

MUNICIPALITY OF
MONROEVILLE,
PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2007

Prepared by: Susan E. Werksman
Director of Personnel and Finance

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2007

TABLE OF CONTENTS

| | <u>Page No.</u> |
|---|-----------------|
| INTRODUCTORY SECTION | |
| Letter of Transmittal | i - v |
| Organizational Chart | vi |
| List of Principal Officials | vii |
| Certificate | viii |
| FINANCIAL SECTION | |
| Independent Auditor's Report | ix - x |
| Management's Discussion and Analysis | xi - xxiii |
| Basic Financial Statements | |
| Government-Wide Financial Statements | |
| Statement of Net Assets | 1 |
| Statement of Activities | 2 |
| Fund Financial Statements | |
| Balance Sheet - Governmental Funds | 3 |
| Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets | 4 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds | 5 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities | 6 - 7 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund - Budget and Actual | 8 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Fund - Cable Television Fund Budget and Actual | 9 |
| Statement of Net Assets - Fiduciary Funds - Pension Trust Fund | 10 |
| Statement of Changes in Net Assets - Fiduciary Funds - Pension Trust Fund | 11 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2007

TABLE OF CONTENTS

| | <u>Page No.</u> |
|---|-----------------|
| FINANCIAL SECTION (CONT'D) | |
| Basic Financial Statements (Cont'd) | |
| Notes to Financial Statements | 12 - 34 |
| Required Supplementary Information | |
| Pension | |
| Schedules of Funding Progress | 35 |
| Schedules of Employers and Other Contributions | 36 |
| Notes to Required Supplementary Information | 36 |
| Combining and Individual Funds Financial Statements | |
| Other Governmental Funds | |
| Combining Balance Sheet | 37 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 38 |
| Special Revenue Funds | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Highway Aid Fund - Budget and Actual | 39 |
| Component Units | |
| Combining Balance Sheet | 40 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 41 |
| Additional Information | |
| Schedule of Public Library Program Revenues and Expenditures Included in the General Fund | 42 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2007

TABLE OF CONTENTS

| | | <u>Page No.</u> |
|---|-------------|-----------------|
| STATISTICAL SECTION | | |
| <u>Financial Trends</u> | | |
| Net Assets by Component - Last Five Fiscal Years | Schedule 1 | 43 |
| Changes in Net Assets - Last Five Fiscal Years | Schedule 2 | 44 - 45 |
| Fund Balances, Governmental Funds - Last Ten Fiscal Years | Schedule 3 | 46 |
| Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years | Schedule 4 | 47 |
| <u>Revenue Capacity</u> | | |
| Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years | Schedule 5 | 48 |
| Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years | Schedule 6 | 49 |
| Principal Property Taxpayers - Current Year and Nine Years Ago | Schedule 7 | 50 |
| Property Tax Levies and Collections - Last Ten Fiscal Years | Schedule 8 | 51 |
| Taxable Earned Income and Tax Collected - Last Ten Fiscal Years | Schedule 9 | 52 |
| Direct and Overlapping Earned Income Tax Rates - Last Ten Fiscal Years | Schedule 10 | 53 |
| Earned Income Tax Filers and Liability by Income Level | Schedule 11 | 54 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2007

TABLE OF CONTENTS

| | | <u>Page No.</u> |
|--|-------------|-----------------|
| STATISTICAL SECTION (CONT'D) | | |
| <u>Debt Capacity</u> | | |
| Ratio of Outstanding Debt by Type - Last Ten Fiscal Years | Schedule 12 | 55 |
| Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years | Schedule 13 | 56 |
| Direct and Overlapping Governmental Activities Debt | Schedule 14 | 57 |
| Legal Debt Margin Information - Last Ten Fiscal Years | Schedule 15 | 58 |
| <u>Demographic and Economic Information</u> | | |
| Demographic and Economic Statistics - Last Ten Calendar Years | Schedule 16 | 59 |
| Principal Employers - Current Year and Nine Years Ago | Schedule 17 | 60 |
| <u>Operating Information</u> | | |
| Full-Time Equivalent Municipal Employees by Function/Program - Last Ten Fiscal Years | Schedule 18 | 61 |
| Operating Indicators by Function/Program - Last Ten Fiscal Years | Schedule 19 | 62 |
| Capital Asset Statistics by Function/Program - Last Ten Fiscal Years | Schedule 20 | 63 |

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

June 27, 2008

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

State law requires the 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, 2007.

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 unqualified ("clean") opinion of the Municipality of Monroeville financial statements for the year ended December 31, 2007. 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.

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 ten miles east of the City of Pittsburgh, Allegheny County, Pennsylvania which is 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 Murrysville 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 percent residential, 49 percent commercial, 1 percent lots, and 3 percent industrial. Rapid and significant growth in both the residential and commercial real estate composition of the Municipality has occurred over the last 15 years.

The population of the original Municipality of Monroeville was 8,000; the 2000 population of the Municipality was 29,349. This represents a population increase of some 21,349 people, or 272.6 percent over the last 43 years.

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 are 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, Municipal Engineer and the Municipal Treasurer.

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 by fund, function (i.e. public safety), and the department (i.e. police). Department heads may transfer resources within a department as they see fit. Transfers between departments, however, need special approval from the governing Council.

LOCAL ECONOMY

The Municipality is the home of several major employers representing such diverse industries as research, healthcare, and retail services. Forbes Regional Hospital is a major healthcare employer. Westinghouse Electric Co., LLC, formerly Westinghouse Electric Corporation, is currently the second largest employer, operating a facility known as the Westinghouse Energy Center. Numerous

full-time and part-time jobs are provided to area residents by Monroeville Mall, Expo Mart 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.

In the Pittsburgh region, unemployment fell to 4.4% in 2007 from 4.9% the year before. The number of people working has held steady at 1.14 million since 2006 and is expected to rise by 0.3 percent, compared with 0.4 percent increases in 2007 and 2006, as maintained by chief economist for PNC Financial Service Group, Inc. Real personal income will inch up by 1.8 percent, compared to a 2.1 percent increase last year. Existing single-family home sales will rise 2.8 percent in the coming year, versus a projected 7.7 drop for 2007.

State figures showed that service-producing industries accounted for the majority of the over-the-year job growth. Gains were heaviest in education, health care and business services. Manufacturing declined by 1,400 jobs.

Court records show, bankruptcy filings in Western Pennsylvania jumped by 30% through the first nine months of 2007, compared with the same period a year earlier.

Although the national economy may be in a decline, the Pittsburgh region will likely escape the up and down cycles many areas of the country will experience in the coming year. The region's January-January job growth rate in 2007 was .68 percent, nearly identical to the U.S. job rate, according to Harold D. Miller, president of Future Strategies LLC. This suggests that the region may be heading into the recession more slowly. Although the region cannot escape the broader effects of the recession in the first half of 2008, the region will benefit from having a strong medical services and education base, which is more recession-resistant.

Income growth should remain similar to the state as a whole and housing should also remain fairly steady. The Pittsburgh region continues to rank 45th most affordable housing market among 228 metropolitan areas in the nation, according to the National Association of Home Building/Wells Fargo Housing Opportunity Index. With a median house price of \$115,000 during the fourth quarter of 2007, residents with a median income of \$57,900 could purchase a home.

During the same ten-year period, taxes have increased as a percentage of total revenue (a ten-year increase of 28 percent). The reason for this increase is the increasing tax base supported by businesses taxes as well as personal earned income tax.

LONG TERM-FINANCIAL PLANNING

An unreserved, undesignated fund balance in the general fund of \$8.3 million (33.44 percent of total general fund revenues) falls above the policy guidelines set by Council for budgetary and planning purposes (i.e., between 5 and 15 percent of total general fund revenues). During 2007, fund balance was utilized to continue to develop an amphitheatre for the Municipality's Community Park Complex. Further excess fund balance has been designated to fund the strategic goals as listed below which include Phase 2 of the Municipality's Community Park Complex.

Municipal Council has developed a strategic plan for 2007 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 - Increase police and school district cooperation with the objectives to provide a positive role model for students by instituting a high profile law enforcement officer within the school system and to improve the relationship between the school district and the municipal government.
- Goal 3 - 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 4 - 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 5 - Construct a new community aquatic facility with the objective to enhance the new Community Park Complex Project which has added to the quality of life in the community.
- Goal 6 - To fully develop the program opportunities that the opening of Monroeville Community Park Complex offers.

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 and revenues will be estimated conservatively but realistically. The use of any debt financing will be minimized. During 2007, the Municipality utilized fund balance to fund the continued construction of the new Community Park Complex at a total cost of \$682,918.

As described in the notes to the financial statements, the Municipality has a pay-as-you-go policy for the following: Accrued sick time, post-employment benefits other than pension liabilities and termination payments.

MAJOR INITIATIVES

The future of the Municipality looks bright. During 2006 Municipal Council and the Planning Commission worked together to revise and approve the new Comprehensive Land Use Plan. The overall goal of this effort is to ensure that the community continues to develop in a manner consistent with the Strategic Action Plan. It is the desire of the Municipality that those characteristics of the community that have caused numerous people over the past several years to choose the Municipality as their home be preserved for their enjoyment, and that of future residents.

Now that the Comprehensive Land Use Plan has been adopted, the Strategic Action Plan provides the following guidelines: (1) Revise the Zoning Ordinance, (2) Revise the Subdivision and Land Development Ordinance, (3) Launch the Streetscape Initiative Program, (4) Initiate Community-Wide General Planning Projects, (5) Maintain the Superior Quality of our Residential Neighborhoods, (6) Enrich Parks and Recreational Opportunities, (7) Continue Improvement of the Transportation Network, (8) Maintain a Strong Economic Base while Insuring a Secure and Stable Economy for the Future, (9) Champion the Municipality of Monroeville's Regional Importance as a Retail Destination, (10) Preserve the Environment while striking a Balance between Residential and Commercial Development and (11) Manage Storm Water on a Comprehensive Basis. These updates will provide regulations that can be easily understood by the general public and will minimize impact to existing residential neighborhoods.

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 Comprehensive Annual Financial Report for the year ended December 31, 2006. This is the fifteenth 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 Comprehensive Annual 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



Susan E. Werksman
Director of Personnel and Finance

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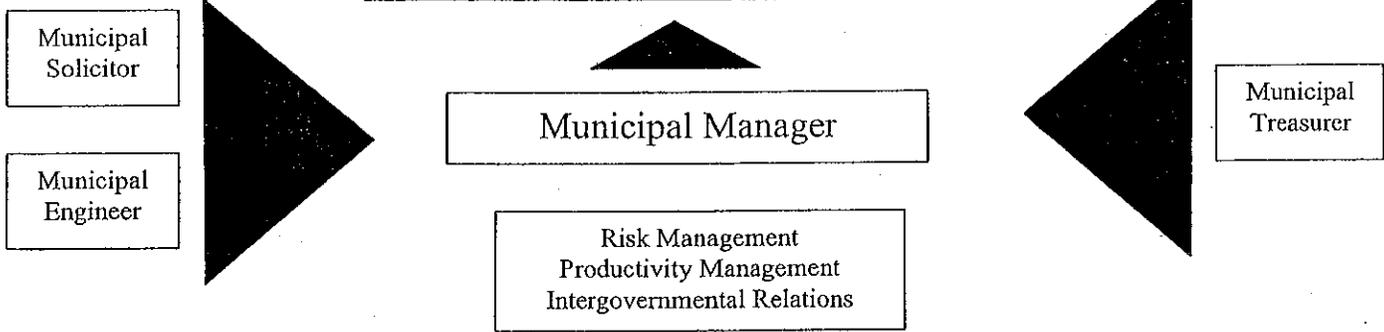
2007 Organizational Structure For...

Monroeville Municipal Government

| | | | |
|---|----------------------------|--|---|
| Uniform Construction Code Appeals Board | Human Relations Commission | Recreation & Parks Advisory Board | Monroeville Hospital Authority |
| International Property Maintenance Code Appeals Board | Police Pension Committee | Monroeville Arts Council | Monroeville Municipal Authority |
| Zoning Hearing Board | Library Board | Human Needs & Resources Advisory Board | Convention Visitors Bureau of Greater Monroeville |
| Planning Commission | Personnel Board | Monroeville Historical Society | Cable Television Advisory Board |
| | Ethics Board | | |
| | Civil Service Commission | | |



Mayor and Council



| Government General Services | Public Safety | Public Works | Community Development | Library Services | Recreation, Parks & Human Services |
|---|---|---|--|---|--|
| Accounting; Purchasing; Budget Control; Information Systems; Revenue Collection; Tax Collection. | Ambulance; Fire Official; Fire Suppression; Police Protection; Emergency Management; Emergency Communications. | Snow/Ice Control; Street Maintenance; Storm Sewer Maintenance; Vehicle Maintenance; Park Maintenance; Refuse Collection; Recyclable Collection. | Planning Permits; Zoning Permits; Building Inspection; Traffic Planning; Citizens Complaints; Ordinance & Code Inspections. | Reference; Art Gallery; Book Lending; Children's Library; Sound Library; Programs; Tours. | Recreation; Parks; Volunteers; Senior Citizens; Public Information. <hr/> Cable TV-15 |

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MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

PRINCIPAL OFFICIALS DURING 2007

MEMBERS OF COUNCIL

| | |
|-----------------|------------------------|
| James Lomeo | Mayor |
| Frank Franci | Council Member, Ward 1 |
| Dave Kucherer | Council Member, Ward 2 |
| Ronald Harvey | Council Member, Ward 3 |
| John Danzilli | Council Member, Ward 4 |
| Marshall Boone | Council Member, Ward 5 |
| Carol McDevitt | Council Member, Ward 6 |
| Clarence Ramsey | Council Member, Ward 7 |

OTHER MUNICIPAL OFFICIALS

| | |
|-------------------|-----------------------------------|
| Marshall W. Bond | Municipal Manager |
| Susan E. Werksman | Director of Personnel and Finance |
| Bruce E. Dice | Solicitor |

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Municipality of Monroeville
Pennsylvania

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2006

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Oliver S. Cox

President

Jeffrey R. Emery

Executive Director

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FINANCIAL SECTION

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G. M. HOSACK (1934-1941)
W. H. SPECHT (1934-1976)
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C. A. MUETZEL (1934-1983)

Independent Auditor's Report

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

Dear Mayor and Members:

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Municipality of Monroeville, Pennsylvania, as of and for the year ended December 31, 2007, which collectively comprise the Municipality's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Municipality's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 units, each major fund, and the aggregate remaining fund information of the Municipality of Monroeville, Pennsylvania, as of December 31, 2007, and the respective changes in financial position and the respective budgetary comparison for the general fund and the cable television fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and the pension information as shown in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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 introductory section, combining and individual nonmajor fund financial statements, additional information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and additional information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully submitted,

Hosack, Specht, Muetzel & Wood LLP

HOSACK, SPECHT, MUETZEL & WOOD LLP

June 24, 2008

**MANAGEMENT'S DISCUSSION AND
ANALYSIS**

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Monroeville Comprehensive Annual Financial Report presents a narrative overview and analysis of the Municipality's financial performance for the fiscal year ended December 31, 2007. 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, 2007.

FINANCIAL HIGHLIGHTS

- ▶ The Municipality's net assets increased \$410,067 in 2007, or 1.09 percent.
- ▶ Unrestricted net assets were \$21,046,065 at December 31, 2007.
- ▶ The Municipality maintained a strong investment bond rating of Aa3 from Moody's Investor Service. This rating was upgraded in 2003 from A1 and was affirmed in 2004, 2005, 2006 and 2007 for all related bond issuances and activities.
- ▶ At December 31, 2007, the Municipality had \$29 million of debt outstanding. This represents an increase of \$6,130,000 or 26.79 percent from the previous year. This represents a burden of \$988 per capita.
- ▶ The total fund balance of the general fund at December 31, 2007 was \$18,001,431. The unreserved/undesignated portion of the fund balance was \$8,373,595, which is approximately 33.45 percent of revenues in the general fund for Fiscal Year 2007.

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 unit.
- The remaining statements (Pages 3-10) 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 for municipal employees in which 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 COMPREHENSIVE ANNUAL FINANCIAL REPORT

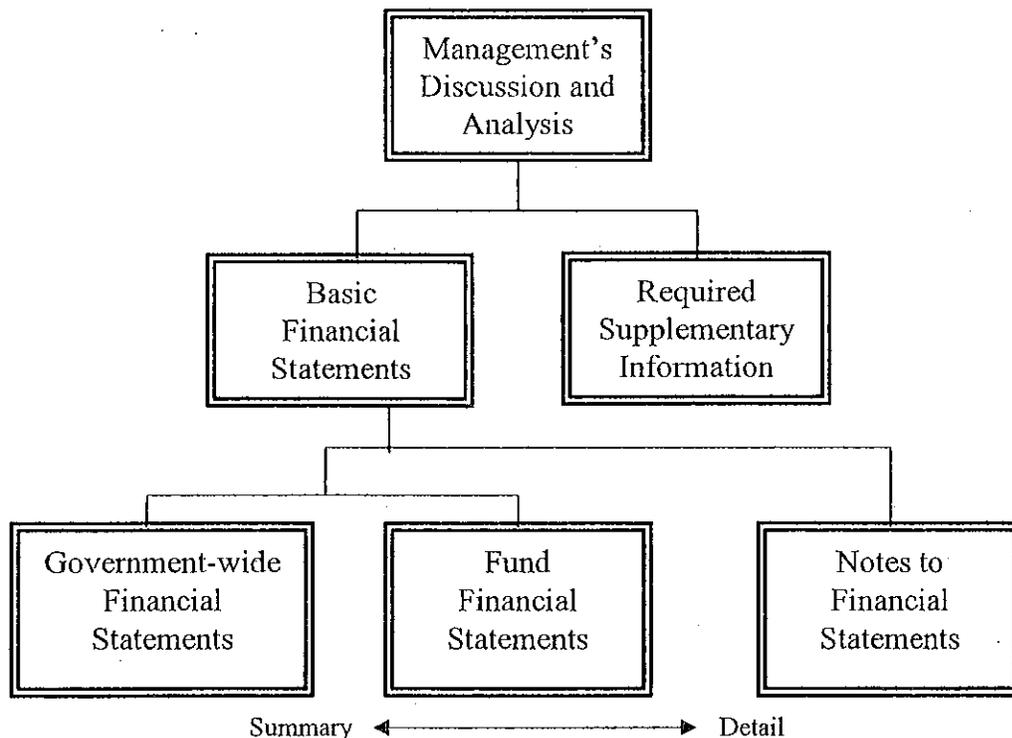


Figure A-2 summarizes the major features of the Municipality's financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

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

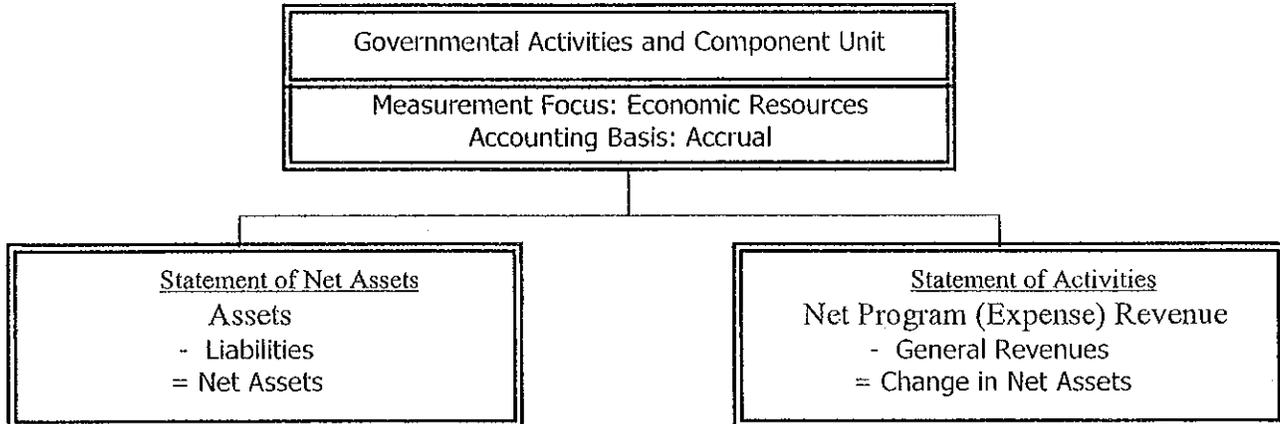
| | Fund Statements | | |
|--|--|--|--|
| | Government-Wide Statements | Governmental Funds | Fiduciary Funds |
| Scope | Entire municipal government (except fiduciary funds) and the Municipality's component unit | The activities of the Municipality that are not proprietary or fiduciary, such as police, 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 | <ul style="list-style-type: none"> • Statement of net assets • Statement of activities | <ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances | <ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary net assets |
| 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 assets 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 assets and how they have changed. The statement of net assets includes all of the municipality's assets and liabilities, except fiduciary funds. Net assets—the difference between the Municipality's assets and liabilities—is one way to measure the Municipality's financial health or position. Over time, increases or decreases in the Municipality's net assets are an indicator of whether its financial health is improving or deteriorating. The statement of activities focuses on how the Municipality's net assets 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 taxes, and earned income taxes, charges for services, and state grants finance most of these activities.
- *Component unit*—The Municipality includes the Monroeville Council of Senior Citizens Center and 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 Assets 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. 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 assets and a statement of changes in fiduciary net assets. We exclude these activities from the Municipality's government-wide financial statements because the Municipality cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE MUNICIPALITY AS A WHOLE

The Municipality's net assets at December 31, 2007 are presented below:

| | Governmental Activities | |
|--|-------------------------|---------------------|
| | 2006 | 2007 |
| Current and other assets | \$27,704,760 | \$32,663,090 |
| Capital Assets | 35,528,044 | 37,544,699 |
| Total assets | \$63,232,804 | \$70,207,789 |
| Current and other Liabilities | \$3,414,527 | \$3,859,031 |
| Non-current liabilities | 25,564,975 | 28,270,862 |
| Total liabilities | \$28,979,502 | \$32,129,893 |
| Net Assets: | | |
| Invested in capital assets, net of related debt | \$12,648,044 | \$15,421,743 |
| Restricted | 3,804,830 | 1,610,088 |
| Unrestricted | 21,214,955 | 21,046,065 |
| Total net assets | \$37,667,829 | \$38,077,896 |

Net assets:

For 2007, Net Assets of Governmental Activities, increased by \$410,067 or 1.09 percent to \$38 million.

Infrastructure assets:

On December 31, 2007, the Municipality's total assets were \$70.2 million. Of this amount, \$37.5 million is accounted for by capital assets which include some infrastructure.

**Change in Net Assets
Years Ended December 31, 2007**

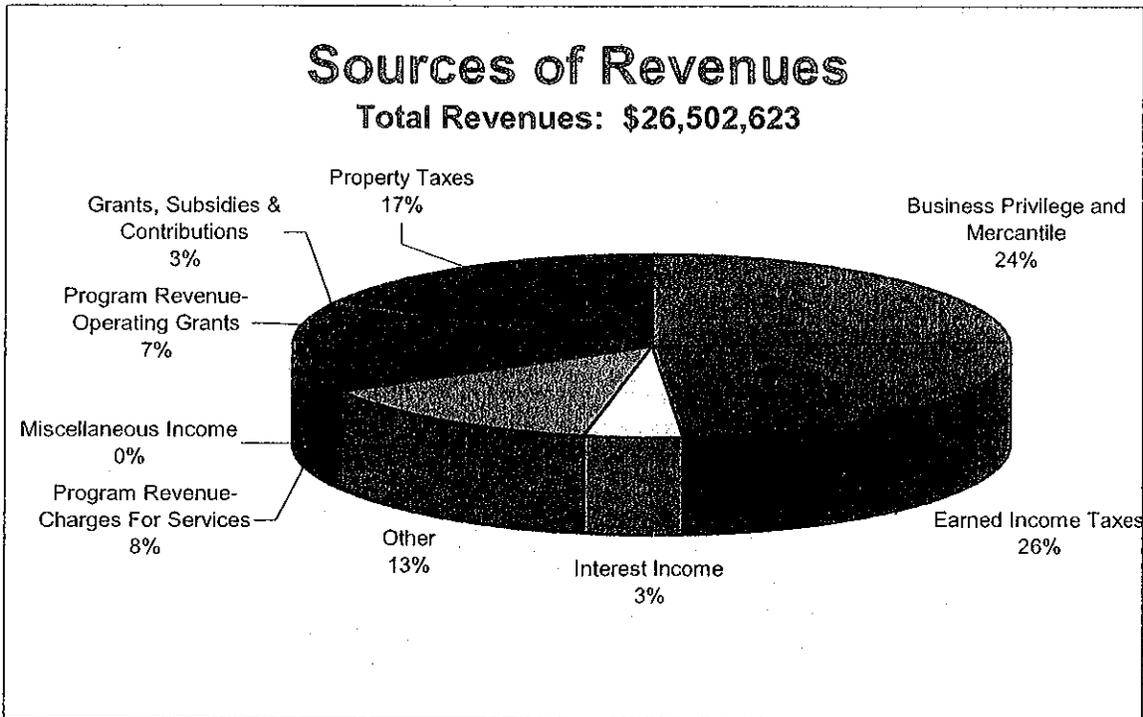
Primary Governmental Activities

| | <u>2006</u> | <u>2007</u> | <u>Variance</u> |
|-----------------------------------|----------------------|----------------------|---------------------|
| Revenues | | | |
| Program Revenues: | | | |
| Charges for Services | \$ 2,082,453 | \$ 2,224,393 | \$ 141,940 |
| Operating Grants | 1,668,401 | 1,987,577 | 319,176 |
| General Revenues: | | | |
| Property Taxes | 4,125,113 | 4,589,476 | 464,363 |
| Earned Income Taxes | 6,196,902 | 6,494,824 | 297,922 |
| Business Privilege and Mercantile | 6,705,591 | 6,393,655 | (311,936) |
| Other | 3,536,794 | 3,557,251 | 20,457 |
| Grants, Subsidies & Contributions | 48,487 | 51,662 | 3,175 |
| Interest Income | 1,234,063 | 1,203,292 | (30,771) |
| Miscellaneous Income | 11,134 | 493 | (10,641) |
| Total Revenues | \$ 25,608,938 | \$ 26,502,623 | \$ 893,685 |
| Program Expenses | | | |
| General Government | \$ 4,754,753 | \$ 4,629,282 | \$ (125,471) |
| Public Safety | 10,065,990 | 11,155,631 | 1,089,641 |
| Public Works: | | | |
| Sanitation | 1,012,666 | 1,089,181 | 76,515 |
| Highways and Streets | 4,515,921 | 4,001,421 | (514,500) |
| Culture and Recreation | 4,761,849 | 3,954,582 | (807,267) |
| Conservation and Development | 460,778 | 472,610 | 11,832 |
| Interest on Long-Term Debt | 808,318 | 789,849 | (18,469) |
| Total Expenses | \$ 26,380,275 | \$ 26,092,556 | \$ (287,719) |
| Change in Net Assets | (771,337) | 410,067 | 1,181,404 |
| Net Assets-Beginning, as restated | 38,439,166 | 37,667,829 | (771,337) |
| Net Assets-Ending | 37,667,829 | 38,077,896 | 410,067 |

GOVERNMENTAL ACTIVITIES

Revenue Sources:

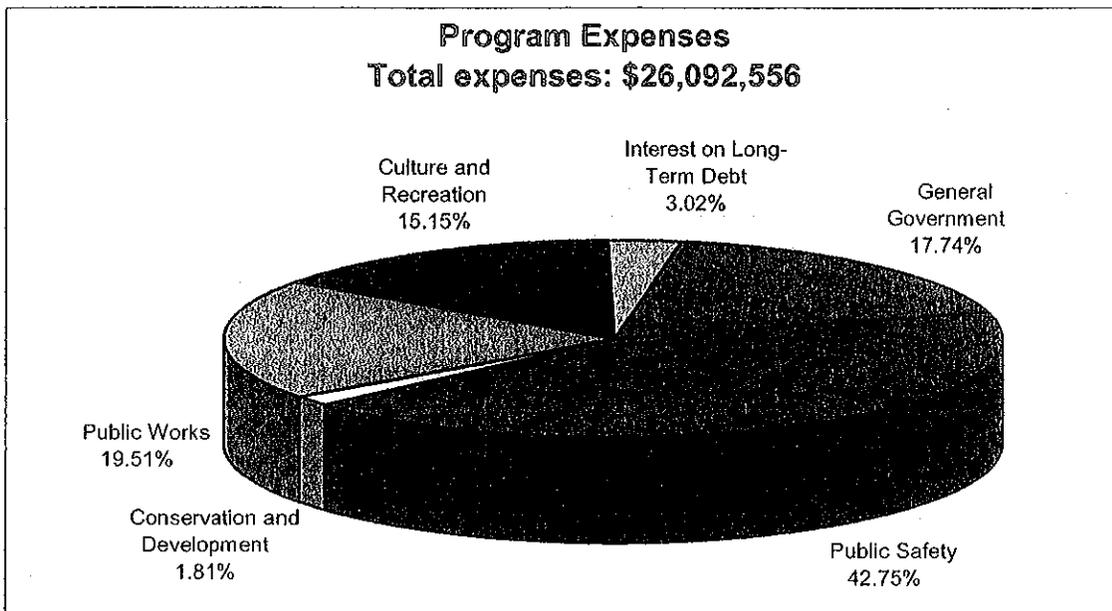
The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2007:



Program Expenses:

Total expenses for all programs in 2007 were \$26.1 million. The expenses reflect the delivery of a wide range of services, with the largest being public safety at 42.75 percent. The second largest program area was Public Works at 19.51 percent, followed by General Government at 17.74 percent, Culture-Recreation at 15.15 percent and all others at 4.85 percent.

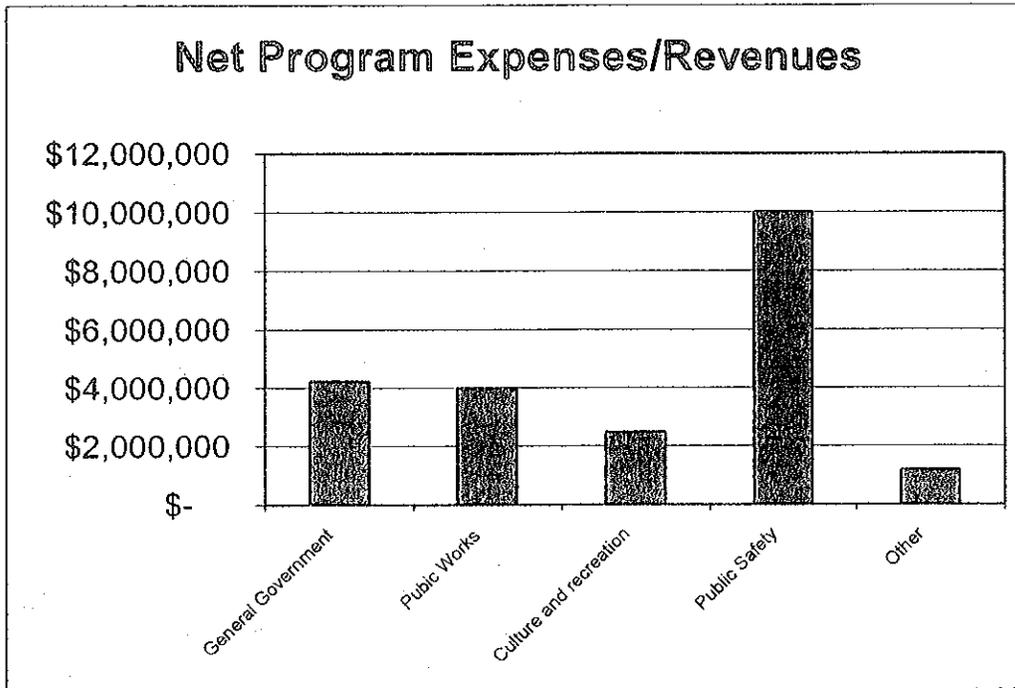
The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2007:



Net Program Expenses/Revenues:

Public safety expenses required the most general revenue for support, needing \$10.0 million in 2007. General government required \$4.2 million, while public works required \$3.4 million in general revenues, culture and recreation required \$2.4 million, and all others required \$1.8 million.

Net program expenses/revenues indicates the amount of support required from taxes and other general revenues for the year. The following chart graphically depicts the net program expenses/revenues by function/program for the fiscal year ended December 31, 2007:



FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS

As the Municipality completed the year, its governmental funds reported a combined fund balance of \$27.0 million of which \$18.0 million is the general fund, \$1.4 million is the 2005 Capital Improvement Fund, \$6.9 is the 2007 Capital Improvement Fund and \$1 million is for all other governmental funds. This represents an increase of \$4.3 million compared to the previous year of which the general fund decreased \$.4 million due to the continued construction of a the new Community Park Complex, the use of the 2005 Bond Issue proceeds in 2007 of \$2.2 million for capital projects, the issuance of the 2007 Bond Issue of \$6.9 million and all other funds provided the balance of change in fund balance. Of this combined fund balance total, \$9.2 million or 33.87 percent represents unreserved/undesignated fund balance, meaning it is available to meet the

Municipality's current and future needs. The fund balance has reservations to indicate the portion of fund balance which is not available for new spending because it has been committed to fund capital projects (\$8.2 million) and special projects designations (\$1.0 million).

General Fund Budgetary Highlights

There were slight differences between the adopted original budget and the final budget.

Revenues had several positive and negative material variances. Real Estate collections were up due to the completion of new developments within the community. This resulted in a positive variance of \$265,524. Earned Income Taxes were up \$312,709 due to improved collections during 2007 and full usage of new tax software but were offset by Business Tax collections which were down by \$311,936 due to timing of collections between years.

Interest income was up due to improving interest rates during 2007.

Intergovernmental Revenue was up by \$388,841 due to the receipt of some grants during the year.

The largest overage increase in expenditures was the continued development of the new community park resulting in increased costs for Culture-Recreation.

Overall, all municipal departments have been affected by higher healthcare costs of \$275,890.

OTHER FUNDS

Capital Project Fund

The Capital Project Fund accounts for funds provided by the Municipality, most frequently from General Fund transfers or bond proceeds. The most significant capital expenditures were for the 2007 Road Paving Project and the continued development of the Community Complex Projects which were started during 2003.

Lastly, various equipment and vehicle purchases were made including police vehicles, several public works vehicles and continued park improvement projects.

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, 2006 and 2007:

| | December 31, 2006 | December 31, 2007 |
|--|----------------------|----------------------|
| Capital assets, not being depreciated: | | |
| Land | \$ 8,192,365 | \$ 8,192,365 |
| Construction in progress | - | - |
| Total capital assets, not being depreciated | 8,192,365 | 8,192,365 |
| Capital assets, being depreciated: | | |
| Land Improvements | 9,092,396 | 9,861,019 |
| Building and improvements | 12,036,329 | 12,036,329 |
| Machinery and equipment | 3,453,471 | 3,614,044 |
| Vehicles | 6,436,339 | 8,858,002 |
| Infrastructure | 14,120,971 | 14,642,355 |
| Total capital assets, being depreciated | 45,139,506 | 49,011,749 |
| Less accumulated depreciation for: | | |
| Land Improvements | 1,253,088 | 1,641,647 |
| Buildings and improvements | 3,871,828 | 4,190,486 |
| Machinery and equipment | 2,317,855 | 2,411,744 |
| Vehicles | 3,028,639 | 3,369,150 |
| Infrastructure | 7,332,417 | 8,046,388 |
| Total accumulated depreciation | 17,803,827 | 19,659,415 |
| Total | \$ 35,528,044 | \$ 37,544,699 |

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, 2007, the Municipality had \$29.0 million of debt outstanding. This represents an increase of \$6,130,000, or 26.79 percent, from the previous year. The following details activity related to general obligation bonds during 2007:

| Summary of General Obligation Bond Activity | |
|---|---------------|
| Beginning Balance at 1/1/2007 | \$ 22,880,000 |
| Principal Retirement | (1,460,000) |
| New Bond Issuance | 7,590,000 |
| Ending Balance at 12/31/2007 | \$ 29,010,000 |

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

TRUST AND AGENCY OPERATIONS

Pension Trust Fund

Monroeville has two pension plans – general employees and police. 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 2007, plan net assets increased over \$2,237,986 to \$26,046,315.

During 2007, contributions were required for both pension plans in the amount of \$2,295,725. In the non-uniform employees and police pension plans, the accrued liability exceeds the actuarial value of plan assets by approximately \$3.1 million and \$7.2 million, respectively, as of January 1, 2007. The required supplementary information located at the conclusion of the Notes to Financial Statements provides the details on the plans' funding progress.

Bond Ratings

The Municipality maintained a strong investment bond rating of Aa3 from Moody's Investor Service. This rating was upgraded in 2003 from A1 and was again affirmed in 2006 for all related bond issuances and activities. More detailed information about the Municipality's general long-term debt activity can be found in Note 6 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 and Personnel Department
2700 Monroeville Boulevard
Monroeville, PA 15146

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BASIC FINANCIAL STATEMENTS

Municipality of Monroeville
Statement of Net Assets
December 31, 2007

| | <u>Primary Government</u> | <u>Component Units</u> | |
|--|----------------------------|-------------------------------|-----------------------------------|
| | Governmental Activities | Senior Citizens Council | Convention Visitor's Bureau |
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | \$20,310,364 | \$110,276 | \$ 43,613 |
| Investments | 1,903,609 | - | - |
| Restricted Cash & Cash Equivalents | 931,154 | - | - |
| Restricted Investments | 5,583,673 | - | - |
| Receivables (Net, Where Applicable of Allowance for Uncollectibles) | | | |
| Taxes | 2,420,110 | - | - |
| Due from Other Governments | 390,418 | - | 169,718 |
| Other | 380,881 | - | 185,428 |
| Prepaid Items | <u>5,711</u> | <u>-</u> | <u>-</u> |
| Total Current Assets | <u>31,925,920</u> | <u>110,276</u> | <u>398,759</u> |
| Noncurrent Assets | | | |
| Land | 8,192,365 | - | - |
| Capital Assets, Net of Accumulated Depreciation | 22,756,367 | - | - |
| Infrastructure Assets, Net of Accumulated Depreciation | 6,595,967 | - | - |
| Deferred Bond Issue Costs | <u>737,170</u> | <u>-</u> | <u>-</u> |
| Total Noncurrent Assets | <u>38,281,869</u> | <u>-</u> | <u>-</u> |
| TOTAL ASSETS | <u>\$70,207,789</u> | <u>\$110,276</u> | <u>\$398,759</u> |
| LIABILITIES AND NET ASSETS | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Accounts Payable | \$ 1,362,266 | \$ - | \$ - |
| Accrued Salaries and Benefits | 375,284 | - | - |
| Unearned Revenue | 175,000 | - | - |
| Returnable Deposits | 318,742 | - | - |
| Accrued Interest Payable | 71,904 | - | - |
| Current Portion of Long-Term Debt | <u>1,555,835</u> | <u>-</u> | <u>-</u> |
| Total Current Liabilities | <u>3,859,031</u> | <u>-</u> | <u>-</u> |
| Noncurrent Liabilities | | | |
| Bonds Payable | 27,495,000 | - | - |
| Long-Term Portion of Compensated Absences | <u>775,862</u> | <u>-</u> | <u>-</u> |
| Total Noncurrent Liabilities | <u>28,270,862</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>32,129,893</u> | <u>-</u> | <u>-</u> |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | 15,421,743 | - | - |
| Restricted for | | | |
| Capital Projects | 1,526,671 | - | - |
| Fiscal Emergency | 83,417 | - | - |
| Unrestricted | <u>21,046,065</u> | <u>110,276</u> | <u>398,759</u> |
| Total Net Assets | <u>38,077,896</u> | <u>110,276</u> | <u>398,759</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$70,207,789</u> | <u>\$110,276</u> | <u>\$398,759</u> |

See Accompanying Notes

Municipality of Monroeville
Statement of Activities
Year Ended December 31, 2007

| Functions/Programs | Expenses | Program Revenues | | Net (Expense) Revenue and Changes in Net Assets | | |
|---|----------------------------|----------------------------|--|--|--|-----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Primary Gov't. Govern- mental Activities | Component Units Senior Citizens Council | Convention Visitor's Bureau |
| Governmental Activities | | | | | | |
| General Government | \$ 4,629,282 | \$ 200,337 | \$ 212,391 | \$ (4,216,554) | \$ - | \$ - |
| Public Safety | 11,155,631 | 394,608 | 749,631 | (10,011,392) | - | - |
| Public Works - Sanitation | 1,089,181 | 458,966 | 29,858 | (600,357) | - | - |
| Public Works - Highways | 4,001,421 | 42,059 | 565,705 | (3,393,657) | - | - |
| Culture - Recreation | 3,954,582 | 1,044,232 | 429,992 | (2,480,358) | - | - |
| Conservation and Development | 472,610 | 84,191 | - | (388,419) | - | - |
| Interest on Long-Term Debt | <u>789,849</u> | <u>-</u> | <u>-</u> | <u>(789,849)</u> | <u>-</u> | <u>-</u> |
| Total Governmental Activities | <u>26,092,556</u> | <u>2,224,393</u> | <u>1,987,577</u> | <u>(21,880,586)</u> | <u>-</u> | <u>-</u> |
| Total Primary Government | <u>\$26,092,556</u> | <u>\$2,224,393</u> | <u>\$1,987,577</u> | <u>(21,880,586)</u> | <u>-</u> | <u>-</u> |
| Component Units | | | | | | |
| Senior Citizens Council | \$ 74,347 | \$ - | \$ - | - | (74,347) | - |
| Convention Visitor's Bureau | <u>519,218</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(519,218)</u> |
| Total Component Units | <u>\$ 593,565</u> | <u>\$ -</u> | <u>\$ -</u> | <u>-</u> | <u>(74,347)</u> | <u>(519,218)</u> |
| General Revenues | | | | | | |
| Taxes | | | | | | |
| Property Taxes, Levied for General Purposes (Net) | | | | 4,589,476 | - | - |
| Earned Income Taxes | | | | 6,494,824 | - | - |
| Business Privilege Taxes | | | | 3,781,309 | - | - |
| Mercantile Taxes | | | | 2,612,346 | - | - |
| Emergency Municipal Services Tax | | | | 1,618,854 | - | - |
| Real Estate Transfer Tax | | | | 1,219,305 | - | - |
| Hotel/Motel Tax | | | | - | - | 571,753 |
| Other Taxes, Levied for General Purposes (Net) | | | | 719,092 | - | - |
| Grants, Subsidies & Contributions Not Restricted | | | | 51,662 | - | - |
| Investment Earnings | | | | 1,203,292 | 7,148 | 3,359 |
| Miscellaneous | | | | <u>493</u> | <u>50,706</u> | <u>11,021</u> |
| Total General Revenues | | | | <u>22,290,653</u> | <u>57,854</u> | <u>586,133</u> |
| Changes in Net Assets | | | | 410,067 | (16,493) | 66,915 |
| Net Assets - January 1, 2007 | | | | <u>37,667,829</u> | <u>126,769</u> | <u>331,844</u> |
| Net Assets - December 31, 2007 | | | | <u>\$ 38,077,896</u> | <u>\$110,276</u> | <u>\$ 398,759</u> |

See Accompanying Notes

Municipality of Monroeville
Balance Sheet
Governmental Funds
December 31, 2007

| | General Fund | Cable Television Fund | 2005 Capital Improvements Fund | 2007 Capital Improvements Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------------|-----------------------------|---|---|--------------------------------|--------------------------------|
| ASSETS | | | | | | |
| Cash & Cash Equivalents | \$ 8,900,215 | \$1,653,077 | \$2,080,365 | \$7,424,965 | \$251,742 | \$ 20,310,364 |
| Investments | 1,903,609 | - | - | - | - | 1,903,609 |
| Restricted Cash & Cash Equivalents | 931,154 | - | - | - | - | 931,154 |
| Restricted Investments | 5,583,673 | - | - | - | - | 5,583,673 |
| Taxes Receivable (Net) | 2,420,110 | - | - | - | - | 2,420,110 |
| Due from Other Funds | 1,376,931 | - | 600,527 | - | - | 1,977,458 |
| Due from Other Governments | 390,418 | - | - | - | - | 390,418 |
| Other Receivables (Net, Where Applicable of Allowance for Uncollectibles) | 279,759 | 101,122 | - | - | - | 380,881 |
| Prepaid Items | 5,711 | - | - | - | - | 5,711 |
| TOTAL ASSETS | <u>\$21,791,580</u> | <u>\$1,754,199</u> | <u>\$2,680,892</u> | <u>\$7,424,965</u> | <u>\$251,742</u> | <u>\$33,903,378</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities | | | | | | |
| Due to Other Funds | \$ - | \$ 986,316 | \$ 991,142 | \$ - | \$ - | \$ 1,977,458 |
| Accounts Payable | 684,163 | 1,655 | 135,502 | 537,921 | 3,025 | 1,362,266 |
| Accrued Salaries and Benefits | 375,284 | - | - | - | - | 375,284 |
| Returnable Deposits | 318,742 | - | - | - | - | 318,742 |
| Deferred Revenues | 2,411,960 | - | 175,000 | - | - | 2,586,960 |
| Total Liabilities | <u>3,790,149</u> | <u>987,971</u> | <u>1,301,644</u> | <u>537,921</u> | <u>3,025</u> | <u>6,620,710</u> |
| Fund Balances | | | | | | |
| Reserve for Encumbrances | 686,111 | - | - | - | - | 686,111 |
| Reserve for Retiree Health Insurance Benefits | 6,514,827 | - | - | - | - | 6,514,827 |
| Reserve for Fiscal Emergency | 83,417 | - | - | - | - | 83,417 |
| Reserve for Capital Projects | - | - | 1,379,248 | 6,887,044 | 147,423 | 8,413,715 |
| Unreserved - Designated for Future Capital Projects | 2,343,481 | - | - | - | - | 2,343,481 |
| Unreserved - Undesignated | | | | | | |
| General Fund | 8,373,595 | - | - | - | - | 8,373,595 |
| Special Revenue Fund | - | 766,228 | - | - | 101,294 | 867,522 |
| Total Fund Balances | <u>18,001,431</u> | <u>766,228</u> | <u>1,379,248</u> | <u>6,887,044</u> | <u>248,717</u> | <u>27,282,668</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$21,791,580</u> | <u>\$1,754,199</u> | <u>\$2,680,892</u> | <u>\$7,424,965</u> | <u>\$251,742</u> | <u>\$33,903,378</u> |

Municipality of Monroeville
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2007

Total Fund Balances - Governmental Funds \$ 27,282,668

Amounts reported for governmental activities in the statement of net assets 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 \$57,204,114, and the accumulated depreciation is \$19,659,415. 37,544,699

Property taxes and earned income taxes receivable will be collected next year but are not available soon enough to pay for the current period's expenditures and therefore, are deferred in the funds. 2,411,960

Deferred charges on bonds issued and refunded are capitalized and amortized over the life of the bonds in the statement of net assets. 737,170

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 | \$(29,010,000) | |
| Accrued Interest on the Bonds | (71,904) | |
| Compensated Absences | <u>(816,697)</u> | <u>(29,898,601)</u> |

Total Net Assets - Governmental Activities \$ 38,077,896

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2007

| | General Fund | Cable Television Fund | 2005 Capital Improvements Fund | 2007 Capital Improvements Fund | Other Governmental Funds | Total Governmental Funds |
|--|---------------------|-----------------------------|---|---|--------------------------------|--------------------------------|
| Revenues: | | | | | | |
| Taxes | \$20,861,746 | \$ - | \$ - | \$ - | \$ - | \$20,861,746 |
| Licenses and Permits | 775,467 | 401,387 | - | - | - | 1,176,854 |
| Fines and Forfeits | 158,759 | - | - | - | - | 158,759 |
| Interest, Rents and Royalties | 909,166 | - | 253,736 | 12,702 | 27,688 | 1,203,292 |
| Intergovernmental | 1,421,476 | - | - | - | 566,466 | 1,987,942 |
| Charges for Services | 888,780 | - | - | - | - | 888,780 |
| Miscellaneous | 18,280 | 25 | 33,485 | - | - | 51,790 |
| Total Revenues | 25,033,674 | 401,412 | 287,221 | 12,702 | 594,154 | 26,329,163 |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government | 3,839,207 | - | - | 138,908 | - | 3,978,115 |
| Public Safety | 10,566,677 | - | - | - | - | 10,566,677 |
| Public Works - Sanitation | 1,014,532 | - | - | - | - | 1,014,532 |
| Public Works - Highways | 2,355,944 | - | - | - | 585,278 | 2,941,222 |
| Culture - Recreation | 3,390,048 | 169,324 | - | - | - | 3,559,372 |
| Conservation and Development | 461,409 | - | - | - | - | 461,409 |
| Insurance Premiums | 951,513 | - | - | - | - | 951,513 |
| Debt Service: | | | | | | |
| Principal | 1,460,000 | - | - | - | - | 1,460,000 |
| Interest | 739,807 | - | - | - | - | 739,807 |
| Capital Outlay | 682,919 | 11,924 | 2,649,397 | 537,921 | 3,673 | 3,885,834 |
| Total Expenditures | 25,462,056 | 181,248 | 2,649,397 | 676,829 | 588,951 | 29,558,481 |
| Excess (Deficiency) of Revenues over Expenditures | (428,382) | 220,164 | (2,362,176) | (664,127) | 5,203 | (3,229,318) |
| Other Financing Sources (Uses) | | | | | | |
| Issuances of Debt | - | - | - | 7,590,000 | - | 7,590,000 |
| (Discount) Premium on Bonds Issued | - | - | - | (38,829) | - | (38,829) |
| Transfers In | - | - | 160,555 | - | - | 160,555 |
| Transfers Out | - | (160,555) | - | - | - | (160,555) |
| Total Other Financing Sources (Uses) | - | (160,555) | 160,555 | 7,551,171 | - | 7,551,171 |
| Net Changes in Fund Balances | (428,382) | 59,609 | (2,201,621) | 6,887,044 | 5,203 | 4,321,853 |
| Fund Balances - January 1, 2007 | 18,429,813 | 706,619 | 3,580,869 | - | 243,514 | 22,960,815 |
| Fund Balance - December 31, 2007 | \$18,001,431 | \$ 766,228 | \$ 1,379,248 | \$6,887,044 | \$248,717 | \$27,282,668 |

**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, 2007**

Total Net Change in Fund Balances - Governmental Funds \$ 4,321,853

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 capital outlays exceeds depreciation in the period.

| | | |
|----------------------|------------------|-----------|
| Depreciation Expense | \$(1,985,899) | |
| Capital Outlays | <u>4,002,554</u> | 2,016,655 |

Because some property taxes will not be collected for several months after the Municipality's fiscal year ends, they are not considered as "available" revenues in the governmental funds. Deferred tax revenues increased by this amount this year. 173,460

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,460,000

Bond 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: (7,590,000)

In the statement of activities, certain operating expenses - compensated absences (sick pay and vacations) 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 | | (47,804) |
|----------------------|--|----------|

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, 2007

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 | \$ (9,330) |
|---|------------|

Bond issuance costs and bond discounts 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.

| | | |
|--|-----------------|---------------|
| Bond Issuance Costs | \$ 138,908 | |
| Bond Discounts | 38,829 | |
| Amortization of Issuance Costs, Discounts and Deferred Loss on Refunding | <u>(92,504)</u> | <u>85,233</u> |

| | |
|---|-------------------|
| Change in Net Assets of Governmental Activities | \$ <u>410,067</u> |
|---|-------------------|

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget and Actual
Year Ended December 31, 2007

| | <u>Budgeted Amounts</u> | | Actual (Budgetary Basis) | Variance with Final Budget Positive (Negative) |
|-----------------------------------|-------------------------|----------------------|--------------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$19,582,850 | \$19,582,850 | \$20,861,746 | \$1,278,896 |
| Licenses and Permits | 849,938 | 849,938 | 775,467 | (74,471) |
| Fines and Forfeits | 84,850 | 84,850 | 158,759 | 73,909 |
| Interest, Rents and Royalties | 857,000 | 857,000 | 909,166 | 52,166 |
| Intergovernmental | 862,950 | 862,950 | 1,421,476 | 558,526 |
| Charges for Services | 658,629 | 668,629 | 888,780 | 220,151 |
| Miscellaneous | - | - | <u>18,280</u> | <u>18,280</u> |
| Total Revenues | <u>22,896,217</u> | <u>22,906,217</u> | <u>25,033,674</u> | <u>2,127,457</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 3,610,667 | 3,562,494 | 3,839,207 | (276,713) |
| Public Safety | 10,185,471 | 10,233,474 | 10,566,677 | (333,203) |
| Public Works - Sanitation | 1,004,061 | 999,544 | 1,014,532 | (14,988) |
| Public Works - Highways | 2,954,975 | 2,948,773 | 2,355,944 | 592,829 |
| Culture - Recreation | 2,767,802 | 2,893,692 | 3,390,048 | (496,356) |
| Conservation and Dev. | 516,023 | 516,023 | 461,409 | 54,614 |
| Insurance Premiums | 954,431 | 954,431 | 951,513 | 2,918 |
| Debt Service: | | | | |
| Principal | 1,460,000 | 1,460,000 | 1,460,000 | - |
| Interest | 740,018 | 740,018 | 739,807 | 211 |
| Capital Outlay | - | <u>3,576,430</u> | <u>682,919</u> | <u>2,893,511</u> |
| Total Expenditures | <u>24,193,448</u> | <u>27,884,879</u> | <u>25,462,056</u> | <u>2,422,823</u> |
| Net Change in Fund Balance | <u>\$(1,297,231)</u> | <u>\$(4,978,662)</u> | <u>\$ (428,382)</u> | <u>\$4,550,280</u> |

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
Special Revenue Fund
Cable Television Fund
Budget and Actual
Year Ended December 31, 2007

| | <u>Budgeted Amounts</u> | | Actual (Budgetary Basis) | Variance with Final Budget Positive (Negative) |
|--|-------------------------|----------------------|--------------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Licenses and Permits | | | | |
| Cable TV Franchise Fees | \$ 368,846 | \$ 368,846 | \$ 401,387 | \$ 32,541 |
| Miscellaneous - Other | <u> -</u> | <u> -</u> | <u> 25</u> | <u> 25</u> |
| Total Revenues | <u>368,846</u> | <u>368,846</u> | <u>401,412</u> | <u>32,566</u> |
| Expenditures | | | | |
| Current: | | | | |
| Culture - Recreation | 196,062 | 196,062 | 169,324 | 26,738 |
| Capital Outlay: | | | | |
| Culture - Recreation | <u>25,246</u> | <u>25,246</u> | <u>11,924</u> | <u>13,322</u> |
| Total Expenditures | <u>221,308</u> | <u>221,308</u> | <u>181,248</u> | <u>40,060</u> |
| Excess (Deficiency) of Revenues | | | | |
| Over Expenditures | 147,538 | 147,538 | 220,164 | 72,626 |
| Other Financing Uses | | | | |
| Transfers Out | <u>(147,538)</u> | <u>(147,538)</u> | <u>(160,555)</u> | <u>(13,017)</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 59,609</u> | <u>\$ 59,609</u> |

See Accompanying Notes

Municipality of Monroeville
Statement of Net Assets
Fiduciary Funds
Pension Trust Fund
December 31, 2007

| | |
|--|----------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 6,671,158 |
| Investments | |
| Equities | 7,890,099 |
| Mutual Funds | 4,380,934 |
| Municipal Bonds | 854,640 |
| U. S. Treasuries | 4,824,515 |
| Corporate Bonds | 100,000 |
| Mortgage Backed Securities | <u>1,324,969</u> |
| TOTAL ASSETS | <u>\$26,046,315</u> |
| LIABILITIES AND NET ASSETS | |
| Liabilities | \$ <u> -</u> |
| Net Assets | |
| Held in Trust for Pension Benefits | <u>26,046,315</u> |
| TOTAL LIABILITIES AND NETS ASSETS | <u>\$26,046,315</u> |

See Accompanying Notes

Municipality of Monroeville
Statement of Changes in Net Assets
Fiduciary Funds
Pension Trust Fund
Year Ended December 31, 2007

| | |
|--------------------------------|---------------------|
| Additions | |
| Contributions | |
| Employer | \$ 1,551,065 |
| Plan Members | <u>264,572</u> |
| Total Contributions | <u>1,815,637</u> |
| Investment Income | |
| Net Appreciation | |
| in Fair Value of Investments | 971,927 |
| Interest and Dividends | <u>1,065,197</u> |
| | 2,037,124 |
| Less Investment Expense | <u>(119,066)</u> |
| Net Investment Income | <u>1,918,058</u> |
| Total Additions | <u>3,733,695</u> |
| Deductions | |
| Benefits | 1,476,555 |
| Administrative Expenses | <u>19,154</u> |
| Total Deductions | <u>1,495,709</u> |
| Change in Net Assets | 2,237,986 |
| Net Assets - January 1, 2007 | <u>23,808,329</u> |
| Net Assets - December 31, 2007 | <u>\$26,046,315</u> |

See Accompanying Notes

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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.

In evaluating the Municipality as a primary government, management has addressed all potential component units. Consistent with applicable guidance, the criteria used by the Municipality to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given situation, the Municipality reviews the applicability of the following criteria:

The Municipality is financially accountable for:

Organizations that make up the legal municipal entity.

Legally separate organizations if the Municipal Commission appoints a voting majority of the organizations' governing body and the Municipality is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Municipality.

Impose its Will - If the Municipality can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

Financial Benefit or Burden - Exists if the Municipality (1) is entitled to the organization's resources, (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization, or (3) is obligated in some manner for the debt of the organization.

Organizations that are fiscally dependent on the Municipality. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the Municipality.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2006

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

A. Reporting Entity (Cont'd)

Each discretely presented component unit is reported in a separate column in the combined 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 Units

Monroeville Council of Senior Citizens, Inc.

The Monroeville Council of Senior Citizens, Inc. (Senior Council) was formed to provide a varied program of senior citizens-related activities based upon the needs of Monroeville senior citizens. The Senior Council is made up of eighteen (18) voting representatives from each of the senior citizens' organizations housed within the Municipal Senior Citizen Center along with one non-voting representative from Municipal Council. Annually, the Senior Council shall submit an annual financial plan as well as plans for the upcoming year to Municipal Council for approval. The Municipality approves all major activities of the Senior Council. Separate financial statements are not issued.

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 five voting members appointed independently of the Municipal Council and four ex-officio members, 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 Hospital Authority and Monroeville Municipal Authority are related organizations of the Municipality because the Municipal Council appoints the majority of the governing body of each of these entities. However, the Municipality is not financially obligated for, nor does it financially benefit from, the activities of these entities.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the Municipality and its component units. The effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services. The Municipality has no business-type activities. Likewise, the primary government is reported separately from the legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a particular function or segment. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds (the General Fund, Cable Television Fund, 2005 Capital Improvements Fund, and the 2007 Capital Improvements Fund) are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statement. 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 modified accrual basis of accounting. Revenues are recognized as

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

soon as they are both measurable and available. Revenues are considered to be available when they are collectible within a current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Municipality considers revenues to be available if they are collected by the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

Property and earned income taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period.

Deferred revenue reported on the governmental funds balance sheet arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Municipality before it has legal claim to them, as when intergovernmental funds are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Municipality has a legal claim to the resources, the liability for the deferred revenue is removed as a liability and the revenue is recognized.

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 *Cable Television Fund - Special Revenue Fund* is used to account for revenues from the contracts to provide cable television services to residents of the Municipality. The revenues are restricted to be used to fund the public access channel operated by the Municipality.

The *2005 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 the issuance of the series of 2005 general obligation bonds.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Cont'd)

Governmental Funds (Cont'd)

The 2007 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 the issuance of the series of 2007 general obligation bonds.

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

The Special Revenue Funds are used to account for the proceeds of certain revenue sources that are legally restricted to expenditures for specified purposes.

The Debt Service Funds account for the resources accumulated and payments made for principal and interest on long-term general obligation bonds of governmental 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 Fund

The Police Pension Fund is used to account for assets held by the Municipality in a trustee capacity. The Police Pension Fund is accounted for by periodic determination of revenues earned, expenses incurred, and/or net income, since capital maintenance is critical.

D. 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.

E. 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, 2007

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

F. 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 assets 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.

G. 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 if 360 hours. Accumulated compensatory time may be taken at the time of an officer's retirement or he 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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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

H. Interfund Activity in the Government-Wide Financial Statements

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Municipality's governmental funds and its component units. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

I. Interfund Transactions

Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. These advances (reported in "due from" asset accounts) are considered "available spendable resources".

J. Revenue Classification on Government-Wide Statement of Activities

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided and rents; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Taxes and other revenue sources not properly included with program revenues are reported as general revenues. When both restricted and unrestricted resources are available for use, it is the Municipality's policy to use restricted resources first, then unrestricted resources as they are needed.

K. Budgets and Budgetary Accounting

Annual appropriated budgets are adopted for the General Fund and two Special Revenue Funds (Highway Aid and Cable Television). These budgets are adopted on a basis consistent with generally accepted accounting principles. Budgetary control for the Pension Trust Fund is 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 2005 and 2007 Capital Improvements Funds are governed by the debt agreements that funded those projects. The Debt Service Funds were used to report and account for the bonds issued during the prior year and were governed by the debt agreements. Regarding the discrete component units, each passes a "flexible budget" which is not a legally appropriated operating budget.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2007**

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. Any excess appropriation lapses at the end of the fiscal year. Management may authorize expenditures in excess of appropriations within a fund without making formal budget transfers as long as expenditures do not exceed available resources. Therefore, the measurement level of control over expenditures for all budgeted funds is the surplus or deficit of the fund as a whole.

L. Equity Classifications

Government-Wide Statements

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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

L. Equity Classifications (Cont'd)

Government-Wide Statements (Cont'd)

Equity is classified as net assets and displayed in three components:

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

Fund Statements

Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved with unreserved further split between designated and undesignated. See Note 8 for additional disclosures.

M. Prepaid Items

In both the government-wide and fund financial statements, prepaid items are recorded as assets in the specific governmental fund in which future benefits will be derived.

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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 2 - Deposits and Investments (Cont'd)

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, 2007, \$6,759,618 of the Municipality's bank balance of \$7,093,643 was exposed to custodial credit risk as follows:

| | |
|--|--------------------|
| Uninsured and Collateral Held by Pledging Bank's Agent not in the Municipality's Name | <u>\$6,759,618</u> |
|--|--------------------|

As of December 31, 2007, the component units' bank balances of \$138,153 were not exposed to custodial credit risk.

As of December 31, 2007, 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 | \$13,115,558 | |
| Dreyfus Cash Management | 6,615,226 | |
| Federated Prime Cash | 1,367,996 | |
| Common Stock | 7,890,099 | |
| Mutual Funds | 4,380,934 | |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 2 - Deposits and Investments (Cont'd)

Custodial Credit Risk - Deposits (Cont'd)

| Investment Type | Fair Value | Weighted Average Maturity (Years) |
|--|---------------------|--------------------------------------|
| Municipal Bonds | \$ 854,640 | 10.35 |
| Corporate Bonds | 100,000 | 9.93 |
| U. S. Agencies | 11,807,446 | 3.54 |
| U. S. Treasuries | <u>1,829,319</u> | 1.64 |
| Totals | <u>\$47,961,218</u> | |
| Portfolio Weighted Average Maturity | | 3.74 |

Of the total investments above, \$26,046,315 are reported in the Municipality's Fiduciary Pension Trust Fund. 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 Standard and Poors (S & P) and Moody's as follows:

| | S & P | Moody's |
|-------------------------|-------|---------|
| Money Market Funds | | |
| PA Local Government | | |
| Investment Trust | AAAm | N/R |
| Dreyfus Cash Management | AAAm | Aaa |
| Federated Prime Cash | AAAm | Aaa |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

| | S & P | Moody's |
|----------------------------|-------|---------|
| Corporate Bonds | AAA | Aaa |
| U. S. Agencies | AAA | Aaa |
| Municipal Bonds | | |
| New Jersey St (103,585) | N/R | Aa3 |
| Indianapolis, IN (500,000) | N/R | Aaa |
| PA Turnpike (251,055) | N/R | Aaa |

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

The Municipality's component units, the Senior Citizens Council and Convention Visitor's Bureau, follow 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, 2007, was \$49,630 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 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. PLGIT is rated AAAM by Standard and Poor's. PLGIT operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. PLGIT uses amortized cost to report net assets to compute share prices. PLGIT maintains a 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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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, 2007, was \$2.20 per \$1,000 of assessed valuation. Total assessed value was approximately \$2 billion, at 100% market value.

Property taxes are declared delinquent on February 28th of the following year. At December 31, 2007, total property taxes receivable, including delinquent and liened, was \$614,422 of which \$153,605 has been provided as uncollectible.

The property tax calendar for 2007 was as follows:

| | |
|--|-------------------|
| 2007 Millage Rate Adopted | December 12, 2006 |
| 2007 Bills Dated | March 1, 2007 |
| 2007 Two Percent Discount Period Ended | April 30, 2007 |
| 2006 Delinquent Property Tax Bills Liened | July 1, 2007 |
| 2007 Property Taxes not paid to be Declared Delinquent | February 29, 2008 |

Note 4 - Other Receivables

Other receivables consist of the following items:

| | <u>General Fund</u> | <u>Special Revenue Funds</u> |
|--------------------------|-------------------------|--------------------------------------|
| Host Municipality Fees | \$105,304 | \$ - |
| Cable TV Franchise Fees | - | 101,122 |
| Miscellaneous | 29,008 | - |
| Real Estate Transfer Tax | 94,636 | - |
| Regional Asset District | <u>50,811</u> | <u>-</u> |
| | <u>\$279,759</u> | <u>\$101,122</u> |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 5 - Capital Assets

Capital asset activity for the year ended December 31, 2007 was as follows:

| | Balance 01/01/07 | Additions | Disposals | Balance 12/31/07 |
|--|---------------------|--------------------|----------------|---------------------|
| Governmental Activities | | | | |
| Capital Assets, Not Being Depreciated | | | | |
| Land | \$ <u>8,192,365</u> | \$ - | \$ - | \$ <u>8,192,365</u> |
| Capital Assets, Being Depreciated | | | | |
| Land Improvements | 9,092,396 | 768,623 | - | 9,861,019 |
| Buildings & Building Improvements | 12,036,329 | - | - | 12,036,329 |
| Machinery & Equipment | 3,453,471 | 290,884 | 130,311 | 3,614,044 |
| Vehicles | 6,436,339 | 2,421,663 | - | 8,858,002 |
| Infrastructure | <u>14,120,971</u> | <u>521,384</u> | - | <u>14,642,355</u> |
| Total Capital Assets, Being Depreciated | <u>45,139,506</u> | <u>4,002,554</u> | <u>130,311</u> | <u>49,011,749</u> |
| Less Accumulated Depreciation | | | | |
| Land Improvements | 1,253,088 | 388,559 | - | 1,641,647 |
| Buildings & Building Improvements | 3,871,828 | 318,658 | - | 4,190,486 |
| Machinery & Equipment | 2,317,855 | 224,200 | 130,311 | 2,411,744 |
| Vehicles | 3,028,639 | 340,511 | - | 3,369,150 |
| Infrastructure | <u>7,332,417</u> | <u>713,971</u> | - | <u>8,046,388</u> |
| Total Accumulated Depreciation | <u>17,803,827</u> | <u>1,985,899</u> | <u>130,311</u> | <u>19,659,415</u> |
| Governmental Activities Capital Assets, Net | <u>\$35,528,044</u> | <u>\$2,016,655</u> | \$ - | <u>\$37,544,699</u> |

The Municipality elected retroactive reporting of infrastructure in the year ended December 31, 2003, the year of implementation of GASBS No. 34.

Depreciation expense was charged to functions/programs as follows:

| | |
|--------------------|------------|
| General Government | \$ 242,130 |
| Public Safety | 231,497 |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 5 - Capital Assets (Cont'd)

| | |
|----------------------------|--------------------|
| Sanitation | \$ 50,002 |
| Public Works | 848,210 |
| Culture - Recreation | 613,438 |
| Conservation & Development | <u>622</u> |
| | <u>\$1,985,899</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, 2007:

| | <u>General Obligation Bonds</u> | <u>Compensated Absences</u> |
|-----------------------|-------------------------------------|---------------------------------|
| Beginning of the Year | \$22,880,000 | \$768,893 |
| Increase | 7,590,000 | 68,866 |
| Retirements | <u>(1,460,000)</u> | <u>(21,062)</u> |
| End of the Year | <u>\$29,010,000</u> | <u>\$816,697</u> |
| Current Portion | <u>\$ 1,515,000</u> | <u>\$ 40,835</u> |

Bonds Payable at December 31, 2007 are composed of the following issues:

General Obligation Bonds

Series 2003 nontaxable due in annual installments on June 1 through 2012; ranging from \$105,000 to \$440,000; interest (at rates ranging from 2.0% to 2.85%) is payable semi-annually on June 1 and December 1. \$ 2,095,000

Series 2003A nontaxable due in annual installments on June 1 through 2012; ranging from \$405,000 to \$1,210,000; interest (at rates ranging from 1.1% to 3.10%) is payable semi-annually on June 1 and December 1. 5,690,000

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

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

General Obligation Bonds (Cont'd)

| | |
|---|---------------------|
| Series 2005 nontaxable due in annual installments on June 1 through 2019; ranging from \$5,000 to \$1,670,000; interest (at rates ranging from 3.80% to 4.05%) is payable semi-annually on June 1 and December 1. | \$ 6,125,000 |
| Series 2005A refunding nontaxable due in annual installments June 1 through 2016; ranging from \$5,000 to \$1,745,000; interest (at rates ranging from 2.85% to 3.80%) is payable semi-annually on June 1 and December 1. | 7,510,000 |
| Series 2007 nontaxable due in annual installments June 1 through 2022 ranging from \$5,000 to \$2,260,000; interest (at rates ranging from 3.90% to 4.05%) is payable semi-annually on June 1 and December 1. | <u>7,590,000</u> |
| | <u>\$29,010,000</u> |

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

| Year Ended December 31, | Principal | Interest | Totals |
|----------------------------|---------------------|--------------------|---------------------|
| 2008 | \$ 1,515,000 | \$ 998,195 | \$ 2,513,195 |
| 2009 | 1,585,000 | 974,706 | 2,559,706 |
| 2010 | 1,615,000 | 933,437 | 2,548,437 |
| 2011 | 1,665,000 | 886,875 | 2,551,875 |
| 2012 | 1,725,000 | 836,136 | 2,561,136 |
| 2013-2017 | 9,555,000 | 3,207,972 | 12,762,972 |
| 2018-2022 | <u>11,350,000</u> | <u>1,154,607</u> | <u>12,504,607</u> |
| | <u>\$29,010,000</u> | <u>\$8,991,928</u> | <u>\$38,001,928</u> |

The future annual payments listed above are to be funded entirely by the General Fund. The compensated absences liability will be liquidated primarily by the General Fund.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2007**

Note 7 - Interfund Balances and Transfers

Interfund balances at December 31, 2007 were as follows:

| Fund | Interfund Receivable | Interfund Payable |
|---------------------------|-------------------------|----------------------|
| General | \$1,376,931 | \$ - |
| 2005 Capital Improvements | 600,527 | 991,142 |
| Cable Television | <u>-</u> | <u>986,316</u> |
| | <u>\$1,977,458</u> | <u>\$1,977,458</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. All balances are expected to be paid within one year.

Transfer of funds were made during the year ended December 31, 2007 from the Cable Television Fund to the 2005 Capital Improvements Fund in the amount of \$160,555. The transfer represents the portion of the cable television franchise fees received that were restricted for capital purposes as per the covenants of the franchise agreement.

Note 8 - Fund Balance Reservations

The fund balance reservation for retired employees' health care benefits in the General Fund was established to comply with an ordinance passed by the Municipality to restrict this amount to be used as needed for current and future retirees. The Municipality originally set aside \$6,000,000 in a separate account in 2004 for these benefits and the balance as of December 31, 2007, was \$6,514,827. The cash and investments are reported as restricted on the Municipality's financial statements. The Municipality authorized the creation of an other post employment benefit retiree benefits plan and an integral part trust but have not funded this trust as of December 31, 2007.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 9 - 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 bi-annual 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 participants 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 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

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2007**

Note 9 - Pension Plans (Cont'd)

Plan Description and Eligibility (Cont'd)

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.

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, 2007, participants in the Plans were as follows:

| | <u>Non-Uniform</u> | <u>Police</u> |
|----------------------------|--------------------|---------------|
| Participants | | |
| Retirees and Beneficiaries | 74 | 37 |
| Deferred Vested | 2 | 1 |
| Active Employees | | |
| Vested | 58 | 34 |
| Non-vested | 50 | 15 |

Summary of Significant Accounting Policies

Investments of the Non-Uniform Pension Plan are reported at fair value and are managed by the Pennsylvania Municipal Retirement System (PMRS). Information regarding the financial activities and financial position of the plan are prepared by PMRS and are available through the Municipality administrative offices.

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.

Investments of the Police Plan are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. At December 31, 2007, there was one investment in a security of a single organization that constituted more than 5% of the plan net assets available for benefits in either plan. U. S. Treasury, held in the police pension plan, fair value at December 31, 2007, was \$1,324,969, or 5.1% of the total plan's net assets.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 9 - Pension Plans (Cont'd)

Contributions and Funding Policy

The Act required that annual contributions be based upon the calculation of the Minimum Municipal Obligation (MMO). The MMO calculation is based upon the biennial actuarial valuation. Employees are not required to contribute under the Act; such contributions are subject to collective bargaining. The Commonwealth allocates certain funds to assist in pension funding. Any financial requirement established by the MMO, which exceeds the Commonwealth allocation, must be funded by the Municipality (and could include employee contributions).

The 2007 MMO obligations (contributed to the Plans through a combination of Commonwealth and Municipal funding) for the Non-Uniform Plan and Police Plan were \$744,660 (13.9% of covered payroll) and \$1,551,065 (29.3% of covered payroll), respectively. Employee contributions for the Non-Uniform Plan and Police Plan were \$321,754 (6% of covered payroll) and \$264,572 (5% of covered payroll), respectively. The Commonwealth contributions for the Police Plan in 2007 were \$451,332 and were recognized as a revenue and expense in the General Fund.

Administrative costs, including investment, custodial trustee, and actuarial services are charged to the appropriate plan and funded from investment earnings.

The Municipality's annual pension cost and related information for each plan is as follows:

| | <u>Non-Uniform</u> | <u>Police</u> |
|-----------------------------------|---------------------|---------------------|
| Annual Pension Cost | \$744,660 | \$1,551,065 |
| Contributions Made | 744,660 | 1,551,065 |
| Actuarial Valuation Date | 01/01/2007 | 01/01/2007 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Amortization Method | Level Dollar Closed | Level Dollar Closed |
| Asset Valuation Method | Market | 4-Year Smoothing |
| Amortization Period | 11 Years | 11 Years |
| Actuarial Assumptions | | |
| Investment Rate of Return | 6.0% | 7.5% |
| Projected Salary Increases | 3.0% | 6.0% |
| Underlying Inflation Rate | N/A | 3.0% |
| Post-Retirement Benefit Increases | None | None |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 9 - Pension Plans (Cont'd)

Contributions and Funding Policy (Cont'd)

N/A = no inflation rate adjustment available

For each plan, the Municipality's net pension obligation at transition to GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, was determined to be zero and continues to approximate zero at December 31, 2007.

Trend Information

| | <u>Year Ending</u> | <u>Annual Pension Cost (APC)</u> | <u>Percentage of APC Contributed</u> | <u>Net Pension Obligation (Asset)</u> |
|-------------|--------------------|----------------------------------|--------------------------------------|---------------------------------------|
| Non-Uniform | 12/31/05 | \$ 491,175 | 100.0% | \$ - |
| | 12/31/06 | 465,253 | 100.0% | - |
| | 12/31/07 | 744,660 | 100.0% | - |
| Police | 12/31/05 | 1,329,531 | 100.0% | - |
| | 12/31/06 | 1,258,525 | 100.0% | - |
| | 12/31/07 | 1,551,065 | 100.0% | - |

Note 10 - Post Employment Benefits

In addition to the pension benefits described in Note 9, the Municipality provides post-retirement health care and life insurance benefits in accordance with various bargaining agreements and ordinances. The Municipality provides to substantially all full-time employees the following:

Health Care - Hospitalization coverage shall be afforded to those employees retiring after 25 years of service or, 10 years of service and attaining age 62. This benefit shall remain available up to attainment of age 65 or when the employee becomes eligible for Medicare. In addition, police officers and administrative employees only are provided a "65 Special" hospitalization plan with prescription coverage beginning at Medicare age. Spouses of retired or deceased Municipal police officers shall receive hospitalization coverage until age 65 or Medicare eligibility coverage, and those spouses reaching Medicare eligibility will also receive "65 Special" and prescription coverage.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 10 - Post Employment Benefits (Cont'd)

The benefits described above were changed under various collective bargaining agreements for employees hired after specific dates. In lieu of the hospitalization coverage at retirement described above, employees who were hired on or after the dates detailed below by bargaining unit, will receive a \$1,000 - \$1,175 (based on bargaining unit) retirement healthcare savings account contribution annually at their anniversary date of hire.

These benefits are effective for employees hired on or after June 1, 2007 under the refuse contract; April 19, 2007, public works; July 21, 2005, police; and January 1, 2007, clerical and administrative.

Life Insurance - Upon retirement, all employees with at least 15 years of service shall be covered by retirement life insurance. The amount of insurance is \$6,000/\$15,000 for general employees and police officers coverage is \$10,000.

The cost to the Municipality for the post-employment benefits described above for the year ended December 31, 2007 was approximately \$511,600 and \$7,500 for health insurance and life insurance coverage, respectively. The total number of currently eligible retirees was 105 for health benefits and 102 for life insurance benefits. The Municipality records related expenses in the General Fund as incurred.

Note 11 - Contingencies and Commitments

Contingencies

Various claims and lawsuits are pending against the Municipality. The ultimate outcome of these claims and lawsuits cannot presently be determined and, accordingly, no provision for amounts arising from these potential settlements has been made in these financial statements. In the opinion of management and legal counsel, the effect on the financial statements of the other potential losses on any claim and/or lawsuit should not be material.

Note 12 - 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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2007

Note 12 - Risk Management (Cont'd)

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
Defined Benefit Pension Trust Funds
December 31, 2007

1. Schedules of Funding Progress

| Non-Uniform | | | | | | |
|--------------------------------|---------------------------------|--|--|-----------------|--------------------|---|
| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability (AAL) | Excess (Deficiency) of Assets Over (Under) AAL | Funded Ratio | Covered Payroll | Excess (Deficiency) as a % of Covered Payroll |
| 01/01/03 | \$20,578,932 | \$21,923,720 | \$(1,344,788) | 93.87% | \$4,583,417 | (29.34%) |
| 01/01/05 | 22,578,550 | 25,463,080 | (2,884,530) | 88.67% | 5,265,258 | (54.78%) |
| 01/01/07 | 24,368,475 | 27,490,319 | (3,121,844) | 88.64% | 5,493,389 | (56.83%) |
| Police | | | | | | |
| 01/01/03 | 15,318,494 | 24,281,114 | (8,962,620) | 63.09% | 4,643,254 | (193.02%) |
| 01/01/05 | 19,458,258 | 27,524,545 | (8,066,287) | 70.69% | 5,009,605 | (161.02%) |
| 01/01/07 | 23,082,293 | 30,300,233 | (7,217,940) | 76.18% | 4,744,623 | (152.13%) |

Note: State law requires biennial valuations on the odd numbered years.

**Municipality of Monroeville
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2007**

2. Schedules of Employer's and Other Contributions

| Year Ended December 31, | <u>Non-Uniform</u> | | <u>Police</u> | |
|----------------------------|---|---------------------------|---|---------------------------|
| | Annual Required Contributions (In Thousands) | Percentage Contributed | Annual Required Contributions (In Thousands) | Percentage Contributed |
| 2002 | \$395 | 100% | \$ 885 | 100% |
| 2003 | 293 | 100% | 1,107 | 100% |
| 2004 | 322 | 100% | 1,182 | 100% |
| 2005 | 491 | 100% | 1,330 | 100% |
| 2006 | 465 | 100% | 1,258 | 100% |
| 2007 | 745 | 100% | 1,551 | 100% |

Note: Contributions include state pension aid.

3. Notes to Required Supplementary Information

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

| | <u>Non-Uniform</u> | <u>Police</u> |
|-----------------------------------|---------------------|---------------------|
| Actual Valuation Date | January 1, 2007 | January 1, 2007 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Amortization Method | Level Dollar Closed | Level Dollar Closed |
| Asset Valuation Method | Market | 4-Year Smoothing |
| Amortization Period | 11 Years | 11 Years |
| Actuarial Assumptions | | |
| Investment Rate of Return | 6.0% | 7.5% |
| Projected Salary Increases | 3.0% | 6.0% |
| Underlying Inflation Rate | N/A | 3.0% |
| Post-Retirement Benefit Increases | None | None |

N/A = no inflation rate adjustment

**COMBINING AND INDIVIDUAL FUNDS
FINANCIAL STATEMENTS AND
SCHEDULES**

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.

DEBT SERVICE FUNDS

Series of 2007 - To account for accumulation of resources for and payment of debt principal, interest and fees of the 2007 Series bonds.

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.

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Municipality of Monroeville
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2007

| | <u>Special Revenue Funds</u> | | | <u>Debt Service Funds</u> | <u>Capital Projects Funds</u> | <u>Total Nonmajor Governmental Funds</u> |
|--|------------------------------|------------------------------------|-----------------------|-----------------------------------|--|--|
| | Highway Aid Fund | Police Asset Seizure Fund | Side- walk Fund | Series of 2007 | Northern Pike Improvements Fund | |
| ASSETS | | | | | | |
| Cash and Cash Equivalents | <u>\$1,806</u> | <u>\$99,488</u> | <u>\$2,500</u> | <u>\$3,025</u> | <u>\$144,923</u> | <u>\$251,742</u> |
| LIABILITIES AND FUND BALANCES | | | | | | |
| Liabilities | | | | | | |
| Accounts Payable | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$3,025</u> | <u>\$ -</u> | <u>\$ 3,025</u> |
| Fund Balances | | | | | | |
| Reserve for Capital Projects | - | - | 2,500 | - | 144,923 | 147,423 |
| Unreserved - Undesignated | | | | | | |
| Special Revenue Fund | <u>1,806</u> | <u>99,488</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>101,294</u> |
| Total Fund Balances | <u>1,806</u> | <u>99,488</u> | <u>2,500</u> | <u>-</u> | <u>144,923</u> | <u>248,717</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$1,806</u> | <u>\$99,488</u> | <u>\$2,500</u> | <u>\$3,025</u> | <u>\$144,923</u> | <u>\$251,742</u> |

Municipality of Monroeville
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2007

| | <u>Special Revenue Funds</u> | | | <u>Capital Projects Funds</u> | |
|----------------------------------|------------------------------|------------------------------------|------------------|--|------------------------------------|
| | Highway Aid Fund | Police Asset Seizure Fund | Sidewalk Fund | Northern Pike Improve- ments- Fund | Total Nonmajor Gov. Funds |
| Revenues | | | | | |
| Interest, Rents and Royalties | \$ 20,528 | \$ 281 | \$ - | \$ 6,879 | \$ 27,688 |
| Intergovernmental | <u>565,705</u> | <u>761</u> | <u>-</u> | <u>-</u> | <u>566,466</u> |
| Total Revenues | <u>586,233</u> | <u>1,042</u> | <u>-</u> | <u>6,879</u> | <u>594,154</u> |
| Expenditures | | | | | |
| Current: | | | | | |
| Public Works - Highways | 585,278 | - | - | - | 585,278 |
| Capital Outlay: | | | | | |
| Public Safety | <u>-</u> | <u>3,673</u> | <u>-</u> | <u>-</u> | <u>3,673</u> |
| Total Expenditures | <u>585,278</u> | <u>3,673</u> | <u>-</u> | <u>-</u> | <u>588,951</u> |
| Net Changes in Fund Balances | 955 | (2,631) | - | 6,879 | 5,203 |
| Fund Balance - January 1, 2007 | <u>851</u> | <u>102,119</u> | <u>2,500</u> | <u>138,044</u> | <u>243,514</u> |
| Fund Balance - December 31, 2007 | <u>\$ 1,806</u> | <u>\$ 99,488</u> | <u>\$ 2,500</u> | <u>\$ 144,923</u> | <u>\$ 248,717</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, 2007

| | <u>Budgeted Amounts</u> | | Actual (Budgetary Basis) | Variance with Final Budget Positive (Negative) |
|-----------------------------------|-------------------------|----------------|--------------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Interest, Rents and Royalties | | | | |
| Interest Earnings | \$ 10,000 | \$ 10,000 | \$ 20,528 | \$ 10,528 |
| Intergovernmental | | | | |
| Liquid Fuels Tax | <u>545,000</u> | <u>545,000</u> | <u>565,705</u> | <u>20,705</u> |
| Total Revenues | <u>555,000</u> | <u>555,000</u> | <u>586,233</u> | <u>31,233</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public Works | | | | |
| Highways and Streets | | | | |
| Snow and Ice Removal | 172,000 | 172,000 | 257,634 | (85,634) |
| Traffic Signals | 53,000 | 53,000 | 50,240 | 2,760 |
| Street Lighting | <u>330,000</u> | <u>330,000</u> | <u>277,404</u> | <u>52,596</u> |
| Total Expenditures | <u>555,000</u> | <u>555,000</u> | <u>585,278</u> | <u>(30,278)</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 955</u> | <u>\$ 955</u> |

Municipality of Monroeville
Combining Balance Sheet
Component Units
December 31, 2007

| | Senior Citizens Council | Convention Visitor's Bureau | Total Nonmajor Governmental Funds |
|--|-------------------------------|-----------------------------------|--|
| ASSETS | | | |
| Cash and Cash Equivalents | \$110,276 | \$ 43,613 | \$153,889 |
| Due from Other Governments | - | 169,718 | 169,718 |
| Other Receivables | <u>-</u> | <u>185,428</u> | <u>185,428</u> |
| TOTAL ASSETS | <u>\$110,276</u> | <u>\$398,759</u> | <u>\$509,035</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | \$ <u>-</u> | \$ <u>-</u> | \$ <u>-</u> |
| Fund Balances | | | |
| Unreserved | <u>110,276</u> | <u>398,759</u> | <u>509,035</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$110,276</u> | <u>\$398,759</u> | <u>\$509,035</u> |

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Municipality of Monroeville
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Component Units
Year Ended December 31, 2007

| | Senior Citizens Council | Convention Visitor's Bureau | Total Nonmajor Governmental Funds |
|---------------------------------------|-------------------------------|-----------------------------------|--|
| Revenues | | | |
| Taxes | \$ - | \$571,753 | \$571,753 |
| Interest, Rents and Royalties | 7,148 | 3,359 | 10,507 |
| Charges for Services | 444 | - | 444 |
| Miscellaneous | <u>50,262</u> | <u>11,021</u> | <u>61,283</u> |
| Total Revenues | <u>57,854</u> | <u>586,133</u> | <u>643,987</u> |
| Expenditures | | | |
| Current: | | | |
| Culture - Recreation | 43,768 | - | 43,768 |
| Conservation and Development | - | 519,218 | 519,218 |
| Capital Outlay | <u>30,579</u> | <u>-</u> | <u>30,579</u> |
| Total Expenditures | <u>74,347</u> | <u>519,218</u> | <u>593,565</u> |
| Net Changes in Fund Balances | (16,493) | 66,915 | 50,422 |
| Fund Balances - January 1, 2007 | <u>126,769</u> | <u>331,844</u> | <u>458,613</u> |
| Fund Balances - December 31, 2007 | <u>\$110,276</u> | <u>\$398,759</u> | <u>\$509,035</u> |

ADDITIONAL INFORMATION

**Municipality of Monroeville
Schedule of Public Library Program
Revenues and Expenditures
Included in the General Fund
Year Ended December 31, 2007**

Revenues

| | |
|--|-----------------------|
| Regional Asset District Tax Funds passed through ACLA | \$ 306,504 |
| Regional Use Reimbursement | 15,597 |
| State Library Aid | 164,679 |
| Fines and Miscellaneous | <u>67,179</u> |
| Total Revenues | <u>\$ 553,959</u> |

Expenditures

| | |
|--|------------------------|
| Salaries | \$ 600,384 |
| Benefits | 209,436 |
| Utilities | 100,445 |
| Maintenance and Repairs | 26,162 |
| Office Supplies | 25,375 |
| Library Books and Equipment | 191,781 |
| Office Equipment and Furniture | 67,629 |
| Miscellaneous Outside Personnel Services | <u>69,954</u> |
| Total Expenditures | <u>\$1,291,166</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.

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the Municipal of Monroeville's comprehensive annual 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 have 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.

5 - 11

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.

12 - 15

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.

16 - 17

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.

18 - 20

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 1 NET ASSETS BY COMPONENT

LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
| Governmental activities | | | | | |
| Invested in capital assets, net of related debt | \$ 8,873,394 | \$ 9,802,888 | \$ 11,735,316 | \$ 12,648,044 | \$ 15,421,743 |
| Restricted | 83,417 | 213,491 | 5,238,588 | 3,804,830 | 1,610,088 |
| Unrestricted | <u>30,128,638</u> | <u>28,200,887</u> | <u>21,465,262</u> | <u>21,214,955</u> | <u>21,046,065</u> |
| Total primary government | \$ 39,085,449 | \$ 38,217,266 | \$ 38,439,166 | \$ 37,667,829 | \$ 38,077,896 |

Note: The requirements for this schedule are effective prospectively. In time, the required ten year's of data would be presented.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 2 CHANGES IN NET ASSETS

LAST FIVE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 |
| Expenses | | | | | |
| Governmental activities: | | | | | |
| General government | \$ 4,537,784 | \$ 4,491,064 | \$ 4,408,344 | \$ 4,754,753 | \$ 4,629,282 |
| Public Safety | 8,356,622 | 9,455,325 | 9,894,850 | 10,065,990 | 11,155,631 |
| Public Works-Sanitation | 2,106,547 | 1,045,440 | 1,039,223 | 1,012,666 | 1,089,181 |
| Public Works-Highway | 3,004,078 | 3,852,671 | 3,631,393 | 4,515,921 | 4,001,421 |
| Culture-Recreation | 2,949,371 | 3,312,027 | 4,748,847 | 4,761,849 | 3,954,582 |
| Conservation and Development | 524,089 | 510,657 | 496,090 | 460,778 | 472,610 |
| Interest On Long-Term Debt | <u>835,791</u> | <u>657,793</u> | <u>677,780</u> | <u>808,318</u> | <u>789,849</u> |
| Total primary government | \$ 22,314,282 | \$ 23,324,977 | \$ 24,896,527 | \$ 26,380,275 | \$ 26,092,556 |
| Program Revenues | | | | | |
| Charges for services: | | | | | |
| General government | \$ 485,901 | \$ 214,388 | \$ 183,259 | \$ 193,623 | \$ 200,337 |
| Public Safety | 138,400 | 447,753 | 330,395 | 364,199 | 394,608 |
| Public Works-Sanitation | 489,656 | 562,000 | 520,623 | 426,388 | 458,966 |
| Public Works-Highway | 693,700 | 89,181 | 35,015 | 59,570 | 42,059 |
| Culture-Recreation | 587,014 | 922,635 | 964,492 | 972,303 | 1,044,232 |
| Conservation and Development | 0 | 81,914 | 88,606 | 66,370 | 84,191 |
| Operating grants and contributions | <u>1,599,515</u> | <u>1,145,275</u> | <u>2,012,803</u> | <u>1,668,401</u> | <u>1,987,577</u> |
| Total primary government | \$ 3,994,186 | \$ 3,463,146 | \$ 4,135,193 | \$ 3,750,854 | \$ 4,211,970 |
| Total primary government net expense | \$ 18,320,096 | \$ 19,861,831 | \$ 20,761,334 | \$ 22,629,421 | \$ 21,880,586 |

| | Fiscal Year | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
| General Revenues and Other Changes in Net Assets | | | | | |
| Governmental activities: | | | | | |
| Taxes | | | | | |
| Property taxes, Levied for General Purposes | \$ 4,287,331 | \$ 4,387,409 | \$ 4,210,793 | \$ 4,125,113 | \$ 4,589,476 |
| Earned Income Taxes | 5,644,030 | 5,125,025 | 5,964,115 | 6,196,902 | 6,494,824 |
| Business Privilege & Mercantile Taxes | 5,949,478 | 5,767,754 | 6,093,351 | 6,705,591 | 6,393,655 |
| Other Taxes, Levied for General Purposes | 1,412,444 | 2,538,671 | 3,206,669 | 3,536,794 | 3,557,251 |
| Grants, Subsidies & Contributions Not Restricted | 0 | 0 | 683,078 | 48,487 | 51,662 |
| Investment Earnings | 416,479 | 358,990 | 763,746 | 1,234,063 | 1,203,292 |
| Miscellaneous | <u>206,925</u> | <u>815,799</u> | <u>61,482</u> | <u>11,134</u> | <u>493</u> |
| Total primary government | \$ 17,916,687 | \$ 18,993,648 | \$ 20,983,234 | \$ 21,858,084 | \$ 22,290,653 |
| Change in Net Assets | | | | | |
| Total primary government | \$ (403,409) | \$ (868,183) | \$ 221,900 | \$ (771,337) | \$ 410,067 |

Note: The requirements for this schedule are effective prospectively. In time, the required ten year's of data would be presented.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 3 FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | | | | | | |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
| General Fund | | | | | | | | | | |
| Reserved | \$ 6,736,994 | \$ 6,736,994 | \$ 6,736,994 | \$ 6,736,994 | \$ 6,736,994 | \$ 6,687,708 | \$ 6,617,345 | \$ 6,736,994 | \$ 7,138,533 | \$ 7,284,355 |
| Unreserved | <u>12,094,771</u> | <u>12,094,771</u> | <u>12,094,771</u> | <u>12,094,771</u> | <u>12,094,771</u> | <u>19,313,013</u> | <u>19,958,351</u> | <u>12,094,771</u> | <u>11,291,280</u> | <u>10,717,076</u> |
| Total general fund | \$ 18,831,765 | \$ 18,831,765 | \$ 18,831,765 | \$ 18,831,765 | \$ 18,831,765 | \$ 26,000,721 | \$ 26,575,696 | \$ 18,831,765 | \$ 18,429,813 | \$ 18,001,431 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | \$ 5,155,171 | \$ 5,155,171 | \$ 5,155,171 | \$ 5,155,171 | \$ 5,155,171 | \$ 1,889,511 | \$ 130,074 | \$ 5,155,171 | \$ 3,721,413 | \$ 8,413,715 |
| Unreserved reported in: | | | | | | | | | | |
| Special revenue funds | \$ 765,877 | \$ 765,877 | \$ 765,877 | \$ 765,877 | \$ 765,877 | \$ 661,008 | \$ 702,234 | \$ 765,877 | \$ 809,589 | \$ 867,522 |
| Capital projects funds | <u>\$ (235,573)</u> | \$ - | <u>\$ (416,035)</u> | <u>\$ (235,573)</u> | \$ - | \$ - |
| Total all other governmental funds | \$ 5,685,475 | \$ 5,685,475 | \$ 5,685,475 | \$ 5,685,475 | \$ 5,685,475 | \$ 2,550,519 | \$ 416,273 | \$ 5,685,475 | \$ 4,531,002 | \$ 9,281,237 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 4

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | | | | | | |
|--|-----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 15,186,767 | \$ 20,997,614 | \$ 16,690,503 | \$ 17,307,369 | \$ 17,903,358 | \$ 17,293,283 | \$ 18,416,948 | \$ 19,122,033 | \$ 20,565,999 | \$ 20,861,746 |
| Licenses and Permits | 1,062,271 | 948,844 | 886,110 | 1,057,986 | 1,016,320 | 1,066,500 | 1,179,309 | 1,093,704 | 1,055,011 | 1,176,854 |
| Fines and Forfeits | 95,419 | 105,474 | 104,733 | 122,671 | 122,006 | 117,943 | 120,904 | 120,656 | 150,222 | 158,759 |
| Interest, Rents and Royalties | 1,723,795 | 1,917,276 | 1,741,582 | 1,575,339 | 1,937,648 | 1,663,138 | 358,990 | 763,746 | 1,234,063 | 1,203,292 |
| Intergovernmental | 4,313,088 | 4,392,475 | 4,392,367 | 5,365,749 | 3,660,610 | 1,146,605 | 1,798,854 | 2,695,881 | 1,716,888 | 1,987,942 |
| Charges for Services | 658,133 | 832,662 | 1,311,755 | 969,646 | 421,943 | 416,479 | 1,017,658 | 908,030 | 877,220 | 888,780 |
| Miscellaneous | <u>106,500</u> | <u>132,360</u> | <u>397,908</u> | <u>33,697</u> | <u>411,296</u> | <u>206,925</u> | <u>2,149</u> | <u>61,482</u> | <u>11,134</u> | <u>51,790</u> |
| Total revenues | \$ 23,155,973 | \$ 29,326,705 | \$ 25,524,958 | \$ 26,432,457 | \$ 25,473,181 | \$ 21,910,873 | \$ 22,894,812 | \$ 24,765,532 | \$ 25,610,537 | \$ 26,329,163 |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General Government | \$ 3,746,221 | \$ 4,750,181 | \$ 3,981,363 | \$ 4,029,973 | \$ 4,680,078 | \$ 3,700,943 | \$ 3,718,128 | \$ 3,875,424 | \$ 3,918,294 | \$ 3,978,115 |
| Public Safety | 6,975,769 | 7,203,519 | 7,005,263 | 7,885,985 | 8,138,854 | 8,070,587 | 8,682,700 | 9,914,915 | 9,403,266 | 10,566,677 |
| Public Works-Sanitation | 3,905,419 | 3,745,107 | 3,833,793 | 4,415,269 | 3,485,848 | 1,095,345 | 959,148 | 954,687 | 937,142 | 1,014,532 |
| Public Works-Highways | 2,416,512 | 2,242,060 | 2,346,469 | 2,375,168 | 1,861,093 | 2,945,056 | 2,835,702 | 2,877,094 | 3,475,994 | 2,941,222 |
| Culture-Recreation | 2,042,923 | 2,575,709 | 1,935,357 | 2,181,311 | 2,104,227 | 2,565,507 | 2,890,997 | 2,908,233 | 2,973,726 | 3,559,372 |
| Conservation and Development | 0 | 0 | 0 | 0 | 0 | 524,089 | 492,765 | 480,279 | 443,707 | 461,409 |
| Insurance Premiums | 521,199 | 299,262 | 349,483 | 410,129 | 517,888 | 774,845 | 895,783 | 943,860 | 941,605 | 951,513 |
| Miscellaneous | 5,504 | 2,223 | 7,672 | 5,260 | 6,581 | | | | | |
| Capital outlays | 2,291,366 | 5,891,400 | 4,277,151 | 3,809,680 | 4,348,547 | 4,985,838 | 2,495,056 | 9,515,543 | 2,877,887 | 3,885,834 |
| Debt Service: | | | | | | | | | | |
| Principal | 1,895,000 | 1,065,000 | 1,225,000 | 1,320,000 | 1,380,000 | 1,115,000 | 850,000 | 1,390,000 | 1,425,000 | 1,460,000 |
| Interest | 488,248 | 626,734 | 727,893 | 670,290 | 784,924 | 699,096 | 633,804 | 632,302 | 770,341 | 739,807 |
| Bond Issue Costs | 0 | 0 | 0 | 0 | 0 | 179,365 | 0 | 0 | 0 | 0 |
| Total Expenditures | \$ 24,288,161 | \$ 28,401,195 | \$ 25,689,444 | \$ 27,103,065 | \$ 27,308,040 | \$ 26,655,671 | \$ 24,454,083 | \$ 33,492,337 | \$ 27,166,962 | \$ 29,558,481 |
| Excess of revenues over (under) expenditures | \$ (1,132,188) | \$ 925,510 | \$ (164,486) | \$ (670,608) | \$ (1,834,859) | \$ (4,744,798) | \$ (1,559,271) | \$ (8,726,805) | \$ (1,556,425) | \$ (3,229,318) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Bond Proceeds | \$ 4,000,000 | \$ 9,995,000 | \$ - | \$ - | \$ 7,160,000 | \$ - | \$ - | \$ 6,135,000 | \$ - | \$ 7,590,000 |
| Refunding Bonds Issued | 0 | 0 | 0 | 0 | 0 | 11,835,000 | 0 | 7,520,000 | 0 | 0 |
| (Discourt) on Bonds Issued | 0 | 0 | 0 | 0 | 0 | (16,132) | 0 | (85,837) | 0 | (38,829) |
| Bond premium/Costs | 0 | 0 | 0 | 0 | 0 | 12,322 | 0 | 0 | 0 | 0 |
| Payment to Refunded Bond Escrow Agent | 0 | (1,305,000) | 0 | 0 | (130,162) | (11,651,825) | 0 | (7,317,087) | 0 | 0 |
| Proceeds from Sale of Sewer System | 0 | 0 | 0 | 0 | 12,632,429 | 0 | 0 | 0 | 0 | 0 |
| Transfer of Sewer Fund Net Assets | 0 | 0 | 0 | 0 | (2,703,656) | 0 | 0 | 0 | 0 | 0 |
| Residual Equity Transfer In | 0 | 0 | 0 | 0 | 2,725,367 | 0 | 0 | 0 | 0 | 0 |
| Residual Equity Transfer Out | 0 | 0 | 0 | 0 | (2,725,367) | 0 | 0 | 0 | 0 | 0 |
| Transfers In | 2,613,080 | 1,691,734 | 1,960,565 | 2,152,260 | 2,225,195 | 1,843,838 | 0 | 6,152,652 | 377,863 | 160,555 |
| Transfers Out | <u>(2,613,080)</u> | <u>(1,691,734)</u> | <u>(1,960,565)</u> | <u>(2,152,260)</u> | <u>(2,225,195)</u> | <u>(1,843,838)</u> | <u>0</u> | <u>(6,152,652)</u> | <u>(377,863)</u> | <u>(160,555)</u> |
| Total Other Financing Sources (Uses) | 4,000,000 | 8,690,000 | 0 | 0 | 16,958,611 | 179,365 | 0 | 6,252,076 | 0 | 7,551,171 |
| Net Changes in fund balances | \$ 2,867,812 | \$ 9,615,510 | \$ (164,486) | \$ (670,608) | \$ 15,123,752 | \$ (4,565,433) | \$ (1,559,271) | \$ (2,474,729) | \$ (1,556,425) | \$ 4,321,833 |
| Debt service as a percentage of noncapital expenditures | 10.83% | 7.52% | 9.12% | 8.54% | 9.43% | 8.37% | 6.76% | 8.43% | 8.54% | 8.61% |

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 |
|-------------|----------------------|---------------------|---------------------|------------------------------|--|-----------------------|
| 1998 | 194,905 | 129,229 | 46,927 | 324,134 | 25% | 12.25 |
| 1999 | 199,008 | 132,066 | 49,649 | 331,074 | 25% | 12.25 |
| 2000 | 200,045 | 133,963 | 53,451 | 334,008 | 25% | 12.25 |
| 2001* | 1,154,914 | 793,409 | 372,860 | 1,948,323 | 100% | 2.20 |
| 2002 | 1,236,818 | 796,773 | 356,070 | 2,033,591 | 100% | 2.20 |
| 2003 | 1,261,384 | 713,334 | 356,884 | 1,974,718 | 100% | 2.20 |
| 2004 | 1,207,111 | 761,054 | 360,211 | 1,968,165 | 100% | 2.20 |
| 2005 | 1,278,226 | 717,925 | 350,460 | 1,996,151 | 100% | 2.20 |
| 2006 | 1,237,043 | 804,014 | 350,279 | 2,041,057 | 100% | 2.20 |
| 2007 | 1,274,100 | 833,549 | 365,157 | 2,107,649 | 100% | 2.20 |

Source: Allegheny County Assessment Office

* During 2001, a county-wide reassessment had taken place adjusting assessments from 25% to 100% of market value.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 6 DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

| Fiscal Year | Municipality of Monroeville | | County of Allegheny | | Gateway School District | | Total |
|-------------|-----------------------------|---------------|-------------------------|---------------|-------------------------|---------------|--------|
| | Total Basic Tax Millage | Total Millage | Total Basic Tax Millage | Total Millage | Total Basic Tax Millage | Total Millage | |
| 1998 | 12.25 | 12.25 | 25.20 | 25.20 | 88.10 | 88.10 | 125.55 |
| 1999 | 12.25 | 12.25 | 25.20 | 25.20 | 88.10 | 88.10 | 125.55 |
| 2000 | 12.25 | 12.25 | 25.20 | 25.20 | 88.10 | 88.10 | 125.55 |
| 2001* | 2.20 | 2.20 | 4.72 | 4.72 | 16.55 | 16.55 | 23.47 |
| 2002 | 2.20 | 2.20 | 4.69 | 4.69 | 16.55 | 16.55 | 23.44 |
| 2003 | 2.20 | 2.20 | 4.69 | 4.69 | 17.41 | 17.41 | 24.30 |
| 2004 | 2.20 | 2.20 | 4.69 | 4.69 | 18.41 | 18.41 | 25.30 |
| 2005 | 2.20 | 2.20 | 4.69 | 4.69 | 19.41 | 19.41 | 26.30 |
| 2006 | 2.20 | 2.20 | 4.69 | 4.69 | 19.41 | 19.41 | 26.30 |
| 2007 | 2.20 | 2.20 | 4.69 | 4.69 | 19.41 | 19.41 | 26.30 |

* During 2001, a county-wide reassessment had taken place adjusting assessments from 25% to 100% of market value. The real estate millage was set accordingly.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 7 PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND NINE YEARS AGO

| Taxpayer | 2007 | | | 1998 | | |
|--|----------------------------|------|--|----------------------------|------|--|
| | Taxable Assessed Valuation | Rank | Percentage of Total Municipal Taxable Assessed Value | Taxable Assessed Valuation | Rank | Percentage of Total Municipal Taxable Assessed Value |
| Soffer, Donald | \$ 159,144,200 | 1 | 7.55% | \$ 26,367,425 | 1 | 8.13% |
| L & M Associates | 44,039,300 | 2 | 2.09% | 11,193,100 | 3 | 3.45% |
| Westinghouse Electric Corporation | 42,000,000 | 3 | 1.99% | 12,376,200 | 2 | 3.82% |
| Pittsburgh Miracle Mile Town and Country | 40,000,000 | 4 | 1.90% | 6,005,000 | 5 | 1.85% |
| Cochran, RELP | 18,438,950 | 5 | 0.87% | 4,226,400 | 7 | 1.30% |
| Eagle Ridge Apartments | 18,293,800 | 6 | 0.87% | | | |
| Monroeville S.C.L.P | 17,481,700 | 7 | 0.83% | | | |
| Terra Capital Associates | 12,620,500 | 8 | 0.60% | 9,595,400 | 4 | 2.96% |
| Walnut Capital | 15,582,500 | 9 | 0.74% | | | |
| Boscov's Department Store | 14,000,000 | 10 | 0.66% | | | |
| May Centers Associates Corporation | | | | 3,575,000 | 8 | 1.10% |
| Oxford Development Company | | | | 4,664,150 | 6 | 1.44% |
| Monroeville Apartments Associates, Ltd | | | | 2,640,000 | 9 | 0.81% |
| Murray-Bart Associates | | | | 2,400,000 | 10 | 0.74% |
| | <u>\$ 381,600,950</u> | | <u>18.11%</u> | <u>\$ 83,042,675</u> | | <u>25.62%</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 |
| 1998 | 3,931,000 | 3,638,000 | 92.55% | 15,968 | 3,653,968 | 92.95% |
| 1999 | 4,055,000 | 3,880,000 | 95.68% | 15,711 | 3,895,711 | 96.07% |
| 2000 | 4,092,000 | 3,805,000 | 92.99% | 34,727 | 3,839,727 | 93.83% |
| 2001 | 4,286,000 | 4,164,000 | 97.15% | 32,838 | 4,196,838 | 97.92% |
| 2002 | 4,473,000 | 4,213,000 | 94.19% | 34,650 | 4,247,650 | 94.96% |
| 2003 | 4,298,000 | 4,205,000 | 97.84% | 53,033 | 4,258,033 | 99.07% |
| 2004 | 4,324,000 | 4,298,000 | 99.40% | 24,114 | 4,322,114 | 99.96% |
| 2005 | 4,392,000 | 4,087,000 | 93.06% | 33,576 | 4,120,576 | 93.82% |
| 2006 | 4,228,000 | 4,150,892 | 98.18% | 45,018 | 4,195,910 | 99.24% |
| 2007 | 4,614,311 | 4,521,246 | 97.98% | 0 | 4,521,246 | 97.98% |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 9 TAXABLE EARNED INCOME AND TAX COLLECTED

LAST TEN FISCAL YEARS

| <u>Fiscal Year</u> | <u>Taxable Earned Income</u> | <u>Tax Collected</u> |
|------------------------|----------------------------------|--------------------------|
| 1998 | 455,644,200 | 4,556,442 |
| 1999 | 492,771,600 | 4,927,716 |
| 2000 | 493,472,200 | 4,934,722 |
| 2001 | 522,551,100 | 5,225,511 |
| 2002 | 560,173,700 | 5,601,737 |
| 2003 | 564,403,000 | 5,644,030 |
| 2004 | 567,526,700 | 5,675,267 |
| 2005 | 572,339,200 | 5,723,392 |
| 2006 | 610,927,800 | 6,109,278 |
| 2007 | 642,198,700 | 6,421,987 |

Source: Municipal Tax Office

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> |
|------------------------|-------------------------------------|--|
| 1998 | 1% | 0.50% |
| 1999 | 1% | 0.50% |
| 2000 | 1% | 0.50% |
| 2001 | 1% | 0.50% |
| 2002 | 1% | 0.50% |
| 2003 | 1% | 0.50% |
| 2004 | 1% | 0.50% |
| 2005 | 1% | 0.50% |
| 2006 | 1% | 0.50% |
| 2007 | 1% | 0.50% |

Source: Municipal Tax Office

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 | 2006 Number of filers | 2007 Number of filers | 2006 Percentage of Total | 2007 Percentage of Total | 2006 Percentage of Total Income | 2007 Percentage of Total Income |
|----------------------|-----------------------------|-----------------------------|--------------------------------|--------------------------------|---------------------------------------|---------------------------------------|
| \$100,001-and higher | 626 | 530 | 5.90% | 6.06% | 25.63% | 26.25% |
| \$70,001-\$100,000 | 905 | 744 | 8.53% | 8.50% | 18.13% | 17.91% |
| \$50,001-70,000 | 1,357 | 1,176 | 12.79% | 13.44% | 19.40% | 20.19% |
| \$30,001-50,000 | 2,182 | 1,752 | 20.56% | 20.02% | 20.98% | 20.12% |
| \$10,001-30,000 | 2,789 | 2,265 | 26.28% | 25.88% | 13.23% | 12.91% |
| \$10,000 and lower | 2,755 | 2,284 | 25.96% | 26.10% | 2.63% | 2.62% |
| TOTAL | 10,614 | 8,751 | 100% | 100% | 100% | 100% |

The Municipality is legally prohibited from disclosing individual payers.

Note: Beginning with the 2006 year, the Municipality of Monroeville implemented GASB Statement 44-"Economic Condition Reporting: The Statistical Section." Since the information reported in this schedule was not required in previous years, the report only includes readily-available information. Future reports will continue to include the presented data until a maximum of ten years of information is accumulated.

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 Bond | Total Primary Government | | |
| 1998 | 9,830,000 | 9,830,000 | 2.16% | 337.00 |
| 1999 | 17,455,000 | 17,455,000 | 3.54% | 598.41 |
| 2000 | 16,230,000 | 16,230,000 | 3.29% | 553.00 |
| 2001 | 14,910,000 | 14,910,000 | 2.85% | 508.02 |
| 2002 | 20,690,000 | 20,690,000 | 3.69% | 704.96 |
| 2003 | 20,040,000 | 20,040,000 | 3.55% | 682.82 |
| 2004 | 19,190,000 | 19,190,000 | 3.38% | 653.86 |
| 2005 | 24,305,000 | 24,305,000 | 4.25% | 828.14 |
| 2006 | 22,880,000 | 22,880,000 | 3.75% | 779.58 |
| 2007 | 29,010,000 | 29,010,000 | 4.52% | 988.45 |

* 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 the Note 6 in the current financial statements.

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* | | Percentage of Actual Taxable Value** of Property |
|----------------|----------------------------------|--------------------------|---|
| | General Obligation Bond | Total Debt Service | |
| 1998 | 9,830 | 9,830 | 3.03% |
| 1999 | 17,455 | 17,455 | 5.27% |
| 2000 | 16,230 | 16,230 | 4.86% |
| 2001 | 14,910 | 14,910 | 0.77% |
| 2002 | 20,690 | 20,690 | 1.02% |
| 2003 | 20,040 | 20,040 | 1.01% |
| 2004 | 19,190 | 19,190 | 0.98% |
| 2005 | 24,305 | 24,305 | 1.22% |
| 2006 | 22,880 | 22,880 | 1.12% |
| 2007 | 29,010 | 29,010 | 1.38% |

*Details regarding the Municipality's outstanding debt can be found in the Note 6 to the current financial statements.

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 14

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2007

(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 | \$ 29,010 | 100.00% | \$ 29,010 |
| Other debt | | | |
| Gateway School District | 56,850 | 96.80% a | \$ 55,031 |
| Allegheny County | <u>632,406</u> | 3.50% a | <u>\$ 22,134</u> |
| Subtotal-overlapping debt | | | 77,165 |
| Total direct and overlapping debt | | | <u><u>\$ 106,175</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)

| | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt Limit | \$ 54,568 | \$ 62,375 | \$ 60,265 | \$ 52,803 | \$ 54,378 | \$ 56,455 | \$ 58,868 | \$ 56,909 | \$ 61,059 | \$ 65,132 |
| Total net debt applicable to limit | <u>9,812</u> | <u>17,440</u> | <u>16,215</u> | <u>14,895</u> | <u>20,690</u> | <u>20,040</u> | <u>19,190</u> | <u>24,305</u> | <u>22,880</u> | <u>29,010</u> |
| Legal debt margin | <u>\$ 44,756</u> | <u>\$ 44,935</u> | <u>\$ 44,050</u> | <u>\$ 37,908</u> | <u>\$ 33,688</u> | <u>\$ 36,415</u> | <u>\$ 39,678</u> | <u>\$ 32,604</u> | <u>\$ 38,179</u> | <u>\$ 36,122</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 17.98% | 27.96% | 26.91% | 28.21% | 38.05% | 35.50% | 32.60% | 42.71% | 37.47% | 44.54% |

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%).

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 16 DEMOGRAPHIC AND ECONOMIC STATISTICS

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> |
|-------------|---------------------------|---|---|---------------------------|----------------------------------|----------------------------------|
| 1998 | 29,169 | \$ 455,644,200 | \$ 27,467 | 37 | 5,306 | 4.80% |
| 1999 | 29,169 | \$ 492,771,600 | \$ 28,827 | 37 | 5,306 | 4.60% |
| 2000 | 29,349 | \$ 493,472,200 | \$ 30,610 | 43 | 4,301 | 4.40% |
| 2001 | 29,349 | \$ 522,551,100 | \$ 31,544 | 43 | 4,301 | 4.70% |
| 2002 | 29,349 | \$ 560,173,700 | \$ 32,208 | 43 | 4,301 | 5.70% |
| 2003 | 29,349 | \$ 564,403,000 | \$ 32,987 | 43 | 4,301 | 5.90% |
| 2004 | 29,349 | \$ 567,526,700 | \$ 34,685 | 43 | 4,301 | 5.70% |
| 2005 | 29,349 | \$ 572,339,200 | \$ 37,145 | 43 | 4,301 | 5.20% |
| 2006 | 29,349 | \$ 610,927,800 | \$ 39,605 | 43 | 4,301 | 4.90% |
| 2007 | 29,349 | \$ 642,198,700 | \$ 40,318 | 43 | 4,301 | 4.40% |

Data Sources:

- (1) Bureau of Census-Partial Statistics for 2000 Census released by Bureau of Census during 2001
- (2) Department of Labor
- (3) Allegheny County Planning Department
- (4) Gateway School District

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 17 PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

| Employer | 2007 | | | 1998 | | |
|--|--------------|------|--|--------------|------|--|
| | Employees | Rank | Percentage of Total Municipal Employment | Employees | Rank | Percentage of Total Municipal Employment |
| Forbes Regional Hospital | 1,432 | 1 | 0.72% | 900 | 2 | 0.45% |
| Westinghouse Electric Co., LLC | 1,730 | 2 | 0.87% | 2,000 | 1 | 1.00% |
| Gateway School District | 794 | 3 | 0.40% | 500 | 5 | 0.25% |
| Three Rivers Administrative Services Co. | 600 | 4 | 0.30% | | | |
| Cochran Pontiac Incorporated | 484 | 5 | 0.24% | | | |
| Community College of Allegheny County | 391 | 6 | 0.20% | 523 | 6 | 0.26% |
| Lazarus/Macy's | 465 | 7 | 0.23% | 563 | 4 | 0.28% |
| Giant Eagle Markets #60 | 450 | 8 | 0.23% | | | |
| Venturi Staffing Partners | 399 | 9 | 0.20% | 403 | 8 | 0.20% |
| HealthSouth of Pittsburgh, Inc. | 326 | 10 | 0.16% | 423 | 7 | 0.21% |
| Kaufmann's Department Store | | | | 577 | 3 | 0.29% |
| J. C. Penny Company | | | | 365 | 9 | 0.18% |
| Olsten Staffing Services | | | | 361 | 10 | 0.18% |
| | <u>7,071</u> | | <u>3.54%</u> | <u>6,615</u> | | <u>3.31%</u> |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 18

FULL-TIME EQUIVALENT MUNICIPAL EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

| FUNCTION/PROGRAM | Full-time Equivalent Employees as of December 31 | | | | | | | | | | | |
|-------------------------------------|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 |
| GENERAL GOVERNMENT | | | | | | | | | | | | |
| Mayor & Council | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Manager's Office | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 5 | 5 | 4 | 4 |
| Tax Collection | 3 | 4 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 5 | 5 | 5 |
| Finance Office | 6 | 6 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 5 | 5 | 4 |
| Data Processing | 1 | 1 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| PUBLIC SAFETY | | | | | | | | | | | | |
| Police Chief | 1 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Emergency Communications | 15 | 13 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 8 | 8 | 8 |
| Patrol & Traffic | 43 | 43 | 42 | 40 | 42 | 42 | 42 | 43 | 41 | 40 | 40 | 40 |
| Incident Investigation | 6 | 8 | 6 | 8 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 |
| Support Services & Records | 3 | 4 | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 3 |
| Police Training | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Community Safety | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| School Crossing Guards | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fire, Building, & Code Enforcement | 7 | 7 | 6 | 4 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| PUBLIC WORKS | | | | | | | | | | | | |
| Superintendent of Public Works | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Snow & Ice Control | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Storm Sewer Maintenance | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Street Maintenance | 16 | 16 | 16 | 16 | 16 | 11 | 11 | 12 | 12 | 11 | 9 | 9 |
| Parks Maintenance | 6 | 6 | 6 | 6 | 6 | 4 | 7 | 6 | 7 | 6 | 7 | 7 |
| Traffic Signals, Signs and Markings | 0 | 0 | 0 | 0 | 0 | 5 | 4 | 4 | 4 | 4 | 4 | 4 |
| Superintendent of Special Services | 2 | 2 | 2 | 2 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanitary Sewer Maintenance | 5 | 5 | 5 | 5 | 5 | 5 | 4 | 3 | 0 | 0 | 0 | 0 |
| Refuse Collection | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Vehicular Equipment | 5 | 5 | 5 | 5 | 5 | 6 | 6 | 5 | 5 | 5 | 5 | 5 |
| Recycling | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Animal Control | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Community Park | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 | 3 | 3 |
| Building & Property Maintenance | 3 | 4 | 4 | 4 | 5 | 5 | 5 | 6 | 5 | 5 | 5 | 5 |
| HUMAN SERVICES | | | | | | | | | | | | |
| Recreation and Parks | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 |
| Human Service Program | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Leisure Learning | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Monroeville Community Pool | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Planning & Zoning | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Appeal Board Service | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Engineering | 3 | 3 | 3 | 4 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Electronic Equipment | 2 | 2 | 2 | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Citizens | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 4 |
| Public Library | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 11 | 11 |
| TV 15 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| TOTAL | 170 | 174 | 162 | 160 | 158 | 154 | 156 | 156 | 153 | 160 | 160 | 158 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 19 OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

| FUNCTION/PROGRAM | Fiscal Year | | | | | | | | | |
|--------------------------------------|-------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
| POLICE | | | | | | | | | | |
| Physical arrests | 614 | 711 | 527 | 416 | 605 | 344 | 275 | 613 | 416 | 479 |
| Incidents | 16,137 | 16,181 | 18,267 | 18,133 | 18,204 | 18,577 | 17,857 | 19,121 | 17,836 | 18,689 |
| Traffic violations/Citations | 1,626 | 1,306 | 1,299 | 1,293 | 1,490 | 1,229 | 554 | 825 | 1,262 | 1,456 |
| FIRE | | | | | | | | | | |
| Emergency Response | 4,190 | 4,204 | 4,315 | 4,316 | 4,213 | 4,444 | 5,012 | 4,347 | 4,990 | 4,067 |
| INSPECTIONS | 4,892 | 4,657 | 3,339 | 3,112 | 3,759 | 3,759 | 4,247 | 3,759 | 3,968 | 4,205 |
| PUBLIC WORKS | | | | | | | | | | |
| Recyclables collected (tons per day) | N/A | N/A | N/A | N/A | N/A | N/A | 506.42 | 495.68 | 530.79 | 551.15 |
| OTHER PUBLIC WORKS | | | | | | | | | | |
| Street Resurfacing (miles) | 3.30 | 4.70 | 7.70 | 9.20 | 11.50 | 11.80 | 12.10 | 8.00 | 4.40 | 3.00 |
| PARKS AND RECREATION | | | | | | | | | | |
| Program Participants | N/A | 4,502 | 4,631 | 2,508 | 2,864 | 2,747 | 5,810 | 5,027 | 5,718 | 3,370 |
| Pavilion Rentals | N/A | 274 | 173 | 185 | 197 | 165 | 203 | 190 | 322 | 362 |
| Pool Admissions | N/A | 11,353 | 7,453 | 6,483 | 10,310 | 6,325 | 4,095 | 3,526 | 3,813 | 3,612 |
| LIBRARY | | | | | | | | | | |
| Items in Collection | 93,709 | 94,180 | 98,087 | 99,456 | 102,630 | 105,639 | 108,723 | 116,300 | 118,747 | 120,267 |
| Total Circulation | 189,068 | 179,485 | 180,103 | 193,761 | 207,633 | 218,259 | 223,423 | 212,991 | 222,416 | 219,967 |

Sources: Various Municipal Departments

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 20 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

| <u>FUNCTION/PROGRAM</u> | <u>Fiscal Year</u> | | | | | | | | | |
|-------------------------------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>2001</u> | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> |
| POLICE | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol units | 9 | 9 | 9 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| FIRE STATIONS | | | | | | | | | | |
| OTHER PUBLIC WORKS | | | | | | | | | | |
| Miles of streets | 120 | 120 | 120 | 120 | 120 | 120 | 108 | 108 | 108 | 108 |
| Number of street lights | 1,388 | 1,388 | 1,388 | 1,388 | 1,388 | 1,388 | 1,440 | 1,440 | 1,440 | 1,440 |
| Traffic Signals | | | | | | | | | | |
| CULTURE AND RECREATION | | | | | | | | | | |
| Parks | 25 | 25 | 25 | 25 | 25 | 25 | 22 | 22 | 22 | 22 |
| Park acreage | 545 | 545 | 545 | 545 | 545 | 545 | 820 | 820 | 820 | 820 |
| Swimming pools | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Tennis courts | 18 | 18 | 18 | 18 | 18 | 18 | 20 | 20 | 20 | 20 |
| Basketball courts | 15 | 15 | 15 | 15 | 15 | 15 | 20 | 20 | 20 | 21 |
| Soccer fields | 7 | 7 | 7 | 7 | 7 | 7 | 22 | 22 | 22 | 22 |
| Ball fields | 13 | 13 | 13 | 13 | 13 | 13 | 17 | 17 | 17 | 16 |
| Picnic pavilions | 5 | 5 | 5 | 5 | 5 | 5 | 13 | 13 | 13 | 13 |
| Comfort stations | 5 | 5 | 5 | 5 | 5 | 5 | 15 | 15 | 15 | 15 |
| Play equipment areas | 12 | 12 | 12 | 12 | 12 | 12 | 30 | 30 | 30 | 21 |
| Walk/Jog paths (paved) | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Historical sites | 2 | 2 | 2 | 2 | 2 | 2 | 4 | 4 | 4 | 4 |

SOURCE: Various Municipal Departments