

**Oakland Business  
Improvement District  
(of the City of Pittsburgh)**

Financial Statements and  
Required Supplementary and  
Supplementary Information

Years Ended December 31, 2022 and 2021  
with Independent Auditor's Report

**MaherDuessel**

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# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

YEARS ENDED DECEMBER 31, 2022 AND 2021

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## Independent Auditor's Report

**Board of Directors  
Oakland Business Improvement District**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of the Oakland Business Improvement District (District), as of and for the years ended December 31, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of December 31, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audits 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 the District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Change in Accounting Principle

As described in Note 2 to the financial statements, the District adopted Governmental Accounting Standards Board (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. Our opinion is not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### **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 opinion. 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 generally accepted auditing standards 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 the District'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 the District'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**

The District has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

#### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The budgetary comparison report is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison report 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 budgetary comparison report is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Maher Duessel*

Pittsburgh, Pennsylvania  
September 18, 2023

**OAKLAND BUSINESS IMPROVEMENT DISTRICT  
(OF THE CITY OF PITTSBURGH)**

STATEMENTS OF NET POSITION

DECEMBER 31, 2022 AND 2021

<b>Assets</b>	2022	2021
Current assets:		
Cash and cash equivalents	\$ 828,366	\$ 822,542
Certificate of deposit	11,021	11,021
Assessment receivable	7,903	14,998
Grants receivable	170,504	274,753
Total current assets	1,017,794	1,123,314
Capital assets:		
Right of use assets	259,519	-
Office and plaza equipment	586,808	586,808
Accumulated depreciation and amortization	(597,204)	(566,012)
Total capital assets	249,123	20,796
<b>Total Assets</b>	<b>\$ 1,266,917</b>	<b>\$ 1,144,110</b>
<b>Liabilities and Net Position</b>		
Liabilities:		
Current liabilities:		
Accounts payable	\$ 28,101	\$ 98,683
Unearned revenue	259,628	577,720
Other withholding	1,559	4,880
Current portion of lease liability	53,065	-
Total current liabilities	342,353	681,283
Long-term portion of lease liability	170,583	-
Total Liabilities	512,936	681,283
Net Position:		
Net investment in capital assets	25,475	20,796
Unrestricted	728,506	442,031
Total Net Position	753,981	462,827
<b>Total Liabilities and Net Position</b>	<b>\$ 1,266,917</b>	<b>\$ 1,144,110</b>

See accompanying notes to financial statements.

**OAKLAND BUSINESS IMPROVEMENT DISTRICT  
(OF THE CITY OF PITTSBURGH)**

STATEMENTS OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
<b>Operating Revenues:</b>		
Assessment revenue - current	\$ 596,131	\$ 567,622
Assessment revenue - prior year	6,182	9,222
Grant income	363,092	189,984
Grant income - Oakland Partners	198,000	99,004
Contributions	147,500	164,729
In-kind revenue	119,780	135,846
Events income	76,200	-
Shared services income	49,332	-
Miscellaneous income	10,501	-
<b>Total operating revenues</b>	<b>1,566,718</b>	<b>1,166,407</b>
<b>Operating Expenses:</b>		
Personnel	359,583	216,614
Operations	137,111	125,800
Public space maintenance	253,397	294,373
Public space improvement	47,705	9,846
Destination marketing	61,006	44,606
Education and outreach	24,847	28,440
Strategic planning	5,054	198
Outdoor seating and safety	8,037	47,185
Retail strategy and recruitment	225,539	269,414
In-kind expense	119,780	135,846
Assessment write-offs	238	-
<b>Total operating expenses</b>	<b>1,242,297</b>	<b>1,172,322</b>
<b>Operating Income (Loss)</b>	<b>324,421</b>	<b>(5,915)</b>
<b>Nonoperating Revenues (Expenses):</b>		
Interest income	529	64
Miscellaneous income	-	2,991
Interest expense	(2,604)	-
Depreciation and amortization expense	(31,192)	-
<b>Total nonoperating revenues (expenses)</b>	<b>(33,267)</b>	<b>3,055</b>
<b>Change in Net Position</b>	<b>291,154</b>	<b>(2,860)</b>
<b>Net Position:</b>		
Beginning of year	462,827	465,687
End of year	\$ 753,981	\$ 462,827

See accompanying notes to financial statements.

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2022 AND 2021

	2022	2021
<b>Cash Flows From Operating Activities:</b>		
Cash received from assessments	\$ 609,408	\$ 567,717
Cash received from contributions	147,500	164,729
Cash received from events	76,200	-
Cash received from shared services income	49,332	-
Cash payments for operating expenses	(1,196,420)	(1,015,099)
Net cash provided by (used in) operating activities	(313,980)	(282,653)
<b>Cash Flows From Noncapital Financing Activities:</b>		
Grants received	357,750	524,347
Other income received	-	2,991
Net cash provided by (used in) noncapital financing activities	357,750	527,338
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Purchase of capital assets	(17,100)	(20,796)
Interest paid on long-term debt	(2,604)	-
Principal payments on lease	(18,771)	-
Net cash provided by (used in) capital and related financing activities	(38,475)	(20,796)
<b>Cash Flows From Investing Activities:</b>		
Interest received on investments	529	64
Net cash provided by (used in) investing activities	529	64
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	5,824	223,953
<b>Cash and Cash Equivalents:</b>		
Beginning of year	822,542	598,589
End of year	\$ 828,366	\$ 822,542
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities:</b>		
Operating income (loss)	\$ 324,421	\$ (5,915)
Cash received from operating grants	(571,593)	(288,988)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Change in operating assets:		
Assessment receivable	7,095	(9,127)
Change in operating liabilities:		
Accounts payable	(70,582)	19,829
Other withholding	(3,321)	1,548
Net cash provided by (used in) operating activities	\$ (313,980)	\$ (282,653)

See accompanying notes to financial statements.

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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### 1. Organization

The Oakland Business Improvement District (District) was created by the City of Pittsburgh on March 18, 1999. The new legislation was effective January 1, 2023 and will be scheduled to sunset on December 31, 2027, unless renewed. Under the Business Improvement District Act (Act), owners of office and retail buildings, parking facilities, and hotels located within the designated area shall be subject to the special assessment authorized by the Act. The Internal Revenue Service has determined that the District is a part of the City of Pittsburgh and is not required to file federal income or information returns.

The amount of funds the assessment is to raise annually is approximately \$750,000 in 2023, \$825,000 in 2024, \$910,000 in 2025, \$1,000,000 in 2026, and \$1,100,000 in 2027, but shall not exceed 4.5 mills based on the combined land and building values established by the Allegheny County Board of Property Assessment as of December of 2022. The special assessment revenue shall be used solely for administrative services and improvements permitted by the Act and not for essential services provided by the City of Pittsburgh.

### 2. Summary of Significant Accounting Policies

The accompanying financial statements of the District conform to accounting principles generally accepted in the United States of America for governmental enterprise funds. The District has determined the optimal presentation of its financial statements is a stand-alone enterprise fund. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing the service to the general public, including depreciation and amortization, are financed or recovered primarily through user charges.

The following is a summary of the significant accounting policies of the District.

#### Basis of Accounting and Measurement Focus

Basis of accounting refers to when revenues and expenses are recognized. The accompanying financial statements are presented on an accrual basis whereby revenues are recognized when earned, irrespective of when they are billed or collected, and expenses are recognized when incurred. The major sources of revenue are assessments, grants, and local contributions.

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# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

### Statements of Cash Flows

For the purposes of the statements of cash flows, cash and cash equivalents include all highly liquid investments with original maturities of three months or less.

### Capital Assets

Capital assets are valued at historical cost (except for the intangible right of use lease assets, the measurement of which is discussed under Lease Payable below). The District maintains a capitalization threshold for items exceeding a cost of \$2,500 with an estimated life greater than one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Depreciation/amortization is recorded using the straight-line method over the following estimated useful lives:

Computer equipment	3 years
Furniture and equipment	5 years

### Unearned Revenue

Unearned revenue represents grant funds received in advance for which expenses have not yet been incurred. Unearned revenue balances consisted of the following for the years ending December 31, 2022 and 2021:

Grantor	Purpose	2022	2021
Hillman Foundation	Strategic Planning	259,628	439,227
RK Mellon	Strategic Planning	-	13,864
Carlow University	Wayfinding expenses	-	3,000
University of Pittsburgh	Wayfinding expenses	-	633
University of Pittsburgh	Innovation Oakland Support	-	100,000
Carnegie Mellon University	Pilot project	-	10,000
UPMC Oakland	Sponsorship	-	10,996
		\$ 259,628	\$ 577,720

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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### Operating Income

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the District's principal ongoing operations. The principal operating revenues of the District are special assessments charged to certain properties located within the District, operating grants, and contributions received from nonprofit organizations. Operating expenses for the District include the cost of district improvement activities and administrative expenses. Nonoperating revenues and expenses consist of interest income and expense, depreciation/amortization expense, and proceeds (loss) on sale of capital assets.

### Net Position

Net position is classified as follows:

- Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation/amortization. The District has no bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of their capital assets.
- Restricted – This component of net position consists of constraints placed on net position use. The District had no restricted net assets as of December 31, 2022 and 2021.
- Unrestricted – This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

### Budgets and Budgetary Accounting

The District's annual budget is a management tool that assists users in analyzing financial activity for the year and is not a legally-imposed document.

### Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported

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# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Lease Payable

The District is a lessee for a lease of street patios, as discussed in Note 6. The District recognized a lease liability and an intangible right of use asset (lease asset) for this lease.

At the commencement of a lease, the District 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 as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life (lease term).

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

As the District's lease does not provide an implicit rate, a risk free Treasury rate is used, which is based on the information available at the commencement date in determining the present value of lease payments.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and a purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances 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 capital assets and lease liabilities are reported with long-term debt on the statements of net position.

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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### Adopted Pronouncements

GASB Statement No. 87, “Leases,” requires 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. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. As a result of this implementation, the District recognized a right of use lease asset and lease liability in its statement of financial position as of December 31, 2022 to record a lease entered into during 2022. There were no prior leases that qualified for recording as a result of this implementation.

The following GASB Statements were also adopted for the year ended December 31, 2022: Statement Nos. 91 (Conduit Debt Obligations), 92 (Omnibus 2020), 97 (Deferred Compensation Plans), and 99 (Omnibus 2022 – paragraphs 26 through 32). These statements had no significant impact on the District’s financial statements for the year ended December 31, 2022.

### Pending Pronouncements

GASB has issued statements that will become effective in future years, including Statement Nos. 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), 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.

## **3. Cash, Cash Equivalents, and Deposits**

### Deposits

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, as of December 31, 2022 and 2021, \$280,965 and \$280,954 of the bank balances were covered by federal depository insurance, respectively. Deposits in excess of FDIC coverage, are collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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governmental deposits and have the collateral held by an approved custodian in the institution's name.

The following is a summary of the District's cash deposits (including certificate of deposits):

	<u>FDIC Insured</u>	<u>Bank Balance</u>	<u>Carrying Value</u>
Deposits:			
December, 31 2022	<u>\$ 280,965</u>	<u>\$ 874,529</u>	<u>\$ 839,387</u>
December 31, 2021	<u>\$ 280,954</u>	<u>\$ 870,003</u>	<u>\$ 833,563</u>

#### 4. Sources of Revenues

The primary sources of revenues are assessment revenue, contributions, and grant income. The assessments in 2022 and 2021 are 3.3 and 3.1 mills, respectively, of the combined assessed taxable land and building values of the properties within the specified area. Any assessments not paid within a year are written off and a lien is placed upon the property as soon as legally possible. Any money later collected is recognized in the period in which it is received. The District works with a collection agency to collect past due assessments.

Grant income is received from various sources, including governmental organizations, private foundations, and corporations. Unearned revenue was related to grants awarded but not yet spent for an eligible purpose. Unearned revenue is specifically related to strategic planning. No allowance for doubtful accounts has been established for assessment revenue or grant income, as it is expected to be fully collectible.

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

### 5. Capital Assets

A summary of changes in capital assets is as follows:

	Balance at January 1, 2022	Additions	Deletions	Balance at December 31, 2022
Capital assets, being depreciated/amortized:				
Office and plaza equipment	\$ 586,808	\$ -	\$ -	\$ 586,808
Right of use assets	-	259,519	-	259,519
Accumulated depreciation and amortization	(566,012)	(31,192)	-	(597,204)
Total capital assets, net	<u>\$ 20,796</u>	<u>\$ 228,327</u>	<u>\$ -</u>	<u>\$ 249,123</u>

	Balance at January 1, 2021	Additions	Deletions	Balance at December 31, 2021
Capital assets, being depreciated/amortized:				
Office and plaza equipment	\$ 566,012	\$ 20,796	\$ -	\$ 586,808
Right of use assets	-	-	-	-
Accumulated depreciation and amortization	(566,012)	-	-	(566,012)
Total capital assets, net	<u>\$ -</u>	<u>\$ 20,796</u>	<u>\$ -</u>	<u>\$ 20,796</u>

### 6. Lease Commitments

In August 2022, the District entered into a 48-month agreement with Pop-Up Street Patios, Inc. for the rental of 19 custom street patios for a total of \$68,400 per year, paid in equal monthly installments, beginning in August 2022. The patios will be returned upon termination of the rental agreement. An initial lease liability was recorded in the amount of \$242,419. As of December 31, 2022, the value of the lease liability was \$223,648. The District has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. The weighted-average discount rate applied to calculate lease liabilities as of December 31, 2022, was 2.66%. The

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

value of the right of use asset as of December 31, 2022 was \$259,519. The right of use asset had accumulated amortization of \$27,033 as of December 31, 2022.

The following is a summary of lease transactions for the District for the year ended December 31, 2022:

	Balance at December 31, 2021	Additions	Deletions	Balance at December 31, 2022	Due within one year
Lease payable	\$ -	\$ 242,419	\$ (18,771)	\$ 223,648	\$ 53,065

Future principal and interest lease payments due from the District to Pop-Up Patios, Inc. are as follows:

Future Lease Payments			
	Principal	Interest	Total
2023	\$ 53,065	\$ 5,360	\$ 58,425
2024	64,647	3,753	68,400
2025	66,388	2,012	68,400
2026	39,548	352	39,900
	\$ 223,648	\$ 11,477	\$ 235,125

## 7. Retirement Plan

The District maintains a 403(b) retirement plan (Plan) covering substantially all of its employees. Each year, the District contributes to the Plan an amount equal to 6% of employee compensation. Employees qualify for the District's contribution after one year of service. Employees become vested after three years of service. As of December 31, 2022 and 2021, one employee had been vested in the Plan. Retirement contribution expense was \$2,706 and \$6,003 for the years ended December 31, 2022 and 2021, respectively.

# OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

## NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2022 AND 2021

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### **8. Line of Credit**

The District has a line of credit with Dollar Bank allowing borrowings to a maximum of \$100,000. Interest, determined at the bank's prime rate, is due monthly and principal is due on demand. The line of credit is secured by all business assets now owned or hereafter acquired by the District, excluding those assets identified as restricted assets. The amount outstanding on the line of credit was \$0 as of December 31, 2022 and 2021.

### **9. Commitments and Contingencies**

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties.

There has been no reduction in insurance coverage from the previous year, nor have amounts of settlements exceeded coverage levels in the past three years. There were no additional commitments or contingencies for which the District was liable as of December 31, 2022 and 2021.

## **SUPPLEMENTARY INFORMATION**

**OAKLAND BUSINESS IMPROVEMENT DISTRICT  
(OF THE CITY OF PITTSBURGH)**

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2022

	Actual	Original Budget	Final Budget	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
Assessment income - current	\$ 596,131	\$ 601,719	\$ 601,719	\$ (5,588)
Assessment income - prior years	6,182	-	-	6,182
Grant income and in-kind revenue	680,872	575,000	575,000	105,872
Contributions	147,500	147,500	147,500	-
Interest income	529	-	-	529
Miscellaneous income	59,833	50,000	50,000	9,833
Events income	76,200	100,000	100,000	(23,800)
<b>Total revenues</b>	<b>1,567,247</b>	<b>1,474,219</b>	<b>1,474,219</b>	<b>93,028</b>
<b>Expenses:</b>				
Personnel:				
Salaries	301,142	323,113	323,113	21,971
FICA-ER	24,924	25,850	25,850	926
SUI-ER	-	-	-	-
Health coverage	30,811	34,639	34,639	3,828
Benefits - mutual	2,706	13,502	13,502	10,796
<b>Total personnel</b>	<b>359,583</b>	<b>397,104</b>	<b>397,104</b>	<b>37,521</b>

(Continued)

**OAKLAND BUSINESS IMPROVEMENT DISTRICT  
(OF THE CITY OF PITTSBURGH)**

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2022

(Continued)

	Actual	Original Budget	Final Budget	Variance with Final Budget Positive (Negative)
Operations:				
Rent expense	4,059	3,000	3,000	(1,059)
Telephone	3,550	5,160	5,160	1,610
Postage	263	1,000	1,000	737
Printing	923	1,589	1,589	666
Professional services	55,111	1,000	1,000	(54,111)
Filing fees/admin. expense	445	1,000	1,000	555
Office supplies	2,607	1,000	1,000	(1,607)
Computer equipment and software	742	1,000	1,000	258
Small equipment	36	8,300	8,300	8,264
Travel/parking	6,218	5,400	5,400	(818)
Staff/board development	4,910	10,500	10,500	5,590
Dues/subscriptions	1,913	3,000	3,000	1,087
Insurance expense	18,767	12,000	12,000	(6,767)
Computer consulting	6,716	5,400	5,400	(1,316)
Advertising/marketing	14,291	2,100	2,100	(12,191)
Meeting expense	813	595	595	(218)
Board meeting/annual	687	6,000	6,000	5,313
Miscellaneous expense	1,096	-	-	(1,096)
Payroll service	1,814	5,000	5,000	3,186
General office expense	417	1,600	1,600	1,183
Financial management/audit expense	8,708	19,250	19,250	10,542
Annual report	3,025	-	-	(3,025)
In-kind service expense	119,780	82,000	82,000	(37,780)
	<u>256,891</u>	<u>175,894</u>	<u>175,894</u>	<u>(80,997)</u>
Total operations	256,891	175,894	175,894	(80,997)

(Continued)

**OAKLAND BUSINESS IMPROVEMENT DISTRICT  
(OF THE CITY OF PITTSBURGH)**

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Actual	Original Budget	Final Budget	Variance with Final Budget Positive (Negative)
Public space maintenance:				
Cleaning contract	253,202	302,885	302,885	49,683
Cleaning equipment expense	195	1,500	1,500	1,305
Total public space maintenance	253,397	304,385	304,385	50,988
Public space improvement:				
Sidewalk seating	25,797	-	-	(25,797)
Flower baskets	21,908	20,000	20,000	(1,908)
Total public space improvement	47,705	20,000	20,000	(27,705)
Destination marketing:				
Marketing material printing	9,806	-	-	(9,806)
Events	50,457	95,000	95,000	44,543
Advertising	743	5,000	5,000	4,257
Total destination marketing	61,006	100,000	100,000	38,994

(Continued)

**OAKLAND BUSINESS IMPROVEMENT DISTRICT  
(OF THE CITY OF PITTSBURGH)**

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2022  
(Continued)

	Actual	Original Budget	Final Budget	Variance with Final Budget Positive (Negative)
Education and outreach:				
OBID website	4,090	6,336	6,336	2,246
Marketing/rebranding	500	-	-	(500)
Events	5,125	10,500	10,500	5,375
Postage	15,132	2,500	2,500	(12,632)
Total education and outreach	24,847	19,336	19,336	(5,511)
Strategic planning:				
Planning	1,223	-	-	(1,223)
Lodging	2,651	-	-	(2,651)
Airfare	1,180	-	-	(1,180)
Total strategic planning	5,054	-	-	(5,054)
Outdoor seating and safety	8,037	-	-	(8,037)
Retail strategy and recruitment	225,539	532,500	532,500	306,961
Depreciation and amortization expense	31,192	-	-	(31,192)
Interest expense	2,604	-	-	(2,604)
Assessment write-off	238	-	-	(238)
Total expenses	1,276,093	1,549,219	1,549,219	273,126
<b>Excess (Deficiency) of Revenues Over Expenses</b>	<b>\$ 291,154</b>	<b>\$ (75,000)</b>	<b>\$ (75,000)</b>	<b>\$ 366,154</b>

(Concluded)

\* - This variance is due to grants awarded that are scheduled to be spent in FY 2023.