

MUNICIPALITY OF
MONROEVILLE,
PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2009

MUNICIPALITY OF
MONROEVILLE,
PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2009

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2009

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 - xxiv
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 - 9
Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Fund - Cable Television Fund Budget and Actual	10
Statement of Net Assets - Fiduciary Funds - Pension and Other Employee Benefit Trust Funds	11

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2009

TABLE OF CONTENTS

	<u>Page No.</u>
FINANCIAL SECTION (CONT'D)	
Basic Financial Statements (Cont'd)	
Fund Financial Statements (Cont'd)	
Statement of Changes in Net Assets - Fiduciary Funds - Pension and Other Employee Benefit Trust Funds	12
Notes to Financial Statements	13 - 46
Required Supplementary Information	
Pension	
Schedules of Funding Progress	47
Schedules of Employers and Other Contributions	48
Notes to Required Supplementary Information	48
Other Post-Employment Benefits	
Schedule of Funding Progress for Retiree Health Plan	49
Schedule of Employer Contributions	49
Combining and Individual Funds Financial Statements	
Other Governmental Funds	
Combining Balance Sheet	50
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	51
Special Revenue Funds	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Highway Aid Fund - Budget and Actual	52
Component Units	
Combining Balance Sheet	53
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	54

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2009

TABLE OF CONTENTS

		<u>Page No.</u>
FINANCIAL SECTION (CONT'D)		
Additional Information		
Schedule of Public Library Program Revenues and Expenditures Included in the General Fund		55
STATISTICAL SECTION		
<u>Financial Trends</u>		
Net Assets by Component - Last Seven Fiscal Years	Schedule 1	56
Changes in Net Assets - Last Seven Fiscal Years	Schedule 2	57 - 58
Fund Balances, Governmental Funds - Last Ten Fiscal Years	Schedule 3	59
Changes in Fund Balances, Governmental Funds - Last Ten Fiscal Years	Schedule 4	60
<u>Revenue Capacity</u>		
Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	Schedule 5	61
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	Schedule 6	62
Principal Property Taxpayers - Current Year and Nine Years Ago	Schedule 7	63
Property Tax Levies and Collections - Last Ten Fiscal Years	Schedule 8	64
Taxable Earned Income and Tax Collected - Last Ten Fiscal Years	Schedule 9	65

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2009

TABLE OF CONTENTS

		<u>Page No.</u>
STATISTICAL SECTION (CONT'D)		
<u>Revenue Capacity (Cont'd)</u>		
Direct and Overlapping Earned Income Tax Rates - Last Ten Fiscal Years	Schedule 10	66
Earned Income Tax Filers and Liability by Income Level	Schedule 11	67
<u>Debt Capacity</u>		
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	Schedule 12	68
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	Schedule 13	69
Direct and Overlapping Governmental Activities Debt	Schedule 14	70
Legal Debt Margin Information - Last Ten Fiscal Years	Schedule 15	71
<u>Demographic and Economic Information</u>		
Demographic and Economic Statistics - Last Ten Calendar Years	Schedule 16	72
Principal Employers - Current Year and Nine Years Ago	Schedule 17	73
<u>Operating Information</u>		
Full-Time Equivalent Municipal Employees by Function/Program - Last Ten Fiscal Years	Schedule 18	74

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2009

TABLE OF CONTENTS

		<u>Page No.</u>
STATISTICAL SECTION (CONT'D)		
<u>Operating Information (Cont'd)</u>		
Operating Indicators by Function/Program - Last Ten Fiscal Years	Schedule 19	75
Capital Asset Statistics by Function/Program - Last Ten Fiscal Years	Schedule 20	76

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 28, 2010

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, 2009.

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, 2009. 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.

While Allegheny County's unemployment rate rose from 6.0 to 7.5% during 2009, those rates are comparatively better than most areas of the country. The total for national unemployment rose to 10% in 2009. Detroit lost 500,000 jobs or 12% of its total while Cleveland lost 78,000 or 7.2%. Charlotte lost 68,000 or 7.7% of its jobs during the last two years.

Over the past two years of the recession, the Pittsburgh region lost 33,000 jobs according to Harold Miller of Future Strategies LLC, nearly 3% of it total. The total number of jobs in the region for 2009 was approximately 1.1 million.

According to the U.S. Bureau of Labor Statistics, the Pittsburgh region lost 12,000 manufacturing jobs during the last 2 years. In the same time period, the region experienced small positive gains in mining, hotel and restaurants, professional and medical services.

LONG TERM-FINANCIAL PLANNING

An unreserved, undesignated fund balance in the general fund of \$5.4 million (23.23 percent of total general fund revenues) falls above the policy guidelines set by Council for budgetary and planning purposes (i.e., 10 percent of total general fund revenues).

Municipal Council has continued the strategic plan for 2009 as follows:

- Goal 1 - Develop and diversity 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.

- o Goal 5 – 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.

As described in the notes to the financial statements, the Municipality has a pay-as-you-go policy for the following: Accrued sick time. During 2009, the Municipality authorized the creation of a Trust to fund Other Post Employment Benefits. The Municipality funded all of the 2009 annual required contribution through the Trust.

MAJOR INITIATIVES

The future of the Municipality continues to look 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, 2008. This is the seventeenth 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



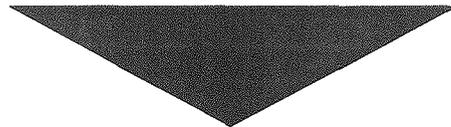
Susan E. Werksman
Director of Personnel and Finance

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2009 Organizational Structure For...

Monroeville Municipal Government

Uniform Construction Code Appeals Board	Human Relations Commission	Recreation & Parks Advisory Board	Monroeville Redevelopment 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	OPEB Committee	
	Civil Service Commission		

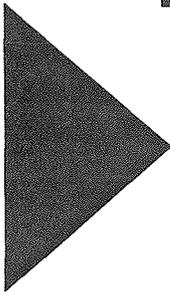


Mayor and Council

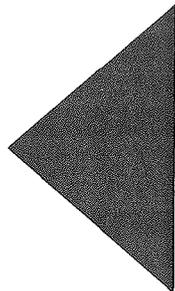


Municipal Solicitor

Municipal Engineer



Municipal Manager



Municipal Treasurer

Risk Management
Productivity Management
Intergovernmental Relations

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.
					Cable TV-15

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MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

PRINCIPAL OFFICIALS DURING 2009

MEMBERS OF COUNCIL

Gregory Erosenko	Mayor
Frank Franci	Council Member, Ward 1
Dave Kucherer	Council Member, Ward 2
Lois Drumheller	Council Member, Ward 3
Jim Brown	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, 2008

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.



President

Executive Director

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FINANCIAL SECTION

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G. M. HOSACK (1934-1941)
W. H. SPECHT (1934-1976)
A. C. WOOD (1934-1978)
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, 2009, 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, 2009, 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 and post-employment benefits 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 23, 2010

**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, 2009. 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, 2009.

FINANCIAL HIGHLIGHTS

- ▶ The Municipality's net assets decreased \$5,717,340 in 2009, or 16.30 percent.
- ▶ Unrestricted net assets were \$12,989,219 at December 31, 2009.
- ▶ During 2009, 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. Standard & Poor's Ratings Group subsequently assigned a municipal Bond rating of "AA-" to the Municipality's 2010 Refunding Bond Issue dated April 15, 2010.
- ▶ At December 31, 2009, the Municipality had \$26 million of debt outstanding. This represents a decrease of \$1,585,000 or 5.76 percent from the previous year. This represents a burden of \$883 per capita.
- ▶ The total fund balance of the general fund at December 31, 2009 was \$12,685,650. The unreserved/undesignated portion of the fund balance was \$5,391,865, which is approximately 23.37 percent of revenues in the general fund for Fiscal Year 2009.

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 and post employment benefits 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

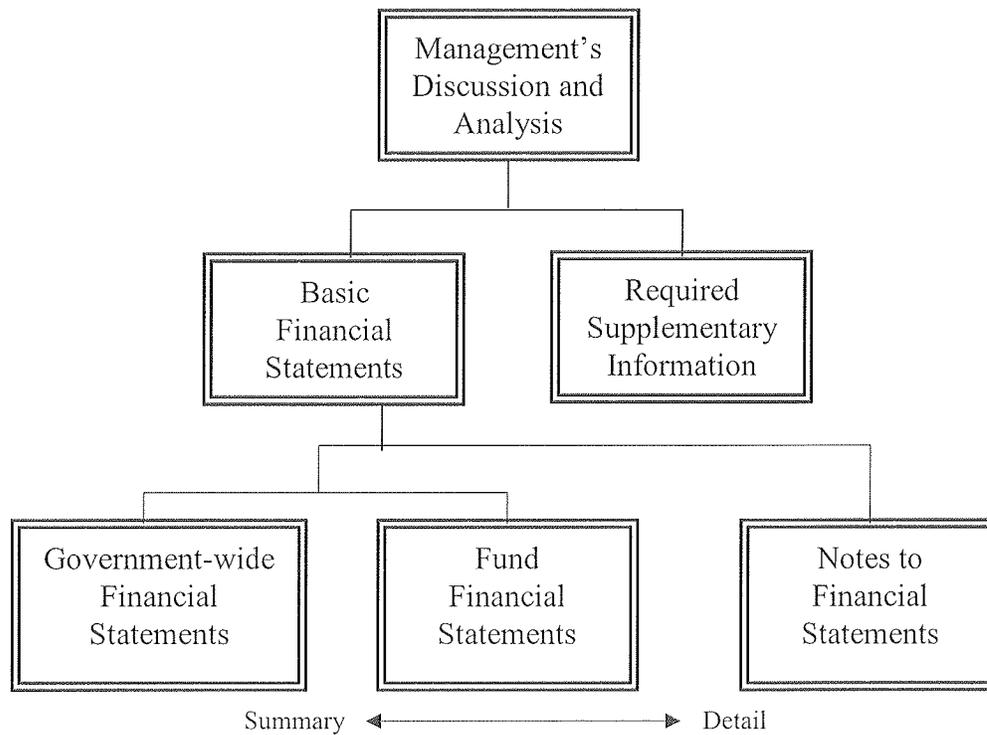


Figure A-2 summarizes the major features of the Municipality’s financial statements. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

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

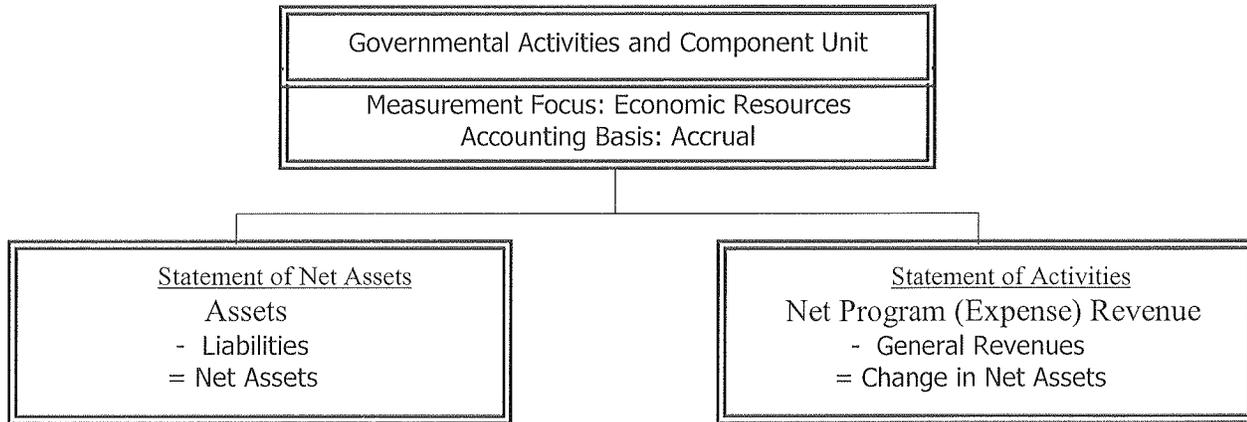
GOVERNMENT-WIDE STATEMENTS

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 Visitor’s 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 and an employee benefit trust fund. These plans cover essentially all full-time employees. The Municipality is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Municipality's fiduciary activities are reported in a separate statement of fiduciary net 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, 2009 are presented below:

Summary of Statement of Net Assets December 31, 2009

	Governmental Activities	
	2008	2009
Current and other assets	\$26,883,594	\$ 20,740,707
Deferred Bond Discount & Costs	\$ 633,495	\$ 529,820
Capital assets	39,740,575	38,817,680
Total assets	\$67,257,664	\$ 60,088,207
Current and other liabilities	\$ 3,943,020	\$ 4,004,023
Non-current liabilities	28,235,830	26,722,710
Total liabilities	\$32,178,850	\$ 30,726,733
Net Assets:		
Invested in capital assets, net of related debt	\$16,086,923	\$ 13,131,214
Restricted	746,777	3,241,041
Unrestricted	18,245,114	12,989,219
Total net assets	\$35,078,814	\$ 29,361,474

Net assets:

For 2009, Net Assets of Governmental Activities, decreased by \$5,717,340 or 16.30 percent to \$29 million.

Infrastructure assets:

On December 31, 2009, the Municipality's total assets were \$60.1 million. Of this amount, \$39 million is accounted for by capital assets which include some infrastructure.

Change in Net Assets
Years Ended December 31, 2009

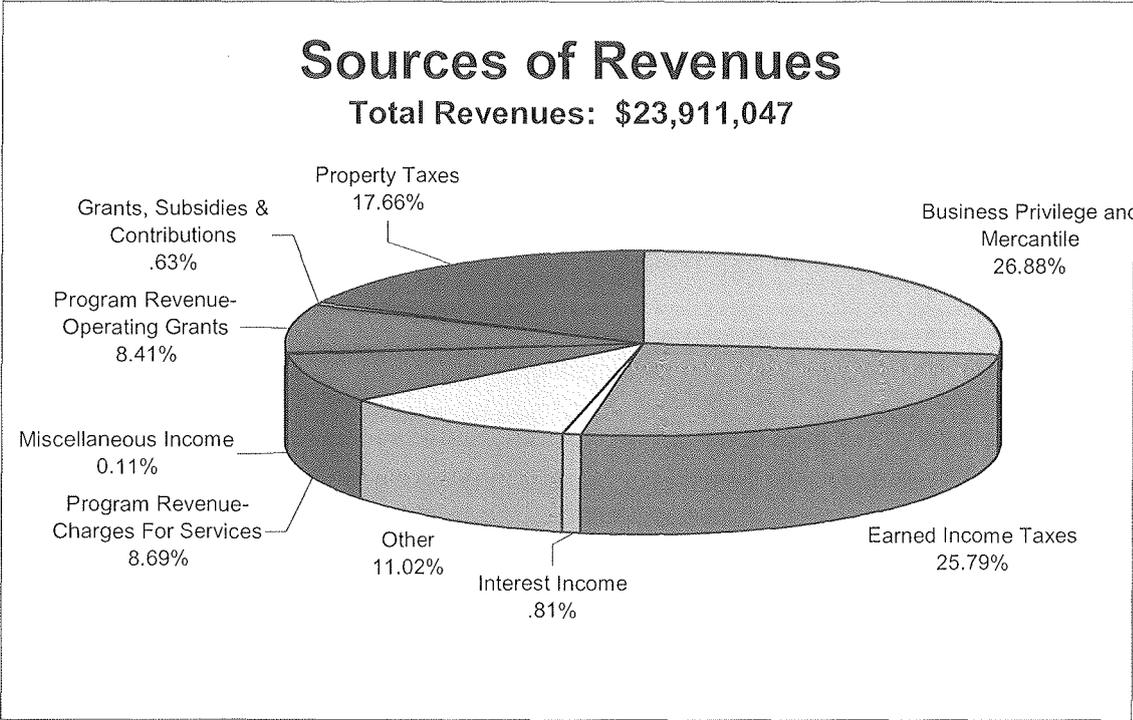
Primary Governmental Activities

	<u>2008</u>	<u>2009</u>	<u>Variance</u>
Revenues			
Program Revenues:			
Charges for Services	\$ 2,066,472	\$ 2,076,928	\$ 10,456
Operating Grants	1,716,251	2,009,815	293,564
General Revenues:			
Property Taxes	4,288,709	4,223,321	(65,388)
Earned Income Taxes	6,599,696	6,166,700	(432,996)
Business Privilege and Mercantile	7,058,347	6,426,641	(631,706)
Other	2,588,588	2,635,771	47,183
Grants, Subsidies & Contributions	49,419	150,091	100,672
Interest Income	909,950	194,868	(715,082)
Miscellaneous Income	152,203	26,912	(125,291)
Total Revenues	<u>\$ 25,429,635</u>	<u>\$ 23,911,047</u>	<u>\$ (1,518,588)</u>
Program Expenses			
General Government	\$ 5,002,245	\$ 4,897,989	\$ (104,256)
Public Safety	11,869,307	12,765,461	896,154
Public Works:			
Sanitation	1,215,876	1,354,005	138,129
Highways and Streets	4,672,102	4,394,628	(277,474)
Culture and Recreation	4,148,448	4,643,491	495,043
Conservation and Development	471,400	558,044	86,644
Interest on Long-Term Debt	1,049,339	1,014,769	(34,570)
Total Expenses	<u>\$ 28,428,717</u>	<u>\$ 29,628,387</u>	<u>\$ 1,199,670</u>
Change in Net Assets	(2,999,082)	(5,717,340)	(2,718,258)
Net Assets-Beginning, as restated	38,077,896	35,078,814	(2,999,082)
Net Assets-Ending	35,078,814	29,361,474	(5,717,340)

GOVERNMENTAL ACTIVITIES

Revenue Sources:

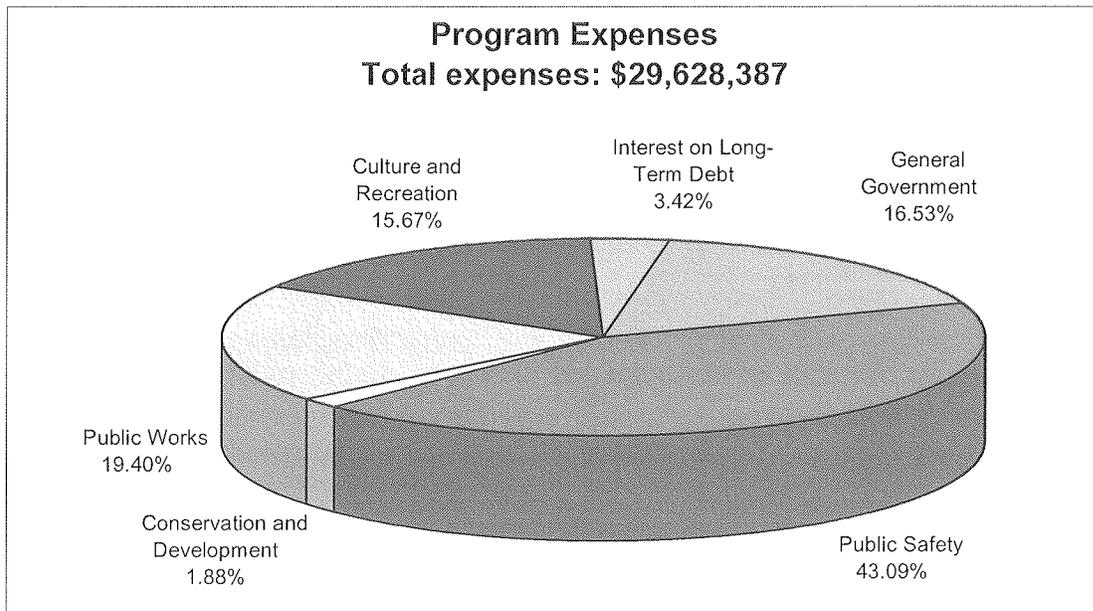
The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2009:



Program Expenses:

Total expenses for all programs in 2009 were \$29.6 million. The expenses reflect the delivery of a wide range of services, with the largest being public safety at 43.09 percent. The second largest program area was Public Works at 19.40 percent, followed by General Government at 16.53 percent, Culture-Recreation at 15.67 percent and all others at 5.31 percent.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2009:



The decrease in net assets in 2009 from \$35,078,814 to \$29,361,474, or a decrease of \$5,717,340 from 2008, is a result of the decline in revenues from the prior year while the Municipality experienced an increase in expenses from the prior year. The decrease was anticipated and was part of the budget plan instituted in which the Municipality would utilize a portion of its beginning net assets to finance its expenses.

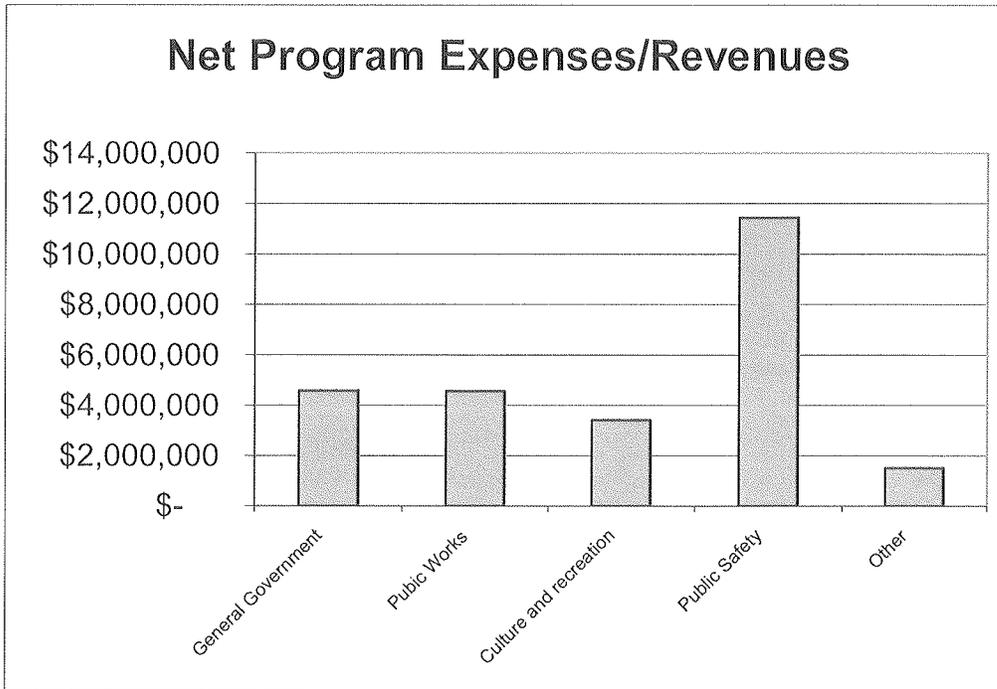
The revenue decrease of \$1,518,588 or 5.9 percent was mainly in three tax categories-earned income tax, business privilege tax and mercantile tax and interest income. The decline in the taxes was a direct result of a sluggish economy. The business privilege tax was down due to economic conditions with auto dealerships and Westinghouse Electric moving a portion of its operation out of Monroeville. Interest income decreased from the prior year due to decreasing interest rates during 2009 and the Municipality having fewer funds to be invested due to the payment into the OPEB Trust Fund.

The expenses increased from the prior year by \$1,199,670 or 4.2 percent. Overall, all municipal departments have been affected by increased payroll due to collective bargaining unit contracts. The largest increase was due to the authorization of a retirement incentive program in December 2009 in an effort to reduce employee costs for 2010. A total of eleven employees took advantage of the program and were required to retire no later than January 31, 2010. The statement of net assets and statement of activities reflects the costs of this program in the increase in the compensated absences and termination benefits payable, an increase in expenses of approximately \$600,000. The Municipality also realized an increase in Culture Recreation from additional maintenance and costs with the new park facilities.

Net Program Expenses/Revenues:

Public safety expenses required the most general revenue for support, needing \$11.4 million in 2009. General government required \$4.6 million, while public works required \$3.6 million in general revenues, culture and recreation required \$3.4 million, and all others required \$2.5 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, 2009:



FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS

As the Municipality completed the year, its governmental funds reported a combined fund balance of \$17.0 million of which \$12.7 million is the general fund, \$2.3 million is the 2007 Capital Improvement Fund, and \$2.0 million is for all other governmental funds. This represents a decrease of \$5.58 million compared to the previous year of which the general fund decreased \$4.7 million due to a subsidy of the general fund and a contribution to the OPEB Trust for the 2009 Annual Required Contribution, the use of the 2007 Bond Issue proceeds in 2009 of \$1.2 million and all other funds provided the balance of changes in fund balance. Of this combined fund balance total, \$6.5 million or 38.45 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 (\$4.9 million) and Retiree Health Insurance designations (\$4.6 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. Business Privilege collections were down due to the economy and car sales and Westinghouse Electric moving a portion of its operations out of Monroeville. This resulted in a negative variance of \$757,458. Local Services Tax was down by \$245,115 due to the State of Pennsylvania changing the collection criteria for the tax.

A transfer of \$2.1 million was authorized during 2009 for the payment of the OPEB Annual Required Contribution by the OPEB Committee.

Interest income was down due to decreasing interest rates during 2009 and less funds to be invested due to the transfer of funds to the OPEB Trust.

Overall, all municipal departments have been affected by increased payroll due to collective bargaining unit contracts and the contribution for the OPEB annual required contribution of \$2,195,682.

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 expenditure was for the 2009 Road Paving Project. 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, 2008 and 2009:

Summary of Capital Assets

	Balance at December 31, 2008	Balance at December 31, 2009
Capital assets, not being depreciated:		
Land	\$ 8,192,365	\$ 8,219,765
Construction in progress	-	-
Total capital assets, not being depreciated	8,192,365	8,219,765
Capital assets, being depreciated:		
Land Improvements	9,861,019	9,861,019
Building and improvements	12,184,618	12,184,618
Machinery and equipment	4,236,677	4,536,652
Vehicles	10,797,689	10,677,565
Infrastructure	16,004,339	16,783,826
Total capital assets, being depreciated	53,084,342	54,043,680
Less accumulated depreciation for:		
Land Improvements	2,065,434	2,489,554
Buildings and improvements	4,543,843	4,883,239
Machinery and equipment	2,651,817	2,786,475
Vehicles	3,474,412	3,732,018
Infrastructure	8,800,626	9,554,479
Total accumulated depreciation	21,536,132	23,445,765
Total	\$ 39,740,575	\$ 38,817,680

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, 2009 the Municipality had \$25.9 million of debt outstanding. This represents a decrease of \$1,585,000, or 5.76 percent, from the previous year. The following details activity related to general obligation bonds during 2009:

Summary of General Obligation Bond Activity	
Beginning Balance at 1/1/2009	\$ 27,495,000
Principal Retirement	(1,585,000)
New Bond Issuance	0
Ending Balance at 12/31/2009	\$ 25,910,000

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 Funds and Other Employer Benefit Trust Funds

Monroeville has two pension plans – general employees and police and in 2009 created an OPEB Trust Fund. Municipal involvement in the administration of the police pension plan is the establishment of the investment policy and the calculation of benefits for retirees, which are then paid by the trustee. During 2009, police pension plan net assets increased \$3,789,919 to \$25,396,742 and the OPEB Trust Fund net assets were \$1,785,881.

During 2009, contributions were required for both the pension plans and other post employment benefits in the amount of \$3,769,786. 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 \$7.8 million, respectively, as of January 1, 2009. The required supplementary information located at the conclusion of the Notes to Financial Statements provides the details on the pension and OPEB Trust plans' funding progress.

Bond Ratings

During 2009, 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. Standard & Poor's Ratings Group subsequently assigned a municipal Bond rating of "AA-" to the Municipality's 2010 Refunding Bond Issue dated April 15, 2010.

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

BASIC FINANCIAL STATEMENTS

**Municipality of Monroeville
Statement of Net Assets
December 31, 2009**

	<u>Primary Government</u>	<u>Component Units</u>	
	Governmental Activities	Senior Citizens Council	Convention Visitor's Bureau
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$11,019,548	\$115,374	\$210,269
Investments	1,611,034	-	-
Restricted Cash and Cash Equivalents	1,344,329	-	-
Restricted Investments	3,249,716	-	-
Receivables (Net, Where Applicable of Allowance for Uncollectibles)			
Taxes	3,085,135	-	-
Due from Other Governments	177,082	-	341,881
Other	253,828	-	-
Prepaid Items	<u>35</u>	<u>-</u>	<u>18,055</u>
Total Current Assets	<u>20,740,707</u>	<u>115,374</u>	<u>570,205</u>
Noncurrent Assets			
Land	8,219,765	-	-
Capital Assets, Net of Accumulated Depreciation	23,368,568	-	99,036
Infrastructure Assets, Net of Accumulated Depreciation	7,229,347	-	-
Deferred Bond Issue, Discount and Costs	<u>529,820</u>	<u>-</u>	<u>-</u>
Total Noncurrent Assets	<u>39,347,500</u>	<u>-</u>	<u>99,036</u>
TOTAL ASSETS	<u>\$60,088,207</u>	<u>\$115,374</u>	<u>\$669,241</u>
LIABILITIES AND NET ASSETS			
Liabilities			
Current Liabilities			
Accounts Payable	\$ 877,258	\$ -	\$ 18,924
Accrued Salaries and Benefits	607,701	-	-
Unearned Revenue	40,975	-	-
Returnable Deposits	145,542	-	-
Accrued Interest Payable	79,631	-	-
Current Portion of Long-Term Debt	<u>2,252,916</u>	<u>-</u>	<u>-</u>
Total Current Liabilities	<u>4,004,023</u>	<u>-</u>	<u>18,924</u>
Noncurrent Liabilities			
Bonds Payable	24,295,000	-	-
Long-Term Portion of Compensated Absences	916,438	-	-
Other Post-Employment Benefits	<u>1,511,272</u>	<u>-</u>	<u>-</u>
Total Noncurrent Liabilities	<u>26,722,710</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>30,726,733</u>	<u>-</u>	<u>18,924</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	13,131,214	-	99,036
Restricted for			
Capital Projects	3,157,624	-	-
Fiscal Emergency	83,417	-	-
Unrestricted	<u>12,989,219</u>	<u>115,374</u>	<u>551,281</u>
Total Net Assets	<u>29,361,474</u>	<u>115,374</u>	<u>650,317</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$60,088,207</u>	<u>\$115,374</u>	<u>\$669,241</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Activities
Year Ended December 31, 2009

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	Senior Citizens Council	Component Units Convention Visitor's Bureau
Governmental Activities						
General Government	\$ 4,897,989	\$ 49,259	\$ 260,921	\$ (4,587,809)	\$ -	\$ -
Public Safety	12,765,461	451,374	865,495	(11,448,592)	-	-
Public Works - Sanitation	1,354,005	387,118	26,977	(939,910)	-	-
Public Works - Highways	4,394,628	45,665	712,769	(3,636,194)	-	-
Culture - Recreation	4,643,491	1,083,003	143,653	(3,416,835)	-	-
Conservation and Development	558,044	60,509	-	(497,535)	-	-
Interest on Long-Term Debt	<u>1,014,769</u>	-	-	<u>(1,014,769)</u>	-	-
Total Governmental Activities	<u>29,628,387</u>	<u>2,076,928</u>	<u>2,009,815</u>	<u>(25,541,644)</u>	-	-
Total Primary Government	<u>\$29,628,387</u>	<u>\$2,076,928</u>	<u>\$2,009,815</u>	<u>(25,541,644)</u>	-	-
Component Units						
Senior Citizens Council	\$ 54,230	\$ -	\$ 10,000	-	(44,230)	-
Convention Visitor's Bureau	<u>448,163</u>	-	<u>250,000</u>	-	-	<u>(198,163)</u>
Total Component Units	<u>\$ 502,393</u>	<u>\$ -</u>	<u>\$ 260,000</u>	-	<u>(44,230)</u>	<u>(198,163)</u>
General Revenues						
Taxes						
Property Taxes, Levied for General Purposes (Net)				4,223,321	-	-
Earned Income Taxes				6,166,700	-	-
Business Privilege Taxes				4,168,422	-	-
Mercantile Taxes				2,258,219	-	-
Local Services Taxes				1,053,058	-	-
Real Estate Transfer Taxes				892,603	-	-
Hotel/Motel Taxes				-	-	557,388
Other Taxes, Levied for General Purposes (Net)				690,110	-	-
Grants, Subsidies and Contributions Not Restricted				150,091	-	-
Investment Earnings				194,868	1,310	1,321
Miscellaneous				<u>26,912</u>	<u>63,934</u>	<u>12,978</u>
Total General Revenues				<u>19,824,304</u>	<u>65,244</u>	<u>571,687</u>
Changes in Net Assets				(5,717,340)	21,014	373,524
Net Assets - January 1, 2009				<u>35,078,814</u>	<u>94,360</u>	<u>276,793</u>
Net Assets - December 31, 2009				<u>\$ 29,361,474</u>	<u>\$1154,374</u>	<u>\$ 650,317</u>

See Accompanying Notes

Municipality of Monroeville
Balance Sheet
Governmental Funds
December 31, 2009

	General Fund	Cable Television Fund	2005 Capital Improvements Fund	2007 Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 4,897,357	\$2,549,572	\$ 759,582	\$2,485,820	\$327,217	\$11,019,548
Investments	1,611,034	-	-	-	-	1,611,034
Restricted Cash and Cash Equivalents	1,344,329	-	-	-	-	1,344,329
Restricted Investments	3,249,716	-	-	-	-	3,249,716
Taxes Receivable (Net)	3,085,135	-	-	-	-	3,085,135
Due from Other Funds	1,773,720	-	963,181	4,013	-	2,740,914
Due from Other Governments	177,082	-	-	-	-	177,082
Other Receivables (Net, Where Applicable of Allowance for Uncollectibles)	129,308	124,520	-	-	-	253,828
Prepaid Items	35	-	-	-	-	35
TOTAL ASSETS	<u>\$16,267,716</u>	<u>\$2,674,092</u>	<u>\$1,722,763</u>	<u>\$2,489,833</u>	<u>\$327,217</u>	<u>\$23,481,621</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Due to Other Funds	\$ -	\$1,712,932	\$1,019,748	\$ 8,234	\$ -	\$ 2,740,914
Accounts Payable	697,853	248	4,431	174,726	-	877,258
Accrued Salaries and Benefits	607,701	-	-	-	-	607,701
Returnable Deposits	145,542	-	-	-	-	145,542
Deferred Revenues	<u>2,130,970</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,130,970</u>
Total Liabilities	<u>3,582,066</u>	<u>1,713,180</u>	<u>1,024,179</u>	<u>182,960</u>	<u>-</u>	<u>6,502,385</u>
Fund Balances						
Reserve for Encumbrances	854,080	-	-	-	-	854,080
Reserve for Retiree Health Insurance Benefits	4,594,045	-	-	-	-	4,594,045
Reserve for Fiscal Emergency	83,417	-	-	-	-	83,417
Reserve for Capital Projects	-	-	698,584	2,306,873	152,167	3,157,624
Unreserved - Designated for Future Capital Projects	1,762,243	-	-	-	-	1,762,243
Unreserved - Undesignated						
General Fund	5,391,865	-	-	-	-	5,391,865
Special Revenue Fund	-	<u>960,912</u>	<u>-</u>	<u>-</u>	<u>175,050</u>	<u>1,135,962</u>
Total Fund Balances	<u>12,685,650</u>	<u>960,912</u>	<u>698,584</u>	<u>2,306,873</u>	<u>327,217</u>	<u>16,979,236</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$16,267,716</u>	<u>\$2,674,092</u>	<u>\$1,722,763</u>	<u>\$2,489,833</u>	<u>\$327,217</u>	<u>\$23,481,621</u>

See Accompanying Notes

**Municipality of Monroeville
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2009**

Total Fund Balances - Governmental Funds \$ 16,979,236

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 \$62,263,445, and the accumulated depreciation is \$23,445,765. 38,817,680

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. 2,089,995

Deferred charges on bonds issued and refunded are capitalized and amortized over the life of the bonds in the statement of net assets. 529,820

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	\$(25,910,000)	
Accrued Interest on the Bonds	(79,631)	
Termination Benefits	(299,186)	
Compensated Absences	(1,255,168)	
Other Post-Employment Benefits	<u>(1,511,272)</u>	<u>(29,055,257)</u>

Total Net Assets - Governmental Activities \$ 29,361,474

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2009

	General Fund	Cable Television Fund	2005 Capital Improvements Fund	2007 Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$19,912,623	\$ -	\$ -	\$ -	\$ -	\$19,912,623
Licenses and Permits	750,379	475,741	-	-	-	1,226,120
Fines and Forfeits	141,657	-	-	-	-	141,657
Interest, Rents and Royalties	163,864	-	4,787	23,532	2,685	194,868
Intergovernmental	1,328,540	-	-	98,865	705,101	2,132,506
Charges for Services	746,513	-	-	-	-	746,513
Miscellaneous	<u>26,887</u>	<u>25</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,912</u>
Total Revenues	<u>23,070,463</u>	<u>475,766</u>	<u>4,787</u>	<u>122,397</u>	<u>707,786</u>	<u>24,381,199</u>
Expenditures						
Current:						
General Government	4,244,860	-	-	-	-	4,244,860
Public Safety	11,687,888	-	-	-	-	11,687,888
Public Works - Sanitation	1,248,905	-	-	-	-	1,248,905
Public Works - Highways	2,615,015	-	-	-	640,000	3,255,015
Culture - Recreation	3,833,963	184,106	-	-	-	4,018,069
Conservation and Development	545,414	-	-	-	-	545,414
Insurance Premiums	1,006,736	-	-	-	-	1,006,736
Debt Service:						
Principal	1,585,000	-	-	-	-	1,585,000
Interest	977,246	-	-	-	-	977,246
Capital Outlay	<u>-</u>	<u>2,849</u>	<u>8,477</u>	<u>1,467,232</u>	<u>3,150</u>	<u>1,481,708</u>
Total Expenditures	<u>27,745,027</u>	<u>186,955</u>	<u>8,477</u>	<u>1,467,232</u>	<u>643,150</u>	<u>30,050,841</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(4,674,564)</u>	<u>288,811</u>	<u>(3,690)</u>	<u>(1,344,835)</u>	<u>64,636</u>	<u>(5,669,642)</u>
Other Financing Sources (Uses)						
Transfers In	-	-	190,296	-	37,723	228,019
Sale of Capital Assets	-	-	-	85,000	-	85,000
Transfers Out	<u>(37,723)</u>	<u>(190,296)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(228,019)</u>
Total Other Financing Sources (Uses)	<u>(37,723)</u>	<u>(190,296)</u>	<u>190,296</u>	<u>85,000</u>	<u>37,723</u>	<u>85,000</u>
Net Changes in Fund Balances	(4,712,287)	98,515	186,606	(1,259,835)	102,359	(5,584,642)
Fund Balances - January 1, 2009	<u>17,397,937</u>	<u>862,397</u>	<u>511,978</u>	<u>3,566,708</u>	<u>224,858</u>	<u>22,563,878</u>
Fund Balance - December 31, 2009	<u>\$12,685,650</u>	<u>\$ 960,912</u>	<u>\$698,584</u>	<u>\$ 2,306,873</u>	<u>\$327,217</u>	<u>\$16,979,236</u>

See Accompanying Notes

**Municipality of Monroeville
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
to the Statement of Activities
Year Ended December 31, 2009**

Total Net Change in Fund Balances - Governmental Funds \$(5,584,642)

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	\$(2,554,231)	
Capital Outlays	1,750,397	
Net Book Value of Assets Retired	<u>(119,061)</u>	(922,895)

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.

3,795

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

1,585,000

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

Compensated Absences	(421,488)	
Termination Benefits	(299,186)	
Net Other Post-Employment Benefit Obligation	<u>22,562</u>	(698,112)

**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, 2009**

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	\$ 3,189
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Bond issuance costs and bond discount are reported in the statement of revenues and expenditures of governmental funds as expenditures but are capitalized and amortized over the life of the bonds in the statement of activities.

Amortization of Issuance Costs, Discount and Deferred Loss on Refunding	<u>(103,675)</u>
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Change in Net Assets of Governmental Activities	<u><u>\$(5,717,340)</u></u>
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See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget and Actual
Year Ended December 31, 2009

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$20,173,322	\$20,173,322	\$19,912,623	\$(260,699)
Licenses and Permits	848,693	848,693	750,379	(98,314)
Fines and Forfeits	89,850	89,850	141,657	51,807
Interest, Rents and Royalties	433,988	403,988	163,864	(240,124)
Intergovernmental	625,950	625,950	1,328,540	702,590
Charges for Services	608,644	638,644	746,513	107,869
Miscellaneous	<u>-</u>	<u>-</u>	<u>26,887</u>	<u>26,887</u>
 Total Revenues	 <u>22,780,447</u>	 <u>22,780,447</u>	 <u>23,070,463</u>	 <u>290,016</u>
 Expenditures				
Current:				
General Government	3,644,686	3,818,890	4,244,860	(425,970)
Public Safety	10,609,998	12,051,121	11,687,888	363,233
Public Works - Sanitation	1,130,942	1,157,180	1,248,905	(91,725)
Public Works - Highways	3,159,752	3,413,182	2,615,015	798,167
Culture - Recreation	3,079,307	3,379,994	3,833,963	(453,969)
Conservation and Dev.	504,528	504,528	545,414	(40,886)
Insurance Premiums	994,479	994,479	1,006,736	(12,257)
Debt Service:				
Principal	1,585,000	1,585,000	1,585,000	-
Interest	<u>977,707</u>	<u>977,707</u>	<u>977,246</u>	<u>461</u>
 Total Expenditures	 <u>25,686,399</u>	 <u>27,882,081</u>	 <u>27,745,027</u>	 <u>137,054</u>

**Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget and Actual
Year Ended December 31, 2009**

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Excess (Deficiency) of Revenues Over Expenditures	\$(<u>2,905,952</u>)	\$(<u>5,101,634</u>)	\$(<u>4,674,564</u>)	\$ <u>427,070</u>
Other Financing Sources(Uses) Transfers Out	<u>-</u>	<u>-</u>	<u>(37,723)</u>	<u>(37,723)</u>
Net Change in Fund Balance	\$(<u>2,905,952</u>)	\$(<u>5,101,634</u>)	\$(<u>4,712,287</u>)	\$ <u>389,347</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, 2009

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and Permits				
Cable TV Franchise Fees	\$ 423,733	\$ 423,733	\$ 475,741	\$ 52,008
Miscellaneous - Other	<u> -</u>	<u> -</u>	<u> 25</u>	<u> 25</u>
Total Revenues	<u>423,733</u>	<u>423,733</u>	<u>475,766</u>	<u>52,033</u>
Expenditures				
Current:				
Culture - Recreation	207,382	209,207	184,106	25,101
Capital Outlay:				
Culture - Recreation	<u>26,450</u>	<u>24,625</u>	<u>2,849</u>	<u>21,776</u>
Total Expenditures	<u>233,832</u>	<u>233,832</u>	<u>186,955</u>	<u>46,877</u>
Excess (Deficiency) of Revenues Over Expenditures	189,901	189,901	288,811	98,910
Other Financing Uses				
Transfers Out	<u>(169,493)</u>	<u>(169,493)</u>	<u>(190,296)</u>	<u>(20,803)</u>
Net Change in Fund Balance	<u>\$ 20,408</u>	<u>\$ 20,408</u>	<u>\$ 98,515</u>	<u>\$ 78,107</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Net Assets
Fiduciary Funds
December 31, 2009

	Pension and Other Employee Benefit Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 3,629,328
Investments	
Equities	10,450,650
Mutual Funds	3,279,283
Municipal Bonds	2,036,188
U. S. Treasuries	1,286,483
Corporate Bonds	3,299,257
Mortgage Backed Securities	2,776,822
Certificates of Deposit	417,022
Other Receivables	<u>7,590</u>
TOTAL ASSETS	<u>\$27,182,623</u>
LIABILITIES AND NET ASSETS	
Liabilities	\$ <u> -</u>
Net Assets	
Held in Trust for Pension Benefits	25,396,742
Held in Trust for Other Post-Employment Benefits	<u>1,785,881</u>
Total Net Assets	<u>27,182,623</u>
TOTAL LIABILITIES AND NETS ASSETS	<u>\$27,182,623</u>

See Accompanying Notes

Municipality of Monroeville
Statement of Changes in Net Assets
Fiduciary Funds
December 31, 2009

	Pension and Other Employee Benefit Trust Funds
Additions	
Contributions	
Employer	\$ 3,769,786
Plan Members	<u>286,470</u>
Total Contributions	<u>4,056,256</u>
Investment Income	
Net Appreciation (Depreciation) in Fair Value of Investments	2,978,126
Interest and Dividends	<u>725,905</u>
	3,704,031
Less Investment Expense	<u>(115,130)</u>
Net Investment Income	<u>3,588,901</u>
Total Additions	<u>7,645,157</u>
Deductions	
Benefits	2,036,820
Administrative Expenses	<u>32,537</u>
Total Deductions	<u>2,069,357</u>
Change in Net Assets	5,575,800
Net Assets - January 1, 2009	<u>21,606,823</u>
Net Assets - December 31, 2009	<u>\$27,182,623</u>

See Accompanying Notes

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

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, 2009

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 seven voting members and one nonvoting member, which are appointed by Municipal Council. The Bureau, via a Municipal ordinance, is the designated agent of the Municipality for use of Allegheny County Hotel/Motel tax funds. Annually, the Bureau's Board submits a financial plan to Municipal Council for approval. Monthly requests for transfer of funds are submitted to the Municipal finance department. Separate financial statements are not issued.

Other

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

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, 2009

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, 2009

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

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, 2009

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 of 360 hours. Accumulated compensatory time may be taken at the time of an officer's retirement or he/she may elect to receive compensation totaling the dollar value of accumulated compensatory time. In addition, the police officers, as well as the Municipal employees, are entitled to be paid for any unused sick days at a rate of between \$50-\$100 per day upon termination. Accumulated benefits for compensatory time and for unused sick days are accrued and reported on the government-wide financial statements.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

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 controls for the Trust Funds are maintained by the provisions of the funds as implemented by its respective governing board. The Police Asset Seizure Fund activity is governed by the federal and state provisions imposed on those funds. The Sidewalk Fund is governed by the ordinance that established the fund. The Northern Pike Improvements Fund is governed by the development agreement that funded the project. The 2005 and 2007 Capital Improvements Funds are governed by the debt agreements that funded those projects. 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, 2009

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

K. Budgets and Budgetary Accounting (Cont'd)

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

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

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

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

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

Council may amend the budget by ordinance during the fiscal year for which the budget was adopted as long as the amendment does not result in expenditures exceeding available resources. The budget information presented encompasses all budget amendments. There were supplemental appropriations in the general fund in 2009 of \$2,195,682. 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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

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

L. Equity Classifications

Government-Wide Statements

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 9 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.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2009**

Note 2 - Deposits and Investments (Cont'd)

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

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

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. The Municipality nor its component units do not have a deposit policy for custodial credit risk. Deposits in excess of amounts covered by the Federal Deposit Insurance Corporation are collateralized in accordance with Act 72 of 1971 of the Pennsylvania State Legislature which requires the institution to pool collateral for all governments and have the collateral held by an approved custodian in the institution's name. As of December 31, 2009, \$3,738,786 of the Municipality's bank balance of \$5,896,223 was exposed to custodial credit risk as follows:

Uninsured and Collateral Held by Pledging	
Bank's Agent not in the Municipality's Name	<u>\$3,738,786</u>

As of December 31, 2009, the component units' bank balances were \$114,224 of which none was exposed to custodial credit risk.

As of December 31, 2009, 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	\$ 7,589,439	
Dreyfus Cash Management	3,390,117	
Federated Prime Cash	1,500,074	

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 2 - Deposits and Investments (Cont'd)

Custodial Credit Risk - Deposits (Cont'd)

Investment Type	Fair Value	Weighted Average Maturity (Years)
Money Market Funds (Cont'd)		
Janney Montgomery Scott		
Money Market	\$ 7,010	
Huntington Money Market	101,226	
Common Stock	10,450,650	
Mutual Funds	3,279,283	
Municipal Bonds	2,036,188	8.66
Corporate Bonds	3,299,257	4.02
U. S. Agencies	5,879,912	4.60
U. S. Treasuries	<u>1,286,483</u>	0.04
 Totals	 <u>\$38,819,639</u>	
 Portfolio Weighted Average Maturity		 4.64

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

Of the total investments above, \$25,396,742 and \$1,778,291 are reported in the Municipality's Fiduciary Pension Trust Fund and OPEB Trust Fund, respectively. The balance is reported in its governmental funds.

Investments

Interest Rate Risk - The Municipality does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risks - Pennsylvania statutes authorize the type of investments allowed and are described above. The Municipality has no investment policy that would further limit its investment choices. The Municipality's investments, excluding its common stock, mutual

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

funds and U. S. government guaranteed obligations, are rated by nationally recognized statistical rating organizations Standard and Poor's (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	N/R
Federated Prime Cash	AAAm	N/R
Huntington Money Market	N/R	N/R
Janney Montgomery Scott Money Market	N/R	N/R
U. S. Agencies		
Federal Nat'l Mortgage Assoc. (1,489,060)	AAA	Aaa
Federal Nat'l Mortgage Assoc. (752,108)	AAA	WR
Federal Home Loan Banks (3,240,182)	AAA	Aaa
Federal Home Loan Banks (199,250)	AAA	WR
Federal Farm Credit Banks (199,312)	AAA	N/R
Municipal Bonds		
Indianapolis, IN (500,000)	A	Aa2
New Jersey St (100,319)	N/R	Aa2
Dover DE Electric (502,930)	N/R	Aa2
Los Angeles, CA Mun. IMPT (247,523)	A+	A1
Penn Twp. PA York County (491,530)	AA	N/R
Pittsburgh, PA Urban Redev. (97,748)	AA	N/R
Upper St. Clair Twp. PA Sch. Dist. (96,138)	AA+	N/R
Corporate Bonds		
American Express (550,635)	BBB+	A3
Banc of America (107,532)	A	A2
General Electric (370,940)	AA+	Aa2
Goldman Sachs (107,050)	A	A1
Harvard College (537,055)	AAA	AAA
HSBC Finance (512,410)	A	A3
Hutchinson Whampoa Intl. (543,060)	A-	A3
PPG (266,923)	BBB+	Baa1
Wachovia (101,701)	A+	A2
Wm. Wrigley Jr. (201,951)	N/R	WR

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

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, 2009, was \$214,367 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.

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, 2009, was \$2.20 per \$1,000 of assessed valuation. Total assessed value was approximately \$2.1 billion, at 100% market value.

Property taxes are declared delinquent on February 28th of the following year. At December 31, 2009, total property taxes receivable, including delinquent and liened, was \$673,547 of which \$168,387 has been provided as uncollectible.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2009**

Note 3 - Property Taxes (Cont'd)

The property tax calendar for 2009 was as follows:

2009 Millage Rate Adopted	December 16, 2008
2009 Bills Dated	March 1, 2009
2009 Two Percent Discount Period Ended	April 30, 2009
2008 Delinquent Property Tax Bills Liened	July 1, 2009
2009 Property Taxes not paid to be Declared Delinquent	February 28, 2010

Note 4 - Other Receivables

Other receivables consist of the following items:

	<u>General Fund</u>	<u>Special Revenue Funds</u>
Host Municipality Fees	\$ 97,816	\$ -
Cable TV Franchise Fees	-	124,520
Miscellaneous	11,758	-
Public Works	<u>19,734</u>	<u>-</u>
	<u>\$129,308</u>	<u>\$124,520</u>

Note 5 - Capital Assets

Governmental activities capital asset activity for the year ended December 31, 2009 was as follows:

	Balance 01/01/09	Additions	Disposals	Balance 12/31/09
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ <u>8,192,365</u>	\$ <u>27,400</u>	\$ <u>-</u>	\$ <u>8,219,765</u>

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2009**

Note 5 - Capital Assets (Cont'd)

	Balance 01/01/09	Additions	Disposals	Balance 12/31/09
Governmental Activities (Cont'd)				
Capital Assets, Being Depreciated				
Land Improvements	\$ 9,861,019	\$ -	\$ -	\$ 9,861,019
Buildings & Building Improvements	12,184,618	-	-	12,184,618
Machinery & Equipment	4,236,677	454,389	154,414	4,536,652
Vehicles	10,797,689	489,121	609,245	10,677,565
Infrastructure	<u>16,004,339</u>	<u>779,487</u>	<u>-</u>	<u>16,783,826</u>
 Total Capital Assets, Being Depreciated	 <u>53,084,342</u>	 <u>1,722,997</u>	 <u>763,659</u>	 <u>54,043,680</u>
 Less Accumulated Depreciation				
Land Improvements	2,065,434	424,120	-	2,489,554
Buildings & Building Improvements	4,543,843	339,396	-	4,883,239
Machinery & Equipment	2,651,817	289,072	154,414	2,786,475
Vehicles	3,474,412	747,790	490,184	3,732,018
Infrastructure	<u>8,800,626</u>	<u>753,853</u>	<u>-</u>	<u>9,554,479</u>
 Total Accumulated Depreciation	 <u>21,536,132</u>	 <u>2,554,231</u>	 <u>644,598</u>	 <u>23,445,765</u>
 Governmental Activities Capital Assets, Net	 <u>\$39,740,575</u>	 <u>\$ (803,834)</u>	 <u>\$119,061</u>	 <u>\$38,817,680</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	\$ 218,484
Public Safety	571,987
Sanitation	76,777
Public Works	974,119
Culture - Recreation	711,231
Conservation and Development	<u>1,633</u>
	 <u>\$2,554,231</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 5 - Capital Assets (Cont'd)

Component units capital asset activity for the year ended December 31, 2009 was as follows:

	Balance 01/01/09	Additions	Disposals	Balance 12/31/09
Component Units				
Capital Assets, Being Depreciated				
Furniture & Equipment	\$ -	\$99,231	\$ -	\$99,231
Less Accumulated Depreciation				
Furniture & Equipment	<u>-</u>	<u>195</u>	<u>-</u>	<u>195</u>
Component Units Capital Assets, Net	<u>\$ -</u>	<u>\$99,036</u>	<u>\$ -</u>	<u>\$99,036</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, 2009:

	<u>General Obligation Bonds</u>	<u>Compensated Absences</u>	<u>Termination Payments</u>
Beginning of the Year	\$27,495,000	\$ 833,680	\$ -
Increase	-	425,309	299,186
Retirements	<u>(1,585,000)</u>	<u>(3,821)</u>	<u>-</u>
End of the Year	<u>\$25,910,000</u>	<u>\$1,255,168</u>	<u>\$299,186</u>
Current Portion	<u>\$ 1,615,000</u>	<u>\$ 338,730</u>	<u>\$299,186</u>

Bonds Payable at December 31, 2009 are composed of the following issues:

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2009**

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

General Obligation Bonds

Series 2003 \$3,355,000; 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.	\$ 1,285,000
Series 2003A \$8,480,000; 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.	3,505,000
Series 2005 \$6,135,000; 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.	6,115,000
Series 2005A \$7,520,000; 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.	7,420,000
Series 2007 \$7,590,000; 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>7,585,000</u>
	<u>\$25,910,000</u>

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

Year Ended December 31,	Principal	Interest	Totals
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	1,770,000	778,837	2,548,837

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2009**

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

Year Ended December 31,	Principal	Interest	Totals
2014	\$ 1,840,000	\$ 714,712	\$ 2,554,712
2015-2019	10,310,000	2,449,884	12,759,884
2020-2022	<u>6,985,000</u>	<u>419,146</u>	<u>7,404,146</u>
	<u>\$25,910,000</u>	<u>\$7,019,027</u>	<u>\$32,929,027</u>

The future annual payments listed above are to be funded entirely by the General Fund. All the general obligation bonds were issued for providing funds for capital projects throughout the Municipality. The compensated absences and termination payments liabilities will be liquidated primarily by the General Fund.

Note 7 - Voluntary Termination Payments

On December 8, 2009, the Municipality of Monroeville enacted a voluntary early retirement plan for eligible employees who retire on or before January 31, 2010. Eligible employees are those who are eligible to retire and covered by the Municipality's Non-Uniformed Pension Plan or Police Pension Plan. Employees eligible to retire and covered under the Non-Uniformed Pension Plan may receive a cash incentive of one and one-half percent (1.5%) of the employee's final salary, multiplied by all years of credited service. Employees eligible to retire and covered under the Police Pension Plan may receive a cash incentive of \$30,000. Both types of employees may elect to receive the benefit payment payable in a lump sum or evenly over 36 months. Ten employees elected to participate in the incentive during 2009. All termination benefits were subsequently paid in a lump sum.

Total cost recognized as a current liability in the statement of net assets was \$299,186. The expected yield on municipal funds used to liquidate the liability is considered negligible and the liability was calculated at the actual amount paid in 2010. In the fund financial statements, all costs are recognized when they are expected to be liquidated. The general fund recognized \$299,186 in expenditures related to termination benefits in 2010.

Note 8 - Interfund Balances and Transfers

Interfund balances at December 31, 2009 were as follows:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 8 - Interfund Balances and Transfers (Cont'd)

Fund	Interfund Receivable	Interfund Payable
General	\$1,773,720	\$ -
2005 Capital Improvements	963,181	1,019,748
Cable Television	-	1,712,932
2007 Capital Improvements	<u>4,013</u>	<u>8,234</u>
	<u>\$2,740,914</u>	<u>\$2,740,914</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, 2009 from the Cable Television Fund to the 2005 Capital Improvements Fund in the amount of \$190,296. 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. There also was a transfer of \$37,723 from the General Fund to the Highway Aid Fund, a Nonmajor Special Revenue Fund, to offset public works expenditures.

Note 9 - 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 cash and investments are reported as restricted on the Municipality's financial statements.

Note 10 - Pension Plans

Plan Description and Eligibility

The Municipality administers two defined benefit pension plans covering full-time employees, the Non-Uniform Pension Plan and the Police Pension Plan (Plans). Both Plans operate under the authority of various Municipal ordinances. The Non-Uniform Pension Plan is affiliated

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 10 - Pension Plans (Cont'd)

Plan Description and Eligibility (Cont'd)

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 value of the accrued benefit will be paid to the beneficiary if an active member is eligible for retirement at the time of death. A disability benefit is provided in the Plan. If the disability is service related, the benefit is 50% of FAS. For non-service related disability with ten years of service, the benefit is 30% of FAS.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2009**

Note 10 - Pension Plans (Cont'd)

Plan Description and Eligibility (Cont'd)

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, 2009, participants in the Plans were as follows:

	<u>Non-Uniform</u>	<u>Police</u>
Participants		
Retirees and Beneficiaries	83	38
Deferred Vested	1	1
Active Employees		
Vested	62	40
Non-vested	45	12

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, 2009, 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, 2009, was \$1,286,483, or 5.1% of the total plan's net assets.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 10 - 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 2009 MMO obligations (contributed to the Plans through a combination of Commonwealth and Municipal funding) for the Non-Uniform Plan and Police Plan were \$812,408 (14.0% of covered payroll) and \$1,574,104 (28.3% of covered payroll), respectively. Employee contributions for the Non-Uniform Plan and Police Plan were \$350,877 (6% of covered payroll) and \$286,470 (5% of covered payroll), respectively. The Commonwealth contributions for the Police Plan in 2009 were \$433,543 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	\$812,408	\$1,574,104
Contributions Made	812,408	1,574,104
Actuarial Valuation Date	01/01/2009	01/01/2009
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	10 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, 2009**

Note 10 - 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, 2009.

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	12/31/07	\$ 744,660	100.0%	\$ -
	12/31/08	765,201	100.0%	-
	12/31/09	812,408	100.0%	-
Police	12/31/07	1,551,065	100.0%	-
	12/31/08	1,531,513	100.0%	-
	12/31/09	1,574,104	100.0%	-

Funded Status and Funding Progress

The following is funded status information for each plan as of January 1, 2009, the most recent actuarial valuation date:

	<u>Actuarial Value of Assets (a)</u>	<u>Actuarial Accrued Liability (AAL) Entry Age (b)</u>	<u>Unfunded AAL (UAAL) (Excess of Assets over AAL) (b-a)</u>	<u>Funded Ratio (a/b)</u>	<u>Covered Payroll (c)</u>	<u>UAAL (Excess of Assets over AAL) as a Percentage of Covered Payroll [(b-a)/c]</u>
Non-Uniform	\$27,525,063	\$30,660,221	\$3,135,158	89.77%	\$5,526,058	56.73%
Police	25,928,188	33,732,565	7,804,377	76.86%	5,414,409	144.14%

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 10 - Pension Plans (Cont'd)

Funded Status and Funding Progress (Cont'd)

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

Note 11 - Post-Employment Healthcare Plan

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

B. Summary of Significant Accounting Policies

Basis of Accounting

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

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

In 2009, the Municipality authorized and adopted the creation of the OPEB Trust, whereby the assets of the Plan are for the exclusive benefit of Plan members and their beneficiaries. The Plan was first funded in 2009 and it is the Municipality's intention to continue to fund the Plan.

C. Plan Description and Eligibility

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 11 - Post-Employment Healthcare Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

1) Police Employees

Eligibility: Police officers hired prior to July 21, 2005

Normal Retirement Eligibility: Age 55 and 25 years of service

Early Retirement Eligibility: 20 years of service or age 50 and 25 years of service

Coverage: Retired police officers and their spouses

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

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

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

Medical Plans Available: Direct Blue; Freedom Blue Medicare Supplement

2) Administrative Employees

Eligibility: Administrative employees hired prior to July 22, 2005

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

Coverage: Retired administrative employees and their spouses

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 11 - Post-Employment Healthcare Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

2) Administrative Employees (Cont'd)

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

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

Medical Plans Available: Direct Blue, Freedom Blue Medicare Supplement

3) Clerical Employees

Eligibility: Bargaining union members hired prior to January 1, 2006 who retire after 25 years of service or after age 62 with 10 years of service; a window provides benefits to those who retire by January 10, 2010 after 20 years of service or age 60 with 10 years of service

Coverage: Retired clerical employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. In addition, retirees who retired with at least 15 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: Direct Blue

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 11 - Post-Employment Healthcare Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

4. Library Employees

Eligibility: Library employees hired prior to March 1, 2007 and directors hired prior to July 22, 2005 who retire after 25 years of service or after age 62 with 10 years of service

Coverage: Retired library employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. In addition, retirees who retired with at least 15 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: Direct Blue

5) Public Works Employees

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

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

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member and member's spouse if applicable (see above); benefit ends at each individual's Medicare eligibility. In addition, retirees who retired with at least 10 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: Direct Blue

6) Refuse Employees

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 11 - Post-Employment Healthcare Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

6) Refuse Employees (Cont'd)

Coverage: Retired refuse employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. In addition, retirees who retired with at least 10 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: Direct Blue

Membership of the OPEB Plan consisted of the following at January 1, 2008, the date of the latest actuarial valuation:

Retirees and Beneficiaries	
receiving benefits	111
Active Plan Members	<u>142</u>
	<u>253</u>

For the year ended December 31, 2009, the Municipality contributed what equaled the actuarially required contribution.

D. Annual OPEB Cost and Net OPEB Obligation

The Municipality's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (funding excess) over a period not to exceed thirty years. The following table shows the components of the Municipality's annual OPEB cost for the year, the amount actually contributed to the Plan and changes in the Municipality's net OPEB obligation.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 11 - Post-Employment Healthcare Plan (Cont'd)

D. Annual OPEB Cost and Net OPEB Obligation (Cont'd)

Annual Required Contribution	\$ 2,195,682
Interest on Net OPEB Obligation	74,948
Adjustment to Annual Required Contribution	<u>(97,510)</u>
Annual OPEB Cost (Expense)	2,173,120
Contributions Made	<u>(2,195,682)</u>
Increase (Decrease) in OPEB Obligation	(22,562)
Net OPEB Obligation - Beginning of Year	<u>1,533,834</u>
Net OPEB Obligation - End of Year	<u>\$ 1,511,272</u>

The Municipality's OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for the year ended December 31, 2009, is as follows. This is the second year of implementation of GASB Statement 45 and three years of information is not reflected.

The Municipality implemented the statement prospectively beginning in 2008.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/08	\$2,230,547	31.2%	\$1,533,834
12/31/09	2,173,120	101.0%	1,511,272

E. Funded Status and Funding Progress

As of January 1, 2008, the actuarial accrued liability for benefits was \$20,439,556 all of which was unfunded at the time the valuation was performed. In 2009, the Municipality authorized and adopted the creation of the OPEB Trust. The Plan was first funded in 2009 and the net assets at December 31, 2009 were \$1,785,881. The covered payroll (annual payroll of active employees covered by the Plan) was \$10,491,205 and the ratio of unfunded actuarial accrued liability to the covered payroll was 194.83%.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 11 - Post Employment Healthcare Plan (Cont'd)

E. Funded Status and Funding Progress (Cont'd)

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectation and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Multi-year information will be represented in future years.

F. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and the Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of volatility on actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2008 actuarial valuation, the Entry Age Normal Actuarial Cost Method was used. The actuarial assumptions included a 7.5% investment rate of return based on a funded plan, an annual healthcare cost trend of 12% initially for medical and prescription, reduced to an ultimate rate of 5% after seven years, and a 5% rate for dental/vision with no change over the period. The method used to determine the actuarial value of assets is not applicable since there were no Plan assets at the valuation date. The unfunded liability is being amortized using the level dollar method over thirty years on an open basis.

Note 12 - Pension Plans Financial Information

The Municipality's Police Pension, a defined benefit plan and the Municipality of Monroeville Uniform and Non-Uniform Employees Other Post-Employment Benefit (OPEB) Retiree Benefits Plan Trust Fund (OPEB Trust), a single-employer OPEB Plan, do not issue stand-alone

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

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

financial reports. The following is a statement of fiduciary net assets and statement of changes in fiduciary net assets for both Plans as of and for the year ended December 31, 2009:

	Pension & Other Employee Benefit Trust Funds		Total Pension & Other Employee Benefit Trust Funds
	Police Pension Fund	OPEB Trust Fund	
ASSETS			
Cash and Cash Equivalents	\$ 3,528,097	\$ 101,231	\$ 3,629,328
Investments At Fair Value			
Equities	9,452,892	997,758	10,450,650
Mutual Funds	3,104,593	174,690	3,279,283
Municipal Bonds	1,842,301	193,887	2,036,188
U. S. Treasuries	1,286,483	-	1,286,483
Corporate Bonds	2,988,532	310,725	3,299,257
Mortgage Backed Securities	2,776,822	-	2,776,822
Certificate of Deposits	417,022	-	417,022
Other Receivables	<u>-</u>	<u>7,590</u>	<u>7,590</u>
TOTAL ASSETS	<u>\$25,396,742</u>	<u>\$1,785,881</u>	<u>\$27,182,623</u>
LIABILITIES AND NET ASSETS			
Liabilities	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Net Assets			
Held in Trust for Pension Benefits	25,396,742	-	25,396,742
Held in Trust for OPEB Benefits	<u>-</u>	<u>1,785,881</u>	<u>1,785,881</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$25,396,742</u>	<u>\$1,785,881</u>	<u>\$27,182,623</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

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

	Pension & Other Employee Benefit Trust Funds		Total Pension & Other
	Police Pension Fund	OPEB Trust Fund	Employee Benefit Trust Funds
Additions			
Contributions			
Employer	\$1,574,104	\$2,195,682	\$3,769,786
Plan Members	<u>286,470</u>	<u>-</u>	<u>725,905</u>
Total Contributions	<u>1,860,574</u>	<u>2,195,682</u>	<u>4,056,256</u>
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	2,825,547	152,579	2,978,126
Interest and Dividends	<u>701,237</u>	<u>24,668</u>	<u>725,905</u>
	3,526,784	177,247	3,704,031
Less Investment Expenses	<u>(106,513)</u>	<u>(8,617)</u>	<u>(115,130)</u>
Net Investment Income	<u>3,420,271</u>	<u>168,630</u>	<u>3,588,901</u>
Total Additions	<u>5,280,845</u>	<u>2,364,312</u>	<u>7,645,157</u>
Deductions			
Benefits	1,458,389	578,431	2,036,820
Administrative Expenses	<u>32,537</u>	<u>-</u>	<u>32,537</u>
Total Deductions	<u>1,490,926</u>	<u>578,431</u>	<u>2,069,357</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

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

	Pension & Other Employee Benefit Trust Funds		Total Pension & Other Employee Benefit Trust Funds
	Police Pension Fund	OPEB Trust Fund	
Changes in Net Assets	\$ 3,789,919	\$1,785,881	\$5,575,800
Net Assets - January 1, 2009	<u>21,606,823</u>	<u> -</u>	<u>21,606,823</u>
Net Assets - December 31, 2009	<u>\$25,396,742</u>	<u>\$1,785,881</u>	<u>\$27,182,623</u>

Note 13 - Lease

The Municipality leases office space in its administration building to a governmental entity under a noncancellable operating lease. The size of the office space is not material in relation to the complex and cost and accumulated depreciation of that space is not disclosed. The lease was entered into on December 31, 2009 and no payment was made in 2009. The following is a schedule by year of future minimum rentals to be received by the Municipality under the lease at December 31, 2009:

Year Ended December 31,	Amount
2010	\$15,000
2011	15,750
2012	16,200
2013	16,200
2014	<u>16,200</u>
	<u>\$79,350</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2009

Note 14 - 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 15 - Risk Management

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

Note 16 - Subsequent Events

In March 2010, the Municipality approved the issuance of nonelectoral debt, General Obligation Bonds Series of 2010 in the amount of \$11,260,000. The purposes of the issue are to finance the refunding of the Municipality's outstanding Series of 2003, Series A of 2003 and Series of 2005 and pay the cost of issuance. The new bonds will be at a rate of 1.0% - 3.0% with final maturity on June 1, 2019.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**Municipality of Monroeville
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2009**

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
01/01/05	\$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%)
01/01/09	27,525,063	30,660,221	(3,135,158)	89.77%	5,526,058	(56.73%)
Police						
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%)
01/01/09	25,928,188	33,732,565	(7,804,377)	76.86%	5,414,409	(144.14%)

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

**Municipality of Monroeville
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2009**

2. Schedules of Employer's and Other Contributions

Year Ended December 31,	Non-Uniform		Police	
	Annual Required Contributions (In Thousands)	Percentage Contributed	Annual Required Contributions (In Thousands)	Percentage Contributed
2004	\$322	100%	\$1,182	100%
2005	491	100%	1,330	100%
2006	465	100%	1,258	100%
2007	745	100%	1,551	100%
2008	765	100%	1,532	100%
2009	812	100%	1,574	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, the latest available, 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, 2009	January 1, 2009
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	10 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

**Municipality of Monroeville
Required Supplementary Information
Other Post-Employment Benefits
December 31, 2009**

1. Schedule of Funding Progress for Retiree Health Plan

Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio (AVA/AAL)	Covered Payroll	UAAL as Percentage of Covered Payroll
01/01/08	\$-0-	\$20,439,556	\$20,439,556	0.0%	\$10,491,205	194.83%

2. Schedule of Employer Contributions

Year Ended, December 31,	Annual Required Contribution	Percentage Contributed
2008	\$2,230,547	31.2%
2009	2,195,682	100.0%

Note: December 31, 2008 was the first year of implementation of the new standards for accounting and reporting of post-employment benefits; therefore, only one actuarial valuation has been completed. (Future reports will include additional valuations as they are performed.) In 2009, the Municipality authorized and adopted the creation of an OPEB Trust Fund Plan and funded the Trust in 2009. The net assets held in the Trust for OPEB benefits at December 31, 2009, was \$1,785,881.

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**COMBINING AND INDIVIDUAL FUNDS
FINANCIAL STATEMENTS**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Highway Aid Fund - Used to account for revenues from the Commonwealth of Pennsylvania based on an allocation of its Liquid Fuels Tax. Such revenues are restricted to be used for highways and streets.

Police Asset Seizure Fund - Used to account for the proceeds of the federal asset seizure program awarded to the Monroeville Police Department. All proceeds must be used for Police Department activities.

Sidewalk Fund - Used to account for the revenues from certain developments in the Municipality as described by Municipal ordinances. The revenues received shall be used to fund sidewalks in various locations in this Municipality.

CAPITAL PROJECTS FUNDS

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

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**Municipality of Monroeville
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2009**

	Special Revenue Funds			Capital Projects Funds	
	Highway Aid Fund	Police Asset Seizure Fund	Side- walk Fund	Northern Pike Improvements Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash and Cash Equivalents	<u>\$367</u>	<u>\$174,683</u>	<u>\$2,750</u>	<u>\$149,417</u>	<u>\$327,217</u>
LIABILITIES AND FUND BALANCES					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Fund Balances					
Reserve for Capital Projects	-	-	2,750	149,417	152,167
Unreserved - Undesignated Special Revenue Fund	<u>367</u>	<u>174,683</u>	<u>-</u>	<u>-</u>	<u>175,050</u>
Total Fund Balances	<u>367</u>	<u>174,683</u>	<u>2,750</u>	<u>149,417</u>	<u>327,217</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$367</u>	<u>\$174,683</u>	<u>\$2,750</u>	<u>\$149,417</u>	<u>\$327,217</u>

Municipality of Monroeville
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2009

	<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	\$ 1,652	\$ 248	\$ -	\$ 785	\$ 2,685
Intergovernmental	<u>600,259</u>	<u>104,842</u>	<u>-</u>	<u>-</u>	<u>705,101</u>
Total Revenues	<u>601,911</u>	<u>105,090</u>	<u>-</u>	<u>785</u>	<u>707,786</u>
Expenditures					
Current:					
Public Works - Highways	640,000	-	-	-	640,000
Capital Outlay:					
Public Safety	<u>-</u>	<u>3,150</u>	<u>-</u>	<u>-</u>	<u>3,150</u>
Total Expenditures	<u>640,000</u>	<u>3,150</u>	<u>-</u>	<u>-</u>	<u>643,150</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(38,089)</u>	<u>101,940</u>	<u>-</u>	<u>785</u>	<u>64,636</u>
Other Financing Sources (Uses)					
Transfers In	<u>37,723</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,723</u>
Net Changes in Fund Balances	(366)	101,940	-	785	102,359
Fund Balance - January 1, 2009	<u>733</u>	<u>72,743</u>	<u>2,750</u>	<u>148,632</u>	<u>224,858</u>
Fund Balance - December 31, 2009	<u>\$ 367</u>	<u>\$174,683</u>	<u>\$2,750</u>	<u>\$149,417</u>	<u>\$327,217</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, 2009

	<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	\$ 1,652	\$ (8,348)
Intergovernmental				
Liquid Fuels Tax	<u>545,000</u>	<u>545,000</u>	<u>600,259</u>	<u>55,259</u>
Total Revenues	<u>555,000</u>	<u>555,000</u>	<u>601,911</u>	<u>46,911</u>
Expenditures				
Current:				
Public Works				
Highways and Streets				
Snow and Ice Removal	172,000	172,000	292,902	(120,902)
Traffic Signals	53,000	53,000	43,355	9,645
Street Lighting	<u>330,000</u>	<u>330,000</u>	<u>303,743</u>	<u>26,257</u>
Total Expenditures	<u>555,000</u>	<u>555,000</u>	<u>640,000</u>	<u>(85,000)</u>
Excess (Deficiency) of Revenues Over Expenditures	-	-	(38,089)	(38,089)
Other Financing Sources				
Transfers In	<u>-</u>	<u>-</u>	<u>37,723</u>	<u>37,723</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (366)</u>	<u>\$ (366)</u>

**Municipality of Monroeville
Combining Balance Sheet
Component Units
December 31, 2009**

	Senior Citizens Council	Convention Visitor's Bureau	Total Nonmajor Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$115,374	\$210,269	\$325,643
Due from Other Governments	-	341,881	341,881
Prepaid Items	<u>-</u>	<u>18,055</u>	<u>18,055</u>
TOTAL ASSETS	<u>\$115,374</u>	<u>\$570,205</u>	<u>\$685,579</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts Payable	\$ <u>-</u>	\$ <u>18,924</u>	\$ <u>18,924</u>
Fund Balances			
Unreserved	<u>115,374</u>	<u>551,281</u>	<u>666,655</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$115,374</u>	<u>\$570,205</u>	<u>\$685,579</u>

Municipality of Monroeville
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Component Units
Year Ended December 31, 2009

	Senior Citizens Council	Convention Visitor's Bureau	Total Nonmajor Governmental Funds
Revenues			
Taxes	\$ -	\$557,388	\$557,388
Interest, Rents and Royalties	1,310	1,321	2,631
Intergovernmental	10,000	250,000	260,000
Charges for Services	15,451	-	15,451
Miscellaneous	<u>48,483</u>	<u>12,978</u>	<u>61,461</u>
 Total Revenues	 <u>75,244</u>	 <u>821,687</u>	 <u>896,931</u>
 Expenditures			
Current:			
Culture - Recreation	50,380	-	50,380
Conservation and Development	-	442,958	442,958
Capital Outlay	<u>3,850</u>	<u>104,241</u>	<u>108,091</u>
 Total Expenditures	 <u>54,230</u>	 <u>547,199</u>	 <u>601,429</u>
 Net Changes in Fund Balances	 21,014	 274,488	 295,502
 Fund Balances - January 1, 2009	 <u>94,360</u>	 <u>276,793</u>	 <u>371,153</u>
 Fund Balances - December 31, 2009	 <u>\$115,374</u>	 <u>\$551,281</u>	 <u>\$666,655</u>

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ADDITIONAL INFORMATION

**Municipality of Monroeville
Schedule of Public Library Program
Revenues and Expenditures
Included in the General Fund
Year Ended December 31, 2009**

Revenues	
Regional Asset District Tax Funds passed through ACLA	\$ 266,140
Regional Use Reimbursement	13,828
State Library Aid	143,652
Fines and Miscellaneous	<u>71,071</u>
 Total Revenues	 <u>\$ 494,691</u>
Expenditures	
Salaries	\$ 672,775
Benefits	221,541
Utilities	96,648
Maintenance and Repairs	16,534
Office Supplies	29,415
Library Books and Equipment	220,152
Office Equipment and Furniture	26,120
Miscellaneous Outside Personnel Services	<u>100,884</u>
 Total Expenditures	 <u>\$1,384,069</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 SEVEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year						
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</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	\$ 16,086,923	\$ 13,131,214
Restricted	83,417	213,491	5,238,588	3,804,830	1,610,088	746,777	3,241,041
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>	<u>18,245,114</u>	<u>12,989,219</u>
Total primary government	\$ 39,085,449	\$ 38,217,266	\$ 38,439,166	\$ 37,667,829	\$ 38,077,896	\$ 35,078,814	\$ 29,361,474

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 SEVEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year						
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Expenses							
Governmental activities:							
General government	\$ 4,537,784	\$ 4,491,064	\$ 4,408,344	\$ 4,754,753	\$ 4,629,282	\$ 5,002,245	\$ 4,897,989
Public Safety	8,356,622	9,455,325	9,894,850	10,065,990	11,155,631	11,869,307	12,765,461
Public Works-Sanitation	2,106,547	1,045,440	1,039,223	1,012,666	1,089,181	1,215,876	1,354,005
Public Works-Highway	3,004,078	3,852,671	3,631,393	4,515,921	4,001,421	4,672,102	4,394,628
Culture-Recreation	2,949,371	3,312,027	4,748,847	4,761,849	3,954,582	4,148,448	4,643,491
Conservation and Development	524,089	510,657	496,090	460,778	472,610	471,400	558,044
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>	<u>1,049,339</u>	<u>1,014,769</u>
Total primary government	\$ 22,314,282	\$ 23,324,977	\$ 24,896,527	\$ 26,380,275	\$ 26,092,556	\$ 28,428,717	\$ 29,628,387
Program Revenues							
Charges for services:							
General government	\$ 485,901	\$ 214,388	\$ 183,259	\$ 193,623	\$ 200,337	\$ 226,166	\$ 49,259
Public Safety	138,400	447,753	330,395	364,199	394,608	298,938	451,374
Public Works-Sanitation	489,656	562,000	520,623	426,388	458,966	436,386	387,118
Public Works-Highway	693,700	89,181	35,015	59,570	42,059	44,146	45,665
Culture-Recreation	587,014	922,635	964,492	972,303	1,044,232	1,023,343	1,083,003
Conservation and Development	0	81,914	88,606	66,370	84,191	37,493	60,509
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>	<u>1,716,251</u>	<u>2,009,815</u>
Total primary government	\$ 3,994,186	\$ 3,463,146	\$ 4,135,193	\$ 3,750,854	\$ 4,211,970	\$ 3,782,723	\$ 4,086,743
Total primary government net expense	\$ 18,320,096	\$ 19,861,831	\$ 20,761,334	\$ 22,629,421	\$ 21,880,586	\$ 24,645,994	\$ 25,541,644

	Fiscal Year						
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Revenues and Other Changes in Net Assets							
Governmental activities:							
Taxes							
Property taxes, Levied for General	\$ 4,287,331	\$ 4,387,409	\$ 4,210,793	\$ 4,125,113	\$ 4,589,476	\$ 4,288,709	\$ 4,223,321
Earned Income Taxes	5,644,030	5,125,025	5,964,115	6,196,902	6,494,824	6,599,696	6,166,700
Business Privilege & Mercantile Taxes	5,949,478	5,767,754	6,093,351	6,705,591	6,393,655	7,058,347	6,426,641
Other Taxes, Levied for General Fund	1,412,444	2,538,671	3,206,669	3,536,794	3,557,251	2,588,588	2,635,771
Grants, Subsidies & Contributions Not Reimbursed	0	0	683,078	48,487	51,662	49,419	150,091
Investment Earnings	416,479	358,990	763,746	1,234,063	1,203,292	909,950	194,868
Miscellaneous	<u>206,925</u>	<u>815,799</u>	<u>61,482</u>	<u>11,134</u>	<u>493</u>	<u>152,203</u>	<u>26,912</u>
Total primary government	\$ 17,916,687	\$ 18,993,648	\$ 20,983,234	\$ 21,858,084	\$ 22,290,653	\$ 21,646,912	\$ 19,824,304
Change in Net Assets							
Total primary government	\$ (403,409)	\$ (868,183)	\$ 221,900	\$ (771,337)	\$ 410,067	\$ (2,999,082)	\$ (5,717,340)

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>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund										
Reserved	\$ 6,736,994	\$ 6,736,994	\$ 6,736,994	\$ 6,687,708	\$ 6,617,345	\$ 6,736,994	\$ 7,138,533	\$ 7,284,355	\$ 7,707,894	\$ 5,531,542
Unreserved	<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>	<u>9,690,043</u>	<u>7,154,108</u>
Total general fund	\$ 18,831,765	\$ 18,831,765	\$ 18,831,765	\$ 26,000,721	\$ 26,575,696	\$ 18,831,765	\$ 18,429,813	\$ 18,001,431	\$ 17,397,937	\$ 12,685,650
All Other Governmental Funds										
Reserved	\$ 5,155,171	\$ 5,155,171	\$ 5,155,171	\$ 1,889,511	\$ 130,074	\$ 5,155,171	\$ 3,721,413	\$ 8,413,715	\$ 4,230,068	\$ 3,157,624
Unreserved reported in:										
Special revenue funds	\$ 765,877	\$ 765,877	\$ 765,877	\$ 661,008	\$ 702,234	\$ 765,877	\$ 809,589	\$ 867,522	\$ 935,873	\$ 1,135,962
Capital projects funds	<u>\$ (235,573)</u>	<u>\$ (235,573)</u>	<u>\$ (235,573)</u>	<u>\$ -</u>	<u>\$ (416,035)</u>	<u>\$ (235,573)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total all other governmental funds	\$ 5,685,475	\$ 5,685,475	\$ 5,685,475	\$ 2,550,519	\$ 416,273	\$ 5,685,475	\$ 4,531,002	\$ 9,281,237	\$ 5,165,941	\$ 4,293,586

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 4 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Revenues										
Taxes	\$ 16,690,503	\$ 17,307,369	\$ 17,903,358	\$ 17,293,283	\$ 18,416,948	\$ 19,122,033	\$ 20,565,999	\$ 20,861,746	\$ 20,861,100	\$ 19,912,623
Licenses and Permits	886,110	1,057,986	1,016,320	1,066,500	1,179,309	1,093,704	1,055,011	1,176,854	1,078,265	1,226,120
Fines and Forfeits	104,733	122,671	122,006	117,943	120,904	120,656	150,222	158,759	146,335	141,657
Interest, Rents and Royalties	1,741,582	1,575,339	1,937,648	1,663,138	358,990	763,746	1,234,063	1,203,292	909,950	194,868
Intergovernmental	4,392,367	5,365,749	3,660,610	1,146,605	1,798,854	2,695,881	1,716,888	1,987,942	1,708,639	2,132,506
Charges for Services	1,311,755	969,646	421,943	416,479	1,017,658	908,030	877,220	888,780	841,872	746,513
Miscellaneous	<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>	<u>57,634</u>	<u>26,912</u>
Total revenues	\$ 25,524,958	\$ 26,432,457	\$ 25,473,181	\$ 21,910,873	\$ 22,894,812	\$ 24,765,532	\$ 25,610,537	\$ 26,329,163	\$ 25,603,795	\$ 24,381,199
Expenditures										
Current:										
General Government	\$ 3,981,363	\$ 4,029,973	\$ 4,680,078	\$ 3,700,943	\$ 3,718,128	\$ 3,875,424	\$ 3,918,294	\$ 3,978,115	\$ 3,739,361	\$ 4,244,860
Public Safety	7,005,263	7,885,985	8,138,854	8,070,587	8,682,700	9,914,915	9,403,266	10,566,677	10,310,515	11,687,888
Public Works-Sanitation	3,833,793	4,415,269	3,485,848	1,095,345	959,148	954,687	937,142	1,014,532	1,081,621	1,248,905
Public Works-Highways	2,346,469	2,375,168	1,861,093	2,945,056	2,835,702	2,877,094	3,475,994	2,941,222	3,055,005	3,255,015
Culture-Recreation	1,935,357	2,181,311	2,104,227	2,565,507	2,890,997	2,908,233	2,973,726	3,559,372	3,440,371	4,018,069
Conservation and Development	0	0	0	524,089	492,765	480,279	443,707	461,409	460,014	545,414
Insurance Premiums	349,483	410,129	517,888	774,845	895,783	943,860	941,605	951,513	767,909	1,006,736
Miscellaneous	7,672	5,260	6,581						0	0
Capital outlays	4,277,151	3,809,680	4,348,547	4,985,838	2,495,056	9,515,543	2,877,887	3,885,834	5,106,678	1,481,708
Debt Service:										
Principal	1,225,000	1,320,000	1,380,000	1,115,000	850,000	1,390,000	1,425,000	1,460,000	1,515,000	1,585,000
Interest	727,893	670,290	784,924	699,096	633,804	632,302	770,341	739,807	997,711	977,246
Bond Issue Costs	0	0	0	179,365	0	0	0	0	0	0
Total Expenditures	\$ 25,689,444	\$ 27,103,065	\$ 27,308,040	\$ 26,655,671	\$ 24,454,083	\$ 33,492,337	\$ 27,166,962	\$ 29,558,481	\$ 30,474,185	\$ 30,050,841
Excess of revenues over (under) expenditures	\$ (164,486)	\$ (670,608)	\$ (1,834,859)	\$ (4,744,798)	\$ (1,559,271)	\$ (8,726,805)	\$ (1,556,425)	\$ (3,229,318)	\$ (4,870,390)	\$ (5,669,642)
Other Financing Sources (Uses)										
Bond Proceeds	\$ -	\$ -	\$ 7,160,000	\$ -	\$ -	\$ 6,135,000	\$ -	\$ 7,590,000	\$ -	\$ -
Refunding Bonds Issued	0	0	0	11,835,000	0	7,520,000	0	0	0	0
(Discount) on Bonds Issued	0	0	0	(16,132)	0	(85,837)	0	(38,829)	0	0
Bond premium/Costs	0	0	0	12,322	0	0	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	(130,162)	(11,651,825)	0	(7,317,087)	0	0	0	0
Sale of Fixed Assets	0	0	12,632,429	0	0	0	0	0	151,600	85,000
Transfer of Sewer Fund Net Assets	0	0	(2,703,656)	0	0	0	0	0	0	0
Residual Equity Transfer In	0	0	2,725,367	0	0	0	0	0	0	0
Residual Equity Transfer Out	0	0	(2,725,367)	0	0	0	0	0	0	0
Transfers In	1,960,565	2,152,260	2,225,195	1,843,838	0	6,152,652	377,863	160,555	172,358	228,019
Transfers Out	<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>	<u>(172,358)</u>	<u>(228,019)</u>
Total Other Financing Sources (Uses)	0	0	16,958,611	179,365	0	6,252,076	0	7,551,171	151,600	85,000
Net Changes in fund balances	\$ (164,486)	\$ (670,608)	\$ 15,123,752	\$ (4,565,433)	\$ (1,559,271)	\$ (2,474,729)	\$ (1,556,425)	\$ 4,321,853	\$ (4,718,790)	\$ (5,584,642)
Debt service as a percentage of noncapital expenditures	9.12%	8.54%	9.43%	8.37%	6.76%	8.43%	9.04%	8.57%	9.91%	9.05%

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
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
2008	1,274,100	833,549	364,204	2,107,649	100%	2.20
2009	1,274,380	834,823	365,247	2,109,203	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	
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
2008	2.20	2.20	4.69	4.69	19.41	19.41	26.30
2009	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	2009			2000		
	Taxable Assessed Valuation	Rank	Percentage of Total Municipal Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Municipal Taxable Assessed Value
CBL Monroeville Partners	\$ 161,580,500	1	7.66%			
Westinghouse Electric Corporation	42,000,000	2	1.99%	12,376,200	2	3.86%
PZ Miracle Mile	37,772,800	3	1.79%	6,005,000	5	1.88%
Anne V. Lewis	19,415,100	4	0.92%			
Eagle Ridge Apartments	18,293,800	5	0.87%			
Cochran, RELP	17,774,100	6	0.84%	4,226,400	7	1.32%
Monroeville S.C.L.P	17,481,700	7	0.83%			
OFEWLP	17,000,000	8	0.81%			
Walnut Ivanhoe Partners	15,582,500	9	0.74%			
Monroeville Dept. Investor	14,000,000	10	0.66%			
Soffer, Donald				\$ 26,367,425	1	8.23%
L & M Associates				11,193,100	3	3.50%
Terra Capital Associates				9,595,400	4	3.00%
Oxford Development Company				4,664,150	6	1.46%
May Centers Associates Corporation				3,575,000	8	1.12%
Monroeville Apartments Associates, Ltd				2,640,000	9	0.82%
Murray-Bart Associates				2,400,000	10	0.75%
	<u>\$ 199,320,000</u>		<u>9.45%</u>	<u>\$ 83,042,675</u>		<u>25.93%</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
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	4,497,058	97.46%	42,659	4,539,717	98.38%
2008	4,636,828	4,261,429	91.90%	83,455	4,344,884	93.70%
2009	4,640,247	4,306,685	92.81%	0	4,306,685	92.81%

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>
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
2008	654,997,500	6,549,975
2009	650,812,400	6,508,124

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>
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%
2008	1%	0.50%
2009	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	2008 Number of filers	2009 Number of filers	2006 Percentage of Total	2007 Percentage of Total	2008 Percentage of Total	2009 Percentage of Total	2006 Percentage of Total Income	2007 Percentage of Total Income	2008 Percentage of Total Income	2009 Percentage of Total Income
\$100,001-and higher	626	530	679	439	5.90%	6.06%	6.29%	5.99%	26.25%	26.25%	25.84%	18.88%
\$70,001-\$100,000	905	744	1,043	744	8.53%	8.50%	9.66%	10.16%	17.91%	17.91%	20.13%	21.30%
\$50,001-70,000	1,357	1,176	1,433	1,030	12.79%	13.44%	13.27%	14.06%	20.19%	20.19%	19.65%	20.90%
\$30,001-50,000	2,182	1,752	2,147	1,458	20.56%	20.02%	19.88%	19.90%	20.12%	20.12%	19.69%	19.70%
\$10,001-30,000	2,789	2,265	2,710	1,697	26.28%	25.88%	25.09%	23.17%	12.91%	12.91%	12.30%	11.26%
\$10,000 and lower	<u>2,755</u>	<u>2,284</u>	<u>2,787</u>	<u>1,957</u>	<u>25.96%</u>	<u>26.10%</u>	<u>25.81%</u>	<u>26.72%</u>	<u>2.62%</u>	<u>2.62%</u>	<u>2.39%</u>	<u>7.98%</u>
TOTAL	10,614	8,751	10,799	7,325	100.00%	100.00%	100.00%	100.00%	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		
2000	16,230,000	16,230,000	3.29%	553.00
2001	14,910,000	14,910,000	3.02%	508.02
2002	20,690,000	20,690,000	3.96%	704.96
2003	20,040,000	20,040,000	3.58%	682.82
2004	19,190,000	19,190,000	3.40%	653.86
2005	24,305,000	24,305,000	4.28%	828.14
2006	22,880,000	22,880,000	4.00%	779.58
2007	29,010,000	29,010,000	4.75%	988.45
2008	27,495,000	27,495,000	4.20%	936.83
2009	25,910,000	25,910,000	3.98%	882.82

* 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	
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%
2008	27,495	27,495	1.30%
2009	25,910	25,910	1.23%

*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, 2009

(AMOUNTS EXPRESSED IN THOUSANDS)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping** Debt
Debt repaid with property taxes	\$ 25,910	100.0%	\$25,910
Municipality of Monroeville			
Other debt			
Gateway School District	54,265	96.80% a	\$ 52,529
Allegheny County	606,499	3.50% a	\$ 21,227
Subtotal-overlapping debt			73,756
Total direct and overlapping debt			\$ 99,666

*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>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt Limit	\$ 60,265	\$ 52,803	\$ 54,378	\$ 56,455	\$ 58,868	\$ 56,909	\$ 61,059	\$ 65,132	\$ 65,796	\$ 73,036
Total net debt applicable to limit	<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>	<u>27,495</u>	<u>25,910</u>
Legal debt margin	<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>	<u>\$ 38,301</u>	<u>\$ 47,126</u>
Total net debt applicable to the limit as a percentage of debt limit	26.91%	28.21%	38.05%	35.50%	32.60%	42.71%	37.47%	44.54%	41.79%	35.48%

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>
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%
2008	29,349	\$ 654,997,500	\$ 41,044	43	4,301	4.40%
2009	29,349	\$ 650,812,400	\$ 41,782	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	2009			2000		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
Westinghouse Electric Co., LLC	1,846	1	0.92%	2,000	1	1.00%
Forbes Regional Hospital	1,315	2	0.66%	900	2	0.45%
Bechtel National Inc.	837	3	0.42%			
Gateway School District	654	4	0.33%	500	5	0.25%
Cochran Pontiac Incorporated	354	5	0.18%			
Community College of Allegheny County	321	6	0.16%	523	6	0.26%
Compunetix Inc.	310	7	0.16%			
PPG	269	8	0.13%			
Lazarus/Macy's	245	9	0.12%	563	4	0.28%
Giant Eagle Markets	236	10	0.12%			
HealthSouth of Pittsburgh, Inc.				423	7	0.21%
UPMC						
Venturi Staffing Partners				403	8	0.20%
Kaufmann's Department Store				577	3	0.29%
J. C. Penny Company				365	9	0.18%
Olsten Staffing Services				361	10	0.18%
	<u>6,387</u>		<u>3.19%</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

<u>FUNCTION/PROGRAM</u>	Full-time Equivalent Employees as of December 31											
	<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>	<u>2008</u>	<u>2009</u>
GENERAL GOVERNMENT												
Mayor & Council	0	0	0	0	0	0	0	0	0	0	0	0
Manager's Office	3	3	3	3	4	4	4	5	5	4	4	4
Tax Collection	4	5	5	5	4	4	4	4	5	5	5	5
Finance Office	6	7	7	7	7	7	7	7	5	5	4	4
Data Processing	1	3	3	3	3	3	3	3	3	3	3	3
PUBLIC SAFETY												
Police Chief	2	2	2	2	2	2	2	2	2	2	2	2
Emergency Communications	13	0	0	0	0	0	0	0	8	8	8	8
Patrol & Traffic	43	42	40	42	42	42	43	41	40	40	40	40
Incident Investigation	8	6	8	6	6	6	6	6	6	6	6	6
Support Services & Records	4	5	4	4	4	4	4	4	4	4	3	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	4
School Crossing Guards	0	0	0	0	0	0	0	0	0	0	0	0
Fire, Building, & Code Enforcement	7	6	4	5	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	1	1	1	1	1	1	1	1	1
Street Maintenance	16	16	16	16	11	11	12	12	11	9	9	9
Parks Maintenance	6	6	6	6	4	7	6	7	6	7	7	7
Traffic Signals, Signs and Markings	0	0	0	0	5	4	4	4	4	4	4	4
Superintendent of Special Services	2	2	2	2	0	0	0	0	0	0	0	0
Sanitary Sewer Maintenance	5	5	5	5	5	4	3	0	0	0	0	0
Refuse Collection	9	9	9	9	9	9	9	9	9	9	9	9
Vehicular Equipment	5	5	5	5	6	6	5	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	3	3	3	3
Building & Property Maintenance	4	4	4	5	5	5	6	5	5	5	5	5
HUMAN SERVICES												
Recreation and Parks	3	3	3	3	3	3	3	4	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	4	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	4	1	1	1	1	1	1	1	1	1
Electronic Equipment	2	2	1	1	0	0	0	0	0	0	0	0
Senior Citizens	3	3	3	3	3	4	4	4	4	4	4	4
Public Library	9	9	9	9	9	9	9	9	9	11	11	11
TV 15	2	2	2	2	2	2	2	2	2	2	2	2
TOTAL	174	162	160	158	154	156	156	153	160	160	158	159

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 19 OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
POLICE										
Physical arrests	527	416	605	344	275	613	416	479	521	363
Incidents	18,267	18,133	18,204	18,577	17,857	19,121	17,836	18,689	23,891	18,188
Traffic violations/Citations	1,299	1,293	1,490	1,229	554	825	1,262	1,456	1,299	1,266
FIRE										
Emergency Response	4,315	4,316	4,213	4,444	5,012	4,347	4,990	4,067	5,180	5,141
INSPECTIONS	3,339	3,112	3,759	3,759	4,247	3,759	3,968	4,205	4,684	4,780
PUBLIC WORKS										
Recyclables collected (tons per year)	N/A	N/A	N/A	N/A	506.42	495.68	530.79	551.15	656.74	535.14
OTHER PUBLIC WORKS										
Street Resurfacing (miles)	7.70	9.20	11.50	11.80	12.10	8.00	4.40	3.00	8.50	4.30
PARKS AND RECREATION										
Program Participants	4,631	2,508	2,864	2,747	5,810	5,027	5,718	3,370	2,408	1,701
Pavilion Rentals	173	185	197	165	203	190	322	362	385	434
Pool Admissions	7,453	6,483	10,310	6,325	4,095	3,526	3,813	3,612	4,320	3,736
LIBRARY										
Items in Collection	98,087	99,456	102,630	105,639	108,723	116,300	118,747	120,267	123,765	123,146
Total Circulation	180,103	193,761	207,633	218,259	223,423	212,991	222,416	219,967	224,066	233,405

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>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
POLICE										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	9	7	7	7	7	7	7	7	7	7
FIRE STATIONS										
OTHER PUBLIC WORKS										
Miles of streets	120	120	120	120	108	108	108	108	108	108
Number of street lights	1,388	1,388	1,388	1,388	1,440	1,440	1,440	1,440	1,440	1,440
CULTURE AND RECREATION										
Parks	25	25	25	25	22	22	22	22	22	22
Park acreage	545	545	545	545	820	820	820	820	820	820
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	18	18	18	18	20	20	20	20	20	20
Basketball courts	15	15	15	15	20	20	20	21	21	21
Soccer fields	7	7	7	7	22	22	22	22	22	22
Ball fields	13	13	13	13	17	17	17	16	16	16
Picnic pavilions	5	5	5	5	13	13	13	13	13	13
Comfort stations	5	5	5	5	15	15	15	15	15	15
Play equipment areas	12	12	12	12	30	30	30	21	21	21
Walk/Jog paths (paved)	10	10	10	10	10	10	10	10	10	10
Historical sites	2	2	2	2	4	4	4	4	4	4

SOURCE: Various Municipal Departments