

STATE OF THE MUNICIPALITY
MAYOR GREGORY H. EROSENKO
MONROEVILLE, PENNSYLVANIA 15146

JANUARY 12, 2010

Section 606(g) of the Monroeville Home Rule Charter requires that the Mayor prepare and deliver an annual "State of the Municipality" report to the citizens of Monroeville. Last year, I convened a special town hall meeting to make this report to the community, however this year I am delivering the state of the municipality report at the January Council meeting.

The past year, 2009, has presented the Municipality of Monroeville with unprecedented challenges brought about by the severe economic recession gripping the entire nation and the departure of the communities leading employer and one of the top taxpayers, Westinghouse Electric Company. As unemployment almost doubled historic rates and retail sales dwindled especially in key Monroeville based businesses such as automobile dealerships and clothing stores, the reality of lesser tax collections and diminishing revenue had to be faced. Adding to that downward spiral in the national, regional, and local economy the fact that the residents we were all elected to serve were facing similar if not more profound economic challenges of their own. There was no simple solution to the economic recession of 2009.

As with most near crisis situations adjustments had to be made. In order to make change, priorities had to be set and consensus developed. I am delighted to report that despite differences of opinion on certain services and programs, the Mayor and Council were united on setting the first priority as the residents of Monroeville by delivering a no tax increase budget for 2010. I felt very strongly as did the majority of my Council colleagues that residents of Monroeville were hurting financially just as the Municipality was hurting and adding to that financial burden was not the solution.

When we realized that 2009 was a down financial year with dramatic impact on 2010, the Municipality took action by educating ourselves on what other local governments were doing across the country to adjust to the financial downturn. There began to emerge a clear pattern of coping steps that progressed from relatively simple to very difficult. The Municipality also implemented a no-nonsense budget approach called zero based budgeting and used a seasoned, third party evaluator to develop 100 recommendations for cost reductions. Further the Municipality held eight budget workshops and conducted three public hearings leading to a budget approval for 2010 in the last week of the year. As the Mayor I am very pleased to report that all Council members answered the challenge and spent the time and effort necessary to deliver a budget for 2010 that was right sized for the times and more importantly right sized for the residents.

So to summarize, 2009 was about the local economy and adjusting the municipal government to cope with the reality of less tax revenue and more importantly positioning the

municipality for the future should the economic recovery not take place. However all is not gloom and Monroeville has shown the resiliency that is truly promising.

The ribbon cutting of the new Monroeville Convention Center and the opening of the completely renovated Doubletree Hotel occurred in the fall of 2009. Both projects have been remarkably successful and have reestablished Monroeville has a premier location in the region and state wide convention and exhibition market. Tourism dollars greatly assist our hospitality and culinary industries at a time when other locations are experiencing a downturn. Bechtel Plant Machinery, Inc. (BPMI) and its 800+ engineering and professional employees completed the move to the Technology Park in Monroeville in 2009. While not the size and scope of a Westinghouse Electric Company, Bechtel does represent a significant employer at a time when viable, community minded businesses are a welcomed addition to our community. UPMC and its plans for a community based facility has already had a positive effect on the medical office properties surrounding the new health care center property. So we may be witnessing the birth of a new cluster of knowledge and employment in the medical and health services.

Monroeville has taken the steps necessary to address its current economic situation and it has done so putting the needs and interests of residents first. We have streamlined the local government organization without burdening the residents with a tax increase. We continue to court new business development by maintaining a business tax reduction for existing businesses and a business tax incentive program for new or relocating businesses. We continue to deliver a high level of service to our residents as the recent winter weather and snow removal services can attest.

Monroeville like other communities and organizations is in an economic storm of significant proportions. Yet, my message is clear, that the ship of state has come through the storm and is on course for a better future. It has done so due to the cooperation and hard work of my fellow elected officials, our employees, and the residents of this great community.

Gregory H. Erosenko
Mayor