

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

Financial Statements and
Required Supplementary and
Supplementary Information

Years Ended December 31, 2015 and 2014
with Independent Auditor's Report

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OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

YEARS ENDED DECEMBER 31, 2015 AND 2014

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Independent Auditor's Report

Board of Directors
Oakland Business Improvement District

We have audited the accompanying financial statements of the Oakland Business Improvement District (District), as of and for the years ended December 31, 2015 and 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2015 and 2014, 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.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison report and combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison report and combining financial statements are the responsibility of management and were derived from and relate 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 and combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
August 4, 2016

Oakland Business Improvement District
(of the City of Pittsburgh)
Management's Discussion and Analysis-Audited
Year Ended December 31, 2015

This section of the Oakland Business Improvement District's (District) annual financial report presents management's discussion and analysis of the District's financial performance during the year ended December 31, 2015.

Please read it in conjunction with the District's financial statements which immediately follow the section.

Financial Highlights

Total revenue for 2015 was \$1,146,468 compared to \$680,143 in 2014, a increase of \$466,325. The 2015 assessment revenue – \$306,232 – was a increase of approximately 8% from 2014 – which was \$284,779. Non-assessment revenues for 2015 were \$840,236, an increase of approximately 210% from 2014 – which was \$395,364. The increase was primarily due to grant revenue in the current year related to specific Innovation Oakland projects.

Total expenses for 2015 were \$870,052 compared to \$679,492 in 2014, an increase of \$190,560. The increase was primarily due to activity in the Innovation Oakland project in the current year.

Total assets as of December 31, 2015 were \$936,531 compared to \$845,267 in 2014. The increase was primarily due to fixed asset additions related to the Innovation Oakland project.

Overview of the Financial Statements

The financial section of this annual report consists of three parts: management's discussion and analysis (this section), the basic financial statements including related notes to financial statements, and supplementary information.

The financial statements provide both long-term and short-term information about the District's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of supplementary information that further explains and supports the information in the financial statements.

NET POSITION

Net position increased from \$371,986 at December 31, 2014 to \$648,403 at December 31, 2015, due to the excess of revenues over expenses for 2015. Net position at December 31, 2015 consists of \$448,299 invested in capital assets, \$19,546 restricted for Innovation Oakland, and \$140,558 unrestricted.

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

STATEMENTS OF NET POSITION

DECEMBER 31, 2015 AND 2014

	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 167,563	\$ 244,772
Certificate of deposit	10,668	10,668
Assessment receivable	20,934	23,228
Grants receivable	248,233	325,750
Prepaid expenses	834	19,655
Total current assets	448,232	624,073
Capital assets:		
Construction in progress	-	210,313
Office and plaza equipment	566,012	60,175
Accumulated depreciation	(77,713)	(49,294)
Total capital assets	488,299	221,194
Total Assets	\$ 936,531	\$ 845,267
Liabilities and Net Position		
Liabilities:		
Accounts payable	\$ 163,598	\$ 37,834
Unearned revenue	123,997	435,318
Other withholding	533	129
Total Liabilities	288,128	473,281
Net Position:		
Net investment in capital assets	488,299	221,194
Restricted	19,546	19,546
Unrestricted	140,558	131,246
Total Net Position	648,403	371,986
Total Liabilities and Net Position	\$ 936,531	\$ 845,267

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, 2015 AND 2014

	2015	2014
Operating Revenues:		
Assessment revenue - current	\$ 302,572	\$ 284,779
Assessment revenue - prior year	3,660	-
Fair share contributions	147,500	147,500
In-kind revenue - Innovation Oakland	179,925	143,524
In-kind revenue - other	27,950	55,511
Penalty income	10	754
Events income	10,396	4,764
Donation income	5,550	12,400
	677,563	649,232
Operating Expenses:		
Improvement district operations	473,264	444,609
Innovation Oakland operations	146,636	13,714
In-kind expense - Innovation Oakland	179,925	143,524
In-kind expense - other	27,950	55,511
Assessment write-offs	13,857	10,304
	841,632	667,662
Operating Loss	(164,069)	(18,430)
Nonoperating Revenues (Expenses):		
Grant income	23,565	11,700
Grant income - Innovation Oakland	442,160	13,714
Interest income	117	91
Miscellaneous income	3,063	5,406
Depreciation expense	(28,419)	(11,830)
	440,486	19,081
Change in Net Position	276,417	651
Net Position:		
Beginning of year	371,986	371,335
End of year	\$ 648,403	\$ 371,986

See accompanying notes to financial statements.

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
Cash Flows From Operating Activities:		
Cash received from assessments	\$ 294,669	\$ 277,842
Cash received from fair share contributions	147,500	147,500
Cash received from events	10,396	4,764
Cash received from donation income	5,550	12,400
Cash received from penalties	10	754
Cash payments for operating expenses	(474,911)	(511,147)
Net cash provided by (used in) operating activities	(16,786)	(67,887)
Cash Flows From Noncapital Financing Activities:		
Grants received	231,921	157,453
Other income received	3,063	5,406
Net cash provided by (used in) noncapital financing activities	234,984	162,859
Cash Flows From Capital and Related Financing Activities:		
Purchase of capital assets	(295,524)	-
Cash Flows From Investing Activities:		
Interest received on investments	117	91
Increase (Decrease) in Cash and Cash Equivalents	(77,209)	95,063
Cash and Cash Equivalents:		
Beginning of year	244,772	149,709
End of year	\$ 167,563	\$ 244,772
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities:		
Operating loss	\$ (164,069)	\$ (18,430)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Change in operating assets:		
Assessment receivable	2,294	3,367
Prepaid expenses	18,821	(17,854)
Change in operating liabilities:		
Accounts payable	125,764	(35,053)
Other withholding	404	83
Net cash provided by (used in) operating activities	\$ (16,786)	\$ (67,887)

See accompanying notes to financial statements.

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

1. ORGANIZATION

The Oakland Business Improvement District (District) was created by the City of Pittsburgh on March 18, 1999 and has a termination date of March 2019. 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 \$290,000, but shall not exceed 3.8 mills based on the combined land and building values established by the Allegheny County Board of Property Assessment. 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, are financed or recovered primarily through user charges.

These financial statements present only the financial position and the changes in financial position of the District and do not purport to present the financial position and changes in financial position of the City of Pittsburgh.

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.

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

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. 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 is recorded using the straight-line method based on the estimated useful life of the asset.

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 and fair share 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 grant income, interest income and expense, depreciation 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. 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 \$19,545 and \$19,546 of net position at December 31, 2015 and 2014, respectively, restricted for the Innovation Oakland project.
 - Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”
-

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

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

3. CASH, CASH EQUIVALENTS, AND DEPOSITS

GASB Statement No. 40, "*Deposit and Investment Risk Disclosures*," 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. The following is a description of the District's deposit risks:

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, 2015 and 2014, all of the District's bank balances were covered by federal depository insurance. The District'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.

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

The following is a summary of the District's cash deposits:

	<u>FDIC Insured</u>	<u>Bank Balance</u>	<u>Carrying Value</u>
Deposits:			
December, 31 2015	\$ 179,357	\$ 179,357	\$ 178,231
December 31, 2014	\$ 263,341	\$ 263,341	\$ 255,440

4. SOURCES OF REVENUES

The primary sources of revenues are as follows:

	<u>2015</u>	<u>2014</u>
Net assessment revenue - current year	\$ 302,572	\$ 284,779
Fair share contributions	147,500	147,500
Grant income	465,725	25,414
	<u>\$ 915,797</u>	<u>\$ 457,693</u>

The assessments in both 2015 and 2014 are 3.2 mills of the combined assessed taxable land and building values of the properties within the specified area.

As of December 31, 2015 and 2014, assessment revenue due to the District totaled \$20,934 and \$23,228, respectively. 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.

As of December 31, 2015 and 2014, there were no fair share contributions receivable (due from tax-exempt entities).

Grant income is received from various sources, including governmental organizations, private foundations, and corporations. At December 31, 2015 and 2014, grants receivable were \$248,233 and \$325,750, respectively. Unearned revenue related to grants awarded but not yet spent was \$123,998 and \$435,318, respectively, at December 31, 2015 and 2014.

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

5. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance at January 1, 2015	Additions	Deletions	Balance at December 31, 2015
<u>Capital assets, not being depreciated:</u>				
Construction in progress	\$ 210,313	\$ -	\$ (210,313)	\$ -
<u>Capital assets, being depreciated:</u>				
Office and plaza equipment	60,175	505,837	-	566,012
Accumulated depreciation	(49,294)	(28,419)	-	(77,713)
Net being depreciated	10,881	477,418	-	488,299
Total capital assets, net	<u>\$ 221,194</u>	<u>\$ 477,418</u>	<u>\$ (210,313)</u>	<u>\$ 488,299</u>

	Balance at January 1, 2014	Additions	Deletions	Balance at December 31, 2014
<u>Capital assets, not being depreciated:</u>				
Construction in progress	\$ 210,313	\$ -	\$ -	\$ 210,313
<u>Capital assets, being depreciated:</u>				
Office and plaza equipment	60,175	-	-	60,175
Accumulated depreciation	(37,464)	(11,830)	-	(49,294)
Net being depreciated	22,711	(11,830)	-	10,881
Total capital assets, net	<u>\$ 233,024</u>	<u>\$ (11,830)</u>	<u>\$ -</u>	<u>\$ 221,194</u>

The entire construction in progress balance in 2014 consisted of LED display screens purchased as part of the Innovation Oakland project that could not be put into service until the construction activities related to this project had been completed. In October 2015, the Forbes Plaza construction was completed and the LED screens were placed into service. In addition, approximately \$295,000 of construction costs related to this project were capitalized during 2015.

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2015 AND 2014

6. LEASE COMMITMENTS

The District rents office space from a community non-profit organization. A three-year lease was signed during 2014 that expires June 30, 2017. Monthly rent under the lease was \$1,006 and then increased to \$1,042 on July 1, 2015. Rent expense for the years ended December 31, 2015 and 2014 was \$12,294 and \$12,077, respectively.

Future rental payments under the agreement are as follows:

2016	\$	12,512
2017		<u>6,256</u>
	\$	<u>18,768</u>

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 become vested after three years of service. As of December 31, 2015 and 2014, one and three employees, respectively, have been vested in the Plan. Pension expense was \$4,392 and \$6,813 for the years ended December 31, 2015 and 2014, respectively.

8. 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, 2015 and 2014.

Supplementary Information

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

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2015

	Actual	Original Budget	Final Budget	Variance with Final Budget Positive (Negative)
Revenues:				
Assessment income - current	\$ 302,572	\$ 305,643	\$ 305,643	\$ (3,071)
Assessment income - prior years	3,660	-	-	3,660
Grant income and in-kind revenue	673,600	327,000	327,000	346,600
Fair share contributions	147,500	147,500	147,500	-
Interest income	117	100	100	17
Penalty income	10	500	500	(490)
Miscellaneous income	3,063	5,250	5,250	(2,187)
Events income	10,396	5,000	5,000	5,396
Donation income	5,550	2,000	2,000	3,550
Total revenues	1,146,468	792,993	792,993	353,475
Expenses:				
Personnel:				
Salaries	112,266	117,035	117,035	4,769
FICA-ER	8,595	8,953	8,953	358
SUI-ER	681	757	757	76
Health coverage	6,970	9,360	9,360	2,390
Benefits - mutual	5,292	5,433	5,433	141
Total personnel	133,804	141,538	141,538	7,734

(Continued)

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

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2015

(Continued)

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Operations:				
Rent expense	12,294	12,295	12,295	1
Telephone	3,817	4,537	4,537	720
Postage	247	200	200	(47)
Printing	408	500	500	92
Filing fees/admin. expense	825	1,350	1,350	525
Office supplies	1,232	1,841	1,841	609
Computer equipment and software	1,388	1,000	1,000	(388)
Internet	995	1,000	1,000	5
Small equipment	266	-	-	(266)
Travel/parking	1,159	800	800	(359)
Staff/board development	1,469	3,000	3,000	1,531
Dues/subscriptions	944	1,000	1,000	56
Insurance expense	8,460	7,500	7,500	(960)
Computer consulting	1,980	2,000	2,000	20
Advertising/marketing	126	100	100	(26)
Meeting expense	99	300	300	201
Board meeting/annual	790	2,500	2,500	1,710
Miscellaneous expense	9	-	-	(9)
Payroll service	1,706	1,404	1,404	(302)
General office expense	1,347	1,300	1,300	(47)
Financial management/audit expense	22,646	22,617	22,617	(29)
Annual report	903	1,500	1,500	597
In-kind service expense	27,950	-	-	(27,950)
	<u>91,060</u>	<u>66,744</u>	<u>66,744</u>	<u>(24,316)</u>
Total operations				

(Continued)

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

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2015

(Continued)

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget Positive (Negative)</u>
Public space maintenance:				
Cleaning contract	219,210	219,211	219,211	1
Cleaning equipment expense	345	500	500	155
Total public space maintenance	<u>219,555</u>	<u>224,711</u>	<u>224,711</u>	<u>5,156</u>
Public space improvement:				
Flower baskets	2,860	3,000	3,000	140
Total public space improvement	<u>2,860</u>	<u>3,000</u>	<u>3,000</u>	<u>140</u>
Destination marketing:				
Market material printing	1,593	5,000	5,000	3,407
Events	23,830	10,000	10,000	(13,830)
Advertising	23	2,500	2,500	2,477
Total destination marketing	<u>25,446</u>	<u>17,500</u>	<u>17,500</u>	<u>(7,946)</u>

(Continued)

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

BUDGETARY COMPARISON REPORT

YEAR ENDED DECEMBER 31, 2015

(Continued)

	Actual	Original Budget	Final Budget	Variance with Final Budget Positive (Negative)
Business development:				
Marketing materials	142	-	-	(142)
Education/outreach	68	-	-	(68)
Retail market study	17,000	-	-	(17,000)
Total business development	17,210	-	-	(17,210)
Education and outreach:				
Newsletter	615	3,000	3,000	2,385
OBID website	1,295	1,000	1,000	(295)
Marketing/rebranding	5,671	-	-	(5,671)
Events	3,246	5,500	5,500	2,254
Printing	211	1,200	1,200	989
Postage	241	1,500	1,500	1,259
Total education and outreach	11,279	12,200	12,200	921
Innovation Oakland:				
Consultant	9,131	26,500	26,500	17,369
Project management	1,487	281,668	281,668	280,181
Financial management/audit expense	1,650	6,000	6,000	4,350
Grant expense	118,282	47,000	47,000	(71,282)
Spring event	14,445	-	-	(14,445)
Community outreach	-	5,000	5,000	5,000
Project administration	1,641	13,000	13,000	11,359
In-kind expense	179,925	45,000	45,000	(134,925)
Total Innovation Oakland	326,561	424,168	424,168	97,607
Depreciation expense	28,419	1,680	1,680	(26,739)
Assessment write-off	13,857	9,800	9,800	(4,057)
Total expenses	870,051	901,341	901,341	31,290
Excess (Deficiency) of Revenues Over Expenses	\$ 276,417	\$ (108,348)	\$ (108,348)	\$ 384,765

(Concluded)

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

COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2015

<u>Assets</u>	<u>OBID - General</u>	<u>Innovation Oakland</u>	<u>Total</u>
Current assets:			
Cash and cash equivalents	\$ 149,988	\$ 17,575	\$ 167,563
Certificate of deposit	10,668	-	10,668
Assessment receivable	20,934	-	20,934
Grants receivable	20,353	227,880	248,233
Prepaid expenses	834	-	834
Total current assets	<u>202,777</u>	<u>245,455</u>	<u>448,232</u>
Capital assets:			
Office and plaza equipment	10,175	555,837	566,012
Accumulated depreciation	<u>(6,636)</u>	<u>(71,077)</u>	<u>(77,713)</u>
Total capital assets	<u>3,539</u>	<u>484,760</u>	<u>488,299</u>
Total Assets	<u><u>\$ 206,316</u></u>	<u><u>\$ 730,215</u></u>	<u><u>\$ 936,531</u></u>
Liabilities and Net Position			
Liabilities:			
Accounts payable	\$ 32,936	\$ 130,662	\$ 163,598
Unearned revenue	28,750	95,247	123,997
Other withholding	533	-	533
Total Liabilities	<u>62,219</u>	<u>225,909</u>	<u>288,128</u>
Net Position:			
Net investment in capital assets	3,539	484,760	488,299
Restricted	-	19,546	19,546
Unrestricted	<u>140,558</u>	<u>-</u>	<u>140,558</u>
Total Net Position	<u>144,097</u>	<u>504,306</u>	<u>648,403</u>
Total Liabilities and Net Position	<u><u>\$ 206,316</u></u>	<u><u>\$ 730,215</u></u>	<u><u>\$ 936,531</u></u>

OAKLAND BUSINESS IMPROVEMENT DISTRICT (OF THE CITY OF PITTSBURGH)

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEAR ENDED DECEMBER 31, 2015

	OBID - General	Innovation Oakland	Total
Operating Revenues:			
Assessment revenue - current	\$ 302,572	\$ -	\$ 302,572
Assessment revenue - prior year	3,660	-	3,660
Fair share contributions	147,500	-	147,500
In-kind revenue - Innovation Oakland	-	179,925	179,925
In-kind revenue - other	27,950	-	27,950
Penalty income	10	-	10
Events income	10,396	-	10,396
Donation income	5,550	-	5,550
Total operating revenues	497,638	179,925	677,563
Operating Expenses:			
Improvement district operations	473,264	-	473,264
Innovation Oakland operations	-	146,636	146,636
In-kind expense - Innovation Oakland	-	179,925	179,925
In-kind expense - other	27,950	-	27,950
Assessment write-offs	13,857	-	13,857
Total operating expenses	515,071	326,561	841,632
Operating Loss	(17,433)	(146,636)	(164,069)
Nonoperating Revenues (Expenses):			
Grant income	23,565	-	23,565
Grant income - Innovation Oakland	-	442,160	442,160
Interest income	117	-	117
Miscellaneous income	3,063	-	3,063
Depreciation expense	(1,509)	(26,910)	(28,419)
Total nonoperating revenues (expenses)	25,236	415,250	440,486
Change in Net Position	7,803	268,614	276,417
Net Position:			
Beginning of year	136,294	235,692	371,986
End of year	<u>\$ 144,097</u>	<u>\$ 504,306</u>	<u>\$ 648,403</u>