

MUNICIPALITY OF  
MONROEVILLE,  
PENNSYLVANIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

MUNICIPALITY OF  
MONROEVILLE,  
PENNSYLVANIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

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

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2016

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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) 856-3330  
www.monroeville.pa.

June 28, 2017

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

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2016.

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

Hosack, Specht, Muetzel, & Wood LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion of the Municipality of Monroeville financial statements for the year ended December 31, 2016. 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 thirteen (13) miles east of the City of Pittsburgh in Allegheny County, Pennsylvania, with Pittsburgh being the county seat of Allegheny County, Pennsylvania. The Municipality is bordered to the north by the Borough 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.

Senior Citizens Center  
6000 Gateway Campus Blvd.  
Monroeville, PA 15146  
(412) 856-7825  
Fax: (412) 856-4728

Public Works  
200 Starr Drive  
Monroeville, PA 15146  
(412) 856-3343  
Fax: (412) 856-3377

Monroeville Public Library  
4000 Gateway Campus Blvd.  
Monroeville, PA 15146  
(412) 372-0500  
Fax: (412) 372-1168

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

The 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 20,386 people, or 254.83% increase over the last 60 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 and Municipal Engineer.

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

### **LOCAL ECONOMY**

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

The Municipality finished 2016 with a net position of \$5,990,546. This figure was sufficient to carry the Municipality through the 2016 fiscal year, but expenses have outpaced revenues for several years. This changed in 2016 with a positive change in net assets from 2015. Still, caution and fiscal prudence must be displayed in budget preparations for 2018 and beyond.

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, which 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 .3% in the region in 2016. As a whole Allegheny County, which encompasses Monroeville, placed 12<sup>th</sup> on a national ranking of the top fifteen large counties that saw wage growth. Weekly wages in Allegheny County rose 6.3% from an average weekly wage of \$1,072 in 2015 to \$1,140 in 2016. However, the 2016 unemployment rose to 4.6% from 4.4% in 2015. (US Bureau of Labor Statistics, 2016). Local gross domestic product also increased in each of the past three years from 122 billion to 131 billion, an increase of \$9 billion or a 7.47% increase. This change in GDP ranks the Pittsburgh metropolitan region at number 23 in the nation for real GDP growth. Housing is another encouraging sector. Building Department Permits issued in the Municipality decreased slightly from 2,276 in 2015 to 2,170 in 2016. Though the amount of permits decreased slightly, revenues rose from to \$265,167 in 2015 to \$270,648 in 2016. On a positive note, southwestern Pennsylvania was in solid economic shape entering 2017. In March 2017, all seven Pittsburgh-area counties had over-the-year unemployment rate decreases. The largest rate decrease was in Armstrong County at 1.5 percentage points, followed by Fayette and Washington at 1.1 percentage points each. The remaining four counties in the area, including, Allegheny County, had decreases of 0.5 or 0.9 percentage point from March 2016 to March 2017. Nationally, the unemployment rate declined 0.5 percentage point from March a year ago. (Dept. of Labor)

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 \$9.71 million (31.4% of total general fund revenues) falls above the policy guidelines set by Council for budgetary and planning purposes (i.e., 7.5 % of total general fund revenues).

Municipal Council has continued the strategic plan for 2017 and 2018 as follows:

- Goal 1 - Develop and diversify the business structure with the objectives to expand the commercial professional services tax base (i.e. information and technology, finance and insurance and health care services) and to build strong relationships with economic strategists.
- Goal 2 - Modernization of zoning regulations with the objectives to provide regulations that can be easily understood by the general public and to minimize impact to existing residential developments.
- Goal 3 - Neutralize traffic congestion with the objectives to provide a municipal “hub and spoke” transit system serving business U.S. Route 22, Old William Penn Highway, PA Route 286, Monroeville Road and PA Route 130 and to include large, wide sidewalks complemented with street furniture, decorative lighting and trees, and to include street space for vehicle, bicycle and pedestrian transportation.
- Goal 4 - Continue the development of the Joint-Comprehensive Plan with Wilkins Township and Churchill Borough to produce efficiencies with economic development, zoning, recreation et al.
- Goal 5 – Continue to evaluate the Municipal Separate Storm Sewer System (MS4) program as it relates to implementation of a flat fee for all property owners to repair an aging storm sewer system infrastructure.

### **RELEVANT FINANCIAL POLICIES**

It is the Municipality’s policy to fund current expenditures from current revenues whenever possible; use of fund balance for other than capital and non-recurring expenditures will be clearly specified; debt financing and intergovernmental revenue will be for capital or nonrecurring expenditures. Revenues will be estimated conservatively, but realistically. The use of any debt financing has been discontinued due to high debt service payments (11% of General fund).

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 (OPEB). The Municipality contributed \$1,000,000 to the trust during 2016.

### **MAJOR INITIATIVES**

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

## Comprehensive Plan

During 2006 Municipal Council and the Planning Commission worked together to revise and approve the 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. 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 ensuring 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. In 2016, Council began the initiative of continuing the update of the Comprehensive Plan through a joint effort with neighboring communities. The Municipality of Monroeville along with Wilkins Township and Churchill Borough applied and received a \$50,000 grant from Allegheny County to initiate The Implementable Comprehensive Plan. Pashek and Associates has been hired by the three (3) communities to be the consultant on the project. So far, meetings with the public have the project focused on multi-modal transportation efforts and joint recreational activities.

## Municipal Code

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

## Municipal Separate Storm Sewer System (MS4)

The Municipal Separate Storm Sewer System, otherwise known as MS4, is an initiative started by the Environmental Protection Agency (EPA) to enforce the 1972 Clean Streams Act. The enforcement is through the Commonwealth's Department of Environmental Protection (DEP). Under MS4, each municipality in the Commonwealth is mandated to update their storm sewer system to control flooding and also so storm water does not infiltrate the sanitary system of a community. This is an expensive project and will take years to realize. Under Commonwealth legislation, Home Rule Chartered communities are permitted to enact a flat fee to support MS4 expenses without creating a storm water management district. Council is continuing to study this option.

### Capital Improvement Program (CIP)

Currently, the Municipality funds its Five (5) Year Capital Improvement Program (CIP) through a pay-as-you-go system. The Municipality transfers \$1 million from the General Fund into the Capital Improvement Fund each year during the month of July. However, this amount is insufficient for a community the size of Monroeville. The Municipal Manager has recommended that a 1 mill tax increase be adopted under ordinance exclusive for capital expenditures. This would infuse ~\$2.3 mil. into the CIP. Council has discussed this option, but no decision has been made.

### **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, 2015. This is the twenty-fourth 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.

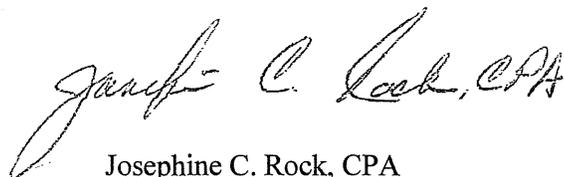
A Certificate of Achievement for Excellence is valid for a period of one year only. We believe that our current report continues to conform to the Certificate of Achievement for Excellence Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

### **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***



Josephine C. Rock, CPA  
Finance Director

# 2016 Organizational Structure for Monroeville Municipal Government

## Boards and Commissions (Appointed)

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

## Mayor and Council (Elected)

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

**Municipal Solicitor**

**Municipal Engineer**

## Municipal Manager (Appointed)

**Human Resources**

### Finance

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

### Engineering and Community Development

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

### Public Works

- Snow/Ice Control;
- Street Maintenance;
- Municipal Vehicle Maintenance;
- Park Maintenance;
- Refuse Collection;

### Public Safety

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

### Information Technology

### Cable TV

### Recreation and Parks

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

### Library Services

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

### Senior Citizen Services (at least 50 years old)

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

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## PRINCIPAL OFFICIALS DURING 2016

### MEMBERS OF COUNCIL

Greg Erosenko	Mayor
Linda Gaydos	Council Member, Ward 1
Nick Gresock	Council Member, Ward 2
Ronald Harvey	Council Member, Ward 3
Jim Johns	Council Member, Ward 4
Paul Caliarì	Council Member, Ward 5
Steve Duncan	Council Member, Ward 6
Tom Wilson	Council Member, Ward 7

### OTHER MUNICIPAL OFFICIALS

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



Government Finance Officers Association

Certificate of  
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Reporting

Presented to

**Municipality of Monroeville  
Pennsylvania**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2015**

Executive Director/CEO

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**FINANCIAL SECTION**

**HOSACK, SPECHT, MUETZEL & WOOD LLP**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
2 PENN CENTER WEST, SUITE 326  
PITTSBURGH, PENNSYLVANIA 15276  
PHONE - 412-343-9200  
FAX - 412-343-9209  
HSMW@HSMWCPA.COM  
WWW.HSMWCPA.COM

**Independent Auditor's Report**

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

Dear Mayor and Members:

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Municipality of Monroeville, as of and for the year ended December 31, 2016, 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 unit, each major fund, and the aggregate remaining fund information of the Municipality of Monroeville, as of December 31, 2016, and the respective changes in financial position thereof, and the respective budgetary comparison for the General Fund 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 and 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 28, 2017

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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, 2016. 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, 2016.

### **FINANCIAL HIGHLIGHTS**

- The Municipality's net position increased by \$747,677 in 2016 or 14.3%.
- Unrestricted net position was \$(7,684,003) at December 31, 2016. The negative net position is a continued effect from the implementation of GASBS No. 68 as it relates to pensions. The Municipality recorded its net pension liability at December 31, 2015 in the amount of \$(7,950,258). This liability was not previously reported on the statement of net position.
- During 2016, the Municipality's bond rating was Aa3 with a positive outlook, according to Moody's Investor Service. More detailed information about the Municipality's general long-term debt activity can be found in Note 6 of the notes to financial statements.
- At December 31, 2016, the Municipality had \$19.32 million of gross bond debt and \$19.73 million of net debt outstanding. This represents a decrease of \$2,595,000 or 11.8% from the previous year. The Municipality also had \$1.380 million of capital leases payable at December 31, 2016. This represents a burden of \$694.92 per capita to bonded debt.
- The total fund balance of the general fund at December 31, 2016 was \$10,561,572. The unassigned portion of the fund balance was \$9,718,585 which is approximately 31.4% of revenues in the general fund for fiscal year 2016.

### **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 3-13) 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**

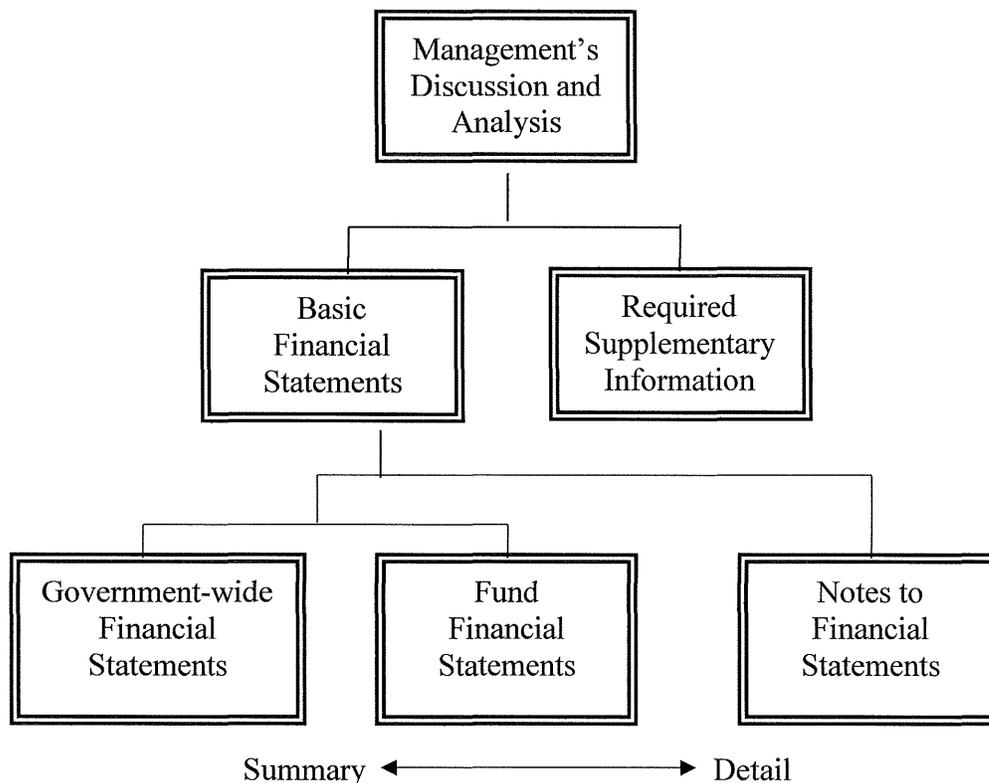


Figure A-2 summarizes the major features of the Municipality’s financial statements. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

<b>Figure A-2 Major Features of Monroeville’s Government-Wide and Fund Financial Statements</b>			
	<b>Government-Wide Statements</b>	<b>Fund Statements</b>	
		<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
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"> <li>• Statement of net position</li> <li>• Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Statement of revenues, expenditures and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of fiduciary net position</li> <li>• Statement of changes in fiduciary net position</li> </ul>
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

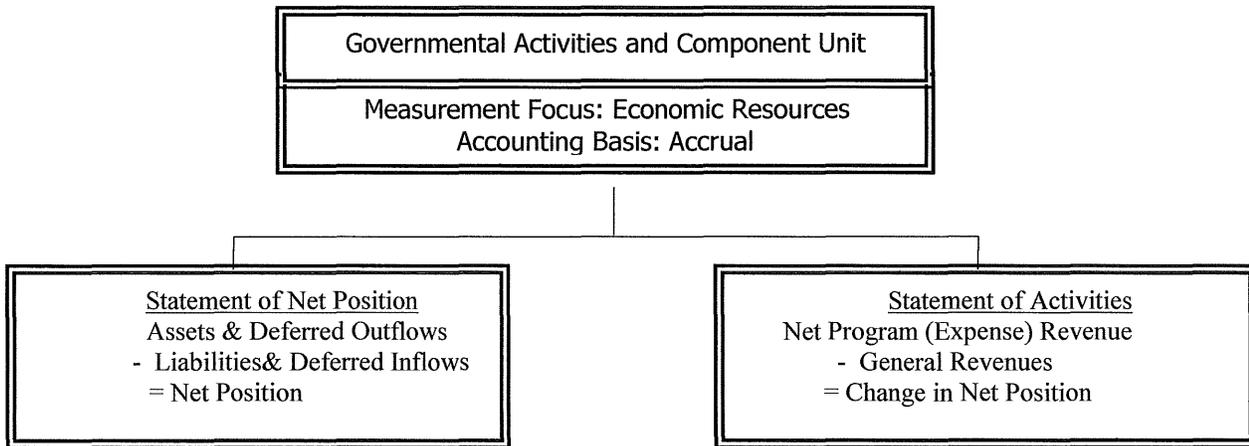
### **GOVERNMENT-WIDE STATEMENTS**

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, and earned income taxes, charges for services, and state grants finance most of these activities.
- *Component unit*—The Municipality includes the Monroeville Convention Visitors Bureau.

**FUND FINANCIAL STATEMENTS**

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

The Municipality has two kinds of funds:

- *Governmental funds* - Most of the Municipality’s basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near

future to finance the Municipality's programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.

- *Fiduciary funds* - The Municipality is the trustee, or *fiduciary*, for two, single-employer pension plans: general employees and police, and an employee benefit trust fund. These plans cover essentially all full-time employees. The Municipality is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Municipality's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the Municipality's government-wide financial statements because the Municipality cannot use these assets to finance its operations.

The Municipality's net position at December 31, 2016 and 2015 is presented below:

### FINANCIAL ANALYSIS OF THE MUNICIPALITY AS A WHOLE

	Governmental Activities	
	2016	2015
<b>Assets</b>		
Current and other assets	\$ 16,087,587	\$ 14,334,185
Capital assets	32,974,945	35,163,595
<b>Total assets</b>	49,062,532	49,497,780
Deferred outflows of resources	6,788,552	4,857,787
<b>Liabilities</b>		
Current and other liabilities	1,105,428	1,833,717
Long-term liabilities:		
Due within one year	3,012,999	2,936,380
Due in more than one year	45,742,111	44,342,601
<b>Total liabilities</b>	49,860,538	49,112,698
<b>Net position</b>		
Net investment in capital assets	12,309,761	11,599,579
Restricted	1,364,788	1,593,548
Unrestricted	(7,684,003)	(7,950,258)
<b>Total net position</b>	\$ 5,990,546	\$ 5,242,869

**Net position:**

For 2016, Net Position of Governmental Activities, increased by \$747,677 or 14.3% to \$5.9 million.

**Infrastructure assets:**

On December 31, 2016, the Municipality's total assets were \$49 million. Of this amount, \$32.9 million is accounted for by capital assets which include some infrastructure.

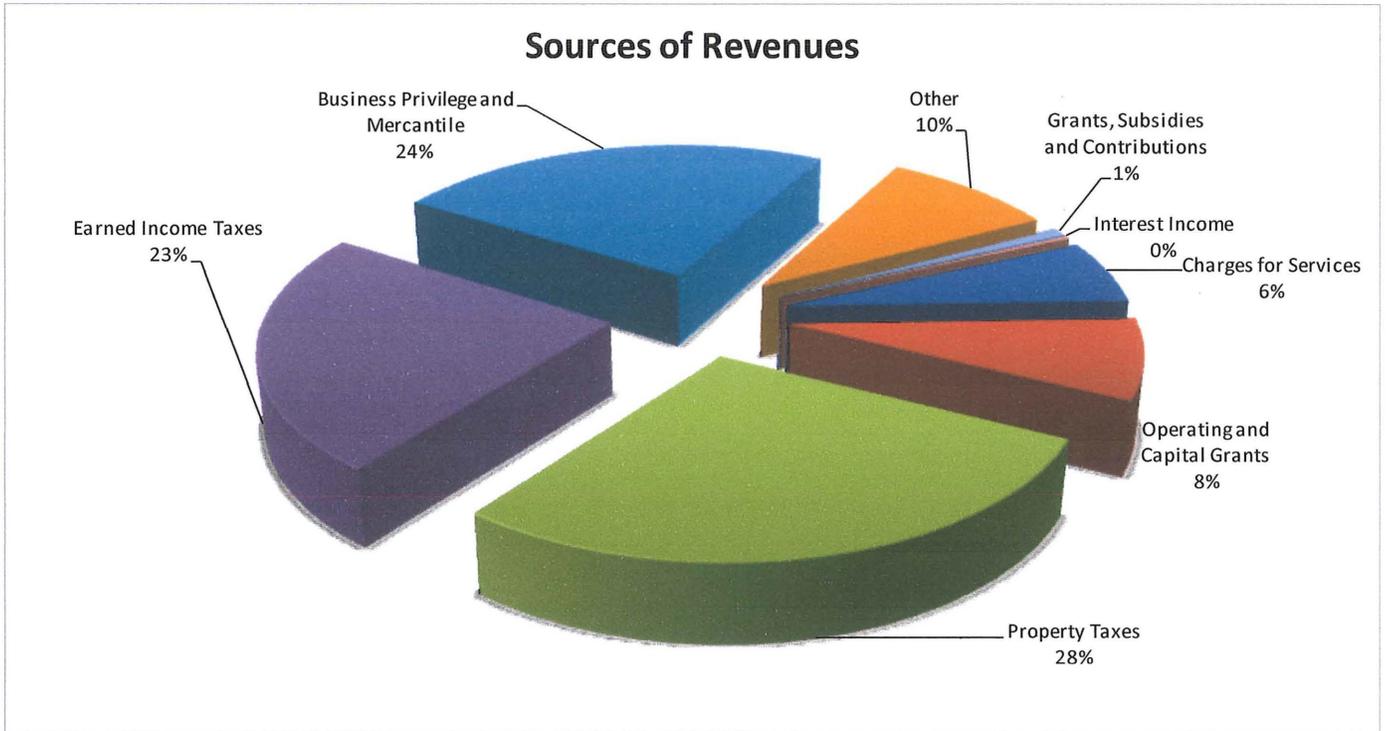
**Change in Net Position**  
**Years Ended December 31, 2016 and 2015**  
**Primary Governmental Activities**

	2016	2015	Variance
Revenues			
Program Revenues:			
Charges for Services	\$1,972,588	\$2,132,673	\$ (160,085)
Operating and Capital Grants	2,486,866	2,756,770	(269,904)
General Revenues:			
Property Taxes	9,013,001	9,033,775	(20,774)
Earned Income Taxes	7,485,167	7,482,578	2,589
Business Privilege and Mercantile	7,705,324	7,340,650	364,674
Other	3,012,278	3,026,410	(14,132)
Grants, Subsidies and Contributions	261,035	177,634	83,401
Interest Income	70,370	46,756	23,614
Miscellaneous Income	55,213	-	55,213
Total Revenues	<u>32,061,842</u>	<u>31,997,246</u>	<u>64,596</u>
Program Expenses			
General Government	4,234,236	4,360,921	(126,685)
Public Safety	14,034,917	13,219,654	815,263
Public Works:			-
Sanitation	1,528,363	1,431,181	97,182
Highways and Streets	5,089,016	5,217,301	(128,285)
Culture and Recreation	5,290,431	4,928,151	362,280
Conservation and Development	529,993	296,709	233,284
Interest on Long-Term Debt	607,209	675,103	(67,894)
Total Expenses	<u>31,314,165</u>	<u>30,129,020</u>	<u>1,185,145</u>
Change in Net Position	747,677	1,868,226	(1,120,549)
Net Position - Beginning	5,242,869	3,374,643	1,868,226
Net Position - Ending	<u>\$5,990,546</u>	<u>\$5,242,869</u>	<u>\$ 747,677</u>

## GOVERNMENTAL ACTIVITIES

### Revenue Sources:

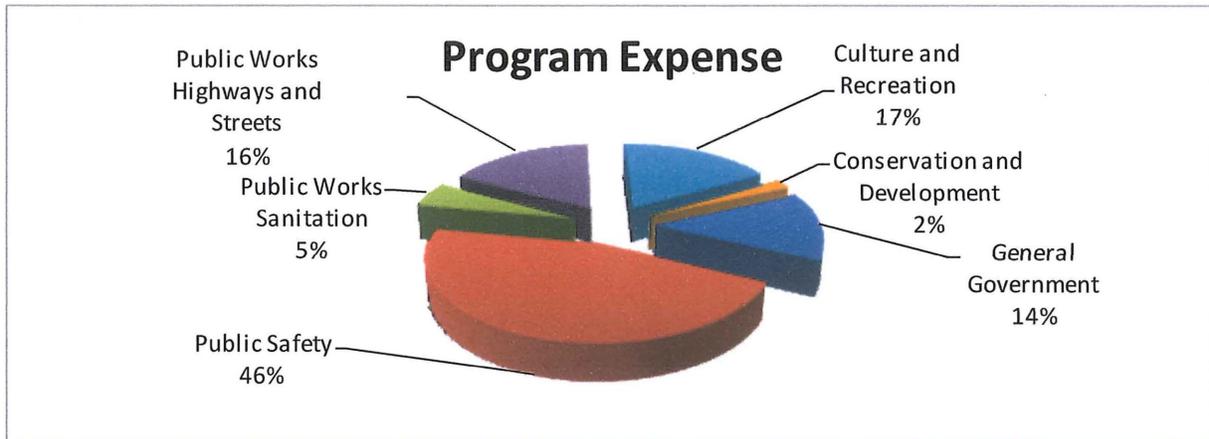
The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2016:



### Program Expenses:

Total expenses for all programs in 2016 were \$31.3 million. The expenses reflect the delivery of a wide range of services with the largest being public safety at 46%. The second largest program area was culture and recreation at 17%, public works (highways and streets) at 21%, followed by general government at 14%, public works (sanitation) at 5% and conservation and development at 2%.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2016:



Even though there was an increase in net position in 2016 (\$5,990,546) from 2015 (\$5,242,869) of \$747,677, this was less of an increase from 2015 due to recognition of pension and OPEB liabilities on the balance sheet as mentioned above.

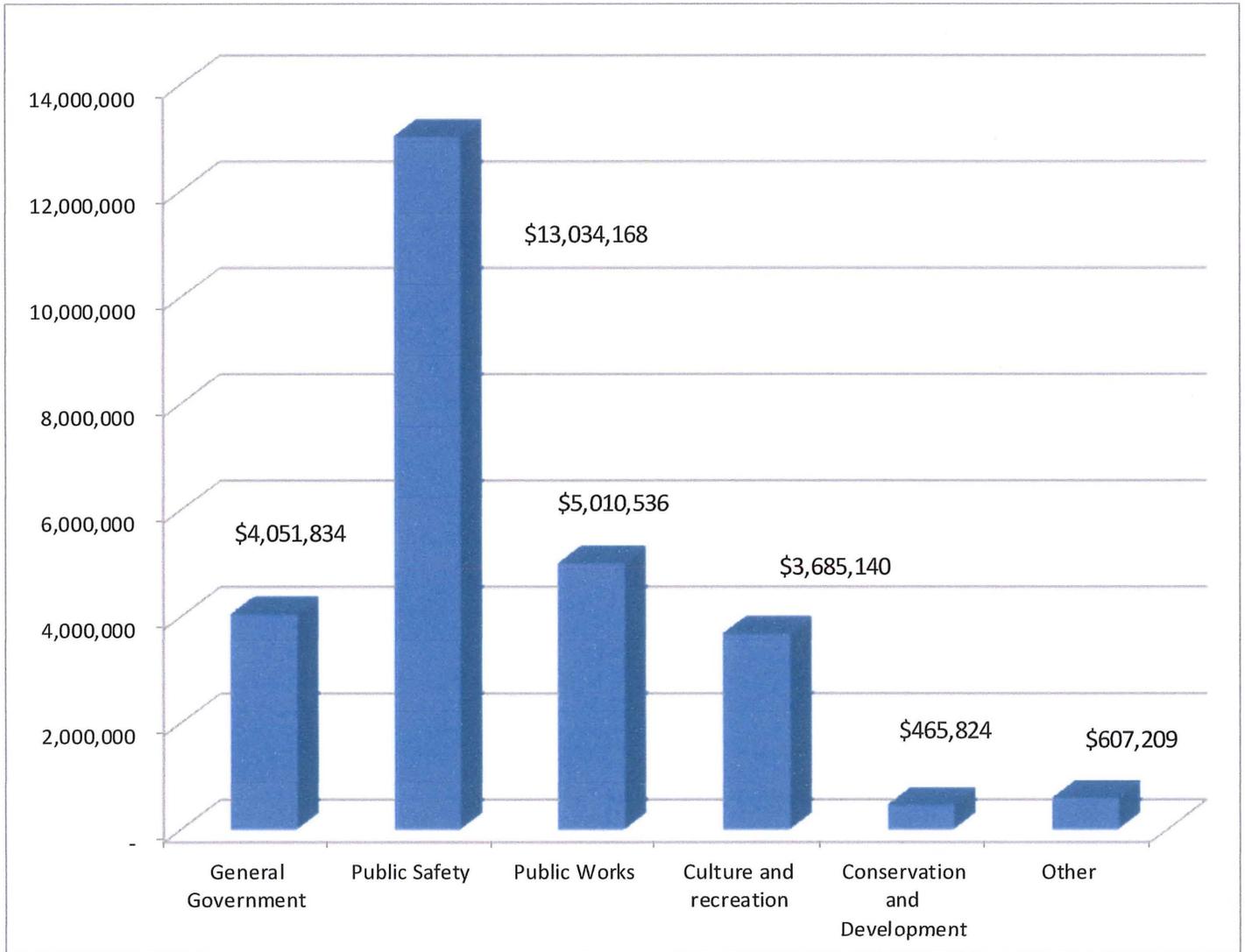
The revenue increase of \$64,596 or 0.2% was mainly due to increased efforts of collections of current and more importantly delinquent business privilege and mercantile taxes.

The expenses increased from the prior year by \$1,185,145 or 4%. The largest increase was due to the continued increase in pension and other post-employment benefits costs.

### Net Program Expenses/Revenues:

Public safety expenses required the most general revenue for support, requiring \$13.03 million in 2016. General government required \$4.05 million, while public works required \$5.01 million in general revenues, culture and recreation required \$3.68 million, and all others required \$1.06 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, 2016:



### FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS

As the Municipality completed the year, its governmental funds reported a combined fund balance of \$13.1 million of which \$10.5 million is the general fund, \$1.6 million is in the 2014 Capital Improvement Fund, and \$.9 million is for all other governmental funds. This represents an increase of \$2,494,975 from 2015. Of this combined fund balance total, \$9.4 million or 71.2% represents unassigned fund balance, meaning it is available to meet the Municipality's current and future needs. The fund balance has restrictions to indicate the portion of fund balance which is not available for new spending because it has been restricted to fund capital projects (\$1.4 million) and other special revenue funds.

The general fund fund balance increased by \$2,587,183 due to the increase in both current and delinquent business privilege and mercantile taxes collected from the prior year and from amounts anticipated.

The 2014 Capital Improvement Fund reported an increase in fund balance of \$282,601. This was anticipated as capital projects and capital purchases were completed in 2016 with the funds that had been committed for these items.

### **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 underestimated. This resulted in a positive collection variance of \$738,196. The delinquent business privilege tax budget was under-estimated resulting in a positive collection variance of \$267,974. Additionally, current mercantile tax was also under-estimated which resulted in a positive collection variance of \$396,981 and delinquent mercantile tax came in over budget by \$143,184.

Expenditure budget had several material variances. Workers compensation costs were budgeted at \$515,000 but actuals were \$433,009 or a positive variance of \$81,990. In addition, health insurance deductibles came in \$48,638 under budget.

A Planning Director was budgeted but not hired during the year which positively affected the Planning Department Budget.

## **OTHER FUNDS**

### **Capital Project Fund**

The Capital Project Fund accounts for funds provided by the Municipality, most frequently from General Fund transfers or bond proceeds. The most significant capital expenditures in 2016 were the purchase of a command unit for the fire company in the amount of \$300,433 along with road repairs of \$249,911.

## **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, 2016 and 2015:

### Summary of Capital Assets

	Balance at December 31, 2016	Balance at December 31, 2015
Capital assets, not being depreciated:		
Land	\$ 8,219,765	\$ 8,219,765
<b>Total capital assets, not being depreciated</b>	<b>8,219,765</b>	<b>8,219,765</b>
Capital assets being depreciated:		
Land Improvements	9,862,494	9,862,494
Building and improvements	13,384,489	13,404,977
Machinery and equipment	5,489,139	5,875,789
Vehicles	13,572,810	14,103,086
Infrastructure	23,054,637	23,005,704
<b>Total capital assets being depreciated</b>	<b>65,363,569</b>	<b>66,252,050</b>
Less accumulated depreciation for:		
Land Improvements	(5,446,964)	(5,025,726)
Building and improvements	(7,232,900)	(6,881,888)
Machinery and equipment	(4,390,928)	(4,546,435)
Vehicles	(7,489,423)	(7,719,740)
Infrastructure	(16,048,174)	(15,134,431)
<b>Total accumulated depreciation</b>	<b>(40,608,389)</b>	<b>(39,308,220)</b>
<b>Total</b>	<b>\$ 32,974,945</b>	<b>\$ 35,163,595</b>

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, 2016 the Municipality had \$19.32 million of debt outstanding. This represents a decrease of \$2,595,000 or 13.4%, from the previous year. The following details activity related to general obligation bonds during 2016:

### Summary of General Obligation Bond Activity

Balance at January 1, 2016	\$	21,920,000
Retirement		2,595,000
Additions		-
Balance at December 31, 2016	\$	<u>19,325,000</u>

Other long term obligation includes compensated absences payable and capital leases payable. The Municipality at December 31, 2016 has \$1.4 million in capital leases payable.

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

## TRUST AND AGENCY OPERATIONS

### Pension Trust Funds and Other 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 2016, Police Pension Plan net assets increased \$1,345,366 to \$40,382,632, and the OPEB Trust Fund assets increased \$191,040 to \$4,126,155.

During 2016, employer contributions were required for both the pension plans in the amount of \$3,173,486. In the non-uniform employees and police pension plans, the net pension liability was \$7,018,593 and \$8,743,944, respectively. The required supplementary information located at the conclusion of the Notes to Financial Statements provides the details on the Pension and OPEB Trust Plans'.

## **Bond Ratings**

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

## **CONTACTING THE MUNICIPALITY'S FINANCIAL MANAGEMENT**

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

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

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**BASIC FINANCIAL STATEMENTS**

**Municipality of Monroeville**  
**Statement of Net Position**  
**December 31, 2016**

	<u>Primary Government</u>	<u>Component Unit</u>
	Governmental Activities	Convention Visitor's Bureau
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 11,231,740	\$ 836,112
Investments	91,006	-
Due from Component Unit	116,818	-
Receivables (Net, Where Applicable of Allowance for Uncollectibles)		
Taxes	2,479,008	-
Due from Other Governments	175,992	110,855
Other	1,940,808	-
Prepaid Items	52,215	4,540
Land	8,219,765	-
Capital Assets, Net of Accumulated Depreciation	17,748,717	237,117
Infrastructure Assets, Net of Accumulated Depreciation	<u>7,006,463</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>49,062,532</u>	<u>1,188,624</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Charge on Refunding	441,380	-
Amounts Related to Pensions	<u>6,347,172</u>	<u>-</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>6,788,552</u>	<u>-</u>
<b>LIABILITIES</b>		
Due to Primary Government	-	116,818
Accounts Payable	606,902	13,055
Accrued Salaries and Benefits	280,592	-
Payroll Deductions and Withholdings	20,168	-
Unearned Revenue	10,000	-
Returnable Deposits	119,294	-
Accrued Interest Payable	68,472	-
Noncurrent Liabilities		
Due Within One Year	3,012,999	-
Due in More Than One Year		
Bonds Payable	17,061,528	-
Capital Leases Payable	1,076,621	-
Compensated Absences	847,087	-
Net Other Post-Employment Benefit Obligation	10,994,338	-
Net Pension Liability	<u>15,762,537</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>49,860,538</u>	<u>129,873</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	12,309,761	-
Restricted for:		
Capital Projects	1,091,632	-
Highways and Streets	25,002	-
Public Safety	248,154	-
Unrestricted	<u>(7,684,003)</u>	<u>1,058,751</u>
<b>TOTAL NET POSITION</b>	<u>\$ 5,990,546</u>	<u>\$1,058,751</u>

See Accompanying Notes

**Municipality of Monroeville  
Statement of Activities  
Year Ended December 31, 2016**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Gov't. Govern- mental Activities	Component Unit Convention Visitor's Bureau
Governmental Activities					
General Government	\$ 4,234,236	\$ 116,780	\$ 65,622	\$ (4,051,834)	\$ -
Public Safety	14,034,917	327,306	673,443	(13,034,168)	-
Public Works - Sanitation	1,528,363	410,465	46,617	(1,071,281)	-
Public Works - Highways	5,089,016	36,702	1,113,059	(3,939,255)	-
Culture - Recreation	5,290,431	1,025,915	579,376	(3,685,140)	-
Conservation and Development	529,993	55,420	8,749	(465,824)	-
Interest on Long-Term Debt	<u>607,209</u>	<u>-</u>	<u>-</u>	<u>(607,209)</u>	<u>-</u>
Total Governmental Activities	<u>\$31,314,165</u>	<u>\$1,972,588</u>	<u>\$2,486,866</u>	<u>(26,854,711)</u>	<u>-</u>
Component Unit					
Convention Visitor's Bureau	<u>\$ 774,767</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>(774,767)</u>
General Revenues					
Taxes					
Property Taxes Levied for General Purposes, Net				9,013,001	-
Earned Income Taxes				7,485,167	-
Business Privilege Taxes				4,065,438	-
Mercantile Taxes				3,639,886	-
Local Services Taxes				1,201,691	-
Real Estate Transfer Taxes				961,827	-
Hotel/Motel and Gaming Fund Taxes				-	651,158
Other Taxes Levied for General Purposes, Net				848,760	-
Grants, Subsidies and Contributions Not Restricted				261,035	-
Investment Earnings				70,370	2,841
Miscellaneous Income				<u>55,213</u>	<u>25,119</u>
Total General Revenues				<u>27,602,388</u>	<u>679,118</u>
Changes in Net Position				747,677	(95,649)
Net Position - January 1, 2016				<u>5,242,869</u>	<u>1,154,400</u>
Net Position - December 31, 2016				<u>\$ 5,990,546</u>	<u>\$1,058,751</u>

See Accompanying Notes

**Municipality of Monroeville  
Balance Sheet  
Governmental Funds  
December 31, 2016**

	General Fund	Capital Projects Funds		Other Governmental Funds	Total Governmental Funds
		2011 Capital Improvements Fund	2014 Capital Improvements Fund		
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 8,227,864	\$ 150,521	\$ 1,535,561	\$ 1,317,794	\$ 11,231,740
Investments	91,006	-	-	-	91,006
Taxes Receivable, Net	2,479,008	-	-	-	2,479,008
Due from Other Funds	662,562	-	361,817	-	1,024,379
Due from Other Governments	175,992	-	-	-	175,992
Due from Component Units	116,818	-	-	-	116,818
Other Receivables (Net, Where Applicable of Allowance for Uncollectibles)	1,940,808	-	-	-	1,940,808
Prepaid Items	<u>52,215</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,215</u>
<b>TOTAL ASSETS</b>	<b><u>\$13,746,273</u></b>	<b><u>\$ 150,521</u></b>	<b><u>\$1,897,378</u></b>	<b><u>\$1,317,794</u></b>	<b><u>\$17,111,966</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities					
Due to Other Funds	\$ 361,817	\$ 320,652	\$ 259,610	\$ 82,300	\$ 1,024,379
Accounts Payable	491,127	109,387	6,388	-	606,902
Accrued Salaries and Benefits	280,592	-	-	-	280,592
Payroll Deductions and Withholdings	20,168	-	-	-	20,168
Returnable Deposits	<u>119,294</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,294</u>
Total Liabilities	<u>1,272,998</u>	<u>430,039</u>	<u>265,998</u>	<u>82,300</u>	<u>2,051,335</u>
Deferred Inflows of Resources					
Unavailable Revenue - Property Taxes	<u>1,911,703</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,911,703</u>
Fund Balances					
Nonspendable	52,215	-	-	-	52,215
Restricted	-	-	200,120	1,164,668	1,364,788
Committed	137,970	-	1,431,260	153,126	1,722,356
Assigned	652,802	-	-	-	652,802
Unassigned	<u>9,718,585</u>	<u>(279,518)</u>	<u>-</u>	<u>(82,300)</u>	<u>9,356,767</u>
Total Fund Balances	<u>10,561,572</u>	<u>(279,518)</u>	<u>1,631,380</u>	<u>1,235,494</u>	<u>13,148,928</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$13,746,273</u></b>	<b><u>\$ 150,521</u></b>	<b><u>\$1,897,378</u></b>	<b><u>\$1,317,794</u></b>	<b><u>\$17,111,966</u></b>

See Accompanying Notes

**Municipality of Monroeville**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2016**

Total Fund Balances - Governmental Funds \$ 13,148,928

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 \$73,583,334, and the accumulated depreciation is \$40,608,389. 32,974,945

Property tax receivables are not available to pay for current period expenditures and therefore, are reported as unavailable revenues in the funds. 1,901,703

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. 39,852

Long-term liabilities, including bonds and capital leases 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	\$(19,325,000)	
Capital Leases Payable	(1,380,036)	
Accrued Interest on the Bonds	(68,472)	
Compensated Absences	(891,671)	
Other Post-Employment Benefits	<u>(10,994,338)</u>	(32,659,517)

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

Net Pension Liability (15,762,537)

**Municipality of Monroeville**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2016**

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

Deferred Outflows of Resources Related to Pensions	\$ <u>6,347,172</u>
Total Net Position - Governmental Activities	\$ <u>5,990,546</u>

See Accompanying Notes

**Municipality of Monroeville**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**December 31, 2016**

	General Fund	Capital Projects Funds		Other Governmental Funds	Total Governmental Funds
		2011 Capital Improvements Fund	2014 Capital Improvements Fund		
<b>Revenues</b>					
Taxes	\$27,219,766	\$ -	\$ -	\$ -	\$27,219,766
Licenses and Permits	1,267,561	-	-	-	1,267,561
Fines and Forfeits	93,135	-	-	-	93,135
Interest, Rents and Royalties	54,057	3,016	4,100	9,197	70,370
Intergovernmental	1,635,816	-	202,964	821,562	2,660,342
Charges for Services	611,892	-	-	-	611,892
Miscellaneous	87,559	2,581	10,082	-	100,222
<b>Total Revenues</b>	<b>30,969,786</b>	<b>5,597</b>	<b>217,146</b>	<b>830,759</b>	<b>32,023,288</b>
<b>Expenditures</b>					
Current:					
General Government	3,233,365	-	-	-	3,233,365
Public Safety	11,609,201	-	-	-	11,609,201
Public Works - Sanitation	1,180,830	-	-	-	1,180,830
Public Works - Highways	2,582,796	-	-	781,815	3,364,611
Culture - Recreation	3,971,196	-	-	-	3,971,196
Conservation and Development	460,931	-	-	-	460,931
Insurance Premiums	1,204,279	-	-	-	1,204,279
Debt Service:					
Principal	2,595,000	-	300,617	-	2,895,617
Interest	587,555	-	33,581	-	621,136
Capital Outlay	-	429,350	600,347	-	1,029,697
<b>Total Expenditures</b>	<b>27,425,153</b>	<b>429,350</b>	<b>934,545</b>	<b>781,815</b>	<b>29,570,863</b>
Excess (Deficiency) of Revenues Over Expenditures	3,544,633	(423,753)	(717,399)	48,944	2,452,425
<b>Other Financing Sources (Uses)</b>					
Sale of Capital Assets	42,550	-	-	-	42,550
Transfers Out	(1,000,000)	-	-	-	(1,000,000)
Transfers In	-	-	1,000,000	-	1,000,000
<b>Total Other Financing Sources (Uses)</b>	<b>(957,450)</b>	<b>-</b>	<b>1,000,000</b>	<b>-</b>	<b>42,550</b>
<b>Net Changes in Fund Balances</b>	<b>2,587,183</b>	<b>(423,753)</b>	<b>282,601</b>	<b>48,944</b>	<b>2,494,975</b>
Fund Balances - January 1, 2016	7,974,389	144,235	1,348,779	1,186,550	10,653,953
Fund Balances - December 31, 2016	\$10,561,572	\$(279,518)	\$1,631,380	\$1,235,494	\$13,148,928

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, 2016**

Total Net Change in Fund Balances - Governmental Funds \$ 2,494,975

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

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

Depreciation Expense	\$(2,848,937)	
Capital Outlays	708,380	
Net Book Value of Assets Retired	<u>(48,093)</u>	(2,188,650)

Property tax revenues that do not provide current financial resources are not reported as revenues in the funds. (23,996)

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,895,617

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

Compensated Absences	(76,395)	
Net Other Post-Employment Benefit Obligation	<u>(1,884,548)</u>	(1,960,943)

**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, 2016**

Changes in the net pension liability and related deferred inflows and outflows of resources do not affect current financial resources and therefore, are not reflected on the fund statements. \$ (483,253)

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

Net Change in Accrued Interest on the Bonds 10,712

Bond premium and deferred loss on refunding are reported in the statement of revenues and expenditures of governmental funds as expenditures but are capitalized and amortized over the life of the bonds in the statement of activities.

Amortization of Deferred Loss on Refunding and Bond Premium 3,215

Change in Net Position of Governmental Activities \$ 747,677

See Accompanying Notes

**Municipality of Monroeville**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance**  
**General Fund**  
**Budget and Actual**  
**Year Ended December 31, 2016**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$25,175,123	\$25,175,123	\$27,219,766	\$2,044,643
Licenses and Permits	1,332,400	1,332,400	1,267,561	(64,839)
Fines and Forfeits	106,500	106,500	93,135	(13,365)
Interest, Rents and Royalties	2,000	2,000	54,057	52,057
Intergovernmental	2,086,189	2,086,189	1,635,816	(450,373)
Charges for Services	819,357	717,102	611,892	(105,210)
Miscellaneous	<u>1,038,747</u>	<u>1,038,747</u>	<u>87,559</u>	<u>(951,188)</u>
Total Revenues	<u>30,560,316</u>	<u>30,458,061</u>	<u>30,969,786</u>	<u>511,725</u>
Expenditures				
Current:				
General Government	3,502,007	3,513,973	3,233,365	280,608
Public Safety	11,921,801	11,912,931	11,609,201	303,730
Public Works - Sanitation	1,168,361	1,168,361	1,180,830	(12,469)
Public Works - Highways	3,519,337	3,516,374	2,582,796	933,578
Culture - Recreation	4,165,356	4,247,389	3,971,196	276,193
Conservation and Development	464,895	471,401	460,931	10,470
Insurance Premiums	1,362,000	1,362,000	1,204,279	157,721
Debt Service:				
Principal	2,594,995	2,594,995	2,595,000	(5)
Interest	<u>650,414</u>	<u>650,414</u>	<u>587,555</u>	<u>62,859</u>
Total Expenditures	<u>29,349,166</u>	<u>29,437,838</u>	<u>27,425,153</u>	<u>2,012,685</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,211,150</u>	<u>1,020,223</u>	<u>3,544,633</u>	<u>2,524,410</u>
Other Financing Sources (Uses)				
Sale/Compensation for Capital Assets	-	-	42,550	42,550
Transfers Out	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(1,000,000)</u>	<u>1,000,000</u>
Total Other Financing Sources (Uses)	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(957,450)</u>	<u>1,042,550</u>
Net Change in Fund Balance	<u>\$ (788,850)</u>	<u>\$ (979,777)</u>	<u>\$ 2,587,183</u>	<u>\$3,566,960</u>

See Accompanying Notes

**Municipality of Monroeville**  
**Statement of Net Position**  
**Fiduciary Funds**  
**December 31, 2016**

	Pension and Other Employee Benefit Trust Funds
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 1,805,529
Investments	
Equities	16,829,369
Mutual Funds	10,208,250
Municipal Bonds	5,644,291
Corporate Bonds	11,413,162
Other Receivables	<u>171,384</u>
<b>TOTAL ASSETS</b>	<u><b>46,071,985</b></u>
<b>LIABILITIES</b>	
Accounts Payable	<u>1,563,198</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	40,382,632
Net Position Held in Trust for OPEB Benefits	<u>4,126,155</u>
<b>TOTAL NET POSITION</b>	<u><b>\$44,508,787</b></u>

See Accompanying Notes

**Municipality of Monroeville**  
**Statement of Changes in Net Position**  
**Fiduciary Funds**  
**Year Ended December 31, 2016**

	Pension and Other Employee Benefit Trust Funds
Additions	
Contributions	
Employer	\$ 3,173,486
Plan Members	<u>258,852</u>
Total Contributions	<u>3,432,338</u>
Investment Income	
Net Appreciation (Depreciation) in Fair Value of Investments	907,161
Interest and Dividends	<u>1,294,619</u>
	2,201,780
Less Investment Expense	<u>(253,984)</u>
Net Investment Income	<u>1,947,796</u>
Total Additions	<u>5,380,134</u>
Deductions	
Benefits	3,842,773
Administrative Expenses	<u>955</u>
Total Deductions	<u>3,843,728</u>
Net Increase in Net Position	1,536,406
Plan Net Position	
Beginning of Year	<u>42,972,381</u>
End of Year	<u>\$44,508,787</u>

See Accompanying Notes

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 1 - Summary of Significant Accounting Policies**

**A. Reporting Entity**

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

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

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

**Discretely Presented Component Unit**

**Convention Visitor's Bureau of Greater Monroeville**

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

**Other**

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

**B. Description of Government-Wide and Fund Financial Statements**

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

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

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

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

**C. Basis of Presentation - Government-Wide Financial Statements**

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

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

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

D. Basis of Presentation - Fund Financial Statements

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

Governmental Funds

The Municipality presents the following major governmental funds:

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

The *2011 Capital Improvements Fund* is used to account for expenditures related to the Municipality's capital improvement program. Funds for the project were received from the issuance of the 2011 general obligation bonds.

The *2014 Capital Improvements Fund - Capital Projects Fund* is used to account for expenditures related to the Municipality's capital improvements program. Funds for this project were received from transfers from the General Fund and capital lease proceeds.

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

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

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

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**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, 2016**

**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, 2016**

**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. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. One is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

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

difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other item in the government-wide statement of net position is related to the defined benefit pension plans.

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

J. Compensated Absences

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

K. Budgets and Budgetary Accounting

Annual appropriated budgets are adopted for the General Fund and 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, 2012, and 2014 Capital Improvements Funds are governed by the debt and/or lease agreements that funded those projects. Regarding the discrete component unit, it passes a "flexible budget" which is not a legally appropriated operating budget.

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

**K. Budgets and Budgetary Accounting (Cont'd)**

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

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

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

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

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

Council may amend the budget by ordinance during the fiscal year for which the budget was adopted as long as the amendment does not result in expenditures exceeding available resources. The budget information presented encompasses all budget amendments. There were supplemental appropriations in the General Fund of \$88,672 in 2016. Any excess appropriation lapses at the end of the fiscal year. Management may authorize expenditures in excess of appropriations within a fund without making formal budget transfers as long as expenditures do not exceed available resources. Therefore, the measurement level of control over expenditures for all budgeted funds is the surplus or deficit of the fund as a whole.

**L. Equity Classifications**

**Government-Wide Statements**

Net position is divided into three components:

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

L. Equity Classifications (Cont'd)

Government-Wide Statements (Cont'd)

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

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

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

Fund Statements

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

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

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

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

L. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

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

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

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

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

The nonspendable fund balance of \$52,215 in the general fund is for prepaid items.

The purpose of the restricted, committed and assigned fund balances as of December 31, 2016, is as follows:

	General Fund	2014 Capital Improvement Fund	Nonmajor Funds
<u>Restricted Fund Balance</u>			
Future Capital Purchases	\$ -	\$ 200,120	\$ 891,512
Highway Maintenance, Rebuilding & Const.	-	-	25,002
Police Capital Purchases	-	-	<u>248,154</u>
	<u>\$ -</u>	<u>\$ 200,120</u>	<u>\$1,164,668</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

L. Equity Classifications (Cont'd)

Fund Statements (Cont'd)

	General Fund	2014 Capital Improvement Fund	Nonmajor Funds
<u>Committed Fund Balance</u>			
Flood Maintenance	\$ 22,803	\$ -	\$ -
Fire Vehicle	115,167	-	-
Sidewalk Improvements	-	-	2,750
Northern Pike Roadway Improvements	-	-	150,376
Future Capital Projects & Purchases	<u>-</u>	<u>1,431,260</u>	<u>-</u>
	<u>\$137,970</u>	<u>\$1,431,260</u>	<u>\$ 153,126</u>
<u>Assigned Fund Balance</u>			
Public Access Television	\$200,000	\$ -	\$ -
Traffic Signals	15,000	-	-
Public Library	<u>437,802</u>	<u>-</u>	<u>-</u>
	<u>\$652,802</u>	<u>\$ -</u>	<u>\$ -</u>

The 2011 and 2012 Capital Improvement Funds have fund balance deficits of \$(279,518) and \$(82,300) respectively, at December 31, 2016. The deficit will be funded in 2017 by transfers from other capital projects funds.

M. Prepaid Items

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

**Note 2 - Deposits and Investments**

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 2 - Deposits and Investments (Cont'd)**

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

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

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in an event of a bank failure, the government's deposits may not be returned to it. The Municipality nor its component units do not have a deposit policy for custodial credit risk. Deposits in excess of amounts covered by the Federal Deposit Insurance Corporation are collateralized in accordance with Act 72 of 1971 of the Pennsylvania State Legislature which requires the institution to pool collateral for all governments and have the collateral held by an approved custodian in the institution's name. As of December 31, 2016, \$7,623,373 of the Municipality's bank balance of \$8,152,384 was exposed to custodial credit risk as follows:

Uninsured and Collateral Held by Pledging	
Bank's Agent not in the Municipality's Name	<u>\$7,623,373</u>

As of December 31, 2016, none of the component unit's bank balances were exposed to custodial credit risk.

As of December 31, 2016, 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	\$ 3,464,148	
Dreyfus Cash Management	1,776,634	
Common Stock	16,829,369	
Mutual Funds	10,299,256	
Municipal Bonds	5,644,291	4.60

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 2 - Deposits and Investments (Cont'd)**

Custodial Credit Risk - Deposits (Cont'd)

Investment Type	Fair Value	Weighted Average Maturity (Years)
Corporate Bonds	\$ <u>11,413,162</u>	3.00
Totals	\$ <u>49,426,860</u>	
Portfolio Weighted Average Maturity		3.53

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

Of the total investments above, \$40,211,248 and \$5,660,458 are reported in the Municipality's Fiduciary Pension Trust Fund and OPEB Trust Fund, respectively. The balance is reported in its governmental funds.

Investments

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

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

	Moody's		S & P	
	Ratings	Value	Ratings	Value
Money Market Funds				
PA Local Government Investment Trust	NR	\$3,464,148	AAAm	\$3,464,148
Dreyfus Cash Management	NR	1,776,634	AAAm	1,776,634

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 2 - Deposits and Investments (Cont'd)**

Investments (Cont'd)

	Moody's		S & P	
	Ratings	Value	Ratings	Value
Corporate Bonds				
	A	\$2,834,762	A	\$2,353,719
	B	264,375	AA	259,063
	BA	210,528	B	264,375
	BAA	8,103,497	BB	617,914
			BBB	7,402,357
			NR	515,734
Municipal Bonds				
	A	1,571,896	A	2,383,395
	AA	1,579,625	AA	2,364,760
	AAA	215,768	AAA	685,593
	NR	2,277,002	NR	210,543

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

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

The only investment as of December 31, 2016, was \$836,112 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. The fund is a local government investment pool and is exempt from the requirement of SEC's Rule 2(a)7 of the Investment Company Act of 1940. The fund measures for financial reporting purposes its assets at amortized cost and maintains a stable net asset value of \$1 per

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 2 - Deposits and Investments (Cont'd)**

Investments (Cont'd)

share. Accordingly, the fair value of the position in PLGIT is the same as the value of the PLGIT shares. There are no limitations or restrictions on withdrawals.

The Municipality categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Municipality has the following recurring fair value measurements as of December 31, 2016:

Investments by Fair Value Level	Totals	Fair Value Measurements		
		Level 1	Level 2	Level 3
Fixed Income:				
Corporate Bonds	\$11,413,162	\$11,413,162	\$ -	\$ -
Mutual Funds	<u>5,644,291</u>	<u>5,644,291</u>	<u>-</u>	<u>-</u>
Total Debt Securities	<u>17,057,453</u>	<u>17,057,453</u>	<u>-</u>	<u>-</u>
Mutual Funds	10,299,256	10,299,256	-	-
Equity Securities	<u>16,829,369</u>	<u>16,829,369</u>	<u>-</u>	<u>-</u>
Total Investments	<u>\$44,186,078</u>	<u>\$44,186,078</u>	<u>\$ -</u>	<u>\$ -</u>

**Note 3 - Property Taxes**

The Municipality is permitted by the Home Rule Charter and the State of Pennsylvania to levy property taxes at the Municipality's discretion as considered necessary for general government services or payment of principal and interest on long-term debt. The tax rate to finance general government services for the year ended December 31, 2016, was \$4.00 per \$1,000 of assessed valuation. Total taxable assessed value was approximately \$2.3 billion, at 100% market value.

Property taxes are declared delinquent on February 28th of the following year. At December 31, 2016, total property taxes receivable, including delinquent and lienied, is reported net of \$114,424 which has been provided as uncollectible.

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 3 - Property Taxes (Cont'd)**

The property tax calendar for 2016 was as follows:

2016 Millage Rate Adopted	January 15, 2016
2016 Bills Dated	March 1, 2016
2016 Two Percent Discount Period Ended	April 30, 2016
2016 Face Payment Period	May 1, 2016 - June 30, 2016
2016 10% Penalty Period	July 1, 2016 Until Liened
2015 Delinquent Property Tax Bills Liened	July 1, 2016
2016 Property Taxes not paid to be Declared Delinquent	February 28, 2017

**Note 4 - Other Receivables**

Other receivables consist of the following items:

	<u>General Fund</u>
Host Municipality Fees	\$ 97,837
Cable TV Franchise Fees	163,315
Public Safety	114,473
Public Works	3,180
Health Insurance Premium	1,561,953
Miscellaneous	<u>50</u>
	<u>\$1,940,808</u>

**Note 5 - Capital Assets**

Governmental activities capital asset activity for the year ended December 31, 2016 was as follows:

	Balance 01/01/16	Additions	Disposals	Balance 12/31/16
Governmental Activities Capital Assets, Not Being Depreciated				
Land	\$ <u>8,219,765</u>	\$ _____ -	\$ _____ -	\$ <u>8,219,765</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 5 - Capital Assets (Cont'd)**

	Balance 01/01/16	Additions	Disposals	Balance 12/31/16
Governmental Activities (Cont'd)				
Capital Assets, Being Depreciated				
Land Improvements	\$ 9,862,494	\$ -	\$ -	\$ 9,862,494
Buildings and Building Improvements	13,404,977	-	20,488	13,384,489
Machinery and Equipment	5,875,789	58,646	445,296	5,489,139
Vehicles	14,103,086	600,801	1,131,077	13,572,810
Infrastructure	<u>23,005,704</u>	<u>48,933</u>	<u>-</u>	<u>23,054,637</u>
 Total Capital Assets, Being Depreciated	 <u>66,252,050</u>	 <u>708,380</u>	 <u>1,596,861</u>	 <u>65,363,569</u>
 Less Accumulated Depreciation				
Land Improvements	5,025,726	421,238	-	5,446,964
Buildings and Building Improvements	6,881,888	371,500	20,488	7,232,900
Machinery and Equipment	4,546,435	282,178	437,685	4,390,928
Vehicles	7,719,740	860,278	1,090,595	7,489,423
Infrastructure	<u>15,134,431</u>	<u>913,743</u>	<u>-</u>	<u>16,048,174</u>
 Total Accumulated Depreciation	 <u>39,308,220</u>	 <u>2,848,937</u>	 <u>1,548,768</u>	 <u>40,608,389</u>
 Total Capital Assets Being Depreciated, Net	 <u>26,943,830</u>	 <u>(2,140,557)</u>	 <u>48,093</u>	 <u>24,755,180</u>
 Governmental Activities Capital Assets, Net	 <u>\$35,163,595</u>	 <u>\$(2,140,557)</u>	 <u>\$ 48,093</u>	 <u>\$32,974,945</u>

Depreciation expense was charged to functions/programs as follows:

General Government	\$ 160,221
Public Safety	797,179
Sanitation	98,699
Public Works	1,082,464
Culture - Recreation	708,519
Conservation and Development	<u>1,855</u>
 Total Depreciation Expense	 <u>\$2,848,937</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 5 - Capital Assets (Cont'd)**

Component units capital asset activity for the year ended December 31, 2016, was as follows:

	Balance 01/01/16	Additions	Disposals	Balance 12/31/16
Component Units				
Capital Assets, Being Depreciated				
Furniture and Equipment	\$376,681	\$ -	\$ -	\$376,681
Less Accumulated Depreciation				
Furniture and Equipment	<u>110,518</u>	<u>29,046</u>	<u>-</u>	<u>139,564</u>
Component Units Capital Assets, Net	<u>\$266,163</u>	<u>\$(29,046)</u>	<u>\$ -</u>	<u>\$237,117</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, 2016:

	Balance 01/01/16	Additions	Retirements	Balance 12/31/16	Due Within One Year
Governmental Activities					
General Obligation Bonds	\$21,920,000	\$ -	\$2,595,000	\$19,325,000	\$2,665,000
Plus Bond Premium	<u>516,347</u>	<u>-</u>	<u>114,819</u>	<u>401,528</u>	<u>-</u>
Total Bonds Payable	<u>22,436,347</u>	<u>-</u>	<u>2,709,819</u>	<u>19,726,528</u>	<u>2,665,000</u>
Capital Leases Payable	1,680,653	-	300,617	1,380,036	303,415
Compensated Absences Payable	<u>815,276</u>	<u>77,594</u>	<u>1,199</u>	<u>891,671</u>	<u>44,584</u>
Governmental Activities Long-Term Liabilities	<u>\$24,932,276</u>	<u>\$77,594</u>	<u>\$3,011,635</u>	<u>\$21,998,235</u>	<u>\$3,012,999</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

Bonds payable at December 31, 2016 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. \$ 665,000

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. 1,150,000

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. 4,470,000

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. 3,445,000

Series of 2015 - \$9,655,000; refunding nontaxable due in annual installments on December 1, 2015 and June 1, thereafter through 2026; ranging from \$35,000 to \$2,180,000; interest (at rates ranging from 0.60% to 4.0%) is payable semi-annually on June 1 and December 1. 9,595,000

\$19,325,000

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

Year Ended December 31,	Principal	Interest	Totals
2017	\$ 2,665,000	\$ 502,394	\$ 3,167,394
2018	2,730,000	432,532	3,162,532
2019	2,825,000	343,437	3,168,437

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

General Obligation Bonds (Cont'd)

Year Ended December 31,	Principal	Interest	Totals
2020	\$ 2,915,000	\$ 256,875	\$ 3,171,875
2021	2,995,000	177,011	3,172,011
2022-2026	<u>5,195,000</u>	<u>214,129</u>	<u>5,409,129</u>
	<u>\$19,325,000</u>	<u>\$1,926,378</u>	<u>\$21,251,378</u>

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

**Note 7 - Capital Leases**

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

The assets acquired through capital leases are as follows:

Asset	Governmental Activities
Machinery and Equipment	\$1,384,971
Less: Accumulated Depreciation	<u>(165,387)</u>
Total	<u>\$1,219,584</u>

The future minimum lease obligations and the net present value of these minimum lease payments, as of December 31, 2016, were as follows:

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 7 - Capital Leases (Cont'd)**

Year Ended December 31,	Governmental Activities
2017	\$ 334,198
2018	261,430
2019	222,838
2020	195,878
2021	120,890
2022-2024	<u>362,670</u>
Total Minimum Lease Payments	1,497,904
Less: Amount Representing Interest	<u>(117,868)</u>
Present Value of Minimum Lease Payments	<u>\$1,380,036</u>

**Note 8 - Interfund Balances**

Interfund balances at December 31, 2016, were as follows:

Fund	Interfund Receivable	Interfund Payable
General	\$ 662,562	\$ 361,817
2011 Capital Improvements Fund	-	320,652
2014 Capital Improvements Fund	361,817	259,610
Nonmajor Governmental Funds	<u>-</u>	<u>82,300</u>
	<u>\$1,024,379</u>	<u>\$1,024,379</u>

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 9 - Interfund Transfers**

For the year ended December 31, 2016, interfund transfers consisted of the following:

The general fund transfer to the 2014 Capital Improvements Fund in the amount of \$1,000,000 is to fund certain capital projects throughout the Municipality.

**Note 10 - Pension Plans**

Plan Description and Eligibility

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

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

Plan Description and Eligibility (Cont'd)

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

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

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

For the year ended December 31, 2016, the Municipality's annual pension cost was \$2,173,486 and \$1,166,564 for the Police and Non-Uniform Pension Plans, respectively, and was equal to the Municipality's annual required contribution.

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

**Municipality of Monroeville  
Notes to Financial Statements  
December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

Plan Description and Eligibility (Cont'd)

At December 31, 2016, participants in the Plans were as follows:

	<u>Non-Uniform</u>	<u>Police</u>
Participants		
Retirees and Beneficiaries	83	51
Active Employees	91	44
Terminated Employees Entitled to Benefits But not Yet Receiving Them	<u>1</u>	<u>3</u>
	<u>175</u>	<u>98</u>

Summary of Significant Accounting Policies

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

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

Deposits and Investment Risk Disclosures - Police Pension Plan

Deposits

At December 31, 2016, the Police Pension Plan held no deposits.

Investments

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

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

Investments (Cont'd)

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

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>S &amp; P</u>	<u>Fair Value</u>	<u>Moody's</u>
		<u>Ratings</u>		<u>Ratings</u>
Money Market	\$ 1,776,634	AAAm	\$ 1,776,634	NR
Municipal Bonds	2,383,395	A	1,571,896	A
Municipal Bonds	2,364,760	AA	1,579,625	AA
Municipal Bonds	685,593	AAA	215,768	AAA
Municipal Bonds	210,543	NR	2,277,002	NR
Corporate Bonds	2,353,719	A	2,834,762	A
Corporate Bonds	259,063	AA	264,375	B
Corporate Bonds	264,375	B	210,528	BA
Corporate Bonds	617,914	BB	8,103,497	BAA
Corporate Bonds	7,402,357	BBB	-	-
Corporate Bonds	515,734	NR	-	-
	<u>\$18,834,087</u>		<u>\$18,834,087</u>	

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

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

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. The Police Pension Plan places no limit on the amount that may be invested in any one issuer. At December 31, 2016, the Plan had no investments (other than U.S. Government and U.S. Government guaranteed obligations, mutual funds or other pooled investments) in any one issuer that represent 5% or more of Fiduciary Net Position.

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

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

Investment Maturities (in Years)

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less than 1</u>	<u>1 - 5.99</u>	<u>6 - 10</u>	<u>More than 10</u>
Municipal Debt	\$ 5,644,291	\$ 773,657	\$ 3,252,075	\$1,400,164	\$218,396
Corporate Debt	<u>11,413,162</u>	<u>1,817,679</u>	<u>8,811,466</u>	<u>784,018</u>	<u>-</u>
Totals	<u>\$17,057,453</u>	<u>\$2,591,336</u>	<u>\$12,063,541</u>	<u>\$2,184,182</u>	<u>\$218,396</u>

Money-Weighted Rate of Return

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

The annual money-weighted rate of return on Plan investments for the measurement period is (4.41%).

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

There are no long-term contracts for contributions.

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

Net Pension Liability

Police

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of January 1, 2015 and rolled forward to the reporting date using the following significant actuarial assumptions applied to all periods included in the measurement:

Inflation:	3.0%
Salary increases:	5.0% per year including inflation, plus further increase in Average Monthly Earnings at assumed retirement due to inclusion of certain lump sums in pension calculations (pre-January 24, 2001 hires: 12%; others: 5%)
Mortality:	RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment, with rates set forward 5 years for disabled lives. Rates are projected to improve with 75% of scale AA.
Expected Long-Term Rate of Return:	7.0%, applied to all periods

The long-term expected rate of return on Pension Plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of inflation and investment expenses not funded through the MMO) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in the target asset allocation as of December 31, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Real ROR</u>
Equity	6.3%
Fixed income	2.0%
Cash and equivalents	0.0%

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

Net Pension Liability (Cont'd)

Police (Cont'd)

Discount Rate: the discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made equal to the Minimum Municipal Obligation. Based on those assumptions, the Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members.

Therefore, the long-term expected rate of return on Pension Plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Non-Uniform

The Non-Uniform Pension Plan's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods.

Actuarial Cost Method	Entry Age
Inflation:	3.0%
Salary Increases:	age related scale with merit and inflation component
Investment Rate of Return:	5.50%

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period covering January 1, 2009 through December 31, 2013 issued by the actuary in July 2015 as well as subsequent Board approved assumption changes.

Discount Rate: the discount rate used to measure the total pension liability was 5.50%.

The projection of cash flows for each underlying municipal plan, used to determine if any adjustment to the Discount Rate was required ("depletion testing"), used the following assumptions: 1) member contributions will be made at the current contribution rate, 2) participating plan sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate, and 3) the System's Long-Term Expected Rate of Return will be used in the depletion

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

Net Pension Liability (Cont'd)

Non-Uniform (Cont'd)

testing of projected cash flows. Based on those assumptions, the PMRS pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

Changes in Municipality's Net Pension Liability

Changes in the Municipality's net pension liability for the year ended December 31, 2016 were as follows:

Police Pension Plan

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2015	\$47,699,861	\$39,037,266	\$ 8,662,595
Changes for the year:			
Service Cost	854,291	-	854,291
Interest	3,304,775	-	3,304,775
Contributions - Employer	-	2,173,486	(2,173,486)
Contributions - Employee	-	258,852	(258,852)
Net Investment Income	-	1,845,778	(1,845,778)
Benefit Payments and Refunds of Employee Contributions	(2,732,351)	(2,732,351)	-
Administrative Expense	-	(200,399)	200,399
Net Changes	<u>1,426,715</u>	<u>1,345,366</u>	<u>81,349</u>
Balances at December 31, 2016	<u>\$49,126,576</u>	<u>\$40,382,632</u>	<u>\$ 8,743,944</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

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

Non-Uniform Pension Plan

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2014	\$39,466,812	\$34,892,492	\$ 4,574,320
Changes for the year:			
Service Cost	841,542	-	841,542
Interest	2,162,777	-	2,162,777
Changes of Benefits	54,182	-	54,182
Changes in Assumptions	754,490	-	754,490
Contributions - Employer	-	1,170,379	(1,170,379)
Contributions - Employee	-	357,310	(357,310)
Net Investment Income	-	(79,459)	79,459
Benefit Payments and Refunds of Employee Contributions	(1,997,015)	(1,997,015)	-
Administrative Expense	<u>-</u>	<u>(79,512)</u>	<u>79,512</u>
Net Changes	<u>1,815,976</u>	<u>(628,297)</u>	<u>2,444,273</u>
Balances at December 31, 2015	<u>\$41,282,788</u>	<u>\$34,264,195</u>	<u>\$ 7,018,593</u>

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

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

<u>Police Pension Plan</u>		
1.0% Decrease	Current Rate	1.0% Increase
<u>6.0%</u>	<u>7.0%</u>	<u>8.0%</u>
<u>\$14,089,694</u>	<u>\$8,743,944</u>	<u>\$4,225,059</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

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

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

Non-Uniform Pension Plan		
1.0% Decrease 4.5%	Current Rate 5.5%	1.0% Increase 6.5%
<u>\$11,724,724</u>	<u>\$7,018,593</u>	<u>\$3,022,955</u>

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

For the year ended December 31, 2016, the Municipality recognized pension expense of \$3,823,303; \$2,300,488 police plan and \$1,522,815 non-uniform plan. At December 31, 2016, the Municipality reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Police Pension Plan	Non-Uniform Pension Plan	Totals
Deferred Outflow of Resources			
Differences between expected and actual experience	\$ 430,024	\$ 115,668	\$ 545,692
Changes in Assumptions	-	565,867	565,867
Net difference between projected and actual earnings on Plan investments	2,473,572	1,595,477	4,069,049
Contributions subsequent to measurement date	-	1,166,564	1,166,564
Totals	<u>\$2,903,596</u>	<u>\$3,443,576</u>	<u>\$6,347,172</u>
Deferred Inflows of Resources	\$ -	\$ -	\$ -

\$1,166,564 reported as deferred outflows of resources related to pension resulting from Municipality contributions to the Non-Uniform Pension Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. The Non-Uniform Pension Plan only has a measurement date of December 31, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 10 - Pension Plans (Cont'd)**

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

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

Year Ended December 31,	Police Pension Plan	Non-Uniform Pension Plan	Totals
2017	\$ 879,216	\$ 645,831	\$1,525,047
2018	879,216	645,831	1,525,047
2019	879,215	587,995	1,467,210
2020	<u>265,949</u>	<u>397,355</u>	<u>663,304</u>
	<u>\$2,903,596</u>	<u>\$2,277,012</u>	<u>\$5,180,608</u>

**Note 11 - Post-Employment Healthcare Plan**

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

B. Summary of Significant Accounting Policies

Basis of Accounting

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

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

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

Basis of Accounting (Cont'd)

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

C. Plan Description and Eligibility

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

1) Police Employees

Eligibility: Police officers hired prior to July 21, 2005

Normal Retirement Eligibility: Age 55 and 25 years of service

Early Retirement Eligibility: Age 50 and 25 years of service

Coverage: Retired police officers and their spouses

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

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

In addition, retired 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 1500/3000, Freedom Blue Medicare Supplement.

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

C. Plan Description and Eligibility (Cont'd)

2) Administrative Employees

Eligibility: Administrative employees hired prior to July 22, 2005

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

Coverage: Retired administrative employees and their spouses

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

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

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

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

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

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.

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

C. Plan Description and Eligibility (Cont'd)

3) Clerical Employees (Cont'd)

Coverage: Retired clerical employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. Retirees may elect to continue coverage for a spouse and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. Employees hired after January 1, 2006, have the option at retirement to receive medical, dental, and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage. In addition, retirees who retired with at least 15 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 1500/3000.

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

4) Library Employees

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

Coverage: Retired library employees and their spouses

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

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

C. Plan Description and Eligibility (Cont'd)

4) Library Employees (Cont'd)

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

Medical Plans Available: PPO Blue 1500/3000.

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

5) Public Works Employees

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

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

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

Medical Plans Available: PPO Blue 1500/3000.

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

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

C. Plan Description and Eligibility (Cont'd)

6) Refuse Employees

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

Coverage: Retired refuse employees

Benefits: 100% Employer-paid medical insurance plan (which includes prescription drug coverage) until Medicare eligibility for member; benefit ends at Medicare eligibility. Retirees may elect to continue coverage for a spouse if otherwise ineligible (see above) and/or dependent child(ren) by reimbursing the Municipality for the additional charged premium. Employees hired after June 1, 2007 have the option at retirement, to receive medical, dental and/or vision insurance for member, member's spouse, and qualified dependents, provided they reimburse the Municipality for the cost of the coverage. In addition, retirees who retired with at least 10 years of service (regardless of hire date) receive a \$15,000 life insurance policy payable to the retiree's beneficiary upon the retiree's death.

Medical Plans Available: PPO Blue 1500/3000.

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

Membership of the OPEB Plan consisted of the following at January 1, 2016, the date of the latest actuarial valuation:

Retirees and Beneficiaries	
receiving benefits	131
Active Plan Members	<u>135</u>
	<u>266</u>

For the year ended December 31, 2016, the Municipality made a contribution of \$1,000,000 to the Plan.

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

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	\$ 2,687,170
Interest on Net OPEB Obligation	501,038
Adjustment to Annual Required Contribution	<u>(303,660)</u>
 Annual OPEB Cost (Expense)	 2,884,548
 Contributions Made	 <u>(1,000,000)</u>
 Increase (Decrease) in OPEB Obligation	 1,884,548
 Net OPEB Obligation - Beginning of Year	 <u>9,109,790</u>
 Net OPEB Obligation - End of Year	 <u><u>\$10,994,338</u></u>

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

The Municipality implemented the statement prospectively beginning in 2008.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/14	\$2,389,972	0.0%	\$ 7,668,036
12/31/15	2,441,754	40.9%	9,109,790
12/31/16	2,884,548	34.7%	10,994,338

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

**E. Funded Status and Funding Progress**

As of January 1, 2016, the latest available valuation at the time of the audit, the actuarial accrued liability for benefits was \$36,995,499 and the actuarial value of assets was \$3,935,115 resulting in an unfunded actuarial accrued liability of \$33,060,384 and a funded ratio of 10.6%. The covered payroll (annual payroll of active employees covered by the Plan) was \$11,410,605 and the ratio of unfunded actuarial accrued liability to the covered payroll was 289.7%.

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

**F. Actuarial Methods and Assumptions**

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

In the January 1, 2016 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 8.5% increase for 2016 decreasing by 0.50% annually until it reaches 5.0% for pre 65 and 5.0% increase for post 65, and a 3% rate for dental/vision with no change over the period and 2.75% rate 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.

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 12 - Pension Plans Financial Information**

The Municipality's Police Pension, a defined benefit plan and the Municipality of Monroeville Uniform and Non-Uniform Employees Other Post-Employment Benefit (OPEB) Retiree Benefits Plan Trust Fund (OPEB Trust), a single-employer OPEB Plan, do not issue stand-alone financial reports. The following is a statement of fiduciary net position and statement of changes in fiduciary net position for both Plans as of and for the year ended December 31, 2016:

	Pension & Other Employee Benefit Trust Funds		Total
	Police Pension Fund	OPEB Trust Fund	Pension & Other Employee Benefit Trust Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,776,634	\$ 28,895	\$ 1,805,529
Investments at Fair Value			
Equities	16,829,369	-	16,829,369
Mutual Funds	4,547,792	5,660,458	10,208,250
Municipal Bonds	5,644,291	-	5,644,291
Corporate Bonds	11,413,162	-	11,413,162
Other Receivables	<u>171,384</u>	<u>-</u>	<u>171,384</u>
<b>TOTAL ASSETS</b>	<u>40,382,632</u>	<u>5,689,353</u>	<u>46,071,985</u>
<b>LIABILITIES</b>			
Accounts Payable	<u>-</u>	<u>1,563,198</u>	<u>1,563,198</u>
<b>NET POSITION</b>			
Net Position Restricted for Pensions	40,382,632	-	40,382,632
Net Position Held in Trust for OPEB Benefits	<u>-</u>	<u>4,126,155</u>	<u>4,126,155</u>
<b>TOTAL NET POSITION</b>	<u>\$40,382,632</u>	<u>\$4,126,155</u>	<u>\$44,508,787</u>
<b>Additions</b>			
Contributions			
Employer	\$ 2,173,486	\$1,000,000	\$ 3,173,486
Plan Members	<u>258,852</u>	<u>-</u>	<u>258,852</u>
Total Contributions	<u>2,432,338</u>	<u>1,000,000</u>	<u>3,432,338</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

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

	Pension & Other Employee Benefit Trust Funds		Total Pension & Other Employee Benefit Trust Funds
	Police Pension Fund	OPEB Trust Fund	
Additions (Cont'd)			
Investment Income			
Net Appreciation (Depreciation) in Fair Value of Investments	\$ 654,897	\$ 252,264	\$ 907,161
Interest and Dividends	<u>1,190,881</u>	<u>103,738</u>	<u>1,294,619</u>
	1,845,778	356,002	2,201,780
Less Investment Expenses	<u>(199,444)</u>	<u>(54,540)</u>	<u>(253,984)</u>
Net Investment Income	<u>1,646,334</u>	<u>301,462</u>	<u>1,947,796</u>
Total Additions	<u>4,078,672</u>	<u>1,301,462</u>	<u>5,380,134</u>
Deductions			
Benefits	2,732,351	1,110,422	3,842,773
Administrative Expenses	<u>955</u>	<u>-</u>	<u>955</u>
Total Deductions	<u>2,733,306</u>	<u>1,110,422</u>	<u>3,843,728</u>
Net Increase (Decrease) in Net Position	<u>1,345,366</u>	<u>191,040</u>	<u>1,536,406</u>
Net Position Restricted for Pensions			
Beginning of Year	<u>39,037,266</u>		<u>39,037,266</u>
End of Year	<u>\$40,382,632</u>		<u>\$40,382,632</u>
Net Position Held in Trust for OPEB			
Beginning of Year		<u>3,935,115</u>	<u>\$ 3,935,115</u>
End of Year		<u>\$4,126,155</u>	<u>\$ 4,126,155</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 13 - Lease**

The Municipality leases office space in its administration building to a governmental entity under a noncancellable operating lease. The size of the office space is not material in relation to the complex and cost and accumulated depreciation of that space is not disclosed. Total rental income received under this lease in 2016 was \$16,200. The following is a schedule by year of future minimum rentals to be received by the Municipality under the lease at December 31, 2016:

Year Ended December 31,	Amount
2017	\$16,200
2018	16,200
2019	<u>16,200</u>
	<u>\$48,600</u>

**Note 14 - Operating Leases**

The Municipality is committed under various leases for photocopiers. These leases are considered, for accounting purposes, to be operating leases. Total costs for such leases were \$21,083 for the year ended December 31, 2016. 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, 2016, were \$27,561. 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, 2016.

Year Ended December 31,	Municipality	Convention Visitor's Bureau
2017	\$21,083	\$27,925
2018	21,083	6,358
2019	21,083	-
2020	<u>1,757</u>	<u>-</u>
	<u>\$65,006</u>	<u>\$34,283</u>

**Municipality of Monroeville**  
**Notes to Financial Statements**  
**December 31, 2016**

**Note 15 - Risk Management**

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

**Note 16 - Subsequent Events**

On June 15, 2017, the Municipality issued general obligation bonds, Series of 2017 in the amount of \$7,885,000. The proceeds of the bonds will be used to provide funds: (1) to currently refund a portion of the outstanding General Obligation Bonds, Refunding Series A of 2012; (2) to currently refund all of the outstanding General Obligation Bonds, Refunding Series B of 2012; (3) to pay the costs of certain capital projects of the Municipality; and (4) to pay the costs of issuing the bonds.

**REQUIRED SUPPLEMENTARY  
INFORMATION SECTION**

**Municipality of Monroeville**  
**Required Supplementary Information**  
**Schedule of Changes in the Municipality's Net Pension**  
**Liability and Related Ratios**  
**December 31, 2016**

	Police Pension Plan		
	2016	2015	2014
Total Pension Liability			
Service Cost	\$ 854,291	\$ 813,610	\$ 867,863
Interest	3,304,775	3,210,893	3,078,188
Differences Between Expected and Actual Experience	-	650,548	-
Benefit Payments	<u>(2,732,351)</u>	<u>(2,715,934)</u>	<u>(2,926,230)</u>
Net Change in Total Pension Liability	1,426,715	1,959,117	1,019,821
Total Pension Liability - Beginning	<u>47,699,861</u>	<u>45,740,744</u>	<u>44,720,923</u>
Total Pension Liability - Ending (a)	<u>49,126,576</u>	<u>47,699,861</u>	<u>45,740,744</u>
Plan Fiduciary Net Position			
Contributions - Employer, including State Aid	2,173,486	2,440,854	2,421,478
Contributions - Member	258,852	258,176	270,836
Net Investment Income	1,845,778	(296,453)	1,489,603
Benefit Payments	(2,732,351)	(2,715,934)	(2,926,230)
Administrative Expenses	<u>(200,399)</u>	<u>(216,271)</u>	<u>(410)</u>
Net Change in Plan Fiduciary Net Position	1,345,366	(529,628)	1,255,277
Plan Fiduciary Net Position - Beginning	<u>39,037,266</u>	<u>39,566,894</u>	<u>38,311,617</u>
Plan Fiduciary Net Position - Ending (b)	<u>40,382,632</u>	<u>39,037,266</u>	<u>39,566,894</u>
Municipality's Net Pension Liability (a-b)	<u>\$ 8,743,944</u>	<u>\$ 8,662,595</u>	<u>\$ 6,173,850</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.20%	81.80%	86.50%
Covered Employee Payroll	<u>\$ 5,177,028</u>	<u>\$ 5,024,306</u>	<u>\$ 4,956,792</u>
Municipality's Net Position as a Percentage of Covered Employee Payroll	168.90%	172.41%	124.55%

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

**Municipality of Monroeville**  
**Required Supplementary Information**  
**Schedule of Changes in the Municipality's Net Pension**  
**Liability and Related Ratios**  
**December 31, 2016**

	Non-Uniform Pension Plan	
	2015	2014
Total Pension Liability		
Service Cost	\$ 841,542	\$ 843,133
Interest	2,162,777	2,094,736
Change of Benefits	54,182	-
Change of Assumptions	754,490	-
Differences Between Expected and Actual Experience	-	231,336
Benefit Payments	<u>(1,997,015)</u>	<u>(1,865,768)</u>
Net Change in Total Pension Liability	1,815,976	1,303,437
Total Pension Liability - Beginning	<u>39,466,812</u>	<u>38,163,375</u>
Total Pension Liability - Ending (a)	<u>41,282,788</u>	<u>39,466,812</u>
Plan Fiduciary Net Position		
Contributions - Employer, including State Aid	1,170,379	1,032,774
Contributions - Member	357,310	351,986
Net Investment Income	(79,459)	1,817,758
Benefit Payments	(1,997,015)	(1,865,768)
Administrative Expenses	<u>(79,512)</u>	<u>(73,778)</u>
Net Change in Plan Fiduciary Net Position	(628,297)	1,262,972
Plan Fiduciary Net Position - Beginning	<u>34,892,492</u>	<u>33,629,520</u>
Plan Fiduciary Net Position - Ending (b)	<u>34,264,195</u>	<u>34,892,492</u>
Municipality's Net Pension Liability (a-b)	<u>\$ 7,018,593</u>	<u>\$ 4,574,320</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.00%	88.40%
Covered Employee Payroll	<u>\$ 5,902,335</u>	<u>\$ 5,873,243</u>
Municipality's Net Position as a Percentage of Covered Employee Payroll	118.91%	77.88%

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

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

**Municipality of Monroeville**  
**Required Supplementary Information**  
**Schedule of Municipality's Contributions**  
**and Investment Returns**  
**December 31, 2016**

Police Pension Plan

	2016	2015	2014
Actuarially Determined Contribution	\$2,173,486	\$2,422,829	\$2,421,478
Contributions in Relation to the Actuarially Determined Contribution	<u>2,173,486</u>	<u>2,422,829</u>	<u>2,421,478</u>
Contribution Deficiency (Excess)	\$ _____ -	\$ _____ -	\$ _____ -
Covered Employee Payroll	<u>\$5,177,028</u>	<u>\$5,024,306</u>	<u>\$4,956,792</u>
Contributions as a Percentage of Covered Employee Payroll	41.98%	48.22%	48.85%

Non-Uniform Pension Plan

	2016	2015	2014
Actuarially Determined Contribution	\$1,166,564	\$1,173,984	\$1,032,714
Contributions in Relation to the Actuarially Determined Contribution	<u>1,166,564</u>	<u>1,173,984</u>	<u>1,032,714</u>
Contribution Deficiency (Excess)	\$ _____ -	\$ _____ -	\$ _____ -
Covered Employee Payroll	<u>\$5,730,130</u>	<u>\$5,902,335</u>	<u>\$5,873,243</u>
Contributions as a Percentage of Covered Employee Payroll	20.36%	19.89%	17.58%

Police Pension Plan

	2016	2015	2014
Annual Money Weighted Rate of Return, Net of Investment Expenses	4.41%	(1.17)%	4.01%

Non-Uniform Pension Plan

	2016	2015	2014
Annual Money Weighted Rate of Return, Net of Investment Expenses	Not Available	(0.27)%	5.20%

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

**Municipality of Monroeville**  
**Notes to the Required Supplementary Information**  
**Defined Benefit Pension Trust Funds**  
**December 31, 2016**

Police Pension Plan

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

Actuarial Valuation Date	January 1, 2015
Actuarial Cost Method	Entry age normal
Amortization Method	Level dollar, closed
Remaining Amortization Period	6 years aggregate
Asset Valuation Method	4-year smoothing
Inflation	3.0%
Salary Increases	5.0% including inflation
Investment Rate of Return	7.0% net of investment expenses not funded through the MMO, and including inflation.
Mortality	RP-2000 Combined Healthy Mortality Table with Blue Collar Adjustment, with rates set forward 5 years for disabled members and rates projected to improve with 75% of scale AA.
Retirement Age	Participants with 25 or more years of service are assumed to retire at the following percentages: Ages 50-54: 20% Age 55: 75% Age 56: 100%

**2. Changes to Benefits:**

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

**3. Changes to Assumptions:**

Effective January 1, 2011, assumed rates of retirement shown above were established.

**Municipality of Monroeville**  
**Notes to the Required Supplementary Information**  
**Defined Benefit Pension Trust Funds**  
**December 31, 2016**

Non-Uniform Pension Plan

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

Actuarial Valuation Date	January 1, 2015
Actuarial Cost Method	Entry age
Amortization Period	Level dollar based upon the amortization periods in Act 205
Asset Valuation Method	Based upon the Municipal reserves
Discount Rate	5.50%
Inflation	3.00%
Salary Increases	Age-related scale with merit and inflation component
Pre-Retirement Mortality	Males - RP-2000 Male Non-Annuitant table projected 15 years with Scale AA Females - RP-2000 Female Non-Annuitant table projected 15 years with Scale AA and then setback 5 years
Post-Retirement Mortality	Males - RP-2000 Male Annuitant table projected 5 years with Scale AA Female - RP-2000 Female Annuitant table projected 10 years with Scale AA

**2. Changes to Benefits:**

Changed final average salary from final three years of service to highest three years of salary out of final seven years of service.

**3. Changes to Assumptions:**

Changes in mortality tables.

**Municipality of Monroeville**  
**Required Supplementary Information**  
**Other Post-Employment Benefits**  
**December 31, 2016**

**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	21.0%	10,657,217	179.79%
01/01/14	4,926,001	32,314,758	27,388,757	15.2%	11,216,616	244.18%
01/01/16	3,935,115	36,995,499	33,060,384	10.6%	11,410,605	289.73%

**2. Schedule of Employer Contributions**

Year Ended, December 31,	Annual Required Contribution	Percentage Contributed
2008	\$2,230,547	31.2%
2009	2,195,682	100.0%
2010	2,258,419	100.0%
2011	2,331,449	100.0%
2012	1,912,531	0.00%
2013	1,912,531	0.00%
2014	2,275,613	0.00%
2015	2,441,754	41.0%
2016	2,884,548	34.7%

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.)

**COMBINING AND INDIVIDUAL FUNDS  
FINANCIAL STATEMENTS**

## **NONMAJOR GOVERNMENTAL FUNDS**

### **SPECIAL REVENUE FUNDS**

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

### **CAPITAL PROJECTS FUNDS**

- Northern Pike Improvements Fund - Used to account for expenditures related to the improvements of the Northern Pike. These improvements will be funded partially from transfers from the General Fund and private contributions.
- 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 Improvements 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 Improvements 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, 2016**

	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	
<b>ASSETS</b>								
Cash and Cash Equivalents	<u>\$25,002</u>	<u>\$248,154</u>	<u>\$2,750</u>	<u>\$150,376</u>	<u>\$588,783</u>	<u>\$302,729</u>	<u>\$ -</u>	<u>\$1,317,794</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities								
Due to Other Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,300</u>	<u>\$ 82,300</u>
Fund Balances								
Restricted	25,002	248,154	-	-	588,783	302,729	-	1,164,668
Committed		-	2,750	150,376	-	-	-	153,126
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(82,300)</u>	<u>(82,300)</u>
Total Fund Balances	<u>25,002</u>	<u>248,154</u>	<u>2,750</u>	<u>150,376</u>	<u>588,783</u>	<u>302,729</u>	<u>(82,300)</u>	<u>1,235,494</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$25,002</u>	<u>\$248,154</u>	<u>\$2,750</u>	<u>\$150,376</u>	<u>\$588,783</u>	<u>\$302,729</u>	<u>\$ -</u>	<u>\$1,317,794</u>

**Municipality of Monroeville**  
**Combining Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended December 31, 2016**

	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	
<b>Revenues</b>								
Interest, Rents & Royalties	\$ 4,685	\$ 19	\$ -	\$ 665	\$ 2,690	\$ 1,138	\$ -	\$ 9,197
Intergovernmental	<u>796,355</u>	<u>25,207</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>821,562</u>
Total Revenues	<u>801,040</u>	<u>25,226</u>	<u>-</u>	<u>665</u>	<u>2,690</u>	<u>1,138</u>	<u>-</u>	<u>830,759</u>
<b>Expenditures</b>								
Public Works - Highways	<u>781,815</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>781,815</u>
Net Changes in Fund Balances	19,225	25,226	-	665	2,690	1,138	-	48,944
Fund Balances - January 1, 2016	<u>5,777</u>	<u>222,928</u>	<u>2,750</u>	<u>149,711</u>	<u>586,093</u>	<u>301,591</u>	<u>(82,300)</u>	<u>1,186,550</u>
Fund Balances - December 31, 2016	<u>\$ 25,002</u>	<u>\$248,154</u>	<u>\$2,750</u>	<u>\$150,376</u>	<u>\$588,783</u>	<u>\$302,729</u>	<u>\$(82,300)</u>	<u>\$1,235,494</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, 2016**

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Interest, Rents and Royalties				
Interest Earnings	\$ -	\$ -	\$ 4,685	\$ 4,685
Intergovernmental				
Liquid Fuels Tax	<u>777,574</u>	<u>777,574</u>	<u>796,355</u>	<u>18,781</u>
Total Revenues	<u>777,574</u>	<u>777,574</u>	<u>801,040</u>	<u>23,466</u>
Expenditures				
Current:				
Public Works				
Highways and Streets				
Snow and Ice Removal	322,634	322,634	481,570	(158,936)
Traffic Signals	72,755	72,755	63,519	9,236
Street Lighting	<u>382,185</u>	<u>382,185</u>	<u>236,726</u>	<u>145,459</u>
Total Expenditures	<u>777,574</u>	<u>777,574</u>	<u>781,815</u>	<u>(4,241)</u>
Net Change in Fund Balance	\$ <u>-</u>	\$ <u>-</u>	\$ <u>19,225</u>	\$ <u>19,225</u>

**COMPONENT UNIT**

**CONVENTION VISITOR'S BUREAU**

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**Municipality of Monroeville**  
**Balance Sheet**  
**Convention Visitor's Bureau - Component Unit**  
**General Fund**  
**December 31, 2016**

<b>ASSETS</b>	
Cash and Cash Equivalents	\$836,112
Due from Other Governments	110,855
Prepaid Items	<u>4,540</u>
<b>TOTAL ASSETS</b>	<b><u>\$951,507</u></b>
 <b>LIABILITIES AND FUND BALANCES</b>	
Liabilities	
Due to Primary Government	\$116,818
Accounts Payable	<u>13,055</u>
Total Liabilities	<u>129,873</u>
 Fund Balances	
Nonspendable	4,540
Unassigned	<u>817,094</u>
Total Fund Balances	<u>821,634</u>
 <b>TOTAL LIABILITIES AND FUND BALANCES</b>	 <b><u>\$951,507</u></b>

**Municipality of Monroeville**  
**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**Convention Visitor's Bureau - Component Unit**  
**December 31, 2016**

Total Fund Balances - Governmental Funds \$ 821,634

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 \$376,681 and the accumulated depreciation is \$139,564.

237,117

Total Net Position - Governmental Activities \$1,058,751

**Municipality of Monroeville**  
**Statement of Revenues, Expenditures**  
**and Change in Fund Balance**  
**Convention Visitor's Bureau - Component Unit**  
**General Fund**  
**Year Ended December 31, 2016**

Revenues	
Taxes	\$651,158
Interest, Rents and Royalties	2,841
Miscellaneous	<u>25,119</u>
Total Revenues	<u>679,118</u>
Expenditures	
Current:	
Conservation and Development	717,355
Capital Outlay	<u>28,366</u>
Total Expenditures	<u>745,721</u>
Net Change in Fund Balance	(66,603)
Fund Balance - January 1, 2016	<u>888,237</u>
Fund Balance - December 31, 2016	<u>\$821,634</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, 2016**

Total Net Change in Fund Balances - Governmental Funds	\$(66,603)
--	------------

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

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

Depreciation Expense	<u>(29,046)</u>
----------------------	-----------------

Change in Net Position of Governmental Activities	<u>\$(95,649)</u>
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**ADDITIONAL INFORMATION**

**Municipality of Monroeville  
Schedule of Public Library Program  
Revenues and Expenditures  
Included in the General Fund  
Year Ended December 31, 2016**

Revenues

Regional Asset District Tax Funds passed through ACLA	\$ 223,110
State Library Aid	104,333
State Gaming Revenue	24,385
Fines and Miscellaneous	<u>141,822</u>
Total Revenues	<u>\$ 493,650</u>

Expenditures

Salaries	\$ 631,337
Benefits	268,092
Utilities	70,536
Maintenance and Repairs	84,556
Office Supplies	76,964
Library Books and Equipment	190,151
Office Equipment and Furniture	24,398
Miscellaneous Outside Personnel Services	<u>119,002</u>
Total Expenditures	<u>\$1,465,036</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.

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# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 1 NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 15,421,743	\$ 16,086,923	\$ 13,131,214	\$ 12,882,141	\$ 12,222,938	\$ 12,662,869	\$ 11,340,030	\$ 9,896,434	\$ 11,599,579	\$ 12,309,761
Restricted	1,610,088	746,777	3,241,041	2,378,790	1,520,031	1,556,364	2,308,578	2,813,073	1,593,548	1,364,788
Unrestricted	21,046,065	18,245,114	12,989,219	10,361,982	7,685,328	2,745,547	(500,253)	340,127	(7,950,258)	(7,684,003)
<b>Total primary government</b>	<u>\$ 38,077,896</u>	<u>\$ 35,078,814</u>	<u>\$ 29,361,474</u>	<u>\$ 25,622,913</u>	<u>\$ 21,428,297</u>	<u>\$ 16,964,780</u>	<u>\$ 13,148,355</u>	<u>\$ 13,049,634</u>	<u>\$ 5,242,869</u>	<u>\$ 5,990,546</u>

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 2 CHANGES IN NET POSITION

LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 4,629,282	\$ 5,002,245	\$ 4,897,989	\$ 4,450,812	\$ 4,467,088	\$ 3,908,079	\$ 3,612,604	\$ 3,986,984	\$ 4,360,921	\$ 4,234,236
Public Safety	11,155,631	11,869,307	12,765,461	12,107,364	12,269,528	12,389,336	13,054,982	13,300,436	13,219,654	14,034,917
Public Works-Sanitation	1,089,181	1,215,876	1,354,005	1,224,237	1,226,083	1,390,827	1,464,269	1,660,992	1,431,181	1,528,363
Public Works-Highway	4,001,421	4,672,102	4,394,628	4,362,680	4,603,845	4,152,939	4,385,065	4,556,704	5,217,301	5,089,016
Culture-Recreation	3,954,582	4,148,448	4,643,491	4,240,035	4,216,561	4,541,643	4,660,442	4,717,192	4,928,151	5,290,431
Conservation and Development	472,610	471,400	558,044	493,397	384,315	347,004	390,481	382,799	296,709	529,993
Interest On Long-Term Debt	789,849	1,049,339	1,014,769	632,435	907,153	767,255	842,305	778,352	675,103	607,209
<b>Total primary government</b>	<b>\$ 26,092,556</b>	<b>\$ 28,428,717</b>	<b>\$ 29,628,387</b>	<b>\$ 27,510,960</b>	<b>\$ 28,074,573</b>	<b>\$ 27,497,083</b>	<b>\$ 28,410,148</b>	<b>\$ 29,383,459</b>	<b>\$ 30,129,020</b>	<b>\$ 31,314,165</b>
<b>Program Revenues</b>										
<b>Charges for services:</b>										
General government	\$ 200,337	\$ 226,166	\$ 49,259	\$ 241,921	\$ 244,349	\$ 169,097	\$ 117,920	\$ 150,589	\$ 116,779	\$ 116,780
Public Safety	394,608	298,938	451,374	650,163	357,872	464,056	347,975	316,947	386,487	327,306
Public Works-Sanitation	458,966	436,386	387,118	410,478	422,577	422,739	399,786	395,767	415,504	410,465
Public Works-Highway	42,059	44,146	45,665	34,293	50,348	3,100	82,340	8,713	111,516	36,702
Culture-Recreation	1,044,232	1,023,343	1,083,003	1,088,545	881,160	962,343	958,986	931,875	1,033,519	1,025,915
Conservation and Development	84,191	37,493	60,509	42,042	16,262	39,802	44,109	71,550	68,868	55,420
Operating and Capital grants and contributions	1,987,577	1,716,251	2,009,815	1,727,350	1,857,513	1,482,568	1,395,759	1,541,730	2,756,770	2,486,866
<b>Total primary government</b>	<b>\$ 4,211,970</b>	<b>\$ 3,782,723</b>	<b>\$ 4,086,743</b>	<b>\$ 4,194,792</b>	<b>\$ 3,830,081</b>	<b>\$ 3,543,705</b>	<b>\$ 3,346,875</b>	<b>\$ 3,417,171</b>	<b>\$ 4,889,443</b>	<b>\$ 4,459,454</b>
<b>Total primary government net expense</b>	<b>\$ 21,880,586</b>	<b>\$ 24,645,994</b>	<b>\$ 25,541,644</b>	<b>\$ 23,316,168</b>	<b>\$ 24,244,492</b>	<b>\$ 23,953,378</b>	<b>\$ 25,063,273</b>	<b>\$ 25,966,288</b>	<b>\$ 25,239,577</b>	<b>\$ 26,854,711</b>
<b>General Revs. and Other Changes in Net Position</b>										
<b>Governmental activities:</b>										
<b>Taxes</b>										
Property taxes, Levied for Gen. Purp.	\$ 4,589,476	\$ 4,288,709	\$ 4,223,321	\$ 4,518,932	\$ 4,505,976	\$ 4,329,435	\$ 5,588,103	\$ 8,874,636	\$ 9,033,775	\$ 9,013,001
Earned Income Taxes	6,494,824	6,599,696	6,166,700	6,105,290	6,574,335	6,655,847	6,951,532	7,711,011	7,482,578	7,485,167
Business Privilege & Mercantile Tax	6,393,655	7,058,347	6,426,641	6,214,921	6,228,096	5,971,721	5,791,646	6,114,606	7,340,650	7,705,324
Other Taxes, Levied for Gen. Purp.	3,557,251	2,588,588	2,635,771	2,577,780	2,437,058	2,559,194	2,618,451	2,830,807	3,026,410	3,012,278
Grants, Subsidies & Contrib. Not Restricted	51,662	49,419	150,091	51,542	44,744	187,430	168,568	252,955	177,634	261,035
Investment Earnings	1,203,292	909,950	194,868	109,000	69,852	89,188	78,489	60,000	46,756	70,370
Miscellaneous	493	152,203	26,912	142	189,815	142,903	50,059	23,552	-	55,213
<b>Total primary government</b>	<b>\$ 22,290,653</b>	<b>\$ 21,646,912</b>	<b>\$ 19,824,304</b>	<b>\$ 19,577,607</b>	<b>\$ 20,049,876</b>	<b>\$ 19,935,718</b>	<b>\$ 21,246,848</b>	<b>\$ 25,867,567</b>	<b>\$ 27,107,803</b>	<b>\$ 27,602,388</b>
<b>Change in Net Position</b>	<b>\$ 410,067</b>	<b>\$ (2,999,082)</b>	<b>\$ (5,717,340)</b>	<b>\$ (3,738,561)</b>	<b>\$ (4,194,616)</b>	<b>\$ (4,017,660)</b>	<b>\$ (3,816,425)</b>	<b>\$ (98,721)</b>	<b>\$ 1,868,226</b>	<b>\$ 747,677</b>

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 3 FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>General Fund</b>										
Reserved	\$ 7,284,355	\$ 7,707,894	\$ 5,563,195	\$ 2,376,072	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	10,717,076	9,690,043	7,122,455	6,921,926	-	-	-	-	-	-
Nonspendable	-	-	-	-	947	-	-	-	58,075	52,215
Restricted	-	-	-	-	121,102	121,118	121,130	-	-	-
Committed	-	-	-	-	82,788	82,793	101,296	270,297	155,231	137,970
Assigned	-	-	-	-	1,795,704	897,742	544,053	540,403	585,862	652,802
Unassigned	-	-	-	-	4,787,610	4,291,310	3,173,774	5,141,934	7,175,221	9,718,585
<b>Total general fund</b>	<u>\$ 18,001,431</u>	<u>\$ 17,397,937</u>	<u>\$ 12,685,650</u>	<u>\$ 9,297,998</u>	<u>\$ 6,788,151</u>	<u>\$ 5,392,963</u>	<u>\$ 3,940,253</u>	<u>\$ 5,952,634</u>	<u>\$ 7,974,389</u>	<u>\$ 10,561,572</u>
<b>All Other Governmental Funds</b>										
Reserved	\$ 8,413,715	\$ 4,230,068	\$ 3,157,624	\$ 2,378,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	5,914,962	4,269,024	2,187,448	2,813,073	1,593,548	1,364,788
Committed	-	-	-	-	152,313	152,352	152,388	1,005,452	1,168,316	1,584,386
Assigned	-	-	-	-	912,991	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(49,288)	(82,300)	(82,300)	(361,818)
Unreserved reported in:										
Special revenue funds	867,522	935,873	1,135,962	1,409,839	-	-	-	-	-	-
<b>Total all other governmental funds</b>	<u>\$ 9,281,237</u>	<u>\$ 5,165,941</u>	<u>\$ 4,293,586</u>	<u>\$ 3,788,629</u>	<u>\$ 6,980,266</u>	<u>\$ 4,421,376</u>	<u>\$ 2,290,548</u>	<u>\$ 3,736,225</u>	<u>\$ 2,679,564</u>	<u>\$ 2,587,356</u>

The fund balances for 2011 through 2016 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)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues:</b>										
Taxes	\$ 20,861,746	\$ 20,861,100	\$ 19,912,623	\$ 19,493,285	\$ 19,603,842	\$ 19,931,384	\$ 20,919,961	\$ 25,529,862	\$ 26,728,752	\$ 27,219,766
Licenses and Permits	1,176,854	1,078,265	1,226,120	1,479,195	1,152,875	1,405,533	1,303,052	1,224,666	1,337,641	1,287,561
Fines and Forfeits	158,759	146,335	141,657	138,978	165,288	113,091	105,145	104,238	112,239	93,135
Interest, Rents and Royalties	1,203,292	909,950	194,868	109,000	69,852	89,188	78,489	60,000	46,756	70,370
Intergovernmental	1,987,942	1,708,639	2,132,506	1,713,741	1,654,837	1,626,110	1,526,646	1,794,685	2,915,157	2,660,342
Charges for Services	888,780	841,872	746,513	849,269	848,729	542,513	542,919	546,537	682,793	611,892
Miscellaneous	51,790	57,634	26,912	65,293	58,911	138,991	61,311	23,552	19,247	100,222
<b>Total revenues</b>	<b>26,329,163</b>	<b>25,603,795</b>	<b>24,381,199</b>	<b>23,848,761</b>	<b>23,554,334</b>	<b>23,846,810</b>	<b>24,537,523</b>	<b>29,283,540</b>	<b>31,842,585</b>	<b>32,023,288</b>
<b>Expenditures</b>										
<b>Current:</b>										
General Government	3,978,115	3,739,361	4,244,860	4,097,552	3,779,253	3,129,183	2,894,708	3,141,640	3,634,801	3,233,365
Public Safety	10,566,677	10,310,515	11,687,888	11,311,872	11,200,645	10,075,158	10,935,158	10,944,470	12,362,846	11,609,201
Public Works-Sanitation	1,014,532	1,081,621	1,248,905	1,123,879	1,129,688	1,162,073	1,229,431	1,227,277	1,192,073	1,180,830
Public Works-Highways	2,941,222	3,055,005	3,255,015	3,359,170	3,356,701	2,839,927	2,855,834	2,941,291	3,313,521	3,364,611
Culture-Recreation	3,559,372	3,440,371	4,018,069	3,584,252	3,623,311	3,545,275	3,526,226	3,548,821	3,889,441	3,971,196
Conservation and Development	461,409	460,014	545,414	483,943	372,497	300,871	350,041	336,779	274,320	460,931
Insurance Premiums	951,513	767,909	1,006,736	1,050,703	1,164,949	1,175,072	955,570	1,152,885	1,112,060	1,204,279
Capital outlays	3,885,834	5,106,678	1,481,708	1,478,691	3,086,750	3,206,754	2,226,467	697,866	2,711,390	1,029,697
<b>Debt Service:</b>										
Principal	1,460,000	1,515,000	1,585,000	1,400,000	1,955,000	2,355,000	2,290,000	2,355,000	2,675,899	2,895,617
Interest	739,807	997,711	977,246	609,954	924,207	823,828	884,055	817,472	712,362	621,136
<b>Total Expenditures</b>	<b>29,558,481</b>	<b>30,474,185</b>	<b>30,050,841</b>	<b>28,500,016</b>	<b>30,593,001</b>	<b>28,613,141</b>	<b>28,147,490</b>	<b>27,163,501</b>	<b>31,879,161</b>	<b>29,570,863</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(3,229,318)</b>	<b>(4,870,390)</b>	<b>(5,669,642)</b>	<b>(4,651,255)</b>	<b>(7,038,667)</b>	<b>(4,766,331)</b>	<b>(3,609,967)</b>	<b>2,120,039</b>	<b>(36,576)</b>	<b>2,452,425</b>
<b>Other Financing Sources (Uses):</b>										
Issuance of Debt	7,590,000	-	-	-	7,450,000	-	-	1,338,019	533,533	-
Issuance of Refunding Debt	-	-	-	18,470,000	-	8,445,000	-	-	9,655,000	-
(Discount) on Bonds Issued	(38,829)	-	-	-	-	-	-	-	-	-
Bond premium on bonds issued	-	-	-	816,850	86,457	186,144	-	-	292,671	-
Payment to Refunded Bond Escrow Agent	-	-	-	(18,572,754)	-	(7,866,691)	-	-	(9,479,534)	-
Sale of Capital Assets	-	151,600	85,000	44,550	184,000	47,800	26,429	-	-	42,550
Transfers In	160,555	172,358	228,019	639,980	-	610,354	-	1,119,000	1,301,870	1,000,000
Transfers Out	(160,555)	(172,358)	(228,019)	(639,980)	-	(610,354)	-	(1,119,000)	(1,301,870)	(1,000,000)
<b>Total Other Financing Sources (Uses)</b>	<b>7,551,171</b>	<b>151,600</b>	<b>85,000</b>	<b>758,646</b>	<b>7,720,457</b>	<b>812,253</b>	<b>26,429</b>	<b>1,338,019</b>	<b>1,001,670</b>	<b>42,550</b>
<b>Net Changes in fund balances</b>	<b>\$ 4,321,853</b>	<b>\$ (4,718,790)</b>	<b>\$ (5,584,642)</b>	<b>\$ (3,892,609)</b>	<b>\$ 681,790</b>	<b>\$ (3,954,078)</b>	<b>\$ (3,583,538)</b>	<b>\$ 3,458,058</b>	<b>\$ 965,094</b>	<b>\$ 2,494,975</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>8.57%</b>	<b>9.91%</b>	<b>9.05%</b>	<b>7.46%</b>	<b>10.51%</b>	<b>12.63%</b>	<b>12.25%</b>	<b>11.87%</b>	<b>11.59%</b>	<b>12.18%</b>

# 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
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
2013	1,317,872	1,210,661	535,054	2,528,533	100%	2.43
2014	1,302,867	1,077,997	585,232	2,380,864	100%	4.00
2015	1,287,862	1,043,436	565,280	2,331,298	100%	4.00
2016	1,290,977	1,045,960	571,109	2,336,937	100%	4.00

Source: Allegheny County Assessment Office

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 6 DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS  
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year	Municipality of Monroeville		County of Allegheny		Gateway School District		Total
	Total Basic Tax Millage	Total Millage	Total Basic Tax Millage	Total Millage	Total Basic Tax Millage	Total Millage	
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	4.73	4.73	21.85	21.85	28.78
2013	2.431	2.431	4.73	4.73	18.89	18.89	26.051
2014	4.00	4.00	4.73	4.73	18.89	18.89	27.62
2015	4.00	4.00	4.73	4.73	19.33	19.33	28.06
2016	4.00	4.00	4.73	4.73	19.33	19.33	28.06

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 7 PRINCIPAL PROPERTY TAX PAYERS

CURRENT YEAR AND TEN YEARS AGO

Taxpayer	2016			2006		
	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	\$ 132,852,600	1	5.68%			
PZ Miracle Mile	40,249,500	2	1.72%			
Anne V. Lewis	38,050,000	3	1.63%			
ER Partners LP	16,956,700	4	0.73%			
WPP/WEN LLC	15,307,100	5	0.66%			
Monroeville SCLP	14,800,000	6	0.63%	17,481,700	7	0.86%
Jamison Lane	14,515,600	7	0.62%			
M&M Hotel Poxford	14,093,900	8	0.60%			
LSR EFR - Rebound LLC	13,800,000	9	0.59%			
HTA Monroeville LLC - Healthcare	13,500,000	10	0.58%			
Eagle Ridge Apartments				18,293,800	5	0.90%
Soffer, Donald				159,144,200	1	7.80%
L&M Associates				49,222,500	2	2.41%
Westinghouse Electric Corporation				42,000,000	3	2.06%
Pittsburgh Miracle Mile Town and Country				32,992,000	4	1.62%
Cochran RELP				17,909,900	6	0.88%
Terra Capital Associates				15,549,400	8	0.76%
Walnut Capital				14,856,300	9	0.73%
Boscov's Department Store				14,000,000	10	0.69%
	<u>\$314,125,400</u>		<u>13.44%</u>	<u>\$381,449,800</u>		<u>18.71%</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
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%	61,532	4,416,427	97.37%
2013	6,080,073	5,919,603	97.36%	53,910	5,973,513	98.25%
2014	9,441,987	9,147,587	96.88%	56,835	9,204,422	97.48%
2015	9,325,192	8,967,968	96.17%	41,213	9,009,181	96.61%
2016	9,347,748	9,013,001	96.42%	-	9,013,001	96.42%

# 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>
2007	428,132,467	6,421,987
2008	436,665,000	6,549,975
2009	433,874,933	6,508,124
2010	407,019,333	6,105,290
2011	428,503,600	6,427,554
2012	455,003,289	6,825,049
2013	463,677,400	6,955,161
2014	514,067,400	7,711,011
2015	498,838,533	7,482,578
2016	499,011,133	7,485,167

# 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>
2007	1%	0.50%
2008	1%	0.50%
2009	1%	0.50%
2010	1%	0.50%
2011	1%	0.50%
2012	1%	0.50%
2013	1%	0.50%
2014	1%	0.50%
2015	1%	0.50%
2016	1%	0.50%

Source: Keystone Collections Group

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

MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

SCHEDULE 11

EARNED INCOME TAX FILERS AND LIABILITY BY INCOME LEVEL

CURRENT LEVEL

Income Level	2007 Number of filers	2008 Number of filers	2009 Number of filers	2010 Number of filers	2011 Number of filers	2012 Number of filers	2013 Number of filers	2014 Number of filers	2015 Number of filers	2016 Number of filers
\$100,001-and higher	530	679	439	209	333	912	466	519	1,025	21
\$70,001-\$100,000	744	1,043	744	307	466	1,180	642	2,457	2,576	1,015
\$50,001-70,000	1,176	1,433	1,030	435	643	1,605	889	1,805	2,511	4,062
\$30,001-50,000	1,752	2,147	1,458	540	849	2,204	1,199	1,278	1,158	2,186
\$10,001-30,000	2,265	2,710	1,697	565	1,118	2,835	1,492	2,002	2,042	1,228
\$10,000 and lower	2,284	2,787	1,957	387	907	2,846	1,759	3,577	4,175	3,559

TOTAL 8,751 10,799 7,325 2,443 4,316 11,582 6,447 11,638 13,487 12,071

Income Level	2007 Percentage of Total Taxpayers	2008 Percentage of Total Taxpayers	2009 Percentage of Total Taxpayers	2010 Percentage of Total Taxpayers	2011 Percentage of Total Taxpayers	2012 Percentage of Total Taxpayers	2013 Percentage of Total Taxpayers	2014 Percentage of Total Taxpayers	2015 Percentage of Total Taxpayers	2016 Percentage of Total
\$100,001-and higher	6.06%	6.29%	5.99%	8.56%	7.72%	7.88%	7.23%	4.46%	7.60%	0.17%
\$70,001-\$100,000	8.50%	9.66%	10.16%	12.57%	10.80%	10.19%	9.96%	21.11%	19.10%	8.41%
\$50,001-70,000	13.44%	13.27%	14.06%	17.81%	14.90%	13.86%	13.79%	15.51%	18.62%	33.65%
\$30,001-50,000	20.02%	19.88%	19.90%	22.10%	19.67%	19.03%	18.60%	10.98%	8.59%	18.11%
\$10,001-30,000	25.88%	25.09%	23.17%	23.13%	25.90%	24.48%	23.14%	17.20%	15.14%	10.17%
\$10,000 and lower	26.10%	25.81%	26.72%	15.84%	21.02%	24.57%	27.28%	30.74%	30.96%	29.48%

TOTAL 100.00% 100.00% 100.00% 100.01% 100.00% 100.00% 100.00% 100.00% 100.00% 100.00%

Income Level	2007 Percentage of Total Income	2008 Percentage of Total Income	2009 Percentage of Total Income	2010 Percentage of Total Income	2011 Percentage of Total Income	2012 Percentage of Total Income	2013 Percentage of Total Income	2014 Percentage of Total Income	2015 Percentage of Total Income	2016 Percentage of Total Income
\$100,001-and higher	26.25%	25.84%	18.88%	26.45%	28.55%	30.01%	27.56%	28.05%	28.50%	3.65%
\$70,001-\$100,000	17.91%	20.13%	21.30%	21.84%	20.36%	19.93%	20.59%	19.02%	19.52%	28.57%
\$50,001-70,000	20.19%	19.65%	20.90%	22.08%	19.97%	19.21%	20.28%	20.12%	19.95%	48.47%
\$30,001-50,000	20.12%	19.69%	19.70%	18.60%	17.75%	17.67%	18.34%	18.84%	17.98%	12.85%
\$10,001-30,000	12.91%	12.30%	11.26%	9.54%	11.33%	11.10%	11.26%	11.38%	11.28%	4.11%
\$10,000 and lower	2.62%	2.39%	7.98%	1.49%	2.05%	2.07%	1.96%	2.94%	2.63%	2.35%

TOTAL 100% 100% 100% 100.00% 100.00% 100.00% 100% 100% 100% 100%

The Municipality is legally prohibited from disclosing individual payers.

# 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 ***	Capital Leases Payable	Total Primary Government		
2007	29,010,000	-	29,010,000	6.78%	988.45
2008	27,495,000	-	27,495,000	6.30%	936.83
2009	25,910,000	-	25,910,000	5.97%	882.82
2010	24,715,000	-	24,715,000	6.07%	870.68
2011	30,911,882	-	30,911,882	7.21%	1,088.98
2012	29,482,302	-	29,482,302	6.48%	1,038.62
2013	27,020,931	-	27,020,931	5.83%	951.91
2014	24,494,560	1,338,019	25,832,579	4.76%	910.05
2015	22,436,347	1,680,653	24,117,000	4.50%	849.61
2016	19,726,528	1,380,036	21,106,564	3.95%	743.56

\* 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, EXCEPT PER CAPITA)

Fiscal Year	General Bonded Debt Outstanding	Percentage of Actual Taxable Value** of Property	Per Capita*
	General Obligation Bond ***		
2007	29,010	1.38%	988.45
2008	27,495	1.30%	936.83
2009	25,910	1.23%	882.82
2010	24,715	1.18%	870.68
2011	30,912	1.48%	1,088.99
2012	29,482	1.43%	1,038.61
2013	27,021	1.07%	951.91
2014	24,494	1.03%	862.89
2015	22,436	0.96%	790.39
2016	19,726	0.84%	694.92

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

\* Population data can be found in Schedule 16

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

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

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 14 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2016  
(AMOUNTS EXPRESSED IN THOUSANDS)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable*</u>		<u>Estimated Share of Overlapping** Debt</u>
<b>Debt repaid with property taxes</b>				
Municipality of Monroeville	21,106	100.0%	\$	21,106
<b>Other debt</b>				
Gateway School District	45,535	97.81%	a	44,538
Allegheny County	925,492	3.08%	a	28,505
Subtotal-overlapping debt				<u>73,043</u>
<b>Total direct and overlapping debt</b>			<b>\$</b>	<b><u>94,149</u></b>

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

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

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 15

### LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS  
(AMOUNTS EXPRESSED IN THOUSANDS)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt Limit	\$ 57,924	\$ 60,864	\$ 61,620	\$ 56,444	\$ 54,717	\$ 57,183	\$ 58,320	\$ 63,836	\$ 70,534	\$ 75,503
Total net debt applicable to limit	29,010	27,495	25,910	24,715	30,210	28,730	26,440	24,085	21,920	19,325
Legal debt margin	\$ 28,914	\$ 33,369	\$ 35,710	\$ 31,729	\$ 24,507	\$ 28,453	\$ 31,880	\$ 39,751	\$ 48,614	\$ 56,178
Total net debt applicable to the limit as a percentage of debt limit	50.08%	45.17%	42.05%	43.79%	55.21%	50.24%	45.34%	37.73%	31.08%	25.60%

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

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

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 16 DEMOGRAPHIC AND ECONOMIC STATISTICS

### SCHEDULE 16

### LAST TEN CALENDAR YEARS

<u>Year</u>	<u>(1) Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age (3)</u>	<u>School Enrollment (4)</u>	<u>Unemployment Rate (2)</u>
2007	29,349	\$ 428,132,467	\$ 39,605	43	4,257	4.40%
2008	29,349	\$ 436,665,000	\$ 40,318	43	4,125	5.00%
2009	29,349	\$ 433,874,933	\$ 41,044	43	4,053	4.90%
2010	28,386	\$ 407,019,333	\$ 41,782	43	3,966	7.20%
2011	28,386	\$ 428,503,600	\$ 42,534	43	3,825	7.10%
2012	28,386	\$ 455,003,289	\$ 43,300	43	3,761	7.30%
2013	28,386	\$ 463,677,400	\$ 44,080	43	3,548	5.60%
2014	28,386	\$ 514,067,400	\$ 44,873	45	3,492	4.65%
2015	28,386	\$ 498,838,533	\$ 45,681	45	3,379	3.80%
2016	28,386	\$ 499,011,133	\$ 46,503	45	3,336	4.70%

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	2016			2006		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment
Forbes Regional/West Penn Hospital	1,526	1	0.76%	1,401	1	0.70%
Procare Pharmacy	1,368	2	0.68%			
UPMC	1,258	3	0.63%			
Bechtel Plant Machinery Inc.	864	4	0.43%			
Gateway School District	566	5	0.28%	797	3	0.40%
Respironics	488	6	0.24%			
SDLC Partners LP	423	7	0.21%			
Lash Group	386	8	0.19%			
Community College of Allegheny County	347	9	0.17%	418	6	0.21%
Bayada Home Health	337	10	0.17%			
Three Rivers Administrative Services				573	4	0.29%
Cochran Pontiac Incorporated				443	5	0.22%
Westinghouse Electric Co.				1,353	2	0.68%
Giant Eagle Markets #60				338	8	0.17%
Lazarus/Macy's				364	7	0.18%
HealthSouth of Pittsburgh, Inc.				310	9	0.16%
PPG				295	10	0.15%
	7,563		3.78%	6,292		3.15%

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 18

### FULL-TIME EQUIVALENT MUNICIPAL EMPLOYEES BY FUNCTION/PROGRAM

<u>FUNCTION/PROGRAM</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>GENERAL GOVERNMENT</b>										
Mayor & Council	-	-	-	-	-	-	-	-	-	-
Manager's Office	4	4	4	4	3	3	3	4	4	4
Tax Collection	5	5	5	5	5	5	4	4	4	4
Finance Office	5	4	4	4	4	4	4	5	5	5
Data Processing	3	3	3	3	3	3	2	2	2	2
<b>PUBLIC SAFETY</b>										
Police Chief	2	2	2	2	2	2	2	2	2	2
Emergency Communications	8	8	8	8	8	8	8	7	8	8
Patrol & Traffic	40	40	40	39	40	42	42	39	37	37
Incident Investigation	6	6	6	6	5	5	5	5	5	5
Support Services & Records	4	3	3	1	1	1	1	1	1	1
Police Training	1	1	1	1	1	-	-	-	-	-
Community Safety	3	3	4	3	2	2	2	1	1	1
School Crossing Guards	-	-	-	-	-	-	-	-	-	-
Fire, Building, & Code Enforcement	5	5	5	5	5	5	5	5	6	5
<b>PUBLIC WORKS</b>										
Superintendent of Public Works	2	2	2	2	2	2	2	2	2	2
Snow & Ice Control	-	-	-	-	-	-	-	-	-	-
Storm Sewer Maintenance	1	1	1	1	1	1	1	1	1	1
Street Maintenance	9	9	9	9	8	8	5	6	6	6
Parks Maintenance	7	7	7	7	6	6	8	7	8	8
Traffic Signals, Signs and Markings	4	4	4	4	4	4	5	4	4	4
Superintendent of Special Services	-	-	-	-	-	-	-	-	-	-
Sanitary Sewer Maintenance	-	-	-	-	-	-	-	-	-	-
Refuse Collection	9	9	9	9	9	9	9	9	9	9
Vehicular Equipment	5	5	5	5	4	4	4	4	5	5
Recycling	2	2	2	2	2	2	2	2	2	2
Animal Control	1	1	1	1	1	1	1	1	1	1
Community Park	3	3	3	3	3	3	3	3	3	3
Building & Property Maintenance	5	5	5	5	3	3	3	4	4	4
<b>HUMAN SERVICES</b>										
Recreation and Parks	4	4	4	3	3	3	3	3	3	3
Human Service Program	-	-	-	-	-	-	-	-	-	-
Leisure Learning	-	-	-	-	-	-	-	-	-	-
Monroeville Community Pool	-	-	-	-	-	-	-	-	-	-
Planning & Zoning	4	4	4	2	2	4	4	3	3	3
Appeal Board Service	-	-	-	-	-	-	-	-	-	-
Engineering	1	1	1	1	1	1	1	1	1	1
Electronic Equipment	-	-	-	-	-	-	-	-	-	-
Senior Citizens	4	4	4	4	4	4	4	4	5	5
Public Library	11	11	11	11	11	11	10	10	10	10
TV 15	2	2	2	2	2	2	2	2	2	2
<b>TOTAL</b>	<u>160</u>	<u>158</u>	<u>159</u>	<u>152</u>	<u>145</u>	<u>148</u>	<u>145</u>	<u>141</u>	<u>144</u>	<u>143</u>

Data source: Municipality of Monroeville payroll department

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

## SCHEDULE 19

### OPERATING INDICATORS BY FUNCTION/PROGRAM

#### LAST TEN FISCAL YEARS

<u>FUNCTION/PROGRAM</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>POLICE</b>										
Physical arrests	479	521	363	280	314	255	374	469	613	548
Incidents	18,689	23,891	18,188	16,614	15,425	15,531	15,354	16,535	16,854	15,982
Traffic violations/Citations	1,456	1,299	1,266	2,013	1,580	1,758	1,653	3,535	1,629	1,016
<b>FIRE</b>										
Emergency Response	4,067	5,180	5,141	5,777	5,387	5,224	7,028	5,392	6,078	6,769
<b>INSPECTIONS</b>										
	4,205	4,684	4,780	4,780	6,083	6,100	7,539	8,324	8,152	7,580
<b>PUBLIC WORKS</b>										
Recyclables collected (tons per year)	551.2	656.7	535.1	530.4	641.4	695.3	738.8	654.1	749.7	801.3
<b>OTHER PUBLIC WORKS</b>										
Street Resurfacing (miles)	3.0	8.5	4.3	4.3	9.0	17.9	22.8	1.2	1.0	10.0
<b>PARKS AND RECREATION</b>										
Program Participants	3,370	2,408	1,701	1,644	2,093	5,858	6,283	4,262	3,823	3,645
Pavilion Rentals	362	385	434	453	466	486	533	638	692	710
Pool Admissions	3,612	4,320	3,736	5,331	5,431	5,569	7,922	6,743	6,922	6,953
<b>LIBRARY</b>										
Items in Collection	120,267	123,765	123,146	119,514	120,048	122,771	124,312	123,498	115,686	99,334
Total Circulation	219,967	224,066	233,405	222,519	244,321	297,941	308,614	290,750	306,014	315,368

Sources: Various Municipal Departments

# MUNICIPALITY OF MONROEVILLE, PENNSYLVANIA

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

<u>FUNCTION/PROGRAM</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>POLICE</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	7	7	7	7	7	7	7	7	7	7
<b>FIRE STATIONS</b>										
<b>OTHER PUBLIC WORKS</b>										
Miles of streets	108	108	108	108	108	108	108	108	108	108
Number of street lights	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440	1,440
<b>CULTURE AND RECREATION</b>										
Parks	22	22	22	22	22	22	22	22	22	22
Park acreage	820	820	820	820	820	820	820	820	820	820
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	20	20	20	20	20	20	21	21	21	21
Basketball courts	21	21	21	21	21	21	20	20	20	20
Soccer fields	22	22	22	22	22	22	22	22	22	22
Ball fields	16	16	16	16	16	16	17	17	17	17
Picnic pavilions	13	13	13	13	13	13	13	13	13	13
Comfort stations	15	15	15	15	15	15	15	15	15	15
Play equipment areas	21	21	21	21	21	21	24	24	24	24
Walk/Jog paths (paved)	10	10	10	10	10	10	10	10	10	10
Historical sites	4	4	4	4	4	4	4	4	4	4

SOURCE: Various Municipal Departments