

**MUNICIPALITY OF
MONROEVILLE,
PENNSYLVANIA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2011

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2011

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2011

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 | 10 |
| Notes to Financial Statements | 11 - 47 |
| Required Supplementary Information | |
| Pension | |
| Schedules of Funding Progress | 48 |
| Schedules of Employers and Other Contributions | 49 |
| Notes to Required Supplementary Information | 49 |
| Other Post-Employment Benefits | |
| Schedule of Funding Progress for Retiree Health Plan | 50 |
| Schedule of Employer Contributions | 50 |
| Combining and Individual Funds Financial Statements | |
| Other Governmental Funds | |
| Combining Balance Sheet | 51 |
| Combining Statement of Revenues, Expenditures, and Changes in Fund Balances | 52 |
| Special Revenue Funds | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Highway Aid Fund - Budget and Actual | 53 |
| Component Units | |
| Senior Citizens Council | |
| Balance Sheet | 54 |
| Statement of Revenues, Expenditures and Changes in Fund Balance | 55 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

| | <u>Page No.</u> |
|---|-----------------|
| INTRODUCTORY SECTION | |
| Letter of Transmittal | i - vi |
| Organizational Chart | vii |
| List of Principal Officials | viii |
| Certificate | ix |
| FINANCIAL SECTION | |
| Independent Auditor's Report | x - xi |
| Management's Discussion and Analysis | xii - 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 Balances - Governmental Funds | 5 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities | 6 - 7 |
| Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund - Budget and Actual | 8 |
| Statement of Net Assets - Fiduciary Funds - Pension and Other Employee Benefit Trust Funds | 9 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

Page No.

FINANCIAL SECTION (CONT'D)

Combining and Individual Funds Financial Statements (Cont'd)

Component Units (Cont'd)

Convention Visitor's Bureau

Balance Sheet 56

Reconciliation of the Governmental Funds Balance Sheet to
the Statement of Net Assets 57

Statement of Revenues, Expenditures and Changes in Fund
Balance 58

Reconciliation of the Governmental Funds Statement
of Revenues, Expenditures and Changes in Fund Balance
to the Statement of Activities 59

Additional Information

Schedule of Public Library Program Revenues and Expenditures
Included in the General Fund 60

STATISTICAL SECTION

Financial Trends

Net Assets by Component - Last Eight Years Schedule 1 61

Changes in Net Assets - Last Eight Fiscal Years Schedule 2 62 - 63

Fund Balances, Governmental Funds - Last Ten Fiscal
Years Schedule 3 64

Changes in Fund Balances, Governmental Funds -
Last Ten Fiscal Years Schedule 4 65

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

| | | <u>Page No.</u> |
|--|-------------|-----------------|
| STATISTICAL SECTION (CONT'D) | | |
| <u>Revenue Capacity</u> | | |
| Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years | Schedule 5 | 66 |
| Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years | Schedule 6 | 67 |
| Principal Property Taxpayers - Current Year and Ten Years Ago | Schedule 7 | 68 |
| Property Tax Levies and Collections - Last Ten Fiscal Years | Schedule 8 | 69 |
| Taxable Earned Income and Tax Collected - Last Ten Fiscal Years | Schedule 9 | 70 |
| Direct and Overlapping Earned Income Tax Rates - Last Ten Fiscal Years | Schedule 10 | 71 |
| Earned Income Tax Filers and Liability by Income Level | Schedule 11 | 72 |
| <u>Debt Capacity</u> | | |
| Ratios of Outstanding Debt by Type - Last Ten Fiscal Years | Schedule 12 | 73 |
| Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years | Schedule 13 | 74 |
| Direct and Overlapping Governmental Activities Debt | Schedule 14 | 75 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2011

TABLE OF CONTENTS

| | | <u>Page No.</u> |
|--|-------------|-----------------|
| STATISTICAL SECTION (CONT'D) | | |
| <u>Debt Capacity (Cont'd)</u> | | |
| Legal Debt Margin Information - Last Ten Fiscal Years | Schedule 15 | 76 |
| <u>Demographic and Economic Information</u> | | |
| Demographic and Economic Statistics - Last Ten Calendar Years | Schedule 16 | 77 |
| Principal Employers - Current Year and Ten Years Ago | Schedule 17 | 78 |
| <u>Operating Information</u> | | |
| Full-Time Equivalent Municipal Employees by Function/Program - Last Ten Fiscal Years | Schedule 18 | 79 |
| Operating Indicators by Function/Program - Last Ten Fiscal Years | Schedule 19 | 80 |
| Capital Asset Statistics by Function/Program - Last Ten Fiscal Years | Schedule 20 | 81 |

INTRODUCTORY SECTION

Municipality of Monroeville

A Home Rule Charter Municipality

Municipal Center
2700 Monroeville Boulevard
Monroeville, PA 15146-2388

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

June 27, 2012

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, 2011.

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, 2011. 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 2010 population of the Municipality was 28,386. This represents a population increase of some 20,386 people, or 254.83 percent increase 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 is elected by ward throughout the Municipality to serve four-year terms of office. The terms of office of the council members are staggered so that the members representing the odd-numbered wards are elected two years apart from the members representing the even-numbered wards. One of the seven members of the Municipal Council is designated as the Deputy Mayor. The Charter further stipulates that the Mayor is permitted to cast a vote relating to legislative matters only in the event of a tie.

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

LOCAL ECONOMY

The Municipality is the home of several major employers representing such diverse industries as healthcare, research, engineering and retail services. Forbes Regional Hospital-West Penn Health System is a major healthcare employer. Bechtel is currently the second largest employer and is an engineering firm. Procure Pharmacy is the third largest employer and is a distribution center for CVS Pharmacies in Western Pennsylvania. 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.

An area of concern for Fiscal Year 2011 ended with widespread confusion about the State Supreme Court-ordered property reassessment. The Court concluded that Allegheny County's 2002 base-year system over-taxed residents of poorer communities. Thus, the County began a county-wide reassessment in 2010, the third since 2000. Because of myriad delays, tax notices were not completed until March 2012. Numerous property owners responded to their tax notices by filing appeals. Because Allegheny County taxing bodies could not set 2012 millage rates until the appeals process was concluded, the Court of Common Pleas of Allegheny County stayed the use of the new assessment numbers until 2013. Final figures for the County show that overall property values increased by 35%. The reassessment has faced widespread criticism, yielded disparate values, and resulted in the estimated filing of as many as 60,000 appeals by Allegheny County property owners challenging their new values. This issue will remain a problem for Allegheny County to address and solve.

Another area of concern is the 2010 U.S. Census, released in 2011. The Municipality of Monroeville revealed a small decline from the 2000 Census of 29,349 to the 2010 Census of 28,386 or a decrease of 3.28%. Allegheny County, overall, lags behind the entire Commonwealth, which grew 3.4% in the same timeframe.

Reasons for optimism during 2011 were the Region continued to outpace much of the nation. Allegheny County saw gradual recovery from the Great Recession as many sectors of the economy enjoyed growth and new opportunities. Allegheny County's unemployment rate at the end of 2011 stood at 7.1%, lower than the Pennsylvania rate of 8.3% and the national average of 8.8%. In April 2011, The U.S. Bureau of Economic Analysis recognized Allegheny County as Pennsylvania's highest earning county with a total personal income level 4.5% higher than Philadelphia County, the next highest earner. Further signifying an economic recovery and burgeoning consumer confidence, home sales in Allegheny County rose 16% in 2011.

Optimism surrounds the near future for economic development in the Municipality of Monroeville. Development will most likely be centered on the health care industry since the new UPMC East Hospital is scheduled to open on July 2, 2012 and Forbes Regional Hospital is in the planning stages for expansion of their current facility over the next five (5) years. The Municipality has been meeting with developers over the past year about potential developments in the medical office area, restaurants, hotels and townhouse / apartment complexes. To this point there has been no formal approval of these potential developments, but as the economy continues to recover these projects are expected to proceed...

Other areas of optimism are the Region's economy continued to be stabilized by the education and health sectors. These sectors contribute a reliable, sustaining pool of skilled labor for industries in the region. The energy sector (particularly Marcellus Shale development) drove significant growth in the region during 2011. Non-farm payroll employment grew 2.1% in the region from 2010, with manufacturing jobs gaining along with strength in the service and financial sectors. This relatively strong employment rate had a significant positive impact on consumer confidence, which inspires higher local service and retail spending in the market.

The Region's housing market showed positive growth in 2011 compared to the rest of the nation. The total dollar volume jumped 13% in the Region to \$279.3 million in 2011 from the previous year. The Region saw the average home price also grow by 2% to \$154,924. Home sales in Allegheny County grew 16% in 2011, the best in the Region, as the real estate market continues to outpace the nation across the board.

LONG TERM FINANCIAL PLANNING

An unassigned fund balance in the general fund of \$4.8 million (20.85 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 2011 as follows:

- Goal 1 - Develop and diversify the business structure with the objectives to expand the commercial professional services tax base (i.e. information and technology, finance and insurance and health care services) and to build strong relationships with economic strategists.
- Goal 2 - Increase police and school district cooperation with the objectives to provide a positive role model for students by instituting a high profile law enforcement officer within the school system and to improve the relationship between the school district and the municipal government.
- Goal 3 - Modernization of zoning regulations with the objectives to provide regulations that can be easily understood by the general public and to minimize impact to existing residential developments.
- Goal 4 - Neutralize traffic congestion with the objectives to provide a municipal "hub and spoke" transit system serving business U.S. Route 22, Old William Penn Highway, PA Route 286, Monroeville Road and PA Route 130 and to include large, wide sidewalks complemented with street furniture, decorative lighting and trees, and to include street space for vehicle, bicycle and pedestrian transportation.
- Goal 5 - 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 2008, the Municipality authorized the creation of a Trust to fund Other Post Employment Benefits. The Municipality funded all of the 2008, 2009, 2010 and 2011 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, 2010. This is the nineteenth 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,

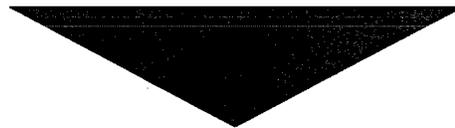
MUNICIPALITY OF MONROEVILLE

A handwritten signature in cursive script, reading "Susan E. Werksman".

Susan E. Werksman
Director of Personnel and Finance

2011 Organizational Structure For... *Monroeville Municipal Government*

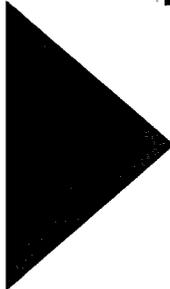
| | | | |
|---|----------------------------|--|---|
| Uniform Construction Code Appeals Board | Human Relations Commission | Recreation & Parks Advisory Board | Monroeville Redevelopment Authority |
| International Property Maintenance Code Appeals Board | Police Pension Committee | Monroeville Arts 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 |

(THIS PAGE INTENTIONALLY LEFT BLANK)

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

PRINCIPAL OFFICIALS DURING 2011

MEMBERS OF COUNCIL

| | |
|------------------|------------------------|
| Gregory Erosenko | Mayor |
| Bernhard Erb | Council Member, Ward 1 |
| Dave Kucherer | Council Member, Ward 2 |
| Lois Drumheller | Council Member, Ward 3 |
| Jim Brown | Council Member, Ward 4 |
| Diane Allison | Council Member, Ward 5 |
| Carol McDevitt | Council Member, Ward 6 |
| Clarence Ramsey | Council Member, Ward 7 |

OTHER MUNICIPAL OFFICIALS

| | |
|-------------------|-----------------------------------|
| Timothy Little | Municipal Manager |
| Susan E. Werksman | Director of Personnel and Finance |
| Bruce E. Dice | Solicitor |

(THIS PAGE INTENTIONALLY LEFT BLANK)

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, 2010

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.



Linda C. Davidson

President

Jeffrey R. Egan

Executive Director

(THIS PAGE INTENTIONALLY LEFT BLANK)

FINANCIAL SECTION

HOSACK, SPECHT, MUETZEL & WOOD LLP

CERTIFIED PUBLIC ACCOUNTANTS

305 MT. LEBANON BOULEVARD, SUITE 301

PITTSBURGH, PENNSYLVANIA 15234-1500

PHONE - (412) 343-9200

FAX - (412) 343-9209

HSMW@HSMWCPA.COM

WWW.HSMWCPA.COM

Independent Auditor's Report

Honorable Mayor and Members of Council
Municipality of Monroeville
Monroeville, 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, as of and for the year ended December 31, 2011, 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, as of December 31, 2011, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension information, and post-employment benefit information, as listed in the table

of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipality of Monroeville's financial statements as a whole. 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 financial statements. The combining and individual nonmajor fund financial statements and additional information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects in relation to the financial statements as a whole. 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 do not express any opinion or provide any assurance on them.

Respectfully submitted,

Hosack, Specht, Muetzel & Wood LLP

HOSACK, SPECHT, MUETZEL & WOOD LLP
June 27, 2012

**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, 2011. 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, 2011.

FINANCIAL HIGHLIGHTS

- ▶ The Municipality's net assets decreased \$4,194,616 in 2011, or 16.3 percent.
- ▶ Unrestricted net assets were \$7,685,328 at December 31, 2011.
- ▶ During 2011, the Municipality maintained a strong investment bond rating of Aa2 from Moody's Investor Service. This rating was upgraded in 2003 from A1 and was again affirmed in 2011 for all related bond issuances and activities. More detailed information about the Municipality's general long-term debt activity can be found in Note 7 of the notes to financial statements.
- ▶ At December 31, 2011, the Municipality had \$30.2 million of debt outstanding. This represents an increase of \$5,495,000 or 22.23 percent from the previous year. This represents a burden of \$1,064 per capita.
- ▶ The total fund balance of the general fund at December 31, 2011 was \$6,788,151. The unassigned portion of the fund balance was \$4,787,610, which is approximately 20.85 percent of revenues in the general fund for Fiscal Year 2011.

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 whom the Municipality acts solely as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide statements because the resources cannot be used to support municipal activities.

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

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

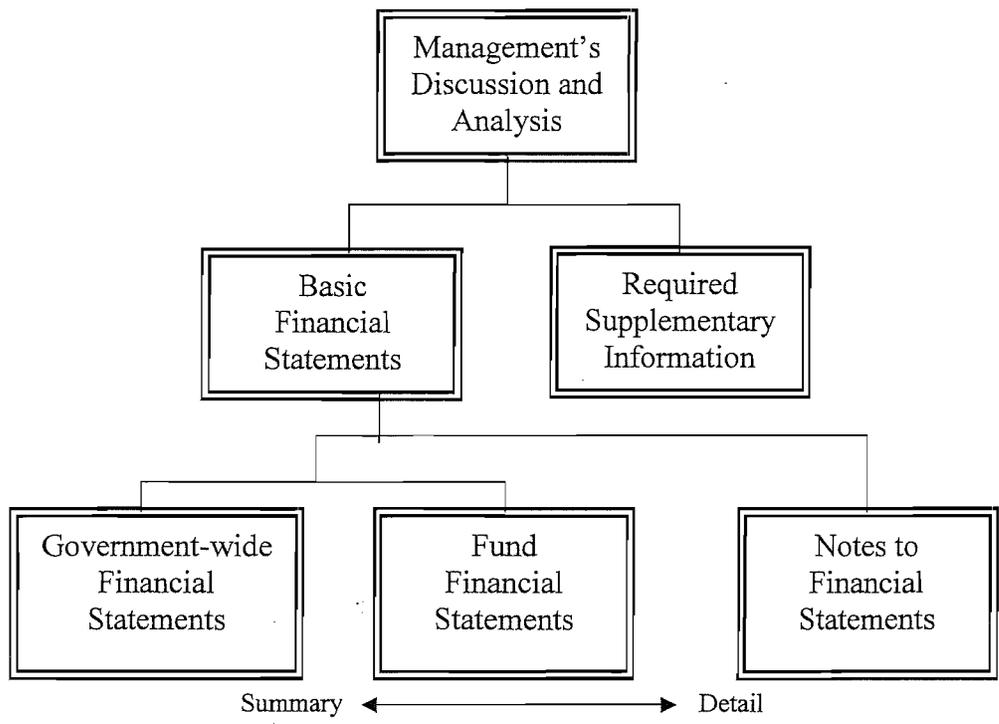


Figure A-2 summarizes the major features of the Municipality’s financial statements. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

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

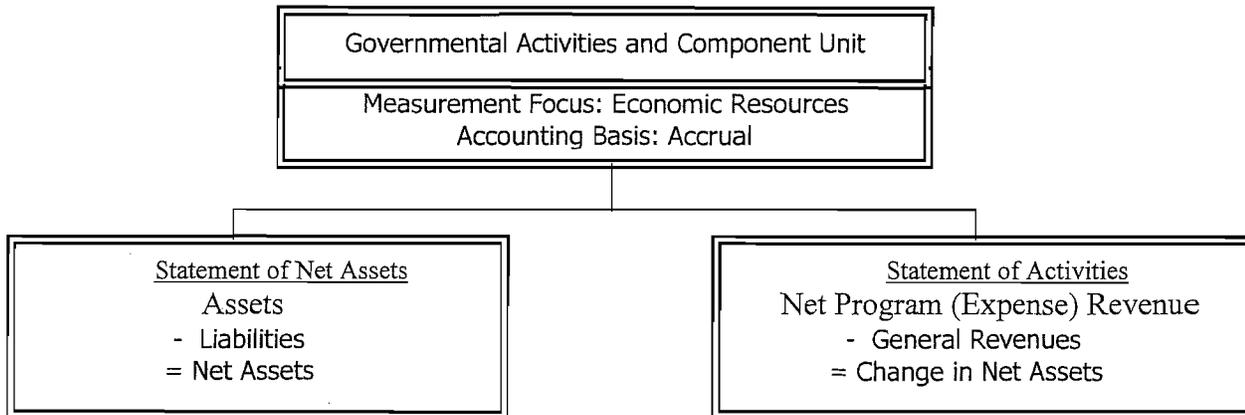
| | Fund Statements | | |
|--|--|--|--|
| | Government-Wide Statements | Governmental Funds | Fiduciary Funds |
| Scope | Entire municipal government (except fiduciary funds) and the Municipality’s component unit | The activities of the Municipality that are not proprietary or fiduciary, such as police, fire, and recreation | Instances in which the Municipality is the trustee or agent for someone else’s resources, such as the retirement plan for municipal employees |
| Required financial statements | <ul style="list-style-type: none"> • Statement of net assets • Statement of activities | <ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures and changes in fund balances | <ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary net assets |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus | Accrual accounting and economic resources focus |
| Type of asset/liability information | All assets and liabilities, both financial and capital, and short-term and long-term | Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included | All assets and liabilities, both short-term and long-term; the Municipality’s funds do not currently contain capital assets, although they can |
| Type of inflow/outflow information | All revenues and expenses during the year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter | All revenues and expenses during year, regardless of when cash is received or paid |

GOVERNMENT-WIDE STATEMENTS

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

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

**Figure A-3
Government-Wide Financial Statements**



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

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

FUND FINANCIAL STATEMENTS

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

The Municipality has two kinds of funds:

- *Governmental funds* - Most of the Municipality’s basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Municipality’s programs. The relationship between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.
- *Fiduciary funds* - The Municipality is the trustee, or *fiduciary*, for two, single-employer pension plans: general employees and police 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, 2011 are presented below:

Summary of Statement of Net Assets December 31, 2011

| | Governmental Activities | |
|--|--------------------------------|---------------------|
| | 2010 | 2011 |
| Current and other assets | \$16,660,720 | \$17,603,519 |
| Deferred bond issue costs | 1,027,188 | 957,619 |
| Capital assets | 37,735,576 | 38,107,025 |
| Total assets | \$55,423,484 | \$56,668,163 |
| Current and other liabilities | \$ 3,537,733 | \$ 4,095,896 |
| Non-current liabilities | 26,262,838 | 31,143,970 |
| Total liabilities | \$29,800,571 | \$35,239,866 |
| Net Assets: | | |
| Invested in capital assets, net of related debt | \$12,882,141 | \$12,222,938 |
| Restricted | 2,378,790 | 1,520,031 |
| Unrestricted | 10,361,982 | 7,685,328 |
| Total net assets | \$25,622,913 | \$21,428,297 |

Net assets:

For 2011, Net Assets of Governmental Activities, decreased by \$4,194,616 or 16.3 percent to \$21 million.

Infrastructure assets:

On December 31, 2011, the Municipality's total assets were \$56.7 million. Of this amount, \$38.1 million is accounted for by capital assets which include some infrastructure.

**Change in Net Assets
Years Ended December 31, 2011**

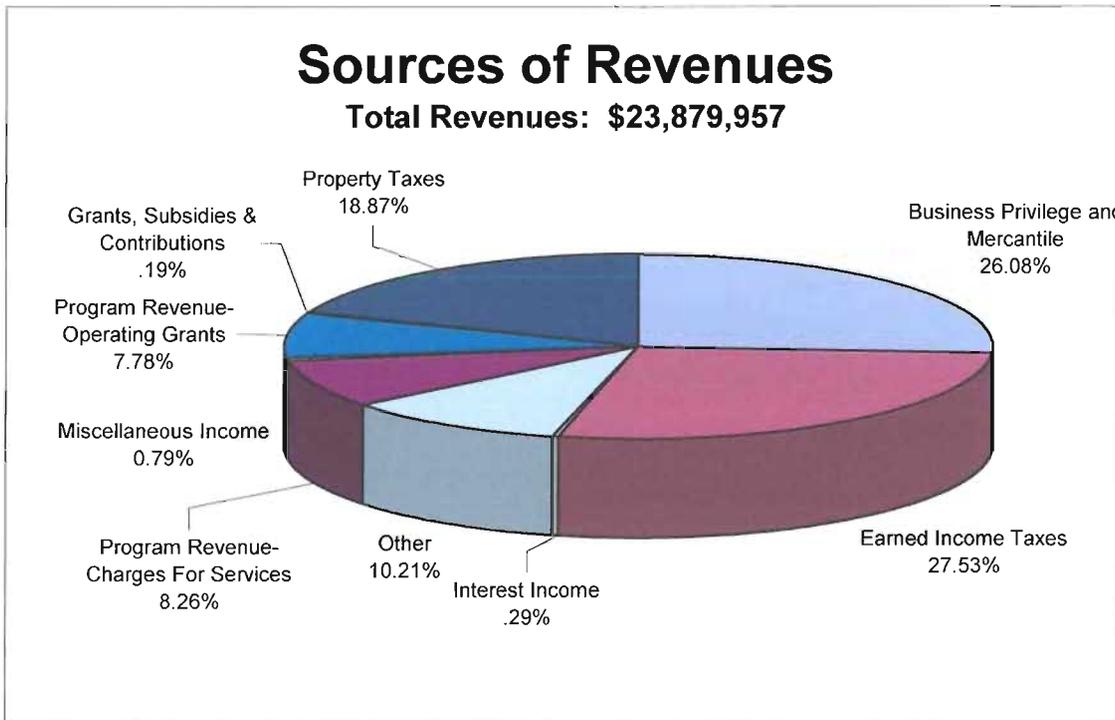
Primary Governmental Activities

| | <u>2010</u> | <u>2011</u> | <u>Variance</u> |
|-----------------------------------|----------------------|----------------------|-------------------|
| Revenues | | | |
| Program Revenues: | | | |
| Charges for Services | \$ 2,467,442 | \$ 1,972,568 | \$ (494,874) |
| Operating Grants | 1,727,350 | 1,857,513 | 130,163 |
| General Revenues: | | | |
| Property Taxes | 4,518,932 | 4,505,976 | (12,956) |
| Earned Income Taxes | 6,105,290 | 6,574,335 | 469,045 |
| Business Privilege and Mercantile | 6,214,921 | 6,228,096 | 13,175 |
| Other | 2,577,780 | 2,437,058 | (140,722) |
| Grants, Subsidies & Contributions | 51,542 | 44,744 | (6,798) |
| Interest Income | 109,000 | 69,852 | (39,148) |
| Miscellaneous Income | 142 | 189,815 | 189,673 |
| Total Revenues | \$ 23,772,399 | \$ 23,879,957 | \$ 107,558 |
| Program Expenses | | | |
| General Government | \$ 4,450,812 | \$ 4,467,088 | \$ 16,276 |
| Public Safety | 12,107,364 | 12,269,528 | 162,164 |
| Public Works: | | | |
| Sanitation | 1,224,237 | 1,226,083 | 1,846 |
| Highways and Streets | 4,362,680 | 4,603,845 | 241,165 |
| Culture and Recreation | 4,240,035 | 4,216,561 | (23,474) |
| Conservation and Development | 493,397 | 384,315 | (109,082) |
| Interest on Long-Term Debt | 632,435 | 907,153 | 274,718 |
| Total Expenses | \$ 27,510,960 | \$ 28,074,573 | \$ 563,613 |
| Change in Net Assets | (3,738,561) | (4,194,616) | (456,055) |
| Net Assets-Beginning | 29,361,474 | 25,622,913 | (3,738,561) |
| Net Assets-Ending | 25,622,913 | 21,428,297 | (4,194,616) |

GOVERNMENTAL ACTIVITIES

Revenue Sources:

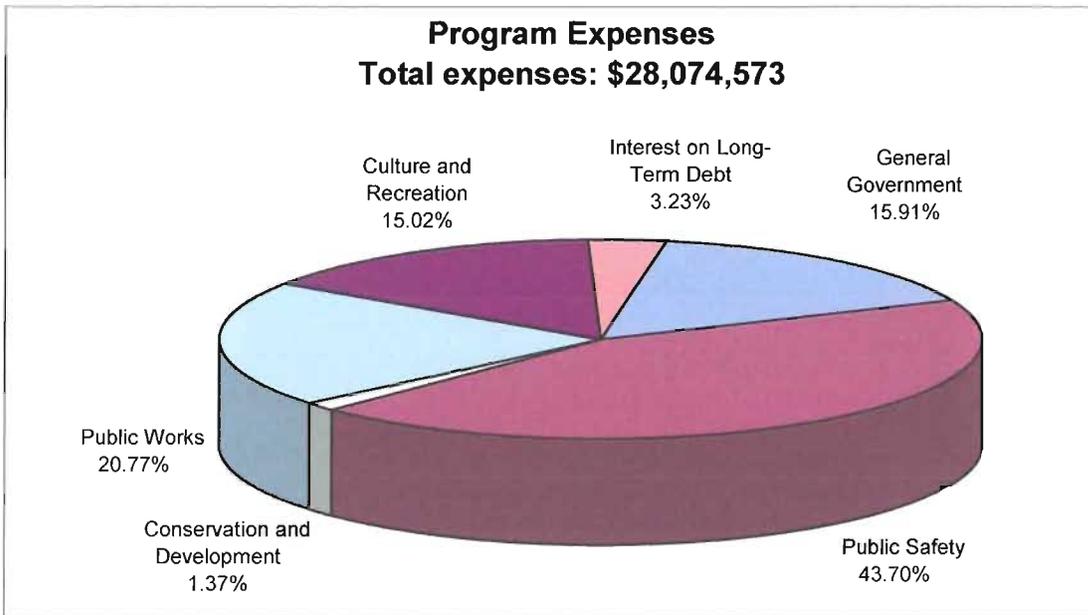
The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2011:



Program Expenses:

Total expenses for all programs in 2011 were \$28.1 million. The expenses reflect the delivery of a wide range of services, with the largest being public safety at 43.70 percent. The second largest program area was Public Works at 20.77 percent, followed by General Government at 15.91 percent, Culture-Recreation at 15.02 percent and all others at 4.60 percent.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2011:



The decrease in net assets in 2011 from \$25,622,913 to \$21,428,297, or a decrease of \$4,194,616 from 2010, 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.

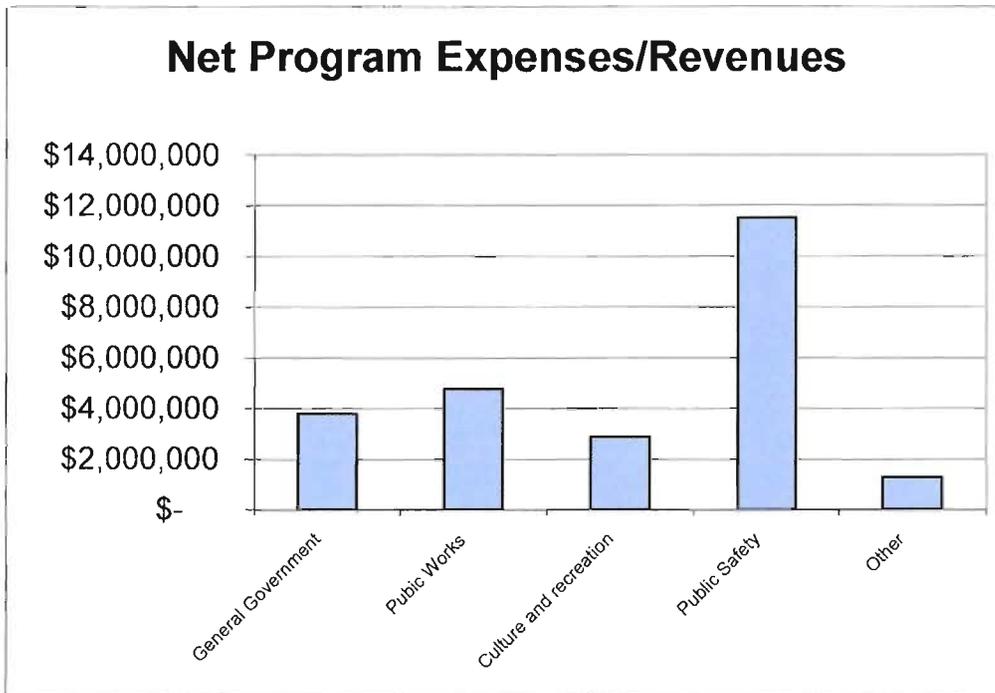
The revenues increase of \$107,558 or 1.24 percent was mainly in Earned Income Tax collections by \$469,045 due to timing of collections between 2010 and 2011. Operating Grants were up due to some recreation related grants. This variance was \$130,163. Real Estate Transfer Tax was down by \$39,979 due to a reduction in the value of residential and commercial property sales and interest income was down by \$39,148 due to fewer funds available for investment purposes.

The expenses increased from the prior year by \$563,613 or 2.00%. The largest increase was due to increased interest on long-term debt due to bond refinancing in 2010 compared to 2011.

Net Program Expenses/Revenues:

Public safety expenses required the most general revenue for support, requiring \$11.5 million in 2011. General government required \$3.8 million, while public works required \$4.8 million in general revenues, culture and recreation required \$2.9 million, and all others required \$1.3 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, 2011:



FINANCIAL ANALYSIS OF THE MUNICIPALITY’S FUNDS

As the Municipality completed the year, its governmental funds reported a combined fund balance of \$13.8 million of which \$6.7 million is the general fund, \$4.5 million is the 2011 Capital Improvement Fund, and \$2.4 million is for all other governmental funds. This represents an increase of \$0.7 million compared to the previous year of which the general fund decreased \$2.5 million due to a portion of the fund balance utilized to balance the 2011 Budget. Of this combined fund balance total, \$4.8 million 34.7 percent represents unassigned 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 restricted to fund capital projects (\$4.5 million) and other special revenue funds.

General Fund Budgetary Highlights

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

Revenue budgets had several negative material variances. The earned income tax budget was over-estimated. This resulted in a negative collection variance of \$184,891. Business privilege collections were down due to Westinghouse Electric moving a portion of its operations out of Monroeville. This resulted in a negative collection variance of \$363,441. Delinquent business privilege tax budget was over-estimated resulting in a negative collection variance of \$115,361. Additionally, delinquent local service tax was also over-estimated which resulted in a negative collection variance of \$135,182.

Expenditure budget had several positive and negative material variances.

Three new police officers were budgeted to be hired during 2011. The Civil Service testing was not complete during the year; therefore, new officers were not hired resulting in a positive variance to the budget.

A transfer of \$2.1 million was authorized during 2011 for the payment of the OPEB Annual Required Contribution by the OPEB Committee. This transfer was paid from restricted OPEB General Fund monies.

Interest income was down due to decreasing interest rates during 2011 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 healthcare and pension payments due to increased costs to maintain the programs.

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 2011 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, 2010 and 2011:

| | Balance at December 31, 2010 | Balance at December 31, 2011 |
|--|---------------------------------|---------------------------------|
| Capital assets, not being depreciated: | | |
| Land | \$ 8,219,765 | \$ 8,219,765 |
| Construction in progress | - | - |
| Total capital assets, not being depreciated | 8,219,765 | 8,219,765 |
| Capital assets, being depreciated: | | |
| Land Improvements | 9,861,019 | 9,861,019 |
| Building and improvements | 12,184,618 | 12,466,466 |
| Machinery and equipment | 4,999,271 | 5,370,608 |
| Vehicles | 10,353,724 | 11,159,734 |
| Infrastructure | 17,613,485 | 19,015,999 |
| Total capital assets, being depreciated | 55,012,117 | 57,873,826 |
| Less accumulated depreciation for: | | |
| Land Improvements | 2,915,447 | 3,341,340 |
| Buildings and improvements | 5,198,950 | 5,528,755 |
| Machinery and equipment | 3,097,324 | 3,302,355 |
| Vehicles | 3,932,741 | 4,593,663 |
| Infrastructure | 10,351,844 | 11,220,453 |
| Total accumulated depreciation | 25,496,306 | 27,986,566 |
| Total | \$ 37,735,576 | \$ 38,107,025 |

More detailed information about the Municipality's capital assets can be found in Note 6 of the notes to financial statements.

Long-term Debt

On December 31, 2011 the Municipality had \$30.2 million of debt outstanding. This represents an increase of \$5,495,000 or 22.23 percent, from the previous year. The following details activity related to general obligation bonds during 2011:

| Summary of General Obligation Bond Activity | |
|---|------------------|
| Beginning Balance at 1/1/2011 | \$ 24,715,000 |
| Principal Retirement | (1,955,000) |
| Additions | <u>7,450,000</u> |
| Ending Balance at 12/31/2011 | \$ 30,210,000 |

More detailed information about the Municipality's long-term debt can be found in Note 7 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 2011, Police Pension Plan net assets increased \$844,093 to \$28,709,089 and the OPEB Trust Fund assets increased \$1,527,892 to \$5,101,324.

During 2011, employer contributions were required for both the pension plans and other post employment benefits in the amount of \$3,947,299. In the non-uniform employees and police pension plans, the accrued liability exceeds the actuarial value of plan assets by approximately \$4.6 million and \$12.2 million, respectively, as of January 1, 2011. The required supplementary information located at the conclusion of the Notes to Financial Statements provides the details on the Police Pension and OPEB Trust Plans' funding progress.

Bond Ratings

During 2011, the Municipality maintained a strong investment bond rating of Aa2 from Moody's Investor Service. This rating was upgraded in 2003 from A1 and was again affirmed in 2011 for all related bond issuances and activities. More detailed information about the Municipality's general long-term debt activity can be found in Note 7 of the notes to financial statements.

CONTACTING THE MUNICIPALITY'S FINANCIAL MANAGEMENT

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

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

(THIS PAGE INTENTIONALLY LEFT BLANK)

BASIC FINANCIAL STATEMENTS

Municipality of Monroeville
Statement of Net Assets
December 31, 2011

| | Primary Government | Component Units | |
|--|----------------------------|-------------------------------|-----------------------------------|
| | Governmental Activities | Senior Citizens Council | Convention Visitor's Bureau |
| ASSETS | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | \$12,960,292 | \$118,556 | \$ 873,158 |
| Investments | 1,131,952 | - | - |
| Restricted Cash and Cash Equivalents | 121,102 | - | - |
| Due from Component Unit | 137,354 | - | - |
| Receivables (Net, Where Applicable of Allowance for Uncollectibles) | | | |
| Taxes | 2,553,484 | - | - |
| Due from Other Governments | 296,449 | - | 186,231 |
| Other | 401,939 | - | - |
| Prepaid Items | 947 | - | 27,207 |
| Total Current Assets | <u>17,603,519</u> | <u>118,556</u> | <u>1,086,596</u> |
| Noncurrent Assets | | | |
| Land | 8,219,765 | - | - |
| Capital Assets, Net of Accumulated Depreciation | 22,091,714 | - | 192,536 |
| Infrastructure Assets, Net of Accumulated Depreciation | 7,795,546 | - | - |
| Deferred Bond Issue Costs | 957,619 | - | - |
| Total Noncurrent Assets | <u>39,064,644</u> | <u>-</u> | <u>192,536</u> |
| TOTAL ASSETS | <u>\$56,668,163</u> | <u>\$118,556</u> | <u>\$1,279,132</u> |
| LIABILITIES AND NET ASSETS | | | |
| Liabilities | | | |
| Current Liabilities | | | |
| Due to Primary Government | \$ - | \$ - | \$ 137,354 |
| Accounts Payable | 937,574 | - | 22,253 |
| Accrued Salaries and Benefits | 527,180 | - | - |
| Unearned Revenue | 27,890 | - | - |
| Returnable Deposits | 187,202 | - | - |
| Accrued Interest Payable | 85,187 | - | - |
| Current Portion of Long-Term Debt | 2,330,863 | - | - |
| Total Current Liabilities | <u>4,095,896</u> | <u>-</u> | <u>159,607</u> |
| Noncurrent Liabilities | | | |
| Bonds Payable | 28,736,882 | - | - |
| Long-Term Portion of Termination Payments | 21,159 | - | - |
| Long-Term Portion of Compensated Absences | 914,784 | - | - |
| Other Post-Employment Benefits | 1,471,145 | - | - |
| Total Noncurrent Liabilities | <u>31,143,970</u> | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>35,239,866</u> | <u>-</u> | <u>159,607</u> |
| Net Assets | | | |
| Invested in Capital Assets, Net of Related Debt | 12,222,938 | - | 192,536 |
| Restricted for | | | |
| Capital Projects | 1,247,060 | - | - |
| Other Post-Employment Benefits | 121,102 | - | - |
| Highways and Streets | 4,385 | - | - |
| Public Safety | 147,484 | - | - |
| Unrestricted | <u>7,685,328</u> | <u>118,556</u> | <u>926,989</u> |
| Total Net Assets | <u>21,428,297</u> | <u>118,556</u> | <u>1,119,525</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$56,668,163</u> | <u>\$118,556</u> | <u>\$1,279,132</u> |

See Accompanying Notes

**Municipality of Monroeville
Statement of Activities
Year Ended December 31, 2011**

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | |
|--|---------------------|-------------------------|--|--|--|-------------------------------|-----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Gov't. Govern- mental Activities | Senior Citizens Council | Convention Visitor's Bureau |
| Governmental Activities | | | | | | | |
| General Government | \$ 4,467,088 | \$ 244,349 | \$ 417,824 | \$ - | \$ (3,804,915) | \$ - | \$ - |
| Public Safety | 12,269,528 | 357,872 | 388,220 | - | (11,523,436) | - | - |
| Public Works - Sanitation | 1,226,083 | 422,577 | - | - | (803,506) | - | - |
| Public Works - Highways | 4,603,845 | 50,348 | 590,787 | - | (3,962,710) | - | - |
| Culture - Recreation | 4,216,561 | 881,160 | 460,682 | - | (2,874,719) | - | - |
| Conservation and Development | 384,315 | 16,262 | - | - | (368,053) | - | - |
| Interest on Long-Term Debt | 907,153 | - | - | - | (907,153) | - | - |
| Total Governmental Activities | 28,074,573 | 1,972,568 | 1,857,513 | - | (24,244,492) | - | - |
| Total Primary Government | \$28,074,573 | \$1,972,568 | \$1,857,513 | \$ - | (24,244,492) | - | - |
| Component Units | | | | | | | |
| Senior Citizens Council | \$ 37,906 | \$ 29,516 | \$ - | - | - | (8,390) | - |
| Convention Visitor's Bureau | 570,257 | - | - | 110,000 | - | - | (460,257) |
| Total Component Units | \$ 608,163 | \$ 29,516 | \$ - | \$110,000 | - | (8,390) | (460,257) |
| General Revenues | | | | | | | |
| Taxes | | | | | | | |
| Property Taxes, Levied for General Purposes (Net) | | | | | 4,505,976 | - | - |
| Earned Income Taxes | | | | | 6,574,335 | - | - |
| Business Privilege Taxes | | | | | 3,654,692 | - | - |
| Mercantile Taxes | | | | | 2,573,404 | - | - |
| Local Services Taxes | | | | | 1,028,888 | - | - |
| Real Estate Transfer Taxes | | | | | 722,221 | - | - |
| Hotel/Motel and Gaming Fund Taxes | | | | | - | - | 747,930 |
| Other Taxes, Levied for General Purposes (Net) | | | | | 685,949 | - | - |
| Grants, Subsidies and Contributions Not Restricted | | | | | 44,744 | - | - |
| Investment Earnings | | | | | 69,852 | 230 | 205 |
| Miscellaneous Income | | | | | 5,815 | 10,947 | 22,048 |
| Gain on Sale of Assets | | | | | 184,000 | - | - |
| Total General Revenues | | | | | 20,049,876 | 11,177 | 770,183 |
| Changes in Net Assets | | | | | (4,194,616) | 2,787 | 309,926 |
| Net Assets - January 1, 2011 | | | | | 25,622,913 | 115,769 | 809,599 |
| Net Assets - December 31, 2011 | | | | | \$ 21,428,297 | \$118,556 | \$1,119,525 |

See Accompanying Notes

**Municipality of Monroeville
Balance Sheet
Governmental Funds
December 31, 2011**

| | General Fund | 2011 Capital Improvements Fund | Other Governmental Funds | Total Governmental Funds |
|--|----------------------------|---|--------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 4,939,338 | \$5,434,773 | \$2,586,181 | \$12,960,292 |
| Investments | 1,131,952 | - | - | 1,131,952 |
| Restricted Cash and Cash Equivalents | 121,102 | - | - | 121,102 |
| Taxes Receivable (Net) | 2,553,484 | - | - | 2,553,484 |
| Due from Other Funds | 956,519 | - | 264,947 | 1,221,466 |
| Due from Other Governments | 296,449 | - | - | 296,449 |
| Due from Component Units | 137,354 | - | - | 137,354 |
| Other Receivables (Net, Where Applicable of Allowance for Uncollectibles) | 401,939 | - | - | 401,939 |
| Prepaid Items | <u>947</u> | <u>-</u> | <u>-</u> | <u>947</u> |
| TOTAL ASSETS | <u>\$10,539,084</u> | <u>\$5,434,773</u> | <u>\$2,851,128</u> | <u>\$18,824,985</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities | | | | |
| Due to Other Funds | \$ 264,947 | \$ 569,624 | \$ 386,895 | \$ 1,221,466 |
| Accounts Payable | 588,458 | 349,116 | - | 937,574 |
| Accrued Salaries and Benefits | 527,180 | - | - | 527,180 |
| Returnable Deposits | 187,202 | - | - | 187,202 |
| Deferred Revenues | <u>2,183,146</u> | <u>-</u> | <u>-</u> | <u>2,183,146</u> |
| Total Liabilities | <u>3,750,933</u> | <u>918,740</u> | <u>386,895</u> | <u>5,056,568</u> |
| Fund Balances | | | | |
| Nonspendable | 947 | - | - | 947 |
| Restricted | 121,102 | 4,516,033 | 1,398,929 | 6,036,064 |
| Committed | 82,788 | - | 152,313 | 235,101 |
| Assigned | 1,795,704 | - | 912,991 | 2,708,695 |
| Unassigned | <u>4,787,610</u> | <u>-</u> | <u>-</u> | <u>4,787,610</u> |
| Total Fund Balances | <u>6,788,151</u> | <u>4,516,033</u> | <u>2,464,233</u> | <u>13,768,417</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$10,539,084</u> | <u>\$5,434,773</u> | <u>\$2,851,128</u> | <u>\$18,824,985</u> |

See Accompanying Notes

Municipality of Monroeville
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
December 31, 2011

Total Fund Balances - Governmental Funds \$ 13,768,417

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 \$66,093,591, and the accumulated depreciation is \$27,986,566. 38,107,025

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. 2,155,256

Deferred charges and premiums on bonds issued and refunded are capitalized and amortized over the life of the bonds in the statement of net assets. 255,737

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 | \$(30,210,000) | |
| Accrued Interest on the Bonds | (85,187) | |
| Termination Benefits | (128,875) | |
| Compensated Absences | (962,931) | |
| Other Post-Employment Benefits | <u>(1,471,145)</u> | <u>(32,858,138)</u> |

Total Net Assets - Governmental Activities \$ 21,428,297

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2011

| | General Fund | 2011 Capital Improvements Fund | Other Governmental Funds | Total Governmental Funds |
|---|---------------------|---|--------------------------------|--------------------------------|
| Revenues | | | | |
| Taxes | \$19,603,842 | \$ - | \$ - | \$19,603,842 |
| Licenses and Permits | 1,152,875 | - | - | 1,152,875 |
| Fines and Permits | 165,288 | - | - | 165,288 |
| Interest, Rents and Royalties | 67,927 | 721 | 1,204 | 69,852 |
| Intergovernmental | 1,253,477 | - | 595,683 | 1,849,160 |
| Charges for Services | 654,406 | - | - | 654,406 |
| Miscellaneous | <u>57,580</u> | <u>-</u> | <u>1,331</u> | <u>58,911</u> |
| Total Revenues | <u>22,955,395</u> | <u>721</u> | <u>598,218</u> | <u>23,554,334</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 3,652,171 | 127,082 | - | 3,779,253 |
| Public Safety | 11,041,555 | - | 159,090 | 11,200,645 |
| Public Works - Sanitation | 1,129,688 | - | - | 1,129,688 |
| Public Works - Highways | 2,766,701 | - | 590,000 | 3,356,701 |
| Culture - Recreation | 3,623,311 | - | - | 3,623,311 |
| Conservation and Development | 372,497 | - | - | 372,497 |
| Insurance Premiums | 1,164,949 | - | - | 1,164,949 |
| Debt Service: | | | | |
| Principal | 1,955,000 | - | - | 1,955,000 |
| Interest | 924,207 | - | - | 924,207 |
| Capital Outlay | <u>-</u> | <u>2,894,063</u> | <u>192,687</u> | <u>3,086,750</u> |
| Total Expenditures | <u>26,630,079</u> | <u>3,021,145</u> | <u>941,777</u> | <u>30,593,001</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(3,674,684)</u> | <u>(3,020,424)</u> | <u>(343,559)</u> | <u>(7,038,667)</u> |
| Other Financing Sources (Uses) | | | | |
| Bond Proceeds | - | 7,450,000 | - | 7,450,000 |
| (Discount) Premium on Bonds Issued | - | 86,457 | - | 86,457 |
| Sale of Capital Assets | <u>60,000</u> | <u>-</u> | <u>124,000</u> | <u>184,000</u> |
| Total Other Financing Sources (Uses) | <u>60,000</u> | <u>7,536,457</u> | <u>124,000</u> | <u>7,720,457</u> |
| Net Changes in Fund Balances | (3,614,684) | 4,516,033 | (219,559) | 681,790 |
| Fund Balances - January 1, 2011 (Restated - See Note 2) | <u>10,402,835</u> | <u>-</u> | <u>2,683,792</u> | <u>13,086,627</u> |
| Fund Balances - December 31, 2011 | <u>\$ 6,788,151</u> | <u>\$ 4,516,033</u> | <u>\$ 2,464,233</u> | <u>\$ 13,768,417</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, 2011**

Total Net Change in Fund Balances - Governmental Funds \$ 681,790

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 | \$(2,815,236) | |
| Capital Outlays | <u>3,186,685</u> | 371,449 |

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. 141,623

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,955,000

Bond proceeds are reported as financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide financial statements, however, issuing debt increases long-term liabilities in the statement of net assets and does not affect the statement of activities. The proceeds were: (7,450,000)

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).

**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, 2011**

| | | |
|--|---------------|------------|
| Compensated Absences | \$ (21,169) | |
| Termination Benefits | 105,631 | |
| Net Other Post-Employment Benefit Obligation | <u>17,905</u> | \$ 102,367 |

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 | | (17,718) |
|---|--|----------|

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

| | | |
|---|-----------------|---------------|
| Bond Issuance Costs | 127,082 | |
| Bond Premium | (86,457) | |
| Amortization of Issuance Costs, Discount and Deferred Loss on Refunding | <u>(19,752)</u> | <u>20,873</u> |

| | | |
|---|--|-----------------------------|
| Change in Net Assets of Governmental Activities | | <u><u>\$</u>(4,194,616)</u> |
|---|--|-----------------------------|

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget and Actual
Year Ended December 31, 2011

| | <u>Budgeted Amounts</u> | | Actual (Budgetary Basis) | Variance with Final Budget Positive (Negative) |
|--|-----------------------------|-----------------------------|--------------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Taxes | \$20,160,300 | \$20,160,300 | \$19,603,842 | \$(556,458) |
| Licenses and Permits | 1,256,290 | 1,256,290 | 1,152,875 | (103,415) |
| Fines and Forfeits | 115,162 | 115,162 | 165,288 | 50,126 |
| Interest, Rents and Royalties | 34,500 | 34,500 | 67,927 | 33,427 |
| Intergovernmental | 827,450 | 827,450 | 1,253,477 | 426,027 |
| Charges for Services | 717,204 | 729,204 | 654,406 | (74,798) |
| Miscellaneous | <u>586,445</u> | <u>586,445</u> | <u>57,580</u> | <u>(528,865)</u> |
| Total Revenues | <u>23,697,351</u> | <u>23,709,351</u> | <u>22,955,395</u> | <u>(753,956)</u> |
| Expenditures | | | | |
| Current: | | | | |
| General Government | 3,442,842 | 3,442,265 | 3,652,171 | (209,906) |
| Public Safety | 11,813,560 | 11,813,610 | 11,041,555 | 772,055 |
| Public Works - Sanitation | 1,184,929 | 1,184,804 | 1,129,688 | 55,116 |
| Public Works - Highways | 3,376,433 | 3,394,286 | 2,766,701 | 627,585 |
| Culture - Recreation | 3,492,222 | 3,492,071 | 3,623,311 | (131,240) |
| Conservation and Dev. | 484,163 | 479,163 | 372,497 | 106,666 |
| Insurance Premiums | 1,310,479 | 1,310,479 | 1,164,949 | 145,530 |
| Debt Service: | | | | |
| Principal | 1,955,000 | 1,955,000 | 1,955,000 | - |
| Interest | <u>930,368</u> | <u>930,368</u> | <u>924,207</u> | <u>6,161</u> |
| Total Expenditures | <u>27,989,996</u> | <u>28,002,046</u> | <u>26,630,079</u> | <u>1,371,967</u> |
| Excess (Deficiency) of Revenues Over Expenditures | (4,292,645) | (4,292,695) | (3,674,684) | 618,011 |
| Other Financing Sources (Uses) | | | | |
| Sale of Capital Assets | <u>-</u> | <u>-</u> | <u>60,000</u> | <u>60,000</u> |
| Net Change in Fund Balance | <u>\$(4,292,645)</u> | <u>\$(4,292,695)</u> | <u>\$(3,614,684)</u> | <u>\$ 678,011</u> |

See Accompanying Notes

Municipality of Monroeville
Statement of Net Assets
Fiduciary Funds
December 31, 2011

| | Pension and Other Employee Benefit Trust Funds |
|--|--|
| ASSETS | |
| Cash and Cash Equivalents | \$ 1,602,876 |
| Investments | |
| Equities | 13,533,613 |
| Mutual Funds | 3,815,693 |
| Municipal Bonds | 5,531,334 |
| Corporate Bonds | 8,663,461 |
| U. S. Government Agencies | 200,924 |
| Certificates of Deposit | 408,644 |
| Other Receivables | <u>171,436</u> |
| TOTAL ASSETS | <u>\$33,927,981</u> |
| LIABILITIES AND NET ASSETS | |
| Liabilities | |
| Accounts Payable | \$ <u>117,568</u> |
| Net Assets | |
| Held in Trust for Pension Benefits | 28,709,089 |
| Held in Trust for Other Post-Employment Benefits | <u>5,101,324</u> |
| Total Net Assets | <u>33,810,413</u> |
| TOTAL LIABILITIES AND NETS ASSETS | <u>\$33,927,981</u> |

See Accompanying Notes

Municipality of Monroeville
Statement of Changes in Net Assets
Fiduciary Funds
Year Ended December 31, 2011

| | Pension and Other Employee Benefit Trust Funds |
|---|--|
| Additions | |
| Contributions | |
| Employer | \$ 3,947,299 |
| Plan Members | <u>258,711</u> |
| Total Contributions | <u>4,206,010</u> |
| Investment Income | |
| Net Appreciation (Depreciation) in Fair Value of Investments | (124,703) |
| Interest and Dividends | <u>1,003,150</u> |
| | 878,447 |
| Less Investment Expense | <u>(183,326)</u> |
| Net Investment Income | <u>695,121</u> |
| Total Additions | <u>4,901,131</u> |
| Deductions | |
| Benefits | 2,503,328 |
| Administrative Expenses | <u>25,818</u> |
| Total Deductions | <u>2,529,146</u> |
| Change in Net Assets | 2,371,985 |
| Net Assets - January 1, 2011 | <u>31,438,428</u> |
| Net Assets - December 31, 2011 | <u>\$33,810,413</u> |

See Accompanying Notes

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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, 2011

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, 2011

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 funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds (the General Fund and the 2011 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 funds 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, 2011

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 the 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 within 60 days of 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 judgments, 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 2011 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 2011 general obligation bonds.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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)

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

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

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

Fiduciary Funds

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

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 3.

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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

F. Capital Assets (Cont'd)

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.

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

H. Interfund Activity in the Government-Wide Financial Statements (Cont'd)

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 one Special Revenue Fund (Highway Aid). 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, 2007, 2010, and 2011 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, 2011

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 2011 of \$12,050. 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, 2011

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

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

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

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

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

L. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

Assigned - reflects the Municipality's intent to use the money for a specific purpose but is not considered restricted or committed. Fund balance may be assigned by the Municipality's manager or director of finance.

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

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

The purpose of the nonspendable fund balance is for prepaid items and the restricted, committed and assigned fund balances as of December 31, 2011, are as follows:

| | General Fund | 2011 Capital Improvement Fund | Nonmajor Funds |
|--|-------------------|-------------------------------------|--------------------|
| <u>Restricted Fund Balance</u> | | | |
| Other postemployment benefits | \$ 121,102 | \$ - | \$ - |
| Future capital projects & purchases | - | 4,516,033 | 1,247,060 |
| Highway maintenance, rebuilding & const. | - | - | 4,385 |
| Police capital purchases | - | - | 147,484 |
| | <u>\$ 121,102</u> | <u>\$4,516,033</u> | <u>\$1,398,929</u> |
| <u>Committed Fund Balance</u> | | | |
| Flood maintenance | \$ 22,788 | \$ - | \$ - |
| Fire vehicle | 60,000 | - | - |
| Sidewalk improvements | - | - | 2,750 |
| Northern Pike roadway improvements | - | - | 149,563 |
| | <u>\$ 82,788</u> | <u>\$ -</u> | <u>\$ 152,313</u> |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

L. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

| | General Fund | 2011 Capital Improvement Fund | Nonmajor Funds |
|-------------------------------------|--------------------|-------------------------------------|-------------------|
| <u>Assigned Fund Balance</u> | | | |
| Public access television | \$ 200,000 | \$ - | \$ - |
| Traffic signals | 15,000 | - | - |
| Community complex and parks | 1,260,978 | - | - |
| Public library | 319,726 | - | - |
| Future capital projects & purchases | <u>-</u> | <u>-</u> | <u>912,991</u> |
| | <u>\$1,795,704</u> | <u>\$ -</u> | <u>\$ 912,991</u> |

M. Prepaid Items

In both the government-wide and fund financial statements, certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Note 2 - Restatement of Fund Balance

The Municipality implemented Governmental Accounting Standards Board (GASB) Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions in the year ended December 31, 2011. The Statement, in addition to establishing criteria for classifying fund balances into specifically defined classifications as described above, also clarifies the existing governmental fund type definitions. As a result of this Statement, certain funds were reclassified to meet the fund type definitions in GASB Statement No. 54. The reclassifications are effective January 1, 2011.

The Cable Television Fund was previously reported as a Special Revenue Fund; however, this fund no longer meets the definitions of a Special Revenue Fund, and the operations of that fund are now reported in the General Fund.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 2 - Restatement of Fund Balance (Cont'd)

A reconciliation of restated fund balance as a result of the implementation of GASB Statement No. 54 is detailed below:

| | General Fund |
|---|---------------------|
| Fund balance December 31, 2010 | |
| Previously reported | \$ 9,297,998 |
| Reclassification of Cable Television Fund | <u>1,104,837</u> |
| Restated Fund Balance | |
| January 1, 2011 | <u>\$10,402,835</u> |

Note 3 - Deposits and Investments

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

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

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

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. The Municipality nor its component units do not have a deposit policy for custodial

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2011**

Note 3 - Deposits and Investments (Cont'd)

Custodial Credit Risk - Deposits (Cont'd)

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, 2011, \$2,339,348 of the Municipality's bank balance of \$3,511,031 was exposed to custodial credit risk as follows:

| | |
|---|--------------------|
| Uninsured and Collateral Held by Pledging | |
| Bank's Agent not in the Municipality's Name | <u>\$2,339,348</u> |

As of December 31, 2011, the component units' bank balances were \$118,556 of which none was exposed to custodial credit risk.

As of December 31, 2011, 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 | \$ 9,960,589 | |
| Dreyfus Cash Management | 1,515,501 | |
| Federated Prime Cash | 278,649 | |
| Federated Government Obligation Fund | 70,987 | |
| Janney Montgomery Scott | | |
| Money Market | 6,892 | |
| Huntington Money Market | 16,389 | |
| Common Stock | 13,533,613 | |
| Mutual Funds | 3,826,576 | |
| Municipal Bonds | 5,531,334 | 6.71 |
| Corporate Bonds | 8,663,460 | 4.40 |
| U. S. Agencies | <u>1,304,354</u> | 3.23 |
| Totals | <u>\$44,708,344</u> | |
| Portfolio Weighted Average Maturity | | 5.13 |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 3 - Deposits and Investments (Cont'd)

Custodial Credit Risk - Deposits (Cont'd)

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

Of the total investments above, \$28,154,650 and \$5,193,251 are reported in the Municipality's Fiduciary Pension Trust Fund and OPEB Trust Fund, respectively. The balance is reported in its governmental funds.

Investments

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

Credit Risks - Pennsylvania statutes authorize the type of investments allowed and are described above. The Municipality has no investment policy that would further limit its investment choices. The Municipality's investments, excluding its common stock, mutual funds and U. S. government guaranteed obligations, are rated by nationally recognized statistical rating organizations 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 |
| Federated Government Obligation Fund | 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. (300,516) | AA + | Aaa |
| Federal Home Loan Banks (803,988) | AA + | Aaa |
| Federal Farm Credit Banks (199,850) | AA + | Aaa |
| Municipal Bonds | | |
| Columbus OH S/D (152,715) | AA | Aa2 |
| Hamilton Cnty. OH (107,593) | AA- | WR |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 3 - Deposits and Investments (Cont'd)

Investments (Cont'd)

| | S & P | Moody's |
|---------------------------------------|-------|---------|
| Municipal Bonds (Cont'd) | | |
| PA Hsg. Fin. Agy. (101,904) | AA+ | Aa2 |
| Pittsburgh PA Urban (106,290) | AA | Aa1 |
| Scranton PA Swr. Auth. (106,514) | AA- | Aa3 |
| St. Pub. Sch. Bldg. Auth. (100,956) | N/R | Aa2 |
| Upper St. Clair SD BAB (106,577) | AA+ | Aa2 |
| Indianapolis IN (500,000) | BBB | Aa2 |
| Puerto Rico Hsg. Fin. Auth. (561,896) | N/R | N/R |
| East Pennsboro Twp. (257,280) | N/R | A3 |
| Fort Wayne IN Intl. Airport (263,017) | N/R | Aa3 |
| LA CA Mun. IMPT (275,132) | A+ | A2 |
| Penn Twp. PA York Cnty. (548,540) | AA- | N/R |
| Oceanside CA Uni. S/D (213,712) | N/R | Aa3 |
| Lebanon PA Auth. Swr. (382,111) | A+ | N/R |
| Michigan Fin. Auth. (275,315) | A+ | N/R |
| Summit Cnty. OH Port Auth. (410,098) | AA- | N/R |
| Comm. Fing. Auth. (564,825) | AA- | Aa3 |
| American Muni. Pwr. (274,455) | A | A3 |
| Michigan Fin. Auth. (222,404) | A+ | N/R |
| Corporate Bonds | | |
| AT&T (103,547) | A- | A2 |
| Banc of America (100,707) | A- | Baa2 |
| Cardinal Health System (107,202) | A- | Baa2 |
| E Bay (100,944) | A | A2 |
| General Electric (209,468) | AA+ | A1 |
| Morgan Stanley (144,897) | A- | Baa1 |
| PNC Financial Corp (48,896) | BBB | Baa3 |
| PNC Funding Corp (81,093) | A- | A3 |
| Verizon Communication (78,539) | A- | A3 |
| Verizon New Jersey (100,165) | A- | WR |
| Morgan Stanley (101,224) | A- | Baa1 |
| Wachovia Corp (104,307) | A | A3 |
| Genl. Electric (255,620) | AA+ | Aa2 |
| NASDAQ OMX (256,170) | BBB | Baa3 |
| Maytag Corp. (258,277) | BBB- | WR |
| MBNA (289,860) | A- | Baa |

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2011**

Note 3 - Deposits and Investments (Cont'd)

Investments (Cont'd)

| | S & P | Moody's |
|------------------------------------|-------|---------|
| Corporate Bonds (Cont'd) | | |
| Willis North Amer. (265,465) | BBB- | Baa3 |
| General Electric (238,327) | AA + | Aa2 |
| National Oilwell Varco (204,746) | BBB + | A3 |
| Avnet Inc. (269,597) | BBB- | Baa3 |
| Agilent Technologies (275,575) | BBB + | N/R |
| Telecom Italia (183,466) | BBB | Baa2 |
| Bears Sterns (215,078) | A | Aa3 |
| Quest Diagnostics (282,705) | BBB + | Baa |
| Citigroup Inc. (251,600) | A- | A3 |
| Direct Hldgs. LLC (265,312) | BBB | Baa2 |
| Freeport McMoran Copper (265,625) | BBB | Baa3 |
| Jeffries Group (220,000) | BBB | Baa2 |
| Chesapeake & Potomac (207,924) | A- | WR |
| Broadridge Fin. Solution (314,388) | BBB | Baa1 |
| Merrill Lynch & Co. (242,075) | A- | Baa |
| Eaton Vance (280,575) | A- | A3 |
| Clorox Co. (231,226) | BBB + | Baa1 |
| Hutchison Whampoa Intl. (522,550) | A- | A3 |
| PPG (263,502) | BBB + | Baa1 |
| Harvard College Tax. (217,734) | AAA | Aaa |
| Petro Hawk Energy Corp. (255,875) | BBB + | Baa3 |
| Leggett & Platt Inc. (141,777) | BBB + | Baa1 |
| American Express (604,213) | BBB + | A3 |
| Goldman Sachs (103,209) | A- | A1 |

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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 3 - Deposits and Investments (Cont'd)

Investments (Cont'd)

The only investment as of December 31, 2011, was \$873,158 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 4 - 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, 2011, 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, 2011, total property taxes receivable, including delinquent and liened, was \$677,630 of which \$169,408 has been provided as uncollectible.

The property tax calendar for 2011 was as follows:

| | |
|--|-------------------|
| 2011 Millage Rate Adopted | December 27, 2010 |
| 2011 Bills Dated | March 1, 2011 |
| 2011 Two Percent Discount Period Ended | April 30, 2011 |
| 2010 Delinquent Property Tax Bills Liened | July 1, 2011 |
| 2011 Property Taxes not paid to be Declared Delinquent | February 28, 2012 |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 5 - Other Receivables

Other receivables consist of the following items:

| | General Fund |
|--------------------------|------------------|
| Host Municipality Fees | \$ 95,813 |
| Cable TV Franchise Fees | 144,641 |
| Miscellaneous | 4,718 |
| Public Works | 36,248 |
| Accrued Interest | 2,951 |
| Health Insurance Premium | <u>117,568</u> |
| | <u>\$401,939</u> |

Note 6 - Capital Assets

Governmental activities capital asset activity for the year ended December 31, 2011 was as follows:

| | Balance 01/01/11 | Additions | Disposals | Balance 12/31/11 |
|---|---------------------|------------------|----------------|---------------------|
| Governmental Activities | | | | |
| Capital Assets, Not Being Depreciated | | | | |
| Land | \$ <u>8,219,765</u> | \$ _____ - | \$ _____ - | \$ <u>8,219,765</u> |
| Capital Assets, Being Depreciated | | | | |
| Land Improvements | 9,861,019 | - | - | 9,861,019 |
| Buildings and Building Improvements | 12,184,618 | 281,848 | - | 12,466,466 |
| Machinery and Equipment | 4,999,271 | 535,441 | 164,104 | 5,370,608 |
| Vehicles | 10,353,724 | 966,882 | 160,872 | 11,159,734 |
| Infrastructure | <u>17,613,485</u> | <u>1,402,514</u> | - | <u>19,015,999</u> |
| Total Capital Assets, Being Depreciated | <u>55,012,117</u> | <u>3,186,685</u> | <u>324,976</u> | <u>57,873,826</u> |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 6 - Capital Assets (Cont'd)

| | Balance 01/01/11 | Additions | Disposals | Balance 12/31/11 |
|--|---------------------|-------------------|----------------|---------------------|
| Governmental Activities (Cont'd) | | | | |
| Less Accumulated Depreciation | | | | |
| Land Improvements | \$ 2,915,447 | \$ 425,893 | \$ - | \$ 3,341,340 |
| Buildings and Building Improvements | 5,198,950 | 329,805 | - | 5,528,755 |
| Machinery and Equipment | 3,097,324 | 369,135 | 164,104 | 3,302,355 |
| Vehicles | 3,932,741 | 821,794 | 160,872 | 4,593,663 |
| Infrastructure | <u>10,351,844</u> | <u>868,609</u> | <u>-</u> | <u>11,220,453</u> |
| Total Accumulated Depreciation | <u>25,496,306</u> | <u>2,815,236</u> | <u>324,976</u> | <u>27,986,566</u> |
| Total Capital Assets Being Depreciated | <u>29,515,811</u> | <u>371,449</u> | <u>-</u> | <u>29,887,260</u> |
| Governmental Activities Capital Assets, Net | <u>\$37,735,576</u> | <u>\$ 371,449</u> | <u>\$ -</u> | <u>\$38,107,025</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 | \$ 216,333 |
| Public Safety | 660,162 |
| Sanitation | 57,702 |
| Public Works | 1,117,232 |
| Culture - Recreation | 759,980 |
| Conservation and Development | <u>3,827</u> |
| Total Depreciation Expense | <u>\$2,815,236</u> |

Component units capital asset activity for the year ended December 31, 2011 was as follows:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 6 - Capital Assets (Cont'd)

| | Balance 01/01/11 | Additions | Disposals | Balance 12/31/11 |
|--|---------------------|-----------------|-------------|---------------------|
| Component Units | | | | |
| Capital Assets, Being Depreciated Furniture and Equipment | \$99,231 | \$110,810 | \$ - | \$210,041 |
| Less Accumulated Depreciation Furniture and Equipment | <u>5,157</u> | <u>12,348</u> | <u>-</u> | <u>17,505</u> |
| Component Units Capital Assets, Net | <u>\$94,074</u> | <u>\$98,462</u> | <u>\$ -</u> | <u>\$192,536</u> |

Note 7 - Bonds Payable and Other Long-Term Liabilities

The following summarizes the Municipality's long-term debt transactions for the year ended December 31, 2011:

| | Balance 01/01/11 | Additions | Retirements | Balance 12/31/11 | Due Within One Year |
|------------------------------|---------------------|--------------------|--------------------|---------------------|------------------------|
| Governmental Activities | | | | | |
| General Obligation Bonds | \$24,715,000 | \$7,450,000 | \$1,955,000 | \$30,210,000 | \$2,175,000 |
| Plus Bond Premium | 792,324 | 86,457 | 148,944 | 729,837 | - |
| Less Bond Discount | <u>(30,618)</u> | <u>-</u> | <u>(2,663)</u> | <u>(27,955)</u> | <u>-</u> |
| Total Bonds Payable | <u>25,476,706</u> | <u>7,536,457</u> | <u>2,101,281</u> | <u>30,911,882</u> | <u>2,175,000</u> |
| Compensated Absences Payable | 941,762 | 35,423 | 14,254 | 962,931 | 48,147 |
| Termination Payments | <u>234,506</u> | <u>-</u> | <u>105,631</u> | <u>128,875</u> | <u>107,716</u> |
| | <u>\$26,652,974</u> | <u>\$7,571,880</u> | <u>\$2,221,166</u> | <u>\$32,003,688</u> | <u>\$2,330,863</u> |

Bonds payable at December 31, 2011 are composed of the following issues:

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2011**

Note 7 - Bonds Payable and Other Long-Term Liabilities (Cont'd)

General Obligation Bonds

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. \$ 7,575,000

Series 2010 \$11,260,000; refunding nontaxable due in annual installments on June 1 through 2019; ranging from \$75,000 to \$2,165,000; interest (at rates ranging from 1.0% to 3.0%) is payable semi-annually on June 1 and December 1. 8,220,000

Series 2010A \$7,210,000; refunding nontaxable due in annual installments on June 1 through 2016; ranging from \$45,000 to \$1,865,000; interest (at rates ranging from 1.625% to 5.0%) is payable semi-annually on June 1 and December 1. 7,165,000

Series 2011-\$7,450,000 nontaxable due in annual installments June 1 through 2026 ranging from \$200,000 to \$610,000; interest (at rates ranging from 2.0% to 4.0%) is payable semi-annually on June 1 and December 1. 7,250,000

\$30,210,000

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

| Year Ended December 31, | Principal | Interest | Totals |
|----------------------------|---------------------|--------------------|---------------------|
| 2012 | \$ 2,175,000 | \$1,002,860 | \$ 3,177,860 |
| 2013 | 2,210,000 | 962,570 | 3,172,570 |
| 2014 | 2,275,000 | 896,919 | 3,171,919 |
| 2015 | 2,375,000 | 800,399 | 3,175,399 |
| 2016 | 2,475,000 | 696,342 | 3,171,342 |
| 2017-2021 | 13,620,000 | 2,235,773 | 15,855,773 |
| 2022-2026 | <u>5,080,000</u> | <u>327,502</u> | <u>5,407,502</u> |
| | <u>\$30,210,000</u> | <u>\$6,922,365</u> | <u>\$37,132,365</u> |

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2011**

Note 7 - Bonds Payable and Other Long-Term Liabilities (Cont'd)

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 8 - 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.

As of December 31, 2011, total liability in the statement of net assets was \$128,875. The expected yield on municipal funds used to liquidate the liability is considered negligible and the liability was calculated at the amount due. In the fund financial statements, all costs are recognized when they are expected to be liquidated. The General Fund recognized \$107,716 in expenditures related to termination benefits in 2011.

Note 9 - Interfund Balances

Interfund balances at December 31, 2011 were as follows:

| Fund | Interfund Receivable | Interfund Payable |
|-----------------------------|-------------------------|----------------------|
| General | \$ 956,519 | \$ 264,947 |
| 2011 Capital Improvements | - | 569,624 |
| Nonmajor Governmental Funds | <u>264,947</u> | <u>386,895</u> |
| | <u>\$1,221,466</u> | <u>\$1,221,466</u> |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 9 - Interfund Balances (Cont'd)

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.

Note 10 - Pension Plans

Plan Description and Eligibility

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

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

Employees of the Municipality who are full-time and certain permanent part-time employees and not covered by another Pension Plan are eligible to participate in the Non-Uniform Pension Plan after six months of continuous service. Pension benefits become vested after the completion of 10 years of service. Eligibility for the normal retirement benefit is age 65, or if hired prior to September 1, 1982,

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 10 - Pension Plans (Cont'd)

Plan Description and Eligibility (Cont'd)

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.

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, 2011, participants in the Plans were as follows:

| | <u>Non-Uniform</u> | <u>Police</u> |
|----------------------------|--------------------|---------------|
| Participants | | |
| Retirees and Beneficiaries | 90 | 41 |
| Deferred Vested | 1 | 2 |
| Active Employees | | |
| Vested | 63 | 38 |
| Non-vested | 35 | 8 |

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.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2011**

Note 10 - Pension Plans (Cont'd)

Summary of Significant Accounting Policies (Cont'd)

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, 2011, there were no investments in a security of a single organization that constituted more than 5% of the plan net assets available for benefits in either plan.

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 2011 MMO obligations (contributed to the Plans through a combination of Commonwealth and Municipal funding) for the Non-Uniform Plan and Police Plan were \$869,763 (15.6% of covered payroll) and \$1,615,850 (31.2% of covered payroll), respectively. Employee contributions for the Non-Uniform Plan and Police Plan were \$335,309 (6% of covered payroll) and \$258,711 (5% of covered payroll), respectively. The Commonwealth contributions for the Police Plan in 2011 were \$716,623 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 | \$869,763 | \$1,615,850 |
| Contributions Made | 869,763 | 1,615,850 |
| Actuarial Valuation Date | 01/01/11 | 01/01/11 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Amortization Method | Level Dollar Closed | Level Dollar Closed |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 10 - Pension Plans (Cont'd)

Contributions and Funding Policy (Cont'd)

| | Non-Uniform | Police |
|-----------------------------------|-------------|------------------|
| Asset Valuation Method | Fair Value | 4-Year Smoothing |
| Amortization Period | 9 Years | 11 Years |
| Actuarial Assumptions | | |
| Investment Rate of Return | 6.0% | 7.5% |
| Projected Salary Increases | 5.2% | 5.0% |
| Underlying Inflation Rate | 3.0% | 3.0% |
| Post-Retirement Benefit Increases | None | None |

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, 2011.

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 | 12/31/09 | \$ 812,408 | 100.0% | \$ - |
| | 12/31/10 | 812,635 | 100.0% | - |
| | 12/31/11 | 869,763 | 100.0% | - |
| Police | 12/31/09 | 1,574,104 | 100.0% | - |
| | 12/31/10 | 1,501,396 | 100.0% | - |
| | 12/31/11 | 1,615,850 | 100.0% | - |

Funded Status and Funding Progress

The following is funded status information for each plan as of January 1, 2011, the most recent actuarial valuation date:

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2011**

Note 10 - Pension Plans (Cont'd)

Funded Status and Funding Progress (Cont'd)

| | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Entry Age (b) | Unfunded AAL (UAAL) (Excess of Assets over AAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL (Excess of Assets over AAL) as a Percentage of Covered Payroll [(b-a)/c] |
|-------------|-------------------------------------|--|---|--------------------------|---------------------------|---|
| Non-Uniform | \$29,536,096 | \$34,127,450 | \$ 4,591,354 | 86.55% | \$5,697,919 | 80.58% |
| Police | 28,015,162 | 40,212,330 | 12,197,168 | 69.67% | 5,184,243 | 235.27% |

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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

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

Basis of Accounting (Cont'd)

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 funded in 2010 and 2011 also, and it is the Municipality's intention to continue to fund the Plan in the future.

C. Plan Description and Eligibility

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

1) Police Employees

Eligibility: Police officers hired prior to July 21, 2005

Normal Retirement Eligibility: Age 55 and 25 years of service

Early Retirement Eligibility: 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: PPO Blue 2000/4000; Freedom Blue Medicare Supplement

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

C. Plan Description and Eligibility (Cont'd)

2) Administrative Employees

Eligibility: Administrative employees hired prior to July 22, 2005

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

Coverage: Retired administrative employees and their spouses

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

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

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

Medical Plans Available: PPO Blue 2000/4000, 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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

C. Plan Description and Eligibility (Cont'd)

3) Clerical Employees (Cont'd)

Medical Plans Available: PPO Blue 2000/4000

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: PPO Blue 2000/4000

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: PPO Blue 2000/4000

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

C. Plan Description and Eligibility (Cont'd)

6) Refuse Employees

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

Coverage: Retired refuse employees

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

Medical Plans Available: PPO Blue 2000/4000

Membership of the OPEB Plan consisted of the following at January 1, 2010, the date of the latest actuarial valuation:

| | |
|----------------------------|------------|
| Retirees and Beneficiaries | |
| receiving benefits | 112 |
| Active Plan Members | <u>154</u> |
| | <u>266</u> |

For the year ended December 31, 2011, 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, 2011

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

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

| | |
|--|---------------------|
| Annual Required Contribution | \$ 2,331,449 |
| Interest on Net OPEB Obligation | 76,692 |
| Adjustment to Annual Required Contribution | <u>(94,597)</u> |
| Annual OPEB Cost (Expense) | 2,313,544 |
| Contributions Made | <u>(2,331,449)</u> |
| Increase (Decrease) in OPEB Obligation | (17,905) |
| Net OPEB Obligation - Beginning of Year | <u>1,489,050</u> |
| Net OPEB Obligation - End of Year | <u>\$ 1,471,145</u> |

The Municipality's OPEB cost, the percentage of annual OPEB cost contributed to the Plan and the net OPEB obligation for the last three years, is as follows.

The Municipality implemented the statement prospectively beginning in 2008.

| Fiscal Year Ended | Annual OPEB Cost | Percentage of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------------|---------------------|--|---------------------------|
| 12/31/09 | \$2,173,120 | 101.0% | \$1,511,272 |
| 12/31/10 | 2,236,197 | 101.0% | 1,489,050 |
| 12/31/11 | 2,313,544 | 100.8% | 1,471,145 |

E. Funded Status and Funding Progress

As of January 1, 2010, the latest available valuation at the time of the audit, the actuarial accrued liability for benefits was \$24,075,478 and the actuarial value of assets was \$1,785,880 resulting in an unfunded actuarial accrued liability of \$22,289,598 and a funded ratio of 7.42%. The covered payroll (annual payroll of active employees covered by the Plan) was \$11,184,433 and the ratio of unfunded actuarial accrued liability to the covered payroll was 199.29%.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 110 - 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, 2010 actuarial valuation, the most recent report available, 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 9% initially for medical and prescription, decreasing by .5% each year thereafter to 5% for 2018 and later, and a 5% rate for dental/vision with no change over the period and no separate rates for inflation. The method used to determine the actuarial value of assets is fair value. 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 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, 2011:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

| | Pension & Other Employee Benefit Trust Funds | | Total Pension & Other Employee Benefit Trust Funds |
|---|---|---------------------------|--|
| | Police Pension Fund | OPEB Trust Fund | |
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 1,515,501 | \$ 87,375 | \$ 1,602,876 |
| Investments At Fair Value | | | |
| Equities | 11,614,474 | 1,919,139 | 13,533,613 |
| Mutual Funds | 2,893,419 | 922,274 | 3,815,693 |
| Municipal Bonds | 4,748,785 | 782,549 | 5,531,334 |
| Corporate Bonds | 7,382,471 | 1,280,990 | 8,663,461 |
| U. G. Government Agencies | - | 200,924 | 200,924 |
| Certificate of Deposits | 408,644 | - | 408,644 |
| Other Receivables | <u>145,795</u> | <u>25,641</u> | <u>171,436</u> |
| TOTAL ASSETS | <u>\$28,709,089</u> | <u>\$5,218,892</u> | <u>\$33,927,981</u> |
| LIABILITIES AND NET ASSETS | | | |
| Liabilities | | | |
| Accounts Payable | \$ <u>-</u> | \$ <u>117,568</u> | \$ <u>117,568</u> |
| Net Assets | | | |
| Held in Trust for Pension Benefits | 28,709,089 | - | 28,709,089 |
| Held in Trust for OPEB Benefits | <u>-</u> | <u>5,101,324</u> | <u>5,101,324</u> |
| Total Net Assets | <u>28,709,089</u> | <u>5,101,324</u> | <u>33,810,413</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$28,709,089</u> | <u>\$5,218,892</u> | <u>\$33,927,981</u> |

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

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

| | Pension & Other Employee Benefit Trust Funds | | Total Pension & Other Employee Benefit Trust Funds |
|---|---|-----------------------|--|
| | Police Pension Fund | OPEB Trust Fund | |
| Additions | | | |
| Contributions | | | |
| Employer | \$ 1,615,850 | \$2,331,449 | \$ 3,947,299 |
| Plan Members | <u>258,711</u> | <u>-</u> | <u>258,711</u> |
| Total Contributions | <u>1,874,561</u> | <u>2,331,449</u> | <u>4,206,010</u> |
| Investment Income | | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | (15,534) | (109,169) | (124,703) |
| Interest and Dividends | <u>879,149</u> | <u>124,001</u> | <u>1,003,150</u> |
| | 863,615 | 14,832 | 878,447 |
| Less Investment Expenses | <u>(143,450)</u> | <u>(39,876)</u> | <u>(183,326)</u> |
| Net Investment Income | <u>720,165</u> | <u>(25,044)</u> | <u>695,121</u> |
| Total Additions | <u>2,594,726</u> | <u>2,306,405</u> | <u>4,901,131</u> |
| Deductions | | | |
| Benefits | 1,724,815 | 778,513 | 2,503,328 |
| Administrative Expenses | <u>25,818</u> | <u>-</u> | <u>25,818</u> |
| Total Deductions | <u>1,750,633</u> | <u>778,513</u> | <u>2,529,146</u> |
| Changes in Net Assets | 844,093 | 1,527,892 | 2,371,985 |

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2011**

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 |
| Net Assets - January 1, 2011 | <u>\$27,864,996</u> | <u>\$3,573,432</u> | <u>\$31,438,428</u> |
| Net Assets - December 31, 2011 | <u>\$28,709,089</u> | <u>\$5,101,324</u> | <u>\$33,810,413</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. Total rental income received under this lease in 2011 was \$15,750. The following is a schedule by year of future minimum rentals to be received by the Municipality under the lease at December 31, 2011:

| Year Ended December 31, | Amount |
|----------------------------|-----------------|
| 2012 | \$16,200 |
| 2013 | 16,200 |
| 2014 | <u>16,200</u> |
| | <u>\$48,600</u> |

Note 14 - Operating Leases

The Municipality is committed under various leases for photocopiers. These leases are considered, for accounting purposes, to be operating leases. Total costs for such leases were \$12,968 for the year ended December 31, 2011. The following is a schedule by years of future minimum payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year of December 31, 2011.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2011

Note 14 - Operating Leases (Cont'd)

| Year Ended December 31, | Amount |
|----------------------------|-----------------|
| 2012 | \$10,844 |
| 2013 | 10,844 |
| 2014 | <u>9,892</u> |
| | <u>\$31,580</u> |

Note 15 - 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 16 - 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 17 - Subsequent Event

In April 2012, the Municipality approved the issuance of the 2012 Series A and B general obligation bonds in the amount of \$8,445,000. The proceeds are to be used to advance refund the general obligation bonds Series of 2007, certain capital improvements to facilities within the Municipality, and pay for the costs of issuing the bonds.

(THIS PAGE INTENTIONALLY LEFT BLANK)

**REQUIRED SUPPLEMENTARY
INFORMATION**

**Municipality of Monroeville
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2011**

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 |
| 01/01/07 | \$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%) |
| 01/01/11 | 29,536,096 | 34,127,450 | (4,591,354) | 86.55% | 5,697,919 | (80.58%) |
| Police | | | | | | |
| 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%) |
| 01/01/11 | 28,015,162 | 40,212,330 | (12,197,168) | 69.67% | 5,184,243 | (235.27%) |

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

**Municipality of Monroeville
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2011**

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 |
| 2006 | \$465 | 100 % | \$1,258 | 100 % |
| 2007 | 745 | 100 % | 1,551 | 100 % |
| 2008 | 765 | 100 % | 1,532 | 100 % |
| 2009 | 812 | 100 % | 1,574 | 100 % |
| 2010 | 812 | 100 % | 1,502 | 100 % |
| 2011 | 870 | 100 % | 1,616 | 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, 2011 | January 1, 2011 |
| Actuarial Cost Method | Entry Age Normal | Entry Age Normal |
| Amortization Method | Level Dollar Closed | Level Dollar Closed |
| Asset Valuation Method | Fair Value | 4-Year Smoothing |
| Amortization Period | 9 Years | 11 Years |
| Actuarial Assumptions | | |
| Investment Rate of Return | 6.0% | 7.5% |
| Projected Salary Increases | 5.2% | 5.0% |
| Underlying Inflation Rate | 3.0% | 3.0% |
| Post-Retirement Benefit Increases | None | None |

Municipality of Monroeville
Required Supplementary Information
Other Post-Employment Benefits
December 31, 2011

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 | \$ - | \$20,439,556 | \$20,439,556 | 0.00% | \$10,491,205 | 194.83% |
| 01/01/10 | 1,785,880 | 24,075,478 | 22,289,598 | 7.42% | 11,184,433 | 199.29% |

2. Schedule of Employer Contributions

| Year Ended, December 31, | Annual Required Contribution | Percentage Contributed |
|--------------------------|------------------------------|------------------------|
| 2009 | \$2,195,682 | 100.0% |
| 2010 | 2,258,419 | 100.0% |
| 2011 | 2,331,449 | 100.0% |

Note: December 31, 2008 was the first year of implementation of the new standards for accounting and reporting of post-employment benefits. (Future reports will include additional valuations as they are performed.)

(THIS PAGE INTENTIONALLY LEFT BLANK)

**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.

2005 Capital Improvements Fund - Used to account for expenditures related to the Municipality's capital improvement program. Funds for this project were received from the issuance of the 2005 general obligation bonds.

2007 Capital Improvements Fund - Used to account for expenditures related to the Municipality's capital improvement program. Funds for this project were received from the issuance of the 2007 general obligation bonds.

2010 Capital Improvement Fund - Used to account for expenditures related to the Municipality's capital improvement program. Funds for the project were received from the issuance of the 2010 general obligation bonds.

(THIS PAGE INTENTIONALLY LEFT BLANK)

**Municipality of Monroeville
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011**

| | Special Revenue Funds | | | Capital Projects Funds | | | | Total Nonmajor Governmental Funds |
|--|------------------------|------------------------------------|-----------------------|--|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Highway Aid Fund | Police Asset Seizure Fund | Side- walk Fund | Northern Pike Improvements Fund | 2005 Capital Improvements Fund | 2007 Capital Improvements Fund | 2010 Capital Improvements Fund | |
| ASSETS | | | | | | | | |
| Cash and Cash Equivalents | \$4,385 | \$147,484 | \$2,750 | \$149,563 | \$648,044 | \$1,205,229 | \$428,726 | \$2,586,181 |
| Due from Other Funds | - | - | - | - | 264,947 | - | - | 264,947 |
| TOTAL ASSETS | <u>\$4,385</u> | <u>\$147,484</u> | <u>\$2,750</u> | <u>\$149,563</u> | <u>\$912,991</u> | <u>\$1,205,229</u> | <u>\$428,726</u> | <u>\$2,851,128</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| Liabilities | | | | | | | | |
| Due to Other Funds | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 259,395 | \$127,500 | \$ 386,895 |
| Fund Balances | | | | | | | | |
| Restricted | 4,385 | 147,484 | - | - | - | 945,834 | 301,226 | 1,398,929 |
| Committed | - | - | 2,750 | 149,563 | - | - | - | 152,313 |
| Assigned | - | - | - | - | 912,991 | - | - | 912,991 |
| Total Fund Balances | <u>4,385</u> | <u>147,484</u> | <u>2,750</u> | <u>149,563</u> | <u>912,991</u> | <u>945,834</u> | <u>301,226</u> | <u>2,464,233</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$4,385</u> | <u>\$147,484</u> | <u>\$2,750</u> | <u>\$149,563</u> | <u>\$912,991</u> | <u>\$1,205,229</u> | <u>\$428,726</u> | <u>\$2,851,128</u> |

Municipality of Monroeville
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2011

| | Special Revenue Funds | | | Capital Projects Funds | | | | Total Nonmajor Governmental Funds |
|--|------------------------|------------------------------------|------------------|--|--------------------------------------|--------------------------------------|--------------------------------------|--|
| | Highway Aid Fund | Police Asset Seizure Fund | Sidewalk Fund | Northern Pike Improvements Fund | 2005 Capital Improvements Fund | 2007 Capital Improvements Fund | 2010 Capital Improvements Fund | |
| Revenues | | | | | | | | |
| Interest, Rent and Royalties | \$ 127 | \$ 147 | \$ - | \$ 49 | \$ 365 | \$ 375 | \$ 141 | \$ 1,204 |
| Intergovernmental | 590,787 | 4,896 | - | - | - | - | - | 595,683 |
| Miscellaneous | - | - | - | - | 1,331 | - | - | 1,331 |
| Total Revenues | <u>590,914</u> | <u>5,043</u> | <u>-</u> | <u>49</u> | <u>1,696</u> | <u>375</u> | <u>141</u> | <u>598,218</u> |
| Expenditures | | | | | | | | |
| Current: | | | | | | | | |
| Public Safety | - | 159,090 | - | - | - | - | - | 159,090 |
| Public Works - Highways | 590,000 | - | - | - | - | - | - | 590,000 |
| Capital Outlay: | | | | | | | | |
| General Government | - | - | - | - | - | 6,145 | - | 6,145 |
| Public Safety | - | - | - | - | - | 13,589 | - | 13,589 |
| Public Works - Highways | - | - | - | - | - | 45,453 | 127,500 | 172,953 |
| Total Expenditures | <u>590,000</u> | <u>159,090</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>65,187</u> | <u>127,500</u> | <u>941,777</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>914</u> | <u>(154,047)</u> | <u>-</u> | <u>49</u> | <u>1,696</u> | <u>(64,812)</u> | <u>(127,359)</u> | <u>(343,559)</u> |
| Other Financing Sources (Uses) | | | | | | | | |
| Sale of Capital Assets | - | - | - | - | - | 124,000 | - | 124,000 |
| Net Changes in Fund Balances | <u>914</u> | <u>(154,047)</u> | <u>-</u> | <u>49</u> | <u>1,696</u> | <u>59,188</u> | <u>(127,359)</u> | <u>(219,559)</u> |
| Fund Balances - January 1, 2011 | <u>3,471</u> | <u>301,531</u> | <u>2,750</u> | <u>149,514</u> | <u>911,295</u> | <u>886,646</u> | <u>428,585</u> | <u>2,683,792</u> |
| Fund Balances - December 31, 2011 | <u>\$ 4,385</u> | <u>\$ 147,484</u> | <u>\$2,750</u> | <u>\$149,563</u> | <u>\$912,991</u> | <u>\$ 945,834</u> | <u>\$ 301,226</u> | <u>\$2,464,233</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, 2011**

| | <u>Budgeted Amounts</u> | | Actual (Budgetary Basis) | Variance with Final Budget Positive (Negative) |
|-------------------------------|-------------------------|----------------|--------------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Interest, Rents and Royalties | | | | |
| Interest Earnings | \$ 5,000 | \$ 5,000 | \$ 127 | \$ (4,873) |
| Intergovernmental | | | | |
| Liquid Fuels Tax | <u>635,000</u> | <u>635,000</u> | <u>590,787</u> | <u>(44,213)</u> |
| Total Revenues | <u>640,000</u> | <u>640,000</u> | <u>590,914</u> | <u>(49,086)</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public Works | | | | |
| Highways and Streets | | | | |
| Snow and Ice Removal | 288,000 | 288,000 | 284,497 | 3,503 |
| Traffic Signals | 50,000 | 50,000 | - | 50,000 |
| Street Lighting | <u>302,000</u> | <u>302,000</u> | <u>305,503</u> | <u>(3,503)</u> |
| Total Expenditures | <u>640,000</u> | <u>640,000</u> | <u>590,000</u> | <u>50,000</u> |
| Net Change in Fund Balance | \$ <u>-</u> | \$ <u>-</u> | \$ <u>914</u> | \$ <u>914</u> |

(THIS PAGE INTENTIONALLY LEFT BLANK)

COMPONENT UNITS

SENIOR CITIZENS COUNCIL

CONVENTION VISITOR'S BUREAU

(THIS PAGE INTENTIONALLY LEFT BLANK)

Municipality of Monroeville
Balance Sheet
Senior Citizens Council - Component Unit
General Fund
December 31, 2011

| | |
|-------------------------------------|------------------|
| ASSETS | |
| Cash and Cash Equivalents | <u>\$118,556</u> |
| TOTAL ASSETS | <u>\$118,556</u> |
| LIABILITIES AND FUND BALANCES | |
| Liabilities | \$ _____ |
| Fund Balances | |
| Unassigned | <u>118,556</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$118,556</u> |

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
Senior Citizens Council - Component Unit
General Fund
Year Ended December 31, 2011

| | |
|----------------------------------|------------------|
| Revenues | |
| Interest, Rents and Royalties | \$ 230 |
| Charges for Services | 29,516 |
| Miscellaneous | <u>10,947</u> |
| Total Revenues | <u>40,693</u> |
| Expenditures | |
| Current | |
| Culture - Recreation | <u>37,906</u> |
| Net Change in Fund Balance | 2,787 |
| Fund Balance - January 1, 2011 | <u>115,769</u> |
| Fund Balance - December 31, 2011 | <u>\$118,556</u> |

Municipality of Monroeville
Balance Sheet
Convention Visitor's Bureau - Component Unit
General Fund
December 31, 2011

ASSETS

| | |
|----------------------------|---------------|
| Cash and Cash Equivalents | \$ 873,158 |
| Due from Other Governments | 186,231 |
| Prepaid Items | <u>27,207</u> |

TOTAL ASSETS \$1,086,596

LIABILITIES AND FUND BALANCES

Liabilities

| | |
|---------------------------|---------------|
| Due to Primary Government | \$ 137,354 |
| Accounts Payable | <u>22,253</u> |

Total Liabilities 159,607

Fund Balances

| | |
|--------------|----------------|
| Nonspendable | 27,207 |
| Unassigned | <u>899,782</u> |

Total Fund Balances 926,989

TOTAL LIABILITIES AND FUND
BALANCES \$1,086,596

Municipality of Monroeville
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Assets
Convention Visitor's Bureau - Component Unit
December 31, 2011

Total Fund Balances - Governmental Funds \$ 926,989

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 \$210,041 and
the accumulated depreciation is \$17,505.

192,536

Total Net Assets - Governmental Activities

\$1,119,525

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
Convention Visitor's Bureau - Component Unit
General Fund
Year Ended December 31, 2011

| | |
|----------------------------------|------------------|
| Revenues | |
| Taxes | \$747,930 |
| Interest, Rents and Royalties | 205 |
| Intergovernmental | 110,000 |
| Miscellaneous | <u>22,048</u> |
| Total Revenues | <u>880,183</u> |
| Expenditures | |
| Current | |
| Conservation and Development | 557,909 |
| Capital Outlay | <u>110,810</u> |
| Total Expenditures | <u>668,719</u> |
| Net Change in Fund Balance | 211,464 |
| Fund Balance - January 1, 2011 | <u>715,525</u> |
| Fund Balance - December 31, 2011 | <u>\$926,989</u> |

Municipality of Monroeville
Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Convention Visitor's Bureau - Component Unit
Year Ended December 31, 2011

| | |
|--|-----------|
| Total Fund Balances - Governmental Funds | \$211,464 |
|--|-----------|

Amounts reported for governmental activities in the statement of net assets are different because:

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

| | | |
|---|-----------------|------------------|
| Capital Outlay | \$110,810 | |
| Depreciation Expense | <u>(12,348)</u> | <u>98,462</u> |
| Change in Net Assets of Governmental Activities | | <u>\$309,926</u> |

ADDITIONAL INFORMATION

**Municipality of Monroeville
Schedule of Public Library Program
Revenues and Expenditures
Included in the General Fund
Year Ended December 31, 2011**

Revenues

| | |
|--|-----------------------|
| Regional Asset District Tax Funds passed through ACLA | \$ 194,323 |
| State Library Aid | 102,488 |
| State Gaming Revenue | 23,853 |
| Other State Grants | 31,922 |
| Fines and Miscellaneous | <u>101,913</u> |
| Total Revenues | <u>\$ 454,499</u> |

Expenditures

| | |
|--|------------------------|
| Salaries | \$ 652,217 |
| Benefits | 219,089 |
| Utilities | 83,988 |
| Maintenance and Repairs | 18,110 |
| Office Supplies | 21,447 |
| Library Books and Equipment | 179,246 |
| Office Equipment and Furniture | 23,124 |
| Miscellaneous Outside Personnel Services | <u>135,272</u> |
| Total Expenditures | <u>\$1,332,493</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.

(THIS PAGE INTENTIONALLY LEFT BLANK)

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 NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 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 | \$ 12,882,141 | \$ 12,222,938 |
| Restricted | 83,417 | 213,491 | 5,238,588 | 3,804,830 | 1,610,088 | 746,777 | 3,241,041 | 2,378,790 | 1,520,031 |
| 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> | <u>10,361,982</u> | <u>7,685,328</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 | \$ 25,622,913 | \$ 21,428,297 |

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 NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| 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 | \$ 4,450,812 | \$ 4,467,088 |
| Public Safety | 8,356,622 | 9,455,325 | 9,894,850 | 10,065,990 | 11,155,631 | 11,869,307 | 12,765,461 | 12,107,364 | 12,269,528 |
| Public Works-Sanitation | 2,106,547 | 1,045,440 | 1,039,223 | 1,012,666 | 1,089,181 | 1,215,876 | 1,354,005 | 1,224,237 | 1,226,083 |
| Public Works-Highway | 3,004,078 | 3,852,671 | 3,631,393 | 4,515,921 | 4,001,421 | 4,672,102 | 4,394,628 | 4,362,680 | 4,603,845 |
| Culture-Recreation | 2,949,371 | 3,312,027 | 4,748,847 | 4,761,849 | 3,954,582 | 4,148,448 | 4,643,491 | 4,240,035 | 4,216,561 |
| Conservation and Development | 524,089 | 510,657 | 496,090 | 460,778 | 472,610 | 471,400 | 558,044 | 493,397 | 384,315 |
| 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> | <u>632,435</u> | <u>907,153</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 | \$ 27,510,960 | \$ 28,074,573 |
| Program Revenues | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| General government | \$ 485,901 | \$ 214,388 | \$ 183,259 | \$ 193,623 | \$ 200,337 | \$ 226,166 | \$ 49,259 | \$ 241,921 | \$ 244,349 |
| Public Safety | 138,400 | 447,753 | 330,395 | 364,199 | 394,608 | 298,938 | 451,374 | 650,163 | 357,872 |
| Public Works-Sanitation | 489,656 | 562,000 | 520,623 | 426,388 | 458,966 | 436,386 | 387,118 | 410,478 | 422,577 |
| Public Works-Highway | 693,700 | 89,181 | 35,015 | 59,570 | 42,059 | 44,146 | 45,665 | 34,293 | 50,348 |
| Culture-Recreation | 587,014 | 922,635 | 964,492 | 972,303 | 1,044,232 | 1,023,343 | 1,083,003 | 1,088,545 | 881,160 |
| Conservation and Development | 0 | 81,914 | 88,606 | 66,370 | 84,191 | 37,493 | 60,509 | 42,042 | 16,262 |
| 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> | <u>1,727,350</u> | <u>1,857,513</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 | \$ 4,194,792 | \$ 3,830,081 |
| 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 | \$ 23,316,168 | \$ 24,244,492 |

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|----|
| | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes | | | | | | | | | | |
| Property taxes, Levied for Gen. Purp. | \$ 4,287,331 | \$ 4,387,409 | \$ 4,210,793 | \$ 4,125,113 | \$ 4,589,476 | \$ 4,288,709 | \$ 4,223,321 | \$ 4,518,932 | \$ 4,505,976 | \$ |
| Earned Income Taxes | 5,644,030 | 5,125,025 | 5,964,115 | 6,196,902 | 6,494,824 | 6,599,696 | 6,166,700 | 6,105,290 | 6,574,335 | |
| 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 | 6,214,921 | 6,228,096 | |
| Other Taxes, Levied for Gen. Purp. | 1,412,444 | 2,538,671 | 3,206,669 | 3,536,794 | 3,557,251 | 2,588,588 | 2,635,771 | 2,577,780 | 2,437,058 | |
| Grants, Subsidies & Contrib. Not Restricted | 0 | 0 | 683,078 | 48,487 | 51,662 | 49,419 | 150,091 | 51,542 | 44,744 | |
| Investment Earnings | 416,479 | 358,990 | 763,746 | 1,234,063 | 1,203,292 | 909,950 | 194,868 | 109,000 | 69,852 | |
| Miscellaneous | 206,925 | 815,799 | 61,482 | 11,134 | 493 | 152,203 | 26,912 | 142 | 189,815 | |
| Total primary government | \$ 17,916,687 | \$ 18,993,648 | \$ 20,983,234 | \$ 21,858,084 | \$ 22,290,653 | \$ 21,646,912 | \$ 19,824,304 | \$ 19,577,607 | \$ 20,049,876 | |
| Change in Net Assets | | | | | | | | | | |
| Total primary government | \$ (403,409) | \$ (868,183) | \$ 221,900 | \$ (771,337) | \$ 410,067 | \$ (2,999,082) | \$ (5,717,340) | \$ (3,738,561) | \$ (4,194,616) | |

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 | | | | | | | | | |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| General Fund | | | | | | | | | | |
| Reserved | \$ 6,736,994 | \$ 6,687,708 | \$ 6,617,345 | \$ 6,736,994 | \$ 7,138,533 | \$ 7,284,355 | \$ 7,707,894 | \$ 5,563,195 | \$ 2,376,072 | \$ - |
| Unreserved | \$ 12,094,771 | \$ 19,313,013 | \$ 19,958,351 | \$ 12,094,771 | \$ 11,291,280 | \$ 10,717,076 | \$ 9,690,043 | \$ 7,122,455 | \$ 6,921,926 | \$ - |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 947 |
| Restricted | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 121,102 |
| Committed | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 82,788 |
| Assigned | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,795,704 |
| Unassigned | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,787,610 |
| Total general fund | \$ 18,831,765 | \$ 26,000,721 | \$ 26,575,696 | \$ 18,831,765 | \$ 18,429,813 | \$ 18,001,431 | \$ 17,397,937 | \$ 12,685,650 | \$ 9,297,998 | \$ 6,788,151 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | \$ 5,155,171 | \$ 1,889,511 | \$ 130,074 | \$ 5,155,171 | \$ 3,721,413 | \$ 8,413,715 | \$ 4,230,068 | \$ 3,157,624 | \$ 2,378,790 | \$ - |
| Nonspendable | | | | | | | | | | \$ - |
| Restricted | | | | | | | | | | \$ 5,914,962 |
| Committed | | | | | | | | | | \$ 152,313 |
| Assigned | | | | | | | | | | \$ 912,991 |
| Unassigned | | | | | | | | | | \$ - |
| Unreserved reported in: | | | | | | | | | | |
| Special revenue funds | \$ 765,877 | \$ 661,008 | \$ 702,234 | \$ 765,877 | \$ 809,589 | \$ 867,522 | \$ 935,873 | \$ 1,135,962 | \$ 1,409,839 | \$ - |
| Capital projects funds | \$ (235,573) | \$ - | \$ (416,035) | \$ (235,573) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total all other governmental funds | \$ 5,685,475 | \$ 2,550,519 | \$ 416,273 | \$ 5,685,475 | \$ 4,531,002 | \$ 9,281,237 | \$ 5,165,941 | \$ 4,293,586 | \$ 3,788,629 | \$ 6,980,266 |

The fund balances presented for 2011 have been restated to reflect the implementation of GASB Statement No. 54

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 4 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | Fiscal Year | | | | | | | | | |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 17,903,358 | \$ 17,293,283 | \$ 18,416,948 | \$ 19,122,033 | \$ 20,565,999 | \$ 20,861,746 | \$ 20,861,100 | \$ 19,912,623 | \$ 19,493,285 | \$ 19,603,842 |
| Licenses and Permits | 1,016,320 | 1,066,500 | 1,179,309 | 1,093,704 | 1,055,011 | 1,176,854 | 1,078,265 | 1,226,120 | 1,479,195 | 1,152,875 |
| Fines and Forfeits | 122,006 | 117,943 | 120,904 | 120,656 | 150,222 | 158,759 | 146,335 | 141,657 | 138,978 | 165,288 |
| Interest, Rents and Royalties | 1,937,648 | 1,663,138 | 358,990 | 763,746 | 1,234,063 | 1,203,292 | 909,950 | 194,868 | 109,000 | 69,852 |
| Intergovernmental | 3,660,610 | 1,146,605 | 1,798,854 | 2,695,881 | 1,716,888 | 1,987,942 | 1,708,639 | 2,132,506 | 1,713,741 | 1,849,160 |
| Charges for Services | 421,943 | 416,479 | 1,017,658 | 908,030 | 877,220 | 888,760 | 841,872 | 746,513 | 849,269 | 654,406 |
| Miscellaneous | 411,296 | 206,925 | 2,149 | 61,482 | 11,134 | 51,790 | 57,634 | 26,912 | 65,293 | 58,911 |
| Total revenues | \$ 25,473,181 | \$ 21,910,873 | \$ 22,894,812 | \$ 24,765,532 | \$ 25,610,537 | \$ 26,329,163 | \$ 25,603,795 | \$ 24,381,199 | \$ 23,848,761 | \$ 23,554,334 |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General Government | \$ 4,680,078 | \$ 3,700,943 | \$ 3,718,128 | \$ 3,875,424 | \$ 3,918,294 | \$ 3,978,115 | \$ 3,739,361 | \$ 4,244,860 | \$ 4,097,552 | \$ 3,779,253 |
| Public Safety | 8,138,854 | 8,070,587 | 8,682,700 | 9,914,915 | 9,403,266 | 10,566,677 | 10,310,515 | 11,687,888 | 11,311,872 | 11,200,645 |
| Public Works-Sanitation | 3,485,848 | 1,095,345 | 959,148 | 954,687 | 937,142 | 1,014,532 | 1,081,621 | 1,248,905 | 1,123,879 | 1,129,688 |
| Public Works-Highways | 1,861,093 | 2,945,056 | 2,835,702 | 2,877,094 | 3,475,994 | 2,941,222 | 3,055,005 | 3,255,015 | 3,359,170 | 3,356,701 |
| Culture-Recreation | 2,104,227 | 2,565,507 | 2,890,997 | 2,908,233 | 2,973,726 | 3,559,372 | 3,440,371 | 4,018,069 | 3,584,252 | 3,623,311 |
| Conservation and Development | - | 524,089 | 492,765 | 480,279 | 443,707 | 461,409 | 460,014 | 545,414 | 483,943 | 372,497 |
| Insurance Premiums | 517,888 | 774,845 | 895,783 | 943,860 | 941,605 | 951,513 | 767,909 | 1,006,736 | 1,050,703 | 1,164,949 |
| Miscellaneous | 6,581 | - | - | - | - | - | - | - | - | - |
| Capital outlays | 4,348,547 | 4,985,838 | 2,495,056 | 9,515,543 | 2,877,887 | 3,885,834 | 5,106,678 | 1,481,708 | 1,478,691 | 3,086,750 |
| Debt Service: | | | | | | | | | | |
| Principal | 1,380,000 | 1,115,000 | 850,000 | 1,390,000 | 1,425,000 | 1,460,000 | 1,515,000 | 1,585,000 | 1,400,000 | 1,955,000 |
| Interest | 784,924 | 699,096 | 633,804 | 632,302 | 770,341 | 739,807 | 997,711 | 977,246 | 609,954 | 924,207 |
| Bond Issue Costs | - | 179,365 | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 27,308,040 | \$ 26,655,671 | \$ 24,454,083 | \$ 33,492,337 | \$ 27,166,962 | \$ 29,558,481 | \$ 30,474,185 | \$ 30,050,841 | \$ 28,500,016 | \$ 30,593,001 |
| Excess of revenues over (under) expenditures | \$ (1,834,859) | \$ (4,744,798) | \$ (1,559,271) | \$ (8,726,805) | \$ (1,556,425) | \$ (3,229,318) | \$ (4,870,390) | \$ (5,669,642) | \$ (4,651,255) | \$ (7,038,667) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Bond Proceeds | \$ 7,160,000 | \$ - | \$ - | \$ 6,135,000 | \$ - | \$ 7,590,000 | \$ - | \$ - | \$ - | \$ 7,450,000 |
| Refunding Bonds Issued | - | 11,835,000 | - | 7,520,000 | - | - | - | - | 18,470,000 | - |
| (Discourt) on Bonds Issued | - | (16,132) | - | (85,837) | - | (38,829) | - | - | - | - |
| Bond premium/Costs | - | 12,322 | - | - | - | - | - | - | 816,850 | 86,457 |
| Payment to Refunded Bond Escrow Agent | (130,162) | (11,651,825) | - | (7,317,087) | - | - | - | - | (18,572,754) | - |
| Sale of Capital Assets | 12,632,429 | - | - | - | - | - | 151,600 | 85,000 | 44,550 | 184,000 |
| Transfer of Sewer Fund Net Assets | (2,703,656) | - | - | - | - | - | - | - | - | - |
| Residual Equity Transfer In | 2,725,367 | - | - | - | - | - | - | - | - | - |
| Residual Equity Transfer Out | (2,725,367) | - | - | - | - | - | - | - | - | - |
| Transfers In | 2,225,195 | 1,843,838 | - | 6,152,652 | 377,863 | 160,555 | 172,358 | 228,019 | 639,980 | - |
| Transfers Out | (2,225,195) | (1,843,838) | - | (6,152,652) | (377,863) | (160,555) | (172,358) | (228,019) | (639,980) | - |
| Total Other Financing Sources (Uses) | 16,958,611 | 179,365 | - | 6,252,076 | - | 7,551,171 | 151,600 | 85,000 | 758,646 | 7,720,457 |
| Net Changes in fund balances | \$ 15,123,752 | \$ (4,565,433) | \$ (1,559,271) | \$ (2,474,729) | \$ (1,556,425) | \$ 4,321,853 | \$ (4,718,790) | \$ (5,584,642) | \$ (3,892,609) | \$ 681,790 |
| Debt service as a percentage of noncapital expenditures | 9.43% | 8.37% | 6.76% | 8.43% | 9.04% | 8.57% | 9.91% | 9.05% | 7.46% | 10.51% |

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 |
|-------------|----------------------|---------------------|---------------------|------------------------------|--|-----------------------|
| 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 |
| 2010 | 1,111,696 | 978,442 | 365,311 | 2,090,138 | 100% | 2.20 |
| 2011 | 1,110,808 | 978,442 | 364,161 | 2,089,250 | 100% | 2.20 |

Source: Allegheny County Assessment Office

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 6 DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

| 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 | |
| 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 |
| 2010 | 2.20 | 2.20 | 4.69 | 4.69 | 21.02 | 21.02 | 27.91 |
| 2011 | 2.20 | 2.20 | 4.69 | 4.69 | 21.02 | 21.02 | 27.91 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 7 PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND TEN YEARS AGO

| Taxpayer | 2011 | | | 2001 | | |
|--|----------------------------|------|--|----------------------------|------|--|
| | 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 | \$ 146,580,500 | 1 | 7.02% | | | |
| PZ Miracle Mile | 37,772,800 | 2 | 1.81% | \$ 6,005,000 | 5 | 1.88% |
| ER Partners LP | 18,293,500 | 3 | 0.88% | | | |
| Monroeville S.C.L.P | 17,481,700 | 4 | 0.84% | | | |
| Anne V. Lewis | 16,015,000 | 5 | 0.77% | | | |
| Westinghouse Electric Corporation | 16,000,000 | 6 | 0.77% | 12,376,200 | 2 | 3.86% |
| Walnut Ivanhoe Partners | 15,582,500 | 7 | 0.75% | | | |
| Cochran, RELP | 15,250,900 | 8 | 0.73% | 4,226,400 | 7 | 1.32% |
| OFEWLP | 14,500,000 | 9 | 0.69% | | | |
| Terra Capital Associates | 7,221,200 | 10 | 0.35% | 9,595,400 | 4 | 3.00% |
| UPMC | | | | | | |
| Soffer, Donald | | | | 26,367,425 | 1 | 8.23% |
| L & M Associates | | | | 11,193,100 | 3 | 3.50% |
| 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>\$ 304,698,100</u> | | <u>14.58%</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 |
| 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% | 88,388 | 4,395,073 | 94.72% |
| 2010 | 4,543,586 | 4,430,544 | 97.51% | 80,318 | 4,510,862 | 99.28% |
| 2011 | 4,598,305 | 4,430,816 | 96.36% | 0 | 4,430,816 | 96.36% |

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> |
|------------------------|----------------------------------|--------------------------|
| 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 |
| 2010 | 610,529,000 | 6,105,290 |
| 2011 | 657,433,500 | 6,574,335 |

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> |
|------------------------|-------------------------------------|--|
| 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% |
| 2010 | 1% | 0.50% |
| 2011 | 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 | 2010 Number of filers | 2011 Number of filers |
|----------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| \$100,001-and higher | 626 | 530 | 679 | 439 | 209 | 333 |
| \$70,001-\$100,000 | 905 | 744 | 1,043 | 744 | 307 | 466 |
| \$50,001-70,000 | 1,357 | 1,176 | 1,433 | 1,030 | 435 | 643 |
| \$30,001-50,000 | 2,182 | 1,752 | 2,147 | 1,458 | 540 | 849 |
| \$10,001-30,000 | 2,789 | 2,265 | 2,710 | 1,697 | 565 | 1,118 |
| \$10,000 and lower | <u>2,755</u> | <u>2,284</u> | <u>2,787</u> | <u>1,957</u> | <u>387</u> | <u>907</u> |
| TOTAL | 10,614 | 8,751 | 10,799 | 7,325 | 2,443 | 4,316 |

| Income Level | 2006 Percentage of Total | 2007 Percentage of Tot Taxpayers | 2008 Percentage of Tot Taxpayers | 2009 Percentage of Tot Taxpayers | 2010 Percentage of Tot Taxpayers | 2011 Percentage of Tot Taxpayers |
|----------------------|--------------------------------|--|--|--|--|--|
| \$100,001-and higher | 5.90% | 6.06% | 6.29% | 5.99% | 8.56% | 7.72% |
| \$70,001-\$100,000 | 8.53% | 8.50% | 9.66% | 10.16% | 12.57% | 10.80% |
| \$50,001-70,000 | 12.79% | 13.44% | 13.27% | 14.06% | 17.81% | 14.90% |
| \$30,001-50,000 | 20.56% | 20.02% | 19.88% | 19.90% | 22.10% | 19.67% |
| \$10,001-30,000 | 26.28% | 25.88% | 25.09% | 23.17% | 23.13% | 25.90% |
| \$10,000 and lower | <u>25.96%</u> | <u>26.10%</u> | <u>25.81%</u> | <u>26.72%</u> | <u>15.84%</u> | <u>21.02%</u> |
| TOTAL | 100.00% | 100.00% | 100.00% | 100.00% | 100.01% | 100.00% |

| Income Level | 2006 Percentage of Tot Income | 2007 Percentage of Tot Income | 2008 Percentage of Tot Income | 2009 Percentage of Tot Income | 2010 Percentage of Tot Income | 2011 Percentage of Tot Income |
|----------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| \$100,001-and higher | 26.25% | 26.25% | 25.84% | 18.88% | 26.45% | 28.55% |
| \$70,001-\$100,000 | 17.91% | 17.91% | 20.13% | 21.30% | 21.84% | 20.36% |
| \$50,001-70,000 | 20.19% | 20.19% | 19.65% | 20.90% | 22.08% | 19.97% |
| \$30,001-50,000 | 20.12% | 20.12% | 19.69% | 19.70% | 18.60% | 17.75% |
| \$10,001-30,000 | 12.91% | 12.91% | 12.30% | 11.26% | 9.54% | 11.33% |
| \$10,000 and lower | <u>2.62%</u> | <u>2.62%</u> | <u>2.39%</u> | <u>7.98%</u> | <u>1.49%</u> | <u>2.05%</u> |
| TOTAL | 100% | 100% | 100% | 100% | 100.00% | 100.00% |

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 | | |
| 2002 | 20,690,000 | 20,690,000 | 3.69% | 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 | 4.28% | 936.83 |
| 2009 | 25,910,000 | 25,910,000 | 3.96% | 882.82 |
| 2010 | 24,715,000 | 24,715,000 | 3.80% | 842.11 |
| 2011 | 30,210,000 | 30,210,000 | 4.60% | 1,064.26 |

* 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 7 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 | |
| 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% |
| 2010 | 24,715 | 24,715 | 1.18% |
| 2011 | 30,210 | 30,210 | 1.45% |

*Details regarding the Municipality's outstanding debt can be found in the Note 7 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, 2011

(AMOUNTS EXPRESSED IN THOUSANDS)

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable* | Estimated Share of Overlapping** Debt |
|--|---------------------|--|--|
| Debt repaid with property taxes | \$ 30,210 | 100.0% | \$30,210 |
| Municipality of Monroeville | | | |
| Other debt | | | |
| Gateway School District | 51,460 | 96.80% a | \$ 49,813 |
| Allegheny County | <u>728,929</u> | 3.50% a | \$ 25,513 |
| Subtotal-overlapping debt | | | 75,326 |
| Total direct and overlapping debt | | | <u>\$ 105,536</u> |

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

**Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Municipality. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Municipality. This process recognizes that, when considering the Municipality's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 15 LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

| | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Debt Limit | \$ 54,378 | \$ 56,455 | \$ 58,868 | \$ 56,909 | \$ 61,059 | \$ 65,132 | \$ 65,796 | \$ 69,248 | \$ 67,372 | \$ 67,913 |
| Total net debt applicable to limit | 20,690 | 20,040 | 19,190 | 24,305 | 22,880 | 29,010 | 27,495 | 25,910 | 24,715 | 30,210 |
| Legal debt margin | <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>\$ 43,338</u> | <u>\$ 42,657</u> | <u>\$ 37,703</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 38.05% | 35.50% | 32.60% | 42.71% | 37.47% | 44.54% | 41.79% | 37.42% | 36.68% | 44.48% |

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> |
|-------------|---------------------------|---|---|---------------------------|----------------------------------|----------------------------------|
| 2002 | 29,349 | \$ 560,173,700 | \$ 31,544 | 43 | 4,301 | 4.70% |
| 2003 | 29,349 | \$ 564,403,000 | \$ 32,208 | 43 | 4,301 | 5.70% |
| 2004 | 29,349 | \$ 567,526,700 | \$ 32,987 | 43 | 4,301 | 5.90% |
| 2005 | 29,349 | \$ 572,339,200 | \$ 34,685 | 43 | 4,301 | 5.70% |
| 2006 | 29,349 | \$ 610,927,800 | \$ 37,145 | 43 | 4,301 | 5.20% |
| 2007 | 29,349 | \$ 642,198,700 | \$ 39,605 | 43 | 4,301 | 4.40% |
| 2008 | 29,349 | \$ 654,997,500 | \$ 40,318 | 43 | 4,301 | 5.00% |
| 2009 | 29,349 | \$ 650,812,400 | \$ 41,044 | 43 | 4,301 | 4.90% |
| 2010 | 28,386 | \$ 610,529,000 | \$ 41,782 | 43 | 4,301 | 7.20% |
| 2011 | 28,386 | \$ 657,433,500 | \$ 42,534 | 43 | 4,301 | 7.10% |

Data Sources:

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 17 PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO

| Employer | 2011 | | | 2001 | | |
|---------------------------------------|--------------|------|--|--------------|------|--|
| | Employees | Rank | Percentage of Total Municipal Employment | Employees | Rank | Percentage of Total Municipal Employment |
| Forbes Regional Hospital | 1,518 | 1 | 0.76% | 2,000 | 1 | 1.00% |
| Bechtel National Inc. | 1,154 | 2 | 0.58% | | | |
| Procare Pharmacy | 778 | 3 | 0.39% | | | |
| Gateway School District | 769 | 4 | 0.38% | 500 | 5 | 0.25% |
| Respiroics | 502 | 5 | 0.25% | | | |
| UPMC | 436 | 6 | 0.22% | | | |
| Community College of Allegheny County | 365 | 7 | 0.18% | 523 | 6 | 0.26% |
| Giant Eagle/Get GO | 360 | 8 | 0.18% | | | |
| Compunetix | 346 | 9 | 0.17% | | | |
| Cochran Pontiac Inc. | 344 | 10 | 0.17% | | | |
| Westinghouse Electric Co. | | | | 900 | 2 | 0.45% |
| Kaufmann's Department Store | | | | 577 | 3 | 0.29% |
| Lazarus/Macy's | | | | 563 | 4 | 0.28% |
| HealthSouth of Pittsburgh, Inc. | | | | 423 | 7 | 0.21% |
| Venturi Staffing Partners | | | | 403 | 8 | 0.20% |
| J. C. Penny Company | | | | 365 | 9 | 0.18% |
| Olsten Staffing Services | | | | 361 | 10 | 0.18% |
| | <u>6,572</u> | | <u>3.29%</u> | <u>6,615</u> | | <u>3.31%</u> |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 18

FULL-TIME EQUIVALENT MUNICIPAL EMPLOYEES BY FUNCTION/PROGRAM

| <u>FUNCTION/PROGRAM</u> | Full-time Equivalent Employees as of December 31 | | | | | | | | | |
|-------------------------------------|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
| GENERAL GOVERNMENT | | | | | | | | | | |
| Mayor & Council | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Manager's Office | 4 | 4 | 4 | 5 | 5 | 4 | 4 | 4 | 4 | 3 |
| Tax Collection | 4 | 4 | 4 | 4 | 5 | 5 | 5 | 5 | 5 | 5 |
| Finance Office | 7 | 7 | 7 | 7 | 5 | 5 | 4 | 4 | 4 | 4 |
| Data Processing | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| PUBLIC SAFETY | | | | | | | | | | |
| Police Chief | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Emergency Communications | 0 | 0 | 0 | 0 | 8 | 8 | 8 | 8 | 8 | 8 |
| Patrol & Traffic | 42 | 42 | 43 | 41 | 40 | 40 | 40 | 40 | 39 | 40 |
| Incident Investigation | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 6 | 5 |
| Support Services & Records | 4 | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 1 | 1 |
| Police Training | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Community Safety | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 3 | 2 |
| School Crossing Guards | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Fire, Building, & Code Enforcement | 5 | 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 |
| Snow & Ice Control | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Storm Sewer Maintenance | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Street Maintenance | 11 | 11 | 12 | 12 | 11 | 9 | 9 | 9 | 9 | 8 |
| Parks Maintenance | 4 | 7 | 6 | 7 | 6 | 7 | 7 | 7 | 7 | 6 |
| Traffic Signals, Signs and Markings | 5 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Superintendent of Special Services | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sanitary Sewer Maintenance | 5 | 4 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Refuse Collection | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 | 9 |
| Vehicular Equipment | 6 | 6 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 4 |
| Recycling | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Animal Control | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Community Park | 0 | 0 | 0 | 0 | 3 | 3 | 3 | 3 | 3 | 3 |
| Building & Property Maintenance | 5 | 5 | 6 | 5 | 5 | 5 | 5 | 5 | 5 | 3 |
| HUMAN SERVICES | | | | | | | | | | |
| Recreation and Parks | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 | 3 | 3 |
| Human Service Program | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Leisure Learning | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Monroeville Community Pool | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Planning & Zoning | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 2 | 2 |
| Appeal Board Service | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Engineering | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Electronic Equipment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Senior Citizens | 3 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Public Library | 9 | 9 | 9 | 9 | 9 | 11 | 11 | 11 | 11 | 11 |
| TV 15 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| TOTAL | 154 | 156 | 156 | 153 | 160 | 160 | 158 | 159 | 152 | 145 |

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 19 OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

| FUNCTION/PROGRAM | Fiscal Year | | | | | | | | | |
|---------------------------------------|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2002</u> | <u>2003</u> | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
| POLICE | | | | | | | | | | |
| Physical arrests | 605 | 344 | 275 | 613 | 416 | 479 | 521 | 363 | 280 | 314 |
| Incidents | 18,204 | 18,577 | 17,857 | 19,121 | 17,836 | 18,689 | 23,891 | 18,188 | 16,614 | 15,425 |
| Traffic violations/Citations | 1,490 | 1,229 | 554 | 825 | 1,262 | 1,456 | 1,299 | 1,266 | 2,013 | 1,580 |
| FIRE | | | | | | | | | | |
| Emergency Response | 4,213 | 4,444 | 5,012 | 4,347 | 4,990 | 4,067 | 5,180 | 5,141 | 5,777 | 5,387 |
| INSPECTIONS | 3,759 | 3,759 | 4,247 | 3,759 | 3,968 | 4,205 | 4,684 | 4,780 | 4,780 | 6,083 |
| PUBLIC WORKS | | | | | | | | | | |
| Recyclables collected (tons per year) | N/A | N/A | 506.42 | 495.68 | 530.79 | 551.15 | 656.74 | 535.14 | 530.36 | 641.35 |
| OTHER PUBLIC WORKS | | | | | | | | | | |
| Street Resurfacing (miles) | 11.50 | 11.80 | 12.10 | 8.00 | 4.40 | 3.00 | 8.50 | 4.30 | 4.30 | 9.00 |
| PARKS AND RECREATION | | | | | | | | | | |
| Program Participants | 2,864 | 2,747 | 5,810 | 5,027 | 5,718 | 3,370 | 2,408 | 1,701 | 1,644 | 2,093 |
| Pavilion Rentals | 197 | 165 | 203 | 190 | 322 | 362 | 385 | 434 | 453 | 466 |
| Pool Admissions | 10,310 | 6,325 | 4,095 | 3,526 | 3,813 | 3,612 | 4,320 | 3,736 | 5,331 | 5,431 |
| LIBRARY | | | | | | | | | | |
| Items in Collection | 102,630 | 105,639 | 108,723 | 116,300 | 118,747 | 120,267 | 123,765 | 123,146 | 119,514 | 120,048 |
| Total Circulation | 207,633 | 218,259 | 223,423 | 212,991 | 222,416 | 219,967 | 224,066 | 233,405 | 222,519 | 244,321 |

Sources: Various Municipal Departments

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 20

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

| FUNCTION/PROGRAM | Fiscal Year | | | | | | | | | |
|-------------------------|-------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
| POLICE | | | | | | | | | | |
| Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Patrol units | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| FIRE STATIONS | | | | | | | | | | |
| OTHER PUBLIC WORKS | | | | | | | | | | |
| Miles of streets | 120 | 120 | 108 | 108 | 108 | 108 | 108 | 108 | 108 | 108 |
| Number of street lights | 1,388 | 1,388 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 | 1,440 |
| CULTURE AND RECREATION | | | | | | | | | | |
| Parks | 25 | 25 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| Park acreage | 545 | 545 | 820 | 820 | 820 | 820 | 820 | 820 | 820 | 820 |
| Swimming pools | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Tennis courts | 18 | 18 | 20 | 20 | 20 | 20 | 20 | 20 | 20 | 20 |
| Basketball courts | 15 | 15 | 20 | 20 | 20 | 21 | 21 | 21 | 21 | 21 |
| Soccer fields | 7 | 7 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |
| Ball fields | 13 | 13 | 17 | 17 | 17 | 16 | 16 | 16 | 16 | 16 |
| Picnic pavilions | 5 | 5 | 13 | 13 | 13 | 13 | 13 | 13 | 13 | 13 |
| Comfort stations | 5 | 5 | 15 | 15 | 15 | 15 | 15 | 15 | 15 | 15 |
| Play equipment areas | 12 | 12 | 30 | 30 | 30 | 21 | 21 | 21 | 21 | 21 |
| Walk/Jog paths (paved) | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Historical sites | 2 | 2 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |

SOURCE: Various Municipal Departments