

**MUNICIPALITY OF
MONROEVILLE,
PENNSYLVANIA**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2012

MUNICIPALITY OF
MONROEVILLE,
PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2012

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

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INTRODUCTORY SECTION

Municipality of Monroeville

A Home Rule Charter Municipality

Municipal Center
2700 Monroeville Boulevard
Monroeville, PA 15146-2388

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

June 24, 2013

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, 2012.

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, 2012. 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.

Fiscal Year 2012 ended much as it began with widespread confusion about the State Supreme Court-ordered property reassessment. The Court concluded that the County's 2002 base-year system disproportionately taxed residents of poorer communities. Thus, the County initiated a reassessment of property in 2010, the third since 2000. Because of a myriad of delays, tax notices were not completed until March 2012. Faced with increased assessments-the reasons for which were not apparent in many cases-unprecedented numbers of property owners responded to their tax notices by filing appeals. Due to the multiplicity of appeals and uncertainty surrounding the reassessment, 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 and in 2013 Allegheny County Council extended the deadline for filing assessment appeals until April 1, 2013. With generally higher post-reassessment property values the Municipality initially reduced the 2013 millage rate to 1.8 from 2.2 mills. With that being said, the 2013 General Fund Budget required an increase in Millage. In order to offset the "Anti-Windfall" requirements from the County Wide Reassessment, Monroeville Council petitioned Common Pleas Court and was granted an increase in the millage to 2.431 mills in order to balance the 2013 Budget.

The Municipality and the Region continue to grapple with many of the same structural and funding deficits that challenge many municipalities. While challenges exist with long-term financial budgetary stability for the Municipality, that is not to say that the Municipality and the Region have not realized significant achievements. Indeed, in more than a few respects, the Region has outpaced its peers. Jobs, for example, grew by a non-seasonally adjusted 1.7% in the Region from 2007 to 2012. More than 12,000 jobs were created in 2012. Local gross domestic product also increased in each of the past 10 years with the exception of 2009. In fact, Pittsburgh Knoxville, and Dallas are the only three metro regions in the U.S. in which employment and GDP per capita have recovered to pre-recession levels, according to a Brookings Institution report. Indeed, 2012 closed with the Region having the most number of people employed in its history, 1,264,640. Housing is another encouraging sector. Building Department Permits issued in the Municipality rose from 1,993 in 2011 to 2,212 in 2012. This equated to an 44.68% increase in the revenue value of Permits. The number of homes sold in the Region reached a ten-year high, with the average home price of \$166,336 rising more than 11% over five-years. Perhaps most importantly in terms of long-term growth, the Region's population of 20 to 34 year-olds grew by 7% over the past five years, and it is expected to grow another 8% by 2020, according to an economic forecasting model run by researchers at the University of Pittsburgh's Center for Social and Urban Research. This is truly a stunning reversal of fortunes when one considers that three decades ago the Region was losing 50,000 more people than it was attracting each year.

The Region also benefits from a highly educated workforce. More than 48% of the worker's aged 25-34 have a bachelor's degree or higher. That ranks fifth highest in the nation, behind Boston, San Francisco, Washington D.C. and Austin, according to Current Population Survey data compiled by the Census Bureau and the U.S. Bureau of Labor Statistics.

LONG TERM FINANCIAL PLANNING

An unassigned fund balance in the general fund of \$4.3 million (18.49 percent of total general fund revenues) falls above the policy guidelines set by Council for budgetary and planning purposes (i.e., 7.5 percent of total general fund revenues).

Municipal Council has continued the strategic plan for 2012 as follows:

- Goal 1 - Develop and diversity the business structure with the objectives to expand the commercial professional services tax base (i.e. information and technology, finance and insurance and health care services) and to build strong relationships with economic strategists.
- Goal 2 - Increase police and school district cooperation with the objectives to provide a positive role model for students by instituting a high profile law enforcement officer within the school system and to improve the relationship between the school district and the municipal government.
- Goal 3 - Modernization of zoning regulations with the objectives to provide regulations that can be easily understood by the general public and to minimize impact to existing residential developments.
- Goal 4 - Neutralize traffic congestion with the objectives to provide a municipal “hub and spoke” transit system serving business U.S. Route 22, Old William Penn Highway, PA Route 286, Monroeville Road and PA Route 130 and to include large, wide sidewalks complemented with street furniture, decorative lighting and trees, and to include street space for vehicle, bicycle and pedestrian transportation.
- 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 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) Launch the Streetscape Initiative Program, (3) Initiate Community-Wide General Planning Projects, (4) Maintain the Superior Quality of our Residential Neighborhoods, (5) Enrich Parks and Recreational Opportunities, (6) Continue Improvement of the Transportation Network, (7) Maintain a Strong Economic Base while Insuring a Secure and Stable Economy for the Future, (8) Champion the Municipality of Monroeville's Regional Importance as a Retail Destination, and (9) Preserve the Environment while striking a Balance between Residential and Commercial Development. 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, 2011. This is the twentieth consecutive year that the Municipality has received this prestigious award. In order to be awarded a Certificate of Achievement for Excellence, the Municipality must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

ACKNOWLEDGMENTS

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

Respectfully submitted,

MUNICIPALITY OF MONROEVILLE



Susan E. Werksman
Director of Personnel and Finance

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2012 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		



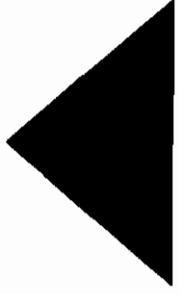
Mayor and Council



Municipal Manager

Municipal Solicitor

Municipal Engineer



Municipal Treasurer

Risk Management
Productivity Management
Intergovernmental Relations

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

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MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

PRINCIPAL OFFICIALS DURING 2012

MEMBERS OF COUNCIL

Gregory Erosenko	Mayor
Bernhard Erb	Council Member, Ward 1
Nicholas Gresock	Council Member, Ward 2
Lois Drumbheller	Council Member, Ward 3
Jim Johns	Council Member, Ward 4
Diane Allison	Council Member, Ward 5
Steve Duncan	Council Member, Ward 6
Clarence Ramsey	Council Member, Ward 7

OTHER MUNICIPAL OFFICIALS

Jeffrey F. Silka	Municipal Manager
Susan E. Werksman	Director of Personnel and Finance
Bruce E. Dice	Solicitor

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Municipality of Monroeville
Pennsylvania

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

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.



Christopher P. Moynell
President

Jeffrey R. Egan
Executive Director

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FINANCIAL SECTION

HOSACK, SPECHT, MUETZEL & WOOD LLP
CERTIFIED PUBLIC ACCOUNTANTS
305 MT. LEBANON BOULEVARD, SUITE 301
PITTSBURGH, PENNSYLVANIA 15234-1500
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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, 2012, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Municipality's preparation and

Auditor's Responsibility (Cont'd)

fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, 2012, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, pension and other 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 basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Matters (Cont'd)

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipality of Monroeville's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, additional information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and additional information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and additional information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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 an opinion or provide any assurance on them.

Respectfully submitted,

Hosack, Specht, Muetzel & Wood LLP

HOSACK, SPECHT, MUETZEL & WOOD LLP
Pittsburgh, Pennsylvania
June 24, 2013

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**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, 2012. 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, 2012.

FINANCIAL HIGHLIGHTS

- ▶ The Municipality's net position decreased \$4,023,319 in 2012, or 18.77 percent.
- ▶ Unrestricted net position was \$3,185,745 at December 31, 2012.
- ▶ During 2012, 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 2012 for all related bond issuances and activities. More detailed information about the Municipality's general long-term debt activity can be found in Note 6 of the notes to financial statements.
- ▶ At December 31, 2012, the Municipality had \$28.73 million of gross debt and \$28.67 million of net debt outstanding. This represents a decrease of \$1,480,000 or 4.9 percent from the previous year. This represents a burden of \$1,010 per capita.
- ▶ The total fund balance of the general fund at December 31, 2012 was \$5,392,963. The unassigned portion of the fund balance was \$4,291,310 which is approximately 18.49 percent of revenues in the general fund for Fiscal Year 2012.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements (Pages 1-2) are government-wide financial statements that provide long-term and short-term information about the Municipality's overall financial status, as well as the financial status of its component units.
- The remaining statements (Pages 3-10) 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

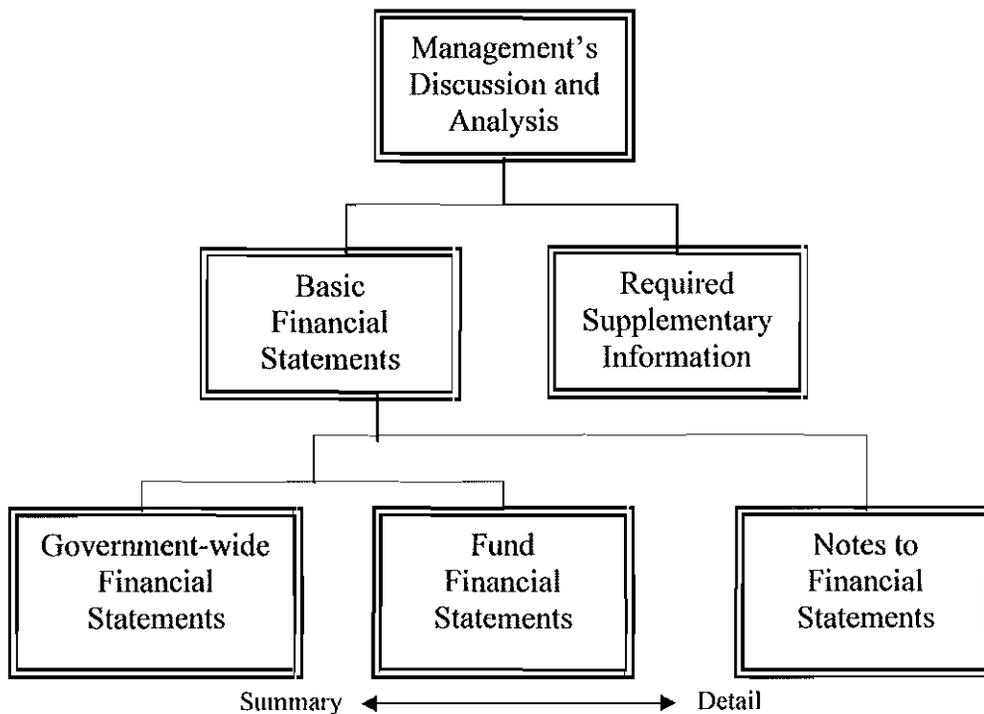


Figure A-2 summarizes the major features of the Municipality's financial statements. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

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

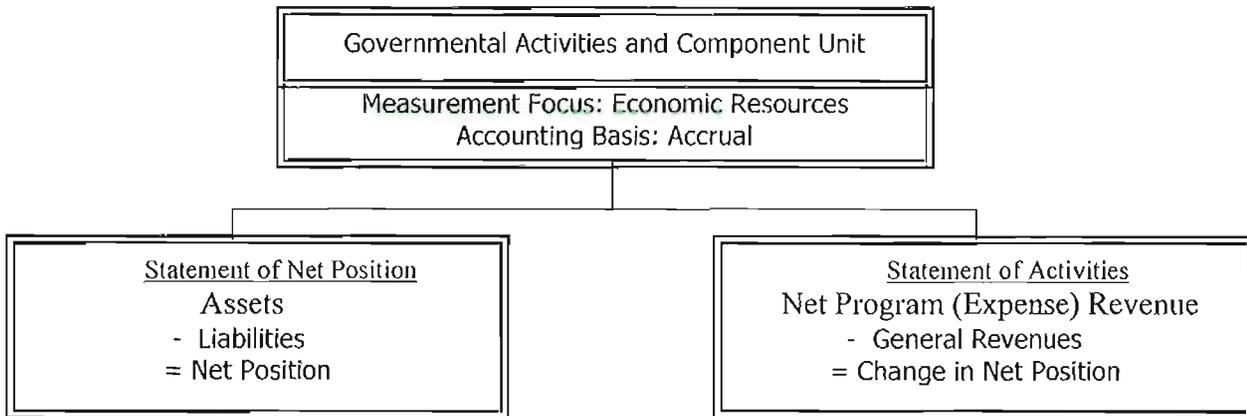
	Fund Statements		
	Government-Wide Statements	Governmental Funds	Fiduciary Funds
Scope	Entire municipal government (except fiduciary funds) and the Municipality's component unit	The activities of the Municipality that are not proprietary or fiduciary, such as police, fire, and recreation	Instances in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

GOVERNMENT-WIDE STATEMENTS

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

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

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



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

- *Governmental activities*—Most of the Municipality’s basic services are included here, such as the police, fire, public works, recreation departments and general administration. Property, business 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 Position and the Statement of Activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.
- *Fiduciary funds* - The Municipality is the trustee, or *fiduciary*, for two, single-employer pension plans: general employees and police and an employee benefit trust fund. These plans cover essentially all full-time employees. The Municipality is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Municipality’s fiduciary

activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the Municipality's government-wide financial statements because the Municipality cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE MUNICIPALITY AS A WHOLE

The Municipality's net position at December 31, 2012 and 2011 is presented below:

	Governmental Activities	
	2011	2012
Current and other assets	\$17,603,519	\$13,083,168
Deferred bond issue costs	957,619	440,198
Capital assets	38,107,025	38,496,374
Total assets	\$56,668,163	\$52,019,740
Current and other liabilities	\$ 4,095,896	\$ 1,604,016
Non-current liabilities	31,143,970	33,010,746
Total liabilities	\$35,239,866	\$34,614,762
 Net Position		
Invested in capital assets, net of related debt	\$12,222,938	\$12,662,869
Restricted	1,520,031	1,556,364
Unrestricted	7,685,328	3,185,745
Total net position	\$21,428,297	\$17,404,978

Net position:

For 2012, Net Position of Governmental Activities, decreased by \$4,023,319 or 18.77 percent to \$17.4 million.

Infrastructure assets:

On December 31, 2012, the Municipality's total assets were \$52 million. Of this amount, \$38.5 million is accounted for by capital assets which include some infrastructure.

**Change in Net Position
Years Ended December 31, 2012 and 2011**

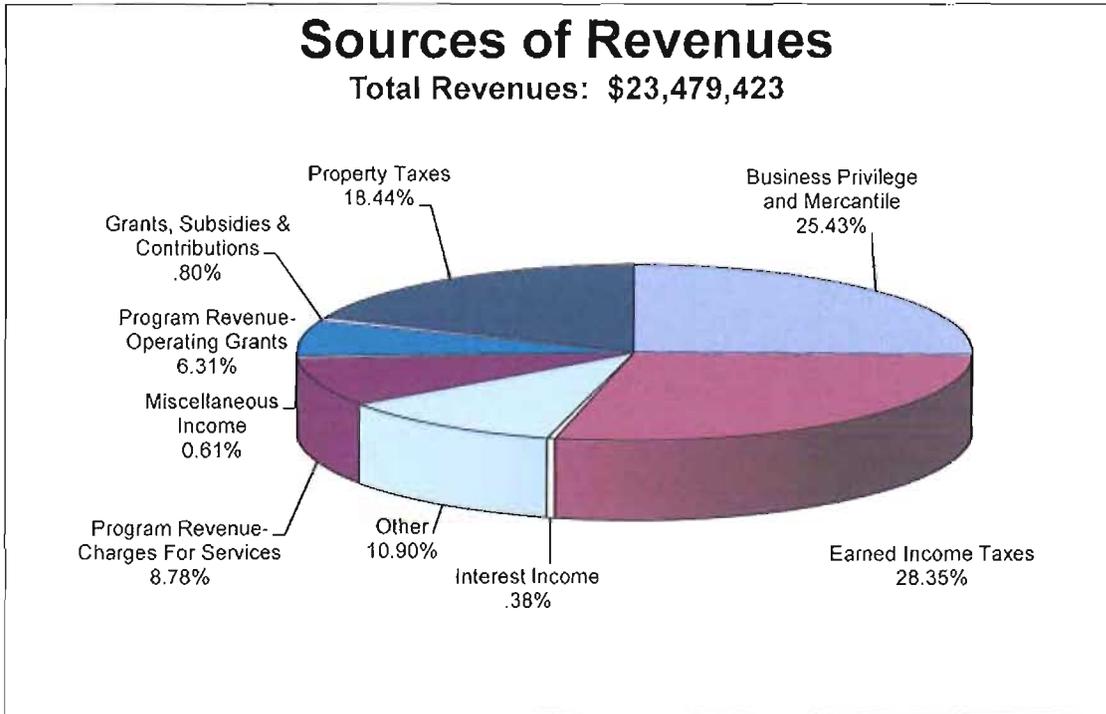
Primary Governmental Activities

	<u>2011</u>	<u>2012</u>	<u>Variance</u>
Revenues			
Program Revenues:			
Charges for Services	\$ 1,972,568	\$ 2,061,137	\$ 88,569
Operating Grants	1,857,513	1,482,568	(374,945)
General Revenues:			
Property Taxes	4,505,976	4,329,435	(176,541)
Earned Income Taxes	6,574,335	6,655,847	81,512
Business Privilege and Mercantile	6,228,096	5,971,721	(256,375)
Other	2,437,058	2,559,194	122,136
Grants, Subsidies & Contributions	44,744	187,430	142,686
Interest Income	69,852	89,188	19,336
Miscellaneous Income	189,815	142,903	(46,912)
Total Revenues	<u>\$ 23,879,957</u>	<u>\$ 23,479,423</u>	<u>\$ (400,534)</u>
Program Expenses			
General Government	\$ 4,467,088	\$ 3,913,738	\$ (553,350)
Public Safety	12,269,528	12,389,336	119,808
Public Works:			
Sanitation	1,226,083	1,390,827	164,744
Highways and Streets	4,603,845	4,152,939	(450,906)
Culture and Recreation	4,216,561	4,541,643	325,082
Conservation and Development	384,315	347,004	(37,311)
Interest on Long-Term Debt	907,153	767,255	(139,898)
Total Expenses	<u>\$ 28,074,573</u>	<u>\$ 27,502,742</u>	<u>\$ (571,831)</u>
Change in Net Position	(4,194,616)	(4,023,319)	171,297
Net Position-Beginning	25,622,913	21,428,297	(4,194,616)
Net Position-Ending	21,428,297	17,404,978	(4,023,319)

GOVERNMENTAL ACTIVITIES

Revenue Sources:

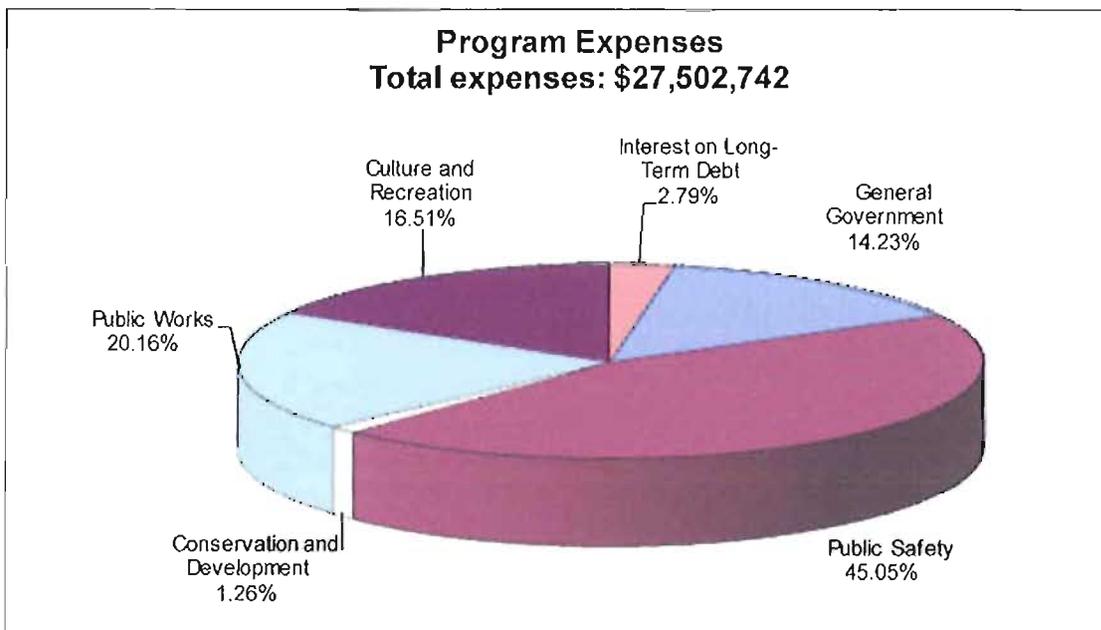
The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2012:



Program Expenses:

Total expenses for all programs in 2012 were \$27.5 million. The expenses reflect the delivery of a wide range of services with the largest being public safety at 45.05 percent. The second largest program area was public works at 20.16 percent followed by culture-recreation at 16.51 percent, general government at 14.23 percent and all others at 4.05 percent.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2012:



The decrease in net position in 2012 from \$21,428,297 to \$17,404,978, or a decrease of \$4,023,319 from 2011, is a result of the decline in revenues from the prior year while the Municipality experienced a decrease in expenses from the prior year. The decrease was anticipated and was part of the budget plan instituted in which the Municipality would also utilize a portion of its beginning net position to finance its expenses.

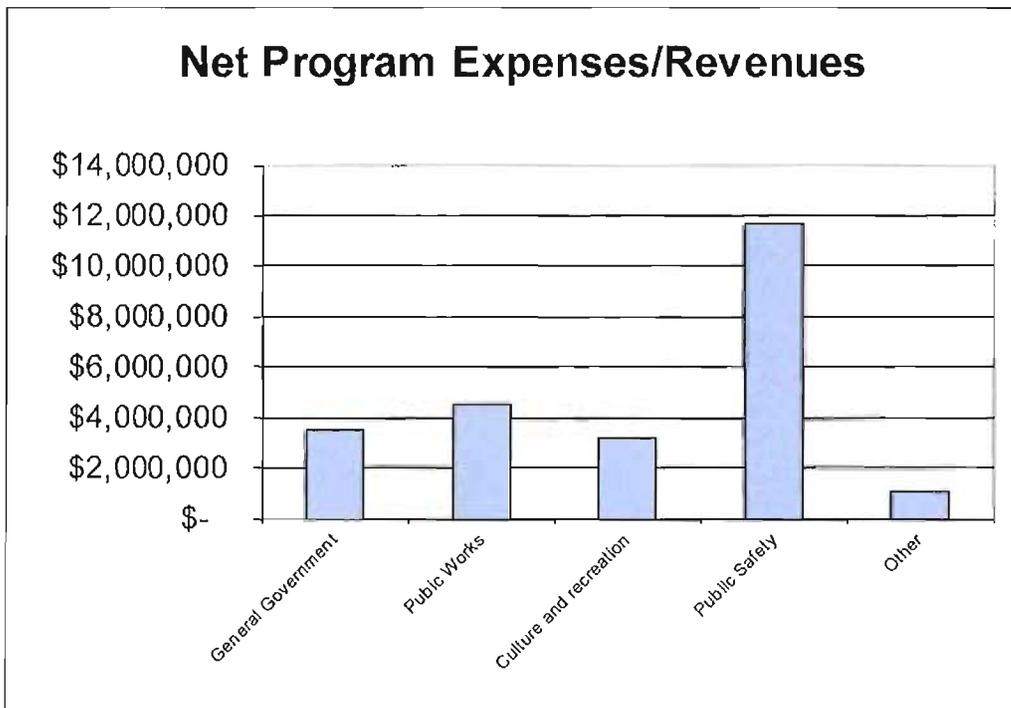
The revenue decrease of \$400,534 or 1.70% was affected by the Earned Income Tax increased collections of \$81,512 due to the implementation of Act 32 which requires Employers to deduct the tax from employee. Business Privilege decreased collections offset this increase due to timing of collections and a reduction in staff. Additionally, Operating Grants were down to non-recurring recreation grants received in 2012.

The expenses decreased from the prior year by \$571,831 or 2.08%. The largest decrease was due to the non-hiring of two new police officers and a planning director and decreased healthcare costs due to the continued implementation of the deductible program.

Net Program Expenses/Revenues:

Public safety expenses required the most general revenue for support, requiring \$11.7 million in 2012. General government required \$3.5 million, while public works required \$4.5 million in general revenues, culture and recreation required \$3.2 million, and all others required \$1.1 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, 2012:



FINANCIAL ANALYSIS OF THE MUNICIPALITY’S FUNDS

As the Municipality completed the year, its governmental funds reported a combined fund balance of \$9.8 million of which \$5.4 million is the general fund, \$2.5 million is the 2011 Capital Improvement Fund, and \$1.9 million is for all other governmental funds. This represents a decrease of \$3.9 million compared to the previous year of which the general fund decreased \$1.4 million due to a portion of the fund balance utilized to balance the 2012 Budget and \$2.0 million spent on capital projects. Of this combined fund balance total, \$4.2 million or 44 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 (\$2.5 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 material variances. The earned income tax budget was under-estimated due to the implementation of Act 32 in 2012. This resulted in a positive collection variance of \$814,990. Business privilege collections were down due to timing of collections and the reduction of staff in the tax office. This resulted in a negative collection variance of \$562,013. The delinquent business privilege tax budget was under-estimated resulting in a positive collection variance of \$192,876. Additionally, current mercantile tax was also under-estimated which resulted in a positive collection variance of \$126,565. Real Estate Transfer tax was over-estimated resulting in a negative collection variance of \$123,012. Building Permits were under-estimated due to applications for changes at the Monroeville Mall including a new movie theatre. This resulted in a positive collection variance of \$75,206.

Expenditure budget had several material variances.

Four new police officers were budgeted to be hired during 2012. The Police hiring process was not complete during the year; therefore, two new officers were not hired until the end of the year and two new officers were not hired at all resulting in a positive variance to the budget.

A Planning Director was budgeted but never hired during the year which positively affected the Planning Department Budget.

Insurance Premium quotes for liability and worker's compensation were higher than expected resulting in a negative variance to the budget of \$25,977.

Overall, all municipal departments have been affected by decreased healthcare costs due to a continued implementation of a deductible program resulting in reduced premium rates.

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 2012 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, 2011 and 2012:

Summary of Capital Assets

	Balance at December 31, 2011	Balance at December 31, 2012
Capital assets, not being depreciated:		
Land	\$ 8,219,765	\$ 8,219,765
Total capital assets, not being depreciated	8,219,765	8,219,765
Capital assets, being depreciated:		
Land Improvements	9,861,019	9,862,494
Building and improvements	12,466,466	12,504,861
Machinery and equipment	5,370,608	5,640,256
Vehicles	11,159,734	12,022,788
Infrastructure	19,015,999	20,930,563
Total capital assets, being depreciated	57,873,826	60,960,962
Less accumulated depreciation for:		
Land Improvements	3,341,340	3,763,247
Buildings and improvements	5,528,755	5,859,527
Machinery and equipment	3,302,355	3,635,975
Vehicles	4,593,663	5,243,277
Infrastructure	11,220,453	12,182,327
Total accumulated depreciation	27,986,566	30,684,353
Total	\$ 38,107,025	\$ 38,496,374

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

Long-term Debt

On December 31, 2012 the Municipality had \$28.73 million of debt outstanding. This represents a decrease of \$1,480,000 or 4.9 percent, from the previous year. The following details activity related to general obligation bonds during 2012:

Summary of General Obligation Bond Activity	
Beginning Balance at 1/1/2012	\$ 30,210,000
Defeased	(7,570,000)
Retirement	(2,355,000)
Additions	<u>8,445,000</u>
Ending Balance at 12/31/2012	\$ 28,730,000

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

TRUST AND AGENCY OPERATIONS

Pension Trust Funds and Other Employer Benefit Trust Funds

Monroeville has two pension plans – general employees and police and in 2009 created an OPEB Trust Fund. Municipal involvement in the administration of the police pension plan is the establishment of the investment policy and the calculation of benefits for retirees, which are then paid by the trustee. During 2012, Police Pension Plan net assets increased \$3,077,997 to \$31,787,086 and the OPEB Trust Fund assets decreased \$123,792 to \$4,977,532.

During 2012, employer contributions were required for both the pension plans in the amount of \$1,855,801. 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 \$11.8 million, respectively, as of January 1, 2011 and January 1, 2013, respectively. 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 2012, 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 2012 for all

related bond issuances and activities. More detailed information about the Municipality's general long-term debt activity can be found in Note 6 of the notes to financial statements.

CONTACTING THE MUNICIPALITY'S FINANCIAL MANAGEMENT

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

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

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BASIC FINANCIAL STATEMENTS

Municipality of Monroeville
Statement of Net Position
December 31, 2012

	<u>Primary Government</u>	<u>Component Units</u>	
	Governmental Activities	Senior Citizens Council	Convention Visitor's Bureau
ASSETS			
Cash and Cash Equivalents	\$ 9,179,282	\$131,607	\$ 948,021
Investments	262,807	-	-
Restricted Cash and Cash Equivalents	121,118	-	-
Due from Component Unit	30,277	-	-
Receivables (Net, Where Applicable of Allowance for Uncollectibles)			
Taxes	2,275,324	-	-
Due from Other Governments	190,028	-	126,736
Other	1,024,332	-	-
Prepaid Items	-	-	15,473
Land	8,219,765	-	-
Capital Assets, Net of Accumulated Depreciation	21,528,373	-	227,337
Infrastructure Assets, Net of Accumulated Depreciation	8,748,236	-	-
Deferred Bond Issue Costs	<u>440,198</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>52,019,740</u>	<u>131,607</u>	<u>1,317,567</u>
LIABILITIES			
Current Liabilities			
Due to Primary Government	-	-	30,277
Accounts Payable	767,981	-	19,810
Accrued Salaries and Benefits	630,089	-	-
Returnable Deposits	130,690	-	-
Accrued Interest Payable	75,256	-	-
Noncurrent Liabilities			
Due Within One Year	2,359,071	-	-
Due in More Than One Year			
Bonds Payable	26,377,283	-	-
Compensated Absences	910,332	-	-
Net Other Post-Employment Benefit Obligation	<u>3,364,060</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>34,614,762</u>	<u>-</u>	<u>50,087</u>
NET POSITION			
Invested in Capital Assets, Net of Related Debt	12,662,869	-	227,337
Restricted for			
Capital Projects	1,247,443	-	-
Other Post-Employment Benefits	121,118	-	-
Highways and Streets	595	-	-
Public Safety	187,208	-	-
Unrestricted	<u>3,185,745</u>	<u>131,607</u>	<u>1,040,143</u>
TOTAL NET POSITION	<u>\$17,404,978</u>	<u>\$131,607</u>	<u>\$1,267,480</u>

See Accompanying Notes

**Municipality of Monroeville
Statement of Activities
Year Ended December 31, 2012**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Primary Gov't. Govern- mental Activities	Senior Citizens Council	Convention Visitor's Bureau
Governmental Activities						
General Government	\$ 3,913,738	\$ 169,097	\$ 242,672	\$ (3,501,969)	\$ -	\$ -
Public Safety	12,389,336	464,056	254,371	(11,670,909)	-	-
Public Works - Sanitation	1,390,827	422,739	35,114	(932,974)	-	-
Public Works - Highways	4,152,939	3,100	585,038	(3,564,801)	-	-
Culture - Recreation	4,541,643	962,343	365,373	(3,213,927)	-	-
Conservation and Development	347,004	39,802	-	(307,202)	-	-
Interest on Long-Term Debt	<u>767,255</u>	-	-	<u>(767,255)</u>	-	-
Total Governmental Activities	<u>\$27,502,742</u>	<u>\$2,061,137</u>	<u>\$1,482,568</u>	<u>(23,959,037)</u>	-	-
Component Units						
Senior Citizens Council	\$ 29,221	\$ 23,451	\$ -	-	(5,770)	-
Convention Visitor's Bureau	<u>578,740</u>	-	-	-	-	<u>(578,740)</u>
Total Component Units	<u>\$ 607,961</u>	<u>\$ 23,451</u>	<u>\$ -</u>	-	<u>(5,770)</u>	<u>(578,740)</u>
General Revenues						
Taxes						
Property Taxes, Levied for General Purposes (Net)				4,329,435	-	-
Earned Income Taxes				6,655,847	-	-
Business Privilege Taxes				3,289,030	-	-
Mercantile Taxes				2,682,691	-	-
Local Services Taxes				1,069,944	-	-
Real Estate Transfer Taxes				776,987	-	-
Hotel/Motel and Gaming Fund Taxes				-	-	700,086
Other Taxes, Levied for General Purposes (Net)				712,263	-	-
Grants, Subsidies and Contributions Not Restricted				187,430	-	-
Investment Earnings				89,188	130	2,333
Miscellaneous Income				95,103	18,691	24,276
Gain on Sale of Assets				<u>47,800</u>	-	-
Total General Revenues				<u>19,935,718</u>	<u>18,821</u>	<u>726,695</u>
Changes in Net Position				(4,023,319)	13,051	147,955
Net Position - January 1, 2012				<u>21,428,297</u>	<u>118,556</u>	<u>1,119,525</u>
Net Position - December 31, 2012				<u>\$ 17,404,978</u>	<u>\$131,607</u>	<u>\$1,267,480</u>

See Accompanying Notes

**Municipality of Monroeville
Balance Sheet
Governmental Funds
December 31, 2012**

	General Fund	2011 Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$3,796,116	\$3,306,728	\$2,076,438	\$ 9,179,282
Investments	262,807	-	-	262,807
Restricted Cash and Cash Equivalents	121,118	-	-	121,118
Taxes Receivable (Net)	2,275,324	-	-	2,275,324
Due from Other Funds	1,361,468	274,263	254,243	1,889,974
Due from Other Governments	190,028	-	-	190,028
Due from Component Units	30,277	-	-	30,277
Other Receivables (Net, Where Applicable of Allowance for Uncollectibles)	<u>1,024,332</u>	<u>-</u>	<u>-</u>	<u>1,024,332</u>
TOTAL ASSETS	<u>\$9,061,470</u>	<u>\$3,580,991</u>	<u>\$2,330,681</u>	<u>\$14,973,142</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Due to Other Funds	\$ 534,045	\$ 966,165	\$ 389,764	\$ 1,889,974
Accounts Payable	633,614	115,143	19,224	767,981
Accrued Salaries and Benefits	630,089	-	-	630,089
Returnable Deposits	130,690	-	-	130,690
Deferred Revenues	<u>1,740,069</u>	<u>-</u>	<u>-</u>	<u>1,740,069</u>
Total Liabilities	<u>3,668,507</u>	<u>1,081,308</u>	<u>408,988</u>	<u>5,158,803</u>
Fund Balances				
Restricted	121,118	2,499,683	1,769,341	4,390,142
Committed	82,793	-	152,352	235,145
Assigned	897,742	-	-	897,742
Unassigned	<u>4,291,310</u>	<u>-</u>	<u>-</u>	<u>4,291,310</u>
Total Fund Balances	<u>5,392,963</u>	<u>2,499,683</u>	<u>1,921,693</u>	<u>9,814,339</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$9,061,470</u>	<u>\$3,580,991</u>	<u>\$2,330,681</u>	<u>\$14,973,142</u>

See Accompanying Notes

**Municipality of Monroeville
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2012**

Total Fund Balances - Governmental Funds \$ 9,814,339

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of assets is \$69,180,727, and the accumulated depreciation is \$30,684,353. 38,496,374

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. 1,740,069

Deferred charges and premiums on bonds issued and refunded are capitalized and amortized over the life of the bonds in the statement of net position. 502,915

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	\$(28,730,000)	
Accrued Interest on the Bonds	(75,256)	
Termination Benefits	(21,159)	
Compensated Absences	(958,244)	
Other Post-Employment Benefits	<u>(3,364,060)</u>	<u>(33,148,719)</u>

Total Net Position - Governmental Activities \$ 17,404,978

See Accompanying Notes

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2012

	General Fund	2011 Capital Improvements Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$19,931,384	\$ -	\$ -	\$19,931,384
Licenses and Permits	1,405,533	-	-	1,405,533
Fines and Forfeits	113,091	-	-	113,091
Interest, Rents and Royalties	87,369	1,057	762	89,188
Intergovernmental	988,122	-	637,988	1,626,110
Charges for Services	542,513	-	-	542,513
Miscellaneous	<u>138,991</u>	<u>-</u>	<u>-</u>	<u>138,991</u>
Total Revenues	<u>23,207,003</u>	<u>1,057</u>	<u>638,750</u>	<u>23,846,810</u>
Expenditures				
Current:				
General Government	2,975,084	-	154,099	3,129,183
Public Safety	10,061,861	-	13,297	10,075,158
Public Works - Sanitation	1,162,073	-	-	1,162,073
Public Works - Highways	2,250,927	-	589,000	2,839,927
Culture - Recreation	3,545,275	-	-	3,545,275
Conservation and Development	300,871	-	-	300,871
Insurance Premiums	1,175,072	-	-	1,175,072
Debt Service:				
Principal	2,355,000	-	-	2,355,000
Interest	823,828	-	-	823,828
Capital Outlay	<u>-</u>	<u>2,017,407</u>	<u>1,189,347</u>	<u>3,206,754</u>
Total Expenditures	<u>24,649,991</u>	<u>2,017,407</u>	<u>1,945,743</u>	<u>28,613,141</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,442,988)</u>	<u>(2,016,350)</u>	<u>(1,306,993)</u>	<u>(4,766,331)</u>
Other Financing Sources (Uses)				
Issuance of Refunding Bonds	-	-	8,445,000	8,445,000
(Discourt) Premium on Bonds Issued	-	-	186,144	186,144
Transfers In	-	-	610,354	610,354
Sale of Capital Assets	47,800	-	-	47,800
Payment to Refunded Bond Escrow Agent	-	-	(7,866,691)	(7,866,691)
Transfers Out	<u>-</u>	<u>-</u>	<u>(610,354)</u>	<u>(610,354)</u>
Total Other Financing Sources (Uses)	<u>47,800</u>	<u>-</u>	<u>764,453</u>	<u>812,253</u>
Net Changes in Fund Balances	(1,395,188)	(2,016,350)	(542,540)	(3,954,078)
Fund Balances - January 1, 2012	<u>6,788,151</u>	<u>4,516,033</u>	<u>2,464,233</u>	<u>13,768,417</u>
Fund Balances - December 31, 2012	<u>\$ 5,392,963</u>	<u>\$ 2,499,683</u>	<u>\$ 1,921,693</u>	<u>\$ 9,814,339</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, 2012**

Total Net Change in Fund Balances - Governmental Funds \$(3,954,078)

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	\$(3,062,567)	
Capital Outlays	<u>3,451,916</u>	389,349

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 decreased by this amount this year. (415,187)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 2,355,000

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 position and does not affect the statement of activities. The proceeds were: (8,445,000)

The Municipality's bonded debt was also reduced by an advance refunding of debt. Resources of \$7,866,691 was paid to the escrow agent for the advance refunding of outstanding bonds (\$7,570,000). The difference between those amounts was \$296,691 and will be amortized as an adjustment of interest expense in the statement of activities over the remaining life of the new debt. 7,866,691

**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, 2012**

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

Compensated Absences	\$ 4,687	
Termination Benefits	107,716	
Net Other Post-Employment Benefit Obligation	<u>(1,892,915)</u>	\$(1,780,512)

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Net Change in Accrued Interest on the Bonds		9,931
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Bond issuance costs, bond discount and bond premium are reported in the statement of revenues and expenditures of governmental funds as expenditures but are capitalized and amortized over the life of the bonds in the statement of activities.

Bond Issuance Costs	154,099	
Bond Premium	(186,144)	
Amortization of Issuance Costs, Discount and Deferred Loss on Refunding	<u>(17,468)</u>	<u>(49,513)</u>

Change in Net Position of Governmental Activities		<u>\$(4,023,319)</u>
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See Accompanying Notes

**Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
General Fund
Budget and Actual
Year Ended December 31, 2012**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$19,970,500	\$19,685,500	\$19,931,384	\$ 245,884
Licenses and Permits	1,253,650	1,253,650	1,405,533	151,883
Fines and Forfeits	105,000	128,000	113,091	(14,909)
Interest, Rents and Royalties	33,500	33,500	87,369	53,869
Intergovernmental	1,160,339	1,111,839	988,122	(123,717)
Charges for Services	782,953	800,453	542,513	(257,940)
Miscellaneous	<u>778,513</u>	<u>786,513</u>	<u>138,991</u>	<u>(647,522)</u>
Total Revenues	<u>24,084,455</u>	<u>23,799,455</u>	<u>23,207,003</u>	<u>(592,452)</u>
Expenditures				
Current:				
General Government	3,201,870	2,916,420	2,975,084	(58,664)
Public Safety	10,812,256	10,812,706	10,061,861	750,845
Public Works - Sanitation	1,203,823	1,203,823	1,162,073	41,750
Public Works - Highways	3,154,580	3,152,480	2,250,927	901,553
Culture - Recreation	3,644,334	3,646,434	3,545,275	101,159
Conservation and Development	475,048	475,048	300,871	174,177
Insurance Premiums	1,149,165	1,149,165	1,175,072	(25,907)
Debt Service:				
Principal	2,078,000	2,078,000	2,355,000	(277,000)
Interest	<u>1,005,860</u>	<u>1,005,860</u>	<u>823,828</u>	<u>182,032</u>
Total Expenditures	<u>26,724,936</u>	<u>26,439,936</u>	<u>24,649,991</u>	<u>1,789,945</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,640,481)	(2,640,481)	(1,442,988)	1,197,493
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	<u>47,800</u>	<u>47,800</u>
Net Change in Fund Balance	<u>\$(2,640,481)</u>	<u>\$(2,640,481)</u>	<u>\$(1,395,188)</u>	<u>\$1,245,293</u>

See Accompanying Notes

**Municipality of Monroeville
Statement of Net Position
Fiduciary Funds
December 31, 2012**

	Pension and Other Employee Benefit Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 2,759,246
Investments	
Equities	15,019,586
Mutual Funds	4,325,678
Municipal Bonds	5,444,319
Corporate Bonds	8,978,029
Certificates of Deposit	403,666
Other Investments	410,314
Other Receivables	<u>167,253</u>
TOTAL ASSETS	<u>37,508,091</u>
LIABILITIES	
Accounts Payable	<u>743,473</u>
NET POSITION	
Held in Trust for Pension Benefits	31,787,086
Held in Trust for Other Post-Employment Benefits	<u>4,977,532</u>
TOTAL NET POSITION	<u>\$36,764,618</u>

See Accompanying Notes

**Municipality of Monroeville
Statement of Changes in Net Position
Fiduciary Funds
Year Ended December 31, 2012**

	Pension and Other Employee Benefit Trust Funds
Additions	
Contributions	
Employer	\$ 1,584,673
Plan Members	<u>271,128</u>
Total Contributions	<u>1,855,801</u>
Investment Income	
Net Appreciation (Depreciation) in Fair Value of Investments	2,607,613
Interest and Dividends	<u>1,143,831</u>
	3,751,444
Less Investment Expense	<u>(192,287)</u>
Net Investment Income	<u>3,559,157</u>
Total Additions	<u>5,414,958</u>
Deductions	
Benefits	2,460,343
Administrative Expenses	<u>410</u>
Total Deductions	<u>2,460,753</u>
Change in Net Position	2,954,205
Net Position - January 1, 2012	<u>33,810,413</u>
Net Position - December 31, 2012	<u>\$36,764,618</u>

See Accompanying Notes

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 1 - Summary of Significant Accounting Policies

A. Reporting Entity

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

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

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

Discretely Presented Component 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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

A. Reporting Entity (Cont'd)

Other

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

B. Description of Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Municipality and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the Municipality's governmental funds and its component units.

Elimination of the charges would distort the direct costs and program revenues reported in the various functions. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately. Likewise, the primary government is reported separately from certain legally separate component units for which the government is financially accountable.

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

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

C. Basis of Presentation - Government-Wide Financial Statements

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

C. Basis of Presentation - Government-Wide Financial Statements (Cont'd)

As discussed earlier, the government has two discretely presented component units. While neither the Senior Council nor the Bureau is considered to be a major component unit, they are nevertheless shown in separate columns in the government-wide financial statements.

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

D. Basis of Presentation - Fund Financial Statements

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

Governmental Funds

The Municipality presents the following major governmental funds:

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

The *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.

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 *Debt Service Fund* is used to account for accumulation of resources from the issuance of debt.

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

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

Governmental Funds (Cont'd)

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.

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

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

E. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes, net of any uncollectible amounts, are recognized as

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

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

revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes levied but collected beyond 60 days after year end are recorded as deferred revenue to be recognized as revenue when the taxes are collected. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

F. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Municipality.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

G. Investments

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

H. Capital Assets

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

All capital assets are capitalized at cost. The Municipality maintains a capitalization threshold of \$5,000 for all capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

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

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

Depreciation expense is allocated among the expense program functions.

I. 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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

I. Compensated Absences (Cont'd)

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.

J. 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 2007, 2010, 2011, and 2012 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.

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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

J. Budgets and Budgetary Accounting (Cont'd)

Council may amend the budget by ordinance during the fiscal year for which the budget was adopted as long as the amendment does not result in expenditures exceeding available resources. The budget information presented encompasses all budget amendments. There were no supplemental appropriations in the general fund in 2012. 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.

K. Equity Classifications

Government-Wide Statements

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

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

Fund Statements

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

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

K. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

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.

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

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

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

The Municipality's current fund balance policy for the general fund provides there shall be maintained an unassigned fund balance equivalent to a minimum of seven and one-half (7.5%) percent of the current year's total budgeted expenditures less capital outlay and transfers.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

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

K. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

The purpose of the restricted, committed and assigned fund balances as of December 31, 2012, is as follows:

	General Fund	2011 Capital Improvement Fund	Nonmajor Funds
<u>Restricted Fund Balance</u>			
Other postemployment benefits	\$121,118	\$ -	\$ -
Future capital projects & purchases	-	2,499,683	1,581,538
Highway maintenance, rebuilding & const.			595
Police capital purchases	-	-	187,208
	<u>\$121,118</u>	<u>\$2,499,683</u>	<u>\$1,769,341</u>
<u>Committed Fund Balance</u>			
Flood maintenance	\$ 22,793	\$ -	\$ -
Fire vehicle	60,000	-	-
Sidewalk improvements	-	-	2,750
Northern Pike roadway improvements	-	-	149,602
	<u>\$ 82,793</u>	<u>\$ -</u>	<u>\$ 152,352</u>
<u>Assigned Fund Balance</u>			
Public access television	\$200,000	\$ -	\$ -
Traffic signals	15,000	-	-
Community complex and parks	388,027	-	-
Public library	294,715	-	-
	<u>\$897,742</u>	<u>\$ -</u>	<u>\$ -</u>

L. Prepaid Items

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 2 - Deposits and Investments

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

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

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

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. The Municipality nor its component units do not have a deposit policy for custodial credit risk. Deposits in excess of amounts covered by the Federal Deposit Insurance Corporation are collateralized in accordance with Act 72 of 1971 of the Pennsylvania State Legislature which requires the institution to pool collateral for all governments and have the collateral held by an approved custodian in the institution's name. As of December 31, 2012, \$1,387,379 of the Municipality's bank balance of \$2,004,718 was exposed to custodial credit risk as follows:

Uninsured and Collateral Held by Pledging	
Bank's Agent not in the Municipality's Name	<u>\$1,387,379</u>

As of December 31, 2012, the component units' bank balances were \$377,633 of which none was exposed to custodial credit risk.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

Note 2 - Deposits and Investments (Cont'd)

Custodial Credit Risk - Deposits (Cont'd)

As of December 31, 2012, the Municipality had the following investments in all funds:

Investment Type	Fair Value	Weighted Average Maturity (Years)
Money Market Funds		
PA Local Government Invest. Trust	\$ 7,621,411	
Dreyfus Cash Management	2,027,736	
Federated Prime Cash	258,408	
Federated Government Obligation Fund	211,479	
Janney Montgomery Scott Money Market	7,489	
Huntington Money Market	17,246	
Common Stock	15,019,586	
Mutual Funds	4,337,747	
Municipal Bonds	5,444,320	5.42
Corporate Bonds	8,978,029	3.76
U. S. Agencies	250,738	1.66
Other Investments	<u>410,314</u>	
Totals	<u>\$44,584,503</u>	
 Portfolio Weighted Average Maturity		 4.34

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

Of the total investments above, \$30,735,900 and \$5,698,767 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.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

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. (150,561)	AA +	Aaa
Federal Home Loan Banks (100,176)	AA +	Aaa
Municipal Bonds		
Columbus OH S/D (166,779)	AA	Aa2
Hamilton Cnty. OH (112,066)	AA-	A1
PA Hsg. Fin. Agy. (102,229)	AA +	Aa2
Pittsburgh PA Urban (105,591)	AA	N/R
Scranton PA Swr. Auth. (111,019)	AA-	N/R
St. Pub. Sch. Bldg. Auth. (100,266)	N/R	N/R
Upper St. Clair SD BAB (108,199)	AA +	N/R
Dauphin Cnty. PA (201,124)	AA	BAA2
East Pennsboro Twp. (256,181)	N/R	BAA2
Fort Wayne IN Intl. Airport (262,530)	N/R	AA3
LA CA Mun. IMPT (271,542)	A +	A2
Penn Twp. PA York Cnty. (540,540)	AA-	N/R
Oceanside CA Uni. S/D (220,552)	N/R	AA3
Lebanon PA Auth. Swr. (390,416)	A +	N/R
Philadelphia PA Auth. (210,177)	AA-	AA3
Michigan Fin. Auth. (281,542)	A +	N/R
Summit Cnty. OH Port Auth. (421,406)	AA-	N/R
Comm. Fing. Auth. (588,630)	AA-	A1

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

	S & P	Moody's
Municipal Bonds (Cont'd)		
American Muni. Pwr. (302,700)	A	A3
Philadelphia PA SD (104,199)	AA-	AA3
Michigan Fin. Auth. (230,494)	A+	N/R
West Deptford Twp. (206,774)	A-	N/R
Broward Cnty. FL Port (149,364)	A-	A2
Corporate Bonds		
AFLAC (107,872)	A-	A3
AT&T (104,258)	A-	A3
Bank of America (115,476)	A-	Baa2
Cardinal Health System (113,490)	A-	Baa2
E Bay (107,858)	A	A2
General Electric (221,086)	AA+	A1
Goldman Sachs (104,226)	A-	A3
Morgan Stanley (100,686)	A-	WR
PNC Financial Corp (56,787)	BBB	Baa3
PNC Funding Corp (85,542)	A-	A3
Verizon Communication (79,861)	A-	A3
Morgan Stanley (100,546)	A-	WR
Wachovia Corp (104,240)	A	A3
Wellpoint Inc. (101,045)	A-	Baa2
NASDAQ OMX (261,695)	BBB	BAA3
Maytag Corp. (262,202)	BBB-	WR
MBNA (324,402)	A-	BAA2
Willis North Amer. (273,135)	BBB-	BAA3
General Electric (250,700)	AA+	A1
National Oilwell Varco (201,990)	A-	A2
Avnet Inc. (272,712)	BBB-	BAA3
Agilent Technologies (278,577)	BBB+	N/R
Telecom Italia (212,800)	BBB	BAA2
Bears Sterns (221,638)	A	A2
Quest Diagnostics (277,595)	BBB+	BAA2
Citigroup Inc. (272,937)	A-	BAA2
Jeffries Group (262,500)	BBB	BAA3

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

	S & P	Moody's
Corporate Bonds (Cont'd)		
Chesapeake & Potomac (198,241)	A-	WR
Broadridge Fin. Solution (337,500)	BBB	BAA1
Merrill Lynch & Co. (293,590)	A-	BAA2
Eaton Vance (301,630)	A-	A3
Clorox Co. (237,912)	BBB+	BAA1
Hutchison Whampoa Intl. (503,035)	A-	A3
PPG (252,590)	BBB+	BAA1
Petro Hawk Energy Corp. (244,950)	BBB+	BAA3
Leggett & Platt Inc. (246,743)	BBB+	BAA1
Hewlett Packard (254,472)	BBB+	BAA1
Energy Group (216,652)	BBB-	BAA3
Astoria Finl. Corp. (265,665)	BBB-	BAA2
American Express (631,715)	BBB+	A3
Goldman Sachs (117,479)	A-	A3

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

The Municipality's component units, the Senior Citizens Council and Convention Visitor's Bureau, follow the same policies as the Municipality as it relates to the types of investments authorized, interest rate risk, credit risk and concentration of credit risk.

The only investment as of December 31, 2012, was \$710,511 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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 2 - Deposits and Investments (Cont'd)

Investments (Cont'd)

amortized cost to report net position to compute share prices. PLGIT maintains a net asset value of \$1 per share. Accordingly, the fair value of the position in PLGIT is the same as the value of the PLGIT shares.

Note 3 - Property Taxes

The Municipality is permitted by the Home Rule Charter and the State of Pennsylvania to levy property taxes at the Municipality's discretion as considered necessary for general government services or payment of principal and interest on long-term debt. The tax rate to finance general government services for the year ended December 31, 2012, was \$2.20 per \$1,000 of assessed valuation. Total taxable 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, 2012, total property taxes receivable, including delinquent and lienied, was \$705,929 of which \$176,482 has been provided as uncollectible.

The property tax calendar for 2012 was as follows:

2012 Millage Rate Adopted	December 20, 2011
2012 Bills Dated	March 1, 2012
2012 Two Percent Discount Period Ended	April 30, 2012
2011 Delinquent Property Tax Bills Lienied	July 1, 2012
2012 Property Taxes not paid to be Declared Delinquent	February 28, 2013

Note 4 - Other Receivables

Other receivables consist of the following items:

	<u>General Fund</u>
Host Municipality Fees	\$ 95,011
Cable TV Franchise Fees	156,924
Miscellaneous	5,565

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

Note 4 - Other Receivables (Cont'd)

	General Fund
Public Safety	\$ 6,697
Accrued Interest	324
Health Insurance Premium	743,473
Library	16,338
	<u>\$1,024,332</u>

Note 5 - Capital Assets

Governmental activities capital asset activity for the year ended December 31, 2012 was as follows:

	Balance 01/01/12	Additions	Disposals	Balance 12/31/12
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$ 8,219,765	\$ _____	\$ _____	\$ 8,219,765
Capital Assets, Being Depreciated				
Land Improvements	9,861,019	1,475	-	9,862,494
Buildings and Building Improvements	12,466,466	38,395	-	12,504,861
Machinery and Equipment	5,370,608	326,235	56,587	5,640,256
Vehicles	11,159,734	1,171,247	308,193	12,022,788
Infrastructure	19,015,999	1,914,564	-	20,930,563
Total Capital Assets, Being Depreciated	57,873,826	3,451,916	364,780	60,960,962

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 5 - Capital Assets (Cont'd)

	Balance 01/01/12	Additions	Disposals	Balance 12/31/12
Governmental Activities (Cont'd)				
Less Accumulated Depreciation				
Land Improvements	\$ 3,341,340	\$ 421,907	\$ -	\$ 3,763,247
Buildings and Building Improvements	5,528,755	330,772	-	5,859,527
Machinery and Equipment	3,302,355	390,207	56,587	3,635,975
Vehicles	4,593,663	957,807	308,193	5,243,277
Infrastructure	<u>11,220,453</u>	<u>961,874</u>	-	<u>12,182,327</u>
Total Accumulated Depreciation	<u>27,986,566</u>	<u>3,062,567</u>	<u>364,780</u>	<u>30,684,353</u>
Total Capital Assets Being Depreciated, Net	<u>29,887,260</u>	<u>389,349</u>	-	<u>30,276,609</u>
Governmental Activities Capital Assets, Net	<u>\$38,107,025</u>	<u>\$ 389,349</u>	<u>\$ -</u>	<u>\$38,496,374</u>

Depreciation expense was charged to functions/programs as follows:

General Government	\$ 222,979
Public Safety	799,242
Sanitation	66,749
Public Works	1,198,352
Culture - Recreation	771,418
Conservation and Development	<u>3,827</u>
Total Depreciation Expense	<u>\$3,062,567</u>

Component units capital asset activity for the year ended December 31, 2012 was as follows:

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 5 - Capital Assets (Cont'd)

	Balance 01/01/12	Additions	Disposals	Balance 12/31/12
Component Units				
Capital Assets, Being Depreciated				
Furniture and Equipment	\$210,041	\$52,148	\$ -	\$262,189
Less Accumulated Depreciation				
Furniture and Equipment	<u>17,505</u>	<u>17,347</u>	<u>-</u>	<u>34,852</u>
Component Units Capital Assets, Net	<u>\$192,536</u>	<u>\$34,801</u>	<u>\$ -</u>	<u>\$227,337</u>

Note 6 - Bonds Payable and Other Long-Term Liabilities

The following summarizes the Municipality's long-term debt transactions for the year ended December 31, 2012:

	Balance 01/01/12	Additions	Retirements	Balance 12/31/12	Due Within One Year
Governmental Activities					
General Obligation Bonds	\$30,210,000	\$8,445,000	\$ 9,925,000	\$28,730,000	\$2,290,000
Plus Bond Premium	729,837	186,144	163,679	752,302	-
Less Deferred Loss on Refunding	(511,762)	(419,074)	(115,817)	(815,019)	-
Less Bond Discount	<u>(27,955)</u>	<u>-</u>	<u>(27,955)</u>	<u>-</u>	<u>-</u>
Total Bonds Payable	<u>30,400,120</u>	<u>8,212,070</u>	<u>9,944,907</u>	<u>28,667,283</u>	<u>2,290,000</u>
Compensated Absences Payable	962,931	16,881	21,568	958,244	47,912
Termination Payments	<u>128,875</u>	<u>-</u>	<u>107,716</u>	<u>21,159</u>	<u>21,159</u>
Governmental Activities Long-Term Liabilities	<u>\$31,491,926</u>	<u>\$8,228,951</u>	<u>\$10,074,191</u>	<u>\$29,646,686</u>	<u>\$2,359,071</u>

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

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

Bonds payable at December 31, 2012 are composed of the following issues:

General Obligation Bonds

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.	\$ 6,485,000
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.	7,115,000
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.	6,865,000
Series of 2012A - \$5,000,000; refunding nontaxable due in annual installments on December 1, 2012 and June 1, thereafter through 2022; ranging from \$85,000 to \$2,270,000; interest (at rates ranging from 0.35% to 3.0%) is payable semi-annually on June 1 and December 1.	4,820,000
Series of 2012B - \$3,445,000; refunding nontaxable due in two installments on June 1, 2020 and June 1, 2021 in amounts of \$1,000,000 and \$2,445,000, respectively; interest at 3.0% payable semi-annually on June 1 and December 1.	<u>3,445,000</u>
	<u>\$28,730,000</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

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

General Obligation Bonds (Cont'd)

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

Year Ended December 31,	Principal	Interest	Totals
2013	\$ 2,290,000	\$ 881,994	\$ 3,171,994
2014	2,355,000	815,412	3,170,412
2015	2,460,000	717,337	3,177,337
2016	2,560,000	611,675	3,171,675
2017	2,645,000	525,530	3,170,530
2018-2022	14,125,000	1,487,811	15,612,811
2023-2026	<u>2,295,000</u>	<u>184,850</u>	<u>2,479,850</u>
	<u>\$28,730,000</u>	<u>\$5,224,609</u>	<u>\$33,954,609</u>

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

On May 15, 2012, the Municipality issued \$5,000,000 Series 2012A and \$3,445,000 Series 2012B bonds with interest rates from 0.35% to 3.0% to advance refund the outstanding 2007 bonds (\$7,570,000) with interest rates ranging from 3.90% to 4.05% and to provide funds for certain capital improvements to facilities within the Municipality. Net proceeds of \$7,866,691 (after payment of issuance costs) were used to advance refund the 2007 bonds. The balance of the net proceeds was transferred to a capital projects fund.

As a result, the advance refunded 2007 bonds are considered defeased and the liability for those bonds has been removed as a liability in these financial statements.

The Municipality currently refunded the 2007 bonds to reduce its total debt service payments over eleven years by \$991 and provide \$610,354 in current capital projects funding and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately the same amounts as the cash flow gain.

At December 31, 2012, \$7,570,000 of bonds outstanding are considered defeased.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

Note 7 - Voluntary Termination Payments

On December 8, 2009, the Municipality of Monroeville enacted a voluntary early retirement plan for eligible employees who retire on or before January 31, 2010. Eligible employees are those who are eligible to retire and covered by the Municipality's Non-Uniformed Pension Plan or Police Pension Plan.

Employees eligible to retire and covered under the Non-Uniformed Pension Plan may receive a cash incentive of one and one-half percent (1.5%) of the employee's final salary, multiplied by all years of credited service. Employees eligible to retire and covered under the Police Pension Plan may receive a cash incentive of \$30,000. Both types of employees may elect to receive the benefit payment payable in a lump sum or evenly over 36 months.

As of December 31, 2012, total liability in the statement of net position was \$21,159. 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 2012.

Note 8 - Interfund Balances and Transfers

Interfund balances at December 31, 2012 were as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$1,361,468	\$ 534,045
2011 Capital Improvements	274,263	966,165
Nonmajor Governmental Funds	<u>254,243</u>	<u>389,764</u>
	<u>\$1,889,974</u>	<u>\$1,889,974</u>

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

During the year ended December 31, 2012, the Municipality made a one-time transfer of \$610,354 from the Debt Service Fund to the 2012 Capital Projects Fund representing the excess bond proceeds from the 2012A and 2012B bonds and refunding transaction.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 9 - Pension Plans

Plan Description and Eligibility

The Municipality administers two defined benefit pension plans covering full-time employees, the Non-Uniform Pension Plan and the Police Pension Plan (Plans). Both Plans operate under the authority of various Municipal ordinances. The Non-Uniform Pension Plan is affiliated with the Pennsylvania Municipal Retirement System (PMRS), an agent multiple-employer plan, and the Police Pension Plan is a single-employer plan. Plan provisions are established by Municipal ordinance with the authority for Municipal contributions required by Act 205 of the Commonwealth (Act). Both receive 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, 2012**

Note 9 - 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, 2012, participants in the Plans were as follows:

	<u>Non-Uniform</u>	<u>Police</u>
Participants		
Retirees and Beneficiaries	81	39
Deferred Vested	2	2
Active Employees		
Vested	69	40
Non-vested	28	6

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, 2012

Note 9 - 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, 2012, there were no investments in a security of a single organization that constituted more than 5% of the plan net position 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 2012 MMO obligations (contributed to the Plans through a combination of Commonwealth and Municipal funding) for the Non-Uniform Plan and Police Plan were \$848,966 (16.0% of covered payroll) and \$1,584,673 (29.5% of covered payroll), respectively. Employee contributions for the Non-Uniform Plan and Police Plan were \$318,668 (6% of covered payroll) and \$271,128 (5% of covered payroll), respectively. The Commonwealth contributions for the Police Plan in 2012 were \$672,309 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:

	Non-Uniform	Police
Annual Pension Cost	\$848,966	\$1,584,673
Contributions Made	848,966	1,584,673
Actuarial Valuation Date	01/01/11	01/01/13
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, 2012**

Note 9 - Pension Plans (Cont'd)

Contributions and Funding Policy (Cont'd)

	<u>Non-Uniform</u>	<u>Police</u>
Asset Valuation Method	Fair Value	4-Year Smoothing
Amortization Period	8.49 Years	9 Years
Actuarial Assumptions		
Investment Rate of Return	6.0%	7.0%
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, 2012.

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	12/31/10	\$ 812,635	100.0%	\$ -
	12/31/11	869,763	100.0%	-
	12/31/12	848,966	100.0%	-
Police	12/31/10	1,501,396	100.0%	-
	12/31/11	1,615,850	100.0%	-
	12/31/12	1,584,673	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 for the Non-Uniform Plan and as of January 1, 2013 for the Police Plan:

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

Note 9 - 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	31,307,893	43,074,775	11,766,882	72.68%	5,408,997	217.54%

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 10 - 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, 2012**

Note 10 - 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, it was not funded in 2012 but is the Municipality's intention to continue to fund the Plan in the future.

C. Plan Description and Eligibility

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

1) Police Employees

Eligibility: Police officers hired prior to July 21, 2005

Normal Retirement Eligibility: Age 55 and 25 years of service

Early Retirement Eligibility: Age 50 and 25 years of service

Coverage: Retired police officers and their spouses

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

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

In addition, retired 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 in network and 4000/8000 out of network;
Freedom Blue Medicare Supplement

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 10 - 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 or promoted into the administrative group after January 1, 2010 have the option at retirement to receive medical, dental and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage.

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

Medical Plans Available: PPO Blue 2000/4000 in network and 4000/8000 out of network, 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 provided benefits to those who retired by January 10, 2010 after 20 years of service or age 60 with 10 years of service

Coverage: Retired clerical employees

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 10 - Post-Employment Healthcare Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

3) Clerical Employees (Cont'd)

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. Retirees may elect to continue coverage for a spouse and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. 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 in network and 4000/8000 out of network;
Freedom Blue Medicare Supplement

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. Retirees may elect to continue coverage for a spouse and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. 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 in network and 4000/8000 out of network

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

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 10 - Post-Employment Healthcare Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

5) Public Works Employees (Cont'd)

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member and member's spouse if applicable (see above); benefit ends at each individual's Medicare eligibility. Retirees may elect to continue coverage for a spouse and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. Employees hired after April 19, 2007 have the option at retirement, to receive medical, dental and/or vision insurance for member, spouse and qualified dependent provided they reimburse the Municipality for the cost of coverage. In addition, retirees who retired with at least 10 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 2000/4000 in network and 4000/8000 out of network

6) Refuse Employees

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

Coverage: Retired refuse employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. Retirees may elect to continue coverage for a spouse if otherwise ineligible (see above) and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. Employees hired after April 19, 2007 have the option at retirement, to receive medical, dental and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage. In addition, retirees who retired with at least 10 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 2000/4000 in network and 4000/8000 out of network

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 10 - Post-Employment Healthcare Plan (Cont'd)

C. Plan Description and Eligibility (Cont'd)

Membership of the OPEB Plan consisted of the following at January 1, 2012, the date of the latest actuarial valuation:

Retirees and Beneficiaries	
receiving benefits	119
Active Plan Members	<u>141</u>
	<u>260</u>

For the year ended December 31, 2012, the Municipality did not make any contributions to the Plan.

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.

Annual Required Contribution	\$1,912,531
Interest on Net OPEB Obligation	73,557
Adjustment to Annual Required Contribution	<u>(93,173)</u>
Annual OPEB Cost (Expense)	1,892,915
Contributions Made	<u>-</u>
Increase (Decrease) in OPEB Obligation	1,892,915
Net OPEB Obligation - Beginning of Year	<u>1,471,145</u>
Net OPEB Obligation - End of Year	<u>\$3,364,060</u>

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

Note 10 - Post-Employment Healthcare Plan (Cont'd)

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

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
12/31/10	\$2,236,197	101.0%	\$1,489,050
12/31/11	2,313,544	100.8%	1,471,145
12/31/12	1,892,915	0.0%	3,364,060

E. Funded Status and Funding Progress

As of January 1, 2012, the latest available valuation at the time of the audit, the actuarial accrued liability for benefits was \$24,261,877 and the actuarial value of assets was \$5,101,323 resulting in an unfunded actuarial accrued liability of \$19,160,554 and a funded ratio of 21.0%. The covered payroll (annual payroll of active employees covered by the Plan) was \$10,657,217 and the ratio of unfunded actuarial accrued liability to the covered payroll was 179.79%.

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.

**Municipality of Monroeville
Notes to Financial Statements
December 31, 2012**

Note 10 - Post-Employment Healthcare Plan (Cont'd)

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, 2012 actuarial valuation, the most recent report available, the Entry Age Normal Actuarial Cost Method was used. The actuarial assumptions included a 7.0% investment rate of return based on a funded plan, an annual healthcare cost trend of a 4% increase for 2012 and 5.0% thereafter for pre 65 and 5.0% increase for post 65, and a 3% 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 11 - Pension Plans Financial Information

The Municipality's Police Pension, a defined benefit plan and the Municipality of Monroeville Uniform and Non-Uniform Employees Other Post-Employment Benefit (OPEB) Retiree Benefits Plan Trust Fund (OPEB Trust), a single-employer OPEB Plan, do not issue stand-alone financial reports. The following is a statement of fiduciary net position and statement of changes in fiduciary net position for both Plans as of and for the year ended December 31, 2012:

	Pension & Other Employee Benefit Trust Funds		Total Pension & Other Employee Benefit Trust Funds
	Police Pension Fund	OPEB Trust Fund	
ASSETS			
Cash and Cash Equivalents	\$ 2,530,520	\$ 228,726	\$ 2,759,246
Investments at Fair Value			
Equities	12,908,979	2,110,607	15,019,586
Mutual Funds	3,275,364	1,050,314	4,325,678

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 11 - 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 (CONT'D)			
Investments at Fair Value (Cont'd)			
Municipal Bonds	\$ 4,638,171	\$ 806,148	\$ 5,444,319
Corporate Bonds	7,475,057	1,502,972	8,978,029
Certificate of Deposits	403,666	-	403,666
Other Investments	410,314	-	410,314
Other Receivables	<u>145,015</u>	<u>22,238</u>	<u>167,253</u>
TOTAL ASSETS	<u>31,787,086</u>	<u>5,721,005</u>	<u>37,508,091</u>
LIABILITIES			
Accounts Payable	<u>-</u>	<u>743,473</u>	<u>743,473</u>
NET POSITION			
Held in Trust for Pension Benefits	31,787,086	-	31,787,086
Held in Trust for OPEB Benefits	<u>-</u>	<u>4,977,532</u>	<u>4,977,532</u>
TOTAL NET POSITION	<u>\$31,787,086</u>	<u>\$4,977,532</u>	<u>\$36,764,618</u>

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 11 - 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	\$ 1,584,673	\$ -	\$ 1,584,673
Plan Members	<u>271,128</u>	<u>-</u>	<u>271,128</u>
Total Contributions	<u>1,855,801</u>	<u>-</u>	<u>1,855,801</u>
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	2,087,717	519,896	2,607,613
Interest and Dividends	<u>1,004,949</u>	<u>138,882</u>	<u>1,143,831</u>
	3,092,666	658,778	3,751,444
Less Investment Expenses	<u>(153,190)</u>	<u>(39,097)</u>	<u>(192,287)</u>
Net Investment Income	<u>2,939,476</u>	<u>619,681</u>	<u>3,559,157</u>
Total Additions	<u>4,795,277</u>	<u>619,681</u>	<u>5,414,958</u>
Deductions			
Benefits	1,716,870	743,473	2,460,343
Administrative Expenses	<u>410</u>	<u>-</u>	<u>410</u>
Total Deductions	<u>1,717,280</u>	<u>743,473</u>	<u>2,460,753</u>
Changes in Net Position	3,077,997	(123,792)	2,954,205

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 11 - 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 Position - January 1, 2012	<u>\$28,709,089</u>	<u>\$5,101,324</u>	<u>\$33,810,413</u>
Net Position - December 31, 2012	<u>\$31,787,086</u>	<u>\$4,977,532</u>	<u>\$36,764,618</u>

Note 12 - 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 2012 was \$16,538. The following is a schedule by year of future minimum rentals to be received by the Municipality under the lease at December 31, 2012:

Year Ended December 31,	Amount
2013	\$16,200
2014	<u>16,200</u>
	<u>\$32,400</u>

Note 13 - 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 \$21,606 for the year ended December 31, 2012. The Convention Visitor's Bureau, a component unit, is also committed under operating leases for office space and other office equipment. Total costs for such leases for the year ended December 31, 2012, were \$21,693. 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, 2012.

Municipality of Monroeville
Notes to Financial Statements
December 31, 2012

Note 13 - Operating Leases (Cont'd)

Year Ended December 31,	Municipality	Convention Visitor's Bureau
2013	\$ 8,940	\$ 20,491
2014	8,940	25,314
2015	-	25,677
2016	-	25,021
2017	-	25,384
2018	<u>-</u>	<u>4,241</u>
	<u>\$17,880</u>	<u>\$126,128</u>

Note 14 - Contingencies and Commitments

Contingencies

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

Note 15 - Risk Management

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

**Municipality of Monroeville
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2012**

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						
01/01/09	\$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%)
01/01/13	31,307,893	43,074,775	(11,766,882)	72.68%	5,408,997	(217.54%)

Note: State law requires biennial valuations on the odd numbered years; the Non-Uniform 01/01/13 was not available.

**Municipality of Monroeville
Required Supplementary Information
Defined Benefit Pension Trust Funds
December 31, 2012**

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
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%
2012	849	100%	1,585	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, 2013
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	8.49 Years	9 Years
Actuarial Assumptions		
Investment Rate of Return	6.0%	7.0%
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, 2012**

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%
01/01/12	5,101,323	24,261,877	19,160,554	21.00%	10,657,217	179.79%

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%
2012	1,912,531	0.00%

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.)

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**COMBINING AND INDIVIDUAL FUNDS
FINANCIAL STATEMENTS**

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

DEBT SERVICE FUNDS

- Series of 2012 Fund - Used to account for accumulation of resources from the issuance of the Series 2012 bonds.

CAPITAL PROJECTS FUNDS

- Northern Pike Improvements Fund - Used to account for expenditures related to the improvements of the Northern Pike. These improvements will be funded partially from transfers from the General Fund and private contributions.
- 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.
- 2012 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 2012 general obligation bonds.

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**Municipality of Monroeville
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2012**

	Special Revenue Funds			Capital Projects Funds			Total Nonmajor Governmental Funds	
	Highway Aid Fund	Police Asset Seizure Fund	Side- walk Fund	Northern Pike Improvements Fund	2007 Capital Improvements Fund	2010 Capital Improvements Fund		2012 Capital Improvements Fund
ASSETS								
Cash and Cash Equivalents	\$595	\$187,208	\$2,750	\$149,602	\$1,205,512	\$428,826	\$101,945	\$2,076,438
Due from Other Funds	-	-	-	-	-	-	254,243	254,243
TOTAL ASSETS	<u>\$595</u>	<u>\$187,208</u>	<u>\$2,750</u>	<u>\$149,602</u>	<u>\$1,205,512</u>	<u>\$428,826</u>	<u>\$356,188</u>	<u>\$2,330,681</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Due to Other Funds	\$ -	\$ -	\$ -	\$ -	\$ 259,395	\$ 127,500	\$ 2,869	\$ 389,764
Accounts Payable	-	-	-	-	-	-	19,224	19,224
Total Liabilities	-	-	-	-	259,395	127,500	22,093	408,988
Fund Balances								
Restricted	595	187,208	-	-	946,117	301,326	334,095	1,769,341
Committed	-	-	2,750	149,602	-	-	-	152,352
Total Fund Balances	<u>595</u>	<u>187,208</u>	<u>2,750</u>	<u>149,602</u>	<u>946,117</u>	<u>301,326</u>	<u>334,095</u>	<u>1,921,693</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$595</u>	<u>\$187,208</u>	<u>\$2,750</u>	<u>\$149,602</u>	<u>\$1,205,512</u>	<u>\$428,826</u>	<u>\$356,188</u>	<u>\$2,330,681</u>

Municipality of Monroeville
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended December 31, 2012

	Special Revenue Funds			Debt Service	Capital Projects Funds					Total Nonmajor Governmental Funds
	Highway Aid Fund	Police Asset Seizure Fund	Side- walk Fund	Fund Series of 2012	Northern Pike Improvements Fund	2005 Capital Improvements Fund	2007 Capital Improvements Fund	2010 Capital Improvements Fund	2012 Capital Improvements Fund	
Revenues										
Interest, Rent and Royalties	\$ 172	\$ 71	\$ -	\$ -	\$ 39	\$ 21	\$ 283	\$ 100	\$ 76	\$ 762
Intergovernmental	<u>585,038</u>	<u>52,950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>637,988</u>
Total Revenues	<u>585,210</u>	<u>53,021</u>	<u>-</u>	<u>-</u>	<u>39</u>	<u>21</u>	<u>283</u>	<u>100</u>	<u>76</u>	<u>638,750</u>
Expenditures										
Current:										
General Government	-	-	-	154,099	-	-	-	-	-	154,099
Public Safety	-	13,297	-	-	-	-	-	-	-	13,297
Public Works - Highways	589,000	-	-	-	-	-	-	-	-	589,000
Capital Outlay:										
General Government	-	-	-	-	-	-	-	-	84,265	84,265
Public Works - Highways	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>913,012</u>	<u>-</u>	<u>-</u>	<u>192,070</u>	<u>1,105,082</u>
Total Expenditures	<u>589,000</u>	<u>13,297</u>	<u>-</u>	<u>154,099</u>	<u>-</u>	<u>913,012</u>	<u>-</u>	<u>-</u>	<u>276,335</u>	<u>1,945,743</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,790)</u>	<u>39,724</u>	<u>-</u>	<u>(154,099)</u>	<u>39</u>	<u>(912,991)</u>	<u>283</u>	<u>100</u>	<u>(276,259)</u>	<u>(1,306,993)</u>
Other Financing Sources (Uses)										
Issuance of Refunding Bonds	-	-	-	8,445,000	-	-	-	-	-	8,445,000
Premium on Bonds Issued	-	-	-	186,144	-	-	-	-	-	186,144
Transfers In	-	-	-	-	-	-	-	-	610,354	610,354
Payment to Refunded Bond Escrow Agent	-	-	-	(7,866,691)	-	-	-	-	-	(7,866,691)
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(610,354)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(610,354)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>154,099</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>610,354</u>	<u>764,453</u>
Net Change in Fund Balances	<u>(3,790)</u>	<u>39,724</u>	<u>-</u>	<u>-</u>	<u>39</u>	<u>(912,991)</u>	<u>283</u>	<u>100</u>	<u>334,095</u>	<u>(542,540)</u>
Fund Balances - January 1, 2012	<u>4,385</u>	<u>147,484</u>	<u>2,750</u>	<u>-</u>	<u>149,563</u>	<u>912,991</u>	<u>945,834</u>	<u>301,226</u>	<u>-</u>	<u>2,464,233</u>
Fund Balances - December 31, 2012	<u>\$ 595</u>	<u>\$187,208</u>	<u>\$2,750</u>	<u>\$ -</u>	<u>\$149,602</u>	<u>\$ -</u>	<u>\$946,117</u>	<u>\$301,326</u>	<u>\$ 334,095</u>	<u>\$ 1,921,693</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, 2012**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest, Rents and Royalties				
Interest Earnings	\$ 28,000	\$ 28,000	\$ 172	\$(27,828)
Intergovernmental				
Liquid Fuels Tax	<u>612,000</u>	<u>612,000</u>	<u>585,038</u>	<u>(26,962)</u>
Total Revenues	<u>640,000</u>	<u>640,000</u>	<u>585,210</u>	<u>(54,790)</u>
Expenditures				
Current:				
Public Works				
Highways and Streets				
Snow and Ice Removal	288,000	288,000	282,216	5,784
Traffic Signals	50,000	50,000	50,534	(534)
Street Lighting	<u>302,000</u>	<u>302,000</u>	<u>256,250</u>	<u>45,750</u>
Total Expenditures	<u>640,000</u>	<u>640,000</u>	<u>589,000</u>	<u>51,000</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,790)</u>	<u>\$ (3,790)</u>

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COMPONENT UNITS

SENIOR CITIZENS COUNCIL

CONVENTION VISITOR'S BUREAU

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**Municipality of Monroeville
Balance Sheet
Senior Citizens Council - Component Unit
General Fund
December 31, 2012**

ASSETS

Cash and Cash Equivalents \$131,607

TOTAL ASSETS \$131,607

LIABILITIES AND FUND BALANCES

Liabilities \$ _____ -

Fund Balances
Unassigned 131,607

**TOTAL LIABILITIES AND FUND
BALANCES \$131,607**

**Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
Senior Citizens Council - Component Unit
General Fund
Year Ended December 31, 2012**

Revenues	
Interest, Rents and Royalties	\$ 130
Charges for Services	23,451
Miscellaneous	<u>18,691</u>
Total Revenues	<u>42,272</u>
Expenditures	
Current:	
Culture - Recreation	<u>29,221</u>
Net Change in Fund Balance	13,051
Fund Balance - January 1, 2012	<u>118,556</u>
Fund Balance - December 31, 2012	<u>\$131,607</u>

Municipality of Monroeville
Balance Sheet
Convention Visitor's Bureau - Component Unit
General Fund
December 31, 2012

ASSETS

Cash and Cash Equivalents	\$ 948,021
Due from Other Governments	126,736
Prepaid Items	<u>15,473</u>

TOTAL ASSETS \$1,090,230

LIABILITIES AND FUND BALANCES

Liabilities

Due to Primary Government	\$ 30,277
Accounts Payable	<u>19,810</u>

Total Liabilities 50,087

Fund Balances

Nonspendable	15,473
Unassigned	<u>1,024,670</u>

Total Fund Balances 1,040,143

TOTAL LIABILITIES AND FUND BALANCES \$1,090,230

**Municipality of Monroeville
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
Convention Visitor's Bureau - Component Unit
December 31, 2012**

Total Fund Balances - Governmental Funds \$1,040,143

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

Capital assets used in governmental activities are not
financial resources and therefore are not reported as assets
in governmental funds. The cost of assets is \$262,189 and
the accumulated depreciation is \$34,852.

227,337

Total Net Position - Governmental Activities \$1,267,480

Municipality of Monroeville
Statement of Revenues, Expenditures
and Changes in Fund Balance
Convention Visitor's Bureau - Component Unit
General Fund
Year Ended December 31, 2012

Revenues	
Taxes	\$ 700,086
Interest, Rents and Royalties	2,333
Miscellaneous	<u>24,276</u>
Total Revenues	<u>726,695</u>
Expenditures	
Current:	
Conservation and Development	519,862
Capital Outlay	<u>93,679</u>
Total Expenditures	<u>613,541</u>
Net Change in Fund Balance	113,154
Fund Balance - January 1, 2012	<u>926,989</u>
Fund Balance - December 31, 2012	<u>\$1,040,143</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, 2012

Total Net Change in Fund Balances - Governmental Funds	\$113,154
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Amounts reported for governmental activities in the statement of net position are different because:

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

Capital Outlay	\$ 52,148	
Depreciation Expense	<u>(17,347)</u>	<u>34,801</u>
Change in Net Position of Governmental Activities		<u>\$147,955</u>

ADDITIONAL INFORMATION

**Municipality of Monroeville
Schedule of Public Library Program
Revenues and Expenditures
Included in the General Fund
Year Ended December 31, 2012**

Revenues

Regional Asset District Tax Funds passed through ACLA	\$ 201,107
State Library Aid	102,488
State Gaming Revenue	22,953
Fines and Miscellaneous	<u>84,937</u>
Total Revenues	<u>\$ 411,485</u>

Expenditures

Salaries	\$ 639,730
Benefits	213,246
Utilities	84,916
Maintenance and Repairs	13,838
Office Supplies	38,854
Library Books and Equipment	173,867
Office Equipment and Furniture	74,322
Miscellaneous Outside Personnel Services	<u>100,854</u>
Total Expenditures	<u>\$1,339,627</u>

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

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the Municipality 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 has changed over time.

1 - 4

REVENUE CAPACITY

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

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 POSITION BY COMPONENT**

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	\$ 12,662,869
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	1,556,364
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>	<u>3,185,745</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	\$ 17,404,978

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 2 CHANGES IN NET POSITION

LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	\$ 3,913,738
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	12,389,336
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	1,390,827
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	4,152,939
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	4,541,643
Conservation and Development	524,089	510,657	496,090	460,778	472,610	471,400	558,044	493,397	384,315	347,004
Interest On Long-Term Debt	835,791	657,793	677,780	808,318	789,849	1,049,339	1,014,769	632,435	907,153	767,255
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	\$ 27,502,742
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	\$ 169,097
Public Safety	138,400	447,753	330,395	364,199	394,608	298,938	451,374	650,163	357,872	464,056
Public Works-Sanitation	489,656	562,000	520,623	426,388	458,966	436,386	387,118	410,478	422,577	422,739
Public Works-Highway	693,700	89,181	35,015	59,570	42,059	44,146	45,665	34,293	50,348	3,100
Culture-Recreation	587,014	922,635	964,492	972,303	1,044,232	1,023,343	1,083,003	1,088,545	881,160	962,343
Conservation and Development	0	81,914	88,606	66,370	84,191	37,493	60,509	42,042	16,262	39,802
Operating grants and contributions	1,599,515	1,145,275	2,012,803	1,668,401	1,987,577	1,716,251	2,009,815	1,727,350	1,857,513	1,482,568
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	\$ 3,543,705
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	\$ 23,959,037

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General Revs. and Other Changes in Net Position										
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	\$ 4,329,435
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	6,655,847
Business Privilege & Mercantile Tax	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	5,971,721
Other Taxes, Levied for Gen. Purp.	1,412,444	2,538,671	3,206,669	3,538,794	3,557,251	2,588,588	2,635,771	2,577,780	2,437,058	2,559,194
Grants, Subsidies & Contrib. Not Restricted	0	0	683,078	48,487	51,662	49,419	150,091	51,542	44,744	187,430
Investment Earnings	416,479	358,990	763,746	1,234,063	1,203,292	909,950	194,868	109,000	69,852	89,188
Miscellaneous	206,925	815,799	61,482	11,134	493	152,203	26,912	142	189,815	142,903
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	\$ 19,935,718
Change in Net Position										
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)	\$ (4,023,319)

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 3 FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<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>	<u>2012</u>
General Fund										
Reserved	\$ 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	\$ 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	\$ 121,118
Committed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 82,788	\$ 82,793
Assigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,795,704	\$ 897,742
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,787,610	\$ 4,291,310
Total general fund	\$ 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	\$ 5,392,963
All Other Governmental Funds										
Reserved	\$ 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	\$ 4,269,024
Committed	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,313	\$ 152,352
Assigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 912,991	\$ -
Unassigned	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved reported in:										
Special revenue funds	\$ 661,008	\$ 702,234	\$ 765,877	\$ 809,589	\$ 867,522	\$ 935,873	\$ 1,135,962	\$ 1,409,839	\$ -	\$ -
Capital projects funds	\$ -	\$ (416,035)	\$ (235,573)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total all other governmental funds	\$ 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	\$ 4,421,376

The fund balances for 2011 and 2012 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)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues										
Taxes	\$ 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	\$ 19,931,384
Licenses and Permits	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	1,405,533
Fines and Forfeits	117,943	120,904	120,656	150,222	158,759	146,335	141,657	138,978	165,238	113,091
Interest, Rents and Royalties	1,663,138	358,990	763,746	1,234,063	1,203,292	909,950	194,868	109,000	69,852	89,188
Intergovernmental	1,146,605	1,798,854	2,695,881	1,716,888	1,987,942	1,708,639	2,132,506	1,713,741	1,654,837	1,626,110
Charges for Services	416,479	1,017,658	908,030	877,220	888,780	841,872	746,513	849,269	848,729	542,513
Miscellaneous	206,925	2,149	61,482	11,134	51,790	57,634	26,912	65,293	58,911	138,991
Total revenues	\$ 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	\$ 23,846,810
Expenditures										
Current:										
General Government	\$ 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	\$ 3,129,183
Public Safety	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	10,075,158
Public Works-Sanitation	1,095,345	959,148	954,687	937,142	1,014,532	1,081,621	1,248,905	1,123,879	1,129,638	1,162,073
Public Works-Highways	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	2,839,927
Culture-Recreation	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	3,545,275
Conservation and Development	524,089	492,765	480,279	443,707	461,409	460,014	545,414	483,943	372,497	300,871
Insurance Premiums	774,845	895,783	943,860	941,605	951,513	767,909	1,006,736	1,050,703	1,164,949	1,175,072
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Capital outlays	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	3,206,754
Debt Service:										
Principal	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	2,355,000
Interest	699,096	633,804	632,302	770,341	739,807	997,711	977,246	609,954	924,207	823,828
Bond Issue Costs	179,365	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 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	\$ 28,613,141
Excess of revenues over (under) expenditures	\$ (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)	\$ (4,766,331)
Other Financing Sources (Uses)										
Issuance of Debt	\$ -	\$ -	\$ 6,135,000	\$ -	\$ 7,590,000	\$ -	\$ -	\$ -	\$ 7,450,000	\$ -
Issuance of Refunding Debt	11,835,000	-	7,520,000	-	-	-	-	18,470,000	-	8,445,000
(Discourt) on Bonds Issued	(16,132)	-	(85,837)	-	(38,829)	-	-	-	-	-
Bond premium/Costs	12,322	-	-	-	-	-	-	816,850	86,457	186,144
Payment to Refunded Bond Escrow Agent	(11,651,825)	-	(7,317,087)	-	-	-	-	(18,572,754)	-	(7,866,691)
Sale of Capital Assets	-	-	-	-	-	151,600	85,000	44,550	184,000	47,800
Transfers In	1,843,838	-	6,152,652	377,863	160,555	172,358	228,019	639,980	-	610,354
Transfers Out	(1,843,838)	-	(6,152,652)	(377,863)	(160,555)	(172,358)	(228,019)	(639,980)	-	(610,354)
Total Other Financing Sources (Uses)	179,365	-	6,252,076	-	7,551,171	151,600	85,000	758,646	7,720,457	812,253
Net Changes in fund balances	\$ (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	\$ (3,954,078)
Debt service as a percentage of noncapital expenditures	8.37%	6.76%	8.43%	9.04%	8.57%	9.91%	9.05%	7.46%	10.51%	12.63%

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
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
2012	1,074,681	987,487	371,034	2,062,168	100%	2.20

Source: Allegheny County Assessment Office

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 6 DIRECT AND OVERLAPPING PROPERTY TAX RATES SCHEDULE 6 LAST TEN FISCAL YEARS (AMOUNTS EXPRESSED IN THOUSANDS)

<u>Municipality of Monroeville</u>			<u>County of Allegheny</u>		<u>Gateway School District</u>		<u>Total</u>
<u>Fiscal Year</u>	<u>Total Basic Tax Millage</u>	<u>Total Millage</u>	<u>Total Basic Tax Millage</u>	<u>Total Millage</u>	<u>Total Basic Tax Millage</u>	<u>Total Millage</u>	
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
2012	2.20	2.20	5.69	5.69	21.85	21.85	29.74

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 7 PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2012			2002		
	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	7.11%			
PZ Miracle Mile	37,772,800	2	1.83%	\$ 30,013,900	4	1.48%
ER Partners LP	18,293,500	3	0.89%			
Monroeville S.C.L.P	17,481,700	4	0.85%			
Anne V. Lewis	16,015,000	5	0.78%			
Westinghouse Electric Corporation	16,000,000	6	0.78%	40,000,000	3	1.97%
Walnut Ivanhoe Partners	15,582,500	7	0.76%			
Cochran, RELP	15,250,900	8	0.74%	13,057,300	9	0.64%
OFEWLP	14,500,000	9	0.70%			
Terra Capital Associates	7,221,200	10	0.35%	26,795,500	5	1.32%
Soffer, Donald				102,942,400	1	5.06%
L & M Associates				47,621,000	2	2.34%
Oxford Development Company				26,378,500	6	1.30%
May Centers Associates Corporation				24,760,100	7	1.22%
Eagle Ridge Apartmetns				18,293,800	8	0.90%
Fox Hill Associates				11,206,000	10	0.55%
	<u>\$ 304,698,100</u>		<u>14.78%</u>	<u>\$341,068,500</u>		<u>16.77%</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
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%	57,739	4,488,555	97.61%
2012	4,535,633	4,354,895	96.02%	0	4,354,895	96.02%

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>
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	642,755,400	6,427,554
2012	682,504,933	6,825,049

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>
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%
2012	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	2012 Number of filers
\$100,001-and higher	626	530	679	439	209	333	912
\$70,001-\$100,000	905	744	1,043	744	307	466	1,180
\$50,001-70,000	1,357	1,176	1,433	1,030	435	643	1,605
\$30,001-50,000	2,182	1,752	2,147	1,458	540	849	2,204
\$10,001-30,000	2,789	2,265	2,710	1,697	565	1,118	2,835
\$10,000 and lower	2,755	2,284	2,787	1,957	387	907	2,846
TOTAL	10,614	8,751	10,799	7,325	2,443	4,316	11,582

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	2012 Percentage of Tot Taxpayers
\$100,001-and higher	5.90%	6.06%	6.29%	5.99%	8.56%	7.72%	7.88%
\$70,001-\$100,000	8.53%	8.50%	9.66%	10.16%	12.57%	10.80%	10.19%
\$50,001-70,000	12.79%	13.44%	13.27%	14.06%	17.81%	14.90%	13.86%
\$30,001-50,000	20.56%	20.02%	19.88%	19.90%	22.10%	19.67%	19.03%
\$10,001-30,000	26.28%	25.88%	25.09%	23.17%	23.13%	25.90%	24.48%
\$10,000 and lower	25.96%	26.10%	25.81%	26.72%	15.84%	21.02%	24.57%
TOTAL	100.00%	100.00%	100.00%	100.00%	100.01%	100.00%	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	2012 Percentage of Tot Income
\$100,001-and higher	26.25%	26.25%	25.84%	18.88%	26.45%	28.55%	30.01%
\$70,001-\$100,000	17.91%	17.91%	20.13%	21.30%	21.84%	20.36%	19.93%
\$50,001-70,000	20.19%	20.19%	19.65%	20.90%	22.08%	19.97%	19.21%
\$30,001-50,000	20.12%	20.12%	19.69%	19.70%	18.60%	17.75%	17.67%
\$10,001-30,000	12.91%	12.91%	12.30%	11.26%	9.54%	11.33%	11.10%
\$10,000 and lower	2.62%	2.62%	2.39%	7.98%	1.49%	2.05%	2.07%
TOTAL	100%	100%	100%	100%	100.00%	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		
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	30,911,882	30,911,882	4.81%	1,088.98
2012	28,667,283	28,667,283	4.20%	1,009.91

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

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

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 13 RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year	General Bonded Debt Outstanding*		Percentage of Actual Taxable Value** of Property
	General Obligation Bond ***	Total Debt Service	
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	30,912	30,912	1.48%
2012	28,667	28,667	1.39%

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

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

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 14

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2012

(AMOUNTS EXPRESSED IN THOUSANDS)

Governmental Unit	Debt *** Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping** Debt
Debt repaid with property taxes			
Municipality of Monroeville	\$ 28,730	100.0%	\$ 28,730
Other debt			
Gateway School District	52,885	96.80% a	51,193
Allegheny County	861,312	3.50% a	30,146
Subtotal-overlapping debt			81,339
Total direct and overlapping debt			\$ 110,069

*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.

***Debt outstanding is gross debt

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 15 LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

	<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>	<u>2012</u>
Debt Limit	\$ 56,455	\$ 58,868	\$ 56,909	\$ 61,059	\$ 65,132	\$ 65,796	\$ 69,248	\$ 67,372	\$ 67,913	\$ 64,327
Total net debt applicable to limit	<u>20,040</u>	<u>19,190</u>	<u>24,305</u>	<u>22,880</u>	<u>29,010</u>	<u>27,495</u>	<u>25,910</u>	<u>24,715</u>	<u>30,210</u>	<u>28,730</u>
Legal debt margin	<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>	<u>\$ 35,597</u>
Total net debt applicable to the limit as a percentage of debt limit	35.50%	32.60%	42.71%	37.47%	44.54%	41.79%	37.42%	36.68%	44.48%	44.66%

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>
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	\$ 642,755,400	\$ 42,534	43	4,301	7.10%
2012	28,386	\$ 682,504,933	\$ 43,300	43	4,301	7.30%

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	2012			2002		
	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%			
Procure Pharmacy	778	3	0.39%			
Gateway School District	769	4	0.38%	500	5	0.25%
Respironics	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

FUNCTION/PROGRAM	Full-time Equivalent Employees as of December 31									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
GENERAL GOVERNMENT										
Mayor & Council	0	0	0	0	0	0	0	0	0	0
Manager's Office	4	4	5	5	4	4	4	4	3	3
Tax Collection	4	4	4	5	5	5	5	5	5	5
Finance Office	7	7	7	5	5	4	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	8	8	8	8	8	8	8
Patrol & Traffic	42	43	41	40	40	40	40	39	40	42
Incident Investigation	6	6	6	6	6	6	6	6	5	5
Support Services & Records	4	4	4	4	4	3	3	1	1	1
Police Training	1	1	1	1	1	1	1	1	1	0
Community Safety	3	3	3	3	3	3	4	3	2	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	12	12	11	9	9	9	9	8	8
Parks Maintenance	7	6	7	6	7	7	7	7	6	6
Traffic Signals, Signs and Markings	4	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	4	3	0	0	0	0	0	0	0	0
Refuse Collection	9	9	9	9	9	9	9	9	9	9
Vehicular Equipment	6	5	5	5	5	5	5	5	4	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	3	3	3	3	3	3	3
Building & Property Maintenance	5	6	5	5	5	5	5	5	3	3
HUMAN SERVICES										
Recreation and Parks	3	3	4	4	4	4	4	3	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	2	2	4
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	4	4	4	4	4	4	4	4	4	4
Public Library	9	9	9	9	11	11	11	11	11	11
TV 15	2	2	2	2	2	2	2	2	2	2
TOTAL	156	156	153	160	160	158	159	152	145	148

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 19 OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

<u>FUNCTION/PROGRAM</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>	<u>2012</u>
POLICE										
Physical arrests	344	275	613	416	479	521	363	280	314	255
Incidents	18,577	17,857	19,121	17,836	18,689	23,891	18,188	16,614	15,425	15,531
Traffic violations/Citations	1,229	554	825	1,262	1,456	1,299	1,266	2,013	1,580	1,758
FIRE										
Emergency Response	4,444	5,012	4,347	4,990	4,067	5,180	5,141	5,777	5,387	5,224
INSPECTIONS	3,759	4,247	3,759	3,968	4,205	4,684	4,780	4,780	6,083	6,100
PUBLIC WORKS										
Recyclables collected (tons per year)	N/A	506.42	495.68	530.79	551.15	656.74	535.14	530.36	641.35	695.34
OTHER PUBLIC WORKS										
Street Resurfacing (miles)	11.80	12.10	8.00	4.40	3.00	8.50	4.30	4.30	9.00	17.90
PARKS AND RECREATION										
Program Participants	2,747	5,810	5,027	5,718	3,370	2,408	1,701	1,644	2,093	5,858
Pavilion Rentals	165	203	190	322	362	385	434	453	466	486
Pool Admissions	6,325	4,095	3,526	3,813	3,612	4,320	3,736	5,331	5,431	5,569
LIBRARY										
Items in Collection	105,639	108,723	116,300	118,747	120,267	123,765	123,146	119,514	120,048	122,771
Total Circulation	218,259	223,423	212,991	222,416	219,967	224,066	233,405	222,519	244,321	297,941

Sources: Various Municipal Departments

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 20 CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
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	108	108	108	108	108	108	108	108	108
Number of street lights	1,388	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440
CULTURE AND RECREATION										
Parks	25	22	22	22	22	22	22	22	22	22
Park acreage	545	820	820	820	820	820	820	820	820	820
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	18	20	20	20	20	20	20	20	20	20
Basketball courts	15	20	20	20	21	21	21	21	21	21
Soccer fields	7	22	22	22	22	22	22	22	22	22
Ball fields	13	17	17	17	16	16	16	16	16	16
Picnic pavilions	5	13	13	13	13	13	13	13	13	13
Comfort stations	5	15	15	15	15	15	15	15	15	15
Play equipment areas	12	30	30	30	21	21	21	21	21	21
Walk/Jog paths (paved)	10	10	10	10	10	10	10	10	10	10
Historical sites	2	4	4	4	4	4	4	4	4	4

SOURCE: Various Municipal Departments