

MUNICIPALITY OF
MONROEVILLE,
PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

Issued by: Josephine C. Rock, CPA
Director of Finance

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

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INTRODUCTORY SECTION

Municipality of Monroeville

A Home Rule Charter Municipality

Municipal Center
2700 Monroeville Boulevard
Monroeville, PA 15146-2388

Phone (412) 856-1000
Fax (412) 856-3366
www.monroeville.pa.us

August 30, 2022

To the Honorable Mayor, Members of the Governing Council, and Citizens of the Municipality of Monroeville:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2021.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Hosack, Specht, Muetzel, & Wood LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion of the Municipality of Monroeville financial statements for the year ended December 31, 2021. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

REPORT COMPOSITION

This report contains three sections:

Introductory:

Includes this transmittal letter highlighting significant 2021 financial and management items, the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for the 2020 ACFR, an organization chart and a list of principal officers.

Financial: Contains a report by the independent public accounting firm of Hosack, Specht, Muetzel & Wood LLP; Management's Discussion and Analysis (MD&A), a narrative overview of the Municipality's financial performance for the fiscal year ended December 31, 2021; the basic financial statements which include government-wide and fund financial statements and notes to financial statements; required supplementary information, combining and individual fund financial statements, component unit statements and additional information related to the library.

Statistical: Includes historical information for financial trends, revenue capacity, debt capacity, demographic and economic indicators and selected operating statistics for the Municipality

PROFILE OF THE GOVERNMENT

The Municipality of Monroeville, Allegheny County, Pennsylvania was incorporated as the Borough of Monroeville on January 25, 1951. On January 5, 1976, the Municipality became a Home Rule Charter Municipality pursuant to the provisions of the Home Rule Charter dated March 5, 1974. The Charter was subsequently approved by the electorate of the Municipality on May 2, 1974.

The Municipality is located approximately thirteen (13) miles east of the City of Pittsburgh in Allegheny County, Pennsylvania, with Pittsburgh being the county seat of Allegheny County, Pennsylvania. The Municipality is bordered to the north by the Municipality of Plum, to the south by the Townships of North Huntingdon and North Versailles, to the east by the Municipality of Murrysburg and the Township of Penn, and to the west by the Municipality of Penn Hills and the Township of Wilkins.

The Municipality was originally a rural and agricultural area. Tremendous development began with the extension of the Pennsylvania Turnpike in the early 1950s. Today, the Municipality encompasses a total land area of 19.5 square miles, of which approximately 97 percent is now developed. According to the Pennsylvania State Tax Equalization Board, the land use assessment of the Municipality is classified approximately 47% residential, 49% commercial, 1% lots, and 3% industrial. Monroeville has entered a post-suburbia stage of its life as a community where commercial growth has ebbed over the last two decades.

The 2020 population was 28,640 while the 2010 population of the Municipality was 28,386. This increase of 254 indicates Monroeville has maintained a steady population and has not experienced significant population decreases as some other municipalities have in Allegheny County.

Pursuant to the provisions of the Home Rule Charter, the Municipality of Monroeville is governed by a Mayor and a seven-member Municipal Council. Each of the seven members of the Municipal Council is elected by ward throughout the Municipality to serve four-year terms of office. The terms of office of the council members are staggered so that the members representing the odd-numbered wards are elected two years apart from the members representing the even-numbered wards. One of the seven members of the Municipal Council is designated as the Deputy Mayor. The Charter further stipulates that the Mayor is permitted to cast a vote relating to legislative matters only in the event of a tie.

The daily operations of the Municipality are delegated by the Mayor and Municipal Council to the Municipal Manager. According to the organizational structure for Monroeville Municipal Government, contained in the introductory section of this report, the Municipal Manager is responsible for the following major government functions: General Government Services, Public Safety, Cable Television, Public Works, Community Development, Library Services, Recreation, Parks and Human Services and the Senior Citizen's Center. The Municipal Manager is also responsible for the services provided by the Municipal Solicitor and Municipal Engineer.

The Council of the Municipality of Monroeville is required to adopt the budget as presented if amended, by ordinance on or before the thirty-first day of the twelfth month of the fiscal year. If it fails to adopt the budget by this date, the amounts appropriated for current operation of the current fiscal year shall be deemed adopted for the ensuing fiscal years on a month-to-month basis, with all items in it are pro-rated accordingly, until such time as the Council adopts a budget for the ensuing fiscal year. The budget is prepared at the fund level.

LOCAL ECONOMY

The Municipality is the home of several major employers representing such diverse industries as healthcare, research, engineering and retail services. Forbes Regional Hospital and Procare Pharmacy are the top two largest employers with University of Pittsburgh Medical Center East ranking number four. Procare Pharmacy is a distribution center for CVS Pharmacies in Western Pennsylvania. Bechtel is currently the third largest employer which is an engineering/research firm for the US Navy. Numerous full-time and part-time jobs are provided to area residents by Monroeville Mall, and Miracle Mile Shopping Center. Additionally, Monroeville is located in close proximity to the Greater Metropolitan Area surrounding the City of Pittsburgh and many residents of the Municipality are employed throughout the region.

The Municipality and the region continue to grapple with many of the same structural and funding deficits that challenge many municipalities. Challenges still exist with long-term financial budgetary stability for the Municipality, but is not to say that the Municipality and the Region have not realized significant achievements. Pittsburgh area was equal to the total United States for unemployment from June 2021 to April 2022. The unemployment rate for the Pittsburgh area was 4.5% whereas the United States was also 4.5%. In the Pittsburgh metropolitan area, leisure and hospitality services had the largest employment gain from February 2021 to February 2022 at 15.0 thousand or 17.8%. The gain for the United States was 17.4% (US Bureau of Labor Statistics, February 2022). This is due to the continued national and regional workforce return to normal life activities.

Real gross domestic product for U.S. metropolitan areas grew in the fourth quarter of 2021 by 6.9%; the latest new release available (U.S. Bureau of Economic Analysis). By the first quarter 2022 the GDP decreased to 1.5% reflecting an economic downslide related to the COVID -19 cases from the Omnicron variant. Per capita personal income (PCPI) nationally was \$62,968 as of the fourth quarter 2021 while Pennsylvania's PCPI at the same time was \$63,090. The first quarter 2021 the United States PCPI was \$65,869 and Pennsylvania's was \$66,698. The percent decrease is 4.40% and 5.41%, respectively. (BEA, PCPI June 2022).

Local housing is another encouraging sector. Building Department Permits issued in the Municipality increased slightly from 2,217 in 2020 to 2,678 in 2021. Permit revenues increased to \$574,467 in 2021 from \$333,287 in 2020.

In the Economist Intelligence Unit's annual ranking of most livable cities, Pittsburgh ranked second in the US in 2018 and third in 2019. Among its global ranking, Pittsburgh finished as the 34th most livable city in the world in 2019, a high rank for a medium-sized regional US city. (*Journal of Urban Regeneration and Renewal Vol. 15, 2, 193-209*)

The Region also benefits from a highly educated workforce. More than 40.7% of the worker's aged 25-34 have a bachelor's degree or higher. This is above the entire state of Pennsylvania's rate of 32.3%

LONG TERM FINANCIAL PLANNING

An unassigned fund balance in the general fund of \$19.2 million (57.2% of total general fund revenues) falls well above the policy guidelines set by Council for budgetary and planning purposes (i.e., 10.0 percent of total general fund revenues).

Municipal Council has continued the strategic plan for 2021 & 2022 as follows:

- Goal 1-Develop and diversify the business structure with the objectives to expand the commercial professional services tax base (i.e. information and technology, finance and insurance and health care services) and to build strong relationships with economic strategists.
- Goal 2- Modernization of zoning regulations with the objectives to provide regulations that can be easily understood by the general public and to minimize impact to existing residential developments.
- Goal 3- Neutralize traffic congestion with the objectives to provide a municipal "hub and spoke" transit system serving business U.S. Route 22, Old William Penn Highway, PA Route 286, Monroeville Road and PA Route 130 and to include large, wide sidewalks complemented with street furniture, decorative lighting and trees, and to include street space for vehicle, bicycle and pedestrian transportation.

- Goal 4- Continue the implementation of the Joint-Comprehensive Plan with Wilkins Township and Churchill Borough to produce efficiencies with economic development, zoning, recreation and shared services.
- Goal 5- Continue to implement the Municipal Separate Storm Sewer System (MS4) program as it relates to implementation of a flat fee of \$120 per year for all property owners to repair an aging storm sewer system infrastructure.
- Goal 6 – To implement a revised five (5) year Capital Improvement program to structure capital revenue and expenditures.

RELEVANT FINANCIAL POLICIES

It is the Municipality's policy to fund current expenditures from current revenues whenever possible; use of fund balance for other than capital and non-recurring expenditures will be clearly specified; debt financing and intergovernmental revenue will be for capital or nonrecurring expenditures. Revenues will be estimated conservatively, but realistically.

As described in the notes to the financial statements, the Municipality has a pay-as-you-go policy for the accrued sick time. During 2008, the Municipality authorized the creation of a Trust to fund Other Post-Employment Benefits (OPEB). The Municipality did not contribute to the Trust during 2021.

MAJOR INITIATIVES

The Municipality has undertaken major initiatives in recent years that include the update of the comprehensive plan, and the municipal codebook; analyzing the Municipal Separate Storm Sewer System (MS4) program and evaluating how to pay for a Five Year (5) Capital Improvement Program (CIP):

Comprehensive Plan

The three communities of Monroeville, Churchill Borough and Wilkens Township sought to identify ways they can work together and independently to pursue solutions to current and anticipated challenges and to build on strengths.

The three neighbors collaborated to produce an **implementable** comprehensive plan for creating changes that residents and officials desire while maximizing use of resources.

They chose six working areas as the primary focus of the implementable plan.

- | | |
|----------------------------|---------------------------|
| • Strategic communications | • Trails and connectivity |
| • Shared services | • Property maintenance |
| • Recreation | • Redevelopment |

About 90 percent of an implementable comprehensive planning process is dedicated to identifying the Key Issues through an in-depth public process; conducting targeted research needed to thoroughly understand the issues and how to address them; articulating a future vision; and developing action-oriented strategies for attaining that vision. Another critical component of the process is “capacity-building” to ensure the community can continue the work of the plan after the consultant’s part is completed.

The fundamental difference between a traditional plan and an implementable plan is the shift in focus from a goal of completing a plan report (traditional plan) to a goal of implementing changes in the community, with the plan as a way of facilitating that process (implementable plan).

The idea of an Implementable Comprehensive Plan appealed to professional staff members and elected officials of Churchill, Monroeville and Wilkins, who all wanted tangible action steps that help solve real problems.

Municipal Code

The Municipal Code is the authoritative book of the municipality. Within it contains all the “laws of the land” from land use management to personnel provisions. From time to time, the code of a municipality needs updated to purge ordinances that are either outdated with respect to the Municipality, Commonwealth or Federal laws. This project was started in 2015 and is continuing as time permits.

Municipal Separate Storm Sewer System (MS4)

The Municipal Separate Storm Sewer System, otherwise known as MS4, is an initiative started by the Environmental Protection Agency (EPA) to enforce the 1972 Clean Streams Act. The enforcement is through the Commonwealth’s Department of Environmental Protection (DEP). Under MS4, each municipality in the Commonwealth is mandated to update their storm sewer system to control flooding pollution and sediment reduction. This is necessary to prevent storm water infiltration to the sanitary system of a community. This is an expensive project and will take years to realize. Under Commonwealth legislation, Home Rule Chartered communities are permitted to enact a flat fee to support MS4 expenses without creating a storm water management district. Council passed the Pollution Control and Flood Reduction Ordinance in October 2018. The ordinance enacted legislation to assess a \$120 fee per year on residential property based on an average 2,385 square feet of impervious surface. Commercial property is based on multiples of 2,385 square feet of impervious surface. Houses of worship have been given a 25% per year discount.

Capital Improvement Program (CIP)

Currently, the Municipality funds its Five (5) Year Capital Improvement Program (CIP) through a pay-as-you-go system. The Municipality transfers \$1 million from the General Fund into the Capital Improvement Fund each year during the month of July. However, this amount is insufficient for a community the size of Monroeville.

The Municipal Manager has recommended that a 1-mill tax increase be adopted under ordinance exclusive for capital expenditures. This would infuse ~\$2.3 mil. into the CIP. Council has discussed this option, but no decision has been made as of yet.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Municipality of Monroeville for its Annual Comprehensive Financial Report for the year ended December 31, 2020. This is the twenty-ninth consecutive year that the Municipality has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence, the Municipality must publish an easily readable and efficiently organized Annual Comprehensive Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

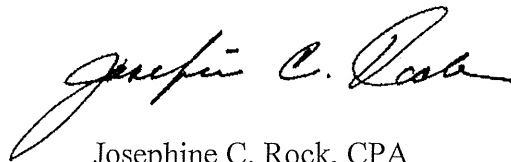
A Certificate of Achievement for Excellence is valid for a period of one year only. We believe that our current report continues to conform to the Certificate of Achievement for Excellence Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The production of this report was made possible through the efforts of a variety of individuals. The work and cooperation of the Municipality's administrative staff was instrumental in the completion of this project. I also wish to acknowledge the efforts of the Mayor, Municipal Council and the Manager for their support and encouragement. As in other endeavors, they have made a commitment to ensure that the financial operations of the Municipality are conducted in a progressive and responsive manner.

Respectfully submitted,

MUNICIPALITY OF MONROEVILLE

A handwritten signature in black ink, appearing to read "Josephine C. Rock". The signature is fluid and cursive, with a large initial "J" and a stylized "C" and "R".

Josephine C. Rock, CPA
Finance Director

2021 Organizational Structure for Monroeville Municipal Government

Boards, Commissions, Authorities, and Committees (Appointed)

Cable Television Advisory Board	Civil Service Commission	Convention Visitor's Bureau of Greater Monroeville
Ethics Board	Human Needs & Resources Advisory Board	Human Relations Commission
Personnel Board	Monroeville Municipal Authority	OPEB Committee
Recreation and Parks Advisory Board	Planning Commission	Police Pension Committee
Library Board	Uniform Construction Code Appeals Board	Zoning Board

Mayor and Council (Elected)

Municipal Solicitor

**Municipal Tax Collector
(Elected and Appointed)**

Municipal Engineer

**Municipal Manager
(Appointed)**

**Human
Resources**

Finance

- Accounting;
- Purchasing;
- Budget Control;
- Revenue Collection;

Engineering and Community Development

- Planning Permits;
- Zoning Permits;
- Building Inspection;
- Traffic Planning;
- Citizen Complaints;
- Ordinances & Code Inspections.

Public Works

- Snow/Ice Control;
- Street Maintenance;
- Municipal Vehicle Maintenance;
- Park Maintenance;
- Refuse Collection;
- Pollution Control and Flood Reduction

Public Safety

- Police Protection;;
- Emergency Communications;;
- Emergency Management;
- Fire Suppression;
- Ambulance Services. ;

Information Technology

- Computer Network
- Servers,
- Desktops, Laptops;
- Telecommunications
- Phone System
- Websites
- Social Media

Library Services

- Reference and Research Assistance
- Books, Music and DVDs
- Educational and Cultural Programs for All Ages
- Public Access Computers and Internet
- Meeting and Collaborative Study Space
- Online Reference Databases and eBooks

Senior Citizen Services (at least 50 years old)

- Activities; Clubs;
- Trips;
- Luncheons;
- Fitness facility
- Silver Sneakers-Certified Site

Cable TV

- Broadcast Cable Channel
- Video and Photo work for Public Safety

Recreation and Parks

- Recreational Classes and Programs;;
- Summer Concert Series;.
- Pavilion and Gazebo Rentals;
- Special Events;

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

PRINCIPAL OFFICIALS DURING 2021

MEMBERS OF COUNCIL

Nick Gresock	Mayor
Joseph Hyzy	Council Member, Ward 1
Eric Poach	Council Member, Ward 2
Bob Stevenson	Council Member, Ward 3
Steve Wolfram	Council Member, Ward 4
Mike Adams	Council Member, Ward 5
Bob Williams	Council Member, Ward 6
Dennis Biondo	Council Member, Ward 7

OTHER MUNICIPAL OFFICIALS

Timothy Little	Municipal Manager
Josephine C. Rock, CPA	Director of Finance
Robert J. Wratcher	Solicitor



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Municipality of Monroeville
Pennsylvania**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

HOSACK, SPECHT, MUETZEL & WOOD LLP
CERTIFIED PUBLIC ACCOUNTANTS
2 PENN CENTER WEST, SUITE 326
PITTSBURGH, PENNSYLVANIA 15276
PHONE - 412-343-9200
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HSMW@HSMWCPA.COM
WWW.HSMWCPA.COM

Independent Auditor's Report

Honorable Mayor and Members of Council
Municipality of Monroeville
Monroeville, Pennsylvania

Opinions

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Municipality of Monroeville, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Municipality'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 respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Municipality of Monroeville as of December 31, 2021, and the respective changes in financial position and the respective budgetary comparison for the general fund and the pollution control and flood reduction fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis of Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Municipality of Monroeville, 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

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.

Responsibilities of Management for the Financial Statements (Cont'd)

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 Municipality of Monroeville'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 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 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 generally accepted auditing standards, 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 Municipality of Monroeville'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 Municipality of Monroeville'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 and pension and other post-employment benefit 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipality of Monroeville's basic financial statements. The combining and individual nonmajor fund financial statements and additional information are presented for purposes of additional analysis and are not a required part of the basic 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 basic financial statements. The 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 combining and individual nonmajor fund financial statements and additional information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

Other Information (Cont'd)

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic 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.

Respectfully submitted,

Hosack, Specht, Muetzel & Wood LLP

HOSACK, SPECHT, MUETZEL & WOOD LLP
Pittsburgh, Pennsylvania
August 30, 2022

**MANAGEMENT'S DISCUSSION AND
ANALYSIS**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Monroeville Annual Comprehensive Financial Report presents a narrative overview and analysis of the Municipality's financial performance for the fiscal year ended December 31, 2021. Please read this management and discussion in conjunction with the preceding transmittal letter and the accompanying financial statements and notes which follow in order to obtain a thorough understanding of the Municipality's financial condition at December 31, 2021.

FINANCIAL HIGHLIGHTS

- The Municipality's net position increased by \$6,532,831 in 2021 or 77.59%.
- During 2021, the Municipality's bond rating was Aa2 with a positive outlook, according to Moody's Investor Service. More detailed information about the Municipality's general long-term debt activity can be found in Note 6 of the notes to financial statements.
- At December 31, 2021, the Municipality had \$1.3 million of gross bond debt and \$5.7 of general obligation notes. This represents a decrease of \$1,220,000 or 14.8% from the previous year. The Municipality also had \$345,666 of capital leases payable at December 31, 2021. This represents a burden of \$257 per capita to bonded debt.
- The total fund balance of the general fund at December 31, 2021 was \$26,137,113. The unassigned portion of the fund balance was \$19,203,641, which is approximately 57.2% of revenues in the general fund for fiscal year 2021, a decrease of 1.50%.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this report consists of three parts: management's discussion and analysis, the basic financial statements (including notes to the financial statements) and combining and individual fund statements with detailed budgetary comparison schedules. The basic financial statements present two different views of the Municipality through the use of government-wide statements and fund financial statements:

- The first two statements (Pages 1-2) are government-wide financial statements that provide long-term and short-term information about the Municipality's overall financial status, as well as the financial status of its component units.
- The remaining statements (Pages 3-12) are fund financial statements that focus on individual parts of municipal government, reporting operations in more detail than the government-wide statements.
 - The governmental funds statements describe how general government services such as public safety and recreation were financed.

- Fiduciary fund statements provide information about the retirement plans and post-employment benefits for municipal employees in whom the Municipality acts solely as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support municipal activities.

The financial statements include notes that provide an explanation for certain information in the financial statements and also provide more detail of this information. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and how they relate to one another. In addition to these required elements, a section with combining statements provides details about the non-major governmental funds that are presented in single columns in the basic financial statements.

Figure A-1
REQUIRED COMPONENTS OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT

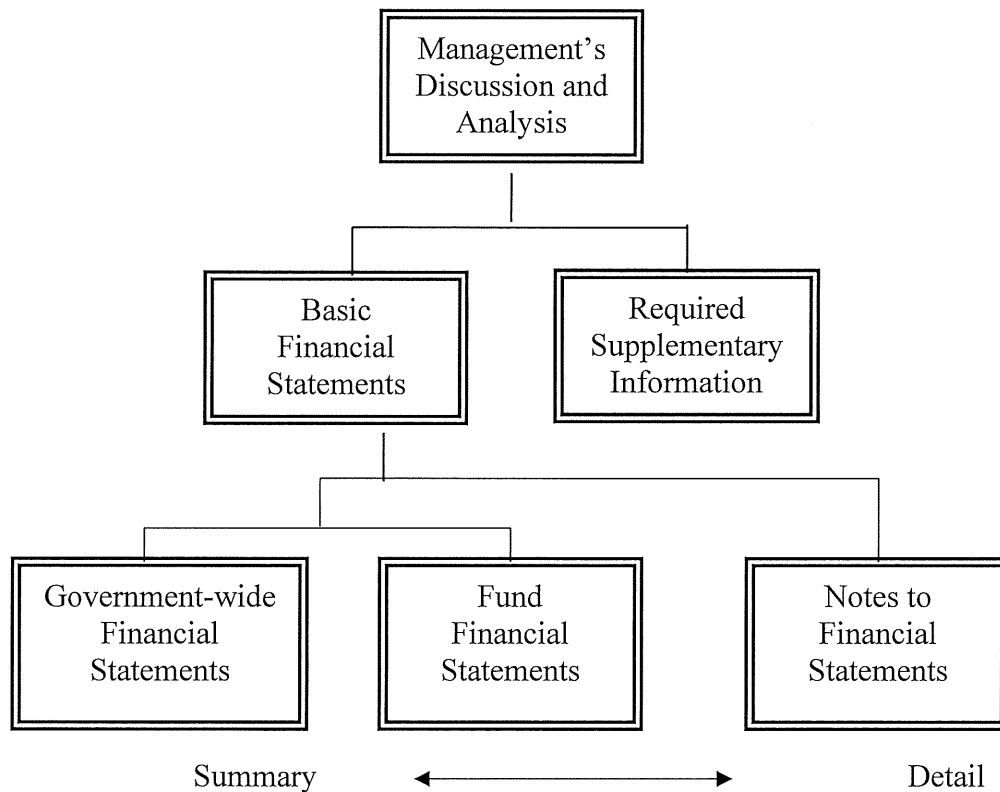


Figure A-2 summarizes the major features of the Municipality's financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Figure A-2
Major Features of Monroeville's Government-Wide and Fund Financial Statements

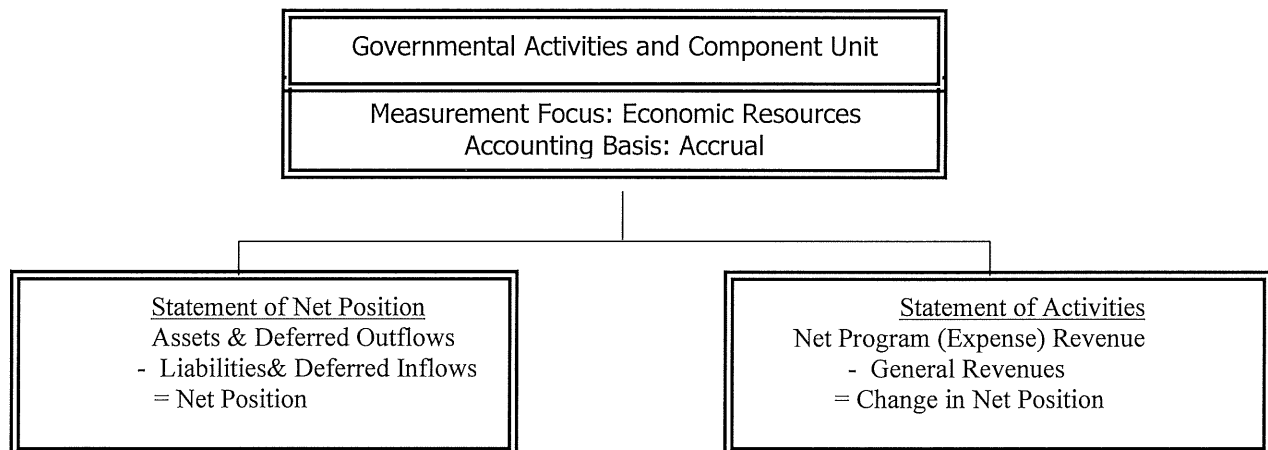
	Fund Statements		
	<u>Government-Wide Statements</u>	<u>Governmental Funds</u>	<u>Fiduciary Funds</u>
Scope	Entire municipal government (except fiduciary funds) and the Municipality's component unit	The activities of the Municipality that are not proprietary or fiduciary, such as police, fire, and recreation	Instances in which the Municipality is the trustee or agent for someone else's resources, such as the retirement plan for municipal employees
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures and changes in fund balances	• Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the Municipality's funds do not currently contain capital assets, although they can
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the Municipality as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the Municipality's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Municipality's net position and how they have changed. The statement of net position includes all of the municipality's assets, deferred outflow of resources, liabilities and deferred inflows of resources, except fiduciary funds. Net position—the difference between the Municipality's assets, deferred outflows of resources and liabilities, deferred inflows of resources—is one way to measure the Municipality's financial health or position. Over time, increases or decreases in the Municipality's net position is an indicator of whether its financial health is improving or deteriorating. The statement of activities focuses on how the Municipality's net position changed during the year. Additional non-financial factors such as changes in the Municipality's real property tax base and general economic conditions must be considered to assess the overall position of the Municipality. The primary features of government-wide financial statements are reflected in Figure A-3.

Figure A-3
Government-Wide Financial Statements



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

- *Governmental activities*—Most of the Municipality's basic services are included here, such as the police, fire, public works, recreation departments and general administration. Property, business, and earned income taxes, charges for services, and state grants finance most of these activities.
- *Component unit*—The Municipality includes the Monroeville Convention Visitors Bureau.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Municipality's most significant funds, not the Municipality as a whole. Funds are accounting groups that the Municipality uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by State law. The Municipality has two kinds of funds:

- *Governmental funds* - Most of the Municipality's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Municipality's 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.
- *Fiduciary funds* - The Municipality is the trustee, or *fiduciary*, for two, single-employer pension plans: general employees and police, and an employee benefit trust fund. These plans cover essentially all full-time employees. The Municipality is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Municipality's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the Municipality's government-wide financial statements because the Municipality cannot use these assets to finance its operations.

The Municipality's net position at December 31, 2021 and 2020 is presented below:

	Governmental Activities	
	2021	2020
Assets		
Current and other assets	\$ 37,528,676	\$ 28,833,878
Capital assets	26,227,212	26,483,391
Total assets	63,755,888	55,317,269
Deferred outflows of resources	6,136,199	4,908,668
Liabilities		
Current and other liabilities	3,683,556	1,605,971
Long-term liabilities:		
Due within one year	1,514,792	3,170,586
Due in more than one year	52,155,953	54,096,723
Total liabilities	57,354,301	58,873,280
Deferred inflows of resources	14,424,403	9,772,105
Net position		
Net investment in capital assets	18,806,405	17,650,264
Restricted	1,421,278	1,248,487
Unrestricted	(22,114,300)	(27,318,199)
Total net position	\$ (1,886,617)	\$ (8,419,448)

Net position:

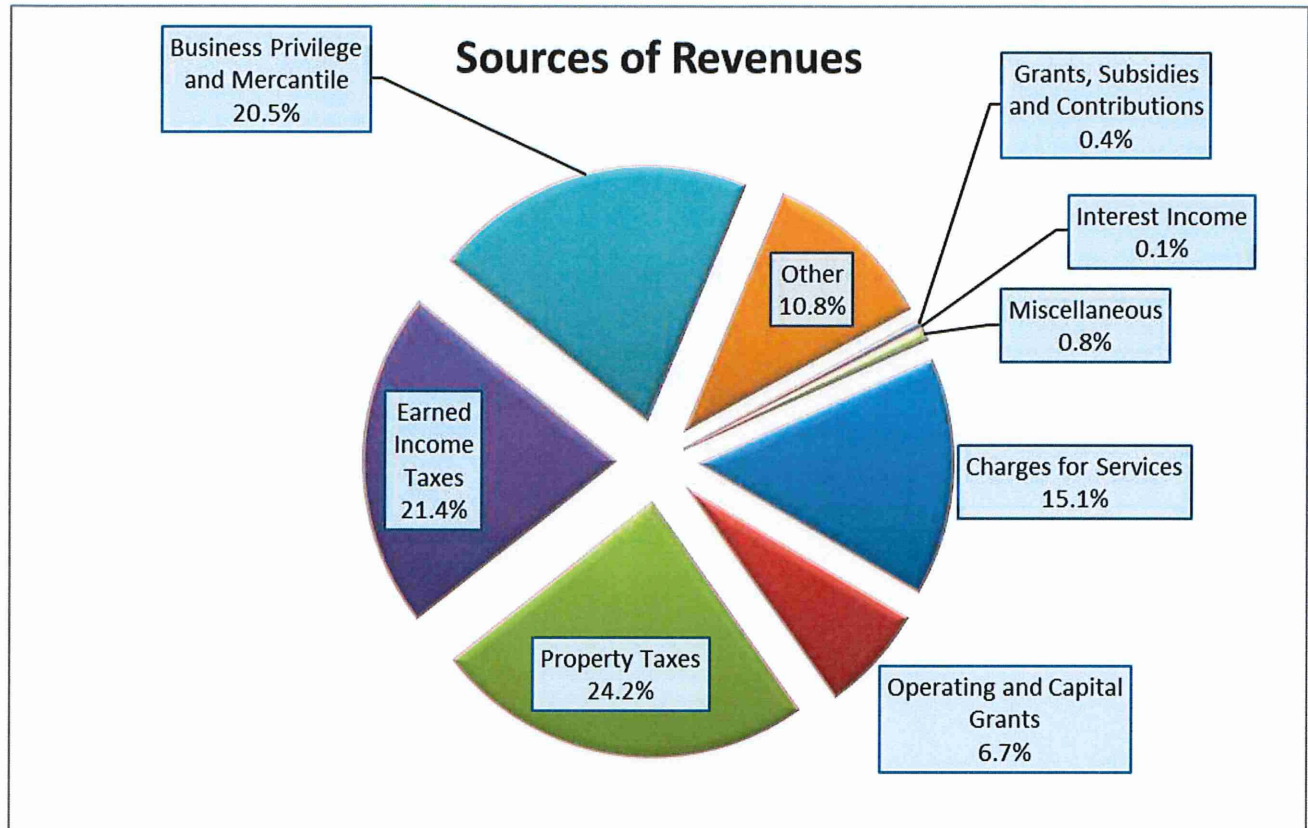
For 2021, Net Position of Governmental Activities, increased by \$6,532,831 or -77.59% to \$(1.9) million.

Change in Net Position
Years Ended December 31, 2021 and 2020
Primary Governmental Activities

	2021	2020	Variance
Revenues			
Program Revenues:			
Charges for Services	\$ 5,733,201	\$ 5,258,344	\$ 474,857
Operating and Capital Grants	2,555,443	2,608,909	(53,466)
General Revenues:			
Property Taxes	9,220,695	9,090,790	129,905
Earned Income Taxes	8,127,565	7,672,873	454,692
Business Privilege and Mercantile	7,797,675	7,879,440	(81,765)
Other	4,122,010	3,472,152	649,858
Grants, Subsidies and Contributions	139,349	196,433	(57,084)
Interest Income	25,176	304,410	(279,234)
Miscellaneous Income	303,358	1,023,538	(720,180)
Total Revenues	<u>38,024,472</u>	<u>37,506,889</u>	<u>517,583</u>
Program Expenses			
General Government	4,020,374	4,564,369	(543,995)
Public Safety	13,909,184	15,391,430	(1,482,246)
Public Works:			
Sanitation	1,391,520	1,326,160	65,360
Highways and Streets	5,660,864	5,827,794	(166,930)
Other	1,712,049	1,346,389	365,660
Culture and Recreation	4,214,492	4,366,602	(152,110)
Conservation and Development	497,490	447,307	50,183
Interest on Long-Term Debt	85,668	198,996	(113,328)
Total Expenses	<u>31,491,641</u>	<u>33,469,047</u>	<u>(1,977,406)</u>
Change in Net Position	6,532,831	4,037,842	2,494,989
Net Position - Beginning	<u>(8,419,448)</u>	<u>(12,457,290)</u>	<u>4,037,842</u>
Net Position - Ending	<u>\$ (1,886,617)</u>	<u>\$ (8,419,448)</u>	<u>\$ 6,532,831</u>

GOVERNMENTAL ACTIVITIES

The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2021:

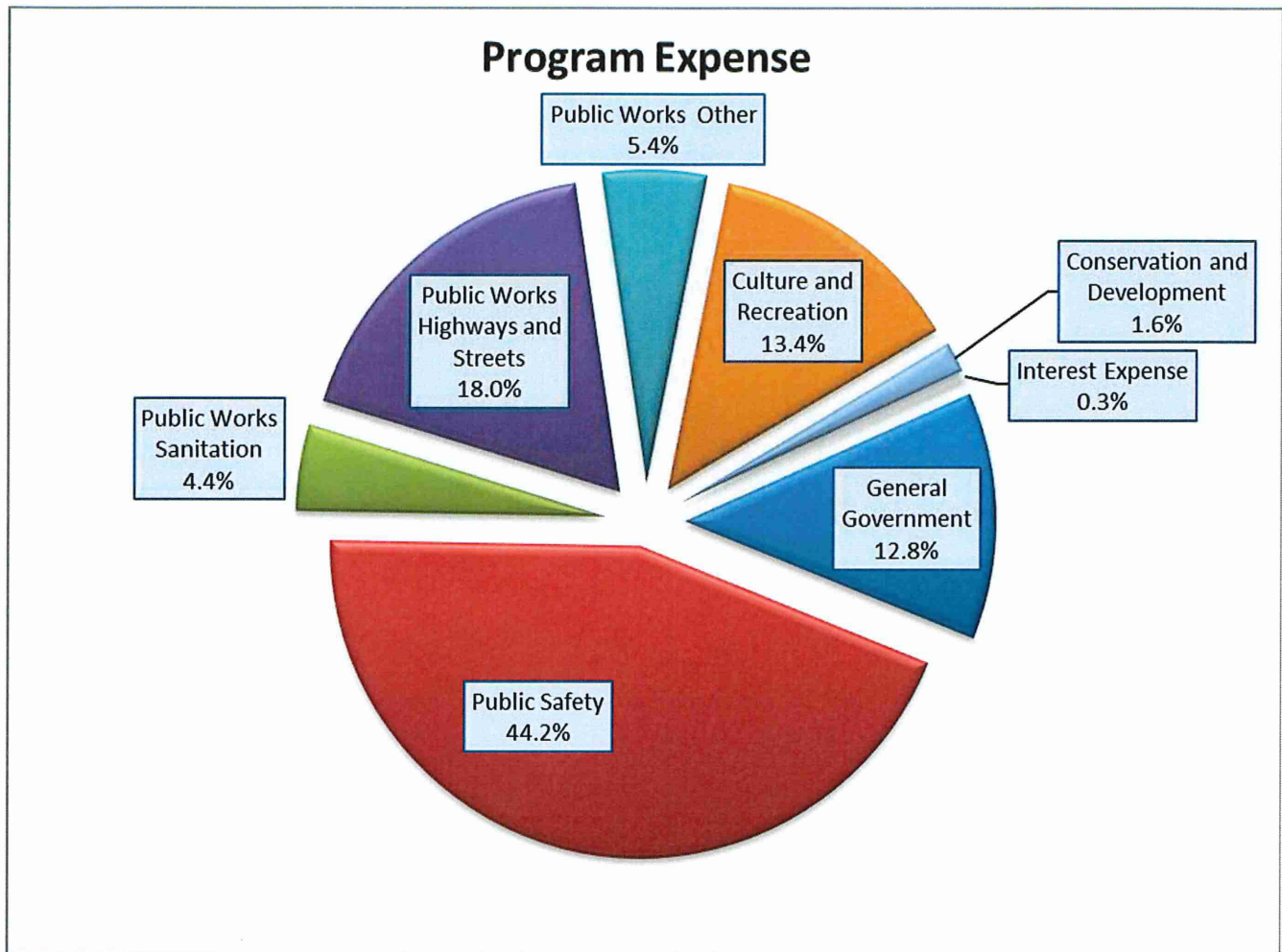


The revenue increase of \$517,583 or 1.4 % was mainly due to consistent collection of overall revenues, especially earned income and property tax. During 2021 the economy began a slow return to normal business operations after the COVID – 19 pandemic.

Program Expenses:

Total expenses for all programs in 2021 were \$31.5 million. The expenses reflect the delivery of a wide range of services with the largest being public safety at 44.2%. The second largest program area was public works (highways and streets) at 18.0%, culture and recreation at 13.4%, followed by general government at 12.8%, public works (other) at 5.4%, public works (sanitation) at 4.4%, conservation and development at 1.6% and interest expense at .3%.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2021:



There was an increase in net position in 2021 of \$6,532,831 partially due to the decrease in expenses.

The expenses decreased from the prior year by \$(1,977,406) or -5.91%. The largest decrease was due to a reduction in spending for public safety in the amount of \$(1,482,246) and general government had a decrease of \$(543,995). All of the decrease was due to the continued effects on the economy by COVID-19.

Net Program Expenses/Revenues:

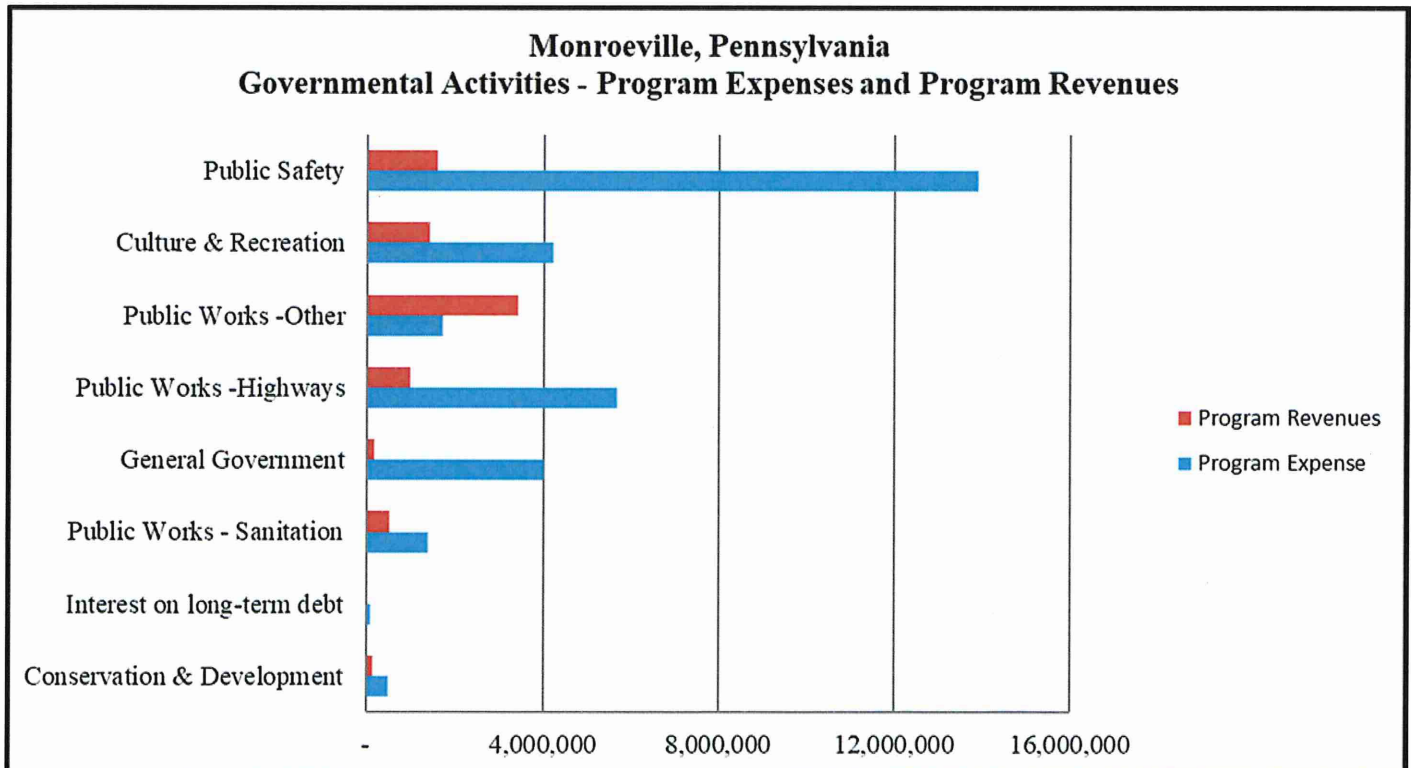
Net program expenses/revenues indicates the amount of support required from taxes and other general revenues for the year. The following table details the change between years:

Net Program Expense/Revenues

Primary Government:	2021	2020	Inc(Dec)
General Government	\$ (3,850,242)	\$ (4,349,646)	\$ (499,404)
Public Safety	(12,314,915)	(13,895,693)	(1,580,778)
Public Works -Highways	(4,666,509)	(4,831,540)	(165,031)
Public Works - Sanitation	(857,579)	(898,513)	(40,934)
Public Works -Other	1,726,147	1,989,602	263,455
Culture & Recreation	(2,791,730)	(3,065,303)	(273,573)
Conservation & Development	(362,501)	(351,705)	10,796
Interest on long-term debt	(85,668)	(198,996)	(113,328)
Total Net Expenses	<u>\$ (23,202,997)</u>	<u>\$ (25,601,794)</u>	<u>\$ (2,398,797)</u>

Public safety expenses required the most general revenue for support, requiring \$12.3 million in 2021. General government required \$3.9 million, while public works required \$3.8 million in general revenues, culture and recreation required \$2.8 million, and all others required \$.4 million.

The following chart graphically depicts the net program expenses/revenues by function/program for the fiscal year ended December 31, 2021:



FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS

As the Municipality completed the year, its governmental funds reported a combined fund balance of \$26.7 million of which \$26.1 million is the general fund, \$4.0 million is the PCFR fund \$(4.9) million is in the Capital Improvement Fund, and \$1.6 million is for all other governmental funds. This represents an increase of \$3.1 million from 2020. Of this combined fund balance total, \$14.2 million or 53.1% represents unassigned fund balance, meaning it is available to meet the Municipality's current and future needs. The fund balance has restrictions to indicate \$1.4 million of fund balance is not available for new spending because it has been committed to fund capital projects and other special revenue funds.

The general fund fund balance increased by \$4,916,217 due to the decrease in expenditures for 2021 and the strong collections of earned income tax and real estate transfer tax.

The Capital Improvement Fund reported a decrease in fund balance of \$(2,865,164). The amount budgeted for Capital Improvement Fund transfers was \$2,500,000. The actual transfer was not made.

The PCFR fund reported an increase in fund balance of \$934,724. This was the third year of the operation of this fund and the third year the fee was assessed to property owners.

General Fund Budgetary Highlights

The budgetary results of 2021 demonstrate that the Municipality has been able to fund operations and capital items mostly through current revenues. The chart below shows the operating results of General Fund for 2021:

	Final Budget	Actual	Variance (Unfavorable)
Revenues	\$ 28,759,633	\$ 33,562,423	\$ 4,802,790
Expenditures	31,993,456	28,798,732	3,194,724
Excess of Revenues Over Expenditures	(3,233,823)	4,763,691	7,997,514
Transfers, net and other sources	(3,528,060)	152,526	3,680,586
Net change in fund balance from operations	<u>\$ (6,761,883)</u>	<u>\$ 4,916,217</u>	<u>\$ 11,678,100</u>

The proposed usage of fund balance for the 2021 budget was \$4,261,884 to support 2021 operations and capital projects. The year ended with an increase in fund balance thus avoiding any use of fund balance.

There were several differences between the adopted original budget and the actual revenue and expenditures for the year.

The most significant positive changes in revenue were due to higher than expected real estate transfer tax by \$878,794 because of a combination of the sale of larger commercial properties and the robust activity in the real estate market. Mercantile and business privilege tax were \$1,430,993 higher than expected because of continued collections efforts.

The expenditure budget was \$3,194,724 under the budgeted amount. The most significant decrease was Debt Service at \$1,726,340 as a result of debt refunding. The total variances by function were not a significant fluctuation which indicates the Municipality did a good job of keeping expenses under control.

OTHER FUNDS

Capital Project Fund

The Capital Project Fund accounts for funds provided by the Municipality, most frequently from General Fund transfers. Of the \$2.8 million in capital expenditures during 2021, \$.9 million or 32.1% was for road paving projects.

Pollution Control and Flood Reduction Fund

This fund receives exclusive monies from the Pollution Control and Flood Reduction fee that began in 2019. The revenues received from this fund were \$3.4 million. The fee is paid by all property owners in the Municipality depending upon the size of their impervious surface area, or that area in which rain fall does not penetrate. The fee is based upon an Equivalent Residential Unit (ERU). An average ERU for a residential property is 2,385 sq. ft. One (1) ERU is billed \$10/month or \$120/year. Larger impervious surface property owners pay a fee pursuant to how many ERUs their property represents. Funds expended in 2021 amounted to \$2,463,783 including \$1,163,582 in capital outlay. The funds collected are for the expenditures of upgrading the storm water system (pipes, retention ponds, inlets, etc.) in order to comply with the 1972 Clean Streams law.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets consist primarily of land, buildings and improvements, equipment and infrastructure. The following is a summary of capital assets on December 31, 2021 and 2020:

	2021	2020
Capital assets, not being depreciated:		
Land	\$ 8,164,865	\$ 8,164,865
Capital assets being depreciated:		
Land Improvements	9,857,449	9,857,449
Building and improvements	13,614,321	13,578,935
Machinery and equipment	7,918,701	7,090,585
Vehicles	15,995,768	15,206,193
Infrastructure	23,297,416	23,250,898
Total capital assets being depreciated	70,683,655	68,984,060
Less accumulated depreciation for:		
Land Improvements	(7,377,077)	(7,066,876)
Building and improvements	(8,720,836)	(8,448,457)
Machinery and equipment	(5,866,176)	(5,573,466)
Vehicles	(10,864,627)	(10,361,719)
Infrastructure	(19,792,592)	(19,215,016)
Total accumulated depreciation	(52,621,308)	(50,665,534)
Total	\$ 26,227,212	\$ 26,483,391

More detailed information about the Municipality's capital assets can be found in Note 5 of the notes to financial statements.

Long-term Debt

On December 31, 2021, the Municipality had \$7.0 million of debt outstanding. This represents a decrease of \$1,220,000 or -14.8%, from the previous year. The following details activity related to general obligation bonds during 2021:

Summary of General Obligation Bond & Note Activity

Balance at January 1, 2021	\$ 8,225,000
Retirement	6,870,000
Additions	5,650,000
Balance at December 31, 2021	<u>\$ 7,005,000</u>

Other long-term obligation includes compensated absences payable and capital leases payable. The Municipality at December 31, 2021 has \$.3 million in capital leases payable.

More detailed information about the Municipality's long-term debt can be found in Notes 6 and 7 of the notes to financial statements.

TRUST AND AGENCY OPERATIONS

Pension Trust Funds and Other Employee Benefit Trust Funds

Monroeville has two pension plans – general employees and police and in 2009 created an OPEB Trust Fund. Municipal involvement in the administration of the police pension plan is the establishment of the investment policy and the calculation of benefits for retirees, which are then paid by the trustee. During 2021, Police Pension Plan net position increased \$5,398,613 to \$55,842,645 and the OPEB Trust Fund assets decreased \$(487,334) to \$1,409,014.

During 2021, employer contributions were required for both pension plans in the amount of \$3,864,499. In the non-uniform employees and police pension plans, the net pension (asset) liability was \$(4,839,705) and \$4,224,578 respectively. The required supplementary information located at the conclusion of the Notes to Financial Statements provides the details on the Pension and OPEB Trust Plans.

Bond Ratings

Moody's Investor Service increased the bond rating in October 2020 from Aa3 to Aa2 for the Municipality. This positive outlook reflects Moody's view that the Municipality's positive financial trend will continue over the near term. More detailed information about the Municipality's general long-term debt activity can be found in Notes 6 and 7 of the notes to financial statements.

CONTACTING THE MUNICIPALITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Municipality's finances and to demonstrate the Municipality's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact:

Municipality of Monroeville
Finance Department
2700 Monroeville Boulevard
Monroeville, PA 15146

BASIC FINANCIAL STATEMENTS

Municipality of Monroeville
Statement of Net Position
December 31, 2021

	<u>Primary Government</u>	<u>Component Unit</u>
	Governmental Activities	Convention Visitor's Bureau
ASSETS		
Cash and Cash Equivalents	\$ 22,333,833	\$1,110,109
Investments	154,040	-
Due from Component Unit	66,879	-
Receivables (Net, Where Applicable of Allowance for Uncollectibles)		
Taxes	2,950,017	-
Due from Other Governments	187,393	130,011
Other	6,930,298	-
Prepaid Items	66,511	2,358
Net Pension Asset	4,839,705	-
Land	8,164,865	-
Capital Assets, Net of Accumulated Depreciation	14,557,523	64,898
Infrastructure Assets, Net of Accumulated Depreciation	<u>3,504,824</u>	<u>-</u>
TOTAL ASSETS	<u>63,755,888</u>	<u>1,307,376</u>
DEFERRED OUTFLOWS OF RESOURCES		
Amounts Related to Pensions	5,159,284	-
Amounts Related to OPEB	<u>976,915</u>	<u>-</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>6,136,199</u>	<u>-</u>
LIABILITIES		
Due to Primary Government	-	66,879
Accounts Payable	941,330	2,026
Accrued Salaries and Benefits	549,752	-
Payroll Deductions and Withholdings	43,505	-
Unearned Revenue	1,432,922	-
Contracts Payable	549,323	-
Returnable Deposits	151,958	-
Accrued Interest Payable	14,766	-
Noncurrent Liabilities		
Due Within One Year	1,514,792	-
Due in More Than One Year		
Notes Payable	5,640,000	-
Capital Leases Payable	233,210	-
Compensated Absences	709,378	-
Net Other Post-Employment Benefit Liability	41,348,787	-
Net Pension Liability	<u>4,224,578</u>	<u>-</u>
TOTAL LIABILITIES	<u>57,354,301</u>	<u>68,905</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred Charge on Refunding	70,141	-
Amounts Related to Pensions	11,619,410	-
Amounts Related to OPEB	<u>2,734,852</u>	<u>-</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>14,424,403</u>	<u>-</u>
NET POSITION		
Net Investment in Capital Assets	18,806,405	64,898
Restricted for:		
Highways and Streets	1,378,996	-
Public Safety	42,282	-
Unrestricted	<u>(22,114,300)</u>	<u>1,173,573</u>
TOTAL NET POSITION	<u>\$ (1,886,617)</u>	<u>\$1,238,471</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Activities
Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Gov't. Govern- mental Activities	Component Unit Convention Visitor's Bureau
Governmental Activities					
General Government	\$ 4,020,374	\$ 60,988	\$ 109,144	\$ (3,850,242)	\$ -
Public Safety	13,909,184	883,773	710,496	(12,314,915)	-
Public Works - Sanitation	1,391,520	426,952	106,989	(857,579)	-
Public Works - Highways	5,660,864	90,904	903,451	(4,666,509)	-
Public Works - Other	1,712,049	3,398,507	39,689	1,726,147	-
Culture - Recreation	4,214,492	756,932	665,830	(2,791,730)	-
Conservation and Development	497,490	115,145	19,844	(362,501)	-
Interest on Long-Term Debt	<u>85,668</u>	<u>-</u>	<u>-</u>	<u>(85,668)</u>	<u>-</u>
Total Governmental Activities	<u>\$31,491,641</u>	<u>\$5,733,201</u>	<u>\$2,555,443</u>	<u>(23,202,997)</u>	<u>-</u>
Component Unit					
Convention Visitor's Bureau	<u>\$ 353,642</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>(353,642)</u>
General Revenues					
Taxes					
Property Taxes Levied for General Purposes, Net				9,220,695	-
Earned Income Taxes				8,127,565	-
Business Privilege Taxes				3,877,947	-
Mercantile Taxes				3,919,728	-
Local Services Taxes				1,092,811	-
Real Estate Transfer Taxes				1,778,795	-
Hotel/Motel and Gaming Fund Taxes				-	550,699
Other Taxes Levied for General Purposes, Net				1,250,404	-
Grants, Subsidies and Contributions not Restricted				139,349	-
Investment Earnings				25,176	300
Miscellaneous Income				114,421	22,058
Gain on Sale of Assets				<u>188,937</u>	<u>-</u>
Total General Revenues				<u>29,735,828</u>	<u>573,057</u>
Changes in Net Position				6,532,831	219,415
Net Position - January 1, 2021				<u>(8,419,448)</u>	<u>1,019,056</u>
Net Position - December 31, 2021				<u>\$ (1,886,617)</u>	<u>\$ 1,238,471</u>

See Accompanying Notes

Municipality of Monroeville
Balance Sheet
Governmental Funds
December 31, 2021

	General Fund	Special Revenue Fund Pollution Control and Flood Reduction Fund	Capital Projects Fund 2014 Capital Improvements Fund	Other Govern- mental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$14,783,216	\$4,299,795	\$ 1,658,056	\$1,592,766	\$22,333,833
Investments	154,040	-	-	-	154,040
Taxes Receivable, Net	2,950,017	-	-	-	2,950,017
Due from Other Funds	6,422,429	-	-	-	6,422,429
Due from Other Governments	187,393	-	-	-	187,393
Due from Component Units	66,879	-	-	-	66,879
Other Receivables (Net, Where Applicable of Allowance for Uncollectibles)	6,558,022	372,276	-	-	6,930,298
Prepaid Items	<u>66,511</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>66,511</u>
TOTAL ASSETS	<u>\$31,188,507</u>	<u>\$4,672,071</u>	<u>\$ 1,658,056</u>	<u>\$1,592,766</u>	<u>\$39,111,400</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Due to Other Funds	\$ -	\$ 502,654	\$ 5,910,773	\$ 9,002	\$ 6,422,429
Accounts Payable	655,716	99,627	185,987	-	941,330
Contracts Payable	-	-	549,323	-	549,323
Accrued Salaries and Benefits	526,328	23,424	-	-	549,752
Payroll Deductions and Withholdings	41,116	2,389	-	-	43,505
Returnable Deposits	151,958	-	-	-	151,958
Unearned Revenues	<u>1,432,922</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,432,922</u>
Total Liabilities	<u>2,808,040</u>	<u>628,094</u>	<u>6,646,083</u>	<u>9,002</u>	<u>10,091,219</u>
Deferred Inflows of Resources					
Unavailable Revenue - Property and Earned Income Taxes	<u>2,243,354</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,243,354</u>
Fund Balances					
Nonspendable	66,511	-	-	-	66,511
Restricted	-	-	-	1,421,278	1,421,278
Committed	1,242,565	4,043,977	-	162,486	5,449,028
Assigned	5,624,396	-	-	-	5,624,396
Unassigned	<u>19,203,641</u>	<u>-</u>	<u>(4,988,027)</u>	<u>-</u>	<u>14,215,614</u>
Total Fund Balances	<u>26,137,113</u>	<u>4,043,977</u>	<u>(4,988,027)</u>	<u>1,583,764</u>	<u>26,776,827</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$31,188,507</u>	<u>\$4,672,071</u>	<u>\$ 1,658,056</u>	<u>\$1,592,766</u>	<u>\$39,111,400</u>

See Accompanying Notes

Municipality of Monroeville
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2021

Total Fund Balances - Governmental Funds	\$ 26,776,827
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of assets is \$78,848,520, and the accumulated depreciation is \$52,621,308.	26,227,212
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Property tax receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenues in the funds.	2,243,354
--	-----------

Deferred charges on bonds issued and refunded are capitalized and amortized over the life of the bonds in the statement of net position.	(70,141)
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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:

Bonds Payable	\$ (1,355,000)	
Notes Payable	(5,650,000)	
Capital Leases Payable	(345,666)	
Accrued Interest on the Bonds	(14,766)	
Compensated Absences	(746,714)	
Other Post-Employment Benefits	<u>(41,348,787)</u>	(49,460,933)

Some assets and liabilities including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds.

Net Pension Asset	4,839,705	
Net Pension Liability	<u>(4,224,578)</u>	615,127

Municipality of Monroeville
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2021

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred Outflows of Resources Related to Pensions	\$ 5,159,284	
Deferred Outflows of Resources Related to OPEB	976,915	
Deferred Inflows of Resources Related to Pensions	(11,619,410)	
Deferred Inflows of Resources Related to OPEB	<u>(2,734,852)</u>	\$ <u>(8,218,063)</u>
Total Net Position - Governmental Activities		\$ <u>(1,886,617)</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2021

		Special Revenue Fund	Capital Projects Fund		
		Pollution Control and Flood Reduction Fund	2014 Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
	General Fund				
Revenues					
Taxes	\$29,217,159	\$ -	\$ -	\$ -	\$29,217,159
Licenses and Permits	1,550,600	-	-	-	1,550,600
Fines and Forfeits	59,624	-	-	-	59,624
Interest, Rents and Royalties	81,591	-	767	704	83,062
Intergovernmental	1,850,127	-	-	822,798	2,672,925
Charges for Services	724,469	3,398,507	-	-	4,122,976
Miscellaneous	<u>78,853</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,853</u>
Total Revenues	<u>33,562,423</u>	<u>3,398,507</u>	<u>767</u>	<u>823,502</u>	<u>37,785,199</u>
Expenditures					
Current:					
General Government	3,545,667	57,722	-	63,617	3,667,006
Public Safety	12,908,570	-	-	13,478	12,922,048
Public Works - Sanitation	1,315,314	-	-	-	1,315,314
Public Works - Highways	3,502,472	-	-	611,522	4,113,994
Public Works - Other Services	-	1,242,479	-	-	1,242,479
Culture - Recreation	4,123,416	-	-	-	4,123,416
Conservation and Development	563,496	-	-	-	563,496
Insurance Premiums	1,389,751	-	-	-	1,389,751
Debt Service:					
Principal	1,350,000	-	109,777	-	1,459,777
Interest	100,046	-	11,113	1,643	112,802
Capital Outlay	<u>-</u>	<u>1,163,582</u>	<u>2,821,698</u>	<u>24,020</u>	<u>4,009,300</u>
Total Expenditures	<u>28,798,732</u>	<u>2,463,783</u>	<u>2,942,588</u>	<u>714,280</u>	<u>34,919,383</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,763,691</u>	<u>934,724</u>	<u>(2,941,821)</u>	<u>109,222</u>	<u>2,865,816</u>
Other Financing Sources (Uses)					
Issuance of Refunding Notes	-	-	-	5,650,000	5,650,000
Transfers In	-	-	76,657	-	76,657
Sale of Capital Assets	229,183	-	-	-	229,183
Pmt. to Refunded Bond Escrow Agent	-	-	-	(5,586,357)	(5,586,357)
Transfers Out	<u>(76,657)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(76,657)</u>
Total Other Financing Sources (Uses)	<u>152,526</u>	<u>-</u>	<u>76,657</u>	<u>63,643</u>	<u>292,826</u>
Net Changes in Fund Balances	4,916,217	934,724	(2,865,164)	172,865	3,158,642
Fund Balances - January 1, 2021	<u>21,220,896</u>	<u>3,109,253</u>	<u>(2,122,863)</u>	<u>1,410,899</u>	<u>23,618,185</u>
Fund Balances - December 31, 2021	<u>\$26,137,113</u>	<u>\$4,043,977</u>	<u>\$(4,988,027)</u>	<u>\$ 1,583,764</u>	<u>\$26,776,827</u>

See Accompanying Notes

**Municipality of Monroeville
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
to the Statement of Activities
Year Ended December 31, 2021**

Total Net Change in Fund Balances - Governmental Funds	\$ 3,158,642
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period.

Depreciation Expense	\$(2,428,636)	
Capital Outlays	2,212,703	
Net Book Value of Assets Retired	<u>(40,246)</u>	(256,179)

Property tax revenues that do not provide current financial resources are not reported as revenues in the funds.	50,336
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Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	1,459,777
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The Municipality's bonded debt was also reduced by a current refunding of debt. Resources of (\$5,586,357) were paid to the escrow agent for the current refunding of outstanding bonds (\$5,520,000). The difference between those amounts was \$66,357 and will be amortized as an adjustment of interest expense in the statement of activities over the remaining life of the new debt.	5,586,357
---	-----------

Note proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide financial statements, however, issuing debt increases long-term liabilities in the statement of net assets and does not affect the statement of activities. The proceeds were:	(5,650,000)
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**Municipality of Monroeville
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
to the Statement of Activities
Year Ended December 31, 2021**

In the statement of activities, certain operating expenses - compensated absences (sick pay and vacations) and other post-employment benefits (OPEB) - are measured by the amounts earned during the year. In governmental funds, however, expenditures for the items are measured by the amount of financial resources used (essentially, the amounts actually paid).

Compensated Absences	\$ 69,457	
Net Other Post-Employment Benefit Obligation	<u>(1,779,531)</u>	\$(1,710,074)

Changes in the net pension liability and related deferred inflows and outflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements.	3,866,838
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Interest on long-term debt in the statement of activities 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 activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Net Change in Accrued Interest on the Bonds	10,948
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Bond premium and deferred loss on refunding are reported in the statement of revenues and expenditures of governmental funds as expenditures but are capitalized and amortized over the life of the bonds in the statement of activities.

Amortization of Deferred Loss on Refunding and Bond Premium	<u>16,186</u>
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Change in Net Position of Governmental Activities	<u>\$ 6,532,831</u>
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See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget and Actual
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues				
Taxes	\$24,061,660	\$24,061,660	\$29,217,159	\$ 5,155,499
Licenses and Permits	1,403,400	1,403,400	1,550,600	147,200
Fines and Forfeits	57,500	57,500	59,624	2,124
Interest, Rents and Royalties	109,164	109,164	81,591	(27,573)
Intergovernmental	2,452,229	2,452,229	1,850,127	(602,102)
Charges for Services	640,680	640,680	724,469	83,789
Miscellaneous	<u>35,000</u>	<u>35,000</u>	<u>78,853</u>	<u>43,853</u>
Total Revenues	<u>28,759,633</u>	<u>28,759,633</u>	<u>33,562,423</u>	<u>4,802,790</u>
Expenditures				
Current:				
General Government	3,752,922	3,752,922	3,545,667	207,255
Public Safety	13,369,640	13,369,640	12,908,570	461,070
Public Works - Sanitation	1,199,477	1,199,477	1,315,314	(115,837)
Public Works - Highways	3,877,107	3,877,107	3,502,472	374,635
Culture - Recreation	4,351,349	4,351,349	4,123,416	227,933
Conservation and Development	610,075	610,075	563,496	46,579
Insurance Premiums	1,656,500	1,656,500	1,389,751	266,749
Debt Service:				
Principal	3,020,000	3,020,000	1,350,000	1,670,000
Interest	<u>156,386</u>	<u>156,386</u>	<u>100,046</u>	<u>56,340</u>
Total Expenditures	<u>31,993,456</u>	<u>31,993,456</u>	<u>28,798,732</u>	<u>3,194,724</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,233,823)</u>	<u>(3,233,823)</u>	<u>4,763,691</u>	<u>7,997,514</u>
Other Financing Sources (Uses)				
Sale/Compensation for Capital Assets	-	-	229,183	229,183
Transfers Out	<u>(3,528,060)</u>	<u>(3,528,060)</u>	<u>(76,657)</u>	<u>3,451,403</u>
Total Other Financing Sources (Uses)	<u>(3,528,060)</u>	<u>(3,528,060)</u>	<u>152,526</u>	<u>3,680,586</u>
Net Change in Fund Balance	<u>\$(6,761,883)</u>	<u>\$(6,761,883)</u>	<u>\$4,916,217</u>	<u>\$11,678,100</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Fund
Pollution Control and Flood Reduction Fund
Budget and Actual
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues				
Interest, Rents and Royalties				
Interest Earnings	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
Charges for Services				
Stormwater Fees	<u>3,233,956</u>	<u>3,233,956</u>	<u>3,398,507</u>	<u>164,551</u>
Total Revenues	<u>3,235,956</u>	<u>3,235,956</u>	<u>3,398,507</u>	<u>162,551</u>
Expenditures				
Current:				
General Government				
Finance and Legal	106,000	106,000	57,722	48,278
Public Works - Other Services				
Stormwater Management	1,672,134	1,672,134	1,242,479	429,655
Capital Outlay				
Stormwater Management	<u>1,458,000</u>	<u>1,458,000</u>	<u>1,163,582</u>	<u>294,418</u>
Total Expenditures	<u>3,236,134</u>	<u>3,236,134</u>	<u>2,463,783</u>	<u>772,351</u>
Net Change in Fund Balance	\$ <u>(178)</u>	\$ <u>(178)</u>	\$ <u>934,724</u>	\$ <u>934,902</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Net Position
Fiduciary Funds
December 31, 2021

	Pension and Other Employee Benefit Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 5,308,622
Investments	
Equities	5,700,690
Mutual Funds	43,069,201
Municipal Bonds	2,214,849
Corporate Bonds	7,005,928
Other Receivables	<u>84,649</u>
TOTAL ASSETS	<u>63,383,939</u>
LIABILITIES	
Accounts Payable	<u>6,132,280</u>
NET POSITION	
Net Position Restricted for Pensions	55,842,645
Net Position Restricted for OPEB	<u>1,409,014</u>
TOTAL NET POSITION	<u>\$57,251,659</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Changes in Net Position
Fiduciary Funds
Year Ended December 31, 2021

	Pension and Other Employee Benefit Trust Funds
Additions	
Contributions	
Employer	\$ 2,547,632
Plan Members	<u>304,323</u>
Total Contributions	<u>2,851,955</u>
Investment Income	
Net Appreciation in Fair Value of Investments	6,090,284
Interest and Dividends	<u>1,209,828</u>
	7,300,112
Less Investment Expense	<u>(323,664)</u>
Net Investment Income	<u>6,976,448</u>
Total Additions	<u>9,828,403</u>
Deductions	
Benefits	4,912,058
Administrative Expenses	<u>5,066</u>
Total Deductions	<u>4,917,124</u>
Net Increase in Net Position	4,911,279
Plan Net Position	
Beginning of Year	\$ <u>52,340,380</u>
End of Year	<u>\$57,251,659</u>

See Accompanying Notes

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

The Municipality of Monroeville, Pennsylvania (Municipality), a home rule charter Municipality since May 21, 1974, is located in Allegheny County, Pennsylvania, approximately ten miles east of the City of Pittsburgh. The Municipality, governed by an elected council and mayor, provides the following services as authorized by its home rule charter: public safety, highways and streets, sanitation, culture and recreation, planning and zoning, and general administrative services.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable.

Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government. Each discretely presented component unit has a December 31 year-end.

Discretely Presented Component Unit

Convention Visitor's Bureau of Greater Monroeville

The Convention Visitor's Bureau of Greater Monroeville (Bureau) is a non-profit organization designed to stimulate and increase the volume of conventions and visitors within the Municipality. The Bureau's Board consists of seven voting members and one nonvoting member, which are appointed by Municipal Council. The Bureau, via a Municipal ordinance, is the designated agent of the Municipality for use of Allegheny County Hotel/Motel tax funds. Annually, the Bureau's Board submits a financial plan to Municipal Council for approval. Monthly requests for transfer of funds are submitted to the Municipal finance department. Separate financial statements are not issued.

Other

The Monroeville Municipal Authority is a related organization of the Municipality because the Municipal Council appoints the majority of the governing body. However, the Municipality is not financially obligated for, nor does it financially benefit from, the activities of this entity and the Authority is not considered a component unit.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

B. Description of Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Municipality and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the Municipality's governmental funds and its component units. Elimination of the charges would distort the direct costs and program revenues reported in the various functions. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately. Likewise, the primary government is reported separately from certain legally separate component units for which the government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation - Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one discretely presented component unit. While the Bureau is not considered to be a major component unit, it is nevertheless shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

D. Basis of Presentation - Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Governmental Funds

The Municipality presents the following major governmental funds:

The *General Fund* is the general operating fund of the Municipality. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Pollution Control and Flood Reduction Fund* is used to account for expenditures of upgrading the stormwater system. Funds for this fund are from a fee assessed to all property owners based on the size of their impervious surface area. The fee is based upon an Equivalent Residential Unit (ERU), the fee is one-hundred twenty (\$120) a year for one ERU.

The *Capital Improvements Fund - Capital Projects Fund* is used to account for expenditures related to the Municipality's capital improvements program. Funds for this project were received from transfers from the general fund and capital lease proceeds.

Additionally, the Municipality reports the following fund types as Other Governmental Funds:

The *Special Revenue Funds* focus on revenues that are restricted or committed to specific purposes. Their revenues serve as the foundation for those funds.

The *Capital Projects Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Fiduciary Funds

The *Police Pension Fund* and *Other Post-Employment Benefits Trust Fund* are used to account for assets held by the Municipality in a trustee capacity. The funds are accounted for using the economic resources measurement focus and the accrual basis of accounting.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

D. Basis of Presentation - Fund Financial Statements (Cont'd)

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes, net of any uncollectible amounts, are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental 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 60 days

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

E. Measurement Focus and Basis of Accounting (Cont'd)

of the end of the current fiscal period. Property taxes levied but collected beyond 60 days after year end are recorded as deferred revenue to be recognized as revenue when the taxes are collected. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, intergovernmental revenues, investment income, rent and certain miscellaneous revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. In applying the susceptible to accrual concept to intergovernmental revenues (state and federal sources), the legal and contractual requirements of the individual programs are used as guidance. There are however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Municipality; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditures. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

F. 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 the Municipality.

G. Investments

Investments are reported at fair value. Funds are invested in accordance with the Municipality's investment policy guidelines as described in Note 2.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

H. Capital Assets

General capital assets result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide financial statement of net position but are not reported in the fund financial statements. In accordance with GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, infrastructure has been retroactively capitalized.

All capital assets are capitalized at cost. The Municipality maintains a capitalization threshold of \$5,000 for all capital assets. 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. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

All reported capital assets, except for land and construction-in-progress, are depreciated. Depreciation is computed using the straight-line method, over the following useful lives:

Assets	Years
Land Improvements	20-30
Buildings and Improvements	7-100
Infrastructure	8-50
Machinery, Equipment, Furniture and Vehicles	3-20

Depreciation expense is allocated among the expense program functions.

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other items in the government-wide statement of net position are related to the defined benefit pension plans and the other post-employment benefit (OPEB) plan.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

I. Deferred Outflows/Inflows of Resources (Cont'd)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The items in the government-wide statement of net position are related to the deferred charge on refunding and to the defined benefit pension plans and OPEB plan.

J. Compensated Absences

Under the terms of the collective bargaining agreement between the Municipality and the Monroeville Police bargaining unit, officers are allowed to accumulate compensatory time up to a maximum of 480 hours except, employees hired after July 21, 2005 can accumulate up to a maximum of 360 hours. Accumulated compensatory time may be taken at the time of an officer's retirement or he/she may elect to receive compensation totaling the dollar value of accumulated compensatory time. In addition, the police officers, as well as the Municipal employees, are entitled to be paid for any unused sick days at a rate of between \$50-\$100 per day upon termination. Accumulated benefits for compensatory time and for unused sick days are accrued and reported on the government-wide financial statements.

K. Budgets and Budgetary Accounting

Annual appropriated budgets are adopted for the General Fund and two Special Revenue Funds (Pollution Control and Flood Reduction Fund and Highway Aid Fund). These budgets are adopted on a basis consistent with generally accepted accounting principles. Budgetary controls for the Trust Funds are maintained by the provisions of the funds as implemented by its respective governing board. The Police Asset Seizure Fund activity is governed by the federal and state provisions imposed on those funds. The Sidewalk Fund is governed by the ordinance that established the fund. The Northern Pike Improvements Fund is governed by the development agreement that funded the project. The Capital Improvements Fund is governed by the debt, lease agreements and/or resolutions that funded those projects. Regarding the discrete component unit, it passes a "flexible budget" which is not a legally appropriated operating budget.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

K. Budgets and Budgetary Accounting (Cont'd)

The Municipality uses the following procedures in establishing the budgetary data reflected in the financial statements as prescribed in the Municipality's Home Rule Charter:

At least 45 days prior to the beginning of each fiscal year, the Manager shall submit to the Members of Council (Council) a proposed budget for the ensuing fiscal year and an accompanying message.

Council shall publish within a period of eight days of receipt from the Municipal Manager, in one or more newspapers of general circulation in the Municipality, a general summary of the budget and a notice that the proposed budget is available for public view, also stating the times and places where copies of the budget and the message are available to the public and the times and places of the required public hearing on the budget and such other public hearings as the Council may decide to hold.

Council shall hold a minimum of two public hearings on the budget at which time residents of the Municipality may express their views on the proposed budget. The first such hearing shall not be less than 14 days nor more than 21 days after the date of publication. The second public hearing shall not be less than seven days nor more than 14 days after the first hearing.

Council shall adopt the budget as presented or amended, by ordinance on or before the 31st day of the twelfth month of the fiscal year currently ending.

Council may amend the budget by ordinance during the fiscal year for which the budget was adopted as long as the amendment does not result in expenditures exceeding available resources. The budget information presented encompasses all budget amendments. There were no supplemental appropriations in 2021. Any excess appropriation lapses at the end of the fiscal year. Management is authorized to transfer budgeted amounts between departments without Council approval provided that such transfers do not alter total expenditures approved by Council or exceed estimated revenues, additional appropriations require Council approval. Therefore, the legal level of control over expenditures for all budgeted funds is the surplus or deficit of the fund as a whole.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

L. Equity Classifications

Government-Wide Statements

Net position is divided into three components:

Net investment in capital assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments, or (2) law through constitutional provisions or enabling legislation.

Unrestricted - all other net position that do not meet the definition of "restricted" or "invested in capital assets net of related debt".

Fund Statements

In accordance with Governmental Accounting Standards Board Statement No. 54, fund balance reporting and governmental fund type definitions, the Municipality classifies governmental funds balances as follows:

Nonspendable - amounts that cannot be spent because they are either (1) not in a spendable form or (2) legally or contractually required to remain intact.

Restricted - the part of fund balance that is restricted to be spent for a specific purpose. The constraints on these amounts must be externally imposed by creditors, grantors, contributors or laws or regulations of other governments; or by enabling legislation. Enabling legislation authorizes the government to assess, levy, change or mandate payment and includes a legally enforceable requirement on the use of these funds.

Committed - the portion of fund balance that can only be used for specific purposes as a result of formal action by the Municipality's highest level of authority, Council. Once the item is committed, it cannot be used for any other purpose unless changed by the same procedures used to initially constrain the money, which is the passage of a resolution.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

L. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

Assigned - reflects the Municipality's intent to use the money for a specific purpose but is not considered restricted or committed. The Authority to make assignments of fund balance may only be made by Council through the passage of a resolution. The assignment cannot exceed the available spendable unassigned fund balance in any particular fund.

Unassigned - represents the part of spendable fund balance that has not been categorized as restricted, committed or assigned. The general fund is the only fund permitted to have a positive unassigned fund balance.

The Municipality's informal policy is that it considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. It also considers committed amounts to be spent first when an expenditure is incurred for purposes for which both committed and unassigned fund balance could be used.

The Municipality's current fund balance policy for the general fund provides there shall be maintained an unassigned fund balance equivalent to a minimum of ten (10%) percent of the current year's total budgeted expenditures less capital outlay and transfers.

The nonspendable fund balance of \$66,511 in the general fund is for prepaid items.

The purpose of the restricted, committed and assigned fund balances as of December 31, 2021, is as follows:

	General Fund	Pollution Control and Flood Reduction Fund	Nonmajor Funds
<u>Restricted Fund Balance</u>			
Highway Maintenance, Rebuilding & Const.	\$ -	\$ -	\$1,378,996
Police Capital Purchases	<u>-</u>	<u>-</u>	<u>42,282</u>
	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,421,278</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 1 - Summary of Significant Accounting Policies (Cont'd)

L. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

	General Fund	Pollution Control and Flood Reduction Fund	Nonmajor Funds
<u>Committed Fund Balance</u>			
Flood Maintenance	\$ 22,814	\$ -	\$ -
Stormwater System	-	4,043,977	-
Sidewalk Improvements	-	-	2,750
Northern Pike Roadway Improvements	-	-	159,736
Public Safety	205,000	-	-
Parks and Recreation	<u>1,014,751</u>	<u>-</u>	<u>-</u>
	<u>\$1,242,565</u>	<u>\$4,043,977</u>	<u>\$162,486</u>
<u>Assigned Fund Balance</u>			
Public Access Television	\$ 200,000	\$ -	\$ -
Traffic Signals	15,000	-	-
Public Library	409,396	-	-
Capital Projects	<u>5,000,000</u>	<u>-</u>	<u>-</u>
	<u>\$5,624,396</u>	<u>\$ -</u>	<u>\$ -</u>

The negative unassigned fund balance in the capital improvements fund of \$4,988,027 will be funded from transfers from the general fund in the next year. The Municipality has assigned a portion of the fund balance as of December 31, 2021, for capital projects.

M. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 2 - Deposits and Investments

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U. S. Treasury bills, other short-term U. S. and Pennsylvania government obligations, and insured or collateralized time deposits and certificates of deposit. The statutes do not prescribe regulations related to demand deposits; however, they do allow the pooling of governmental funds for investment purposes.

In addition to the investments authorized for governmental funds, fiduciary fund investments may also be made in corporate stocks and bonds, real estate and other investments consistent with sound business practice.

The deposit and investment policy of the Municipality adheres to state statutes and prudent business practice. Investments are reported at fair value. Fair value is based on quoted market prices. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. There were no deposit or investment transactions during the year that were in violation of either their state statutes or the policy of the Municipality.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. The Municipality nor its component units do not have a deposit policy for custodial credit risk. Deposits in excess of amounts covered by the Federal Deposit Insurance Corporation are collateralized in accordance with Act 72 of 1971 of the Pennsylvania State Legislature which requires the institution to pool collateral for all governments and have the collateral held by an approved custodian in the institution's name. As of December 31, 2021, \$9,493,111 of the Municipality's bank balance of \$9,995,504 was exposed to custodial credit risk as follows:

Uninsured and Collateral Held by Pledging

Bank's Agent not in the Municipality's Name	<u>\$9,493,111</u>
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As of December 31, 2021, none of the component unit's bank balances were exposed to custodial credit risk.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 2 - Deposits and Investments (Cont'd)

Custodial Credit Risk - Deposits (Cont'd)

As of December 31, 2021, the Municipality had the following investments in all funds:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Money Market Funds		
PA Local Government Invest. Trust	\$12,475,385	
Dreyfus Cash Management	5,287,160	
Federated Government Obligation Fund	21,462	
Common Stock	5,700,690	
Mutual Funds	43,223,241	
Municipal Bonds	2,214,849	3.65
Corporate Bonds	<u>7,005,928</u>	1.06
Totals	<u>\$75,928,715</u>	
Portfolio Weighted Average Maturity		1.68

The money market funds maintain an average maturity that is less than sixty days.

Of the total investments above, \$55,767,125 and \$7,510,703 are reported in the Municipality's Fiduciary Pension Trust Fund and OPEB Trust Fund, respectively. The balance is reported in its governmental funds.

Investments

Interest Rate Risk - The Municipality 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.

Credit Risks - Pennsylvania statutes authorize the type of investments allowed and are described above. The Municipality has no investment policy that would further limit its investment choices. The Municipality's investments, excluding its common stock, mutual funds and U. S. government guaranteed obligations, are rated by nationally recognized statistical rating organizations Moody's and Standard and Poor's (S & P) as follows:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

	Moody's		S & P	
	Ratings	Value	Ratings	Value
Money Market Funds				
PA Local Government Investment Trust	NR	\$12,475,385	AAAm	\$12,475,385
Dreyfus Cash Management	NR	5,287,160	AAAm	5,287,160
Federated Government Obligation Fund	NR	21,462	AAAm	21,462
Corporate Bonds				
	A	\$ 1,549,652	A	\$ 597,260
	BA	207,884	-	-
	BAA	4,744,042	B	-
	-	-	BBB	6,408,668
	NR	504,350	NR	-
Municipal Bonds				
	A	-	A	161,328
	AA	917,220	AA	1,795,171
	BAA	395,024	BBB	-
	NR	902,605	NR	258,350

Concentration of Credit Risk - The Municipality places no limit on the amount it may invest in any one issue and the governmental funds had no investment in excess of 5% of its total investments.

The Municipality's component unit, the Convention Visitor's Bureau, follows the same policies as the Municipality as it relates to the types of investments authorized, interest rate risk, credit risk and concentration of credit risk.

The only investment as of December 31, 2021, was \$1,110,109 in the PLGIT money market account held by the Convention Visitor's Bureau.

The Pennsylvania Local Government Investment Trust (PLGIT) was established as a common law trust, organized under laws of the Commonwealth of Pennsylvania and the provision of the Intergovernmental Cooperation Act. Shares of the Fund are offered to certain Pennsylvania school districts, intermediate units, area vocational-technical schools and municipalities. The purpose of the Fund is to enable such

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

governmental units to pool their available funds for investments. The Trust is governed by an elected board of trustees who are responsible for the overall management of the Trust. The trustees are elected from the several classes of local governments participating in the Trust. The Trust is audited annually by independent auditors. The fund is a local government investment pool and is exempt from the requirement of SEC's Rule 2(a)7 of the Investment Company Act of 1940. The fund measures for financial reporting purposes its assets at amortized cost and maintains a stable net asset value of \$1 per share. Accordingly, the fair value of the position in PLGIT is the same as the value of the PLGIT shares. There are no limitations or restrictions on withdrawals.

The Municipality 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.

The Municipality has the following recurring fair value measurements as of December 31, 2021:

Investments by Fair Value Level	Totals	Fair Value Measurements		
		Level 1	Level 2	Level 3
Fixed Income:				
Corporate Bonds	\$ 7,005,928	\$ 7,005,928	\$ -	\$ -
Municipal Bonds	<u>2,214,849</u>	<u>2,214,849</u>	<u>-</u>	<u>-</u>
Total Debt Securities	<u>9,220,777</u>	<u>9,220,777</u>	<u>-</u>	<u>-</u>
Mutual Funds	43,223,241	43,223,241	-	-
Equity Securities	<u>5,700,690</u>	<u>5,700,690</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$48,923,931</u>	<u>\$48,923,931</u>	<u>\$ -</u>	<u>\$ -</u>

Note 3 - Property Taxes

The Municipality is permitted by the Home Rule Charter and the State of Pennsylvania to levy property taxes at the Municipality's discretion as considered necessary for general government services or payment of principal and interest on long-term debt. The tax rate to finance general government services for the year ended December 31, 2021, was \$4.00 per \$1,000 of assessed valuation. Total taxable assessed value was approximately \$2.3 billion, at 100% market value.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 3 - Property Taxes (Cont'd)

Property taxes are declared delinquent on February 28th of the following year. At December 31, 2021, total property taxes receivable, including delinquent and lienied, is reported net of \$148,606 which has been provided as uncollectible.

The property tax calendar for 2021 was as follows:

2021 Millage Rate Adopted	January 15, 2021
2021 Bills Dated	March 1, 2021
2021 Two Percent Discount Period Ended	April 30, 2021
2021 Face Payment Period	May 1, 2021 - June 30, 2021
2021 10% Penalty Period	July 1, 2021 Until Lienied
2020 Delinquent Property Tax Bills Lienied	July 1, 2021
2021 Property Taxes not paid to be Declared Delinquent	February 28, 2022

Note 4 - Other Receivables

Other receivables consist of the following items:

	General Fund	Pollution Control and Flood Reduction Fund
Host Municipality Fees	\$ 109,906	\$ -
Cable TV Franchise Fees	148,891	-
Public Safety	34,645	-
Public Works	59,933	-
Health Insurance Premium	6,131,028	-
Miscellaneous	443	-
General Government	32,876	-
Culture - Recreation	40,300	-
Pollution Control and Flood Reduction Fee	<u>-</u>	<u>372,276</u>
	<u>\$6,558,022</u>	<u>\$372,276</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 5 - Capital Assets

Governmental activities capital asset activity for the year ended December 31, 2021, was as follows:

	Balance 01/01/21	Additions	Disposals	Balance 12/31/21
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	<u>\$ 8,164,865</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,164,865</u>
Capital Assets, Being Depreciated				
Land Improvements	9,857,449	-	-	9,857,449
Buildings and Building Improvements	13,578,935	35,386	-	13,614,321
Machinery and Equipment	7,090,585	828,116	-	7,918,701
Vehicles	15,206,193	1,302,683	513,108	15,995,768
Infrastructure	<u>23,250,898</u>	<u>46,518</u>	<u>-</u>	<u>23,297,416</u>
Total Capital Assets, Being Depreciated	<u>68,984,060</u>	<u>2,212,703</u>	<u>513,108</u>	<u>70,683,655</u>
Less Accumulated Depreciation				
Land Improvements	7,066,876	310,201	-	7,377,077
Buildings and Building Improvements	8,448,457	272,379	-	8,720,836
Machinery and Equipment	5,573,466	292,710	-	5,866,176
Vehicles	10,361,719	975,770	472,862	10,864,627
Infrastructure	<u>19,215,016</u>	<u>577,576</u>	<u>-</u>	<u>19,792,592</u>
Total Accumulated Depreciation	<u>50,665,534</u>	<u>2,428,636</u>	<u>472,862</u>	<u>52,621,308</u>
Total Capital Assets Being Depreciated, Net	<u>18,318,526</u>	<u>(215,933)</u>	<u>40,246</u>	<u>18,062,347</u>
Governmental Activities				
Capital Assets, Net	<u>\$26,483,391</u>	<u>\$ (215,933)</u>	<u>\$ 40,246</u>	<u>\$26,227,212</u>

Depreciation expense was charged to functions/programs as follows:

General Government	\$ 150,803
Public Safety	889,411
Sanitation	117,387
Public Works	859,032
Culture - Recreation	<u>412,003</u>
Total Depreciation Expense	<u>\$2,428,636</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 5 - Capital Assets (Cont'd)

Component units capital asset activity for the year ended December 31, 2021, was as follows:

	Balance 01/01/21	Additions	Disposals	Balance 12/31/21
Component Units				
Capital Assets, Being Depreciated				
Furniture and Equipment	\$130,512	\$ -	\$ -	\$130,512
Less Accumulated Depreciation				
Furniture and Equipment	<u>58,563</u>	<u>7,051</u>	<u>-</u>	<u>65,614</u>
Component Units Capital Assets, Net	<u>\$ 71,949</u>	<u>\$(7,051)</u>	<u>\$ -</u>	<u>\$ 64,898</u>

Note 6 - Bonds Payable and Other Long-Term Liabilities

The following summarizes the Municipality's long-term debt transactions for the year ended December 31, 2021:

	Balance 01/01/21	Additions	Retirements	Defeased	Balance 12/31/21	Due Within One Year
Governmental Activities						
General Obligation Bonds	\$8,225,000	\$ -	\$1,350,000	\$5,520,000	\$1,355,000	\$1,355,000
Plus Bond Premium	<u>292,355</u>	<u>-</u>	<u>13,242</u>	<u>279,113</u>	<u>-</u>	<u>-</u>
Total Bonds Payable	<u>8,517,355</u>	<u>-</u>	<u>1,363,242</u>	<u>5,799,113</u>	<u>1,355,000</u>	<u>1,355,000</u>
General Obligation Notes	<u>-</u>	<u>5,650,000</u>	<u>-</u>	<u>-</u>	<u>5,650,000</u>	<u>10,000</u>
Capital Leases Payable	455,443	-	109,777	-	345,666	112,456
Compensated Absences Payable	<u>816,171</u>	<u>11,418</u>	<u>80,875</u>	<u>-</u>	<u>746,714</u>	<u>37,336</u>
Governmental Activities Long-Term Liabilities	<u>\$9,788,969</u>	<u>\$5,661,418</u>	<u>\$1,553,894</u>	<u>\$5,799,113</u>	<u>\$8,097,380</u>	<u>\$1,514,792</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 6 - Bonds Payable and Other Long-Term Liabilities (Cont'd)

Bonds payable at December 31, 2021, are composed of the following issues:

General Obligation Bonds

Series 2017 - \$7,885,000; refunding nontaxable due in annual installments on June 1 through 2022; ranging from \$95,000 to \$2,470,000; interest (at rates ranging from 2.0% to 3.0%) is payable semi-annually on June 1 and December 1. \$1,355,000

General Obligation Notes

Series of 2021A - \$2,113,000; refunding due in annual installments on June 1 through 2024; ranging from \$5,000 - \$1,381,000; interest at 1.17% is payable semi-annually on June 1 and December 1. \$2,113,000

Series of 2021B - \$3,537,000; refunding due in annual installments on June 1 through 2026; ranging from \$5,000 - \$1,434,000; interest at 1.16% is payable semi-annually on June 1 and December 1. 3,537,000

\$5,650,000

The annual requirements to amortize bonded debt outstanding are as follows:

Year Ended December 31,	<u>General Obligation Bonds</u>		<u>General Obligation Notes</u>		Totals
	Principal	Interest	Principal	Interest	
2022	\$1,355,000	\$13,550	\$ 10,000	\$ 65,693	\$1,444,243
2023	-	-	1,386,000	57,527	1,443,527
2024	-	-	1,402,000	41,251	1,443,251
2025	-	-	1,418,000	24,859	1,442,859
2026	-	-	<u>1,434,000</u>	<u>8,317</u>	<u>1,442,317</u>
	<u>\$1,355,000</u>	<u>\$13,550</u>	<u>\$5,650,000</u>	<u>\$197,647</u>	<u>\$7,216,197</u>

The future annual payments listed above are to be funded entirely by the General Fund. All the general obligation bonds were issued for providing funds for capital projects throughout the Municipality. The compensated absences liabilities, the net pension liability and the net other post-employment benefits liability will be liquidated primarily by the General Fund.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 6 - Bonds Payable and Other Long-Term Liabilities (Cont'd)

On March 16, 2021, the Municipality issued \$2,113,000 Series 2021A notes with interest rates at 1.17% and \$3,537,000 Series 2021B notes with interest rates at 1.16% to currently refund the outstanding 2015 general obligation bonds (\$3,475,000) with interest rates from 2.0% to 2.5% and the 2017 general obligation bonds (\$2,045,000) with interest rates from 2.0% to 3.0%. The net proceeds of \$5,586,357 (after payment of issuance costs) were used to currently refund the above bonds and outstanding interest. As a result, those bonds are considered defeased and the liability for those bonds has been removed as a liability in these financial statements.

The Municipality currently refunded the 2015 and 2017 Series bonds and increased its total debt service payments over six years by \$79,352 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$33,961.

Note 7 - Capital Leases

The Municipality has entered into lease agreements as lessee for financing the acquisition of vehicles and fire equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the inception date. The capital leases are typically liquidated by the general fund.

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset	
Machinery and Equipment	\$ 580,236
Less: Accumulated Depreciation	<u>(251,436)</u>
Total	<u>\$ 328,800</u>

The future minimum lease obligations and the net present value of these minimum lease payments, as of December 31, 2021, were as follows:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 7 - Capital Leases (Cont'd)

Year Ended December 31,	Governmental Activities
2022	\$120,890
2023	120,890
2024	<u>120,890</u>
Total Minimum Lease Payments	362,670
Less: Amount Representing Interest	<u>(17,004)</u>
Present Value of Minimum Lease Payments	<u>\$345,666</u>

Note 8 - Interfund Balances

Interfund balances at December 31, 2021, were as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$6,422,429	\$ -
Capital Improvement Fund	-	5,910,773
Pollution Control and Flood Reduction Fund	-	502,654
Nonmajor Funds	-	<u>9,002</u>
	<u>\$6,422,429</u>	<u>\$6,422,429</u>

Balances resulted from the time lag between dates that: (1) interfund goods and services are provided or reimbursable expenditures occur; (2) transactions are recorded in the accounting system; and (3) payments between funds are made. Payments to vendors are made from the General Fund for expenditures charged to other funds and those funds reimburse the General Fund. All balances are expected to be paid within one year.

Note 9 - Interfund Transfers

For the year ended December 31, 2021, interfund transfers consisted of the following:

The General Fund transferred \$76,657 to the Capital Improvements Fund to fund certain capital projects throughout the Municipality.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans

Plan Description and Eligibility

The Municipality administers two defined benefit pension plans covering full-time employees, the Non-Uniform Pension Plan and the Police Pension Plan (Plans). Both Plans operate under the authority of various Municipal ordinances. The Non-Uniform Pension Plan is affiliated with the Pennsylvania Municipal Retirement System (PMRS), an agent multiple-employer plan, and the Police Pension Plan is a single-employer plan. Plan provisions are established by Municipal ordinance with the authority for Municipal contributions required by Act 205 of the Commonwealth (Act). Both receive biennial actuarial valuations. The Police Pension Plan does not issue stand-alone financial statements. PMRS issues a publicly available financial report that includes financial statements and required supplementary information. That report can be obtained by writing PMRS at P. O. Box 1165, Harrisburg, PA, 17108.

Any member of the police force employed on a full-time basis by the Municipality is eligible to participate in the Police Pension Plan. A police officer has a vested right to pension benefits upon having completed 12 years of service. Eligibility for the normal retirement benefit is age 55 and 25 years of service. The monthly pension benefit is 50% of final monthly average wage plus service increment, if any. Final monthly average wage for participants hired prior to January 24, 2001 is defined as compensation average over the highest 36 months out of the final 60-month period prior to retirement. For participants hired after January 24, 2001, final monthly average is defined as compensation averaged over the final 36-month period prior to retirement. The Police Pension Plan also provides for disability benefits, for total and permanent disablement, that occurs in the line of duty. The monthly disability benefit is 50% of the participant's final monthly average wage at disablement, but not less than 50% of the member's salary at the time the disability was incurred, offset by social security disability benefits. In the event of death before retirement eligibility, contributions are refunded with credited interest.

Employees of the Municipality who are full-time and certain permanent part-time employees and not covered by another Pension Plan are eligible to participate in the Non-Uniform Pension Plan after six months of continuous service. Pension benefits become vested after the completion of 10 years of service. Eligibility for the normal retirement benefit is age 65, or if hired prior to September 1, 1982, an employee may retire with 20 years of service regardless of age. The pension benefit formula is based upon 2% per year of service of the Final Average Salary (FAS - average annualized salary for last three years). The maximum benefit is limited to 65% of FAS. A member may select a reduced joint annuitant benefit at retirement. Otherwise, the present value of the accrued benefit will be paid to the beneficiary if an active member is eligible for retirement at the time of death. A disability benefit is provided in the Plan. If the disability is service related, the benefit is 50% of FAS. For non-service related disability with ten years of service, the benefit is 30% of FAS.

Municipality of Monroeville
Notes to Financial Statements
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Note 10 - Pension Plans (Cont'd)

Plan Description and Eligibility (Cont'd)

The employer follows the funding policy prescribed by Act 205 of 1984 (as amended), which requires that annual contributions be based upon the Minimum Municipal Obligation (MMO) using the Plan's most recent biennial actuarial valuation. The MMO includes the normal cost, estimated administrative expenses and an amortization contribution of the unfunded actuarial accrued liability, less estimated member contributions, and a credit equal to 10% of the excess (if any) of the actuarial value of assets over the actuarial accrued liability. The state provides an allocation of funds which must be used for pension funding. Any financial requirement established by the MMO which exceeds state contributions must be funded by the employer.

Administrative costs, which may include but are not limited to investment management fees and actuarial services, are charged to the Plan and funded through the MMO and/or Plan earnings.

For the year ended December 31, 2021, the Municipality's annual pension cost was \$2,547,632 and \$1,316,867 for the Police and Non-Uniform Pension Plans, respectively, and was equal to the Municipality's annual required contribution.

Under the terms of the Plans, police employees are required to contribute 5% of their total earnings; the non-uniform employees are required to contribute 6% of compensation.

At December 31, 2021, participants in the Plans were as follows:

	Non-Uniform	Police
Participants		
Retirees and Beneficiaries	100	60
Active Employees	111	42
Terminated Employees Entitled to Benefits		
But not Yet Receiving Them	<u>2</u>	<u>3</u>
	<u>213</u>	<u>105</u>

Summary of Significant Accounting Policies

Investments of the Non-Uniform Pension Plan are managed by the Pennsylvania Municipal Retirement System (PMRS). Information regarding the financial activities and financial position of the plan are prepared by PMRS.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Summary of Significant Accounting Policies (Cont'd)

Financial information of the Municipality's Police Plan is presented on the accrual basis of accounting. Employer contributions to the plan are recognized when due as required by the Act. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Deposits and Investment Risk Disclosures - Police Pension Plan

Deposits

At December 31, 2021, the Police Pension Plan held no deposits.

Investments

The Plan is authorized to invest in legal investments permitted under the Pennsylvania Fiduciaries Investment Act. The Plan's target asset allocation is as follows:

<u>Asset Class</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Target Percentage</u>
Equity	40%	60%	50.0%
Large Cap	25%	40%	32.5%
Mid Cap	0%	10%	5.0%
Small Cap	0%	10%	5.0%
International	0%	15%	7.5%
Fixed Income	40%	60%	50.0%
Cash Equivalents	0%	10%	0.0%

Credit risk for investments is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Plan has no investment policy for credit risk. The credit ratings of the Plan's investments (excluding obligations explicitly guaranteed by the U. S. government) are indicated on the table below.

<u>Investment Type</u>	<u>Moody's</u>		<u>S & P</u>	
	<u>Fair Value</u>	<u>Ratings</u>	<u>Fair Value</u>	<u>Ratings</u>
Money Market	\$ 5,287,160	NR	\$ 5,287,160	AAAm
Municipal Bonds	-	A	161,328	A
Municipal Bonds	917,220	AA	1,795,171	AA
Municipal Bonds	395,024	BAA	-	BBB
Municipal Bonds	902,605	NR	258,350	NR

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Deposits and Investment Risk Disclosures - Police Pension Plan (Cont'd)

Investments (Cont'd)

Investment Type	<u>Moody's</u>		<u>S & P</u>	
	<u>Fair Value</u>	<u>Ratings</u>	<u>Fair Value</u>	<u>Ratings</u>
Corporate Bonds	\$ 1,549,652	A	\$ 597,260	A
Corporate Bonds	207,884	BA	-	AA
Corporate Bonds	4,744,042	BAA	-	B
Corporate Bonds	-		6,408,668	BBB
Corporate Bonds	<u>504,350</u>	NR	<u>-</u>	-
	<u>\$14,507,937</u>		<u>\$14,507,937</u>	

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Police Pension Plan places no limit on the amount that may be invested in any one issuer. At December 31, 2021, the Plan had no investments (other than U.S. Government and U.S. Government guaranteed obligations, mutual funds or other pooled investments) in any one issuer that represent 5% or more of Fiduciary Net Position.

Custodial credit risk for investments is the risk that the Plan will not be able to recover the value of its investment for collateral securities that are in the possession of an outside party. The Plan has no investment policy for custodial credit risk.

Interest rate risk for investments is the risk that a change in interest rates will adversely affect the fair value of an investment. The Plan has no investment policy for interest rate risk other than the 50 percent limit on fixed income securities. The maturities of the Plan's debt investments are listed on the table below.

Investment Maturities (in Years)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 - 5.99</u>	<u>6 - 10</u>	<u>More than 10</u>
Municipal Debt	\$2,214,849	\$ -	\$2,214,849	\$ -	\$ -
Corporate Debt	<u>7,005,928</u>	<u>3,898,723</u>	<u>3,107,205</u>	<u>-</u>	<u>-</u>
Totals	<u>\$9,220,777</u>	<u>\$3,898,723</u>	<u>\$5,322,054</u>	<u>\$ -</u>	<u>\$ -</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Money-Weighted Rate of Return

The money-weighted rate of return is calculated as a rate of return on the Police Pension Plan investments incorporating the timing and amount of cash flows. This return is calculated net of investment expenses.

The annual money-weighted rate of return on Plan investments for the measurement period is 13.15%.

There are no assets legally reserved for purposes other than the payment of Plan member benefits for the Plan.

There are no long-term contracts for contributions.

Net Pension Liability

Police

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of January 1, 2021, and rolled forward to the reporting date using the following significant actuarial assumptions applied to all periods included in the measurement:

Inflation: 2.50%

Salary increases: 4.75% per year including inflation.

Mortality: Pub S - 2010 Mortality Table with mortality improvement projected from 2015 based on 2020 SSA assumptions.

Expected Long-Term
Rate of Return: 6.50%, applied to all periods

The long-term expected rate of return on Pension Plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of inflation and investment expenses not funded through the MMO) 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. Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of December 31, 2021, are summarized in the following table:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Net Pension Liability (Cont'd)

Police (Cont'd)

Expected Long-Term
Rate of Return (Cont'd):

<u>Asset Class</u>	<u>Long-Term Expected Real ROR</u>
U. S. Equity - Large Cap	4.09% - 7.34%
U. S. Equity - Small/Mid Cap	5.01% - 9.06%
Non-U. S. Equity - Developed	4.62% - 8.26%
Non-U. S. Equity - Emerging	5.65% - 10.49%
U. S. Corporate Bond - Core	0.88% - 2.02%
U. S. Corporate Bond - High Yield	2.80% - 4.96%
Non-U. S. Debt - Developed	0.44% - 1.89%
Non-U. S. Debt - Emerging	2.69% - 4.76%
U. S. Treasuries/Cash	0.07% - 0.53%

Discount Rate: the discount rate used to measure the total pension liability was 6.50%. 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 employer contributions will be made equal to the Minimum Municipal Obligation. Based on those assumptions, the Pension Plan's fiduciary net position 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 payment to determine the total pension liability.

Non-Uniform

The Non-Uniform Pension Plan's net pension liability was measured as of December 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021. The total pension liability in the December 31, 2021 measurement date was determined using the following actuarial assumptions, applied to all periods.

Actuarial Cost Method	Entry Age
Inflation:	2.8%
Salary Increases:	age related scale with merit and inflation component
Investment Rate of Return:	5.25%

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Net Pension Liability (Cont'd)

Non-Uniform (Cont'd)

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period covering January 1, 2014 through December 31, 2018 issued by the actuary in September 2020 as well as subsequent Board approved assumption changes.

Discount Rate: the discount rate used to measure the total pension liability was 5.25%.

The Pennsylvania Municipal Retirement System's long-term expected real rate of return on pension plan investments was determined using a building-block method in which best-estimates of expected future nominal rates of return (net of investment expenses) are developed for each asset class. These returns are combined to produce the System's Long-Term Expected Real Rate of Return by calculating the weighted average return for each asset class using each respective target asset allocation percentage and multiplying by the expected future nominal rate of return, while also factoring in covariance across asset classes, then deducting expected inflation (2.25%). Best estimates of geometric real rates of return for each utilized asset class are included in the pension plan's target asset allocation as of December 31, 2020, and summarized in the table below:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Nominal Net ROR</u>	<u>Long-Term Expected Real ROR</u>
Domestic Equities (large-capitalized firms)	25%	7.56%	5.31%
Domestic Equities (small-capitalized firms)	15%	8.31%	6.06%
International Equities (international developed markets)	15%	7.78%	5.53%
International Equities (emerging markets)	10%	8.20%	5.95%
Real Estate	15%	7.50%	5.25%
Timber	5%	6.03%	3.78%
Fixed Income	<u>15%</u>	<u>4.12%</u>	<u>1.87%</u>
Total Portfolio	<u>100%</u>	<u>7.80%</u>	<u>5.55%</u>

Based on the aforementioned methodology, the Board established the System's Long-Term Expected Rate of Return at 7.80%.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Net Pension Liability (Cont'd)

Non-Uniform (Cont'd)

In addition to determining the System's Long-Term Nominal Expected Rate of Return, the PMRS Board, under the laws of the Commonwealth of Pennsylvania (Act 15 of 1974), is obligated to develop and apply the Regular Interest Rate to each of the individual participating municipalities' actuarial asset accounts held by PMRS. The rationale for the difference between the System's Long-Term Nominal Expected Rate of Return and the individual participating municipalities' Regular Interest Rate is described in the following section "Discount Rate." As of December 31, 2020, this rate is equal to 5.25%.

Changes in Municipality's Net Pension Liability

Changes in the Municipality's net pension liability for the year ended December 31, 2021, were as follows:

Police Pension Plan

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2020	\$57,557,182	\$50,444,032	\$ 7,113,150
Changes for the year:			
Service Cost	1,008,012	-	1,008,012
Interest	3,778,852	-	3,778,852
Differences Between Expected and Actual Experience	120,142	-	120,142
Change in Assumptions	1,241,395	-	1,241,395
Contributions - Employer	-	2,547,632	(2,547,632)
Contributions - Employee	-	304,323	(304,323)
Net Investment Income	-	6,187,087	(6,187,087)
Benefit Payments and Refunds of Employee Contributions	(3,638,360)	(3,638,360)	-
Administrative Expense	<u>-</u>	<u>(2,069)</u>	<u>2,069</u>
Net Changes	<u>2,510,041</u>	<u>5,398,613</u>	<u>(2,888,572)</u>
Balances at December 31, 2021	<u>\$60,067,223</u>	<u>\$55,842,645</u>	<u>\$ 4,224,578</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Changes in Municipality's Net Pension Liability (Cont'd)

Non-Uniform Pension Plan

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2019	\$45,573,044	\$47,015,462	\$(1,442,418)
Changes for the year:			
Service Cost	940,551	-	940,551
Interest	2,380,326	-	2,380,326
Change in Assumptions	2,128,096	-	2,128,096
Differences Between Expected and Actual Experience	(1,073,648)	-	(1,073,648)
Contributions - Employer	-	1,335,438	(1,335,438)
Contributions - PMRS Assessment	-	4,260	(4,260)
Contributions - Employee	-	414,412	(414,412)
Net Investment Income	-	6,121,633	(6,121,633)
Benefit Payments and Refunds of Employee Contributions	(2,378,525)	(2,378,525)	-
Administrative Expense	<u>-</u>	<u>(103,131)</u>	<u>103,131</u>
Net Changes	<u>1,996,800</u>	<u>5,394,087</u>	<u>(3,397,287)</u>
Balances at December 31, 2020	<u>\$47,569,844</u>	<u>\$52,409,549</u>	<u>\$(4,839,705)</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following shows the effect of a 1.0% change in the discount rate on the net pension liability:

<u>Police Pension Plan</u>		
<u>1.0% Decrease</u> <u>5.50%</u>	<u>Current Rate</u> <u>6.50%</u>	<u>1.0% Increase</u> <u>7.50%</u>
<u>\$11,093,038</u>	<u>\$4,224,578</u>	<u>\$(1,526,216)</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate (Cont'd)

Non-Uniform Pension Plan		
1.0% Decrease <u>4.25%</u>	Current Rate <u>5.25%</u>	1.0% Increase <u>6.25%</u>
<u>\$571,972</u>	<u>\$(4,839,705)</u>	<u>\$(9,401,974)</u>

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

For the year ended December 31, 2021, the Municipality recognized pension expense of \$(2,339); \$1,324,652 police plan and \$(1,326,991) non-uniform plan. At December 31, 2021, the Municipality reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Police Pension Plan	Non-Uniform Pension Plan	Totals
Deferred Outflows of Resources			
Differences Between Expected and Actual Experience	\$ 99,779	\$ 25,151	\$ 124,930
Changes in Assumptions	1,147,153	1,596,072	2,743,225
Net Differences Between Projected and Actual Earnings	974,262	-	974,262
Contributions Subsequent to Measurement Date	<u>-</u>	<u>1,316,867</u>	<u>1,316,867</u>
Totals	<u>\$2,221,194</u>	<u>\$2,938,090</u>	<u>\$ 5,159,284</u>
Deferred Inflows of Resources			
Differences Between Expected and Actual Experience	\$ 91,369	\$ 805,236	\$ 896,605
Net Difference Between Projected and Actual Earnings	<u>4,474,502</u>	<u>6,248,303</u>	<u>10,722,805</u>
Totals	<u>\$4,565,871</u>	<u>\$7,053,539</u>	<u>\$11,619,410</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 10 - Pension Plans (Cont'd)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources (Cont'd)

\$1,316,867 reported as deferred outflows of resources related to pension resulting from Municipality contributions to the Non-Uniform Pension Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. The Non-Uniform Pension Plan only has a measurement date of December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ended December 31,	Police Pension Plan	Non-Uniform Pension Plan	Totals
2022	\$ (254,165)	\$(1,883,375)	\$(2,137,540)
2023	(1,319,870)	(1,040,717)	(2,360,587)
2024	(555,391)	(1,737,755)	(2,293,146)
2025	(422,943)	(770,469)	(1,193,412)
2026	<u>207,692</u>	<u>-</u>	<u>207,692</u>
	<u>\$(2,344,677)</u>	<u>\$(5,432,316)</u>	<u>\$(7,776,993)</u>

Note 11 - Other Post-Employment Benefit Plan

A. The Municipality of Monroeville administers a Single-Employer Defined Benefit Healthcare Plan (OPEB Plan). The OPEB Plan provides medical, dental, vision and life insurance at varying coverages for six groups of employees; police; administrative; clerical; library; public works and refuse employees. Benefit provisions are mostly established through negotiations between the Municipality and union or group representing the employees. The OPEB Plan does not issue a publicly available financial report.

B. Summary of Significant Accounting Policies

Basis of Accounting

The OPEB Plan financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to the Plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

B. Summary of Significant Accounting Policies (Cont'd)

Basis of Accounting (Cont'd)

Investments of the OPEB Plan are reported at fair value based on quoted market prices.

In 2009, the Municipality authorized and adopted the creation of the OPEB Trust, whereby the assets of the Plan are for the exclusive benefit of Plan members and their beneficiaries. The Plan was first funded in 2009, has been funded annually except 2012 through 2014, 2017, and 2019 through 2021. It is the Municipality's intention to continue to fund the Plan in the future.

C. Plan Description and Eligibility

The eligibility and the benefits for each group are as follows:

1) Police Employees

Eligibility: Police officers hired prior to July 21, 2005

Normal Retirement Eligibility: Age 55 and 25 years of service

Early Retirement Eligibility: Age 50 and 25 years of service

Coverage: Retired police officers and their spouses

Benefits: 100% employer-paid dental, vision, and medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member and member's spouse; medical insurance benefits for member and member's spouse are converted to Medicare Supplemental at Medicare eligibility. In the event that the retiree pre-deceases his/her spouse, medical coverage continues to the spouse for life and dental/vision coverage continues to the spouse until age 65.

Officers hired after July 21, 2005 have the option at retirement to receive medical (until Medicare eligibility), dental and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage.

In addition, retired officers (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2021**

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

1) Police Employees (Cont'd)

Medical Plans Available: PPO Blue 1500/3000, Freedom Blue Medicare Supplement.

Opt-Out Provision: Eligible retirees who do not elect to obtain medical coverage through the Municipality will receive a monthly payment equal to 45% of the charged premium.

2) Administrative Employees

Eligibility: Administrative employees hired prior to July 22, 2005

Normal Retirement Eligibility: Age 65 or after 20 years of service

Coverage: Retired administrative employees and their spouses

Benefits: 100% Employer-paid dental, vision, and medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member and member's spouse; medical insurance benefits for member and member's spouse are converted to Medicare Supplement at Medicare eligibility. In the event that the retiree pre-deceases his/her spouse, medical coverage continues to the spouse for life and dental/vision coverage continues to the spouse until age 65.

Employees promoted into the Administrative Group after January 1, 2010 are entitled to maintain their post-retirement benefits in effect at the time of promotion. Those Administrative Employees hired on or after July 22, 2005 (or promoted between July 22, 2005 and January 1, 2010) have the option at retirement to receive medical, dental, and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage.

In addition, retirees who retired with at least 15 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 1500/3000, Freedom Blue Medicare Supplement.

Opt-Out Provision: Eligible retirees who do not elect to obtain medical coverage through the Municipality will receive an annual payment of \$1,500 (individual) or \$3,000 (non-individual).

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

3) Clerical Employees

Eligibility: Bargaining union members hired prior to January 1, 2006 who retire after 25 years of service or after age 62 with 10 years of service.

Coverage: Retired clerical employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. Retirees may elect to continue coverage for a spouse and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. Employees hired after January 1, 2006, have the option at retirement to receive medical, dental, and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage.

In addition, retirees who retired with at least 15 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 1500/3000.

Opt-Out Provision: Eligible retirees who do not elect to obtain medical coverage through the Municipality will receive a monthly payment equal to 43% of the premium.

4) Library Employees

Eligibility: Library employees hired prior to July 22, 2005 who retire after 20 years of service or after age 65.

Coverage: Retired library employees and their spouses

Benefits: 100% Employer-paid dental, vision, and medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member and member's spouse; medical insurance benefits for member and member's spouse are converted to Medicare Supplement at Medicare eligibility. In the event that the retiree pre-deceases his/her spouse, medical coverage continues to the spouse for life and dental/vision coverage continues to the spouse until age 65. Retirees may elect to continue coverage for dependent child(ren) by reimbursing the Municipality for the additional charged premium.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

4) Library Employees (Cont'd)

Employees hired after July 22, 2005 have the option at retirement to receive medical, dental, and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage.

In addition, retirees who retired with at least 15 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 1500/3000.

Opt-Out Provision: Eligible retirees who do not elect to obtain medical coverage through the Municipality will receive an annual payment of \$1,500 (individual) or \$3,000 (employee/spouse, parent/child or family).

5) Public Works Employees

Eligibility: Public works union members hired prior to April 19, 2007 who retire after 25 years of service or after age 62 with 10 years of service

Coverage: Retired public works employees and spouses of public works employees who retired after age 60 and 25 years of service

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member and member's spouse if applicable (see above); benefit ends at each individual's Medicare eligibility. Retirees may elect to continue coverage for a spouse and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. Employees hired after April 19, 2007 have the option at retirement, to receive medical, dental and/or vision insurance for member, spouse and qualified dependent provided they reimburse the Municipality for the cost of coverage.

In addition, retirees who retired with at least 10 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 1500/3000.

Opt-Out Provision: Eligible retirees who do not elect to obtain medical coverage through the Municipality will receive a monthly payment equal to 43% of the charged premium, with the premium capped at 2016 rates.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

6) Refuse Employees

Eligibility: Refuse union members hired prior to June 1, 2007 who retire after 25 years of service or after age 62 with 10 years of service

Coverage: Retired refuse employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. Retirees may elect to continue coverage for a spouse if otherwise ineligible (see above) and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. Employees hired after June 1, 2007 have the option at retirement, to receive medical, dental and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage.

In addition, retirees who retired with at least 10 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 1500/3000.

Opt-Out Provision: Eligible retirees who do not elect to obtain medical coverage through the Municipality will receive a monthly payment equal to 43% of the charged premium, with the premium capped at 2016 rates.

Membership of the OPEB Plan consisted of the following at January 1, 2020, the date of the latest actuarial valuation:

Retirees and Beneficiaries	
receiving benefits	141
Active Plan Members	<u>161</u>
	<u>302</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

D. Investments

Investment Policy: The trust's policy in regard to the allocation of invested assets is established and may be amended by Council based on recommendations from the OPEB Trust Committee. It is the policy of the Committee to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Committee's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the asset allocation policy:

Asset Class	Target Allocation
Domestic Equity	60%
Fixed Income	39%
Cash	<u>1%</u>
Total	<u>100%</u>

Rate of Return: For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 11.01%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

E. Net OPEB Liability

The components of the net OPEB liability of the Municipality at December 31, 2021, were as follows:

Total OPEB Liability	\$42,757,801
Plan Fiduciary Net Position	<u>(1,409,014)</u>
Municipality's Net OPEB Liability	<u>\$41,348,787</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	3.30%

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

F. Actuarial Assumptions

The total OPEB liability was determined through a roll-forward of the liabilities reflected in the January 1, 2020 actuarial report, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.75%
Investment Rate of Return:	7.0%, net of OPEB plan investment expense, including inflation.
Healthcare Cost Trend Rates:	Pre-65 Medical/Rx: 7.0% for 2021, decreasing by 0.50% per year to an ultimate rate of 5.0% for 2026 and later. Post-65 Medical/Rx: 5.0% Dental and Vision 3.0%

Mortality rates were based on the RP-2014 Mortality Table with 50% of blue collar adjustment and rates set forward five years for disabled lives.

The long-term expected rate of return on OPEB 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 asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2020, are summarized in the following table:

Asset Class	Target Allocation
Equity	5.0% - 7.0%
Fixed Income	1.0% - 3.0%
Cash	0.0% - 1.0%

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

F. Actuarial Assumptions (Cont'd)

Discount Rate: The discount rate used to measure the total OPEB liability was 3.0%. This is the equivalent single rate determined by applying the Long-Term Expected Rate of Return on Investments to future benefit payments for current plan members expected to be funded by Plan assets, and applying a tax-exempt, high quality municipal bond rate (estimated to be 3.0%) to benefit payments thereafter. In projecting assets, it was assumed that the Municipality will not continue to deposit to the trust annually and will pay benefits annually either from the trust or from the Municipality's general funds (in both cases these payments are incorporated as payments from the trust for purposes of determining a discount rate). Based on these assumptions, assets were projected to be available to make 2 years of projected future benefit payments for current Plan members.

G. Change in Net OPEB Liability

The Changes in the net OPEB liability of the Municipality for the year ended December 31, 2021, were as follows:

	Increases/Decreases		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2020	\$42,261,538	\$ 1,896,348	\$40,365,190
Changes for the year:			
Service Cost	505,902	-	505,902
Interest	1,264,059	-	1,264,059
Net Investment Income	-	789,361	(789,361)
Benefit Payments	(1,273,698)	(1,273,698)	-
Administrative Expense	<u>-</u>	<u>(2,997)</u>	<u>2,997</u>
Net Changes	<u>496,263</u>	<u>(487,334)</u>	<u>983,597</u>
Balances at December 31, 2021	<u>\$42,757,801</u>	<u>\$ 1,409,014</u>	<u>\$41,348,787</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

H. Changes of Assumptions and Other Inputs

- Changed the discount rate from 3.5% to 3.0% (effective 01/01/20).
- Assumptions for pre- and post-65 medical trend rates were updated (effective 01/01/20).

I. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Municipality, as well as what the Municipality's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.0%) or one percentage point higher (4.0%) than the current discount rate:

	<u>1.0% Decrease</u> <u>2.0%</u>	<u>Discount Rate</u> <u>3.0%</u>	<u>1.0% Increase</u> <u>4.0%</u>
Net OPEB Liability (Asset)	\$48,409,263	\$41,348,787	\$35,790,827

J. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability of the Municipality, as well as what the Municipality's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	<u>1.0% Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1.0% Increase</u>
Net OPEB Liability (Asset)	\$35,419,290	\$41,348,787	\$48,802,224

K. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2021, the Municipality recognized OPEB expense of \$1,779,531. As of December 31, 2021, the Municipality reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 11 - Other Post-Employment Benefit Plan (Cont'd)

K. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Cont'd)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$1,315,118
Changes of assumptions	855,177	-
Net difference between projected and actual earnings	<u>121,738</u>	<u>1,419,734</u>
Total	<u>\$976,915</u>	<u>\$2,734,852</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	
2022	\$ (478,963)
2023	(600,700)
2024	(388,382)
2025	(257,799)
2026	<u>(32,093)</u>
	<u>\$ (1,757,937)</u>

Note 12 - Pension Plans Financial Information

The Municipality's Police Pension, a defined benefit plan and the Municipality of Monroeville Uniform and Non-Uniform Employees Other Post-Employment Benefit (OPEB) Retiree Benefits Plan Trust Fund (OPEB Trust), a single-employer OPEB Plan, do not issue stand-alone financial reports. The following is a statement of fiduciary net position and statement of changes in fiduciary net position for both Plans as of and for the year ended December 31, 2021:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 12 - Pension Plans Financial Information (Cont'd)

	Pension & Other Employee Benefit Trust Funds		Total Pension & Other Employee Benefit Trust Funds
	Police Pension Fund	OPEB Trust Fund	
ASSETS			
Cash and Cash Equivalents	\$ 5,287,160	\$ 21,462	\$ 5,308,622
Investments at Fair Value			
Equities	5,700,690	-	5,700,690
Mutual Funds	35,558,498	7,510,703	43,069,201
Municipal Bonds	2,214,849	-	2,214,849
Corporate Bonds	7,005,928	-	7,005,928
Other Receivables	<u>75,520</u>	<u>9,129</u>	<u>84,649</u>
TOTAL ASSETS	<u>55,842,645</u>	<u>7,541,294</u>	<u>63,383,939</u>
LIABILITIES			
Accounts Payable	<u>-</u>	<u>6,132,280</u>	<u>6,132,280</u>
NET POSITION			
Net Position Restricted for Pensions	55,842,645	-	55,842,645
Net Position Restricted for OPEB	<u>-</u>	<u>1,409,014</u>	<u>1,409,014</u>
TOTAL NET POSITION	<u>\$55,842,645</u>	<u>\$1,409,014</u>	<u>\$57,251,659</u>
Additions			
Contributions			
Employer	\$ 2,547,632	\$ -	\$ 2,547,632
Plan Members	<u>304,323</u>	<u>-</u>	<u>304,323</u>
Total Contributions	<u>2,851,955</u>	<u>-</u>	<u>2,851,955</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 12 - Pension Plans Financial Information (Cont'd)

	Pension & Other Employee Benefit Trust Funds		Total Pension & Other Employee Benefit Trust Funds
	Police Pension Fund	OPEB Trust Fund	
Additions (Cont'd)			
Investment Income			
Net Appreciation in Fair Value of Investments	\$ 5,364,444	\$ 725,840	\$6,090,284
Interest and Dividends	<u>1,094,447</u>	<u>115,381</u>	<u>1,209,828</u>
	6,458,891	841,221	7,300,112
Less Investment Expenses	<u>(271,804)</u>	<u>(51,860)</u>	<u>(323,664)</u>
Net Investment Income	<u>6,187,087</u>	<u>789,361</u>	<u>6,976,448</u>
Total Additions	<u>9,039,042</u>	<u>789,361</u>	<u>9,828,403</u>
Deductions			
Benefits	3,638,360	1,273,698	4,912,058
Administrative Expenses	<u>2,069</u>	<u>2,997</u>	<u>5,066</u>
Total Deductions	<u>3,640,429</u>	<u>1,276,695</u>	<u>4,917,124</u>
Net Increase (Decrease) in Net Position	<u>5,398,613</u>	<u>(487,334)</u>	<u>4,911,279</u>
Net Position Restricted for Pensions			
Beginning of Year	<u>50,444,032</u>		<u>50,444,032</u>
End of Year	<u>\$55,842,645</u>		<u>\$55,842,645</u>
Net Position Restricted for OPEB			
Beginning of Year		<u>\$1,896,348</u>	<u>\$ 1,896,348</u>
End of Year		<u>\$1,409,014</u>	<u>\$ 1,409,014</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 13 - Lease

The Municipality leases office space in its administration building to a governmental entity under a noncancellable operating lease. The size of the office space is not material in relation to the complex and cost and accumulated depreciation of that space is not disclosed. Total rental income received under this lease in 2021 was \$16,200. The following is a schedule by year of future minimum rentals to be received by the Municipality under the lease at December 31, 2021:

Year Ended December 31,	Amount
2022	\$16,200
2023	16,200
2024	<u>16,200</u>
	<u>\$48,600</u>

Note 14 - Operating Leases

The Municipality is committed under various leases for photocopiers. These leases are considered, for accounting purposes, to be operating leases. Total costs for such leases were \$39,083 for the year ended December 31, 2021. The Convention Visitor's Bureau, a component unit, is also committed under operating leases for office space and other office equipment. Total costs for such leases for the year ended December 31, 2021, were \$18,714. The following is a schedule by years of future minimum payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year of December 31, 2021.

Year Ended December 31,	Municipality	Convention Visitor's Bureau
2022	\$37,831	\$15,984
2023	26,716	16,312
2024	6,675	16,639
2025	<u>6,267</u>	<u>1,412</u>
	<u>\$77,489</u>	<u>\$50,347</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2021

Note 15 - Risk Management

The Municipality is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors or omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not significantly exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from the prior year. The Municipality also purchases commercial insurance for its employees' health and accident insurance coverage.

**REQUIRED SUPPLEMENTARY
INFORMATION**

Municipality of Monroeville
Required Supplementary Information
Schedule of Changes in the Municipality's Net Pension
Liability and Related Ratios
December 31, 2021

	Police Pension Plan							
	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service Cost	\$ 1,008,012	\$ 1,016,257	\$ 1,003,862	\$ 961,133	\$ 1,003,700	\$ 854,291	\$ 813,610	\$ 867,863
Interest	3,778,852	3,746,515	3,651,023	3,559,783	3,453,644	3,304,775	3,210,893	3,078,188
Changes in Assumptions	1,241,395	-	-	-	3,020,219	-	-	-
Differences Between Expected and Actual Experience	120,142	-	(146,620)	-	(642,803)	-	650,548	-
Benefit Payments	(3,638,360)	(3,332,131)	(3,175,573)	(2,958,635)	(2,729,768)	(2,732,351)	(2,715,934)	(2,926,230)
Net Change in Total Pension Liability	2,510,041	1,430,641	1,332,692	1,562,281	4,104,992	1,426,715	1,959,117	1,019,821
Total Pension Liability - Beginning	<u>57,557,182</u>	<u>56,126,541</u>	<u>54,793,849</u>	<u>53,231,568</u>	<u>49,126,576</u>	<u>47,699,861</u>	<u>45,740,744</u>	<u>44,720,923</u>
Total Pension Liability - Ending (a)	<u>60,067,223</u>	<u>57,557,182</u>	<u>56,126,541</u>	<u>54,793,849</u>	<u>53,231,568</u>	<u>49,126,576</u>	<u>47,699,861</u>	<u>45,740,744</u>
Plan Fiduciary Net Position								
Contributions - Employer, including State Aid	2,547,632	2,344,008	2,415,392	2,400,533	2,157,350	2,173,486	2,440,854	2,421,478
Contributions - Member	304,323	304,928	274,375	320,616	276,916	258,852	258,176	270,836
Net Investment Income	6,187,087	3,486,724	6,276,509	(2,160,805)	4,436,427	1,845,778	(296,453)	1,489,603
Benefit Payments	(3,638,360)	(3,332,131)	(3,172,723)	(2,961,396)	(2,729,768)	(2,732,351)	(2,715,934)	(2,926,230)
Administrative Expenses	(2,069)	(11,233)	(6,875)	(1,492)	(255,955)	(200,399)	(216,271)	(410)
Net Change in Plan Fiduciary Net Position	5,398,613	2,792,296	5,786,678	(2,402,544)	3,884,970	1,345,366	(529,628)	1,255,277
Plan Fiduciary Net Position - Beginning	<u>50,444,032</u>	<u>47,651,736</u>	<u>41,865,058</u>	<u>44,267,602</u>	<u>40,382,632</u>	<u>39,037,266</u>	<u>39,566,894</u>	<u>38,311,617</u>
Plan Fiduciary Net Position - Ending (b)	<u>55,842,645</u>	<u>50,444,032</u>	<u>47,651,736</u>	<u>41,865,058</u>	<u>44,267,602</u>	<u>40,382,632</u>	<u>39,037,266</u>	<u>39,566,894</u>
Municipality's Net Pension Liability (a-b)	<u>\$ 4,224,578</u>	<u>\$ 7,113,150</u>	<u>\$ 8,474,805</u>	<u>\$ 12,928,791</u>	<u>\$ 8,963,966</u>	<u>\$ 8,743,944</u>	<u>\$ 8,662,595</u>	<u>\$ 6,173,850</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.0%	87.60%	84.90%	76.40%	83.20%	82.20%	81.80%	86.50%
Covered Payroll	<u>\$ 5,200,840</u>	<u>\$ 5,558,251</u>	<u>\$ 5,309,100</u>	<u>\$ 5,412,616</u>	<u>\$ 5,620,594</u>	<u>\$ 5,177,028</u>	<u>\$ 5,024,306</u>	<u>\$ 4,956,792</u>
Municipality's Net Pension Liability as a Percentage of Covered Payroll	81.23%	128.00%	159.63%	238.86%	159.48%	168.90%	172.41%	124.55%

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

Municipality of Monroeville
Required Supplementary Information
Schedule of Changes in the Municipality's Net Pension
Liability and Related Ratios
December 31, 2021

	Non-Uniform Pension Plan						
	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	\$ 940,551	\$ 867,802	\$ 862,573	\$ 798,852	\$ 751,994	\$ 841,542	\$ 843,133
Interest	2,380,326	2,342,022	2,301,595	2,258,973	2,257,111	2,162,777	2,094,736
Change in Benefit Terms	-	-	-	-	-	54,182	-
Changes in Assumptions	2,128,096	-	-	-	1,125,643	754,490	-
Differences Between Expected and Actual Experience	(1,073,648)	-	100,610	-	(15,330)	-	231,336
Benefit Payments	(2,378,525)	(2,723,023)	(2,282,541)	(2,336,176)	(2,019,849)	(1,997,015)	(1,865,768)
Net Change in Total Pension Liability	1,996,800	486,801	982,237	721,649	2,099,569	1,815,976	1,303,437
Total Pension Liability - Beginning	<u>45,573,044</u>	<u>45,086,243</u>	<u>44,104,006</u>	<u>43,382,357</u>	<u>41,282,788</u>	<u>39,466,812</u>	<u>38,163,375</u>
Total Pension Liability - Ending (a)	<u>47,569,844</u>	<u>45,573,044</u>	<u>45,086,243</u>	<u>44,104,006</u>	<u>43,382,357</u>	<u>41,282,788</u>	<u>39,466,812</u>
Plan Fiduciary Net Position							
Contributions - Employer, including State Aid	1,335,438	1,326,832	1,201,818	1,212,978	1,162,924	1,170,379	1,032,774
Contributions - PMRS Assessment	4,260	4,220	3,880	3,940	3,820	3,840	-
Contributions - Member	414,412	382,359	375,159	349,198	351,043	357,310	351,986
Net Investment Income	6,121,633	8,329,513	(1,453,209)	6,302,315	2,925,892	(79,459)	1,817,758
Benefit Payments	(2,378,525)	(2,723,023)	(2,282,541)	(2,336,176)	(2,019,849)	(1,997,015)	(1,865,768)
Administrative Expenses	(103,131)	(79,402)	(94,419)	(94,008)	(101,997)	(83,352)	(73,778)
Net Change in Plan Fiduciary Net Position	5,394,087	7,240,499	(2,249,312)	5,438,247	2,321,833	(628,297)	1,262,972
Plan Fiduciary Net Position - Beginning	<u>47,015,462</u>	<u>39,774,963</u>	<u>42,024,275</u>	<u>36,586,028</u>	<u>34,264,195</u>	<u>34,892,492</u>	<u>33,629,520</u>
Plan Fiduciary Net Position - Ending (b)	<u>52,409,549</u>	<u>47,015,462</u>	<u>39,774,963</u>	<u>42,024,275</u>	<u>36,586,028</u>	<u>34,264,195</u>	<u>34,892,492</u>
Municipality's Net Pension Liability (a-b)	<u>\$ (4,839,705)</u>	<u>\$ (1,442,418)</u>	<u>\$ 5,311,280</u>	<u>\$ 2,079,731</u>	<u>\$ 6,796,329</u>	<u>\$ 7,018,593</u>	<u>\$ 4,574,320</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	110.2%	103.20%	88.20%	95.30%	84.30%	83.00%	88.40%
Covered Payroll	<u>\$ 6,906,873</u>	<u>\$ 6,372,647</u>	<u>\$ 6,276,378</u>	<u>\$ 5,812,721</u>	<u>\$ 5,847,782</u>	<u>\$ 5,902,335</u>	<u>\$ 5,873,243</u>
Municipality's Net Pension Liability as a Percentage of Covered Payroll	(70.07%)	(22.63%)	84.62%	35.78%	116.22%	118.91%	77.88%

The Non-Uniform Pension Plan measurement date for the net pension liability is one year prior to the financial statement date.

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

Municipality of Monroeville
Required Supplementary Information
Schedule of Municipality's Contributions
and Investment Returns
December 31, 2021

	Police Pension Plan							
	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$2,547,632	\$2,344,008	\$2,415,392	\$2,400,533	\$2,157,350	\$2,173,486	\$2,422,829	\$2,421,478
Contributions in Relation to the Actuarially Determined Contribution	<u>2,547,632</u>	<u>2,344,008</u>	<u>2,415,392</u>	<u>2,400,533</u>	<u>2,157,350</u>	<u>2,173,486</u>	<u>2,422,829</u>	<u>2,421,478</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered Payroll	<u>\$5,200,840</u>	<u>\$5,558,251</u>	<u>\$5,309,100</u>	<u>\$5,412,616</u>	<u>\$5,620,594</u>	<u>\$5,177,028</u>	<u>\$5,024,306</u>	<u>\$4,956,792</u>
Contributions as a Percentage of Covered Payroll	48.99%	42.17%	45.50%	44.35%	38.38%	41.98%	48.22%	48.85%
	Non-Uniform Pension Plan							
	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially Determined Contribution	\$1,316,867	\$1,339,418	\$1,330,712	\$1,205,810	\$1,216,477	\$1,166,564	\$1,173,984	\$1,032,714
Contributions in Relation to the Actuarially Determined Contribution	<u>1,316,867</u>	<u>1,339,418</u>	<u>1,330,712</u>	<u>1,205,810</u>	<u>1,216,477</u>	<u>1,166,564</u>	<u>1,173,984</u>	<u>1,032,714</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered Payroll	<u>\$7,337,181</u>	<u>\$6,906,873</u>	<u>\$6,372,647</u>	<u>\$6,276,378</u>	<u>\$5,812,721</u>	<u>\$5,847,782</u>	<u>\$5,902,335</u>	<u>\$5,873,243</u>
Contributions as a Percentage of Covered Payroll	17.95%	19.39%	20.88%	19.21%	20.93%	19.95%	19.89%	17.58%
	Police Pension Plan							
	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money Weighted Rate of Return, Net of Investment Expenses	13.15%	8.03%	15.99%	(4.52%)	11.24%	4.41%	(1.17%)	4.01%
	Non-Uniform Pension Plan							
	2021	2020	2019	2018	2017	2016	2015	2014
Annual Money Weighted Rate of Return, Net of Investment Expenses	Not Available	12.31%	19.19%	(4.57%)	17.84%	8.23%	(0.27%)	5.20%

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

Municipality of Monroeville
Notes to the Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2021

Police Pension Plan

1. Assumptions and methods used to determine the contribution rates:

Actuarial Valuation Date	January 1, 2021
Actuarial Cost Method	Entry age normal
Amortization Method	Level dollar, closed
Remaining Amortization Period	6 years aggregate
Asset Valuation Method	4-year smoothing
Inflation	2.50%
Salary Increases	4.75% including inflation
Investment Rate of Return	6.50% net of investment expenses not funded through the MMO, and including inflation.
Mortality	Pub S - 2010 Mortality Table with mortality improvement projected from 2015 based on 2020 SSA assumption.
Retirement Age	Participants with 25 or more years of service are assumed to retire at the following percentages: Ages 50-54: 20% Age 55: 75% Age 56: 100%

2. Changes to Benefits:

Three participants retired with a Window Benefit in 2010 (retirement with no benefit reduction at age 50 with 25 years of service).

3. Changes to Assumptions:

Inflation lowered from 2.75% to 2.50%; interest rate lowered from 6.75% to 6.50%.

Municipality of Monroeville
Notes to the Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2021

Non-Uniform Pension Plan

1. Assumptions and methods used to determine the contribution rates:

Actuarial Valuation Date	January 1, 2021
Actuarial Cost Method	Entry age
Amortization Period	Level dollar based upon the amortization periods in Act 205
Asset Valuation Method	Based upon the Municipal reserves
Investment Rate of Return	5.25%
Inflation	2.80%
Salary Increases	Age-related scale with merit and inflation component
Pre-Retirement Mortality	Males - RP-2000 Male Non-Annuitant table projected 15 years with Scale AA Females - RP-2000 Female Annuitant table projected 15 years with Scale AA and then setback 5 years
Post-Retirement Mortality	Males - RP-2000 Male Annuitant table projected 5 years with Scale AA Females - RP-2000 Female Annuitant table projected 10 years with Scale AA

2. Changes to Assumptions:

Inflation rate decreased from 3.00% to 2.80% beginning with the measurement date of December 31, 2019.

Municipality of Monroeville
Required Supplementary Information
Schedule of Changes in the Municipality's Net OPEB
Liability and Related Ratios
December 31, 2021

	2021	2020	2019	2018	2017
Total OPEB Liability					
Service Cost	\$ 505,902	\$ 492,362	\$ 647,321	\$ 629,996	\$ 486,831
Interest	1,264,059	1,252,422	1,467,093	1,442,468	2,118,386
Changes in Assumptions	-	1,252,935	-	11,770,520	-
Differences Between Expected and Actual Experience	-	(1,926,800)	-	(7,344,510)	-
Benefit Payments	(1,273,698)	(1,465,793)	(1,442,820)	(1,330,622)	(1,198,265)
Net Change in Total OPEB Liability	496,263	(394,874)	671,594	5,167,852	1,406,952
Total OPEB Liability - Beginning	<u>42,261,538</u>	<u>42,656,412</u>	<u>41,984,818</u>	<u>36,816,966</u>	<u>35,410,014</u>
Total OPEB Liability - Ending (a)	<u>42,757,801</u>	<u>42,261,538</u>	<u>42,656,412</u>	<u>41,984,818</u>	<u>36,816,966</u>
Plan Fiduciary Net Position					
Contributions - Employer	-	-	-	1,000,000	-
Net Investment Income	789,361	734,829	1,214,430	(351,054)	740,139
Benefit Payments	(1,273,698)	(1,465,793)	(1,442,820)	(1,330,622)	(1,198,265)
Administrative Expenses	<u>(2,997)</u>	<u>(4,695)</u>	<u>(63,170)</u>	<u>(54,286)</u>	<u>(8,500)</u>
Net Change in Plan Fiduciary Net Position	(487,334)	(735,659)	(291,560)	(735,962)	(466,626)
Plan Fiduciary Net Position - Beginning	<u>1,896,348</u>	<u>2,632,007</u>	<u>2,923,567</u>	<u>3,659,529</u>	<u>4,126,155</u>
Plan Fiduciary Net Position - Ending (b)	<u>1,409,014</u>	<u>1,896,348</u>	<u>2,632,007</u>	<u>2,923,567</u>	<u>3,659,529</u>
Municipality's Net OPEB Liability (a-b)	<u>\$41,348,787</u>	<u>\$40,365,190</u>	<u>\$40,024,405</u>	<u>\$39,061,251</u>	<u>\$33,157,437</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	3.30%	4.50%	6.20%	7.00%	9.90%
Covered Employee Payroll	<u>\$12,538,021</u>	<u>\$12,408,567</u>	<u>\$11,688,994</u>	<u>\$11,611,708</u>	<u>\$11,262,218</u>
Municipality's Net OPEB Liability as a Percentage of Covered Employee Payroll	329.79%	325.30%	342.41%	336.40%	294.41%

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

**Municipality of Monroeville
Required Supplementary Information
Schedule of Municipality's Contributions
and Investment Returns - OPEB Plan
December 31, 2021**

	2021	2020	2019	2018	2017
1. Schedule of Municipality's Contributions					
Actuarially Determined Contribution	Not Calculated	Not Calculated	Not Calculated	\$3,292,614	\$ 2,687,170
Contributions in Relation to the Actuarially Determined Contribution	\$ _____ -	\$ _____ -	\$ _____ -	\$ 1,000,000	_____ -
Contribution Deficiency (Excess)	<u>_____ N/A</u>	<u>_____ N/A</u>	<u>_____ N/A</u>	<u>\$ 2,292,614</u>	<u>\$ 2,687,170</u>
Covered Employee Payroll	\$12,538,021	\$12,408,567	\$11,688,994	\$11,611,708	\$11,262,218
Contributions as a Percentage of Covered Employee Payroll	0.00%	0.00%	0.00%	8.61%	0.00%
2. Investment Returns					
Annual Money Weighted Rate of Return, Net of Investment Expenses	11.01%	10.63%	17.82%	(12.21%)	18.90%

The information reported above is the information which was available upon implementation of the new reporting standard; 10 years of information will be reported when available.

Municipality of Monroeville
Required Supplementary Information
Schedule of Municipality's Contributions
and Investment Returns - OPEB Plan
December 31, 2021

3. Notes to Schedule

Valuation Date:	January 1, 2020
Methods and assumptions used to determine contribution rates for 2018:	
Actuarial Cost Method	Entry age
Amortization Method	Level percentage of payroll, closed
Amortization Period	30 years
Asset Valuation Method	Fair value
Inflation	2.75%
Healthcare Cost Trend Rates	Pre-65 Medical/Rx: 2019 at 7.0% decreasing by 0.50% until reaching 5.0%; Post-65 Medical/Rx: 5.0% and dental and vision 3.0%
Investment Rate of Return	7.0% increase per year
Retirement Age	Police: participants with 25 or more years of service are assumed to retire at the following percentages: Age 50 - 54: 20%; Age 55: 75%; Ages 56+: 100%. Others earlier of age 55 with applicable years of service to pension age
Mortality	RP - 2014 Mortality Table with 50% of Blue Collar adjustment and rates set forward 5 years for disabled lives.

**COMBINING AND INDIVIDUAL FUNDS
FINANCIAL STATEMENTS**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

- Highway Aid Fund - Used to account for revenues from the Commonwealth of Pennsylvania based on an allocation of its Liquid Fuels Tax. Such revenues are restricted to be used for highways and streets.
- Police Asset Seizure Fund - Used to account for the proceeds of the federal asset seizure program awarded to the Monroeville Police Department. All proceeds must be used for Police Department activities.
- Sidewalk Fund - Used to account for the revenues from certain developments in the Municipality as described by Municipal ordinances. The revenues received shall be used to fund sidewalks in various locations in this Municipality.

CAPITAL PROJECTS FUNDS

- Northern Pike Improvements Fund - Used to account for expenditures related to the improvements of the Northern Pike. These improvements will be funded partially from transfers from the General Fund and private contributions.

DEBT SERVICE FUNDS

- 2021 Debt Service Fund - Used to account for accumulation of resources for and payment of debt principal, interest and fees of the 2021A and 2021B Series notes.

**Municipality of Monroeville
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021**

	<u>Special Revenue Funds</u>			<u>Capital Projects Funds</u>	Total Nonmajor Governmental Funds
	Highway Aid Fund	Police Asset Seizure Fund	Sidewalk Fund	Northern Pike Improvements Fund	
ASSETS					
Cash and Cash Equivalents	<u>\$1,378,996</u>	<u>\$51,284</u>	<u>\$2,750</u>	<u>\$159,736</u>	<u>\$1,592,766</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Due to Other Funds	\$ _____ -	\$ <u>9,002</u>	\$ _____ -	\$ _____ -	\$ <u>9,002</u>
Fund Balances					
Restricted	1,378,996	42,282	-	-	1,421,278
Committed	<u> -</u>	<u> -</u>	<u>2,750</u>	<u>159,736</u>	<u>162,486</u>
Total Fund Balances	<u>1,378,996</u>	<u>42,282</u>	<u>2,750</u>	<u>159,736</u>	<u>1,583,764</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$1,378,996</u>	<u>\$51,284</u>	<u>\$2,750</u>	<u>\$159,736</u>	<u>\$1,592,766</u>

Municipality of Monroeville
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2021

	Special Revenue Funds			Debt Service Fund	Capital Projects Funds	Total
	Highway Aid Fund	Police Asset Seizure Fund	Sidewalk Fund	2021 Debt Service Fund	Northern Pike Improvements Fund	Nonmajor Governmental Funds
Revenues						
Interest, Rents & Royalties	\$ 627	\$ 3	\$ -	\$ -	\$ 74	\$ 704
Intergovernmental	<u>809,190</u>	<u>13,608</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>822,798</u>
Total Revenues	<u>809,817</u>	<u>13,611</u>	<u>-</u>	<u>-</u>	<u>74</u>	<u>823,502</u>
Expenditures						
General Government	-	1,617	-	62,000	-	63,617
Public Safety	-	13,478	-	-	-	13,478
Public Works - Highways	611,522	-	-	-	-	611,522
Interest	-	-	-	1,643	-	1,643
Capital Outlay	<u>24,020</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,020</u>
Total Expenditures	<u>635,542</u>	<u>15,095</u>	<u>-</u>	<u>63,643</u>	<u>-</u>	<u>714,280</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>174,275</u>	<u>(1,484)</u>	<u>-</u>	<u>(63,643)</u>	<u>74</u>	<u>109,222</u>
Other Financing Sources (Uses)						
Issuance of Refunding Notes	-	-	-	5,650,000	-	5,650,000
Payment to Refunded Bond Escrow Agent	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,586,357)</u>	<u>-</u>	<u>(5,586,357)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,643</u>	<u>-</u>	<u>63,643</u>
Net Change in Fund Balances	174,275	(1,484)	-	-	74	172,865
Fund Balances - January 1, 2021	<u>1,204,721</u>	<u>43,766</u>	<u>2,750</u>	<u>-</u>	<u>159,662</u>	<u>1,410,899</u>
Fund Balances - December 31, 2021	<u>\$1,378,996</u>	<u>\$42,282</u>	<u>\$2,750</u>	<u>\$-</u>	<u>\$159,736</u>	<u>\$1,583,764</u>

Municipality of Monroeville
Schedule of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Funds
Highway Aid Fund
Budget and Actual
Year Ended December 31, 2021

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues				
Interest, Rents and Royalties				
Interest Earnings	\$ 8,500	\$ 8,500	\$ 627	\$ (7,873)
Intergovernmental				
Liquid Fuels Tax	<u>871,331</u>	<u>871,331</u>	<u>809,190</u>	<u>(62,141)</u>
Total Revenues	<u>879,831</u>	<u>879,831</u>	<u>809,817</u>	<u>(70,014)</u>
Expenditures				
Current:				
Public Works				
Highways and Streets				
Snow and Ice Removal	550,000	550,000	392,794	157,206
Street Lighting	310,000	310,000	218,728	91,272
Road Maintenance	<u>-</u>	<u>-</u>	<u>24,020</u>	<u>(24,020)</u>
Total Expenditures	<u>860,000</u>	<u>860,000</u>	<u>635,542</u>	<u>224,458</u>
Net Change in Fund Balance	<u>\$ 19,831</u>	<u>\$ 19,831</u>	<u>\$174,275</u>	<u>\$ 154,444</u>

COMPONENT UNIT

CONVENTION VISITOR'S BUREAU

**Municipality of Monroeville
Balance Sheet
Convention Visitor's Bureau - Component Unit
General Fund
December 31, 2021**

ASSETS

Cash and Cash Equivalents	\$1,110,109
Due from Other Governments	130,011
Prepaid Items	<u>2,358</u>

TOTAL ASSETS	<u>\$1,242,478</u>
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LIABILITIES AND FUND BALANCES

Liabilities

Due to Primary Government	\$ 66,879
Accounts Payable	<u>2,026</u>

Total Liabilities	<u>68,905</u>
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Fund Balances

Nonspendable	2,358
Unassigned	<u>1,171,215</u>

Total Fund Balances	<u>1,173,573</u>
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**TOTAL LIABILITIES AND FUND
BALANCES**

\$1,242,478

Municipality of Monroeville
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
Convention Visitor's Bureau - Component Unit
December 31, 2021

Total Fund Balances - Governmental Funds	\$1,173,573
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$130,512 and the accumulated depreciation is \$65,614.

<u>64,898</u>

Total Net Position - Governmental Activities	<u>\$1,238,471</u>
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**Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
Convention Visitor's Bureau - Component Unit
General Fund
Year Ended December 31, 2021**

Revenues	
Taxes	\$ 550,699
Interest, Rents and Royalties	300
Miscellaneous	<u>22,058</u>
Total Revenues	<u>573,057</u>
Expenditures	
Current:	
Conservation and Development	<u>346,591</u>
Net Change in Fund Balance	226,466
Fund Balance - January 1, 2021	<u>947,107</u>
Fund Balance - December 31, 2021	<u>\$1,173,573</u>

Municipality of Monroeville
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Convention Visitor's Bureau - Component Unit
Year Ended December 31, 2021

Total Net Change in Fund Balances - Governmental Funds	\$226,466
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Amounts reported for governmental activities in the
statement of net position are different because:

Capital outlays are reported in governmental funds as expenditures.
However, in the statement of activities, the cost of those assets is
allocated over their estimated useful lives as depreciation expense.
This is the amount by which capital outlays exceeds depreciation
in the period.

Depreciation Expense	<u>(7,051)</u>
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Change in Net Position of Governmental Activities	<u>\$219,415</u>
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ADDITIONAL INFORMATION

**Municipality of Monroeville
Schedule of Public Library Program
Revenues and Expenditures
Included in the General Fund
Year Ended December 31, 2021**

Revenues

Regional Asset District Tax Funds passed through ACLA	\$ 254,502
State Library Aid	113,911
State Gaming Revenue	24,799
Fines and Miscellaneous	<u>30,426</u>
 Total Revenues	 \$ <u>423,638</u>

Expenditures

Salaries	\$ 553,229
Benefits	411,893
Utilities	88,828
Maintenance and Repairs	26,812
Office Supplies and Expenses	47,444
Library Books and Equipment	227,872
Office Equipment and Furniture	26,342
Miscellaneous Outside Personnel Services	<u>171,091</u>
 Total Expenditures	 \$ <u>1,553,511</u>

Note: Expenditures are funded by General Fund revenues and available Regional Asset District escrow funds to the extent they are not covered by amounts noted above.

STATISTICAL SECTION

STATISTICAL SECTION

This part of the Municipality of Monroeville’s annual comprehensive financial 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 Municipality’s overall financial health.

CONTENTS

SCHEDULE

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the Municipality’s financial performance and well-being has changed over time.

1 - 4

REVENUE CAPACITY

These schedules contain information to help the reader assess the factors affecting the Municipality’s ability to generate its property and earned income taxes.

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DEBT CAPACITY

These schedules present information to help the reader assess the affordability of the Municipality’s current levels of outstanding debt and the Municipality’s ability to issue additional debt in the future.

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DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Municipality’s financial activities take place and to help make comparisons over time and with other governments.

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OPERATING INFORMATION

These schedules contain information about the Municipality’s operations and resources to help the reader understand how the Municipality’s financial information relates to the services the Municipality provides and the activities it performs.

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MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 1 NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Invested in Capital Assets net of										
Related Debt	\$ 12,662,869	\$ 11,340,030	\$ 9,896,434	\$ 11,599,579	\$ 12,309,761	\$ 13,310,559	\$ 14,622,837	\$ 16,555,654	\$ 17,650,264	\$ 18,806,405
Restricted	1,556,364	2,308,578	2,813,073	1,593,548	1,364,788	288,569	764,254	867,354	1,248,487	1,421,278
Unrestricted	2,745,547	(500,253)	340,127	(7,950,258)	(7,684,003)	(6,866,770)	(29,301,616)	(29,880,298)	(27,318,199)	(22,114,300)
Total primary government	<u>\$ 16,964,780</u>	<u>\$ 13,148,355</u>	<u>\$ 13,049,634</u>	<u>\$ 5,242,869</u>	<u>\$ 5,990,546</u>	<u>\$ 6,732,358</u>	<u>\$ (13,914,525)</u>	<u>\$ (12,457,290)</u>	<u>\$ (8,419,448)</u>	<u>\$ (1,886,617)</u>

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 2 CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental activities:										
General Government	\$ 3,908,079	\$ 3,612,604	\$ 3,986,984	\$ 4,360,921	\$ 4,234,236	\$ 4,464,086	\$ 4,332,927	\$ 5,083,931	\$ 4,564,369	\$ 4,020,374
Public Safety	12,389,336	13,054,982	13,300,436	13,219,654	14,034,917	14,886,812	16,690,271	16,432,694	15,391,430	13,909,184
Public Works-Sanitation	1,390,827	1,464,269	1,660,992	1,431,181	1,528,363	1,610,152	1,445,974	1,560,068	1,326,160	1,391,520
Public Works-Highway	4,152,939	4,385,065	4,556,704	5,217,301	5,089,016	5,090,065	6,673,563	6,297,802	5,827,794	5,660,864
Public Works-Other	-	-	-	-	-	-	-	956,285	1,346,389	1,712,049
Culture-Recreation	4,541,643	4,660,442	4,717,192	4,928,151	5,290,431	5,479,581	5,344,164	5,777,818	4,366,602	4,214,492
Conservation and Development	347,004	390,481	382,799	296,709	529,993	479,846	522,105	511,076	447,307	497,490
Interest On Long-Term Debt	767,255	842,305	778,352	675,103	607,209	522,580	426,648	306,322	198,996	85,668
Total primary government	\$ 27,497,083	\$ 28,410,148	\$ 29,383,459	\$ 30,129,020	\$ 31,314,165	\$ 32,533,122	\$ 35,435,652	\$ 36,925,996	\$ 33,469,047	\$ 31,491,641
Program Revenues										
Charges for services:										
General Government	\$ 169,097	\$ 117,920	\$ 150,589	\$ 116,779	\$ 116,780	\$ 75,803	\$ 70,876	\$ 66,353	\$ 104,839	\$ 60,988
Public Safety	464,056	347,975	316,947	386,487	327,306	431,322	660,841	792,268	602,417	883,773
Public Works-Sanitation	422,739	399,786	395,767	415,504	410,465	438,630	436,357	462,503	396,252	426,952
Public Works-Highway	3,100	82,340	8,713	111,516	36,702	37,470	78,078	71,768	41,205	90,904
Public Works-Other	-	-	-	-	-	-	-	3,322,515	3,335,991	3,398,507
Culture-Recreation	962,343	958,986	931,875	1,033,519	1,025,915	1,004,888	969,116	1,037,286	702,967	756,932
Conservation and Development	39,802	44,109	71,550	68,868	55,420	48,804	153,370	93,134	74,673	115,145
Operating and Capital grants and contributions	1,482,568	1,395,759	1,541,730	2,756,770	2,486,866	2,531,345	2,686,931	2,527,548	2,608,909	2,555,443
Total primary government	\$ 3,543,705	\$ 3,346,875	\$ 3,417,171	\$ 4,889,443	\$ 4,459,454	\$ 4,568,262	\$ 5,055,569	\$ 8,373,375	\$ 7,867,253	\$ 8,288,644
Total primary government net expense	\$ 23,953,378	\$ 25,063,273	\$ 25,966,288	\$ 25,239,577	\$ 26,854,711	\$ 27,964,860	\$ 30,380,083	\$ 28,552,621	\$ 25,601,794	\$ 23,202,997
General Revs. and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property Taxes, Levied for Gen. Purp.	\$ 4,329,435	\$ 5,588,103	\$ 8,874,636	\$ 9,033,775	\$ 9,013,001	\$ 9,037,409	\$ 8,720,156	\$ 9,102,782	\$ 9,090,790	\$ 9,220,695
Earned Income Taxes	6,655,847	6,951,532	7,711,011	7,482,578	7,485,167	7,633,309	7,698,026	7,959,132	7,672,873	8,127,565
Business Privilege & Mercantile Tax	5,971,721	5,791,646	6,114,606	7,340,650	7,705,324	7,909,899	8,357,693	8,941,293	7,879,440	7,797,675
Other Taxes, Levied for Gen. Purp.	2,559,194	2,618,451	2,830,807	3,026,410	3,012,278	3,731,887	3,756,994	3,482,227	3,472,152	4,122,010
Grants, Subsidies & Contrib. Not Restricted	187,430	168,568	252,955	177,634	261,035	246,440	223,719	188,228	196,433	139,349
Investment Earnings	89,188	78,489	60,000	46,756	70,370	76,825	149,257	253,478	304,410	25,176
Miscellaneous	142,903	50,059	23,552	-	55,213	70,903	65,073	82,716	1,023,538	303,358
Total primary government	\$ 19,935,718	\$ 21,246,848	\$ 25,867,567	\$ 27,107,803	\$ 27,602,388	\$ 28,706,672	\$ 28,970,918	\$ 30,009,856	\$ 29,639,636	\$ 29,735,828
Change in Net Position										
Total primary government	\$ (4,017,660)	\$ (3,816,425)	\$ (98,721)	\$ 1,868,226	\$ 747,677	\$ 741,812	\$ (1,409,165)	\$ 1,457,235	\$ 4,037,842	\$ 6,532,831

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 3 FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ 58,075	\$ 52,215	\$ 54,750	\$ 57,412	\$ 135,011	\$ 74,796	\$ 66,511
Restricted	121,118	121,130	-	-	-	-	-	-	-	-
Committed	82,793	101,296	270,297	155,231	137,970	94,597	73,960	22,810	1,037,563	1,242,565
Assigned	897,742	544,053	540,403	585,862	652,802	700,263	655,451	533,068	600,233	5,624,396
Unassigned	4,291,310	3,173,774	5,141,934	7,175,221	9,718,585	13,497,133	14,410,769	17,735,669	19,508,304	19,203,641
Total general fund	<u>\$ 5,392,963</u>	<u>\$ 3,940,253</u>	<u>\$ 5,952,634</u>	<u>\$ 7,974,389</u>	<u>\$ 10,561,572</u>	<u>\$ 14,346,743</u>	<u>\$ 15,197,592</u>	<u>\$ 18,426,558</u>	<u>\$ 21,220,896</u>	<u>\$ 26,137,113</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	4,269,024	2,187,448	2,813,073	1,593,548	1,364,788	288,569	764,254	867,354	1,248,487	1,421,278
Committed	152,352	152,388	1,005,452	1,168,316	1,584,386	1,968,024	445,652	1,684,278	3,271,665	4,206,463
Assigned	-	-	-	-	(279,518)	-	216,574	-	-	-
Unassigned	-	(49,288)	(82,300)	(82,300)	(82,300)	-	-	(1,072,682)	(2,122,863)	(4,988,027)
Unreserved reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 4,421,376</u>	<u>\$ 2,290,548</u>	<u>\$ 3,736,225</u>	<u>\$ 2,679,564</u>	<u>\$ 2,587,356</u>	<u>\$ 2,256,593</u>	<u>\$ 1,426,480</u>	<u>\$ 1,478,950</u>	<u>\$ 2,397,289</u>	<u>\$ 639,714</u>

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 4 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Taxes	\$ 19,931,384	\$ 20,919,961	\$ 25,529,862	\$ 26,728,752	\$ 27,219,766	\$ 28,273,021	\$ 28,407,971	\$ 29,396,049	\$ 28,097,706	\$ 29,217,159
Licenses and Permits	1,405,533	1,303,052	1,224,666	1,337,641	1,267,561	1,371,775	1,433,261	1,474,294	1,303,145	1,550,600
Fines and Forfeits	113,091	105,145	104,238	112,239	93,135	94,475	94,395	93,533	69,955	59,624
Interest, Rents and Royalties	89,188	78,489	60,000	46,756	70,370	124,267	198,228	304,275	358,452	83,062
Intergovernmental	1,626,110	1,526,646	1,794,685	2,915,157	2,660,342	2,714,228	2,872,294	2,687,421	2,795,056	2,672,925
Charges for Services	542,513	542,919	546,537	682,793	611,892	570,667	840,982	4,278,000	3,885,244	4,122,976
Miscellaneous	138,991	61,311	23,552	19,247	100,222	43,558	46,126	10,159	10,286	78,853
Total revenues	23,846,810	24,537,523	29,283,540	31,842,585	32,023,288	33,191,991	33,893,257	38,243,731	36,519,844	37,785,199
Expenditures										
Current:										
General Government	3,129,183	2,894,708	3,141,640	3,634,801	3,233,365	3,287,649	3,434,700	3,822,230	3,902,781	3,667,006
Public Safety	10,075,158	10,935,158	10,944,470	12,362,846	11,609,201	11,652,960	13,122,661	12,592,177	12,991,514	12,922,048
Public Works-Sanitation	1,162,073	1,229,431	1,227,277	1,192,521	1,180,830	1,226,511	1,229,976	1,212,927	1,188,420	1,315,314
Public Works-Highways	2,839,927	2,855,834	2,941,291	3,313,521	3,364,611	3,366,360	3,604,313	3,463,552	3,296,552	4,113,994
Public Works-Other	-	-	-	-	-	-	-	852,647	1,195,418	1,242,479
Culture-Recreation	3,545,275	3,526,226	3,548,821	3,889,441	3,971,196	4,063,899	4,327,154	4,489,565	3,806,501	4,123,416
Conservation and Development	300,871	350,041	336,779	274,320	460,931	393,628	480,674	432,170	435,893	563,496
Insurance Premiums	1,175,072	955,570	1,152,885	1,112,060	1,204,279	1,209,074	1,220,926	1,315,774	1,361,437	1,389,751
Capital outlays	3,206,754	2,226,467	697,866	2,711,390	1,029,697	1,421,327	3,031,336	3,421,326	2,317,545	4,009,300
Debt Service:										
Principal	2,355,000	2,290,000	2,355,000	2,675,899	2,895,617	2,968,415	2,972,059	3,033,299	3,110,820	1,459,777
Interest	823,828	884,055	817,472	712,362	621,136	526,538	457,054	358,547	257,947	112,802
Total Expenditures	28,613,141	28,147,490	27,163,501	31,879,161	29,570,863	30,116,361	33,880,853	34,994,214	33,864,828	34,919,383
Excess of revenues over (under) expenditures	(4,766,331)	(3,609,967)	2,120,039	(36,576)	2,452,425	3,075,630	12,404	3,249,517	2,655,016	2,865,816
Other Financing Sources (Uses):										
Issuance of Debt	-	-	1,338,019	9,655,000	-	-	-	-	-	-
Issuance of Refunding Debt	8,445,000	-	-	-	-	7,885,000	-	-	-	5,650,000
(Discount) on Bonds Issued	-	-	-	-	-	-	-	-	-	-
Bond premium in bonds issued	186,144	-	-	292,671	-	303,672	-	-	-	-
Payment to Refunded Bond Escrow Agent	(7,866,691)	-	-	(9,479,534)	-	(7,833,354)	-	-	-	(5,586,357)
Capital lease	-	-	-	533,533	-	-	-	-	-	-
Sale of Capital Assets	47,800	26,429	-	-	42,550	23,460	8,332	31,919	1,057,661	229,183
Transfers In	610,354	-	1,119,000	1,301,870	1,000,000	2,679,509	2,287,379	1,000,000	1,243,680	76,657
Transfers Out	(610,354)	-	(1,119,000)	(1,301,870)	(1,000,000)	(2,679,509)	(2,287,379)	(1,000,000)	(1,243,680)	(76,657)
Total Other Financing Sources (Uses)	812,253	26,429	1,338,019	1,001,670	42,550	378,778	8,332	31,919	1,057,661	292,826
Net Changes in fund balances	\$ (3,954,078)	\$ (3,583,538)	\$ 3,458,058	\$ 965,094	\$ 2,494,975	\$ 3,454,408	\$ 20,736	\$ 3,281,436	\$ 3,712,677	\$ 3,158,642
 Debt service as a percentage of noncapital expenditures	 12.63%	 12.25%	 11.87%	 11.59%	 12.18%	 12.11%	 10.48%	 10.15%	 10.19%	 4.81%

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 5

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year	Residential Property	Commercial Property	Tax Exempt Property	Total Taxable Assessed Value	Taxable Assessed Value as a Percentage of Actual Taxable Value	Total Direct Tax Rate
2012	1,074,681	987,487	371,034	2,062,168	100%	2.20
2013	1,317,872	1,210,661	535,054	2,528,533	100%	2.43
2014	1,302,867	1,077,997	585,232	2,380,864	100%	4.00
2015	1,287,862	1,043,436	565,280	2,331,298	100%	4.00
2016	1,290,977	1,045,960	571,109	2,336,937	100%	4.00
2017	1,294,847	1,049,065	403,552	2,343,912	100%	4.00
2018	1,305,389	990,536	498,536	2,295,925	100%	4.00
2019	1,306,930	985,929	498,286	2,292,859	100%	4.00
2020	1,339,228	1,001,400	517,209	2,340,628	100%	4.00
2021	1,380,191	975,926	521,121	2,356,117	100%	4.00

Source: Allegheny County Assessment Office

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 6 DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

Municipality of Monroeville			County of Allegheny		Gateway School District		Total
Fiscal Year	Total Basic Tax Millage	Total Millage	Total Basic Tax Millage	Total Millage	Total Basic Tax Millage	Total Millage	
2012	2.20	2.20	4.73	4.73	21.85	21.85	28.78
2013	2.43	2.43	4.73	4.73	18.89	18.89	26.051
2014	4.00	4.00	4.73	4.73	18.89	18.89	27.62
2015	4.00	4.00	4.73	4.73	18.89	18.89	27.62
2016	4.00	4.00	4.73	4.73	18.89	18.89	27.62
2017	4.00	4.00	4.73	4.73	19.33	19.33	28.06
2018	4.00	4.00	4.73	4.73	19.33	19.33	28.06
2019	4.00	4.00	4.73	4.73	19.87	19.87	28.60
2020	4.00	4.00	4.73	4.73	19.87	19.87	28.60
2021	4.00	4.00	4.73	4.73	20.89	20.89	29.62

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 7 PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2021			2011		
	Taxable Assessed Valuation	Rank	Percentage of Total Municipal Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Municipal Taxable Assessed Value
CBL Monroeville Partners	\$ 84,058,900	1	3.57%	\$ 146,580,500	1	7.02%
PZ Miracle Mile	60,418,700	2	2.56%	37,772,800	2	1.81%
Anne V. Lewis	35,573,300	3	1.51%	16,015,000	5	0.77%
Jamison Lane	27,512,000	4	1.17%			
ER Partners LP	16,956,700	5	0.72%	18,293,500	3	0.88%
Monroeville SCLP	14,800,000	6	0.63%	17,481,700	4	0.84%
Walnut Capital	13,375,500	7	0.57%			
PROPCO LLC	13,038,600	8	0.55%			
WPP/WEH LLC	13,037,500	9	0.55%			
Belmont Ridge Partners	12,183,900	10	0.52%			
Westinghouse Electric Corporation				16,000,000	6	0.77%
Walnut Ivanhoe Partners				15,582,500	7	0.75%
Cochran RELP				15,250,900	8	0.73%
OFEWLP				14,500,000	9	0.69%
Terra Capital Associates				7,221,200	10	0.35%
	<u>\$ 290,955,100</u>		<u>12.35%</u>	<u>\$ 304,698,100</u>		<u>14.61%</u>

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 8 PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	4,535,633	4,354,895	96.02%	61,532	4,416,427	97.37%
2013	6,080,073	5,919,603	97.36%	53,910	5,973,513	98.25%
2014	9,441,987	9,147,587	96.88%	56,835	9,204,422	97.48%
2015	9,325,192	8,967,968	96.17%	41,213	9,009,181	96.61%
2016	9,347,748	9,013,001	96.42%	140,145	9,153,146	97.92%
2017	9,207,522	8,897,264	96.63%	141,429	9,038,693	98.17%
2018	9,272,972	8,993,367	96.98%	122,819	9,116,186	98.31%
2019	9,225,316	9,032,338	97.91%	143,568	9,175,906	99.46%
2020	9,232,369	8,943,833	96.87%	227,266	9,171,099	99.34%
2021	9,232,369	8,993,429	97.41%	-	8,993,429	97.41%

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 9

TAXABLE EARNED INCOME AND TAX COLLECTED

LAST TEN FISCAL YEARS

Fiscal Year	Taxable Earned Income	Tax Collected
2012	455,003,289	6,825,049
2013	463,677,400	6,955,161
2014	514,067,400	7,711,011
2015	498,838,533	7,482,578
2016	499,011,133	7,485,167
2017	485,356,967	7,633,309
2018	442,339,787	7,698,026
2019	530,608,800	7,959,132
2020	507,267,230	7,672,873
2021	535,787,395	8,127,565

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 10

DIRECT AND OVERLAPPING EARNED INCOME TAX RATES

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Municipality Direct rate</u>	<u>Gateway School District Direct rate</u>
2012	1%	0.50%
2013	1%	0.50%
2014	1%	0.50%
2015	1%	0.50%
2016	1%	0.50%
2017	1%	0.50%
2018	1%	0.50%
2019	1%	0.50%
2020	1%	0.50%
2021	1%	0.50%

Source: Keystone Collections Group

The Municipality of Monroeville may change the direct tax rate by a vote of Municipal Council.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 11 EARNED INCOME TAX FILERS AND LIABILITY BY INCOME LEVEL

CURRENT LEVEL

Income Level	2013 Number of filers	2014 Number of filers	2015 Number of filers	2016 Number of filers	2017 Number of filers	2018 Number of filers	2019 Number of filers	2020 Number of filers
\$1,000,000 +	3	4	3	2	5	8	4	4
\$500,001 - \$1,000,000	20	15	13	18	13	16	5	14
\$100,001 - \$500,000	959	1,019	1,147	1,135	1,207	1,248	1,003	1,346
\$40,001 - \$100,000	4,009	4,376	4,567	4,513	4,592	4,588	3,688	4,366
\$22,001 - \$40,000	2,255	2,509	2,442	2,472	2,437	2,340	1,734	1,989
\$12,001 - \$22,000	1,436	1,566	1,535	1,485	1,426	1,359	976	1,168
\$0 - \$12,000	3,712	4,280	4,264	3,990	3,969	3,671	2,701	3,541
TOTAL	12,394	13,769	13,971	13,615	13,649	13,230	10,111	12,428

Income Level	2013 Percentage of Total Taxpayers	2014 Percentage of Total Taxpayers	2015 Percentage of Total Taxpayers	2016 Percentage of Total Taxpayers	2017 Percentage of Total Taxpayers	2018 Percentage of Total Taxpayers	2019 Percentage of Total Taxpayers	2020 Percentage of Total Taxpayers
\$1,000,000 +	0.02%	0.03%	0.02%	0.01%	0.04%	0.06%	0.04%	0.03%
\$500,001 - \$1,000,000	0.16%	0.11%	0.09%	0.13%	0.10%	0.12%	0.05%	0.11%
\$100,001 - \$500,000	7.74%	7.40%	8.21%	8.34%	8.84%	9.43%	9.92%	10.83%
\$40,001 - \$100,000	32.35%	31.78%	32.69%	33.15%	33.64%	34.68%	36.48%	35.13%
\$22,001 - \$40,000	18.19%	18.22%	17.48%	18.16%	17.85%	17.69%	17.15%	16.00%
\$12,001 - \$22,000	11.59%	11.37%	10.99%	10.91%	10.45%	10.27%	9.65%	9.40%
\$0 - \$12,000	29.95%	31.08%	30.52%	29.31%	29.08%	27.75%	26.71%	28.49%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Income Level	2013 Percentage of Total Income	2014 Percentage of Total Income	2015 Percentage of Total Income	2016 Percentage of Total Income	2017 Percentage of Total Income	2018 Percentage of Total Income	2019 Percentage of Total Income	2020 Percentage of Total Income
\$1,000,000 +	1.22%	0.99%	0.78%	0.52%	1.17%	1.93%	2.73%	0.03%
\$500,001 - \$1,000,000	2.62%	1.69%	1.50%	2.11%	1.40%	1.65%	0.69%	0.11%
\$100,001 - \$500,000	27.33%	27.10%	29.65%	29.16%	30.24%	30.84%	30.69%	10.83%
\$40,001 - \$100,000	48.25%	49.18%	48.66%	48.47%	48.36%	47.93%	49.27%	35.13%
\$22,001 - \$40,000	13.35%	13.83%	12.75%	13.11%	12.56%	11.91%	11.30%	16.00%
\$12,001 - \$22,000	4.68%	4.73%	4.38%	4.27%	4.01%	3.77%	3.44%	9.40%
\$0 - \$12,000	2.56%	2.48%	2.28%	2.36%	2.24%	1.98%	1.88%	28.49%
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%

The Municipality is legally prohibited from disclosing individual payers.

Keystone Collections Group does not finish processing 2021 returns until October 2022 therefore 2021 final information is not available and not presented. 2021 final number to be included in the 2022 table.

Information in this format is not available prior to 2013.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 12 RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities**			Percentage of Personal Income*	Per Capita*
	General Obligation Bonds & Notes ***	Capital Leases Payable	Total Primary Government		
2012	29,482,302	-	29,482,302	6.48%	1,038.62
2013	27,020,931	-	27,020,931	5.83%	951.91
2014	24,494,560	1,338,019	25,832,579	4.76%	910.05
2015	22,436,347	1,680,653	24,117,000	4.50%	849.61
2016	19,726,528	1,380,036	21,106,564	3.95%	743.56
2017	17,265,207	1,076,621	18,341,828	3.56%	646.16
2018	14,443,675	839,562	15,283,237	3.27%	538.41
2019	11,527,874	636,263	12,164,137	2.17%	428.53
2020	8,517,355	455,443	8,972,798	1.77%	316.10
2021	7,005,000	345,666	7,350,666	1.37%	256.66

* See Schedule 16 for personal income and population data for the Municipality.
These ratios are calculated using personal income and population for the prior calendar year.

**Details regarding the Municipality's outstanding debt can be found in Note 7 in the current financial statements.

*** Presented net of original issuance discounts, premiums and adjustments, where applicable.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 13 RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year	General Bonded Debt Outstanding* General Obligation Bond & Notes ***	Percentage of Actual Taxable Value** of Property	Per Capita*
2012	29,482	1.43%	1,039
2013	27,021	1.07%	952
2014	24,494	1.03%	863
2015	22,436	0.96%	790
2016	19,726	0.84%	695
2017	17,265	0.75%	608
2018	14,443	0.63%	646
2019	11,527	0.49%	538
2020	8,517	0.36%	316
2021	7,005	0.30%	257

Details regarding the Municipality's outstanding debt can be found in the Note 7 in the current financial statements.

* Population data can be found in Schedule 16.

** See Schedule 5 for the Municipality's property value data.

*** Presented net of original issuance discounts, premiums and adjustments, where applicable.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 14

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2021
(AMOUNTS EXPRESSED IN THOUSANDS)

<u>Governmental Unit</u>	<u>Debt *** Outstanding</u>	<u>Estimated Percentage Applicable*</u>		<u>Estimated Share of Overlapping** Debt</u>
Debt repaid with property taxes				
Municipality of Monroeville	7,351	100.0%		\$ 7,351
Other debt				
Gateway School District	80,720	97.81%	a	78,952
Allegheny County	982,451	2.89%	a	28,393
Subtotal-overlapping debt				<u>107,345</u>
Total direct and overlapping debt				<u><u>\$ 114,696</u></u>

*For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the Municipality's boundaries and dividing it by each unit's total taxable assessed value.

**Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Municipality. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Municipality. This process recognizes that, when considering the Municipality's ability to issue and 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.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 15

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	\$ 57,183	\$ 58,320	\$ 63,836	\$ 70,534	\$ 75,503	\$ 81,097	\$ 83,317	\$ 85,062	\$ 82,119	\$ 92,096
Total net debt applicable to limit	28,730	26,440	24,085	21,920	19,325	16,720	13,985	11,155	8,225	7,005
Legal debt margin	\$ 28,453	\$ 31,880	\$ 39,751	\$ 48,614	\$ 56,178	\$ 64,377	\$ 69,332	\$ 73,907	\$ 73,894	\$ 85,091
Total net debt applicable to the limit as a percentage of debt limit	50.24%	45.34%	37.73%	31.08%	25.60%	20.62%	16.79%	13.11%	10.02%	7.61%

The non-electoral debt limit is set forth in the Pennsylvania Local Government Unit Debt Act and is defined as the average net revenues for the three most recent years multiplied by the debt limit percentage (250%).

The Pennsylvania "Local Government Unit Debt Act" utilizes Gross Bonds outstanding and excludes Capital Leases in the calculation of the legal debt margin

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 16 DEMOGRAPHIC AND ECONOMIC STATISTICS

SCHEDULE 16

LAST TEN CALENDAR YEARS

<u>Year</u>	<u>(1) Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate (2)</u>
2012	28,386	\$ 455,003,289	\$ 43,300	43	3,761	7.30%
2013	28,386	\$ 463,677,400	\$ 44,080	43	3,548	5.60%
2014	28,386	\$ 514,067,400	\$ 44,873	45	3,492	4.65%
2015	28,386	\$ 498,838,533	\$ 45,681	45	3,379	3.80%
2016	28,386	\$ 499,011,133	\$ 46,503	45	3,336	4.70%
2017	28,386	\$ 485,356,967	\$ 43,671	45	3,292	4.20%
2018	28,386	\$ 442,339,787	\$ 45,847	45	3,273	3.70%
2019	28,386	\$ 530,608,800	\$ 47,371	45	3,435	3.70%
2020	28,386	\$ 507,267,230	\$ 45,287	45	3,391	5.60%
2021	28,640	\$ 535,787,395	\$ 35,720	41	3,425	5.50%

Data Sources:

- (1) Bureau of Census-Partial Statistics for 2010 Census released by Bureau of Census during 2011
- (2) Department of Labor
- (3) Allegheny County Planning Department
- (4) Gateway School District

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 17 PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO

Employer	2021			2011		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
Forbes Regional/West Penn Hospital	1,270	1	6.10%	1,518	1	0.76%
Procare Pharmacy Direct	932	2	4.48%	778	3	0.39%
Bechtel Plant Machinery Inc.	852	3	4.09%	1,154	2	0.58%
UPMC East	616	4	2.96%	436	6	0.22%
Gateway School District	398	5	1.91%	769	4	0.38%
Caremark LLC	278	6	1.34%			
Allegheny Clinic	260	7	1.25%			
Procare Pharmacy LLC	249	8	1.20%			
Lash Group LLC	223	9	1.07%			
Bayada Home Healthcare Inc	214	10	1.03%			
Respironics				502	5	0.25%
Community College of Allegheny County				365	7	0.18%
Giant Eagle Markets				360	8	0.18%
Compunetics				346	9	0.17%
Cochran Pontiac Incorporated				344	10	0.17%
	<u>5,292</u>		<u>25.42%</u>	<u>6,572</u>		<u>3.28%</u>
Total Employees in Municipality	<u>20,821</u>					

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 18

FULL-TIME EQUIVALENT MUNICIPAL EMPLOYEES BY FUNCTION/PROGRAM

<u>FUNCTION/PROGRAM</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL GOVERNMENT										
Manager's Office	3	3	4	4	4	3	3	4	4	4
Tax Collection	5	4	4	4	4	4	4	4	4	4
Finance Office	4	4	5	5	5	5	5	4	4	4
Information Technology	3	2	2	2	2	1	1	2	2	2
PUBLIC SAFETY										
Police Chief	2	2	2	2	2	2	2	2	2	2
Emergency Communications	8	8	7	8	8	9	9	9	9	9
Patrol & Traffic	42	42	39	37	37	39	39	40	40	38
Incident Investigation	5	5	5	5	5	5	5	5	5	5
Support Services & Records	1	1	1	1	1	1	1	2	2	2
Police Training	0	0	0	0	0	0	0	0	0	0
Community Safety	2	2	1	1	1	0	0	0	0	0
Fire, Building, & Code Enforcement	5	5	5	6	5	4	4	4	5	5
PUBLIC WORKS										
Superintendent of Public Works	2	2	2	2	2	2	2	2	2	2
Storm Sewer Maintenance	1	1	1	1	1	1	1	8	8	8
Street Maintenance	8	5	6	6	6	5	5	8	8	8
Parks Maintenance	6	8	7	8	8	8	8	8	8	8
Signs and Markings	4	5	4	4	4	4	4	3	3	4
Refuse Collection	9	9	9	9	9	9	9	9	9	9
Vehicular Equipment	4	4	4	5	5	5	5	5	5	6
Recycling	2	2	2	2	2	2	2	2	2	2
Animal Control	1	1	1	1	1	1	1	1	1	1
Community Park	3	3	3	3	3	3	3	3	3	3
Building & Property Maintenance	3	3	4	4	4	4	4	4	4	6
HUMAN SERVICES										
Recreation and Parks	3	3	3	3	3	3	3	3	3	3
Planning & Zoning	4	4	3	3	3	4	4	4	4	4
Engineering	1	1	1	1	1	2	2	2	2	2
Traffic Signals	0	0	0	0	0	0	0	1	1	1
Senior Citizens	4	4	4	5	5	4	4	4	3	4
Public Library	11	10	10	10	10	11	11	11	11	11
TV 15	2	2	2	2	2	2	2	2	2	2
TOTAL	148	145	141	144	143	143	143	156	156	159

Data source: Municipality of Monroeville payroll department

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 19

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

<u>FUNCTION/PROGRAM</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
POLICE										
Physical arrests	255	374	469	613	548	641	380	507	498	472
Incidents	15,531	15,354	16,535	16,854	15,982	16,051	16,201	16,831	15,233	14,529
Traffic violations/Citations	1,758	1,653	3,535	1,629	1,016	1,883	1,000	749	618	458
FIRE										
Emergency Response	5,224	7,028	5,392	6,078	6,769	7,616	8,194	8,967	8,266	8,293
INSPECTIONS	6,100	7,539	8,324	8,152	7,580	7,151	7,430	7,820	7,500	7,550
PUBLIC WORKS										
Recyclables collected (tons per year)	695	739	654	750	801	930	995	899	960	945
OTHER PUBLIC WORKS										
Street Resurfacing (miles)	18	23	1	1	10	7	29	22	24	22
PARKS AND RECREATION										
Program Participants	5,858	6,283	4,262	3,823	3,645	5,656	5,400	2,157	301	1,400
Pavilion Rentals	486	533	638	692	710	545	680	504	250	743
Pool Admissions	5,569	7,922	6,743	6,922	6,953	7,654	7,176	6,950	-	-
LIBRARY										
Items in Collection	122,771	124,312	123,498	115,686	99,334	91,564	91,183	91,467	95,473	93,452
Total Circulation	297,941	308,614	290,750	306,014	315,368	372,542	375,777	402,646	208,860	313,554

Sources: Various Municipal Departments

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 20

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

<u>FUNCTION/PROGRAM</u>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
POLICE										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	7	7	7	7	7	7	7	7	7	7
OTHER PUBLIC WORKS										
Miles of streets	108	108	108	108	108	108	108	108	108	108
Number of street lights	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440
CULTURE AND RECREATION										
Parks	22	22	22	22	22	22	22	22	22	22
Park acreage	820	820	820	820	820	820	820	820	820	820
Swimming pools	1	1	1	1	1	1	1	1	-	-
Tennis courts	20	21	21	21	21	21	21	20	20	20
Basketball courts	21	20	20	20	20	20	20	19	19	19
Soccer fields	22	22	22	22	22	22	22	22	22	22
Ball fields	16	17	17	17	17	17	17	17	17	17
Pickleball courts	-	-	-	-	-	-	-	6	6	6
Picnic pavilions	13	13	13	13	13	13	13	13	13	13
Comfort stations	15	15	15	15	15	15	15	15	15	15
Play equipment areas	21	24	24	24	24	24	24	24	24	24
Walk/Jog paths (paved)	10	10	10	10	10	10	10	10	10	10
Historical sites	4	4	4	4	4	4	4	4	4	4

SOURCE: Various Municipal Departments