

Sports & Exhibition Authority of Pittsburgh and Allegheny County

Operating Results of Authority Parking Garages and Lots

For the Years Ended December 31, 2016 and 2015

MaherDuessel
Certified Public Accountants

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SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY

FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

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Independent Auditor's Report

Board of Directors
Sports & Exhibition Authority of Pittsburgh
and Allegheny County

We have audited the financial statements of the Sports & Exhibition Authority of Pittsburgh and Allegheny County (Authority) as of and for the years ended December 31, 2016 and 2015, and have issued our report thereon dated April 13, 2017, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying Operating Results of Authority Parking Garages and Lots are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
April 13, 2017

SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY

OPERATING RESULTS OF AUTHORITY PARKING GARAGES AND LOTS

FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Convention Center Garage</u>	<u>North Shore Garage</u>	<u>10th & Penn and Lot 21, 22, and 23</u>	<u>Total</u>
Spaces	710	925	604	2,239
<u>OPERATING REVENUE:</u>				
Non-Taxable Revenue	\$ 33,850	\$ 1,576	\$ 397,925	\$ 433,351
Taxable Revenue	3,578,109	3,683,526	688,663	7,950,298
GROSS OPERATING REVENUE	3,611,959	3,685,102	1,086,588	8,383,649
Less: Parking Tax	(975,882)	(1,001,158)	(172,749)	(2,149,789)
ADJUSTED GROSS REVENUE	2,636,077	2,683,944	913,839	6,233,860
<u>OPERATING EXPENSES:</u>				
Insurance - General Liability	16,277	16,204	5,633	38,114
Maintenance - Routine	35,915	151,851	57,400	245,166
Maintenance - Special Projects	-	29,484	-	29,484
Office	41,996	66,392	18,601	126,989
Payroll	274,992	180,199	76,099	531,290
Security	-	142,407	15,052	157,459
Utilities	-	85,821	6,438	92,259
Other	1,018	1,318	-	2,336
Mangement/Alco Fees	24,000	36,000	119,853	179,853
TOTAL OPERATING EXPENSES	394,198	709,676	299,076	1,402,950
NET OPERATING INCOME	2,241,879	1,974,268	614,763	4,830,910
Other Income/(Expense)	(68,925)	(7,125)	-	(76,050)
Insurance - Property	-	(29,448)	-	(29,448)
NET INCOME	\$ 2,172,954	\$ 1,937,695	\$ 614,763	\$ 4,725,412
Current Year Debt Service/Fee	\$ 1,711,000	\$ 1,142,727	N/A	\$ 2,853,727

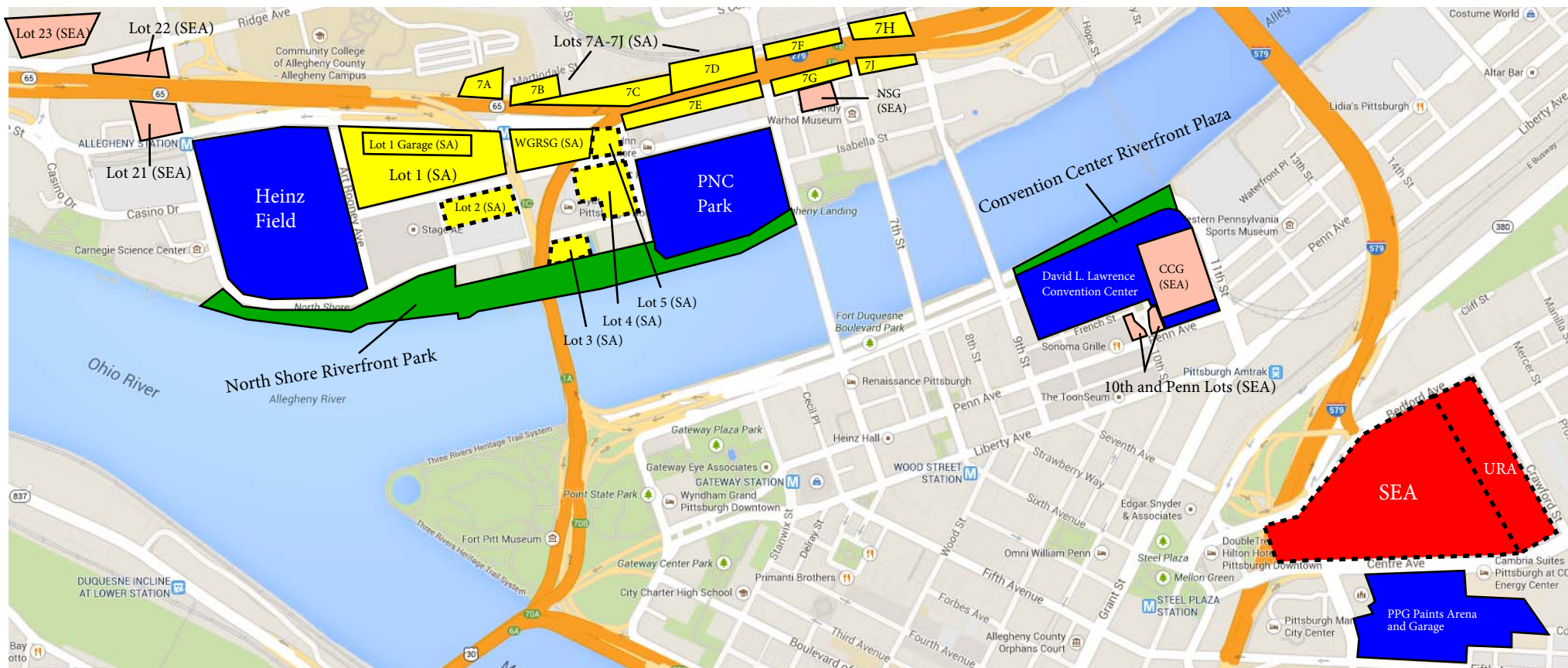
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY

OPERATING RESULTS OF AUTHORITY PARKING GARAGES AND LOTS

FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Convention Center Garage</u>	<u>North Shore Garage</u>	<u>10th & Penn and Lot 21, 22, and 23</u>	<u>Total</u>
Spaces	710	925	604	2,239
<u>OPERATING REVENUE:</u>				
Non-Taxable Revenue	\$ 34,855	\$ 375	\$ 220,233	\$ 255,463
Taxable Revenue	<u>3,512,350</u>	<u>3,850,896</u>	<u>639,787</u>	<u>8,003,033</u>
GROSS OPERATING REVENUE	3,547,205	3,851,271	860,020	8,258,496
Less: Parking Tax	<u>(957,923)</u>	<u>(1,050,241)</u>	<u>(174,489)</u>	<u>(2,182,653)</u>
ADJUSTED GROSS REVENUE	2,589,282	2,801,030	685,531	6,075,843
<u>OPERATING EXPENSES:</u>				
Insurance - General Liability	15,469	15,717	5,572	36,758
Maintenance - Routine	23,039	180,637	66,930	270,606
Maintenance - Special Projects	-	66,250	-	66,250
Office	43,254	70,917	20,549	134,720
Payroll	251,979	180,581	81,898	514,458
Security	-	140,771	13,074	153,845
Utilities	-	86,775	6,145	92,920
Other	615	-	-	615
Mangement/Alco Fees	<u>24,000</u>	<u>36,000</u>	<u>116,492</u>	<u>176,492</u>
TOTAL OPERATING EXPENSES	<u>358,356</u>	<u>777,648</u>	<u>310,660</u>	<u>1,446,664</u>
NET OPERATING INCOME	2,230,926	2,023,382	374,871	4,629,179
Other Income/(Expense)	(63,222)	(19,124)	225,000	142,654
Insurance - Property	<u>-</u>	<u>(29,063)</u>	<u>-</u>	<u>(29,063)</u>
NET INCOME	<u>\$ 2,167,704</u>	<u>\$ 1,975,195</u>	<u>\$ 599,871</u>	<u>\$ 4,742,770</u>
Current Year Debt Service/Fee	\$ 1,711,000	\$ 1,142,727	N/A	\$ 2,853,727

Sports & Exhibition Authority (SEA) and Stadium Authority (SA) Property Overview Map



- Sports and exhibition facilities (owned by SEA)
- Parking lots and garages (owned by SA): Lots 7A-7J leased long-term to SA by PennDOT; "WGRSG" refers to West General Robinson Garage; Lot 1 Garage
- Parking lots and garages (owned by SEA): "NSG" refers to North Shore Garage; "CCG" refers to Convention Center Garage
- 28-Acre Lower Hill Redevelopment option area (21 acres owned by SEA; 9 acres owned by Urban Redevelopment Authority(URA); optionee is PAR, a Penguins related entity): SEA currently building road grid; Penguins currently receive surface parking revenues
- North Shore Riverfront Park and Convention Center Riverfront Plaza (both owned by SEA)
- ⚙ Remaining North Shore option area development parcels (owned by SA, optionee is joint venture of Steelers and Pirates)