</u>
 <b>Covered-employee payroll</b>	 \$ 23,473,110	 19,839,664	 21,458,198	 18,269,218	 19,182,175
<b>Total OPEB liability as a percentage of covered-employee payroll</b>	149.33%	164.81%	213.82%	275.86%	282.38%

This schedule is being prepared prospectively with GASB 75 until 10 years are presented.

No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75

Supplementary Information



**SUPPLEMENTARY INFORMATION**

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## Supplementary Information



## Supplementary Information

**COMBINING OTHER  
GOVERNMENTAL FUNDS  
FINANCIAL STATEMENTS**

Combines the County's Liquid Fuel Tax Special Revenue Fund, Transportation Special Revenue Fund, Infrastructure Support Special Revenue Fund and Debt Service Fund.

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## Supplementary Information





## Supplementary Information

## Exhibit 25

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Combining Balance Sheet**  
**Other Governmental Funds**  
**December 31, 2022**

	Transportation Fund	Liquid Fuel Tax Fund	Infrastructure Support Fund	Debt Service Fund	Totals
<u>Assets</u>					
Cash and short-term investments	\$ 24,985,301	-	-	-	24,985,301
Restricted cash and short-term investments	-	139,858	2,013	10,157,157	10,299,028
Time deposits and other investments	-	-	-	7,070,000	7,070,000
Delinquent property taxes receivable, net	-	-	-	1,466,972	1,466,972
Liened property taxes receivable, net	-	-	-	7,206,243	7,206,243
Due from other funds	-	-	-	272,783	272,783
Alcoholic beverage tax receivable	4,557,440	-	-	-	4,557,440
Rental vehicle tax receivable	546,195	-	-	-	546,195
Accrued penalty and interest receivable	-	-	-	58,576	58,576
Accrued interest receivable	-	7,645	5,413	52,147	65,205
Total assets	<u>\$ 30,088,936</u>	<u>147,503</u>	<u>7,426</u>	<u>26,283,878</u>	<u>56,527,743</u>
<u>Liabilities</u>					
Vouchers payable	\$ -	-	-	91,559	91,559
Due to other funds	-	-	554	213,740	214,294
Accrued liabilities	-	-	2,781	-	2,781
Tax refunds payable	-	-	-	50,096	50,096
Total liabilities	<u>-</u>	<u>-</u>	<u>3,335</u>	<u>355,395</u>	<u>358,730</u>
<u>Deferred Inflows of Resources</u>					
Unavailable revenue - property taxes	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,422,642</u>	<u>8,422,642</u>
<u>Fund balances</u>					
Restricted for:					
Debt Service on energy bonds	-	-	-	6,624,706	6,624,706
Road maintenance	-	11,423	4,091	-	15,514
Transit system	30,088,936	-	-	-	30,088,936
Assigned to:					
Purchases on order	-	136,080	-	-	136,080
Debt Service	-	-	-	10,881,135	10,881,135
Total fund balances	<u>30,088,936</u>	<u>147,503</u>	<u>4,091</u>	<u>17,505,841</u>	<u>47,746,371</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 30,088,936</u>	<u>147,503</u>	<u>7,426</u>	<u>26,283,878</u>	<u>56,527,743</u>

## Supplementary Information

## Exhibit 26

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
**Year Ended December 31, 2022**

	Transportation Fund	Liquid Fuel Tax Fund	Infrastructure Support Fund	Debt Service Fund	Totals
Revenues:					
Property taxes	\$ -	-	-	64,570,714	64,570,714
Alcoholic beverage tax	47,089,281	-	-	-	47,089,281
Rental vehicle tax	6,730,732	-	-	-	6,730,732
Federal revenues	-	-	-	336,391	336,391
State revenues	-	3,591,321	4,769,150	77,713	8,438,184
Interest earnings	-	20,475	20,190	343,047	383,712
Total revenues	53,820,013	3,611,796	4,789,340	65,327,865	127,549,014
Expenditures:					
Transportation	34,907,603	-	-	-	34,907,603
Public works	-	3,624,681	4,725,422	-	8,350,103
Debt service:					
Principal	-	-	-	38,810,000	38,810,000
Interest	-	-	-	31,671,976	31,671,976
Total expenditures	34,907,603	3,624,681	4,725,422	70,481,976	113,739,682
Excess (deficiency) of revenues over expenditures	18,912,410	(12,885)	63,918	(5,154,111)	13,809,332
Other financing sources (uses):					
Transfer in	-	-	-	5,533,561	5,533,561
Transfer out	(10,474,561)	-	-	-	(10,474,561)
Total other financing sources (uses)	(10,474,561)	-	-	5,533,561	(4,941,000)
Net change in fund balances	8,437,849	(12,885)	63,918	379,450	8,868,332
Fund balances at beginning of year	21,651,087	160,388	(59,827)	17,126,391	38,878,039
Fund balances at end of year	\$ 30,088,936	147,503	4,091	17,505,841	47,746,371

Supplementary Information



**GENERAL FUND**

The General Fund is the primary operating fund of the County. It is used to account for all financial resources except those accounted for in other funds.

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## Supplementary Information



## Supplementary Information

## Exhibit A-1 (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Balance Sheet**  
**General Fund**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	2022	2021
<u>Assets</u>		
Cash and short-term investments	\$ 75,318,193	30,411,705
Delinquent property taxes receivable, net of \$556,222 allowance for uncollectible property taxes in 2022 and \$399,571 in 2021	7,302,952	8,615,310
Liened property taxes receivable, net of \$4,505,101 allowance for uncollectible property taxes in 2022 and \$4,516,306 in 2021	28,021,563	32,487,736
Sales tax receivable	11,235,260	10,753,837
Due from other funds:		
Debt Service Fund	185,736	31,910
Infrastructure Support Fund	554	127,291
Risk Management Fund	1,323	139,776
County Capital Projects Fund	-	36,591
Human Services Grants Fund	6,671,934	5,023,434
County Grants Fund	1,912,871	1,891,079
	<u>8,772,418</u>	<u>7,250,081</u>
Due from other governments:		
Federal	38,383,509	36,891,602
State	43,529,220	68,727,157
	<u>81,912,729</u>	<u>105,618,759</u>
Other accounts receivable	12,566,129	13,450,758
Due from component units	1,901,767	1,266,455
Accrued penalty and interest receivable	309,134	357,975
Accrued interest receivable	1,117,323	32,351
Total assets	<u>\$ 228,457,468</u>	<u>210,244,967</u>

## Supplementary Information

## Exhibit A-1 (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Balance Sheet**  
**General Fund**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	2022	2021
<u>Liabilities</u>		
Vouchers payable	\$ 12,803,025	17,870,277
Accrued payroll	12,518,487	12,186,930
Payroll withholdings	2,091,978	2,272,675
Due to other funds:		
Liquid Fuel Tax Fund	-	12,206
Debt Service Fund	272,783	215,959
Risk Management Fund	552,697	561,489
County Capital Projects Fund	22,298	4,673
Human Services Grants Fund	10,128,700	5,345,341
County Grants Fund	6,319,362	1,272,884
	<u>17,295,840</u>	<u>7,412,552</u>
Tax refunds payable	264,379	-
Accrued liabilities	32,945,658	24,331,228
Due to component units	293,487	203,733
Due to other governments:		
State	-	400,000
Local Government Unit	48,209	63,450
Unearned revenue	12,016,516	8,540,449
Accrued pension costs	2,602,100	2,487,870
Accrued workers' compensation	574,717	525,726
Accrued unemployment compensation	57,802	246,289
	<u>93,512,198</u>	<u>76,541,179</u>
<u>Deferred Inflows of Resources</u>		
Unavailable revenue - property taxes	34,002,149	39,607,031
<u>Fund balance</u>		
Restricted for:		
Workers' compensation claims	-	2,329,742
Assigned to:		
Purchases on order	2,806,892	1,944,140
Future tax appeals	4,000,000	-
Future healthcare cost	33,000,000	33,000,000
Claims and judgments	5,000,000	5,000,000
Unassigned	56,136,229	51,822,875
	<u>100,943,121</u>	<u>94,096,757</u>
Total fund balance		
	<u>100,943,121</u>	<u>94,096,757</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>228,457,468</u>	<u>210,244,967</u>

## Supplementary Information

## Exhibit A-2 (Page 1 of 3)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022			2021
	Final Budget	Actual	Variance	Actual
Revenues:				
Property taxes:				
Current	\$ 309,226,929	307,620,103	(1,606,826)	310,592,449
Delinquent	13,371,515	9,813,253	(3,558,262)	15,871,021
Liened	4,927,388	4,366,105	(561,283)	3,624,814
Interest and penalty	3,548,646	2,732,156	(816,490)	2,803,741
Payment in lieu of taxes	643,500	802,449	158,949	601,352
Tax refunds	(4,000,000)	(2,974,214)	1,025,786	(3,824,252)
	<u>327,717,978</u>	<u>322,359,852</u>	<u>(5,358,126)</u>	<u>329,669,125</u>
Sales and use tax	53,400,000	62,296,573	8,896,573	58,510,992
Hotel rental tax	5,250,000	6,376,858	1,126,858	885,202
Gaming local share assessment	5,900,000	5,305,823	(594,177)	6,485,067
	<u>392,267,978</u>	<u>396,339,106</u>	<u>4,071,128</u>	<u>395,550,386</u>
Licenses and permits:				
Firearm licenses	465,750	477,860	12,110	546,086
Hunting, fishing and dog licenses	180,000	138,650	(41,350)	150,185
Road opening permits	260,000	189,852	(70,148)	178,857
Pole & wire privilege	35,000	21,207	(13,793)	20,721
Health licenses and permits - food	1,998,000	1,813,727	(184,273)	1,860,764
Health licenses and permits - housing	283,500	298,597	15,097	347,270
Flammable liquid permits	191,300	167,525	(23,775)	181,181
Small games of chance permits	105,000	100,450	(4,550)	98,400
Bingo permits	25,000	14,090	(10,910)	13,740
Other licenses and permits	32,288	32,663	375	16,685
	<u>3,575,838</u>	<u>3,254,621</u>	<u>(321,217)</u>	<u>3,413,889</u>
Federal revenues:				
Maintenance of incarcerated people	7,000,000	1,364,385	(5,635,615)	5,345,310
Skilled and intermediate nursing care	1,685,000	79,541	(1,605,459)	592,843
Medicare	4,480,000	3,364,986	(1,115,014)	6,647,828
Title XX - Social Services	1,181,711	1,181,711	-	1,181,711
Title IV - Foster Care	283,000	164,811	(118,189)	4,366
Title IV-B - Adoption Services	874,095	874,093	(2)	874,095
Title IV-E - Child Placement	10,330,598	18,587,786	8,257,188	15,778,127
Title IV-E - Adoption Assistance	11,459,778	11,039,578	(420,200)	8,056,144
Title IV-E - Guardianship Assistance	5,151,240	3,321,782	(1,829,458)	5,079,960
Temporary assistance to needy families	7,381,224	7,381,224	-	6,967,885
Title XIX - Medicaid	-	136,562	136,562	99,398
Juvenile court reimbursement	965,000	946,714	(18,286)	950,428
Miscellaneous	216,275	80,507	(135,768)	284,667
	<u>51,007,921</u>	<u>48,523,680</u>	<u>(2,484,241)</u>	<u>51,862,762</u>
State revenues:				
Court operations	1,960,000	1,954,771	(5,229)	1,954,771
Juvenile probation	2,165,000	2,164,568	(432)	2,164,567
Adult probation	-	-	-	200,738
Lunch reimbursement	-	-	-	46,828
Public utility tax	370,000	386,876	16,876	380,709

## Supplementary Information

## Exhibit A-2 (Page 2 of 3)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022			
	Final Budget	Actual	Variance	2021 Actual
Health department	7,025,000	6,565,839	(459,161)	7,046,186
Jurors fees reimbursement	75,000	36,784	(38,216)	35,493
Skilled and intermediate nursing care	1,606,000	1,570,443	(35,557)	827,554
Medical assistance paid prescriptions	50,000	3,319	(46,681)	24,888
Act 148 - Children, Youth and Family Services	154,631,797	144,160,865	(10,470,932)	139,461,623
Act 148 - Special Grant Initiative	7,200,000	5,663,206	(1,536,794)	3,707,370
Interpreter cost reimbursement	50,000	92,870	42,870	82,370
Police training academy	140,000	288,324	148,324	127,140
Medical examiner subsidy	3,000,000	3,000,000	-	3,000,000
Miscellaneous state reimbursement	121,000	132,828	11,828	154,968
	<u>178,393,797</u>	<u>166,020,693</u>	<u>(12,373,104)</u>	<u>159,215,205</u>
Local governmental units revenues:				
Regional Asset District contractual revenue	23,404,700	23,404,700	-	22,290,190
	<u>23,404,700</u>	<u>23,404,700</u>	<u>-</u>	<u>22,290,190</u>
Charges for services and facilities:				
General government	37,024,120	35,846,345	(1,177,775)	40,275,607
Public safety	11,562,980	12,232,021	669,041	11,778,085
Health	4,477,500	4,218,772	(258,728)	4,402,006
Recreation	4,254,400	5,099,579	845,179	4,726,381
Election	7,500	340,772	333,272	9,968
Use of property and equipment	2,331,026	2,931,492	600,466	2,524,553
Patient income	9,400,000	7,106,367	(2,293,633)	3,983,905
Collection from parents and guardians	897,500	1,220,287	322,787	1,045,393
Managed Care/IGT	11,000,000	13,643,716	2,643,716	9,823,620
Administrative fees	4,140,936	3,340,099	(800,837)	4,345,429
Private pay	4,026,509	2,716,422	(1,310,087)	4,488,896
Commercial insurance	69,019,000	41,369,628	(27,649,372)	48,527,715
Miscellaneous	85,000	87,920	2,920	52,410
	<u>158,226,471</u>	<u>130,153,420</u>	<u>(28,073,051)</u>	<u>135,983,968</u>
Fines and forfeitures:				
District courts	4,050,000	2,936,435	(1,113,565)	2,621,556
Miscellaneous	56,500	53,057	(3,443)	66,875
	<u>4,106,500</u>	<u>2,989,492</u>	<u>(1,117,008)</u>	<u>2,688,431</u>
Interest earnings	1,501,400	4,976,215	3,474,815	534,094
Miscellaneous revenues:				
Other receipts	5,773,920	10,329,854	4,555,934	6,438,535
	<u>5,773,920</u>	<u>10,329,854</u>	<u>4,555,934</u>	<u>6,438,535</u>
Total revenues	<u>818,258,525</u>	<u>785,991,781</u>	<u>(32,266,744)</u>	<u>777,977,460</u>



## Supplementary Information

## Exhibit A-2 (Page 3 of 3)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022			2021 Actual
	Final Budget	Actual	Variance	
Expenditures:				
Current:				
General government	252,022,582	228,962,936	(23,059,646)	225,510,669
Public safety	143,960,268	132,078,214	(11,882,054)	132,863,844
Public works	21,526,505	19,388,960	(2,137,545)	17,089,564
Health and welfare	370,360,088	340,444,069	(29,916,019)	345,351,995
Culture and recreation	23,255,189	23,201,819	(53,370)	20,511,443
Education	27,909,495	27,909,495	-	27,364,897
Economic development	3,477,500	2,652,679	(824,821)	2,701,334
	<u>842,511,627</u>	<u>774,638,172</u>	<u>(67,873,455)</u>	<u>771,393,746</u>
Total expenditures	<u>842,511,627</u>	<u>774,638,172</u>	<u>(67,873,455)</u>	<u>771,393,746</u>
Excess of revenue over expenditures	<u>(24,253,102)</u>	<u>11,353,609</u>	<u>35,606,711</u>	<u>6,583,714</u>
Other financing sources (uses):				
Operating transfers in	44,810,000	17,294,909	(27,515,091)	13,212,521
Operating transfers out	<u>(22,501,038)</u>	<u>(21,802,154)</u>	<u>698,884</u>	<u>(14,557,205)</u>
Total other financing uses	<u>22,308,962</u>	<u>(4,507,245)</u>	<u>(26,816,207)</u>	<u>(1,344,684)</u>
Net change in fund balance	<u>(1,944,140)</u>	<u>6,846,364</u>	<u>8,790,504</u>	<u>5,239,030</u>
Fund balance at beginning of year	<u>94,096,757</u>	<u>94,096,757</u>	<u>-</u>	<u>88,857,727</u>
Fund balance at end of year	<u>\$ 92,152,617</u>	<u>100,943,121</u>	<u>8,790,504</u>	<u>94,096,757</u>



## Supplementary Information

## Exhibit A-3 (Page 2 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					Variance	2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual		
<b>Budget &amp; Finance:</b>							
Personnel	795,097	-	-	795,097	705,141	(89,956)	660,160
Fringe Benefits	257,201	-	-	257,201	251,288	(5,913)	213,609
Services	69,450	-	-	69,450	54,167	(15,283)	54,178
Supplies	6,262	-	-	6,262	1,578	(4,684)	2,028
Repairs and Maintenance	1,500	-	-	1,500	-	(1,500)	-
Minor Equipment	-	-	-	-	-	-	250
Expenditure Recovery	(10,000)	-	-	(10,000)	(15,028)	(5,028)	(10,597)
	1,119,510	-	-	1,119,510	997,146	(122,364)	919,628
<b>County Solicitor:</b>							
Personnel	3,588,627	-	-	3,588,627	3,222,963	(365,664)	3,081,735
Fringe Benefits	1,593,944	-	(2,457)	1,591,487	1,452,601	(138,886)	1,388,665
Services	550,800	-	(4,816)	545,984	545,984	-	440,308
Supplies	120,500	-	-	120,500	96,716	(23,784)	92,588
Minor Equipment	-	-	7,273	7,273	5,550	(1,723)	3,561
Expenditure Recovery	(2,763,100)	-	-	(2,763,100)	(2,857,382)	(94,282)	(2,771,423)
	3,090,771	-	-	3,090,771	2,466,432	(624,339)	2,235,434
<b>Law Department-</b>							
Duquesne University Law Library:							
Services	527,000	-	-	527,000	527,000	-	527,000
<b>Public Defender:</b>							
Personnel	7,723,768	-	(850)	7,722,918	7,364,152	(358,766)	6,922,150
Fringe Benefits	2,954,486	-	-	2,954,486	2,733,066	(221,420)	2,506,079
Services	508,000	-	(7,150)	500,850	500,850	-	399,489
Supplies	54,000	-	8,000	62,000	54,759	(7,241)	44,891
Repairs and Maintenance	-	-	-	-	-	-	224
Minor Equipment	10,000	-	-	10,000	4,497	(5,503)	21,972
Expenditure Recovery	(67,000)	-	-	(67,000)	(86,621)	(19,621)	(70,402)
	11,183,254	-	-	11,183,254	10,570,703	(612,551)	9,824,403

## Supplementary Information

## Exhibit A-3 (Page 3 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022						2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance	
<b>Equity and Inclusion:</b>							
Personnel	560,866	-	-	560,866	395,167	(165,699)	329,183
Fringe Benefits	239,071	-	-	239,071	135,758	(103,313)	140,089
Services	218,073	-	-	218,073	75,825	(142,248)	108,244
Supplies	7,818	-	-	7,818	4,049	(3,769)	2,726
Repairs and Maintenance	1,100	-	-	1,100	240	(860)	484
Minor Equipment	3,800	-	-	3,800	-	(3,800)	-
Expenditure Recovery	-	-	-	-	(1,827)	(1,827)	(869)
	1,030,728	-	-	1,030,728	609,212	(421,516)	579,857
<b>Human Resources:</b>							
Personnel	1,670,502	-	-	1,670,502	1,441,791	(228,711)	1,350,890
Fringe Benefits	719,271	-	-	719,271	586,012	(133,259)	577,169
Services	416,350	-	-	416,350	352,795	(63,555)	314,416
Supplies	9,000	-	-	9,000	5,078	(3,922)	3,430
Expenditure Recovery	(48,171)	-	-	(48,171)	(72,961)	(24,790)	(57,872)
	2,766,952	-	-	2,766,952	2,312,715	(454,237)	2,188,033
<b>Information Technology</b>							
Personnel	8,127,013	-	-	8,127,013	6,678,413	(1,448,600)	5,348,529
Fringe Benefits	2,999,500	-	-	2,999,500	2,520,646	(478,854)	1,979,088
Services	1,703,050	74,454	-	1,777,504	1,079,744	(697,760)	2,828,378
Supplies	28,000	-	-	28,000	27,112	(888)	12,797
Materials	10,000	-	-	10,000	8,375	(1,625)	16,803
Repairs and Maintenance	216,000	-	-	216,000	100,890	(115,110)	96,859
Minor Equipment	165,000	17,536	-	182,536	124,932	(57,604)	108,793
Expenditure Recovery	(3,000,000)	-	-	(3,000,000)	(2,911,306)	88,694	(2,099,887)
	10,248,563	91,990	-	10,340,553	7,628,806	(2,711,747)	8,291,360



## Supplementary Information

## Exhibit A-3 (Page 5 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	
Administrative Services- Elections:						
Personnel	2,120,619	-	195,446	2,316,065	2,316,065	2,146,678
Fringe Benefits	881,090	-	-	881,090	865,970	835,800
Services	6,270,450	16,890	(695,446)	5,591,894	5,405,020	7,186,076
Supplies	92,500	-	-	92,500	65,420	90,144
Repairs and Maintenance	5,500	-	-	5,500	2,114	465
Minor Equipment	3,000	-	10,000	13,000	10,035	-
Expenditure Recovery	-	-	-	-	(1,037,679)	(1,912)
	9,373,159	16,890	(490,000)	8,900,049	7,626,945	10,257,251
Administrative Services- Marketing and Special Events:						
Personnel	871,301	-	-	871,301	664,395	583,588
Fringe Benefits	312,140	-	-	312,140	231,249	214,325
Services	1,451,380	674	270,000	1,722,054	1,702,299	1,388,451
Supplies	45,000	1,625	-	46,625	40,582	41,154
Repairs and Maintenance	2,000	-	-	2,000	-	-
Minor Equipment	21,457	7,594	-	29,051	18,098	97,251
Expenditure Recovery	-	-	-	-	(2,969)	-
	2,703,278	9,893	270,000	2,983,171	2,653,654	2,324,769
Administrative Services- Real Estate:						
Personnel	1,252,066	-	-	1,252,066	1,143,556	1,181,010
Fringe Benefits	532,525	-	-	532,525	522,657	498,758
Services	173,838	-	20,000	193,838	178,611	157,843
Supplies	21,500	-	-	21,500	8,405	10,512
Repairs and Maintenance	4,000	-	-	4,000	120	-
Expenditure Recovery	-	-	-	-	(2,229)	(7,909)
	1,983,929	-	20,000	2,003,929	1,851,120	1,840,214

## Supplementary Information

## Exhibit A-3 (Page 6 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance
<b>Non-departmental:</b>						
Operating Expenditures						
Personnel	-	-	200,000	200,000	143,800	95
Fringe Benefits	616,000	-	828,447	1,444,447	1,444,447	3,236,108
Services	7,894,967	-	(1,180,180)	6,714,787	6,296,042	5,108,665
	8,510,967	-	(151,733)	8,359,234	7,884,289	8,344,868
<b>Controller:</b>						
Personnel	5,498,958	-	(132)	5,498,826	5,002,533	4,605,698
Fringe Benefits	2,014,281	-	-	2,014,281	1,880,222	1,725,607
Services	521,250	1,364	18,132	540,746	540,746	421,512
Supplies	32,000	-	-	32,000	25,264	19,850
Repairs and Maintenance	94,900	-	(18,000)	76,900	46,252	83,450
Minor Equipment	14,000	960	-	14,960	14,921	8,076
Expenditure Recovery	(320,000)	-	-	(320,000)	(481,157)	(472,574)
	7,855,389	2,324	-	7,857,713	7,028,781	6,391,619
<b>Medical Examiner:</b>						
Personnel	7,280,026	-	-	7,280,026	6,585,142	6,300,020
Fringe Benefits	2,773,020	-	-	2,773,020	2,390,226	2,308,919
Services	843,000	598	75,000	918,598	917,787	833,910
Supplies	618,200	26,641	(73,000)	571,841	489,267	528,049
Repairs and Maintenance	103,000	-	(9,000)	94,000	85,821	87,487
Minor Equipment	6,000	-	7,000	13,000	10,448	269
Expenditure Recovery	(30,000)	-	-	(30,000)	(86,222)	(56,206)
	11,593,246	27,239	-	11,620,485	10,392,469	10,002,448

## Supplementary Information

## Exhibit A-3 (Page 7 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					Variance	2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual		
<b>District Attorney:</b>							
Personnel	14,185,477	-	-	14,185,477	13,551,617	(633,860)	13,710,888
Fringe Benefits	4,970,874	-	-	4,970,874	4,931,112	(39,762)	4,766,850
Services	2,077,009	9,398	(51,700)	2,034,707	1,910,752	(123,955)	1,378,201
Supplies	213,025	-	47,100	260,125	251,852	(8,273)	212,065
Repairs and Maintenance	42,500	-	-	42,500	17,745	(24,755)	24,556
Minor Equipment	23,000	-	4,600	27,600	11,945	(15,655)	15,244
Expenditure Recovery	(245,000)	-	-	(245,000)	(159,276)	85,724	(161,722)
	<u>21,266,885</u>	<u>9,398</u>	<u>-</u>	<u>21,276,283</u>	<u>20,515,747</u>	<u>(760,536)</u>	<u>19,946,082</u>
<b>Court Records:</b>							
Personnel	5,525,489	-	-	5,525,489	4,526,222	(999,267)	4,619,496
Fringe Benefits	2,464,251	-	-	2,464,251	1,910,284	(553,967)	1,951,643
Services	383,000	-	-	383,000	342,157	(40,843)	335,783
Supplies	90,500	23,547	-	114,047	90,130	(23,917)	45,838
Repairs and Maintenance	10,000	-	-	10,000	7,125	(2,875)	7,974
Minor Equipment	20,000	-	-	20,000	3,307	(16,693)	850
Expenditure Recovery	-	-	-	-	(5,784)	(5,784)	(48,511)
	<u>8,493,240</u>	<u>23,547</u>	<u>-</u>	<u>8,516,787</u>	<u>6,873,441</u>	<u>(1,643,346)</u>	<u>6,913,073</u>
<b>Treasurer:</b>							
Personnel	4,196,010	-	-	4,196,010	3,418,001	(778,009)	3,473,143
Fringe Benefits	1,788,300	-	-	1,788,300	1,520,426	(267,874)	1,485,049
Services	2,099,525	99,893	-	2,199,418	1,923,078	(276,340)	1,697,863
Supplies	45,250	-	-	45,250	33,658	(11,592)	33,361
Materials	100	-	-	100	-	(100)	-
Repairs and Maintenance	41,000	1,816	-	42,816	16,054	(26,762)	17,307
Minor Equipment	43,500	4,000	-	47,500	14,762	(32,738)	8,369
Expenditure Recovery	-	-	-	-	-	-	(5,005)
	<u>8,213,685</u>	<u>105,709</u>	<u>-</u>	<u>8,319,394</u>	<u>6,925,979</u>	<u>(1,393,415)</u>	<u>6,710,087</u>



## Supplementary Information

2022						
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance
Sheriff:	Personnel	18,580,976	-	-	18,580,976	15,725,493
	Fringe Benefits	6,520,225	-	-	6,520,225	5,230,838
	Services	546,220	200	-	546,420	421,124
	Supplies	204,330	19,969	-	224,299	193,127
	Repairs and Maintenance	66,788	-	1,521	68,309	-
	Minor Equipment	15,000	-	(1,521)	13,479	(11,993)
	Expenditure Recovery	(4,459,354)	-	-	(4,459,354)	3,606,770
	21,474,185	20,169	-	21,494,354	20,787,793	(706,561)



## Supplementary Information

## Exhibit A-3 (Page 10 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022						2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance	
<b>County Police:</b>							
Personnel	28,457,166	-	772,442	29,229,608	29,229,608	-	28,587,413
Fringe Benefits	8,804,243	-	(343,391)	8,460,852	8,460,852	-	7,866,831
Services	1,623,319	3,047	(132,139)	1,494,227	1,494,227	-	1,438,389
Supplies	523,500	155,097	(80,163)	598,434	598,434	-	334,922
Materials	8,900	-	(1,825)	7,075	7,075	-	4,012
Repairs and Maintenance	228,450	-	(29,618)	198,832	198,832	-	156,924
Minor Equipment	134,700	2,393	(18,781)	118,312	118,312	-	180,628
Expenditure Recovery	(1,302,330)	-	(53,084)	(1,355,414)	(1,355,414)	-	(1,550,843)
	38,477,948	160,537	113,441	38,751,926	38,751,926	-	37,018,276
<b>Total Public Safety</b>	143,252,722	707,546	-	143,960,268	132,078,214	(11,882,054)	132,863,844
<b>Public Works:</b>							
<b>Department of Public Works:</b>							
Personnel	9,328,136	-	-	9,328,136	9,268,204	(59,932)	8,221,682
Fringe Benefits	4,385,075	-	-	4,385,075	4,196,542	(188,533)	3,617,675
Services	5,582,170	-	(610,000)	4,972,170	3,402,388	(1,569,782)	3,696,055
Supplies	1,323,100	7,883	654,955	1,985,938	1,874,884	(111,054)	1,192,395
Materials	449,000	2,404	-	451,404	363,724	(87,680)	259,534
Repairs and Maintenance	63,200	100	-	63,300	62,540	(760)	53,378
Minor Equipment	179,000	206,437	(44,955)	340,482	233,633	(106,849)	80,665
Expenditure Recovery	-	-	-	-	(12,955)	(12,955)	(31,820)
	21,309,681	216,824	-	21,526,505	19,388,960	(2,137,545)	17,089,564
<b>Total Public Works</b>	21,309,681	216,824	-	21,526,505	19,388,960	(2,137,545)	17,089,564

## Supplementary Information

## Exhibit A-3 (Page 11 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					Variance	2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual		
<b>Health and Welfare:</b>							
Administrative Services-							
Veterans Services:							
Personnel	247,359	-	-	247,359	180,984	(66,375)	147,932
Fringe Benefits	100,667	-	-	100,667	83,247	(17,420)	48,875
Services	341,000	-	-	341,000	195,507	(145,493)	241,076
Supplies	2,500	-	1,200	3,700	1,704	(1,996)	1,207
Materials	168,000	-	198,800	366,800	364,100	(2,700)	149,145
Repairs and Maintenance	1,000	-	-	1,000	-	(1,000)	-
Minor Equipment	1,500	-	-	1,500	-	(1,500)	-
Expenditure Recovery	-	-	-	-	(1,310)	(1,310)	-
	862,026	-	200,000	1,062,026	824,232	(237,794)	588,235
<b>Health Department:</b>							
Personnel	11,804,777	-	-	11,804,777	10,571,381	(1,233,396)	10,516,544
Fringe Benefits	5,085,812	-	-	5,085,812	4,336,267	(749,545)	4,235,602
Services	3,373,580	17,481	(331,400)	3,059,661	2,610,563	(449,098)	2,580,910
Supplies	381,750	11,572	101,400	494,722	347,268	(147,454)	386,662
Materials	8,100	-	-	8,100	-	(8,100)	-
Repairs and Maintenance	67,738	-	(5,107)	62,631	16,662	(45,969)	16,026
Minor Equipment	195,300	19,437	235,107	449,844	83,711	(366,133)	29,242
Expenditure Recovery	(621,661)	-	-	(621,661)	(918,984)	(297,323)	(778,268)
	20,295,396	48,490	-	20,343,886	17,046,868	(3,297,018)	16,986,718
<b>Human Services:</b>							
Personnel	36,805,594	-	(5,513,125)	31,292,469	31,292,469	-	32,716,596
Fringe Benefits	14,429,013	-	(2,250,424)	12,178,589	12,178,589	-	12,527,555
Services	145,061,929	24,432	3,435,381	148,521,742	148,521,742	-	141,061,194
Supplies	1,334,000	5	632,191	1,966,196	1,966,196	-	1,116,285
Materials	-	-	123,120	123,120	-	(123,120)	5,287
Repairs and Maintenance	15,000	-	14,664	29,664	29,664	-	2,875
Minor Equipment	325,000	771	374,526	700,297	115,819	(584,478)	25,689
Expenditure Recovery	(79,883,842)	-	3,954,658	(75,929,184)	(75,221,586)	707,598	(73,374,002)
Contributed Services	88,660,000	-	3,183,667	91,843,667	91,843,667	-	93,574,464
	206,746,694	25,208	3,954,658	210,726,560	210,726,560	-	207,655,943

## Supplementary Information

## Exhibit A-3 (Page 12 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					Variance	2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual		
<b>John J. Kane Community Living Centers:</b>							
Personnel	51,225,497	438	(5,666,358)	45,559,577	38,086,421	(7,473,156)	44,534,910
Fringe Benefits	22,471,711	-	(672,766)	21,798,945	17,214,611	(4,584,334)	19,283,127
Services	20,915,786	3,313	1,517,731	22,436,830	22,436,829	(1)	20,234,151
Supplies	13,807,907	250,131	195,000	14,253,038	11,925,150	(2,327,888)	12,401,278
Materials	580,749	11,644	36,000	628,393	383,575	(244,818)	370,154
Repairs and Maintenance	613,137	35,043	130,000	778,180	597,581	(180,599)	579,700
Minor Equipment	542,500	1,579	65,000	609,079	375,960	(233,119)	218,649
Expenditure Recovery	(2,500,000)	-	-	(2,500,000)	(1,489,495)	1,010,505	(2,994,389)
	107,657,287	302,148	(4,395,393)	103,564,042	89,530,632	(14,033,410)	94,627,580
<b>Shuman Juvenile Detention Center:</b>							
Personnel	-	-	-	-	-	-	4,076,496
Fringe Benefits	-	-	-	-	-	-	2,083,344
Services	-	-	-	-	-	-	692,240
Supplies	-	-	-	-	-	-	229,399
Materials	-	-	-	-	-	-	12,035
Repairs and Maintenance	-	-	-	-	-	-	20,654
Minor Equipment	-	-	-	-	-	-	9,413
Expenditure Recovery	-	-	-	-	-	-	(16,427)
	-	-	-	-	-	-	7,107,154
<b>Juvenile Court:</b>							
Personnel	5,073,591	-	-	5,073,591	3,849,675	(1,223,916)	4,017,070
Fringe Benefits	2,083,519	-	-	2,083,519	1,558,594	(524,925)	1,642,925
Services	25,813,790	-	20,700	25,834,490	15,945,805	(9,888,685)	12,566,081
Supplies	538,000	-	3,300	541,300	105,929	(435,371)	61,219
Materials	16,000	-	-	16,000	2,015	(13,985)	-
Repairs and Maintenance	41,000	-	-	41,000	17,008	(23,992)	1,873
Minor Equipment	107,000	19,161	(24,000)	102,161	40,524	(61,637)	97,197
Contributed Services	1,533,239	-	-	1,533,239	1,488,942	(44,297)	1,283,320
Expenditure Recovery	(1,533,239)	-	-	(1,533,239)	(1,275,903)	257,336	(1,283,320)
	33,672,900	19,161	-	33,692,061	21,732,589	(11,959,472)	18,386,365

## Supplementary Information

## Exhibit A-3 (Page 13 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**

**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022						
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance	2021 Actual
Children Initiatives:							
Personnel	511,141	-	-	511,141	412,922	(98,219)	74,426
Fringe Benefits	191,872	-	-	191,872	168,785	(23,087)	23,934
Services	257,500	-	-	257,500	2,860	(254,640)	-
Supplies	11,000	-	-	11,000	1,435	(9,565)	-
Expenditure Recovery	-	-	-	-	(2,814)	(2,814)	-
	971,513	-	-	971,513	583,188	(388,325)	98,360
Total Health and Welfare	370,205,816	395,007	(240,735)	370,360,088	340,444,069	(29,916,019)	345,450,355
Culture and Recreation:							
Parks:							
Personnel	10,643,418	-	302,364	10,945,782	10,945,782	-	9,574,586
Fringe Benefits	4,206,104	-	12,256	4,218,360	4,218,360	-	3,851,372
Services	4,840,650	79,010	430,136	5,349,796	5,322,208	(27,588)	4,880,079
Supplies	1,284,700	36,737	(96,868)	1,224,569	1,224,452	(117)	890,834
Materials	490,000	24,454	(36,607)	477,847	462,979	(14,868)	372,754
Repairs and Maintenance	171,000	4,650	(10,800)	164,850	164,822	(28)	155,720
Minor Equipment	18,000	-	(9,746)	8,254	8,254	-	2,256
Expenditure Recovery	-	-	-	-	(10,769)	(10,769)	(60,939)
	21,653,872	144,851	590,735	22,389,458	22,336,088	(53,370)	19,666,662
Cooperative Extension:							
Services	170,000	-	-	170,000	170,000	-	170,000
	170,000	-	-	170,000	170,000	-	170,000
Memorial Hall:							
Other Operating	675,000	-	20,731	695,731	695,731	-	674,781
Total Culture and Recreation	22,498,872	144,851	611,466	23,255,189	23,201,819	(53,370)	20,511,443

## Supplementary Information

## Exhibit A-3 (Page 14 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**

**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance
						2021 Actual
Education:						
Community College of Allegheny County (CCAC):						
Other operating	27,774,495	-	-	27,774,495	27,774,495	-
Allegheny County Library Association:						
Other operating	35,000	-	-	35,000	35,000	-
Local Government Academy:						
Other operating	100,000	-	-	100,000	100,000	-
Total Education	27,909,495	-	-	27,909,495	27,909,495	-
						27,364,897

## Supplementary Information

## Exhibit A-3 (Page 15 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**

**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022						
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance	2021 Actual
Economic Development:							
Almonro							
Other operating	35,680	-	-	35,680	26,762	(8,918)	19,382
Allegheny League of Municipalities							
Other operating	125,000	-	-	125,000	125,000	-	125,000
Bakery Square							
Other operating	181,618	-	-	181,618	136,223	(45,395)	131,464
Clinton							
Other operating	23,461	-	-	23,461	17,597	(5,864)	91,833
Council of Government							
Other operating	52,500	-	-	52,500	52,500	-	52,500
Clinton II							
Other operating	293,332	-	-	293,332	220,015	(73,317)	207,407
East Liberty Gateway							
Other operating	62,538	-	-	62,538	46,907	(15,631)	48,390
East Liberty Trid I							
Other operating	501,682	-	-	501,682	376,289	(125,393)	377,159
East Liberty Trid II							
Other operating	283,566	-	-	283,566	212,690	(70,876)	63,381



## Supplementary Information

## Exhibit A-3 (Page 16 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022						
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance	2021 Actual
Fifth and Market Other operating	247,791	-	-	247,791	185,857	(61,934)	242,438
Frazer Mills Other operating	349,668	-	-	349,668	262,270	(87,398)	-
Gardens at Market Other operating	211,966	-	-	211,966	158,986	(52,980)	158,986
Moon Township Trans. Authority Other operating	203,344	-	-	203,344	152,519	(50,825)	152,519
Mt Nebo Point Other operating	72,739	-	-	72,739	54,558	(18,181)	92,622
Negley Centre Other operating	62,766	-	-	62,766	47,078	(15,688)	44,160

## Supplementary Information

## Exhibit A-3 (Page 17 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**

**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					2021 Actual
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	
Panther Hollow Other operating	99,711	-	-	99,711	74,789	74,789
Pittsburgh Technology Other operating	281,789	-	-	281,789	211,357	140,598
Potato Garden Run Other operating	-	-	-	-	-	(100,039)
Smallman Street Other operating	66,415	-	-	66,415	49,815	32,335

## Exhibit A-3 (Page 18 of 18)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Operating Expenditures - Budget and Actual**  
**General Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022					
	Adopted Budget	Prior Reappropriations	Budget Amendments/Transfers	Final Budget	Actual	Variance
Summerset @ Frick Park						
Other operating	321,934	-	-	321,934	241,467	(80,467)
Westport						
Other operating	-	-	-	-	-	-
Total Economic Development	3,477,500	-	-	3,477,500	2,652,679	(824,821)
Total Expenditures *	\$ 840,567,487	1,944,140	-	842,511,627	774,638,172	(67,873,455)
						771,393,746

\* Budget has been reduced to properly report Operating Transfers as other financing sources (uses).

## Supplementary Information



## Supplementary Information

**SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.



## Supplementary Information

The Special Revenue Funds consist of:

**TRANSPORTATION FUND** -- Accounts for alcoholic beverage and rental vehicle tax monies received to subsidize the Pittsburgh Regional Transit.

**LIQUID FUEL TAX FUND** -- Accounts for monies received to finance the improvement of roads and bridges.

**INFRASTRUCTURE SUPPORT FUND** -- Accounts for vehicle registration fees received to finance the improvement of roads and bridges.

**COUNTY GRANTS FUND** -- Accounts for all Non-Human Service grants received.

**HUMAN SERVICE GRANTS FUND** -- Accounts for all Human Service grants received.

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## Supplementary Information

## Exhibit B-1 (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Special Revenue Funds**  
**Balance Sheet Schedule**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	Transportation Fund	Liquid Fuel Tax Fund	Infrastructure Support Fund	County Grants Fund	Human Services Grants Fund	Totals	
						2022	2021
<u>Assets</u>							
Cash and short-term investments	\$ 24,985,301	-	-	243,261,718	61,768,500	330,015,519	277,190,060
Restricted cash and short-term investments	-	139,858	2,013	2,776,492	86,492,032	89,410,395	81,116,634
Time deposits and other investments	-	-	-	7,000,000	-	7,000,000	7,000,000
Due from other funds:							
General Fund	-	-	-	6,319,362	10,128,700	16,448,062	6,630,431
Debt Service Fund	-	-	-	28,004	-	28,004	24,393
Human Services Grants Fund	-	-	-	84,118	-	84,118	-
County Grants Funds	-	-	-	-	315,504	315,504	1,090,116
County Capital Projects Fund	-	-	-	301,498	-	301,498	-
	-	-	-	6,732,982	10,444,204	17,177,186	7,744,940
Due from other governments:							
Federal	-	-	-	28,487,799	37,991,956	66,479,755	51,316,720
State	-	-	-	11,236,957	51,788,841	63,025,798	67,130,155
Other	-	-	-	-	-	-	35,074
	-	-	-	39,724,756	89,780,797	129,505,553	118,481,949
Due from component units	-	-	-	47,859	606,165	654,024	1,787,242
Alcoholic beverage tax receivable	4,557,440	-	-	-	-	4,557,440	3,818,562
Rental vehicle tax receivable	546,195	-	-	-	-	546,195	498,936
Other accounts receivable	-	-	-	89,578,815	8,277,935	97,856,750	23,453,176
Accrued interest receivable	-	7,645	5,413	35,781	260,743	309,582	3,849
	-	-	-	-	-	-	-
<b>Total assets</b>	<b>\$ 30,088,936</b>	<b>147,503</b>	<b>7,426</b>	<b>389,158,403</b>	<b>257,630,376</b>	<b>677,032,644</b>	<b>521,095,348</b>
<u>Liabilities</u>							
Liabilities:							
Vouchers payable	\$ -	-	-	1,826,938	77,762,643	79,589,581	47,976,850
Accrued payroll	-	-	-	2,459,350	567,300	3,026,650	2,489,920
Due to other funds:							
General Fund	-	-	554	1,912,871	6,671,934	8,585,359	7,041,804
Human Services Grants Fund	-	-	-	315,504	-	315,504	1,090,116
County Grants Funds	-	-	-	-	84,118	84,118	-
	-	-	554	2,228,375	6,756,052	8,984,981	8,131,920

## Supplementary Information

## Exhibit B-1 (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Special Revenue Funds**  
**Balance Sheet Schedule**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	Transportation Fund	Liquid Fuel Tax Fund	Infrastructure Support Fund	County Grants Fund	Human Services Grants Fund	Totals	
						2022	2021
Accrued liabilities	-	-	2,781	4,089,765	56,504,061	60,596,607	66,250,266
Due to component units	-	-	-	293,487	592,814	886,301	930,985
Due to other governments:							
Federal	-	-	-	22,015	-	22,015	-
Unearned revenues	-	-	-	238,518,956	115,324,001	353,842,957	319,081,707
Accrued pension costs	-	-	-	524,324	123,416	647,740	530,439
Accrued workers' compensation	-	-	-	1,317	89	1,406	6,063
Accrued unemployment compensation	-	-	-	1,735	-	1,735	48,618
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>3,335</b>	<b>249,966,262</b>	<b>257,630,376</b>	<b>507,599,973</b>	<b>445,446,768</b>
<u>Deferred Inflows of Resources</u>							
Other unavailable long-term revenue	-	-	-	73,436,859	-	73,436,859	-
Fund balances:							
Restricted for:							
Special projects	-	-	-	2,393,911	-	2,393,911	3,171,538
Community redevelopment	-	-	-	11,175,101	-	11,175,101	9,374,106
Law enforcement	-	-	-	9,612,175	-	9,612,175	9,456,156
Transit system	30,088,936	-	-	-	-	30,088,936	21,651,087
Emergency services	-	-	-	701,064	-	701,064	1,365,862
Health services	-	-	-	20,197,149	-	20,197,149	6,130,063
Technology projects	-	-	-	4,244,925	-	4,244,925	3,943,453
Road maintenance	-	11,423	4,091	-	-	15,514	160,388
Judicial services	-	-	-	498,840	-	498,840	2,634,243
Recreational events	-	-	-	27,720	-	27,720	27,720
Committed to:							
Special projects	-	-	-	98,385	-	98,385	89,209
Community redevelopment	-	-	-	589,234	-	589,234	32,803
Law enforcement	-	-	-	567,742	-	567,742	546,097
Emergency services	-	-	-	229,683	-	229,683	182,140
Rehabilitation programs	-	-	-	2,171,886	-	2,171,886	2,497,660
Health services	-	-	-	11,956,282	-	11,956,282	13,420,086
Judicial services	-	-	-	668,735	-	668,735	574,688
Assigned to:							
Purchases on order	-	136,080	-	-	-	136,080	-
Special projects	-	-	-	-	-	-	27,813
Judicial services	-	-	-	64,565	-	64,565	63,566
Recreational events	-	-	-	482,368	-	482,368	235,929
Public maintenance	-	-	-	75,517	-	75,517	123,800
Unassigned:	-	-	-	-	-	-	(59,827)
<b>Total fund balances</b>	<b>30,088,936</b>	<b>147,503</b>	<b>4,091</b>	<b>65,755,282</b>	<b>-</b>	<b>95,995,812</b>	<b>75,648,580</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 30,088,936</b>	<b>147,503</b>	<b>7,426</b>	<b>389,158,403</b>	<b>257,630,376</b>	<b>677,032,644</b>	<b>521,095,348</b>

Note: This schedule is informational to display a total for all Special Revenue Funds. It is not a combining statement.



## Supplementary Information

## Exhibit B-2

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Special Revenue Funds**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Year Ended December 31, 2022**  
**With Comparative Totals for Year Ended December 31, 2021**

	Transportation Fund	Liquid Fuel Tax Fund	Infrastructure Support Fund	County Grants Fund	Human Services Grants Fund	Totals	
						2022	2021
Revenues:							
Federal revenues	\$ -	-	-	236,443,325	167,894,237	404,337,562	358,528,782
State revenues	-	3,591,321	4,769,150	38,817,873	768,315,721	815,494,065	792,512,069
Alcoholic beverage tax	46,948,400	-	-	-	-	46,948,400	36,717,221
Rental vehicle tax	6,725,805	-	-	-	-	6,725,805	5,715,159
Fees	-	-	-	17,591,549	-	17,591,549	18,862,211
Interest earnings	-	20,475	20,190	107,800	2,957,216	3,105,681	799,274
Penalty and interest	145,808	-	-	-	-	145,808	170,157
Miscellaneous revenues	-	-	-	24,868,631	10,342,429	35,211,060	20,514,888
Total revenues	53,820,013	3,611,796	4,789,340	317,829,178	949,509,603	1,329,559,930	1,233,819,761
Expenditures:							
General government	-	-	-	44,384,371	-	44,384,371	41,883,176
Public safety	-	-	-	39,235,785	-	39,235,785	34,240,194
Public works	-	3,624,681	4,725,422	68,584	-	8,418,687	10,243,494
Health and welfare	-	-	-	188,603,047	933,704,324	1,122,307,371	1,033,047,986
Culture and recreation	-	-	-	26,307	-	26,307	23,381
Education	-	-	-	-	-	-	158,258
Economic development	-	-	-	23,968,706	-	23,968,706	43,258,702
Economic opportunity	-	-	-	-	28,785,366	28,785,366	28,696,034
Transportation	34,907,603	-	-	-	-	34,907,603	33,950,848
Total expenditures	34,907,603	3,624,681	4,725,422	296,286,800	962,489,690	1,302,034,196	1,225,502,073
Excess (deficiency) of revenues over expenditures	18,912,410	(12,885)	63,918	21,542,378	(12,980,087)	27,525,734	8,317,688
Other financing sources (uses):							
Transfers in	-	-	-	14,877,687	13,046,801	27,924,488	19,474,004
Transfers out	(10,474,561)	-	-	(24,561,715)	(66,714)	(35,102,990)	(17,620,455)
Total other financing sources (uses)	(10,474,561)	-	-	(9,684,028)	12,980,087	(7,178,502)	1,853,549
Net change in fund balance	8,437,849	(12,885)	63,918	11,858,350	-	20,347,232	10,171,237
Fund balances at beginning of year	21,651,087	160,388	(59,827)	53,896,932	-	75,648,580	65,477,343
Fund balances at end of year	\$ 30,088,936	147,503	4,091	65,755,282	-	95,995,812	75,648,580

Note: This schedule is informational to display a total for all Special Revenue Funds. It is not a combining statement.

## Supplementary Information

## Exhibit B-3

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Transportation Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022			2021 Actual
	Budget	Actual	Variance	
Revenues:				
Taxes:				
Alcoholic beverage tax	\$ 42,104,659	46,948,400	4,843,741	36,717,221
Rental vehicle tax	7,250,000	6,725,805	(524,195)	5,715,159
Penalty and interest	145,500	145,808	308	170,157
Total revenues	49,500,159	53,820,013	4,319,854	42,602,537
Expenditures:				
Transportation	34,907,603	34,907,603	-	33,950,848
Total expenditures	34,907,603	34,907,603	-	33,950,848
Excess of revenues over expenditures	14,592,556	18,912,410	4,319,854	8,651,689
Other financing uses:				
Transfers out - Debt Service Fund	(3,000,000)	(5,533,561)	(2,533,561)	-
Transfers out - County Capital Projects Fund	(11,592,556)	(4,941,000)	6,651,556	-
Total other financing uses	(14,592,556)	(10,474,561)	4,117,995	-
Net change in fund balance	-	8,437,849	8,437,849	8,651,689
Fund balance at beginning of year	21,651,087	21,651,087	-	12,999,398
Fund balance at end of year	\$ 21,651,087	30,088,936	8,437,849	21,651,087

## Supplementary Information

## Exhibit B-4

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Liquid Fuel Tax Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022			2021 Actual
	Budget	Actual	Variance	
Revenues:				
State revenues:				
State liquid fuel tax	\$ 4,100,000	3,591,321	(508,679)	3,528,075
Interest earnings	6,000	20,475	14,475	73
Total revenues	<u>4,106,000</u>	<u>3,611,796</u>	<u>(494,204)</u>	<u>3,528,148</u>
Expenditures:				
Public works	<u>3,762,282</u>	<u>3,624,681</u>	<u>(137,601)</u>	<u>3,377,906</u>
Total expenditures	<u>3,762,282</u>	<u>3,624,681</u>	<u>(137,601)</u>	<u>3,377,906</u>
Excess (deficiency) of revenues over expenditures	343,718	(12,885)	(356,603)	150,242
Fund balance at beginning of year	<u>160,388</u>	<u>160,388</u>	<u>-</u>	<u>10,146</u>
Fund balance at end of year	<u>\$ 504,106</u>	<u>147,503</u>	<u>(356,603)</u>	<u>160,388</u>

## Supplementary Information

## Exhibit B-5

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Infrastructure Support Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022			2021 Actual
	Budget	Actual	Variance	
Revenues:				
State revenues:				
Registration fee	\$ 5,200,000	4,769,150	(430,850)	4,978,865
Interest earnings	18,000	20,190	2,190	3,139
Total revenues	5,218,000	4,789,340	(428,660)	4,982,004
Expenditures:				
Public works	5,561,718	4,725,422	(836,296)	6,758,035
Total expenditures	5,561,718	4,725,422	(836,296)	6,758,035
Excess (deficiency) of revenues over expenditures	(343,718)	63,918	407,636	(1,776,031)
Other financing sources:				
Transfers in	-	-	-	191,393
Total other financing sources	-	-	-	191,393
Fund balance at beginning of year	(59,827)	(59,827)	-	1,524,811
Fund balance at end of year	\$ (403,545)	4,091	407,636	(59,827)

## Supplementary Information

## Exhibit B-6 (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Resources and Uses of Federal and State Grant Programs**  
**County Grants Fund**  
**Year Ended December 31, 2022**

	Resources		Uses	
	Federal and State	Personnel	Other Operating Expenditures	Total
Federal Programs:				
Child Support Enforcement Program	\$ 12,092,455	9,919,657	2,172,798	12,092,455
Community Development Block Grant	16,729,566	2,348,192	14,381,373	16,729,566
Overdose Data to Action Improvement Program	5,510,653	191,527	5,319,126	5,510,653
Women, Infants and Children Program	3,146,582	3,038,168	108,414	3,146,582
Home Investment Program	2,987,856	1,824,398	1,163,458	2,987,856
Urban Area Security Initiative	356,653	61,227	295,426	356,653
Nurse-Family Partnership	1,152,163	-	1,152,163	1,152,163
Air Pollution	666,701	492,910	173,791	666,701
State Homeland Security	781,297	385,814	395,483	781,297
Maternal & Child Health	672,830	-	672,830	672,830
Public Health Preparedness & Response for Bioterrorism	930,394	648,912	281,482	930,394
Immunization Program	7,248,256	1,823,102	5,425,154	7,248,256
Emergency Shelter Grant	1,927,904	764,137	1,163,767	1,927,904
Racial and Ethnic Approaches to Community Health	4,718,283	127,192	4,591,091	4,718,283
Lead Hazard Control	1,008,695	59,693	949,002	1,008,695
Civil Service Agreement	1,451,348	120,848	1,330,500	1,451,348
Sexually Transmitted Diseases	266,946	266,889	57	266,946
DA Federal Asset Sharing Fund	791,566	362,494	429,072	791,566
Justice Assistance Grant	18,632	-	18,632	18,632
Sheriff Federal Asset Sharing	234,679	90,590	144,089	234,679
DNA Capacity Enhancement	654,021	58,637	223,376	282,013
PM 2.5 Air Monitoring	137,666	14,184	123,482	137,666
Lead Hazard Awareness	134,919	84,875	50,044	134,919
County Police Forfeiture	101,450	90,822	10,628	101,450
Safe & Healthy Communities	267,715	-	183,481	183,481
AMERICORP	347,362	88,204	259,158	347,362
Paul Coverdell	142,613	34,342	108,272	142,613
Stop Violence Against Women	319,436	-	319,436	319,436
Traffic Safety	43,012	17,324	25,688	43,012
Consolidated Appropriations	118,323	103,232	15,091	118,323
Community Health Workers	200,013	-	200,013	200,013
CARES ACT	2,338,041	198,611	2,139,430	2,338,041
American Rescue Plan Act	30,075,663	-	30,075,663	30,075,663
Miscellaneous federal programs	138,470,611	-	138,470,611	138,470,611
	399,021	122,937	276,084	399,021
Total federal programs	236,443,325	23,338,918	212,648,165	235,987,083

## Supplementary Information

## Exhibit B-6 (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Resources and Uses of Federal and State Grant Programs**  
**County Grants Fund**  
**Year Ended December 31, 2022**

	Resources	Uses		
	Federal and State	Personnel	Other Operating Expenditures	Total
State Programs:				
911 Act 12	24,438,661	24,438,661	-	24,438,661
Statewide Interconnectivity	3,571,455	-	3,571,455	3,571,455
Drug Court/Restrictive Intermediate Punishment	814,054	574,858	239,196	814,054
Act 13 Marcellus Shale	1,864,757	-	1,864,757	1,864,757
County Offender Supervision	1,042,015	682,559	359,456	1,042,015
911 Emergency Communications	194,333	-	194,333	194,333
Intermediate Punishment	1,338,249	1,338,249	-	1,338,249
Sexually Transmitted Diseases	715,184	327,515	387,668	715,183
Insurance Fraud Prevention Grant	268,118	264,663	3,455	268,118
Vital Statistics Improvement	137,844	-	137,844	137,844
West Nile Virus	114,548	48,606	65,942	114,548
Act 88 of 2001	255,984	255,984	-	255,984
Hazardous Material Emergency Response	135,325	135,325	-	135,325
Family Support Programs	505,978	374,083	131,895	505,978
Insurance Fraud Prevention	147,312	140,364	6,948	147,312
Tuberculosis Control	59,137	53,390	5,747	59,137
Act 24 Grant	33,866	-	33,866	33,866
PA Commission of Crime and Delinquency	407,037	22,058	384,979	407,037
Radiation Emergency Response	11,066	-	11,066	11,066
DCED Election Integrity	2,377,062	-	2,377,062	2,377,062
Miscellaneous state programs	385,888	124,871	70,903	195,774
Total state programs	38,817,873	28,781,186	9,846,572	38,627,758
Total federal and state programs	275,261,198	52,120,104	222,494,737	274,614,841
Non-federal/state programs	42,567,980	23,364,622	(1,692,663)	21,671,959
Grand total	\$ 317,829,178	75,484,726	220,802,074	296,286,800

## Supplementary Information

## Exhibit B-7 (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Resources and Uses of Federal and State Grant Programs**  
**Human Service Grants Fund**  
**Year Ended December 31, 2022**

	Resources		Uses	
	Federal and State	Personnel	Other Operating Expenditures	Total
Federal Programs:				
Behavioral Health - Operations	\$ 1,857,413	-	1,857,413	1,857,413
Drug and Alcohol - Operations	7,749,430	-	7,749,430	7,749,430
Early Intervention - Operations	687,840	-	687,840	687,840
Senior Companion Program	440,481	-	440,481	440,481
Aging Block Grant	9,717,535	-	9,717,535	9,717,535
HUD Grant	23,292,257	-	23,292,257	23,292,257
Family Center Initiative	1,940,288	-	1,940,288	1,940,288
Independent Living	1,350,479	-	1,350,479	1,350,479
Early Learning Resource Center	80,342,751	-	80,342,751	80,342,751
SAMHSA Mental Health Grant	415,377	-	415,377	415,377
Community Services Block Grant	1,786,874	-	1,786,874	1,786,874
Headstart Program	14,268,097	-	14,268,097	14,268,097
Workforce Investment Act	247,916	-	247,916	247,916
Medical Assistance Transportation Program	4,732,170	-	4,732,170	4,732,170
Hello Baby	1,507,692	-	1,507,692	1,507,692
Human Service Block Grant	11,119,157	-	11,119,157	11,119,157
AMERICORP	1,543,303	-	1,543,303	1,543,303
Emergency Food Assistance Program	1,646,788	-	1,646,788	1,646,788
Community Thriving	478,341	-	478,341	478,341
VOCA	214,524	-	214,524	214,524
Mobile Crisis Capacity/Peer Operated Respite	175,716	-	175,716	175,716
Title XIX	56,255	-	56,255	56,255
Gateway Community Based Care Transition Program	220,338	-	220,338	220,338
Emergency Solutions	63,000	-	63,000	63,000
Emergency Shelter	333,692	-	333,692	333,692
Caseworker Visitation	86,521	-	86,521	86,521
Miscellaneous federal programs	1,476,265	-	1,476,265	1,476,265
BJA-Coordinated Housing Grant	143,737	-	143,737	143,737
Total federal programs	\$ 167,894,237	-	167,894,237	167,894,237

## Supplementary Information

## Exhibit B-7 (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Resources and Uses of Federal and State Grant Programs**  
**Human Service Grants Fund**  
**Year Ended December 31, 2022**

	Resources	Uses		
	Federal and State	Personnel	Other Operating Expenditures	Total
State Programs:				
Drug and Alcohol - Operations	10,078,657	-	10,078,657	10,078,657
Early Intervention - Operations	17,982,581	-	17,982,581	17,982,581
Early Learning Resource Center	25,661,247	-	25,661,247	25,661,247
Aging Block Grant	30,619,971	-	30,619,971	30,619,971
Behavioral Health Managed Care	534,769,247	-	534,769,247	534,769,247
Family Center Initiative	1,398,855	-	1,398,855	1,398,855
Medical Assistance Transportation Program	4,209,510	-	4,209,510	4,209,510
Title XIX	56,255	-	56,255	56,255
HeadStart Program	2,132,948	-	2,132,948	2,132,948
Human Service Block Grant	130,296,731	-	130,296,731	130,296,731
Independent Living	10,881,622	-	10,881,622	10,881,622
Gateway Community Care Transition	220,337	-	220,337	220,337
Adult Protective Services	7,760	-	7,760	7,760
Total state programs	768,315,721	-	768,315,721	768,315,721
Total federal and state programs	936,209,958	-	936,209,958	936,209,958
Non-federal/state programs	13,299,645	-	26,279,732	26,279,732
Grand total	\$ 949,509,603	-	962,489,690	962,489,690



Supplementary Information



**DEBT SERVICE FUND**

The Debt Service Fund accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

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## Supplementary Information



## Supplementary Information

## Exhibit C-1

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Balance Sheet**  
**Debt Service Fund**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	2022	2021
<b>Assets</b>		
Restricted cash and short-term investments	\$ 10,157,157	9,925,713
Time deposits and other investments	7,070,000	6,500,000
Delinquent property taxes receivable, net of \$111,730 allowance for uncollectible property taxes in 2022 and \$68,093 in 2021	1,466,972	1,468,188
Liened property taxes receivable, net of \$3,174,306 allowance for uncollectible property taxes in 2022 and \$3,176,557 in 2021	7,206,243	8,103,371
Due from other funds:		
General Fund	272,783	215,959
Due from other governments:		
Federal	-	167,669
Accrued penalty and interest receivable	58,576	71,910
Accrued interest receivable	52,147	932
<b>Total assets</b>	<b>\$ 26,283,878</b>	<b>26,453,742</b>
<b>Liabilities</b>		
Vouchers payable	\$ 91,559	-
Due to other funds:		
General Fund	185,736	31,910
County Grants	28,004	24,393
Tax refunds payable	50,096	-
<b>Total liabilities</b>	<b>355,395</b>	<b>56,303</b>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue - property taxes	8,422,642	9,271,048
<b>Fund balance</b>		
Restricted for:		
Debt service payments for energy bonds	6,624,706	6,072,647
Assigned to:		
Debt service	10,881,135	11,053,744
<b>Total fund balance</b>	<b>17,505,841</b>	<b>17,126,391</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 26,283,878</b>	<b>26,453,742</b>

## Supplementary Information

## Exhibit C-2

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**Debt Service Fund**  
**Year Ended December 31, 2022**  
**With Comparative Actual Amounts for Year Ended December 31, 2021**

	2022			2021
	Final Budget	Actual	Variance	
Revenues:				
Property taxes:				
Current	\$ 61,053,140	61,656,462	603,322	53,544,304
Delinquent	2,464,185	2,096,226	(367,959)	2,335,756
Liened	908,050	871,518	(36,532)	622,851
Interest and penalty	653,967	545,298	(108,669)	481,827
Homestead exemption	(4,066,894)	-	4,066,894	-
Tax refunds	(800,000)	(598,790)	201,210	(659,693)
	<u>60,212,448</u>	<u>64,570,714</u>	<u>4,358,266</u>	<u>56,325,045</u>
Federal revenues	335,000	336,391	1,391	335,864
State revenues	75,000	77,713	2,713	64,879
Interest earnings	<u>120,000</u>	<u>343,047</u>	<u>223,047</u>	<u>20,978</u>
Total revenues	<u>60,742,448</u>	<u>65,327,865</u>	<u>4,585,417</u>	<u>56,746,766</u>
Expenditures:				
Debt service:				
Principal retirement	39,362,059	38,810,000	(552,059)	25,095,000
Interest charges	<u>32,380,389</u>	<u>31,671,976</u>	<u>(708,413)</u>	<u>31,806,358</u>
Total expenditures	<u>71,742,448</u>	<u>70,481,976</u>	<u>(1,260,472)</u>	<u>56,901,358</u>
Deficiency of revenues over expenditures	<u>(11,000,000)</u>	<u>(5,154,111)</u>	<u>5,845,889</u>	<u>(154,592)</u>
Other financing sources:				
Transfers in	<u>3,000,000</u>	<u>5,533,561</u>	<u>2,533,561</u>	<u>-</u>
Total other financing sources	<u>3,000,000</u>	<u>5,533,561</u>	<u>2,533,561</u>	<u>-</u>
Net change in fund balance	<u>(8,000,000)</u>	<u>379,450</u>	<u>8,379,450</u>	<u>(154,592)</u>
Fund balance at beginning of year	<u>17,126,391</u>	<u>17,126,391</u>	<u>-</u>	<u>17,280,983</u>
Fund balance at end of year	<u>\$ 9,126,391</u>	<u>17,505,841</u>	<u>8,379,450</u>	<u>17,126,391</u>

## Supplementary Information

**CAPITAL PROJECTS FUND**

The Capital Projects Fund accounts for financial resources that are restricted, committed, or assigned for capital outlays, including acquisition or construction of capital facilities and other capital assets.

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## Supplementary Information



## Supplementary Information

## Exhibit D-1

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Balance Sheet**  
**Capital Projects Fund**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	2022	2021
<u>Assets</u>		
Cash and short-term investments	\$ 159,916,385	146,734,319
Due from other funds:		
General Fund	22,298	4,673
Due from other governments:		
Federal	4,169,715	1,980,534
State	1,810,396	886,698
	<u>5,980,111</u>	<u>2,867,232</u>
Accounts receivable - other	-	326,841
Accrued interest receivable	<u>104,510</u>	<u>4,838</u>
Total assets	<u>\$ 166,023,304</u>	<u>149,937,903</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Vouchers payable	\$ 564,759	4,416,972
Due to other funds:		
General Fund	-	36,591
County Grants Fund	301,498	-
	<u>301,498</u>	<u>36,591</u>
Accrued liabilities	14,666,512	7,661,645
Unearned revenue	1,156,306	2,321,628
Due to component units	27,455	71,418
Retainage payable	<u>-</u>	<u>567,018</u>
Total liabilities	<u>16,716,530</u>	<u>15,075,272</u>
Fund balances:		
Restricted for:		
Bridges	3,272,186	-
Roads	6,241,619	1,864,335
Transit system	-	17,569
Parks' system	9,915,070	-
Buildings	16,902,484	3,299,843
Equipment	33,227,733	2,462,438
Feasibility studies	1,164,437	553,534
Various projects	<u>78,583,245</u>	<u>126,664,912</u>
Total fund balances	<u>149,306,774</u>	<u>134,862,631</u>
Total liabilities and fund balances	<u>\$ 166,023,304</u>	<u>149,937,903</u>

## Supplementary Information

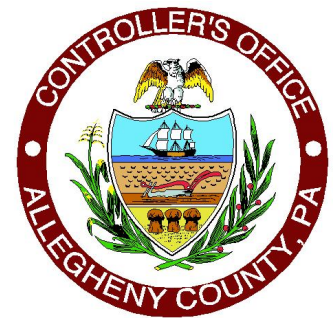
## Exhibit D-2

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Capital Projects Fund**  
**Year Ended December 31, 2022**  
**With Comparative Totals for Year Ended December 31, 2021**

	2022	2021
Revenues:		
Federal revenues	\$ 85,845,614	10,504,780
State revenues	14,717,848	9,368,143
Local governmental units revenues	928,991	1,875,935
Interest income	885,684	119,192
Miscellaneous	1,240,960	4,232,485
Total revenues	103,619,097	26,100,535
Expenditures:		
Bridges	30,482,433	20,368,652
Roads	18,102,313	17,891,790
Transit system	4,941,000	26,485,000
Parks' system	9,635,595	11,082,019
Buildings	7,088,160	4,574,033
Equipment	21,800,090	13,141,070
Feasibility studies	186,363	225,267
Other	800,000	826,005
Total expenditures	93,035,954	94,593,836
Excess (deficiency) of revenues over expenditures	10,583,143	(68,493,301)
Other financing sources (uses):		
Transfers in	5,123,588	-
Transfers out	(1,262,588)	(508,865)
Total other financing sources	3,861,000	(508,865)
Net change in fund balances	14,444,143	(69,002,166)
Fund balances at beginning of year	134,862,631	203,864,797
Fund balances at end of period	\$ 149,306,774	134,862,631



## Supplementary Information

**INTERNAL SERVICE FUND**

The Internal Service Fund is used to account for Risk Management costs for the Medical/Dental and Automobile, General and Public Official self-insurance liabilities of the County.

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## Supplementary Information



## Supplementary Information

## Exhibit E-1

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Net Position**  
**Internal Service Fund**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	Risk Management Fund	
	2022	2021
<u>Assets</u>		
Current assets:		
Cash and short-term investments	\$ 3,047,137	682,130
Due from other funds:		
General Fund	552,697	561,489
Accounts receivable	1,813	1,835
Total assets	3,601,647	1,245,454
<u>Liabilities</u>		
Current liabilities:		
Vouchers payable	26,672	33,178
Due to other funds:		
General Fund	1,323	139,776
Accrued liabilities	1,282,466	1,072,500
Total liabilities	1,310,461	1,245,454
<u>Net Position</u>		
Net Position:		
Restricted for workers' comp claims	\$ 2,291,186	-

## Supplementary Information

## Exhibit E-2

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Internal Service Fund**  
**Year Ended December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	Risk Management Fund	
	2022	2021
Operating revenues:		
Contribution - employee	\$ 168,724	181,001
Contribution - employer	1,364,711	1,309,869
Miscellaneous income	20,348	24,235
Total operating revenues	<u>1,553,783</u>	<u>1,515,105</u>
Operating expenses:		
Insurance claims expense	<u>1,553,783</u>	<u>1,515,105</u>
Total operating expenses	<u>1,553,783</u>	<u>1,515,105</u>
Operating income	-	-
Non-operating expenses:		
Transfers in	<u>2,291,186</u>	-
Change in net position	<u>2,291,186</u>	-
Net position at beginning of year	-	-
Net position at end of year	<u>\$ 2,291,186</u>	<u>-</u>

## Supplementary Information

## Exhibit E-3

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Cash Flows**  
**Internal Service Fund**  
**Year Ended December 31, 2022**

	Risk Management Fund
Cash flows from operating activities	
Receipts from customers	\$ 1,562,597
Payments to suppliers	(1,488,776)
Net cash used for operating activities	<u>73,821</u>
Cash flows from noncapital financing activities:	
Transfers in	2,291,186
Net cash used by noncapital financing activities	<u>-</u>
Net cash and cash equivalents	<u>2,365,007</u>
Balance - beginning of year	<u>682,130</u>
Balance - end of year	\$ <u><u>3,047,137</u></u>
Adjustments to reconcile operating income to net cash used for operating activities:	
Decrease in accounts receivable	\$ 22
Decrease in due from other funds	8,792
Decrease in due to other funds	(138,453)
Decrease in vouchers payable	(6,506)
Increase in accrued liabilities	209,966
Total adjustments	<u>73,821</u>
Net cash used for operating activities	\$ <u><u>73,821</u></u>

## Supplementary Information



## Supplementary Information

**FIDUCIARY FUNDS**

The Fiduciary Funds are used to account for assets held by the County in a fiduciary capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

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## Supplementary Information

The County's Fiduciary Funds consist of:

**PENSION TRUST FUND** -- Accounts for the County's and the employees' retirement pension plan contributions and benefit disbursements.

**CUSTODIAL FUND**-- Accounts for amounts collected by the County for fees, fines, taxes and other miscellaneous items which are held by the County as agent for others.

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## Supplementary Information

## Exhibit F-1

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Fiduciary Net Position**  
**Pension Trust Fund**  
**December 31, 2022**  
**With Comparative Totals for December 31, 2021**

	2022	2021
<u>Assets</u>		
Cash and short-term investments	\$ 49,818,501	19,100,943
Investments (at fair value):		
Equity:		
U.S. common and preferred stock	74,429,387	92,978,488
American Depositary Receipts (ADRs)	350,227	256,149
S&P 500 index fund	68,771,098	95,546,244
Non-U.S. stocks and equity mutual fund	120,567,257	189,247,529
Bonds and Notes:		
Corporate certificates of deposit	656,596	889,815
U.S. government and related agency debt	40,047,699	43,618,195
Fannie Mae and Freddie Mac debt	16,170,135	18,753,826
Fixed income mutual funds	150,805,240	217,118,897
U.S. corporate debt instruments	28,231,711	41,968,446
Non-U.S. government and corporate debt	11,667,861	13,913,026
Other Investments:		
Hedge funds	24,216,372	590,524
Real estate	127,165,694	119,441,035
Venture capital / private equity	223,820,417	242,928,385
Amount due from brokers	244,482	247,818
Accrued interest and dividends receivable	1,622,127	1,036,148
Accrued employer contributions receivable	1,814,140	1,629,539
Accrued employee contributions receivable	1,811,480	1,625,993
Other assets	6,916	6,566
Total assets	942,217,340	1,100,897,566
<u>Liabilities</u>		
Accrued payroll	9,769	9,405
Vouchers payable	200,354	117,489
Payroll withholdings	2,335	2,267
Accrued liabilities	1,456,457	1,561,379
Amount due to brokers	4,277,590	530,554
Other liabilities	1,926	91,594
Total liabilities	5,948,431	2,312,688
<u>Net Position</u>		
Restricted for Pensions	\$ 936,268,909	1,098,584,878

## Supplementary Information

## Exhibit F-2

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Changes in Fiduciary Net Position**  
**Pension Trust Fund**  
**Year Ended December 31, 2022**  
**With Comparative Totals for Year Ended December 31, 2021**

	2022	2021
Additions:		
Contributions:		
Employee	\$ 42,673,844	42,959,431
Employer	42,522,522	42,678,968
Total contributions	<u>85,196,366</u>	<u>85,638,399</u>
Investment income:		
Net appreciation (depreciation) in fair value of investments	(114,027,033)	128,464,707
Interest	3,299,195	2,413,904
Dividends	10,818,871	11,750,878
Stock loan income	41,032	34,386
Partnership income	3,800,280	6,180,287
	<u>(96,067,655)</u>	<u>148,844,162</u>
Less: Investment management fees	<u>3,297,432</u>	<u>5,638,366</u>
Total investment gain (loss) - net	<u>(99,365,087)</u>	<u>143,205,796</u>
Miscellaneous income	<u>46,384</u>	<u>121,189</u>
Total additions - net	<u>(14,122,337)</u>	<u>228,965,384</u>
Deductions:		
Benefit payments	132,764,392	122,825,867
Refunds of employee contributions	13,756,044	8,894,031
Salaries, wages and related expenses	325,138	288,802
Administrative and miscellaneous expenses	<u>1,348,058</u>	<u>1,310,217</u>
Total deductions	<u>148,193,632</u>	<u>133,318,917</u>
Change in fiduciary net position	(162,315,969)	95,646,467
Net position - beginning of year	<u>1,098,584,878</u>	<u>1,002,938,411</u>
Net position - end of year	<u>\$ 936,268,909</u>	<u>1,098,584,878</u>

## Supplementary Information

## Exhibit F-3 (Page 1 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Fiduciary Net Position**  
**Custodial Funds**  
**December 31, 2022**

	Solicitors' Property	Hotel	Kane Residents	Landfill Trust	CYS Client Income	Unclaimed Coroner
<u>Assets</u>						
Cash and short-term investments	\$ 134,873	22,856,725	1,144,131	543,445	973,824	33,526
Due from other governments	-	-	-	-	-	-
Advances receivable	-	-	-	-	-	-
Other accounts receivable	-	400,000	-	-	-	-
Accrued interest and dividends receivable	-	-	2,202	-	-	-
	<u>134,873</u>	<u>23,256,725</u>	<u>1,146,333</u>	<u>543,445</u>	<u>973,824</u>	<u>33,526</u>
Fines and Fees Receivable	-	-	-	-	-	-
Less: allowance for doubtful accounts	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restitution Receivable	-	-	-	-	-	-
Less: allowance for doubtful accounts	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>134,873</u>	<u>23,256,725</u>	<u>1,146,333</u>	<u>543,445</u>	<u>973,824</u>	<u>33,526</u>
<u>Liabilities</u>						
Fines and fees payable	\$ -	-	-	-	-	-
Due to crime victims	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Due to litigants	-	-	-	-	-	-
Due to landlords	-	-	-	-	-	-
Due to child support recipients	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	18,003
Vouchers payable	-	2,022,316	92,114	-	4,152	-
Total liabilities	<u>-</u>	<u>2,022,316</u>	<u>92,114</u>	<u>-</u>	<u>4,152</u>	<u>18,003</u>
<u>Net Position</u>						
Restricted for:						
Hotel tax collections	-	21,234,409	-	-	-	-
Distribution to litigants	-	-	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-
Kane patients	-	-	1,054,219	-	-	-
Payment of future court costs	-	-	-	-	-	-
Law enforcement expenditures	-	-	-	-	-	-
Incarcerated-related expenditures	-	-	-	-	-	-
Property management activities	-	-	-	543,445	-	-
Solicitors property funds	134,873	-	-	-	-	-
Environmental remediation	-	-	-	-	-	-
Narcotics investigations	-	-	-	-	-	-
Child welfare expenditures	-	-	-	-	969,672	-
Change funds	-	-	-	-	-	-
Miscellaneous expenditures	-	-	-	-	-	15,523
Total net position	\$ <u>134,873</u>	<u>21,234,409</u>	<u>1,054,219</u>	<u>543,445</u>	<u>969,672</u>	<u>15,523</u>

## Supplementary Information

## Exhibit F-3 (Page 2 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Fiduciary Net Position**  
**Custodial Funds**  
**December 31, 2022**

	Sheriff Sale	State Licenses Hunting/Fishing	Custody Mediation	Other	Sheriff	District Attorney
<u>Assets</u>						
Cash and short-term investments	\$ 7,674,180	183,400	660,051	165,776	275,903	371,992
Due from other governments	-	-	-	-	-	-
Advances receivable	-	-	-	-	-	-
Other accounts receivable	-	-	-	-	-	-
Accrued interest and dividends receivable	-	-	-	-	-	-
	<u>7,674,180</u>	<u>183,400</u>	<u>660,051</u>	<u>165,776</u>	<u>275,903</u>	<u>371,992</u>
Fines and Fees Receivable	-	-	-	-	-	-
Less: allowance for doubtful accounts	-	-	-	-	-	-
	-	-	-	-	-	-
Restitution Receivable	-	-	-	-	-	-
Less: allowance for doubtful accounts	-	-	-	-	-	-
	-	-	-	-	-	-
Total assets	<u>\$ 7,674,180</u>	<u>183,400</u>	<u>660,051</u>	<u>165,776</u>	<u>275,903</u>	<u>371,992</u>
<u>Liabilities</u>						
Fines and fees payable	\$ -	-	-	-	-	-
Due to crime victims	-	-	-	-	-	-
Due to other governments	-	169,889	-	-	-	-
Due to litigants	-	-	-	-	-	-
Due to landlords	-	-	-	-	-	-
Due to child support recipients	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Vouchers payable	<u>1,838,842</u>	<u>528</u>	<u>25,000</u>	<u>52,124</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,838,842</u>	<u>170,417</u>	<u>25,000</u>	<u>52,124</u>	<u>-</u>	<u>-</u>
<u>Net Position</u>						
Restricted for:						
Hotel tax collections	-	-	-	-	-	-
Distribution to litigants	-	12,983	-	-	-	-
Distribution to beneficiaries	-	-	-	-	-	-
Kane patients	-	-	-	-	-	-
Payment of future court costs	-	-	-	-	-	-
Law enforcement expenditures	-	-	-	-	275,903	66,625
Incarcerated-related expenditures	-	-	-	-	-	-
Property management activities	<u>5,835,338</u>	-	-	-	-	-
Solicitors property funds	-	-	-	-	-	-
Environmental remediation	-	-	-	-	-	-
Narcotics investigations	-	-	-	-	-	305,367
Child welfare expenditures	-	-	635,051	110,911	-	-
Change funds	-	-	-	-	-	-
Miscellaneous expenditures	-	-	-	2,741	-	-
Total net position	<u>\$ 5,835,338</u>	<u>12,983</u>	<u>635,051</u>	<u>113,652</u>	<u>275,903</u>	<u>371,992</u>

## Supplementary Information

## Exhibit F-3 (Page 3 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Fiduciary Net Position**  
**Custodial Funds**  
**December 31, 2022**

	Civil Court Records	Criminal Court Records	Wills/Family Court Records	Court of Common Pleas	Health	Jail
<u>Assets</u>						
Cash and short-term investments	\$ 11,501,935	2,830,632	2,171,580	531,215	62,078	1,261,245
Due from other governments	791,510	-	-	-	-	-
Advances receivable	-	-	-	-	-	-
Other accounts receivable	-	-	-	-	-	154,873
Accrued interest and dividends receivable	-	-	-	-	-	-
	<u>12,293,445</u>	<u>2,830,632</u>	<u>2,171,580</u>	<u>531,215</u>	<u>62,078</u>	<u>1,416,118</u>
Fines and Fees Receivable	-	337,542,831	-	-	-	-
Less: allowance for doubtful accounts	-	(33,754,282)	-	-	-	-
	<u>-</u>	<u>303,788,549</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restitution Receivable	-	153,881,568	-	-	-	-
Less: allowance for doubtful accounts	-	(15,388,157)	-	-	-	-
	<u>-</u>	<u>138,493,411</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	\$ <u>12,293,445</u>	<u>445,112,592</u>	<u>2,171,580</u>	<u>531,215</u>	<u>62,078</u>	<u>1,416,118</u>
<u>Liabilities</u>						
Fines and fees payable	\$ -	303,788,548	-	-	-	-
Due to crime victims	-	138,789,635	-	-	-	-
Due to other governments	930,468	2,533,908	41,053	-	-	990,304
Due to litigants	3,977,880	-	-	-	-	-
Due to landlords	964,760	-	-	-	-	-
Due to child support recipients	-	-	-	520,022	-	-
Other liabilities	-	-	-	-	-	-
Vouchers payable	-	-	-	-	-	-
Total liabilities	<u>5,873,108</u>	<u>445,112,091</u>	<u>41,053</u>	<u>520,022</u>	<u>-</u>	<u>990,304</u>
<u>Net Position</u>						
Restricted for:						
Hotel tax collections	-	-	-	-	-	-
Distribution to litigants	5,924,176	-	-	-	-	-
Distribution to beneficiaries	-	-	2,129,667	-	-	-
Kane patients	-	-	-	-	-	-
Payment of future court costs	495,171	-	-	-	-	-
Law enforcement expenditures	-	-	-	-	-	-
Incarcerated-related expenditures	-	-	-	-	-	425,814
Property management activities	-	-	-	-	-	-
Solicitors property funds	-	-	-	-	-	-
Environmental remediation	-	-	-	-	62,078	-
Narcotics investigations	-	-	-	-	-	-
Child welfare expenditures	-	-	-	11,193	-	-
Change funds	-	501	860	-	-	-
Miscellaneous expenditures	990	-	-	-	-	-
Total net position	\$ <u>6,420,337</u>	<u>501</u>	<u>2,130,527</u>	<u>11,193</u>	<u>62,078</u>	<u>425,814</u>

## Supplementary Information

## Exhibit F-3 (Page 4 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Fiduciary Net Position**  
**Custodial Funds**  
**December 31, 2022**

	Police	Facilities	Real Estate Transfer Tax	Totals
<u>Assets</u>				
Cash and short-term investments	\$ 6,327	234,812	14,749,967	68,367,617
Due from other governments	-	-	-	791,510
Advances receivable	5,000	-	-	5,000
Other accounts receivable	-	-	3,133,209	3,688,082
Accrued interest and dividends receivable	-	-	-	2,202
	<u>11,327</u>	<u>234,812</u>	<u>17,883,176</u>	<u>72,854,411</u>
Fines and Fees Receivable	-	-	-	337,542,831
Less: allowance for doubtful accounts	-	-	-	(33,754,282)
	-	-	-	303,788,549
Restitution Receivable	-	-	-	153,881,568
Less: allowance for doubtful accounts	-	-	-	(15,388,157)
	-	-	-	138,493,411
Total assets	\$ <u>11,327</u>	<u>234,812</u>	<u>17,883,176</u>	<u>515,136,371</u>
<u>Liabilities</u>				
Fines and fees payable	\$ -	-	-	303,788,548
Due to crime victims	-	-	-	138,789,635
Due to other governments	-	-	17,881,455	22,547,077
Due to litigants	-	-	-	3,977,880
Due to landlords	-	-	-	964,760
Due to child support recipients	-	-	-	520,022
Other liabilities	-	-	-	18,003
Vouchers payable	-	-	-	4,035,076
Total liabilities	-	-	17,881,455	474,641,001
<u>Net Position</u>				
Restricted for:				
Hotel tax collections	-	-	-	21,234,409
Distribution to litigants	-	-	-	5,937,159
Distribution to beneficiaries	-	-	-	2,129,667
Kane patients	-	-	-	1,054,219
Payment of future court costs	-	-	-	495,171
Law enforcement expenditures	-	-	-	342,528
Incarcerated-related expenditures	-	-	-	425,814
Property management activities	-	234,812	-	6,613,595
Solicitors property funds	-	-	-	134,873
Environmental remediation	-	-	-	62,078
Narcotics investigations	11,327	-	-	316,694
Child welfare expenditures	-	-	-	1,726,827
Change funds	-	-	1,721	3,082
Miscellaneous expenditures	-	-	-	19,254
Total net position	\$ <u>11,327</u>	<u>234,812</u>	<u>1,721</u>	<u>40,495,370</u>

## Supplementary Information

## Exhibit F-4 (Page 1 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**Year Ended December 31, 2022**

	Solicitors' Property	Hotel	Kane Residents	Landfill Trust	CYS Client Income	Unclaimed Coroner
<b>Additions:</b>						
Collection of delinquent tax for third parties	\$ -	-	-	-	-	-
Licenses fees collected for other governments	-	-	-	-	-	-
Hotel tax collections	-	32,150,729	-	-	-	-
Sheriff sales	-	-	-	-	-	-
Patient income	-	-	3,689,085	-	-	-
Incarcerated account collections	-	-	-	-	-	-
Collections for CYF	-	-	-	-	206,535	-
Collections from defendants	-	-	-	-	-	-
Collections from parents	-	-	-	-	616,700	-
Recording and filing fees	-	-	-	-	-	-
Interest	-	-	8,603	5,187	-	-
Fees and fines collected	-	-	-	-	-	-
Miscellaneous income	-	-	-	-	436,889	-
Total additions	-	32,150,729	3,697,688	5,187	1,260,124	-
<b>Deductions:</b>						
Distribution of delinquent tax for third parties	-	-	-	-	-	-
Payments of fees collected to other governments	-	-	-	-	-	-
Hotel tax distributions	-	23,853,536	-	-	-	-
Sheriff sales	-	-	-	-	-	-
Kane patients' expense	-	-	716,974	-	-	-
Administrative expense	-	1,376,858	2,704,671	-	994,582	-
Payments of CYF income	-	-	-	-	221,173	-
Incarcerated commissary purchases	-	-	-	-	-	-
Payments to litigants	-	-	-	-	-	-
Miscellaneous	-	462	-	-	-	-
Total deductions	-	25,230,856	3,421,645	-	1,215,755	-
Change in fiduciary net position	-	6,919,873	276,043	5,187	44,369	-
Net position - beginning of year	134,873	14,314,540	778,175	538,259	866,865	15,523
Net position - end of year	\$ 134,873	21,234,413	1,054,218	543,446	911,234	15,523

## Supplementary Information

## Exhibit F-4 (Page 2 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**Year Ended December 31, 2022**

	Sheriff Sale	State Licenses Hunting/Fishing	Custody Mediation	Other	Sheriff	District Attorney
<b>Additions:</b>						
Collection of delinquent tax for third parties	\$ -	-	-	-	-	-
Licenses fees collected for other governments	-	724,304	-	-	-	-
Hotel tax collections	-	-	-	-	-	-
Sheriff sales	24,756,350	-	-	-	-	-
Patient income	-	-	-	-	-	-
Incarcerated account collections	-	-	-	-	-	-
Collections for CYF	-	-	-	-	-	-
Collections from defendants	-	-	-	-	-	444,531
Collections from parents	-	-	-	-	-	-
Recording and filing fees	-	-	402,033	-	-	-
Interest	58,048	-	-	15	-	-
Fees and fines collected	-	25,304	-	-	-	-
Miscellaneous income	-	75,104	-	4,890	-	-
Total additions	<u>24,814,398</u>	<u>824,712</u>	<u>402,033</u>	<u>4,905</u>	<u>-</u>	<u>444,531</u>
<b>Deductions:</b>						
Distribution of delinquent tax for third parties	-	-	-	-	-	-
Payments of fees collected to other governments	-	673,080	-	-	-	-
Hotel tax distributions	-	-	-	-	-	-
Sheriff sales	25,107,996	-	-	-	-	-
Kane patients' expense	-	-	-	-	-	-
Administrative expense	-	138,649	-	-	-	-
Payments of CYF income	-	-	-	-	-	-
Incarcerated commissary purchases	-	-	-	-	-	-
Payments to litigants	-	-	-	-	-	351,880
Miscellaneous	-	-	330,250	56,323	182	-
Total deductions	<u>25,107,996</u>	<u>811,729</u>	<u>330,250</u>	<u>56,323</u>	<u>182</u>	<u>351,880</u>
Change in fiduciary net position	(293,598)	12,983	71,783	(51,418)	(182)	92,651
Net position - beginning of year	<u>6,128,936</u>	<u>-</u>	<u>563,268</u>	<u>223,506</u>	<u>276,084</u>	<u>279,341</u>
Net position - end of year	<u>\$ 5,835,338</u>	<u>12,983</u>	<u>635,051</u>	<u>172,088</u>	<u>275,902</u>	<u>371,992</u>



## Supplementary Information

## Exhibit F-4 (Page 3 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**Year Ended December 31, 2022**

	Civil Court Records	Criminal Court Records	Wills/Family Court Records	Court of Common Pleas	Health	Jail
<b>Additions:</b>						
Collection of delinquent tax for third parties	\$ -	-	-	-	-	-
Licenses fees collected for other governments	24,011,886	13,955,767	7,633,472	-	-	-
Hotel tax collections	-	-	-	-	-	-
Sheriff sales	-	-	-	-	-	-
Patient income	-	-	-	-	-	-
Incarcerated account collections	-	-	-	-	-	7,166,591
Collections for CYF	-	-	-	2,176,264	-	-
Collections from defendants	-	-	-	-	-	-
Collections from parents	-	-	-	-	-	-
Recording and filing fees	-	-	-	-	-	-
Interest	-	-	-	-	52	-
Fees and fines collected	-	-	-	-	-	-
Miscellaneous income	-	-	-	-	-	-
Total additions	<u>24,011,886</u>	<u>13,955,767</u>	<u>7,633,472</u>	<u>2,176,264</u>	<u>52</u>	<u>7,166,591</u>
<b>Deductions:</b>						
Distribution of delinquent tax for third parties	-	-	-	-	-	-
Payments of fees collected to other governments	21,967,253	13,955,767	8,078,809	-	-	-
Hotel tax distributions	-	-	-	-	-	-
Sheriff sales	-	-	-	-	-	-
Kane patients' expense	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-
Payments of CYF income	-	-	-	2,174,030	-	-
Incarcerated commissary purchases	-	-	-	-	-	7,109,157
Payments to litigants	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total deductions	<u>21,967,253</u>	<u>13,955,767</u>	<u>8,078,809</u>	<u>2,174,030</u>	<u>-</u>	<u>7,109,157</u>
Change in fiduciary net position	2,044,633	-	(445,337)	2,234	52	57,434
Net position - beginning of year	<u>4,375,705</u>	<u>500</u>	<u>2,575,864</u>	<u>8,958</u>	<u>62,025</u>	<u>368,380</u>
Net position - end of year	<u>\$ 6,420,338</u>	<u>500</u>	<u>2,130,527</u>	<u>11,192</u>	<u>62,077</u>	<u>425,814</u>

## Supplementary Information

## Exhibit F-4 (Page 4 of 4)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Changes in Fiduciary Net Position**  
**Custodial Funds**  
**Year Ended December 31, 2022**

	Police	Facilities	Real Estate Transfer Tax	Totals
Additions:				
Collection of delinquent tax for third parties	\$ -	-	266,830,528	266,830,528
Licenses fees collected for other governments	-	-	-	46,325,429
Hotel tax collections	-	-	-	32,150,729
Sheriff sales	-	-	-	24,756,350
Patient income	-	-	-	3,689,085
Incarcerated account collections	-	-	-	7,166,591
Collections for CYF	-	-	-	2,382,799
Collections from defendants	-	429,878	-	874,409
Collections from parents	-	-	-	616,700
Recording and filing fees	-	-	-	402,033
Interest	-	-	-	71,905
Fees and fines collected	-	-	-	25,304
Miscellaneous income	40,301	-	-	557,184
Total additions	40,301	429,878	266,830,528	385,849,046
Deductions:				
Distribution of delinquent tax for third parties	-	-	266,830,528	266,830,528
Payments of fees collected to other governments	-	-	-	44,674,909
Hotel tax distributions	-	-	-	23,853,536
Sheriff sales	-	-	-	25,107,996
Kane patients' expense	-	-	-	716,974
Administrative expense	-	-	-	5,214,760
Payments of CYF income	-	-	-	2,395,203
Incarcerated commissary purchases	-	-	-	7,109,157
Payments to litigants	-	365,170	-	717,050
Miscellaneous	37,204	-	-	424,421
Total deductions	37,204	365,170	266,830,528	377,044,534
Change in fiduciary net position	3,097	64,708	-	8,804,512
Net position - beginning of year	8,230	170,104	1,722	31,690,858
Net position - end of year	\$ 11,327	234,812	1,722	40,495,370

Supplementary Information



**CAPITAL ASSETS USED IN THE  
OPERATION OF  
GOVERNMENTAL FUNDS**

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## Supplementary Information



## Supplementary Information

## Exhibit G-1 (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Capital Assets Used In the Operation of Governmental Funds**  
**Schedule of Capital Assets By Function and Activity**  
**December 31, 2022**

Function and Activity	Total	Land	Land Improvements	Buildings	Infrastructure	Furniture, Fixtures And Equipment
General government:						
Controller	\$ 473,306	-	-	-	-	473,306
Medical Examiner	5,712,861	-	-	72,313	-	5,640,548
District Attorney	6,191,151	-	-	5,451,644	-	739,507
Sheriff	1,148,401	-	-	-	-	1,148,401
Treasurer	94,352	-	-	-	-	94,352
Chief Executive/County Manager	15,759	-	-	-	-	15,759
County Council	12,415	-	-	-	-	12,415
Court of Common Pleas	60,712,315	-	-	55,778,229	-	4,934,086
Administrative Services:						
Property Assessment	66,962	-	-	-	-	66,962
Elections	17,507,295	-	-	2,183,814	-	15,323,481
Property and Supplies	713,877	-	-	-	-	713,877
Law	329,736	-	-	318,927	-	10,809
Public Defender	35,280	-	-	-	-	35,280
Court Records	1,257,116	-	-	-	-	1,257,116
Real Estate	6,837	-	-	-	-	6,837
Information Technology	3,988,874	-	-	-	-	3,988,874
Facilities Management	511,874	-	-	-	-	511,874
General government land and buildings	115,516,520	1,797,263	-	113,719,257	-	-
Total general government	\$ 214,294,931	1,797,263	-	177,524,184	-	34,973,484

## Supplementary Information

## Exhibit G-1 (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Capital Assets Used In the Operation of Governmental Funds**  
**Schedule of Capital Assets By Function and Activity**  
**December 31, 2022**

Function and Activity	Total	Land	Land Improvements	Buildings	Infrastructure	Furniture, Fixtures And Equipment
Culture and recreation	111,127,265	7,124,449	3,950,760	56,166,803	34,991,464	8,893,789
Economic development	6,764,058	-	-	6,729,208	-	34,850
Health and welfare	198,103,272	3,662,324	-	181,014,161	-	13,426,787
Public safety	235,214,735	4,077,783	351,399	198,251,427	-	32,534,126
Public works	841,991,086	14,317,338	4,353,632	36,388,366	745,879,741	41,052,009
Total governmental funds capital assets	1,607,495,347	30,979,157	8,655,791	656,074,149	780,871,205	130,915,045
Less: Accumulated depreciation	(816,181,374)	-	(8,285,174)	(296,594,449)	(413,740,069)	(97,561,682)
Total	791,313,973	30,979,157	370,617	359,479,700	367,131,136	33,353,363
Construction in progress	84,493,646					
Net governmental funds capital assets	\$ 875,807,619					

## Supplementary Information

## Exhibit G-2

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Changes in Capital Assets by Function and Activity**  
**Year Ended December 31, 2022**

Function and Activity	Governmental Funds Capital Assets 01/01/2022	Additions	Deductions	Governmental Funds Capital Assets 12/31/2022
General government:				
Controller	\$ 592,320	6,870	125,884	473,306
Medical Examiner	5,135,930	620,640	43,709	5,712,861
District Attorney	6,173,070	19,656	1,575	6,191,151
Sheriff	1,105,394	43,007	-	1,148,401
Treasurer	99,612	-	5,260	94,352
Chief Executive/County Manager	15,759	-	-	15,759
County Council	14,418	-	2,003	12,415
Court of Common Pleas	60,543,364	231,222	62,271	60,712,315
Administrative Services:				
Property Assessment	105,783	-	38,821	66,962
Elections	17,507,295	-	-	17,507,295
Property and Supplies	670,449	46,248	2,820	713,877
Property Management	20,348	-	20,348	-
Human Resources	1,102	-	1,102	-
Law	329,736	-	-	329,736
Public Defender	35,280	-	-	35,280
Court Records	1,042,159	326,615	111,658	1,257,116
Real Estate	9,385	-	2,548	6,837
Information Technology	4,364,812	109,366	485,304	3,988,874
Facilities Management	511,874	-	-	511,874
General government land and buildings	114,519,465	997,055	-	115,516,520
Total general government	212,797,555	2,400,679	903,303	214,294,931
Culture and recreation	109,594,548	1,532,717	-	111,127,265
Economic development	6,766,160	-	2,102	6,764,058
Health and welfare	206,545,607	483,999	742,001	206,287,605
Public safety	234,208,639	1,278,690	8,456,927	227,030,402
Public works	816,305,773	25,869,314	184,001	841,991,086
Total governmental fund capital assets	1,586,218,282	31,565,399	10,288,334	1,607,495,347
Construction in progress	65,453,925	40,171,337	21,131,616	84,493,646
Total	1,651,672,207	71,736,736	31,419,950	1,691,988,993
Less: Accumulated depreciation	(767,097,000)	(51,188,375)	(2,104,001)	(816,181,374)
Net governmental funds capital assets	\$ 884,575,207	20,548,361	29,315,949	875,807,619

## Supplementary Information

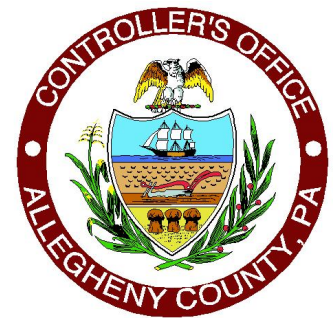
## Exhibit G-3

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Schedule of Capital Assets by Source**  
**December 31, 2022**

Governmental funds capital assets:		
Land	\$	30,979,157
Land Improvements		8,655,791
Buildings		460,489,930
Buildings - Capital Lease		7,678,839
Buildings - Leasehold Improvements		20,584,760
Infrastructure		780,871,205
Construction in progress		84,493,646
Furniture, fixtures and equipment		130,915,045
Right-to-use buildings		167,320,620
Total governmental funds capital assets		1,691,988,993
Less: Accumulated depreciation		(816,181,374)
Net governmental funds capital assets	\$	875,807,619
Investment in governmental funds capital assets by source:		
Capital Projects Fund	\$	1,633,295,479
General Fund		22,839,779
Special Revenue Fund		32,888,070
Human Service Grants Fund		2,943,331
Contributions		22,334
Total governmental funds capital assets		1,691,988,993
Less: Accumulated depreciation		(816,181,374)
Net governmental funds capital assets	\$	875,807,619



## Supplementary Information

**BUDGETARY COMPARISON  
SCHEDULE FOR OPERATING BUDGET**

This schedule combines the General Fund, Debt Service Fund, Transportation Fund, Liquid Fuel Tax, and Infrastructure Support Special Revenue Fund to demonstrate the County's compliance with its Operating Budget.

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## Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Budgetary Comparison Schedule For Operating Budget**  
**Year Ended December 31, 2022**

	Budget		-----
	Original Budget	Final Budget	General Fund
Revenues:			
Property taxes	\$ 387,930,426	387,930,426	322,359,852
Sales and use tax	53,400,000	53,400,000	62,296,573
Alcoholic beverage and rental vehicle taxes	49,500,159	49,500,159	-
Hotel tax	5,250,000	5,250,000	6,376,858
Gaming local share assessment	5,900,000	5,900,000	5,305,823
Licenses and permits	3,575,838	3,575,838	3,254,621
Federal revenues	51,342,921	51,342,921	48,523,680
State revenues	187,768,797	187,768,797	166,020,693
Local government units revenues	23,404,700	23,404,700	23,404,700
Charges for services and facilities	158,226,471	158,226,471	130,153,420
Fines and forfeitures	4,106,500	4,106,500	2,989,492
Interest earnings	1,645,400	1,645,400	4,976,215
Miscellaneous	5,773,920	5,773,920	10,329,854
Total revenues	937,825,132	937,825,132	785,991,781
Expenditures:			
Current:			
General government	251,913,398	252,022,582	228,962,936
Public safety	143,252,722	143,960,268	132,078,214
Public works	30,033,681	30,850,505	19,388,960
Transportation	34,907,603	34,907,603	-
Health and welfare	370,205,819	370,360,088	340,444,069
Culture and recreation	22,498,872	23,255,189	23,201,819
Education	27,909,495	27,909,495	27,909,495
Economic development	3,477,500	3,477,500	2,652,679
Debt service:			
Principal retirement	39,362,059	39,362,059	-
Interest charges	32,380,389	32,380,389	-
Total expenditures	955,941,538	958,485,678	774,638,172
Excess (deficiency) of revenues over expenditures	(18,116,406)	(20,660,546)	11,353,609
Other financing sources (uses):			
Transfers in	47,810,000	47,810,000	17,294,909
Transfers out	(37,693,594)	(37,093,594)	(21,802,154)
Total other financing sources (uses)	10,116,406	10,716,406	(4,507,245)

## Supplementary Information

## Exhibit H (Page 1 of 2)

----- Actual -----						
Debt Service	Transportation Fund	Liquid Fuel	Infrastructure Support Fund	Interfund Transfer Eliminations	Total	Variance to Final Budget
64,570,714	-	-	-	-	386,930,566	(999,860)
-	-	-	-	-	62,296,573	8,896,573
-	53,820,013	-	-	-	53,820,013	4,319,854
-	-	-	-	-	6,376,858	1,126,858
-	-	-	-	-	5,305,823	(594,177)
-	-	-	-	-	3,254,621	(321,217)
336,391	-	-	-	-	48,860,071	(2,482,850)
77,713	-	3,591,321	4,769,150	-	174,458,877	(13,309,920)
-	-	-	-	-	23,404,700	-
-	-	-	-	-	130,153,420	(28,073,051)
-	-	-	-	-	2,989,492	(1,117,008)
343,047	-	20,475	20,190	-	5,359,927	3,714,527
-	-	-	-	-	10,329,854	4,555,934
<u>65,327,865</u>	<u>53,820,013</u>	<u>3,611,796</u>	<u>4,789,340</u>	<u>-</u>	<u>913,540,795</u>	<u>(24,284,337)</u>
-	-	-	-	-	228,962,936	(23,059,646)
-	-	-	-	-	132,078,214	(11,882,054)
-	-	3,624,681	4,725,422	-	27,739,063	(3,111,442)
-	34,907,603	-	-	-	34,907,603	-
-	-	-	-	-	340,444,069	(29,916,019)
-	-	-	-	-	23,201,819	(53,370)
-	-	-	-	-	27,909,495	-
-	-	-	-	-	2,652,679	(824,821)
38,810,000	-	-	-	-	38,810,000	(552,059)
31,671,976	-	-	-	-	31,671,976	(708,413)
<u>70,481,976</u>	<u>34,907,603</u>	<u>3,624,681</u>	<u>4,725,422</u>	<u>-</u>	<u>888,377,854</u>	<u>(70,107,824)</u>
<u>(5,154,111)</u>	<u>18,912,410</u>	<u>(12,885)</u>	<u>63,918</u>	<u>-</u>	<u>25,162,941</u>	<u>45,823,487</u>
5,533,561	-	-	-	(5,533,561)	17,294,909	(30,515,091)
-	(10,474,561)	-	-	5,533,561	(26,743,154)	10,350,440
<u>5,533,561</u>	<u>(10,474,561)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,448,245)</u>	<u>(20,164,651)</u>

## Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Budgetary Comparison Schedule For Operating Budget**  
**Year Ended December 31, 2022**

	Budget		-----
	Original Budget	Final Budget	General Fund
Net change in fund balances	(8,000,000)	(9,944,140)	6,846,364
Fund balances at beginning of year	132,974,796	132,974,796	94,096,757
Fund balances at end of year	\$ <u>124,974,796</u>	<u>123,030,656</u>	<u>100,943,121</u>

## Supplementary Information

## Exhibit H (Page 2 of 2)

----- Actual -----						
Debt Service	Transportation Fund	Liquid Fuel	Infrastructure Support Fund	Interfund Transfer Eliminations	Total	Variance to Final Budget
379,450	8,437,849	(12,885)	63,918	-	15,714,696	25,658,836
17,126,391	21,651,087	160,388	(59,827)	-	132,974,796	-
<u>17,505,841</u>	<u>30,088,936</u>	<u>147,503</u>	<u>4,091</u>	<u>-</u>	<u>148,689,492</u>	<u>25,658,836</u>

## Supplementary Information



## Supplementary Information

**NONMAJOR COMPONENT UNITS**

The County's Nonmajor Component Units are:

Allegheny HealthChoices, Inc.

Allegheny County Parks Foundation

Soldiers and Sailors Memorial Hall



## Supplementary Information





## Supplementary Information

## Exhibit I-1

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Combining Statement of Net Position**  
**Nonmajor Component Units**  
**December 31, 2022**

	Nonmajor Component Units			Total
	Allegheny HealthChoices, Inc.	Allegheny County Parks Foundation	Soldiers and Sailors Memorial Hall	
<u>Assets</u>				
Cash and short-term investments	\$ 5,827,217	243,346	1,816,583	7,887,146
Restricted cash and short-term investments	37,526,512	2,403,966	-	39,930,478
Time deposits and other investments	-	320,391	-	320,391
Due from primary government	592,814	27,455	-	620,269
Accounts receivable	120,239	-	32,430	152,669
Other receivable	-	765,090	18,130	783,220
Inventory	-	-	18,380	18,380
Other assets	98,077	5,576	16,592	120,245
Buildings and equipment, net of accumulated depreciation	90,423	6,096	3,502,903	3,599,422
Total assets	<u>44,255,282</u>	<u>3,771,920</u>	<u>5,405,018</u>	<u>53,432,220</u>
<u>Liabilities</u>				
Liabilities:				
Vouchers payable	-	14,324	97,764	112,088
Due to primary government	606,165	-	-	606,165
Accrued liabilities	2,369,616	-	-	2,369,616
Other liabilities	14,691	6,096	163,161	183,948
Deferred revenue	1,621,532	50,000	-	1,671,532
Reserve for claims	37,511,821	-	-	37,511,821
Current compensated absences	-	-	6,916	6,916
Total liabilities	<u>42,123,825</u>	<u>70,420</u>	<u>267,841</u>	<u>42,462,086</u>
<u>Net Position</u>				
Net position:				
Investment in capital assets	-	-	3,502,903	3,502,903
With donor restrictions	-	3,175,159	289,623	3,464,782
Without donor restrictions	2,131,457	526,341	1,344,651	4,002,449
Total net position	<u>\$ 2,131,457</u>	<u>3,701,500</u>	<u>5,137,177</u>	<u>10,970,134</u>

## Supplementary Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Combining Statement of Changes in Net Position**  
**Nonmajor Component Units**  
**Year Ended December 31, 2022**

		Program Revenues		
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions
Allegheny HealthChoices	\$ 7,832,087	1,294,186	5,784,292	-
Allegheny County Parks Foundation	2,236,765	474,416	221,397	2,217,572
Soldiers and Sailors Memorial Hall	2,438,388	972,551	480,804	6,006
Total Nonmajor Component Units	\$ 12,507,240	2,741,153	6,486,493	2,223,578

## General Revenues:

Payment from County

Interest and Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position Beginning of Year

Net Position End of Year

## Supplementary Information

## Exhibit I-2

Net (Expense) Revenue and Changes in Net Position			
Allegheny HealthChoices, Inc.	Allegheny County Parks Foundation	Soldiers and Sailors Memorial Hall	Totals
(753,609)	-	-	(753,609)
-	676,620	-	676,620
-	-	(979,027)	(979,027)
(753,609)	676,620	(979,027)	(1,056,016)
\$ -	-	695,731	695,731
41,401	21,519	-	62,920
-	-	34,014	34,014
41,401	21,519	729,745	792,665
(712,208)	698,139	(249,282)	(263,351)
2,843,665	3,003,361	5,386,459	11,233,485
\$ 2,131,457	3,701,500	5,137,177	10,970,134

## Supplementary Information





**SUPPORTING SCHEDULES  
FOR LONG-TERM DEBT**

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## Supplementary Information

## Exhibit J-1 (Page 1 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Long-Term Debt**  
**December 31, 2022**

	Rate of Interest	Date of		Amount	
		Issue	Maturity	Issued	Outstanding
<hr/>					
<u>Nonelectoral Long-Term Debt:</u>					
<u>General Obligation Bonds:</u>					
Bridges	Variable (1)	2-1-00	5-1-27	\$ 2,589,419	1,309,093
	Variable (1)	12-20-00	5-1-27	9,074,930	9,074,930
	4.1355 (2)	3-14-07	11-1-26	619,376	278,223
	2.00 - 5.000	10-11-12	12-1-32	16,876,995	4,944,625
				<u>29,160,720</u>	<u>15,606,871</u>
Roads	Variable (1)	2-1-00	5-1-27	1,860,379	940,528
	Variable (1)	12-20-00	5-1-27	2,032,100	2,032,100
	4.1355 (2)	3-14-07	11-1-26	2,935,343	1,318,551
	2.00 - 5.000	10-11-12	12-1-32	8,958,221	2,624,581
				<u>15,786,043</u>	<u>6,915,760</u>

(1) At December 31, 2022, the rate was 3.67%; the maximum for this issue is 10%.

(2) The 4.1355% is a synthetic fixed rate achieved through a pay-fixed, receive variable interest rate swap contract.

## Supplementary Information

## Exhibit J-1 (Page 2 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Long-Term Debt**  
**December 31, 2022**

	Rate of Interest	Date of		Amount	
		Issue	Maturity	Issued	Outstanding
Airport	Variable (1)	2-1-00	5-1-27	6,552,722	3,312,775
	4.1355 (2)	3-14-07	11-1-26	26,999	12,127
	2.00 - 5.000	10-11-12	12-1-32	10,886,747	3,189,601
				<u>17,466,468</u>	<u>6,514,503</u>
Parks	Variable (1)	2-1-00	5-1-27	500,050	252,803
	4.1355 (2)	3-14-07	11-1-26	653,902	293,732
	2.00 - 5.000	10-11-12	12-1-32	1,408,030	412,526
				<u>2,561,982</u>	<u>959,061</u>
Transportation	Variable (1)	12-20-00	5-1-27	3,347,970	3,347,970
	4.1355 (2)	3-14-07	11-1-26	942,254	423,258
	2.00 - 5.000	10-11-12	12-1-32	698,453	204,633
				<u>4,988,677</u>	<u>3,975,861</u>

## Supplementary Information

## Exhibit J-1 (Page 3 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Long-Term Debt**  
**December 31, 2022**

	Rate of Interest	Date of		Amount	
		Issue	Maturity	Issued	Outstanding
Municipal Improvements	Variable (1)	2-1-00	5-1-27	151,118	76,401
	4.1355 (2)	3-14-07	11-1-26	185,165	83,175
	2.00 - 5.000	10-11-12	12-1-32	353,684	103,623
				<u>689,967</u>	<u>263,199</u>
Communications	2.00 - 5.000	10-11-12	12-1-32	240,819	70,556
				<u>240,819</u>	<u>70,556</u>
Public Buildings	Variable (1)	2-1-00	5-1-27	1,357,446	686,262
	4.1355 (2)	3-14-07	11-1-26	5,480,963	2,462,037
	4.1355 (2)	3-14-07	11-1-26	1,668,877	749,657
	2.00 - 5.000	10-11-12	12-1-32	4,273,806	1,252,139
				<u>12,781,092</u>	<u>5,150,095</u>
Science Center	4.1355 (2)	3-14-07	11-1-26	55,967	25,140
	2.00 - 5.000	10-11-12	12-1-32	34,803	10,198
				<u>90,770</u>	<u>35,338</u>
Flood Control	4.1355 (2)	3-14-07	11-1-26	41,976	18,857
	2.00 - 5.000	10-11-12	12-1-32	26,102	7,648
				<u>68,078</u>	<u>26,505</u>



## Supplementary Information

## Exhibit J-1 (Page 4 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Long-Term Debt**  
**December 31, 2022**

	Rate of Interest	Date of		Amount	
		Issue	Maturity	Issued	Outstanding
Equipment	Variable (1)	2-1-00	5-1-27	788,816	398,785
	4.1355 (2)	3-14-07	11-1-26	1,809,282	812,726
	2.00 - 5.000	10-11-12	12-1-32	2,625,947	769,350
				<u>5,224,045</u>	<u>1,980,861</u>
Feasibility Studies	Variable (1)	2-1-00	5-1-27	130,570	66,017
	4.1355 (2)	3-14-07	11-1-26	587,594	263,946
	2.00 - 5.000	10-11-12	12-1-32	545,362	159,780
				<u>1,263,526</u>	<u>489,743</u>
Geographic Information System	4.1355 (2)	3-14-07	11-1-26	148,393	66,657
	2.00 - 5.000	10-11-12	12-1-32	99,076	29,027
				<u>247,469</u>	<u>95,684</u>
Economic Development	4.1355 (2)	3-14-07	11-1-26	279,776	125,674
	2.00 - 5.000	10-11-12	12-1-32	173,258	50,761
				<u>453,034</u>	<u>176,435</u>

## Supplementary Information

## Exhibit J-1 (Page 5 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Schedule of Long-Term Debt**  
**December 31, 2022**

	Rate of Interest	Date of		Amount	
		Issue	Maturity	Issued	Outstanding
Hospital Buildings and Equipment	Variable (1) 2.00 - 5.000	2-1-00 10-11-12	5-1-27 12-1-32	23,414,480 113,553 <u>23,528,033</u>	11,837,336 33,268 <u>11,870,604</u>
Capital Projects	4.1355 (2) 6.250 2.00 - 5.000 2.00 - 5.250 3.00 - 5.000 2.00 - 5.000 2.25 - 5.000 3.00 - 5.000 3.00 - 5.000 0.442 - 2.236	3-14-07 11-30-10 10-11-12 10-23-13 8-5-14 7-7-16 7-7-16 7-24-18 7-23-20 7-23-20	11-1-26 11-1-27 12-1-32 12-1-24 12-1-34 11-1-33 11-1-41 11-1-43 11-1-49 11-1-37	28,509,133 9,385,000 7,245,144 37,950,000 63,570,000 208,215,000 68,600,000 87,565,000 112,195,000 288,995,000 <u>912,229,277</u>	12,806,241 9,385,000 2,122,683 10,170,000 52,340,000 191,775,000 68,490,000 87,540,000 111,790,000 275,660,000 <u>822,078,924</u>
Total Bonds				<u>1,026,780,000</u>	<u>876,210,000</u>
<u>Other Outstanding Debt:</u>					
Lease Liability				175,504,953	158,309,341
Notes Payable Obligations				<u>5,796,230</u>	<u>3,195,929</u>
Total Other Outstanding Debt				<u>181,301,183</u>	<u>161,505,270</u>
Total Nonelectoral Long-Term Debt				<u>\$ 1,208,081,183</u>	1,037,715,270
Premium, discount and other adjustments					62,690,681
Total Long-Term Debt					<u>\$ 1,100,405,951</u>

**Exhibit J-2**

Nonelectoral Debt:						
General Obligation Bonds:	Balance December 31, 2021	Issued	Transfers	Retired	Accretion	Balance December 31, 2022
Bridges	\$ 17,304,268	-	-	1,697,397	-	15,606,871
Roads	8,185,136	-	-	1,269,376	-	6,915,760
Airport	8,618,218	-	-	2,103,715	-	6,514,503
Parks	1,222,604	-	-	263,543	-	959,061
Transportation	4,116,061	-	-	140,200	-	3,975,861
Municipal Improvements	336,988	-	-	73,789	-	263,199
Communications	85,960	-	-	15,404	-	70,556
Public Buildings	6,439,273	-	-	1,289,178	-	5,150,095
Equipment	2,501,337	-	-	520,476	-	1,980,861
Feasibility Studies	612,184	-	-	122,441	-	489,743
Flood Control	32,430	-	-	5,925	-	26,505
Science Center	43,238	-	-	7,900	-	35,338
Geographic Information System	117,066	-	-	21,382	-	95,684
Economic Development	215,881	-	-	39,446	-	176,435
Hospital Buildings and Equipment	16,896,824	-	-	5,026,220	-	11,870,604
Capital Projects	848,292,532	-	-	26,213,608	-	822,078,924
Total Bonds Outstanding	915,020,000	-	-	38,810,000	-	876,210,000
Other Outstanding Debt:						
Lease Liability	158,309,341	-	-	-	-	158,309,341
Notes Payable Obligations	3,539,737	-	-	343,808	-	3,195,929
	161,849,078	-	-	343,808	-	161,505,270
Total Nonelectoral Debt	\$ 1,076,869,078	-	-	39,153,808	-	1,037,715,270
Premium, discount and other adjustments						62,690,681
						\$ 1,100,405,951

## Supplementary Information

## Exhibit J-3

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Statement of Indebtedness, Borrowing Power and Legal Debt Margin**  
**Year Ended December 31, 2022**

## Computation of Legal Debt Limit

* Gross Revenue - 2019	\$ 1,648,363,908
* Gross Revenue - 2020	1,674,718,756
* Gross Revenue - 2021	<u>1,864,041,755</u>
Total	<u>\$ 5,187,124,419</u>
Average	<u>\$ 1,729,041,473</u>

\*Gross revenue for purposes of the debt statement includes all monies received from all sources during the fiscal year, as defined by Act 1978-52 amended by Act 1981-19 and Act 1996-177, including special recurring revenues from state and federal programs for special purposes. These special recurring revenues are not included in the operating budget.

## Multiples to Determine Gross Borrowing Capacity

For Counties: 300% of average	<u>\$ 5,187,124,419</u>
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## Statement of Indebtedness

## Gross Debt:

## Bonds Issued and Outstanding:

Nonelectoral	\$ 876,210,000
Lease Liability	158,309,341
Notes Payable	<u>3,195,929</u>

Total Nonelectoral Debt	<u>\$ 1,037,715,270</u>
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## Legal Debt Margin

Legal Debt Limit	\$ 5,187,124,419
Less: Total Net Debt Applicable to Debt Limit	<u>876,210,000</u>
Legal Debt Margin	<u>\$ 4,310,914,419</u>

## Statistical Section

This part of the County of Allegheny's annual comprehensive report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Revenue and Expenditure Overview</b> These comments and schedules contain information to help the reader assess the County's operating revenue and expenditures.	343 - 354
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	355 - 362
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	363 - 385
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	386 - 388
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	389 - 392
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	393 - 396
<b>Component Unit (ACAA) Information</b> These schedules present information to help the reader assess the debt coverage requirements of the ACAA's Revenue Bonds and passenger volume trends.	397 - 398
<b>Miscellaneous Information</b> These schedules contain the principal officials and their salaries, County Council members and their expenditure reimbursements as well as a description of the primary governments functions.	399 - 405

## Contents



## Revenue and Expenditure Overview

**REVENUE AND EXPENDITURE OVERVIEW**

This overview relates to the operating funds of the primary government (Allegheny County).

**REVENUES:**

Operating revenues for governmental functions, General, Debt Service, Transportation, Liquid Fuels and Infrastructure Support Funds, totaled \$913.5 million in 2022, which represents an increase of 3.1% compared to revenues for 2021. Revenues are classified into the following general types:

- Property Taxes - real property taxes levied by the County
- Sales and Use Taxes - the 1% local sales tax adopted by the County
- Alcoholic Beverage/Vehicle Fees - the 7% alcoholic beverage, \$2/day rental vehicle and \$5/year per vehicle registration fee (Infrastructure Support Fund) adopted by the County
- Hotel Tax - residual taxes, after required distributions, is available to support the County's regional park system and to fund the Sports and Exhibition Authority deficit
- Non-Profit Contributions - voluntary payments made by tax-exempt institutions to defray the cost of providing County services in lieu of property taxes
- Gaming Local Share Assessment - 2% assessment on gross slot machine revenue
- Licenses and Permits - charges for the issuance of licenses and permits
- Federal - monies received from the federal government such as grants, entitlements and reimbursements
- State - grants, entitlements, shared revenues and reimbursements provided by the Commonwealth of Pennsylvania
- Local Government Units - revenues provided by the Allegheny Regional Asset District, as well as revenues received from local municipalities and school districts
- Charges for Services - fees and charges for services rendered to a taxpayer, third-party or to another County fund
- Fines and Forfeitures - charges levied by the Court of Common Pleas or District Justices
- Interest Earnings - monies received from investments and management of idle cash
- Miscellaneous - revenues from sources not otherwise provided for in other classifications
- Net Other Financing Sources (Uses) - monies received from capital projects and grants less other financing uses. For presentation of these schedules, all operating intrafund activity has been eliminated

## Revenue and Expenditure Overview

Revenues for 2022 and 2021 which support general governmental functions, and the changes between years, are shown in the following table:

CHANGES IN OPERATING REVENUES BY SOURCE				
REVENUE SOURCES	2022 ACTUAL	2021 ACTUAL	VARIANCE	PERCENTAGE
TAXES – PROPERTY	\$ 386,930,566	385,994,170	936,396	0.2
TAXES – SALES AND USE	62,296,573	58,510,992	3,785,581	6.5
DRINK/VEHICLE TAX	53,820,013	42,602,537	11,217,476	26.3
HOTEL TAX	6,376,858	885,202	5,491,656	620.4
2% GAMING LSA	5,305,823	6,485,067	(1,179,244)	(18.2)
LICENSES AND PERMITS	3,254,621	3,413,889	(159,268)	(4.7)
FEDERAL REVENUES	48,860,071	52,198,626	(3,338,555)	(6.4)
STATE REVENUES	174,458,877	167,787,024	6,671,853	4.0
LOCAL GOVERNMENT UNITS REVENUES	23,404,700	22,290,190	1,114,510	5.0
CHARGES FOR SERVICES	130,153,420	135,983,968	(5,830,548)	(4.3)
FINES AND FORFEITURES	2,989,492	2,688,431	301,061	11.2
INTEREST EARNINGS	5,359,927	558,284	4,801,643	860.1
MISCELLANEOUS	10,329,854	6,438,535	3,891,319	60.4
TOTALS	\$ <u>913,540,795</u>	<u>885,836,915</u>	<u>27,703,880</u>	3.1

When compared to the previous year, 2022 revenues increased by \$27.7 million, or 3.1%. Overall, revenues from real property taxes increased \$1.0 million or 0.2% in fiscal year 2022. The property tax increase resulted from the following (in millions):

Current taxes increased	\$ 5.1
Delinquent taxes decreased	(6.3)
Payment in lieu of taxes	0.2
Lien taxes increased	1.0
Tax refunds increased	0.9
Net Change	\$ <u>0.9</u>



## Revenue and Expenditure Overview

Current taxes increased \$5.1 million as a result of a higher collection rate of current taxes and an increase in the certified assessed value from 2021 to 2022. Tax refunds decreased \$0.9 million, lien taxes increased \$1.0 million and Payment in lieu of taxes increased \$0.2 million. The increases were offset by a (\$6.3) million decrease in Delinquent taxes. The millage rate remained unchanged at 4.73 for 2022.

Sales tax revenues increased \$3.8 million or 6.5% as there was an increase in tax collections every month in 2022 which is indicative of the upswing in consumer spending. Along with the increase in spending the rise in prices due to inflation was also responsible for the increase.

Alcoholic beverage/rental vehicle tax revenue increased \$11.2 million or 26.3% between years. The increase is due to businesses and events reopening and having an entire year with no restrictions since the beginning of the pandemic. A portion of the increase can also be attributed to the increase in the price of liquor and beer.

Hotel tax collection fees increased by \$5.5 million or 620.4% due to increased travel resulting in more people staying in hotels. The increase can primarily be related to this being the first year since the pandemic started that everyone was in full operation.

The 2% gaming local share assessment tax decreased in 2022 by (\$1.2) million or 18.2%. The decrease was due to a \$1.5 million one time "true up" payment recorded in 2022 for 2020 and 2021 interactive gaming. This was slightly offset by a \$0.3 million increase in 2022 gaming revenue as iGaming sites for online betting saw a 22.6% increase over 2021 online revenue.

Federal revenues decreased by (\$3.3) million or 6.4% as detailed below (in millions):

• Maintenance of incarcerated people decreased	\$ (3.9)
• Medicare decreased	(3.2)
• Title IV-E - Guardianship assistance decreased	(1.8)
• Skilled and intermediate nursing care decreased	(0.5)
• Miscellaneous decreased	(0.2)
• Temporary assistance to needy families increased	0.4
• Title IV - Foster Care increased	0.1
• Title IV-E - Child Placement increased	2.8
• Title IV - Adoption assistance increased	3.0

State revenues increased by \$6.7 million or 4.0% as detailed below (in millions):

• Act 148 Children, Youth and Family Services increased	\$ 4.7
• Act 148 - Special Grant Initiative increased	2.0
• Skilled and intermediate nursing care increased	0.7
• Adult Probation decreased	(0.2)
• Health Department decreased	(0.5)

## Revenue and Expenditure Overview

Charges for services decreased (\$5.8) million or 4.3% for the following reasons (in millions):

• Commercial insurance decreased	\$ (7.1)
• General government decreased	(4.4)
• Private Pay decreased	(1.7)
• Administrative fees decreased	(1.0)
• Health decreased	(0.2)
• Election increased	0.4
• Recreation increased	0.4
• Use of property and equipment increased	0.4
• Public Safety increased	0.5
• Patient income increased	3.1
• Managed Care/IGT increased	3.8

Fines and forfeitures increased by \$0.3 million or 11.2% as more District Courts fees were collected in 2022.

Interest earnings increased \$4.8 million or 860.1% in 2022, increasing from \$0.6 million in 2021 to \$5.4 million in 2022 as a result of higher interest rates.

Miscellaneous revenues increased \$3.9 million or 60.4% in 2022 as a result of a \$1.3 million increase in gas royalty fees at Deer Lake Park. The Jail Booking Center reported \$1.6 million for salary cross charges received during 2022. Non-department revenues received an additional \$1.4 million in miscellaneous receipts in 2022. Partially offsetting these increases was a (\$0.5) million decrease in Jail telephone commissions due to a decline in population at the Jail.

The following table details the variances between budgeted and actual revenues for general governmental functions, as well as the ratio of actual to budget for 2022.

COMPARISON OF BUDGETED TO ACTUAL OPERATING REVENUES BY SOURCE				
REVENUE SOURCES	2022 FINAL BUDGET	2022 ACTUAL	VARIANCE	PERCENTAGE
TAXES – PROPERTY	\$ 387,930,426	386,930,566	(999,860)	(0.3)
TAXES – SALES AND USE	53,400,000	62,296,573	8,896,573	16.7
TAXES – DRINK/VEHICLE	49,500,159	53,820,013	4,319,854	8.7
TAXES - HOTEL	5,250,000	6,376,858	1,126,858	21.5
2% GAMING LSA	5,900,000	5,305,823	(594,177)	(10.1)
LICENSES AND PERMITS	3,575,838	3,254,621	(321,217)	(9.0)
FEDERAL REVENUES	51,342,921	48,860,071	(2,482,850)	(4.8)
STATE REVENUES	187,768,797	174,458,877	(13,309,920)	(7.1)
LOCAL GOVERNMENT UNITS REVENUE	23,404,700	23,404,700	-	-
CHARGES FOR SERVICES	158,226,471	130,153,420	(28,073,051)	(17.7)
FINES AND FORFEITURES	4,106,500	2,989,492	(1,117,008)	(27.2)
INTEREST EARNINGS	1,645,400	5,359,927	3,714,527	225.8
MISCELLANEOUS	5,773,920	10,329,854	4,555,934	78.9
USE OF FUND BALANCE	8,000,000	-	(8,000,000)	(100.0)
OPERATING TRANSFERS IN	44,810,000	-	(44,810,000)	(100.0)
TOTAL	\$ 990,635,132	913,540,795	(77,094,337)	(7.8)

## Revenue and Expenditure Overview

The final revenue budget exclusive of net financing uses for 2022 was \$990,635,132 while actual revenues were \$913,540,906. Revenues were \$77.1 million or 7.8% lower than projected. The alcoholic beverage tax and rental vehicle tax exceeded expectations by \$4.3 million as an increase in tourism resulted in more alcoholic consumption and number of vehicles rented. Charges for services fell below what was expected by \$28.1 million as recording and filing fees saw a significant decrease. Actual to budget comparison of property taxes (in millions) disclosed the following:

Current taxes were over budget	\$ 3.1
Delinquent taxes were under budget	(3.9)
Lien taxes were under budget	(0.6)
Interest and Penalty were under budget	(0.9)
Payment in lieu of taxes were over budget	0.2
Tax refunds were under budget	1.2
Variance	\$ <u>(0.9)</u>

As it pertains to charges and services overestimate of \$28.1 million, General Government, Health, Patient income, Administrative fees, Private Pay, and Commercial Insurance were overestimated by a combined \$33.5 million. Offset by Public Safety, Recreation activities, Elections, use of property and equipment, Collections from parents and guardians and Managed Care IGT which exceeded what was expected by a combined \$5.4 million arriving at \$28.1 million. Of the \$33.5 million overestimated revenues, \$27.6 million was because of the overestimate of commercial insurance.

The \$6.3 million increase in State revenues offset by the (\$10.5) million decrease in federal revenues are dictated by program expenditures and number of clients.

Allocations of the real property tax levy for 2022 and the preceding two years were as follows (amount per \$100 assessed value):

<u>PURPOSE</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
GENERAL FUND	\$ 0.39388	0.40413	0.38612
DEBT SERVICE FUND	0.07912	0.06887	0.08688
TOTAL TAX RATE	<u>0.47300</u>	<u>0.47300</u>	<u>0.47300</u>

## Revenue and Expenditure Overview

### **EXPENDITURES:**

Expenditures and net financing uses totaled \$897.8 million in 2022, which represents an increase of 2.8% from the previous year. Expenditures fall into ten general classifications:

- General Government - represents services provided by the administrative, elected row offices and judicial branches of government
- Public Safety - includes services such as emergency management, the jail and law enforcement departments involved in the protection of County residents
- Public Works - accounts for those expenditures that provide for physical infrastructure essential to the County, including roads, bridges and parks
- Transportation - includes contributions to the Pittsburgh Regional Transit
- Health & Welfare - includes expenditures to address the needs of older adults, abused and neglected children, infirm adults and intellectually challenged residents
- Culture & Recreation - accounts for the various recreational and cultural events, programs and facilities, including the extensive County-wide park system
- Education - includes expenditures to provide formal and informal learning opportunities to county residents, through the CCAC
- Economic Development - represents various development and promotional programs designed to attract new companies to the region
- Debt Service - reflects scheduled payments for long-term debt
- Net Other Financing Uses - includes payments to capital projects and grants less other financing sources which include the refunding of long-term debt. For presentation of these schedules, all operating intrafund activity has been eliminated

## Revenue and Expenditure Overview

Expenditures by classification for 2022 and 2021, and the changes between years, are shown in the following table:

CHANGES IN OPERATING EXPENDITURES BY FUNCTION				
EXPENDITURE FUNCTION	2022 ACTUAL	2021 ACTUAL	VARIANCE	PERCENTAGE
GENERAL GOVERNMENT	\$ 228,962,936	225,510,669	3,452,267	1.5
PUBLIC SAFETY	132,078,214	132,863,844	(785,630)	(0.6)
PUBLIC WORKS	27,739,063	27,225,505	513,558	1.9
TRANSPORTATION	34,907,603	33,950,848	956,755	2.8
HEALTH AND WELFARE	340,444,069	345,351,995	(4,907,926)	(1.4)
CULTURE AND RECREATION	23,201,819	20,511,443	2,690,376	13.1
EDUCATION	27,909,495	27,364,897	544,598	2.0
ECONOMIC DEVELOPMENT	2,652,679	2,701,334	(48,655)	(1.8)
DEBT SERVICE:				
PRINCIPAL RETIREMENT	38,810,000	25,095,000	13,715,000	54.7
INTEREST CHARGES	31,671,976	31,806,358	(134,382)	(0.4)
TOTAL EXPENDITURES	888,377,854	872,381,893	15,995,961	1.8
OTHER FINANCING (USES) SOURCES-NET	9,448,245	1,153,291	8,294,954	719.2
TOTAL	\$ 897,826,099	873,535,184	24,290,915	2.8

As previously indicated, total outlays increased by \$24.3 million or 2.8% during 2022. General government expenditures increased by \$3.5 million, public works expenditures increased by \$0.5 million, transportation expenditures increased by \$1.0 million, culture and recreation expenditures increased by \$2.7 million, education expenditures increased by \$0.5 million, and debt service principal increased by \$13.7 million. Public safety expenditures decreased by (\$0.8) million, health and welfare expenditures decreased by (\$4.9) million, and debt service interest charges decreased by (\$0.1) million.

## Revenue and Expenditure Overview

The increase in expenditures of \$16.0 million from \$872.4 million in 2021 to \$888.4 million in 2022, is explained below.

General government expenditures increased by \$3.5 million or 1.5% primarily due to increases in salaries and fringes. District Attorney's expenditures increased \$0.6 million and Facilities Management increased \$1.0 million. The Controller's Office, Public Defender, and Sheriff hired additional employees which increased expenditures by \$0.6 million, \$0.7 million, and \$0.5 million, respectively. The Courts reported a \$2.2 million increase as salaries, fringes, services, and supplies expenditures all increased. These increases were partially offset by a (\$2.6) million decrease in Elections as new election equipment was purchased in 2021.

Public safety expenditures decreased by (\$0.8) million or 0.6%. Emergency Services expenditures decreased (\$3.3) million mainly in services as pumper truck leases and consoles for the 9-1-1 center occurred in 2021. This decrease was partially offset by a \$2.7 million increase at the Jail due to increases in salaries, fringes, supplies, and a reduction of recovery.

Public works expenditures increased \$0.5 million or 1.9% primarily due to increases in salaries and fringes. Public Works was able to hire more open positions than in 2021.

Transportation expenditures are contributions to the Pittsburgh Regional Transit (PRT), Airport Corridor Transportation Association, and Heritage Community Transportation. The \$1.0 million or 2.8% increase is the result of the county satisfying a \$34.7 million request from Pittsburgh Regional Transit along with contributions totaling \$0.2 million to the Airport Corridor Transportation Association and the Heritage Community Transportation as both received \$0.1 million.

Health and welfare expenditures decreased (\$4.9) million or 1.4% due to a decrease in personnel at Kane Community Living Centers as the number of employees declined during 2022. Also, Shuman Juvenile Detention Center permanently closed in September 2021 which contributed to the decrease in 2022.

Culture and recreation expenditures increased \$2.7 million or 13.1% as seasonal and part time staff increased in 2022. In addition, food supplies and utility costs rose in 2022.

Education expenditures increased \$0.5 million or 2.0% as CCAC's funding increased in 2022.

Debt service payments increased \$13.6 million in 2022 as principal payments increased \$13.7 million while interest payments decreased (\$0.1) million. The significant changes in Bond principal (in millions) were as follows:

C-79 increased	\$ 9.0
C-69 increased	3.5
C-75 increased	2.3
C-59B, C-74, C-76, C-78 increased	1.3

## Revenue and Expenditure Overview

The following table shows expenditures by function as compared to the final budget, as amended, for 2022. The budget figure of \$992,579,272 includes reappropriations for open encumbrances at the end of 2021 totaling \$1,944,140:

COMPARISON OF BUDGETED TO ACTUAL OPERATING EXPENDITURES BY FUNCTION				
EXPENDITURE FUNCTION	2022 FINAL BUDGET	2022 ACTUAL	VARIANCE	PERCENTAGE
GENERAL GOVERNMENT	\$ 252,022,582	228,962,936	(23,059,646)	(9.1)
PUBLIC SAFETY	143,960,268	132,078,214	(11,882,054)	(8.3)
PUBLIC WORKS	30,850,505	27,739,063	(3,111,442)	(10.1)
TRANSPORTATION	34,907,603	34,907,603	-	-
HEALTH AND WELFARE	370,360,088	340,444,069	(29,916,019)	(8.1)
CULTURE AND RECREATION	23,255,189	23,201,819	(53,370)	(0.2)
EDUCATION	27,909,495	27,909,495	-	-
ECONOMIC DEVELOPMENT	3,477,500	2,652,679	(824,821)	(23.7)
DEBT SERVICE:				
PRINCIPAL RETIREMENT	39,362,059	38,810,000	(552,059)	(1.4)
INTEREST CHARGES	32,380,389	31,671,976	(708,413)	(2.2)
MISCELLANEOUS	44,810,000	-	(44,810,000)	(100.0)
NET FINANCING USES	(10,716,406)	9,448,245	20,164,651	(188.2)
TOTALS	992,579,272	897,826,099	(94,753,173)	(9.5)
LESS: REAPPROPRIATIONS	(1,944,140)	-	(1,944,140)	-
TOTALS	\$ 990,635,132	897,826,099	(92,809,033)	(9.4)

## Revenue and Expenditure Overview

The following two tables pertain only to the County's General Fund. Please refer to Exhibit A-3 in the financial section for a more complete analysis. Departmental expenditures for the year 2022 were as follows:

SUMMARY OF GENERAL FUND EXPENDITURES					
DEPARTMENT	2022 ADOPTED BUDGET INCLUDING REAPPRO- PRIATIONS	2022 BUDGET AMENDMENTS/ TRANSFERS	2022 FINAL BUDGET	2022 ACTUAL EXPENDITURES	VARIANCE
COUNTY					
ADMINISTRATION:					
Chief Executive	\$ 504,043	-	504,043	412,202	(91,841)
County Manager	2,016,002	-	2,016,002	1,974,335	(41,667)
Budget and Finance	1,119,510	-	1,119,510	997,146	(122,364)
Solicitor	3,090,771	-	3,090,771	2,466,432	(624,339)
County Council	1,070,034	-	1,070,034	845,021	(225,013)
	<u>7,800,360</u>	<u>-</u>	<u>7,800,360</u>	<u>6,695,136</u>	<u>(1,105,224)</u>
Human Resources	2,766,952	-	2,766,952	2,312,715	(454,237)
Equity and Inclusion	1,030,728	-	1,030,728	609,212	(421,516)
Children Initiatives	971,513	-	971,513	583,188	(388,325)
Public Defender	11,183,254	-	11,183,254	10,570,703	(612,551)
ADMINISTRATIVE SERVICES:					
Administration	2,597,698	-	2,597,698	2,580,646	(17,052)
Purchasing & Supplies	909,338	-	909,338	778,418	(130,920)
Elections	9,390,049	(490,000)	8,900,049	7,626,945	(1,273,104)
Veterans' Services	862,026	200,000	1,062,026	824,232	(237,794)
Real Estate	1,983,929	20,000	2,003,929	1,851,120	(152,809)
Marketing and Special Events	2,713,171	270,000	2,983,171	2,653,654	(329,517)
Property Assessment	5,903,926	-	5,903,926	5,415,005	(488,921)
	<u>24,360,137</u>	<u>-</u>	<u>24,360,137</u>	<u>21,730,020</u>	<u>(2,630,117)</u>
Information Technology	10,340,553	-	10,340,553	7,628,806	(2,711,747)
Medical Examiner	11,620,485	-	11,620,485	10,392,469	(1,228,016)
Jail	101,737,792	(113,441)	101,624,351	89,807,946	(11,816,405)
County Police	38,638,485	113,441	38,751,926	38,751,926	-
Emergency Services	3,583,991	-	3,583,991	3,518,342	(65,649)
Public Works	21,526,505	-	21,526,505	19,388,960	(2,137,545)
Parks	21,798,723	590,735	22,389,458	22,336,088	(53,370)
Facilities Management	24,890,788	-	24,890,788	24,560,201	(330,587)
Human Services	206,771,902	3,954,658	210,726,560	210,726,560	-
Health Department	20,343,886	-	20,343,886	17,046,868	(3,297,018)



## Revenue and Expenditure Overview

<b>SUMMARY OF GENERAL FUND EXPENDITURES – continued</b>					
<b>DEPARTMENT</b>	<b>2022 ADOPTED BUDGET INCLUDING REAPPROPRIATIONS</b>	<b>2022 BUDGET AMENDMENTS/ TRANSFERS</b>	<b>2022 FINAL BUDGET</b>	<b>2022 ACTUAL EXPENDITURES</b>	<b>VARIANCE</b>
Court Records	8,516,787	-	8,516,787	6,873,441	(1,643,346)
Kane Community Living Centers	107,959,435	(4,395,393)	103,564,042	89,530,632	(14,033,410)
Juvenile Court	33,692,061	-	33,692,061	21,732,589	(11,959,472)
Miscellaneous Grant Agencies	32,958,995	1,733	32,960,728	32,135,907	(824,821)
Non-departmental Operating Expenditures	8,510,967	(151,733)	8,359,234	7,884,289	(474,945)
TOTAL ADMINISTRATION	701,004,299	-	701,004,299	644,815,998	(56,188,301)
ROW OFFICES:					
Controller	7,857,713	-	7,857,713	7,028,781	(828,932)
District Attorney	21,276,283	-	21,276,283	20,515,747	(760,536)
Sheriff	21,494,354	-	21,494,354	20,787,793	(706,561)
Treasurer	8,319,394	-	8,319,394	6,925,979	(1,393,415)
	<u>58,947,744</u>	<u>-</u>	<u>58,947,744</u>	<u>55,258,300</u>	<u>(3,689,444)</u>
Court of Common Pleas	82,559,584	-	82,559,584	74,563,874	(7,995,710)
TOTALS	842,511,627	-	842,511,627	774,638,172	(67,873,455)
LESS: REAPPROPRIATIONS	(1,944,140)				
TOTAL ADOPTED BUDGET	<u>\$ 840,567,487</u>				

## Revenue and Expenditure Overview

The following chart details the changes in fund balances in the General Fund for the year 2022:

CHANGES IN FUND BALANCES – GENERAL FUND					
DESCRIPTION	RESTRICTED	UNRESTRICTED			TOTAL FUND BALANCES
		ASSIGNED	UNASSIGNED	TOTAL	
Audited Fund Balances as of 1/1/2022	\$ 2,329,742	39,944,140	51,822,875	91,767,015	94,096,757
2022 Operating Activity and Use of Fund Balance:					
Liquidation of 2021 Encumbrance Balance	-	(1,944,140)	1,944,140	-	-
Reclass 2022 Encumbrances to Assigned	-	2,806,892	(2,806,892)	-	-
Workers' compensation claims	(2,329,742)	-	2,329,742	2,329,742	-
Future tax appeals	-	4,000,000	(4,000,000)	-	-
Revenue Variance	-	-	11,353,609	11,353,609	11,353,609
Net Operating Activity or (Use of Fund Balance)	(2,329,742)	4,862,752	8,820,599	13,683,351	11,353,609
Transfers/Adjustments:					
Transfers from:					
Capital Projects Fund	-	-	1,080,000	1,080,000	1,080,000
County Grants Fund	-	-	1,214,909	1,214,909	1,214,909
Transfers to:					
Human Service Grants Fund	-	-	(9,197,853)	(9,197,853)	(9,197,853)
Risk Management Fund	-	-	(2,291,186)	(2,291,186)	(2,291,186)
County Grants Fund	-	-	(10,313,115)	(10,313,115)	(10,313,115)
One Time Adjustments:					
ARP Operating Revenue Deficit	-	-	15,000,000	15,000,000	15,000,000
	-	-	(4,507,245)	(4,507,245)	(4,507,245)
Audited Fund Balances as of 12/31/2022	\$ -	44,806,892	56,136,229	100,943,121	100,943,121

Net operating activity increased unassigned fund balance by \$8.8 million. There was a net decrease in other operating sources of (\$4.5) million which include the General Fund covered deficits of \$10.3 million for the County Grants and \$9.2 million to cover Human Service grant expenditures. \$2.3 million was transferred to the Risk Management fund for the State required reserve for Workers' Compensation claims. Offsetting these decreases are one-time revenues of \$15.0 million in ARP funding to cover a deficit in operating revenues, \$1.2 million in Marcellus Shale funding, and \$1.1 million from Capital Projects to cover capital assets costs.

## Financial Trends

Table I

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Net Position by Component**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
					(Restated)		(Restated)			(Restated)
Governmental activities										
Net investment in capital assets	\$ (37,020,683)	(100,809,568)	(57,627,821)	(53,791,930)	(67,640,776)	48,222,678	22,343,440	6,661,257	(11,817,076)	(19,649,247)
Restricted	161,308,086	66,317,005	54,577,770	50,078,082	50,543,379	50,598,079	49,081,463	47,859,099	45,811,742	42,244,049
Unrestricted	(1,518,909,370)	(1,375,873,914)	(1,122,876,018)	(934,559,388)	(839,496,251)	(747,805,775)	(673,824,624)	(2)(590,490,283)	(610,162,486)	(653,456,517)
Total primary government net position	\$ (1,394,621,967)	(1,410,366,477)	(1,125,926,069)	(938,273,236)	(856,593,648)	(648,985,018)	(602,399,721)	(535,969,927)	(576,167,820)	(630,861,715)

(1) Increase is the result of implementing GASB 68.

(2) Increase is the result of implementing GASB 75.

Note: This schedule is being prepared in accordance with GASB 63.

## Financial Trends

Table II (Page 1 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Changes in Net Position**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2022	2021	2020	2019	2018 (Restated)	2017	2016 (Restated)	2015	2014	2013 (Restated)
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 52,048,359	44,816,959	50,957,595	41,776,715	39,240,471	48,547,031	48,622,598	56,745,064	59,067,390	58,573,448
Public safety	13,117,258	11,785,572	10,355,697	10,171,844	10,520,769	11,148,745	11,235,487	16,308,687	21,040,505	19,862,308
Public works	-	-	-	-	-	-	7,350	899,622	424,654	352,177
Health and welfare	156,521,597 (1)	5,749,986	9,510,088	96,952,524	87,263,760	39,808,159	40,178,067	53,971,740	35,826,026	32,118,060
Culture and recreation	7,105,336	6,382,534	3,419,995	5,667,981	4,913,859	4,572,848	5,026,717	4,931,242	4,807,461	4,141,492
Economic development	805,108	424,781	830,693	-	-	719,180	1,233,496	2,939,164	2,847,470	2,978,356
Operating grants and contributions	1,555,384,014	1,546,154,378	1,458,756,562	1,130,806,365	1,105,805,988	1,076,304,542	1,065,385,848	957,189,901	955,816,251	968,409,179
Capital grants and contributions	101,492,453	21,748,858	35,559,335	36,579,318	42,955,651	35,797,560	25,087,968	17,643,305	45,647,073	39,155,086
Total primary government program revenues	1,886,474,125	1,637,063,068	1,569,389,965	1,321,954,747	1,290,700,498	1,216,898,065	1,196,777,531	1,110,628,725	1,125,476,830	1,125,590,106
<b>Expenses</b>										
Governmental activities:										
General government	421,399,159	520,159,372	445,685,984	366,547,100	388,795,499	327,274,851	313,822,414	249,258,742	229,801,667	238,731,436
Public safety	182,313,591	176,747,634	164,817,292	172,027,951	193,343,119	161,730,422	173,723,699	140,330,089	137,782,756	152,273,542
Public works	64,933,109	67,141,160	70,635,352	55,439,384	122,465,592	48,244,712	45,376,207	34,175,109	55,082,381	45,107,334
Transportation	39,848,603	60,435,848	20,981,596	48,324,095	47,057,719	40,835,187	38,965,493	39,082,188	38,141,222	37,968,699
Health and welfare	1,469,094,459	1,389,927,446	1,358,982,180	1,058,903,186	1,028,759,299	979,528,125	975,843,000	879,250,681	888,654,149	875,135,890
Culture and recreation	36,145,966	28,544,558	24,624,277	26,250,909	33,988,356	19,494,835	22,180,734	17,591,356	12,193,436	14,152,773
Education	27,909,495	27,523,155	26,839,851	26,404,312	25,911,305	25,409,728	24,962,626	24,604,197	24,159,375	23,647,347
Economic development	26,492,777	46,320,077	21,066,836	31,964,755	28,917,953	29,892,521	27,666,930	37,218,144	32,399,740	32,898,560
Economic opportunity	28,785,366	28,696,034	28,636,085	28,678,042	29,026,045	22,114,168	15,869,187	15,780,881	13,737,072	15,354,245
Interest on long-term debt	38,815,209	32,869,455	30,491,646	38,694,640	37,894,473	38,010,090	40,077,427	37,950,148	38,370,587	37,597,140
Total primary government expenses	2,335,737,734	2,378,364,739	2,192,761,099	1,853,234,374	1,936,159,360	1,692,534,639	1,678,487,717	1,475,241,535	1,470,322,385	1,472,866,966
<b>Net Expense</b>										
Governmental activities	(449,263,609)	(741,301,671)	(623,371,134)	(531,279,627)	(645,458,862)	(475,636,574)	(481,710,186)	(364,612,810)	(344,845,555)	(347,276,860)
Total primary government net expense	(449,263,609)	(741,301,671)	(623,371,134)	(531,279,627)	(645,458,862)	(475,636,574)	(481,710,186)	(364,612,810)	(344,845,555)	(347,276,860)

Table II (Page 2 of 2)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Changes in Net Position (continued)**  
**Last Ten Years**  
**(accrual basis of accounting)**

	2022	2021	2020	2019	2018 (Restated)	2017	2016 (Restated)	2015	2014	2013 (Restated)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
Property and other local taxes levied for:										
General purposes	316,986,025	329,053,796	307,000,946	315,489,732	308,924,010	304,734,821	287,752,789	288,304,498	280,763,933	276,331,777
Debt service	63,491,253	56,220,183	68,689,598	59,407,179	60,022,021	60,213,629	64,318,687	56,035,012	57,848,162	65,153,761
Sales tax	62,296,573	58,510,992	51,340,137	51,847,535	51,445,652	49,137,286	46,798,000	47,559,039	46,110,625	44,550,065
Hotel rental tax	6,376,858	885,202	537,309	5,349,141	5,335,932	5,214,634	5,230,838	4,225,196	3,129,767	5,077,825
Gaming local share assessment	5,305,823	6,485,067	3,395,287	5,890,055	5,546,519	5,291,862	4,758,596	5,494,366	5,538,735	5,238,938
Interest and investment earnings	9,310,627	1,473,538	4,229,839	10,929,170	5,620,318	3,638,656	5,822,253	1,178,189	798,261	899,922
Gas drilling revenue	-	-	-	-	-	-	-	-	2,542,064	-
Miscellaneous	1,240,960	4,232,485	525,185	687,227	955,780	820,389	599,229	2,014,403	2,807,903	305,553
Total primary government	465,008,119	456,861,263	435,718,301	449,600,039	437,850,232	429,051,277	415,280,392	404,810,703	399,539,450	397,557,841
<b>Change in Net Position</b>										
Governmental activities	15,744,510	(284,440,408)	(187,652,833)	(81,679,588)	(207,608,630)	(46,585,297)	(66,429,794)	40,197,893	54,693,895	50,280,981
Total primary government change in net position	\$ 15,744,510	(284,440,408)	(187,652,833)	(81,679,588)	(207,608,630)	(46,585,297)	(66,429,794)	40,197,893	54,693,895	50,280,981

(1) The County recognized future years' State revenue for the Opioid settlement on Statement of Activities

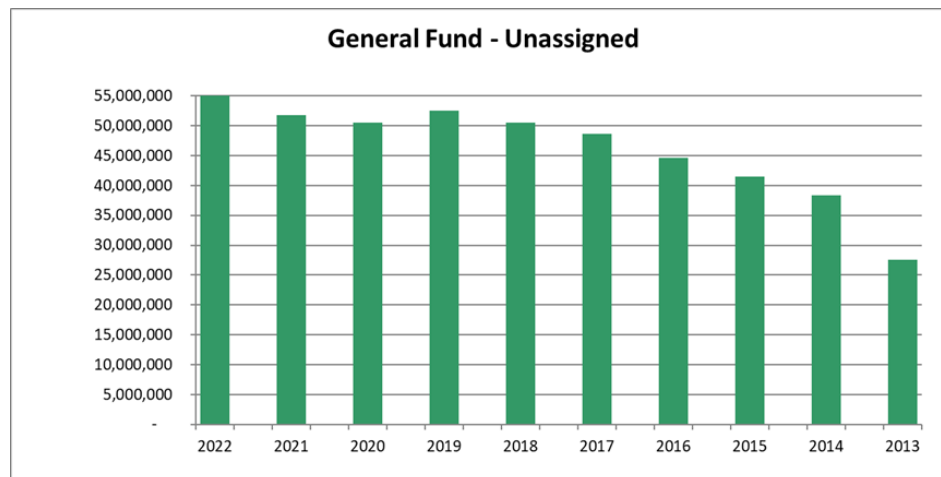
## Financial Trends

Table III

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Fund Balances, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**

	2022	2021	2020	2019	2018 (restated)	2017	2016	2015	2014	2013
General Fund										
Restricted	\$ -	2,329,742	2,329,742	2,329,742	-	-	-	-	-	-
Assigned	44,806,892	39,944,140	35,970,202	34,990,162	37,961,981	34,972,255	33,394,008	28,249,392	21,325,267	7,561,308
Unassigned	56,136,229	51,822,875	50,557,783	52,498,928	50,528,181	48,611,128	44,571,423	41,476,959	38,321,604	27,564,447
Total general fund	<u>100,943,121</u>	<u>94,096,757</u>	<u>88,857,727</u>	<u>89,818,832</u>	<u>88,490,162</u>	<u>83,583,383</u>	<u>77,965,431</u>	<u>69,726,351</u>	<u>59,646,871</u>	<u>35,125,755</u>
All Other Governmental Funds										
Restricted:										
County Grants Fund	48,850,885	36,103,141	32,348,085	32,179,136	32,759,854	30,357,839	30,719,846	28,975,859	26,664,561	24,733,323
Human Services Grants Fund	-	-	-	-	-	-	-	2	250,001	75,341
Capital Projects	149,306,774	134,862,631	203,864,797	105,476,352	158,435,955	107,913,660	148,466,712	105,711,745	141,307,206	27,227,829
Debt Service	6,624,706	6,072,647	5,520,588	4,968,529	8,140,683	3,864,412	3,312,353	2,760,294	4,102,566	5,644,795
Transportation Fund	30,088,936	21,651,087	12,999,398	8,188,794	10,669,287	16,034,819	14,483,399	16,111,213	14,794,378	11,786,469
Infrastructure Support	4,091	-	1,369,811	2,410,155	-	-	-	-	-	-
Liquid Fuel Fund	11,423	160,388	10,146	1,726	14,055	341,009	565,865	11,731	236	4,121
Committed:										
County Grants	16,281,947	17,342,683	18,120,002	18,526,845	16,378,855	15,282,943	15,465,155	15,874,541	3,575,126	3,562,051
Assigned:										
Liquid Fuel Fund	136,080	-	-	-	-	-	-	-	-	-
County Grants	622,450	451,108	474,901	517,992	306,787	207,061	415,278	116,425	84,048	322,196
Capital Projects	-	-	-	-	-	-	-	-	-	69,369,008
Debt Service	10,881,135	11,053,744	11,760,395	1,780,938	-	2,257,485	8,195,571	388,006	-	-
Infrastructure Support	-	-	155,000	-	454,962	28,880	354,609	n/a	n/a	n/a
Unassigned:										
Infrastructure Support	-	(59,827)	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	(132,613)	-	-	-	-	-
Total all other governmental funds	<u>262,808,427</u>	<u>227,637,602</u>	<u>286,623,123</u>	<u>174,050,467</u>	<u>227,027,825</u>	<u>176,288,108</u>	<u>221,978,788</u>	<u>169,949,816</u>	<u>190,778,122</u>	<u>142,725,133</u>
Total governmental funds	<u>\$363,751,548</u>	<u>321,734,359</u>	<u>375,480,850</u>	<u>263,869,299</u>	<u>315,517,987</u>	<u>259,871,491</u>	<u>299,944,219</u>	<u>239,676,167</u>	<u>250,424,993</u>	<u>177,850,888</u>

Note: This schedule is being prepared prospectively. The next schedule has been included to provide prior years' information as it was presented in the prior years' reports.



Financial Trends



## Financial Trends

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**

	Year			
	2022	2021	2020	2019
<b>Revenues</b>				
Property taxes	\$ 386,930,566	385,994,170	374,987,905	371,629,938
Sales and use tax	62,296,573	58,510,992	51,340,137	51,847,535
Alcoholic beverage, hotel and rental vehicle taxes	60,196,871	43,487,739	26,113,548 (2)	58,825,743
Gaming local share assessment	5,305,823	6,485,067	3,395,287	5,890,055
Licenses and permits	3,254,621	3,413,889	3,060,912	3,200,367
Federal revenues	539,043,247 (4)	421,232,188 (3)	492,629,826	226,229,894
State revenues	996,310,319	961,160,296 (3)	837,130,783	815,027,404
Local governmental units revenues	24,333,691	24,166,125	25,479,363	21,903,235
Charges for services and facilities	147,744,969	154,846,179	152,659,584	175,553,273
Fines and forfeitures	2,989,492	2,688,431	2,579,963	4,004,568
Interest earnings	9,310,627	1,473,538	4,229,838	10,929,170
Miscellaneous	46,781,874	31,185,908	30,798,481	23,246,631
Total revenues	<u>2,284,498,673</u>	<u>2,094,644,522</u>	<u>2,004,405,627</u>	<u>1,768,287,813</u>
<b>Expenditures</b>				
Current:				
General government	273,347,307	267,393,845	258,662,519	263,905,655
Public safety	171,313,999	167,104,038	152,005,537	164,264,032
Public works	27,807,647	27,333,058	25,429,678	25,117,996
Transportation	34,907,603	33,950,848	5,723,325	32,488,095
Health and welfare	1,462,751,440 (4)	1,378,399,981	1,345,678,074	1,045,267,743
Culture and recreation	23,228,126	20,534,824	18,093,204	19,886,109
Education	27,909,495	27,523,155	26,839,851	26,404,312
Economic development	26,621,385	45,960,036	20,740,247	31,635,618
Economic opportunity	28,785,366	28,696,034	28,636,085	28,678,042
Capital projects	93,035,954	94,593,836	82,428,383	107,448,756
Debt service:				
Principal	38,810,000	25,095,000	26,185,000	35,855,000
Interest	31,671,976	31,806,358	32,376,155	38,985,143
Cost of issuance	-	-	1,326,870	-
Total expenditures	<u>2,240,190,298</u>	<u>2,148,391,013</u>	<u>2,024,124,928</u>	<u>1,819,936,501</u>
Excess (deficiency) of revenues over expenditures	<u>44,308,375</u>	<u>(53,746,491)</u>	<u>(19,719,301)</u>	<u>(51,648,688)</u>
<b>Other Financing Sources (Uses)</b>				
Issuance of general obligation bonds	-	-	112,195,000	-
Proceeds of general obligation refunding bonds	-	-	288,995,000	-
Payment to escrow refunding agent	-	-	(288,036,765)	-
Premium on bond issuance	-	-	18,177,617	-
Transfers in	55,876,546	32,686,525	43,040,659	56,669,671
Transfers out	(58,167,732)	(32,686,525)	(43,040,659)	(56,669,671)
Total other financing sources	<u>(2,291,186)</u>	<u>-</u>	<u>131,330,852</u>	<u>-</u>
Net change in fund balances	<u>\$ 42,017,189</u>	<u>(53,746,491)</u>	<u>111,611,551</u>	<u>(51,648,688)</u>
Debt service as a percentage of noncapital expenditures	3.2%	2.7%	3.0%	4.3%

(1) New grant funding for Early Learning Resource Center

(2) Closures due to COVID-19.

(3) Additional State funding replacing Federal funding for Children Youth and Families programs

(4) American Rescue Plan

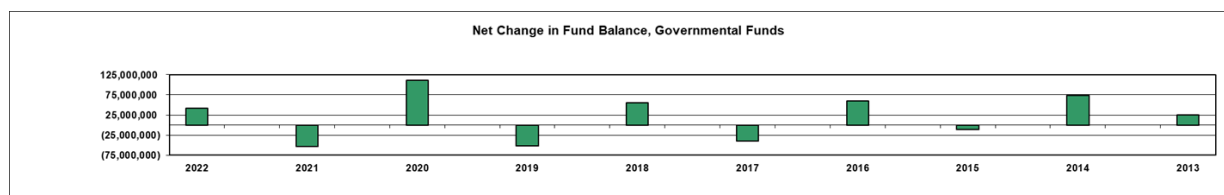


## Financial Trends

Table IV

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**

Year					
2018 (restated)	2017	2016	2015	2014	2013
364,229,425	359,012,223	353,900,861	342,824,364	337,133,767	336,159,600
51,445,652	49,137,286	46,798,000	47,559,039	46,110,625	44,550,065
56,148,481	53,165,241	51,614,985	51,822,537	45,713,023	47,089,203
5,546,519	5,291,862	4,758,596	5,494,366	5,538,735	5,238,938
3,134,459	3,131,501	3,046,961	2,774,956	2,698,568	2,061,720
212,995,511	205,932,488	216,770,308	208,390,111	226,191,476	247,304,296
795,996,680	804,484,905	772,399,084	692,372,084	695,588,658	681,226,030
21,767,793	22,329,468	22,197,486	20,716,150	22,444,663	19,713,694
161,927,029	104,795,963	106,654,849	123,945,239	106,462,302	105,457,693
4,121,219	4,070,276	3,840,962	4,085,661	4,025,810	4,339,683
7,774,416	3,638,656	5,822,253	1,178,190	798,261	899,922
38,813,909	25,023,246	26,082,963	12,776,511	30,832,064	23,781,165
<u>1,723,901,093</u>	<u>1,640,013,115</u>	<u>1,613,887,308</u>	<u>1,513,939,208</u>	<u>1,523,537,952</u>	<u>1,517,822,009</u>
256,813,547	249,683,613	243,693,780	233,384,684	223,541,927	220,774,769
166,157,145	151,685,990	140,574,810	133,583,308	130,750,018	145,292,621
25,338,258	25,876,079	24,694,848	22,161,475	26,480,540	25,366,941
31,894,599	30,948,368	30,457,695	29,082,188	29,168,699	29,168,699
1,008,012,590	967,724,902	971,272,208	877,985,772	889,066,557	873,600,594
19,729,302	18,297,082	17,883,305	15,947,318	10,005,489	9,711,077
25,911,305	25,409,728	24,962,626	24,604,197	24,159,375	23,647,347
28,540,795	29,547,780	27,331,776	37,217,240	32,394,427	32,891,584
29,026,045 (1)	22,114,168	15,869,187	15,780,881	13,737,072	15,354,245
99,527,346	87,970,229	71,074,627	62,423,688	79,320,626	81,171,092
34,362,500	32,987,500	30,305,000	34,562,500	25,252,500	37,450,000
37,766,389	37,840,404	35,546,293	37,954,783	37,110,261	37,574,482
459,772	-	1,338,305	-	1,000,940	279,034
<u>1,763,539,593</u>	<u>1,680,085,843</u>	<u>1,635,004,460</u>	<u>1,524,688,034</u>	<u>1,521,988,431</u>	<u>1,532,282,485</u>
<u>(39,638,500)</u>	<u>(40,072,728)</u>	<u>(21,117,152)</u>	<u>(10,748,826)</u>	<u>1,549,521</u>	<u>(14,460,476)</u>
87,565,000	-	68,600,000	-	63,570,000	37,950,000
-	-	208,215,000	-	123,925,000	-
-	-	(251,694,924)	-	(137,078,219)	-
7,719,996	-	56,265,128	-	20,607,803	886,076
49,900,742	32,902,751	38,419,328	43,057,078	37,141,052	26,526,866
<u>(49,900,742)</u>	<u>(32,902,751)</u>	<u>(38,419,328)</u>	<u>(43,057,078)</u>	<u>(37,141,052)</u>	<u>(26,526,866)</u>
95,284,996	-	81,385,204	-	71,024,584	38,836,076
<u>55,646,496</u>	<u>(40,072,728)</u>	<u>60,268,052</u>	<u>(10,748,826)</u>	<u>72,574,105</u>	<u>24,375,600</u>
4.3%	4.3%	4.2%	4.9%	4.3%	5.1%



## Financial Trends

Table V

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Program Revenues by Program/Function**  
**Last Ten Years**  
**(accrual basis of accounting)**

Function/Program	Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
					(restated)					
Governmental activities:										
General government	\$ 149,782,482	98,408,605	94,666,823	101,019,680	99,877,343	92,845,903	91,222,607	87,568,430	91,214,011	94,990,681
Public safety	50,938,235	55,955,961	53,734,649	54,443,692	49,636,608	42,216,391	38,903,577	47,795,830	44,851,772	64,328,401
Public works	45,065,990	28,047,990	42,380,132	46,725,555	51,343,272	42,248,628	31,580,153	24,145,006	52,638,517	48,782,708
Transportation	53,820,013	42,602,537	25,576,239	53,476,602	50,812,549	47,950,607	46,384,147	47,597,341	42,583,256	42,011,378
Health and welfare	1,485,230,734	1,304,458,445	1,275,093,986	980,595,692	953,627,915	913,630,713	918,683,813	838,044,987	838,680,414	821,495,873
Culture and recreation	43,842,007	32,212,442	29,633,354	29,893,292	29,040,250	29,795,684	28,349,077	18,953,012	15,872,136	12,949,901
Education	-	157,432	13,087	26,187	116,941	118,590	169,103	303,510	191,410	296,892
Economic development	29,249,156	46,883,764	20,038,509	27,092,644	27,172,466	25,942,059	25,359,146	30,416,677	25,729,719	25,309,300
Economic opportunity	28,545,508	28,335,892	28,253,186	28,345,662	28,739,440	21,817,027	15,695,118	15,503,571	13,373,927	15,088,578
Interest on long-term debt	-	-	-	335,741	333,714	332,463	430,790	300,361	341,668	336,394
Total primary government	\$ 1,886,474,125	1,637,063,068	1,569,389,965	1,321,954,747	1,290,700,498	1,216,898,065	1,196,777,531	1,110,628,725	1,125,476,830	1,125,590,106

## Revenue Capacity

Table VI

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Tax Revenues by Source, Governmental Funds**  
**Last Ten Years**  
**(modified accrual basis of accounting)**

Year		Property Taxes	Sales and Use Taxes	Total
2022	\$	386,930,566	62,296,573	449,227,139
2021		385,994,170	58,510,992	444,505,162
2020		374,987,905	51,340,137	426,328,042
2019		371,629,938	51,847,535	423,477,473
2018		364,229,425	51,445,652	415,675,077
2017		359,012,223	49,137,286	408,149,509
2016		353,900,861	46,798,000	400,698,861
2015		342,824,364	47,559,039	390,383,403
2014		337,133,767	46,110,625	383,244,392
2013		336,159,600 (1)	44,550,065	380,709,665
Change 2013-2022		15.10%	39.83%	18.00%

(1) Includes a County-wide reassessment.

## Revenue Capacity

Table VII

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Adjustments (1)	Discounts	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Delinquent Collections	Refunds	Total Net Collections to Date	
					Amount	Percentage of Original Levy			Amount	Percentage of Adjusted Levy
2022	\$ 396,603,884	(2,580,248)	(7,353,494)	386,670,142	377,853,459	95.27%	n/a	1,578,103	376,275,356	97.31%
2021	388,225,806	1,862,785	(7,255,756)	382,832,835	381,052,036	98.15	5,413,064	3,115,404	383,349,696	100.14
2020	382,943,662	191,245	(6,958,287)	376,176,620	364,355,340	95.15	7,880,945	3,053,638	369,182,647	98.14
2019	376,752,222	(267,292)	(6,822,229)	369,662,701	360,961,722	95.81	7,062,799	3,624,975	364,399,546	98.58
2018	370,287,312	1,074,345	(6,594,632)	364,767,025	355,166,519	95.92	8,182,237	4,361,121	358,987,635	98.42
2017	364,763,046	(121,868)	(6,578,962)	358,062,216	349,905,062	95.93	8,935,696	4,515,400	354,325,358	98.96
2016	359,380,677	(1,202,539)	(6,460,261)	351,717,877	344,305,366	95.81	7,621,168	4,013,694	347,912,840	98.92
2015	352,184,851	(422,140)	(6,300,050)	345,462,661	337,212,410	95.75	8,420,155	4,755,557	340,877,008	98.67
2014	354,766,682	(4,504,113)	(6,265,519)	343,997,050	335,740,093	94.64	9,266,585	7,420,709	337,585,969	98.14
2013	368,573,404	(31,137,423) (2)	(6,393,206)	331,042,775	337,989,221	91.70	9,207,702	16,488,392 (2)	330,708,531	99.90

The above schedule cannot be traced to the financial statements.

(1) Included in adjustments are assessment additions/exonerations.

(2) All properties were reassessed resulting in many appeals and refunds. The Homestead Exemption was also increased to \$18,000 from \$15,000 for each residential property.

n/a: Information not available

## Revenue Capacity

Table VIII

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Principal Taxpayers**  
**December 31, 2022 and December 31, 2013**

Taxpayer	December 31, 2022			December 31, 2013		
	Real Property Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation	Real Property Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation
University of Pittsburgh	\$ 277,583,760	1	0.33%	-	-	-
600 Grant Street Properties, Limited Partnership	233,211,300	2	0.28	233,211,300	2	0.32
Holdings Acquisition Co LP	221,395,500	3	0.27	242,078,500	1	0.33
HRLP Fourth Avenue LLC	179,400,000	4	0.22	179,400,000	4	0.25
500 Grant Street Associates & Mellon N.A.	169,750,000	5	0.20	214,000,000	3	0.29
UPMC Passavant	165,263,800	6	0.20	-	-	-
Mercy Hospital of Pittsburgh	155,700,000	7	0.19	-	-	-
PNC Bank National Association	147,200,000	8	0.18	-	-	-
South Hills Health System & Controllers	123,171,000	9	0.15	-	-	-
Pittsburgh CBD LLC	118,000,000	10	0.14	-	-	-
Pittsburgh Mill Limited Partnership	-	-	-	138,361,100	6	0.19
CBL Monroeville Partner, Limited Partnership	-	-	-	98,748,100	10	0.13
Oxford Development Company	-	-	-	154,000,000	5	0.21
Century III Associates	-	-	-	134,296,900	7	0.18
IX Liberty Center Owner, Limited Partnership	-	-	-	123,500,000	8	0.17
Robinson Mall JCP Associates Limited	-	-	-	108,000,000	9	0.15
Year-End Total Taxable Assessed Valuation	1,790,675,360		2.16%	1,625,595,900		2.22%
	\$ 83,303,096,002			73,150,422,595		

Source: Allegheny County Board of Property Assessment Appeals and Review

(1) Assessed valuation based on the valuation of property for taxes collected in 2022 and 2013 respectively, and a review of the 10 largest taxpayers for the County.

Note: Assessed valuation for real property is based upon 100% of market value (estimated actual value) as set by County appraisal.

## Revenue Capacity

Table IX

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Assessed Valuation of Taxable Property**  
**Last Ten Years**

Year	Residential Real Property	Commercial Real Property	Tax-Exempt Property	Total Assessed Value	Beginning of Year Taxable Assessed Valuation	End of Year Taxable Assessed Valuation	Total Direct Tax Rate
2022	\$ 58,222,825,696	26,167,015,095	22,063,998,668	106,453,839,459	84,389,840,791	83,303,096,002	0.473
2021	57,038,733,257	25,607,033,400	22,137,429,348	104,783,196,005	82,645,766,657	82,471,162,004	0.473
2020	56,193,722,365	25,356,369,743	21,784,151,758	103,334,243,866	81,550,092,108	81,001,038,292	0.473
2019	55,285,519,557	24,985,039,669	21,625,150,437	101,895,709,663	80,270,559,226	79,708,143,385	0.473
2018	54,491,021,414	24,436,115,587	21,325,975,841	100,253,112,842	78,927,137,001	78,511,979,265	0.473
2017	53,784,363,413	23,997,093,248	22,997,275,521	100,778,732,182	77,781,456,661	77,187,008,458	0.473
2016	53,139,444,633	23,565,139,592	23,193,443,030	99,898,027,255	76,704,584,225	75,885,555,760	0.473
2015	52,177,497,583	23,037,501,921	23,144,690,943	98,359,690,447	75,214,999,504	74,412,648,641	0.473
2014	51,399,160,421	23,604,308,549	23,026,829,639	98,030,298,609	75,003,468,970	73,690,269,797	0.473
2013	52,382,246,089	26,389,272,047	23,102,427,975	101,873,946,111	78,771,518,136	73,150,422,595	0.473

Source: Yearly County Certification Report

Note: The Second Class County Code permits the County to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services and in unlimited amounts for debt service. The Administrative Code prohibits the County from deriving windfall benefits from the annual property reassessments or from changes in the predetermined ratio of assessed valuation to market value. The total real estate tax revenue received by reason of reassessment or change in the ratio shall not exceed the total amount of real estate tax revenue received in the preceding year. If necessary, the County shall reduce the real estate tax rate to comply with this revenue limitation.

## Revenue Capacity

Table X (Page 1 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
	Real Estate Rate (Mills)									
Municipality and School District (3)										
ALLEGHENY COUNTY										
General Fund	3.9388	4.0413	3.8612	3.9770	3.9595	3.9457	3.8636	3.9552	3.9154	3.8194
Debt Service	0.7912	0.6887	0.8688	0.7530	0.7705	0.7843	0.8664	0.7748	0.8146	0.9106
Total tax rate (mills)	4.73	4.73	4.73	4.73	4.73	4.73	4.73	4.73	4.73	4.73
Aleppo Township										
Municipal	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	4.0
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
Aspinwall Borough										
Municipal	6.86	6.86	6.86	6.86	5.86	5.86	4.86	4.86	4.86	4.86
Fox Chapel Area S.D.	20.4288	20.1269	19.8686	19.575	19.575	19.3429	18.9822	18.6283	18.6283	18.4475
Avalon Borough										
Municipal	9.83	9.83	9.83	9.83	9.83	9.83	9.83	9.83	7.83	6.83
Northgate S.D.	27.32	26.32	25.5	25.5	24.7867	24.7867	24.7867	24.7867	24.7867	23.7071
Baldwin Borough										
Municipal	6.78	6.78	6.78	6.78	6.28	6.28	5.95	5.95	5.41	5.41
Baldwin-Whitehall S.D.	23	22.63	21.76	21.76	21.05	19.61	19.25	18.42	17.61	19.61
Baldwin Township										
Municipal	9.8	8.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8	7.8
Baldwin-Whitehall S.D.	23	22.63	21.76	21.76	21.05	19.61	19.25	18.42	17.61	19.61
Bell Acres Borough										
Municipal	4.32	4.32	4.32	4.32	4.32	4.32	4.32	4.32	4.12	4.12
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
Bellevue Borough										
Municipal	4.89	4.89	4.89	4.89	4.89	4.89	4.89	4.89	4.89	4.89
Northgate S.D.	27.32	26.32	25.5	25.5	24.7867	24.7867	24.7867	24.7867	24.7867	23.7071

## Revenue Capacity

Table X (Page 2 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
Ben Avon Borough										
Municipal	4.92	5.07	4.35	4.35	4.36	4.36	4.39	4.38	4.39	4.28
Avonworth S.D.	20.19	19.53	19.53	19.53	19.1	18.67	18.67	18.67	18.67	17.7
Ben Avon Heights Borough										
Municipal	7.95	7.95	7.95	7.95	7.95	7.95	7.95	7.95	5.75	5.75
Avonworth S.D.	20.19	19.53	19.53	19.53	19.1	18.67	18.67	18.67	18.67	17.7
Bethel Park Borough										
Municipal (4)	2.78	2.78	2.78	2.78	2.53	2.53	2.53	2.32	2.32	1.98
Bethel Park S.D.	23.4281	22.5272	21.7654	21.0	22.8763	22.8763	22.8763	22.8763	22.4276	21.8593
Blawnox Borough										
Municipal	9.85	9.85	9.85	9.85	9.85	9.85	9.85	9.85	9.35	8.895
Fox Chapel Area S.D.	20.4288	20.1269	19.8686	19.575	19.575	19.3429	18.9822	18.6283	18.6283	18.4475
Brackenridge Borough										
Municipal	6.25	6.25	6.25	6.25	6.25	5.77	5.77	5.77	5.77	5.77
Highlands S.D.	25.13	24.88	24.88	24.88	24.63	23.8	23.8	23.8	23.8	23.8
Braddock Borough										
Municipal	13.65	13.65	13.65	13.65	13.65	12.65	11.65	11.65	11.65	11.15
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
Braddock Hills Borough										
Municipal	8.205	8.205	8.205	8.205	8.205	8.205	8.205	6.205	6.205	6.205
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4



## Revenue Capacity

Table X (Page 3 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Bradford Woods Borough</u>										
Municipal	3.375	3.375	2.483	2.483	2.483	2.483	2.483	2.483	1.803	1.803
North Allegheny S.D.	19.74	19.1408	19.1408	19.1408	18.4557	18.0011	18.0011	18.0011	17.4039	17.4039
<u>Brentwood Borough</u>										
Municipal	10.0	10.0	10.0	10.0	10.0	10.0	10.0	8.75	8.75	7.5
Brentwood S.D.	35.7905	34.1187	32.7121	31.5450	30.5373	29.5332	29.5332	28.1907	26.8259	24.8044
<u>Bridgeville Borough</u>										
Municipal	8.25	8.25	8.25	8.25	5.5	5.5	5.5	5.5	5.5	5.5
Chartiers Valley S.D.	19.3957	18.7580	18.2118	17.5595	17.071	16.6067	16.6067	16.2175	16.2175	16.2175
<u>Carnegie Borough</u>										
Municipal	7.0	6.75	6.75	6.75	6.75	6.75	6.75	6.63	6.63	6.23
Carlynton S.D.	26.7432	26.7432	25.7891	24.1815	23.5	22.502	21.564	20.584	19.604	19.089
<u>Castle Shannon Borough</u>										
Municipal	9.658	9.658	9.1789	9.1789	8.385	8.385	8.385	8.385	8.385	7.328
Keystone Oaks S.D.	20.4856	20.0839	19.499	19.499	19.306	19.0771	19.0771	18.63	18.63	18.63
<u>Chalfant Borough</u>										
Municipal	8.9	8.9	8.4	8.4	8.4	6.9	6.9	6.9	6.9	6.9
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
<u>Cheswick Borough</u>										
Municipal (6)	5.85	5.85	5.85	5.85	5.85	5.35	5.35	5.93	5.68	5.68
Allegheny Valley S.D.	20.8377	20.8377	20.8377	20.8377	20.8377	20.3494	20.3494	20.3494	20.3494	19.9494

## Revenue Capacity

Table X (Page 4 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
Churchill Borough Municipal	8.00	8.00	6.48	6.48	6.48	5.98	5.98	5.48	5.48	4.23
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
Clairton City Municipal:										
Land	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0	33.0
Buildings	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
Clairton S.D.										
Land	87.0653	87.0653	87.0653	83.636	80.81	77.85	77.8	75.0	75.0	75.0
Buildings	8.126	8.126	8.126	7.806	7.542	7.266	7.3	7.0	7.0	7
Collier Township Municipal	4.1	4.1	4.1	4.1	3.13	3.13	2.73	2.73	2.73	2.73
Chartiers Valley S.D.	19.3957	18.7580	18.2118	17.5595	17.071	16.6067	16.6067	16.2175	16.2175	16.2175
Coraopolis Borough Municipal	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	10.5
Cornell S.D.	25.107	24.527	23.675	23.675	23.675	23.314	23.314	23.314	22.746	22.746
Crafton Borough Municipal	8.59	8.59	7.59	7.59	7.59	7.59	7.09	7.09	7.09	7.09
Carlynton S.D.	26.7432	26.7432	25.7891	24.1815	23.5	22.502	21.564	20.584	19.604	19.089
Crescent Township Municipal(4)	6.4	4.9	4.9	4.9	6.4	6.4	6.4	6.4	6.4	6.4
Moon Area S.D.	22.6746	22.6746	22.6746	21.92	21.117	20.3028	19.5576	18.8461	18.8461	18.1167
Dormont Borough Municipal	10.97	9.97	9.97	9.97	9.97	9.97	8.97	8.97	8.97	9.0
Keystone Oaks S.D.	20.4856	20.0839	19.499	19.499	19.306	19.0771	19.0771	18.63	18.63	18.63

## Revenue Capacity

Table X (Page 5 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Dravosburg Borough</u>										
Municipal	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.55	7.8	7.03
McKeesport Area S.D.	20.96	20.96	20.96	20.16	19.48	17.37	16.74	16.15	15.7	15.22
<u>Duquesne City</u>										
Municipal:										
Land	20.5	20.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5	18.5
Buildings	15.5	15.5	13.5	13.5	13.5	13.5	11.5	11.5	11.5	11.5
Duquesne S.D.	18.48	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5	17.5
<u>East Deer Township</u>										
Municipal	4.9	4.9	4.9	4.9	4.9	4.9	4.9673	4.9673	5.0175	4.5
Deer Lakes S.D.	22.690	22.690	21.953	21.953	21.953	21.953	21.953	21.953	21.953	21.953
<u>East McKeesport Borough</u>										
Municipal	9.4	9.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.9
East Allegheny S.D.	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	25.8	27.54	27.54
<u>East Pittsburgh Borough</u>										
Municipal	13.45	13.45	13.45	13.45	13.45	13.45	13.45	13.65	13.65	11.89
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
<u>Edgewood Borough</u>										
Municipal	7.185	7.185	7.185	7.185	7.185	7.185	7.185	7.15	5.9	5.65
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
<u>Edgeworth Borough</u>										
Municipal	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93

## Revenue Capacity

Table X (Page 6 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Elizabeth Borough</u>										
Municipal	10.0	8.5	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Elizabeth-Forward S.D.	26.3243	26.3243	25.6823	24.7899	24.0213	22.9694	20.6052	20.6052	20.6052	20.6052
<u>Elizabeth Township</u>										
Municipal (4)	3.926	3.926	3.926	3.926	3.926	3.930	3.926	3.926	3.926	3.926
Elizabeth-Forward S.D.	26.3243	26.3243	25.6823	24.7899	24.0213	22.9694	20.6052	20.6052	20.6052	20.6052
<u>Ensworth Borough</u>										
Municipal	4.955	4.955	3.955	3.955	3.930	3.955	3.955	3.955	3.955	4.0
Avonworth S.D.	20.19	19.53	19.53	19.53	19.1	18.67	18.67	18.67	18.67	17.7
<u>Etna Borough</u>										
Municipal	9.0	9.0	9.0	9	8.25	8.25	8.25	8.25	8.25	8.2
Shaler Area S.D.	23.5319	23.5319	23.5319	23.5319	23.5319	23.2819	22.56	21.87	21.34	20.76
<u>Fawn Township</u>										
Municipal	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04	3.04
Highlands S.D.	25.13	24.88	24.88	24.88	24.63	23.8	23.8	23.8	23.8	23.8
<u>Findlay Township</u>										
Municipal	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
West Allegheny S.D.	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.5
<u>Forest Hills Borough</u>										
Municipal	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4

## Revenue Capacity

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**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Forward Township</u>										
Municipal	1.95	1.95	1.95	1.95	1.95	1.95	1.95	1.95	2.05	2.95
Elizabeth-Forward S.D.	26.3243	26.3243	25.6823	24.7899	24.0213	22.9694	20.6052	20.6052	20.6052	20.6052
<u>Fox Chapel Borough</u>										
Municipal	2.95	2.95	2.95	3.0	2.5	2.5	2.5	2.5	2.3	2.16
Fox Chapel Area S.D.	20.4288	20.1269	19.8686	19.575	19.575	19.3429	18.9822	18.6283	18.6283	18.4475
<u>Franklin Park Borough</u>										
Municipal	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.077	1.077	1.077
North Allegheny S.D.	19.74	19.1408	19.1408	19.1408	18.4557	18.0011	18.0011	18.0011	17.4039	17.4039
<u>Frazer Township</u>										
Municipal	2.50	2.50	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42
Deer Lakes S.D.	22.690	22.690	21.953	21.953	21.953	21.953	21.953	21.953	21.953	21.953
<u>Glassport Borough</u>										
Municipal	15.49	15.49	11.99	11.99	11.99	11.99	11.99	11.99	8.99	8.99
South Allegheny S.D.	23.5	21.17	20.26	19.5	17.86	17.24	17.24	17.24	17.24	17.24
<u>Glenfield Borough</u>										
Municipal	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
<u>Green Tree Borough</u>										
Municipal	4.61	4.61	3.61	3.61	3.61	3.61	3.61	3.61	3.61	3.61
Keystone Oaks S.D.	20.4856	20.0839	19.499	19.499	19.306	19.0771	19.0771	18.63	18.63	18.63

## Revenue Capacity

Table X (Page 8 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Hampton Township</u>										
Municipal	2.9241	2.9241	2.9241	2.9241	2.4966	2.4966	2.4966	2.4026	2.4026	2.4026
Hampton S.D.	20.99	20.30	19.71	19.38	18.95	18.77	18.39	18.12	17.85	17.59
<u>Harmar Township</u>										
Municipal	3.15	2.90	3.45	3.45	3.45	3.45	3.45	3.7	3.7	3.7
Allegheny Valley S.D.	20.8377	20.8377	20.8377	20.8377	20.8377	20.3494	20.3494	20.3494	20.3494	19.9494
<u>Harrison Township</u>										
Municipal	5.106	5.106	5.106	5.106	5.106	5.106	5.106	5.106	4.341	4.341
Highlands S.D.	25.13	24.88	24.88	24.88	24.63	23.8	23.8	23.8	23.8	23.8
<u>Haysville Borough</u>										
Municipal	5.080	5.080	4.6095	4.6095	4.6	4.8	4.8	4.8	4.18	5.5
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
<u>Heidelberg Borough</u>										
Municipal	7.95	7.95	7.95	7.95	6.95	6.95	6.95	6.95	6.95	6.95
Chartiers Valley S.D.	19.3957	18.7580	18.2118	17.5595	17.071	16.6067	16.6067	16.2175	16.2175	16.2175
<u>Homestead Borough</u>										
Municipal (6)	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.3	13.0
Steel Valley S.D.	26.8913	26.1081	25.08	24.217	23.489	22.761	22.0132	21.31	21.31	21.31
<u>Indiana Township</u>										
Municipal (4)	3.47	3.47	3.47	3.47	3.47	3.47	3.47	2.95	2.95	2.7
Fox Chapel Area S.D.	20.4288	20.1269	19.8686	19.575	19.575	19.3429	18.9822	18.6283	18.6283	18.4475

## Revenue Capacity

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**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
Ingram Borough Municipal	5.9	5.9	5.9	5.9	5.9	5.9	6.1	6.1	6.1	6.1
Montour S.D.	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.2211	16.9	16.9
Jefferson Hills Borough Municipal	5.66	5.66	5.66	5.66	5.66	5.66	5.66	5.66	4.66	4.66
West Jefferson Hills S.D.	22.773	22.283	21.447	21.447	20.843	20.236	19.628	19.038	18.592	18.104
Kennedy Township Municipal	2.35	2.35	2.25	2.25	2.2	2.0	2.0	2.0	2	1.67
Montour S.D.	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.2211	16.9	16.9
Kilbuck Township Municipal	4.9	4.9	4.9	4.9	4.9	5.226	5.226	5.226	5.226	5.226
Avonworth S.D.	20.19	19.53	19.53	19.53	19.1	18.67	18.67	18.67	18.67	17.7
Leet Township Municipal	7.7	7.7	7.7	7.7	6.7	6.7	6.7	6.7	5.3	5.3
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
Leetsdale Borough Municipal (5)	9.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	8.0
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
Liberty Borough Municipal	8.0	8.0	8.0	8.0	8.0	6	6.5	4.5	4.5	4.5
South Allegheny S.D.	23.5	21.17	20.26	19.5	17.86	17.24	17.24	17.24	17.24	17.24

## Revenue Capacity

Table X (Page 10 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Lincoln Borough</u>										
Municipal	9.00	9.00	6.5	6.5	6.5	6.5	6.5	6.5	6.5	7.5
South Allegheny S.D.	23.5	21.17	20.26	19.5	17.86	17.24	17.24	17.24	17.24	17.24
<u>Marshall Township</u>										
Municipal	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.42
North Allegheny S.D.	19.74	19.1408	19.1408	19.1408	18.4557	18.0011	18.0011	18.0011	17.4039	17.4039
<u>McCandless Township</u>										
Municipal	1.236	1.236	1.236	1.236	1.236	1.236	1.296	1.296	1.296	1.296
North Allegheny S.D.	19.74	19.1408	19.1408	19.1408	18.4557	18.0011	18.0011	18.0011	17.4039	17.4039
<u>McDonald Borough (Part)</u>										
Municipal (7)	3.39	3.39	3.39	33.9	40.75	40.75	40.75	40.75	40.75	40.75
Fort Cherry S.D. (Washington County)	14.0258	13.4347	12.9304	12.5052	12.141	11.76	130.5000	126.6	123.5	121
<u>McKeesport City</u>										
Municipal:										
Land	20.5	20.5	18.5	18.5	18.5	18.5	16.5	16.5	16.5	16.5
Buildings	8.26	8.26	6.26	6.26	6.26	6.26	4.26	4.26	4.26	4.26
McKeesport Area S.D.	20.96	20.96	20.96	20.16	19.48	17.37	16.74	16.15	15.7	15.22
<u>McKees Rocks Borough</u>										
Municipal	9.4	9.4	9.4	9.4	9.4	9.4	9.4	8.9	6.9	6.9
Sto-Rox S.D.	26.32	25.00	24.09	24.09	24.09	24.09	23.19	23.19	23.19	23.2
<u>Millvale Borough</u>										
Municipal	9.5	10.0	10.0	10.0	10.0	10.0	9.0	9	8.5	8.5
Shaler Area S.D.	23.5319	23.5319	23.5319	23.5319	23.5319	23.2819	22.56	21.87	21.34	20.76



## Revenue Capacity

Table X (Page 11 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Monroeville Borough</u>										
Municipal	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4	2.431
Gateway S.D.	21.7479	20.8914	20.1655	19.8675	19.8675	19.3264	19.3264	19.3264	18.8919	18.8919
<u>Moon Township</u>										
Municipal	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.74	2.48
Moon Area S.D.	22.6746	22.6746	22.6746	21.92	21.117	20.3028	19.5576	18.8461	18.8461	18.1167
<u>Mount Lebanon Township</u>										
Municipal	4.91	4.71	4.71	4.71	4.71	4.71	4.51	4.51	4.51	4.51
Mount Lebanon S.D.	26.39	25.59	24.79	24.79	24.32	23.93	23.93	23.55	23.15	22.61
<u>Mount Oliver Borough</u>										
Municipal	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5	13.5
Pittsburgh S.D.	10.25	9.95	9.95	9.84	9.84	9.84	9.84	9.84	9.84	9.65
<u>Munhall Borough</u>										
Municipal	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75
Steel Valley S.D.	26.8913	26.1081	25.08	24.217	23.489	22.761	22.0132	21.31	21.31	21.31
<u>Neville Township</u>										
Municipal	4.95	4.95	4.95	4.95	4.95	4.95	4.95	4.95	4.45	4.45
Cornell S.D.	25.107	24.527	23.675	23.675	23.675	23.314	23.314	23.314	22.746	22.746
<u>North Braddock Borough</u>										
Municipal	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0	11.0
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4

## Revenue Capacity

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**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>North Fayette Township</u>										
Municipal	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29	3.29
West Allegheny S.D.	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.5
<u>North Versailles Township</u>										
Municipal	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.75	7.8
East Allegheny S.D.	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	25.8	27.54	27.54
<u>Oakdale Borough</u>										
Municipal	5.0	5.0	5.0	5.0	5.0	5.0	5.00	2.99	2.99	3.0
West Allegheny S.D.	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.51	18.5
<u>Oakmont Borough</u>										
Municipal	3.73	3.73	3.73	3.73	3.73	3.73	3.4	3.4	3.4	3.4
Riverview S.D.	23.6675	23.2719	23.2719	23.2719	23.0073	23.0073	22.4462	22.4462	22.4462	21.18
<u>O'Hara Township</u>										
Municipal	2.10	2.10	1.90	1.9	1.725	1.725	1.725	1.725	1.725	1.725
Fox Chapel Area S.D.	20.4288	20.1269	19.8686	19.575	19.575	19.3429	18.9822	18.6283	18.6283	18.4475
<u>Ohio Township</u>										
Municipal	3.09	3.09	3.09	3.09	2.29	2.29	2.29	2.29	2.29	2.29
Avonworth S.D.	20.19	19.53	19.53	19.53	19.1	18.67	18.67	18.67	18.67	17.7
<u>Osborne Borough</u>										
Municipal	4.9	5.2	5.2	5.2	5.2	5.2	4.6	4.6	4.6	5.1
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93

## Revenue Capacity

Table X (Page 13 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
Penn Hills Township										
Municipal	6.444	6.444	6.444	6.444	5.444	5.44	5.440	5.444	5.444	5.444
Penn Hills S.D.	30.5965	30.0965	29.6965	28.6646	28.6646	27.5570	26.3061	24.81	24.15	23.47
Pennsbury Village Borough										
Municipal	6.2	5.7	4.8	4.8	4.8	4.8	4.6	4.6	4.38	4.19
Montour S.D.	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.2211	16.9	16.9
Pine Township										
Municipal	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998
Pine-Richland S.D.	19.5867	19.5867	19.5867	19.5867	19.5867	19.5867	19.2083	19.2083	19.2083	19.2083
Pitcairn Borough										
Municipal	9.25	9.25	8.75	8.75	8.75	8.75	8.75	8.75	7.75	5.75
Gateway S.D.	21.7479	20.8914	20.1655	19.8675	19.8675	19.3264	19.3264	19.3264	18.8919	18.8919
Pittsburgh City										
Municipal (6)	8.06	8.06	8.06	8.06	8.06	8.06	8.06	8.06	7.56	7.56
Pittsburgh S.D.	10.25	9.95	9.95	9.84	9.84	9.84	9.84	9.84	9.84	9.65
Pleasant Hills Borough										
Municipal	7.75	7.75	6.75	6.75	6.75	6.75	6.75	6.75	5.75	5.322
West Jefferson Hills S.D.	22.773	22.283	21.447	21.447	20.843	20.236	19.628	19.038	18.592	18.104
Plum Borough										
Municipal	4.78	4.78	4.78	4.78	4.78	4.78	3.78	3.78	3.8	4.3
Plum S.D.	22.0241	21.0757	21.0757	21.0757	21.0757	20.243	19.377	18.758	18.758	18.758

## Revenue Capacity

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**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>Port Vue Borough</u>										
Municipal	8.4	8.4	8.4	8.4	8.4	7.4	7.4	7.4	7.4	7.86
South Allegheny S.D.	23.5	21.17	20.26	19.5	17.86	17.24	17.24	17.24	17.24	17.24
<u>Rankin Borough</u>										
Municipal	9.6928	9.6928	9.6928	9.6928	9.6928	9.6928	9.6928	9.6928	9.6928	9.6928
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
<u>Reserve Township</u>										
Municipal	5.47	5.47	5.47	5.47	4.47	4.47	4.47	4.47	4.47	4.47
Shaler Area S.D.	23.5319	23.5319	23.5319	23.5319	23.5319	23.2819	22.56	21.87	21.34	20.76
<u>Richland Township</u>										
Municipal	2.69	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2	2.2
Pine-Richland S.D.	19.5867	19.5867	19.5867	19.5867	19.5867	19.5867	19.2083	19.2083	19.2083	19.2083
<u>Robinson Township</u>										
Municipal	3.2	3.2	3.2	3.2	3.2	2.6	2.6	2.6	2.6	2.6
Montour S.D.	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.2211	16.9	16.9
<u>Ross Township</u>										
Municipal	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7
North Hills S.D.	19.7	19.04	18.65	18.65	18.25	18	17.8	17.4	17.26	17.06
<u>Rosslyn Farms Borough</u>										
Municipal	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8	6.88	6.88
Carlynton S.D.	26.7432	26.7432	25.7891	24.1815	23.5	22.502	21.564	20.584	19.604	19.089

## Revenue Capacity

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**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
Scott Township Municipal	5.17109	5.17109	5.1711	5.17	5.33	5.33	5.33	5.33	4.330	4.5
Chartiers Valley S.D.	19.3957	18.7580	18.2118	17.5595	17.071	16.6067	16.6067	16.2175	16.2175	16.2175
Sewickley Borough Municipal	6.25	6.25	6.25	6.25	6.5	6.25	6.5	6.5	5.95	6.5
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
Sewickley Heights Borough Municipal	5.5	5.5	5.5	5.5	5.5	5.0	4.0	4.0	4	2.901
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
Sewickley Hills Borough Municipal	2.84	2.84	2.84	2.84	2.84	2.84	2.84	2.84	2.84	2.4
Quaker Valley S.D.	20.0367	19.4711	19.4711	19.4711	18.9086	18.4009	17.7389	17.3232	17.1548	16.93
Shaler Township Municipal	3.49	3.49	2.49	2.49	2.49	2.49	2.49	2.49	2.49	2.49
Shaler Area S.D.	23.5319	23.5319	23.5319	23.5319	23.5319	23.2819	22.56	21.87	21.34	20.76
Sharpsburg Borough Municipal (4)	8.25	7.50	7.15	7.15	7.15	7.15	7.15	7.15	6.62	6.5
Fox Chapel Area S.D.	20.4288	20.1269	19.8686	19.575	19.575	19.3429	18.9822	18.6283	18.6283	18.4475
South Fayette Township Municipal	4.73	4.73	4.73	4.73	4.73	4.48	4.48	3.48	3.48	3.48
South Fayette S.D.	26.7	26.7	26.7	26.7	26.7	26.7	26.7	26.1168	25.2126	24.7126

## Revenue Capacity

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**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>South Park Township</u>										
Municipal	3.062	3.062	3.062	3.062	3.062	3.062	3.062	3.062	3.062	3.062
South Park S.D.	25.96	25.96	25.96	25.96	25.38	24.6	23.82	23.06	22.48	21.85
<u>South Versailles Township</u>										
Municipal	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9
McKeesport Area S.D.	20.96	20.96	20.96	20.16	19.48	17.37	16.74	16.15	15.7	15.22
<u>Springdale Borough</u>										
Municipal	8.25	8.25	7.75	7.75	7.75	7.75	6.75	6.75	6.5	4.5
Allegheny Valley S.D.	20.8377	20.8377	20.8377	20.8377	20.8377	20.3494	20.3494	20.3494	20.3494	19.9494
<u>Springdale Township</u>										
Municipal	6.5	6.5	6.5	6.5	6.5	6.5	6.5	6.5	5.5	5.0
Allegheny Valley S.D.	20.8377	20.8377	20.8377	20.8377	20.8377	20.3494	20.3494	20.3494	20.3494	19.9494
<u>Stowe Township</u>										
Municipal	10.48	10.48	10.48	10.48	10.48	10.48	10.48	10.48	10.48	10.48
Sto-Rox S.D.	26.32	25.00	24.09	24.09	24.09	24.09	23.19	23.19	23.19	23.19
<u>Swissvale Borough</u>										
Municipal	9.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	7.04	7.04
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
<u>Tarentum Borough</u>										
Municipal	5.48	5.48	5.48	5.48	5.48	5.48	5.48	5.48	5.48	5.48
Highlands S.D.	25.13	24.88	24.88	24.88	24.63	23.8	23.8	23.8	23.8	23.8

## Revenue Capacity

Table X (Page 17 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
Thornburg Borough Municipal	6.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6	5.6
Montour S.D.	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.9638	17.2211	16.9	16.9
Trafford Borough (Part)										
Municipal (2)	31.5	31.5	31.5	31.5	31.5	28.5	28.5	28.5	28.5	28.5
Penn-Trafford S.D. (Westmoreland County)	14.01	15.08	15.12	15.48	15.77	16.08	16.92	15.55	16.36	14.43
Turtle Creek Borough Municipal	9.5	9.5	9.5	9.5	9.5	9.50	9.2	8.0	8	7.75
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
Upper St. Clair Township Municipal	3.83	3.83	3.83	3.83	3.83	3.83	3.83	3.83	3.83	3.83
Upper St. Clair S.D.	28.5628	27.6772	26.8972	26.3775	25.8603	25.156	24.3388	23.0355	22.1957	21.413
Verona Borough Municipal	9.7	7.8	7.8	7.8	7.8	7.8	8.0	8.0	8.0	8.0
Riverview S.D.	23.6675	23.2719	23.2719	23.2719	23.0073	23.0073	22.4462	22.4462	22.4462	21.18
Versailles Borough										
McKeesport Area S.D.	8.0	8.0	8.0	8.0	7.0	7.0	7.0	7.0	7.0	7.0
	20.96	20.96	20.96	20.16	19.48	17.37	16.74	16.15	15.7	15.22
Wall Borough Municipal	7.22	7.22	7.22	7.22	7.22	7.22	7.22	7.22	7.22	7.2
East Allegheny S.D.	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	25.8	27.54	27.54

## Revenue Capacity

Table X (Page 18 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>West Deer Township</u>										
Municipal	2.99	2.99	2.99	2.99	2.99	2.99	1.99	1.99	1.99	1.99
Deer Lakes S.D.	22.690	22.690	21.953	21.953	21.953	21.953	21.953	21.953	21.953	21.953
<u>West Elizabeth Borough</u>										
Municipal	4.55	4.55	4.55	4.55	3.93	3.93	3.93	3.93	3.9	6.0
West Jefferson Hills S.D.	22.773	22.283	21.447	21.447	20.843	20.236	19.628	19.038	18.592	18.104
<u>West Homestead Borough</u>										
Municipal	8.8	8.8	8.8	8.8	8.8	8.8	8.8	8.8	7.38	7.05
Steel Valley S.D.	26.8913	26.1081	25.08	24.217	23.489	22.761	22.0132	21.31	21.31	21.31
<u>West Mifflin Borough</u>										
Municipal	9.98	9.38	8.88	8.88	7.88	7.88	7.88	7.55	7.55	8.02
West Mifflin Area S.D.	26.5691	25.3765	25.3765	24.4965	24.4965	24.4965	24.4965	24.4965	24.4965	20.346
<u>West View Borough</u>										
Municipal	6.3	6.3	5.4	5.4	5.4	5.4	5.4	5.4	5.4	5.4
North Hills S.D.	19.7	19.04	18.65	18.65	18.25	18	17.8	17.4	17.26	17.06
<u>Whitaker Borough</u>										
Municipal	10.5	10.5	10.5	10.5	10.5	10.5	10.3004	10.0038	9.0038	9.0038
West Mifflin Area S.D.	26.5691	25.3765	25.3765	24.4965	24.4965	24.4965	24.4965	24.4965	24.4965	20.346
<u>Whitehall Borough</u>										
Municipal	4.42	4.42	4.42	4.42	4.42	4.42	4.42	4.42	4.66	4.32
Baldwin-Whitehall S.D.	23	22.63	21.76	21.76	21.05	19.61	19.25	18.42	17.61	19.61



## Revenue Capacity

Table X (Page 19 of 19)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Years (1)**

	Real Estate Tax Rate (Mills)									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Municipality and School District (3)										
<u>White Oak Borough</u>										
Municipal	8.00	8.00	6.41	6.41	6.41	6.66	5.16	4.66	4.65	4.66
McKeesport Area S.D.	20.96	20.96	20.96	20.16	19.48	17.37	16.74	16.15	15.7	15.22
<u>Wilkins Township</u>										
Municipal	6.174	5.674	5.674	5.674	5.675	5.675	5.675	5.674	5.674	4.674
Woodland Hills S.D.	26.9982	26.9982	26.9982	26.1105	25.35	25.35	25.35	22.4	22.4	22.4
<u>Wilkinsburg Borough</u>										
Municipal	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Wilkinsburg S.D.	24.50	26.50	29.50	29.50	29.50	32.63	32.63	32.63	32.63	32.6
<u>Wilmerding Borough</u>										
Municipal	13.0	11.0	11.0	11.0	10.0	10.0	10.0	10.0	8.0	8.0
East Allegheny S.D.	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	26.9722	25.8	27.54	27.54

(1) Source: Allegheny County Treasurer's Office provided the millage rates.

(2) Trafford Borough, 100% valuation historically.

(3) The school fiscal year reflects the period from July 1st through June 30th rather than the calendar year.

(4) The municipal millages includes fire tax.

(5) The municipal millages includes road reconstruction.

(6) The municipal millages includes library tax.

(7) McDonald Borough, change to 100% valuation from 25% historically.

## Debt Capacity

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Ratios of General Obligation Bonds Outstanding and Legal Debt Margin**  
**Last Ten Years**

	2022	2021	2020	2019
General obligation bonds outstanding:				
Net nonelectoral debt	\$ 938,900,681	982,451,683	1,012,287,685	896,483,478
Net lease rental debt	-	-	-	-
Total general bond debt	938,900,681	982,451,683	1,012,287,685	896,483,478
Less: Sinking Fund	6,624,706	6,072,647	5,520,588	4,968,529
Total net general bond debt	932,275,975	976,379,036	1,006,767,097	891,514,949
Notes Payable	3,195,929	3,539,737	3,870,322	4,188,191
Leases	158,309,341	-	-	-
Total outstanding debt	1,093,781,245	979,918,773	1,010,637,419	895,703,140
End of year actual taxable assessed valuation	83,303,096,002	82,471,162,004	81,001,038,292	79,708,143,385
Percentage of outstanding debt to assessed valuation	1.31%	1.19%	1.25%	1.12%
Population	1,233,253 (3)	1,245,445	1,250,578	1,216,045 (1)
Outstanding debt per capita	887	787	808	737
Outstanding debt as a percentage of personal income	2.06%	2.10%	2.00%	1.77%
Total net debt applicable to debt limit	876,210,000	915,020,000	940,115,000	825,555,000
Legal debt limit				
300% of average gross revenue	5,187,124,419	4,431,223,072	4,350,779,475	3,811,981,230
Legal debt margin within limitations	\$ 4,310,914,419	3,516,203,072	3,410,664,475	2,986,426,230
Legal debt margin as a percentage of the debt limit	83.11%	79.35%	78.39%	78.34%
Legal debt limit - For counties with lease rental debt				
400% of average gross revenue	\$ n/a	n/a	n/a	n/a
Total net debt applicable to debt limit	n/a	n/a	n/a	n/a
Legal debt margin within limitations	\$ n/a	n/a	n/a	n/a
Legal debt margin as a percentage of the debt limit	n/a	n/a	n/a	n/a

(1) Source: Allegheny County Quick Facts from the U.S. Census Bureau (July 1, 2019 estimates)

(2) Lease rental debt matured in 2018.

(3) Source: Allegheny County Quick Facts from the U.S. Census Bureau (July 1, 2022 estimates)

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements and Schedule J-1's.  
See J-3 for the calculation of the County's legal debt margin for the current year.

## Debt Capacity

Table XI

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Ratios of General Obligation Bonds Outstanding and Legal Debt Margin**  
**Last Ten Years**

2018	2017	2016	2015	2014	2013
939,470,975	885,558,477	925,252,175	856,658,929	895,557,427	858,574,858
-	122,500	240,000	490,000	727,500	960,000
939,470,975	885,680,977	925,492,175	857,148,929	896,284,927	859,534,858
8,140,683	3,864,412	3,312,353	2,760,294	4,102,566	5,644,795
931,330,292	881,816,565	922,179,822	854,388,635	892,182,361	853,890,063
-	-	-	-	-	-
-	-	-	-	-	-
931,330,292	881,816,565	922,179,822	854,388,635	892,182,361	853,890,063
78,511,979,265	77,187,008,458	75,885,555,760	74,412,648,641	73,690,269,797	73,150,422,595
1.19%	1.14%	1.22%	1.15%	1.21%	1.17%
1,218,452	1,223,048	1,225,365	1,230,459	1,231,255	1,231,527
764	721	753	694	725	693
2.01%	1.97%	2.26%	2.16%	2.26%	2.25%
861,410,000	808,085,000	840,955,000	819,080,000	853,405,000	824,690,000
3,274,919,607	3,215,014,269	3,141,266,454	3,100,598,789	3,003,632,375	2,927,612,169
2,413,509,607	2,406,929,269	2,300,311,454	2,281,518,789	2,150,227,375	2,102,922,169
73.70%	74.87%	73.23%	73.58%	71.59%	71.83%
n/a	(2)	4,286,685,692	4,188,355,272	4,134,131,720	3,903,482,892
n/a	808,207,500	841,195,000	819,570,000	854,132,500	825,650,000
n/a	3,478,478,192	3,347,160,272	3,314,561,720	3,150,710,668	3,077,832,892
n/a	81.15%	79.92%	80.18%	78.67%	78.85%

## Debt Capacity

Table XII

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Computation of Direct and Overlapping Debt**  
**December 31, 2022**

Jurisdiction	Total Debt Outstanding	Percentage Applicable to County	Estimated Share of Overlapping Debt
<b>Overlapping</b>			
Various school districts and school district authorities	\$ 2,892,168,999 (1)	100.00%	\$ 2,892,168,999
Various cities	501,687,618 (1)	100.00%	501,687,618
Various townships and boroughs	910,305,384 (1)	100.00%	910,305,384
Community College of Allegheny County	89,374,652 (2)	100.00%	<u>89,374,652</u>
Subtotal of overlapping debt			4,393,536,653
<b>Direct</b>			
County of Allegheny			<u>1,100,405,951 (3)</u>
Total direct and overlapping debt			<u>\$ 5,493,942,604</u>
RATIO OF TOTAL DIRECT AND OVERLAPPING DEBT:			
Total assessed value			6.60%
Per capita			\$4,455

(1) Source: PA Dept. of Community & Economic Development

(2) As of June 30, 2022. Source: Community College of Allegheny County.

(3) From Exhibit 1 and Note 9

Note: Overlapping governments are those that coincide with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Allegheny County. This process recognizes that, when considering the County's ability to repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government. Percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the County's boundaries and dividing it by each unit's total taxable assessed value.

Demographic & Economic Information



## Demographic &amp; Economic Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Demographic and Economic Statistics**  
**Last Ten Years**

Year	Population	Total Personal Income (2)	Per Capita Personal Income (2)	Median Household Income (2)	Median Age (2)	Educational Attainment: Bachelor's Degree or Higher (2)
2022	1,233,253 (1)	n/a	n/a	n/a	n/a	n/a
2021	1,245,445 (6) \$	53,140,242,000 \$	42,077	\$ 66,659	41	43
2020	1,250,578 (7)	46,712,033,800	39,541	62,320	41	43
2019	1,216,045 (2)	50,648,986,100	38,709	61,043	41	42
2018	1,218,452 (2)	46,432,405,600	36,907	58,383	41	41
2017	1,223,048 (2)	44,684,392,100	35,280	56,333	41	40
2016	1,225,365 (2)	40,775,128,500	33,830	54,357	41	39
2015	1,230,459 (2)	39,577,894,000	32,848	53,040	41	38
2014	1,231,255 (2)	39,497,459,900	32,378	52,390	41	37
2013	1,231,527 (2)	37,894,906,500	31,593	51,366	41	39

(1) Source: Allegheny County Quick Facts from the U.S. Census Bureau (July 1, 2022 estimates)

(2) Source: U.S. Census Bureau, American FactFinder

(3) Source: Pennsylvania Department of Education

(4) Source: Pennsylvania Department of Labor and Industry, Center for Workforce Information & Analysis

(5) Source: Yearly Certification Report

(6) Source: Allegheny County Quick Facts from the U.S. Census Bureau (July 1, 2021)

(7) Source: U.S. Census Bureau 2020 Decennial Census

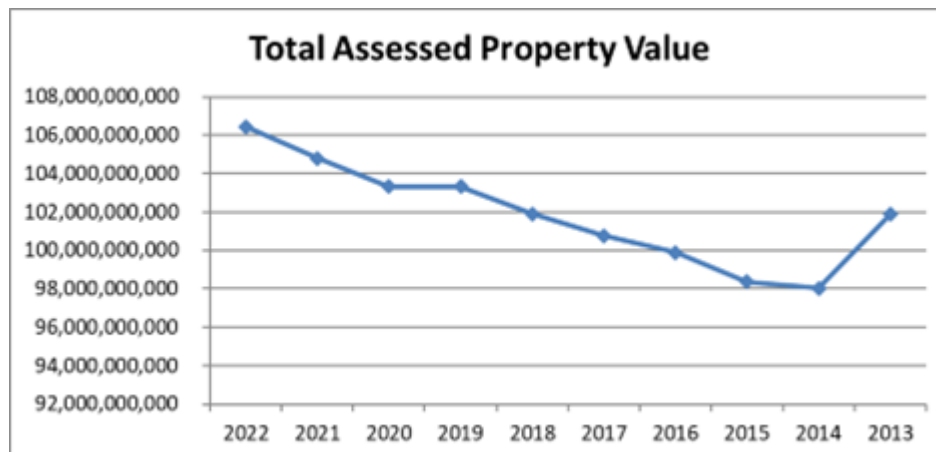
n/a: Information not available

## Demographic &amp; Economic Information

Table XIII

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Demographic and Economic Statistics**  
**Last Ten Years**

School Enrollment (3)	Unemployment Rate (4)	Total Assessed Property Value (5)
167,345	3.8 %	\$ 106,453,839,459
167,009	3.7	104,783,196,005
171,940	7.1	103,334,243,866
168,596	4.2	103,334,243,866
168,390	3.7	101,895,709,663
168,855	4.2	100,778,732,182
172,014	4.7	99,898,027,255
173,560	3.8	98,359,690,447
172,522	4.1	98,030,298,609
178,117	5.2	101,873,946,111



## Demographic &amp; Economic Information

Table XIV

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Principal Employers**  
**Current Year and Nine Years Ago**

<b>2022 (1)</b>		
Employer	Employees	Percentage of Total County Employment
University of Pittsburgh Medical Center	55,700	8.40%
United States Government	18,844	2.84
Highmark Health	17,835	2.69
Commonwealth of Pennsylvania	15,473	2.33
University of Pittsburgh	13,538	2.04
PNC Financial Services Group Inc.	11,300	1.71
Giant Eagle Inc.	11,226	1.69
Wal-Mart Stores Inc.	10,300	1.55
BNY Mellon	7,000	1.06
Allegheny County	6,318	0.95
Total	167,534	25.26%
Total Employees in County	663,256 (3)	
<b>2013 (2)</b>		
Employer	Employees	Percentage of Total County Employment
University of Pittsburgh Medical Center	43,000	6.57%
United States Government	18,328	2.80
Commonwealth of Pennsylvania	13,298	2.03
University of Pittsburgh	12,116	1.85
Giant Eagle Inc.	11,119	1.70
West Penn Allegheny Health System	9,998	1.53
The Bank of New York Mellon	7,600	1.16
Allegheny County	6,728	1.03
Wal-Mart Stores Inc.	6,200	0.95
Westinghouse Electric Co.	5,600	0.86
Total	133,987	20.47%
Total Employees in County	654,500 (3)	

Source: (1) Pittsburgh Business Times, "2023 Book of Lists"  
(2) Pittsburgh Business Times, "2014 Book of Lists"  
(3) U.S. Bureau of Labor Statistics Data.



## Operating Information

Table XV

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Full-Time Equivalent Government Employees by Function/Program**  
**Last Ten Years**

Function/Program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government:										
Chief Executive	2	2	2	3	3	3	3	3	3	3
County Council	11.5	11.5	11.5	6.5	6	11.5	20.0	24.5	25	22
County Manager	17	17.5	16	17	17	16	15	14.5	13	13
Budget and Finance	9	7	8	8	9	8	9	7	9	8
Law Department	49	47.5	52	52	54	55	55	55	57	56
Public Defender	142	126	116	127	114	121	112.5	120	121.5	121.5
Equity and Inclusion	7	6	6	7	7	7	8.5	6	6	6
Human Resources	25	21	22	23	22	21.5	21	18	19	14
Administrative Services	150.5	162	169.5	229	220.5	220.5	220.5	220.5	228	221
Information Technology	104 (5)	81	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Facilities Management	203	191	199	205	212	216	217	195	170	167 (1)
Controller	83.5	75.5	70	87.5	88.5	85.5	88	87.5	88	84.5
Medical Examiner	92	87	92	97	98	100	93	90	91	89
Court Records	104	106	122	130.5	134	132	133	136.0	135.5	139
District Attorney	211	227	228.5	224.5	224	223	215	213.5	218	220.5
Real Estate	25	27	28	42	38	41	42	44.5	42	53
Sheriff	195.5	149	188	191.5	196	193	184	191	200.5	203.5
Treasurer	67	66	71	77.5	75.5	76.5	74	72.5	73.5	75
Court of Common Pleas	1,028	1,019.5	1,093.5	1,138	1,139	1,141	1,144	1,151.5	1,145.5	1,140
Public Safety:										
Emergency Management/911 & Fire Academy	323.5	321.5	346.5	335.5	330.5	324	314	305.5	291	274.5
Jail	561	586	591	633	635	625.5	628.5	633	578	582
County Police	273.5	271	271.5	279.5	274	276	272	266	262	251
Public Works	213.5	196	213	220	218	222	215	208	309	308
Health and Welfare:										
Health	325	322	342	336	345.5	360	349	348	349	357
Children Initiatives	7 (3)	2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Human Services:										
Administration	94	87.5	93.5	94	108.5	109.5	99.5	100.5	103	103
BH/ID/DA	61	68	72	78	82	80	60	59	59	62
Children, Youth and Family Services	468.5	541	579.5	559.5	535	541	533	537	552	550
Office of Community Services	32	28	30	45	31	32	32	30	32	33
Area Agency on Aging	86	97	104	116	146.5	158	180.5	175.5	180	183
Kane Community Living Centers	679.5	784	906.5	981.5	981.5	1,011.5	993.5	995.5	1,077.5	1,107.5
Shuman Juvenile Detention Center	-	- (4)	110	117	116	118	108.5	119.5	130.5	139.5
Community Intensive Supervision Program	46	48	59	66.5	68.5	68	68.5	72.5	73.5	77.5
Home Detention/Electronic Monitoring	12	11	12	11	11	12	12	12	12	12
Institutional Care	2	3	3	3	2	3	3	2	2	3
Culture and Recreation:										
Parks	370.5	267.5	240	270.5	313	283	223	242.5	147.5	121.5
Cooperative Extension	-	-	-	1	1	2	2	2	2	2
Economic Development	58	62	60	57	65	73	72	73	77	77
Totals	<u>6,139</u>	<u>6,125</u>	<u>6,528.5</u>	<u>6,870</u>	<u>6,921.5</u>	<u>6,970</u>	<u>6,820.5</u>	<u>6,831.5</u>	<u>6,882.5</u>	<u>6,879.5</u>

Source: County payroll records

Method: Using 1.0 for each full-time employee, and 0.50 for each part-time and seasonal employee

(1) Established in 2013

(2) Closed in 2020

(3) Established in 2021

(4) Closed in 2021

(5) Administration's Division of Computer Services became an independent Department in 2020.

n/a: Information not available

## Operating Information

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

Function/program	2022	2021	2020	2019
<b>General Government</b>				
Autopsies performed (1)	1,387	1,414	1,374	1,322
Cases reported to Medical Examiner (1)	10,837	11,485	11,314	10,395
Deeds recorded (2)	40,507	44,489	38,061	40,240
Mortgages recorded (2)	92,184	133,892	113,138	89,288
Warrants cleared by Sheriff (3)	6,379	5,183	4,624	8,454
Arrears due on non-support warrants cleared (3)	\$ 5,255,835	2,999,567	2,939,748	11,055,187
Firearm permits issued (3)	24,762	26,693	20,800	20,845
Writs served (3)	22,238	19,831	23,347	31,431
<b>Public Safety</b>				
Incarcerations average housed at the Jail (4)	1,506	1,670	1,845	2,395
Homicide cases investigated (1)	129	124	115	95
<b>Public Works (8)</b>				
Road maintenance (man hours)	229,196	173,492	199,448	148,270
Asphalt (hot/cold) purchased in road maintenance (tons) (9)	73,597	87,127	98,091	72,099
Winter road maintenance all activities (man hours)	33,459	29,518	32,897	23,073
Number snow/ice agreements w/munis for roads within their limits	27	27	27	26
Miles on snow/ice agreements for roads within other muni limits	100	104	104	92
Cost of snow/ice agreements for County roads within their limits	\$ 329,523	327,119	318,167	275,816
Tons of snow melting salt purchased	16,760	17,168	13,518	20,354
Cost of snow melting salt purchased	\$ 1,160,001	1,170,685	921,792	1,382,751
<b>Health and Welfare</b>				
Annual residents days (5)	219,694	247,418	297,214	342,919
Occupancy percentage (5)	51	58	70	81
Juvenile delinquents housed (average daily population) (6)	n/a (10)	26	28	44
<b>Culture and Recreation (7)</b>				
Senior golf permits sold	1,032	938	735	855
Average daily golf revenue (June through September)	\$ 12,240	11,529	12,775	9,790
Average daily swimming revenue (June through September)	\$ 6,157	5,722	-	7,918
Average daily park pavilion revenue (June through September)	\$ 6,227	4,886	2,200	7,380

**Sources:**(1) Allegheny County Medical Examiner's Office  
(2) Allegheny County Department of Real Estate  
(3) Allegheny County Sheriff  
(4) Allegheny County Jail  
(5) Allegheny County Kane Community Living Centers

(6) Allegheny County Shuman Center  
(7) Allegheny County Department of Parks  
(8) Allegheny County Department of Public Works  
(9) Only asphalt purchased in tons is included.  
(10) Shuman Center closed in September 2021

## Operating Information

Table XVI

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

2018	2017	2016	2015	2014	2013
1,351	1,664	1,654	1,450	1,207	1,179
10,429	10,302	10,334	10,078	9,496	9,371
40,391	40,760	41,048	40,430	37,179	37,038
87,259	94,657	96,973	97,605	92,068	122,338
9,032	9,864	9,534	8,480	8,811	8,142
10,142,331	14,354,690	11,190,295	9,476,624	12,441,880	13,540,132
23,946	22,335	23,415	18,688	17,082	20,708
31,358	34,130	34,474	34,597	33,559	35,236
2,341	2,352	2,301	2,410	2,515	3,009
111	111	105	113	113	91
111,455	155,669	160,358	136,282	184,530	96,674
80,165	78,394	55,655	39,264	51,972	23,453
19,171	31,118	30,457	22,280	46,132	26,657
29	30	30	30	30	29
93	97	99	95	95	120
268,935	261,588	253,969	256,293	248,828	309,099
17,629	15,180	15,170	27,635	28,413	18,475
1,114,110	948,750	1,042,715	1,804,144	1,610,014	1,006,924
340,823	340,186	358,247	359,885	352,292	348,980
80	84	88	91	86	86
50	59	58	56	63	71
1,010	13,719	894	973	1,040	1,351
9,911	8,036	8,052	7,883	8,196	8,614
5,511	6,440	9,759	9,249	7,986	6,931
4,800	3,028	3,777	3,214	2,563	2,453

## Operating Information

Table XVII

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Years**

Function/program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
<b>General Government</b>										
Buildings	4	4	4	4	4	5	5	5	5	5
Square footage (1)	682,244	682,244	682,244	682,244	682,244	695,832	695,832	695,832	695,832	695,832
Sheriff vehicles (2)	73	72	71	70	68	69	63	66	61	62
Medical Examiner vehicles (2)	7	8	8	8	10	10	10	10	12	9
Facilities Management vehicles (7)	59	58	59	59	62	60	60	46	n/a	n/a
Other departmental vehicles (2)	236	148	146	244	138	162	143	174	207	233
<b>Public Safety</b>										
Jails	1	1	1	1	1	1	1	1	1	1
Square footage of Jail (1)	988,000	988,000	988,000	988,000	988,000	988,000	988,000	988,000	988,000	988,000
Number of beds at Jail (5)	3,183	4,216	3,156	3,156	3,156	3,156	3,129	3,164	3,164	3,156
Emergency Management vehicles (2)	98	98	93	39	96	88	93	92	96	46
Police vehicles (2)	113	107	107	103	107	107	106	105	98	93
<b>Public Works (1)</b>										
Maintenance garages	7	7	7	7	7	7	7	7	7	7
Water storage facility	1	1	1	1	1	1	1	1	0	0
Streets paved (miles)	408	408	408	408	408	408	379	379	380	380
Lane miles	816	816	812	812	812	812	812	812	780	780
Bridges (Less than 8 ft. in length)	170	170	169	169	167	167	189	189	187	187
Bridges (Between 8 ft. and 20 ft.)	130	131	131	131	130	130	135	135	135	135
Bridges (20 ft. and over)	175	175	174	174	174	174	174	174	174	174
Trail Bridges	48	50	48	48	48	48	47	47	47	47
Pedestrian Bridges	8	8	8	8	9	9	9	9	8	8
Vehicles (2)	141	173	172	144	181	175	174	175	249	170
Heavy Equipment (8)	513	458	436	567	427	416	389	338	464	443
<b>Health and Welfare</b>										
Buildings	7	7	7	7	7	9	9	9	9	9
Square footage (1)	53,199	53,199	53,199	53,199	53,199	106,891	106,891	106,891	106,891	106,891
Number of nursing homes (3)	4	4	4	4	4	4	4	4	4	4
Square footage of nursing homes (1)	728,000	728,000	728,000	728,000	728,000	728,000	728,000	728,000	728,000	728,000
Number of beds (3)	1,166	1,166	1,166	1,166	1,166	1,166	1,124	1,344	1,124	1,124
Square footage of Shuman Center (9)	n/a	127,775	127,775	112,928	112,928	112,928	112,928	112,928	112,928	112,928
Number of beds (9)	n/a	120	120	120	120	130	120	130	130	130
<b>Culture and Recreation (4)</b>										
Memorial Hall	1	1	1	1	1	1	1	1	1	1
Amphitheater	2	1	1	1	1	1	1	1	1	1
Hartwood Acres	1	1	1	1	1	1	1	1	1	1
Number of parks	9	9	9	9	9	9	9	9	9	9
Number of acres	12,000	12,000	12,000	12,000	12,000	12,000	12,044	12,044	12,014	12,014
Number of tennis courts	18	18	22	22	22	22	26	40	41	41
Number of pickleball courts	10	10	6	6	6	6	6	n/a	n/a	n/a
Number of basketball courts	21	21	10	10	10	10	21	20	20	20
Number of Bank Shot Inclusive Basketball	1	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of hockey rinks	3	3	3	3	3	3	3	3	0	0
Number of golf courses	2	2	2	2	2	2	2	2	3	3
Number of swimming pools	4	4	4	4	4	4	4	4	4	4
Number of ice skating rinks	2	2	2	2	2	2	2	2	2	2
Number of ball fields	34	34	34	34	34	35	41	41	41	41
Number of ski facilities	1	1	1	1	1	1	1	1	1	1
Number of shelters	220	220	220	220	220	221	215	210	220	248
Number of groves**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Number of rental buildings	23	23	23	23	23	23	25	24	26	26
Number of vehicles (6)	71	76	76	63	72	70	74	71	n/a	n/a
Number of non-sheltered groves**	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	56	56

**Sources:**

- (1) Allegheny County Department of Facilities Management (\*The parking garage was demolished.)  
(2) Allegheny County Departments or County Fleet Inventory  
(3) Allegheny County Kane Community Living Centers  
(4) Allegheny County Department of Parks (\*\* All groves are referred to as shelters)  
(5) Allegheny County Jail  
(6) Prior to 2015, vehicles for Parks were reported under Public works  
(7) Prior to 2015, vehicles for Facilities Management were reported under Other Departmental  
(8) Allegheny County Controller's Office  
(9) Shuman Center closed in September 2021

## Component Unit (ACAA) Information

Table XVIII

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Revenue Bond Coverage**  
**Airport Authority Revenue Bonds and Notes**  
**Last Ten Years**

Fiscal Year	Gross/Pledged Revenues	Operating Expenses	Net Revenues Available for Debt Service	Debt Requirements			Coverage
				Debt Service	Prefunding	Total	
2022	\$156,548,786	131,619,476	24,929,310	-	-	-	n/a
2021	156,083,861	109,275,790	46,808,071	-	385,346	385,346	121.5
2020	126,736,096	104,385,587	22,350,509	-	198,194	198,194	112.8
2019	161,335,465	106,311,147	55,024,318	15,160,890	428,680	15,589,570	3.5
2018	167,491,772	109,026,876	58,464,896	16,685,833	409,775	17,095,608	3.4
2017	184,431,038	99,543,304	84,887,734	57,453,499	173,511	57,627,010	1.5
2016	172,334,853	96,076,326	76,258,527	64,913,378	598,270	65,511,648	1.2
2015	168,253,476	92,689,139	75,564,337	64,571,081	300,916	64,871,997	1.2
2014	166,536,540	90,140,578	76,395,962	65,636,518	10,759,444	76,395,962	1.0
2013	163,669,670	87,394,719	76,274,951	66,004,233	10,270,718	76,274,951	1.0

## Component Unit (ACAA) Information

Table XIX

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Pittsburgh International Airport**  
**Passenger Volume Trend**  
**Last Ten Years**

<u>Year</u>	<u>Passenger Volume (1)</u>	<u>Percentage Increase/(Decrease) Over Prior Year</u>
2022.....	8,113,835	27.7
2021.....	6,354,770	74.1
2020.....	3,649,270	(62.7)
2019.....	9,779,024	1.2
2018.....	9,658,897	7.5
2017.....	8,988,016	8.2
2016.....	8,309,754	2.2
2015.....	8,128,187	1.6
2014.....	7,998,970	1.5
2013.....	7,884,170	(2.0)

Source: Allegheny County Airport Authority

(1) Includes both on and off passenger volume.

## Miscellaneous Information

Table XX

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Salaries of Principal Officials**  
**December 31, 2022**

	<u>Salary</u>
<u>CHIEF EXECUTIVE</u>	
Richard Fitzgerald	\$ 142,339
<u>CONTROLLER</u>	
Corey O'Connor	113,407
<u>TREASURER</u>	
John K. Weinstein	113,407
<u>DISTRICT ATTORNEY</u>	
Stephen A. Zappala, Jr.	196,119
<u>SHERIFF</u>	
Kevin Kraus	113,408
Director, Department of Health - Dr. Debra Bogen	269,250
County Manager - William D. McKain, CPA	235,750
Medical Examiner - Karl E. Williams, MD	235,500
Director, Human Services - Erin D. Curran	202,500
Director, Dept of Economic Development - Lance M. Chimka	173,000
Superintendent, County Police - Christopher Kearns	163,250
County Solicitor - George Janocsko	150,000
Director, Budget & Finance - Mary Soroka	143,750
Chief, Emergency Services/Fire Marshall - Matthew J. Brown	132,750
Chief Information Officer, DIT Jason B Ditzenberger	128,500
Public Defender - Thomas M. Dugan	128,500
Director, Public Works - Stephen G. Shanley	128,500
Director, Administrative Services - Jessica Garofolo	128,500
Executive Director, Kane Regional Centers - Dennis R. Biondo	128,500
Director, Human Resources - Laura Zaspel	128,500
Director, Department of Parks - Andrew G. Baechle	128,500
Acting Director, Equity and Inclusion - Lisa L. Edmonds	128,500
Director, Facilities Management - Mark Saunders	128,500
Warden, County Jail - Orlando Harper	128,500
Director, Court Records - Michael J. McGeever	128,500
Director, Children's Initiatives - Rebecca Mercatoris	128,500
Executive Director, Retirement Board - Walter W. Szymanski	108,150
Chief of Staff, County Council - Kenneth J. Varhola	95,156

## Miscellaneous Information

Table XXI

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**County Council Members' Expenditure Reimbursements**  
**December 31, 2022**

Council District	Council Member	Expenditure Reimbursements (1)
Council District at Large #1	Bethany Hallam	\$ 3,646
Council District at Large #2	Samuel DeMarco III	1,937
Council District #1	Jack Betkowski	3,005
Council District #2	Suzanne Filiaggi	569
Council District #3	Anita Prizio	868
Council District #4	Patrick Catena	1,057
Council District #5	Tom Duerr	693
Council District #6	John F. Palmiere	1,367
Council District #7	Nicholas Futules	3,051
Council District #8	Michelle Naccarati-Chapkis	1,441
Council District #9	Bob Macey	3,646
Council District #10	DeWitt Walton	1,479
Council District #11	Paul M. Klein	-
Council District #12	Robert Palmosina	3,069
Council District #13	Olivia Bennett	2,344
Total		<u>\$ 28,172</u>

(1) Per the Charter, County Council members are allowed a maximum of \$3,646 per year in reimbursable expenditures.



## Miscellaneous Information

Table XXII (Page 1 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Primary Government Functions**  
**December 31, 2022**

Chief Executive	Exercises all the powers and performs all of the duties enumerated in the Home Rule Charter and the Administrative Code.
County Manager:	Maintains management control of daily operations as chief operating officer of the County. Oversees cluster departments and all other Executive departments and divisions. Provides the recordation function of the Chief Clerk.
Communications/Information Center	Serves as the center for information and services for County employees and the public.
Budget and Finance	Responsible for the preparation, analysis and administration of the County's annual operating, special revenue, custodial fund and capital budgets in addition to the issuance of all debt within legal limits. Monitors revenues and expenditures. Provides budget data and analysis for the County Manager.
County Solicitor:	The County Solicitor is the chief legal officer for the County and oversees all in-house and outside legal services.
Law	Provides legal opinions to the Chief Executive and legal advices to all County departments and agencies.
Law Library	Monitors law library activities at Duquesne University to ensure compliance with terms of the management service agreement.
Human Resources	Develops and administers centralized personnel policies and procedures under the direction of the County Manager. Includes fair process for recruiting, hiring and promoting County police officers, deputy sheriffs, corrections officers and other civil service positions.
Equity and Inclusion	Monitors County bid documents, contracts and leases for adherence to affirmative action regulations and identifies opportunities for job creation and entrepreneurial development within the minority population of the County.
Public Defender	Provides legal counsel for indigent defendants and for respondents in civil and mental health commitment cases.
Administrative Services Department:	Provides necessary, cost-effective services to all County employees, departments, row offices and Courts as well as to the public and external organizations in order to facilitate the operations of the County government.

## Miscellaneous Information

Table XXII (Page 2 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Primary Government Functions**  
**December 31, 2022**

Purchasing	Responsible for the procurement of materials, commodities and supplies required by all of the County agencies.
Elections	Conducts elections for all governmental levels and provides information for voters and candidates. Maintains and updates the records of registered County voters.
Veterans' Services	Provides information on veterans' benefits and administers County, State and federal laws that relate to the burial of deceased service personnel and their spouses.
Property Assessments	Assesses real property for County, local and school taxation, hears assessment appeals from taxpayers, updates and maintains the County real estate property files and maps and prepares tax blotters for each municipality and all school districts.
Internal Services Division	This division's responsibility includes the mailroom, graphics and print shop services provided to County departments.
Marketing and Special Events	Coordinates special events for the public.
Weights and Measures	Inspects and monitors gas pumps, scales, meters and scanners.
Real Estate	Commissioned by statute to record and preserve documents. The office is the repository of all recordable documents. Collects deed transfer taxes and filing fees.
Children Initiatives	Provide and coordinate resources for, leverage partnerships with and promote access to high quality early learning and out of school time programs for all children in Allegheny County.
Jail	Detains and supervises persons awaiting trial, accused of violation of probation or parole, or serving given sentences.
Police Bureau:	Provides security at all County facilities and offers assistance to municipal police departments and housing authorities.
Police Academy	Trains local police and security guards.
Emergency Services:	Controls emergency management services throughout Allegheny County and responds in the time of natural or man-made disasters.
Fire Academy	Assists municipalities with training of firefighters.
911 Administration	Oversees the countywide 911 network.
Fire Marshal	Investigates all fires of suspicious origin to determine cause.

## Miscellaneous Information

Table XXII (Page 3 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Primary Government Functions**  
**December 31, 2022**

Public Works Department:	Designs, constructs, rehabilitates and maintains safe accessible roads, bridges, parks and buildings. Also serves as custodian of all County infrastructure.
Engineering Division	Coordinates the design, construction and inspection of County buildings, roads, bridges and parks. Provides engineering and technical services related to construction projects.
Maintenance	Repairs and maintains County roads and bridges. Also provides special services and resources to other County departments, municipalities and agencies to ensure the health, safety and welfare of all citizens.
Fleet Management	Oversees transportation services to all areas of County government.
Parks Department	Operates and maintains the County's approximately 12,000 acre park system, including golf courses, swimming pools, skating rinks, tennis courts and other recreational activities.
Human Services Department:	Coordinates the delivery of human services in Allegheny County to maximize the receipt of State and federal funds while providing seamless services to consumers and client families.
Aging	Offers a range of resources for older adults, caregivers, and the general public. These services address a continuum of care that begins with services for individuals who are active and independent to services for individuals who are frail and vulnerable. Most programs are delivered in the community through a network of about 100 community-based service organizations and local municipal governments throughout the County.
Children, Youth and Family Services	Provides services for abused and dependent children and their families through counseling, emergency shelters, foster homes, group homes and institutions.
Community Services	Provides a coordinated, community-focused system of high quality and cost-effective services, programs and opportunities that support low-income and vulnerable individuals and families in their efforts to stabilize from crisis and strengthen their self-sufficiency. The office is organized around three program areas: (1) Housing, Homeless and Coordinated Entry (2) Family and Community Supports (3) Community Outreach
Behavioral Health/Intellectual Disability/Drug & Alcohol	Administers an integrated, community-based service delivery system that provides treatment, counseling and housing to County residents with mental disabilities or drug and alcohol addiction.

## Miscellaneous Information

**Table XXII (Page 4 of 5)**

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Primary Government Functions**  
**December 31, 2022**

Health Department	Protects and improves public health through a variety of programs which include pollution monitoring, food poison prevention, rodent control, water testing, dental clinics, solid waste management, recycling, health education, and maternal and infant care.
Medical Examiner	Investigates the circumstance, cause and manner of sudden and unexpected, medically unattended, suspicious and violent deaths. Also provides laboratory services, technical assistance and consultation to local and County police departments, municipal officials, Health Department and other County agencies.
Shuman Detention Center	Provides secure, temporary shelter to delinquent youths awaiting final case disposition.
Kane Community Living Centers	Offers skilled nursing, long-term care and rehabilitation to the chronically ill and elderly who have limited financial resources.
Economic Development Department	Integrates and coordinates County resources with other local governments and private and voluntary agencies to stimulate and influence municipal and economic development within the County and region.
Court Records:	Maintains various courts records.
Criminal	Officer of the Court of Common Pleas, is responsible for the records, books and dockets of the Criminal Division of the Court of Common Pleas. This office also collects fines and costs owed to Allegheny County, the Commonwealth of Pennsylvania or local municipalities.
Civil/Family	Acts as the repository for court records concerning the Civil, and Family (Adult and Juvenile) Divisions of the Court of Common Pleas. Also maintains various indices and tax lien assessments.
Wills/Orphans' Court	Charged with probating wills and filing all documents necessary to complete the administration of a descendant's estate. The Orphans' Court issues marriage licenses, maintains all marriage records and records all Orphans' Court cases, civil commitments and adoption records.
Facilities Management	Its purpose is to develop and manage a comprehensive plan for County buildings and facilities. The department will maintain and upgrade County buildings and provide services to the parks.

## Miscellaneous Information

Table XXII (Page 5 of 5)

**COUNTY OF ALLEGHENY, PENNSYLVANIA**  
**Primary Government Functions**  
**December 31, 2022**

County Council	Consists of 15 independently elected members vested with the legislative power of the County. Council approves and amends legislation proposed by the Chief Executive. Also responsible for the levy of taxes, fees and service charges; and the passage of balanced annual budgets.
Controller	The chief elected fiscal officer of Allegheny County. Provides general supervision and control of the County's fiscal activities. Oversees the accounting, auditing, and payroll operations. Operates the JDE Service Center for County and City departments.
District Attorney	Responsible for the prosecution of all Allegheny County criminal cases and the ancillary services necessary to insure effective, just prosecution.
Sheriff	Authorized as the chief law enforcement officer of the Courts. Serves all writs and injunctions issued by the Courts. Provides transportation of incarcerated people to and from the Court and place of confinement.
Treasurer	Responsible for all receipts and disbursements of County monies, including property taxes. This independently elected official is the principal investment officer for the County.
Court of Common Pleas	Is a court of general and unlimited jurisdiction. The Orphans' Court, the Civil and Criminal Divisions and the Family Division comprise the Court of Common Pleas. The Orphans' Court has jurisdiction over the estates of deceased persons, minors and others involved in trusts. It also acts on adoptions, incompetency matters and Mental Health Procedures Act commitments. The Civil Division presides over all noncriminal cases dealing with law and equity. The Criminal Division presides over all criminal cases committed in Allegheny County. The Family Division has jurisdiction in family cases involving divorce, nonsupport and custody matters. It also has jurisdiction in cases involving delinquent, dependent and neglected children under 18 years of age. In addition to these divisions, the Court has a Minor Judiciary Section, an Adult Probation Office, a Bail Bond Agency, a Behavior Clinic, Jury Management and a Board of Viewers.

## NOTES

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