

**2016 MUNICIPAL ANNUAL AUDIT
AND
FINANCIAL REPORT**

022103 MONROEVILLE BORO, ALLEGHENY COUNTY

MONROEVILLE BORO, ALLEGHENY County

BALANCE SHEET

December 31, 2016

		Governmental Funds				Proprietary Funds		Fid. Fund	Account Groups		Total
		General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long Term Debt	Memorandum Only
Liabilities and Other Credits											
260-269	Long-Term-Liabilities									21,596,707	21,596,707
240-259	Current Portion of Long-Term Debt and Other Credits	1,911,703									1,911,703
Total Liabilities and Other Credits		3,184,701		778,337				1,563,198		21,596,707	27,122,943
Fund and Account Group Equity											
281-284	Contributed Capital										
290.00	Investment in General Fixed Assets								35,163,595		35,163,595
270-289	Fund Balance / Retained Earnings on 12/31	10,561,572	275,906	2,311,450				44,508,787			57,657,715
291-299	Other Equity										
Total Fund and Account Group Equity		10,561,572	275,906	2,311,450				44,508,787	35,163,595		92,821,310
TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY										119,944,253	

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Taxes								
301.00	Real Estate Taxes	8,934,997						8,934,997
305.00	Occupation Taxes (levied under municipal code)							
308.00	Residence Taxes (levied by cities of the 3rd Class)							
309.00	Regional Asset District Sales Tax (Allegheny County municipalities only)	797,060						797,060
310.00	Per Capita Taxes							
310.10	Real Estate Transfer Taxes	961,827						961,827
310.20	Earned Income Taxes / Wage Taxes	7,567,167						7,567,167
310.30	Business Gross Receipts Taxes	7,705,324						7,705,324
310.40	Occupation Taxes (levied under Act 511)							
310.50	Local Services Tax **	1,201,691						1,201,691
310.60	Amusement / Admission Taxes							
310.70	Mechanical Device Taxes							
310.90	Other Local Tax Enabling Act / Act 511 / Taxes							
	Other: _____							
Total Taxes		27,168,066						27,168,066

Licenses and Permits								
320-322	All Other Licenses and Permits	255,875						255,875
321.80	Cable Television Franchise Fees	658,413						658,413
Total Licenses and Permits		914,288						914,288

Fines and Forfeits								
330-332	Fines and Forfeits	93,135						93,135
Total Fines and Forfeits		93,135						93,135

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

State								
356.00	State Payments in Lieu of Taxes							
355.00	All Other State Shared Revenues and Entitlements	351,828						351,828
Total State		1,434,023	796,355	202,964				2,433,342

Local Government Units								
357.03	Highways and Streets							
357.00	All Other Local Governmental Units Capital and Operating Grants							
358.00	Local Government Unit Shared Payments for Contracted Intergovernmental Services							
359.00	Local Governmental Units and Authorities Payments in Lieu of Taxes	201,794						201,794
Total Local Government Units		201,794						201,794

Charges for Service								
361.00	General Government	116,780						116,780
362.00	Public Safety	107,933						107,933
363.20	Parking							
363.00	All Other Charges for Highway & Street Services	36,702						36,702
364.10	Wastewater / Sewage (including connection / tapping fees, sewer usage charges, reserve capacity fee, etc.)							
364.30	Solid Waste Collection and Disposal Charge (trash)	5,493						5,493
364.60	Host Municipality Benefit Fee for Solid Waste Facility	404,972						404,972
364.00	All Other Charges for Sanitation Services							
365.00	Health							
366.00	Human Services							
367.00	Culture and Recreation	344,984						344,984
368.00	Airports							

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Charges for Service								
369.00	Bars							
370.00	Cemeteries							
372.00	Electric System							
373.00	Gas System							
374.00	Housing System							
375.00	Markets							
377.00	Transit Systems							
378.00	Water System							
379.00	All Other Charges for Service							
Total Charges for Service		1,016,864						1,016,864

Unclassified Operating Revenues								
383.00	Special Assessments							
386.00	Escheats (sale of personal property)							
387.00	Contributions and Donations from Private Sectors	87,559						87,559
388.00	Fiduciary Fund Pension Contributions					3,432,338		3,432,338
389.00	All Other Unclassified Operating Revenues							
Total Unclassified Operating Revenues		87,559				3,432,338		3,519,897

Other Financing Sources								
391.00	Proceeds of General Fixed Asset Disposition	42,550						42,550
392.00	Interfund Operating Transfers		1,000,000					1,000,000
393.00	Proceeds of General Long-Term Debt							
394.00	Proceeds of Short Term-Debt							

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

REVENUES

Other Financing Sources							
395.00	Refunds of Prior Year Expenditures			12,663			12,663
Total Other Financing Sources		42,550		1,012,663			1,055,213

TOTAL REVENUES	31,012,336	826,266	1,227,236			5,380,134	38,445,972
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EXPENDITURES

General Government							
400.00	Legislative (Governing) Body	119,154					119,154
401.00	Executive (Manager or Mayor)	405,324					405,324
402.00	Auditing Services / Financial Administration	750,536					750,536
403.00	Tax Collection	557,817					557,817
404.00	Solicitor / Legal Services	259,884					259,884
405.00	Secretary / Clerk						
406.00	Other General Government Administration						
407.00	IT-Networking Services-Data Processing	295,251					295,251
408.00	Engineering Services	216,960					216,960
409.00	General Government Buildings and Plant	628,439					628,439
Total General Government		3,233,365					3,233,365

Public Safety							
410.00	Police	10,445,549		163,697			10,609,246
411.00	Fire	716,948		300,434			1,017,382
412.00	Ambulance / Rescue	71,582					71,582
413.00	UCC and Code Enforcement	252,193					252,193

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Safety								
414.00	Planning and Zoning							
415.00	Emergency Management and Communications							
416.00	Militia and Armories							
417.00	Examination of Licensed Occupations							
418.00	Public Scales (weights and measures)							
419.00	Other Public Safety	122,929						122,929
Total Public Safety		11,609,201		464,131				12,073,332

Health and Human Services								
420.00-425.00	Health and Human Services							
Total Health and Human Services								

Public Works - Sanitation								
426.00	Recycling Collection and Disposal	198,807		18,071				216,878
427.00	Solid Waste Collection and Disposal (garbage)	982,023						982,023
428.00	Weed Control							
429.00	Wastewater / Sewage Treatment and Collection							
Total Public Works - Sanitation		1,180,830		18,071				1,198,901

Public Works - Highways and Streets								
430.00	General Services - Administration	1,024,428	63,519					1,087,947
431.00	Cleaning of Streets and Gutters							
432.00	Winter Maintenance – Snow Removal	95,441	481,570	244,975				821,986
433.00	Traffic Control Devices	563,342		52,607				615,949
434.00	Street Lighting	9,037	236,726					245,763

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Public Works - Highways and Streets								
435.00	Sidewalks and Crosswalks							
436.00	Storm Sewers and Drains	137,662						137,662
437.00	Repairs of Tools and Machinery	752,886						752,886
438.00	Maintenance and Repairs of Roads and Bridges		249,913					249,913
439.00	Highway Construction and Rebuilding Projects							
Total Public Works - Highways and Streets		2,582,796	781,815	547,495				3,912,106

Other Public Works Enterprises								
440.00	Airports							
441.00	Cemeteries							
442.00	Electric System							
443.00	Gas System							
444.00	Markets							
445.00	Parking							
446.00	Storm Water and Flood Control							
447.00	Transit System							
448.00	Water System							
449.00	Water Transport and Terminals							
Total Other Public Works Enterprises								

Culture and Recreation								
451.00	Culture-Recreation Administration	166,772						166,772
452.00	Participant Recreation	84,238						84,238
453.00	Spectator Recreation							
454.00	Parks	1,610,212						1,610,212

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Culture and Recreation								
455.00	Shade Trees							
456.00	Libraries	1,465,036						1,465,036
457.00	Civil and Military Celebrations							
458.00	Senior Citizens' Centers	425,526						425,526
459.00	All Other Culture and Recreation	219,412						219,412
Total Culture and Recreation		3,971,196						3,971,196

Community Development								
461.00	Conservation of Natural Resources							
462.00	Community Development and Housing							
463.00	Economic Development							
464.00	Economic Opportunity							
465-469	All Other Community Development	460,931						460,931
Total Community Development		460,931						460,931

Debt Service								
471.00	Debt Principal (short-term and long-term)	2,595,000		300,617				2,895,617
472.00	Debt Interest (short-term and long-term)	587,555		33,581				621,136
475.00	Fiscal Agent Fees							
Total Debt Service		3,182,555		334,198				3,516,753

Employer Paid Benefits and Withholding Items								
481.00	Employer Paid Withholding Taxes and Unemployment Compensation							
482.00	Judgments and Losses							
483.00	Pension / Retirement Fund Contributions							

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2016

Governmental Funds				Proprietary Funds		Fiduciary Fund	Total
General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service	Enterprise	Internal Service	Trust and Agency	Memorandum Only

EXPENDITURES

Employer Paid Benefits and Withholding Items								
484.00	Worker Compensation Insurance							
487.00	Other Group Insurance Benefits							
Total Employer Paid Benefits and Withholding Items								

Insurance								
486.00	Insurance, Casualty, and Surety	1,204,279						1,204,279
Total Insurance		1,204,279						1,204,279

Unclassified Operating Expenditures								
488.00	Fiduciary Fund Benefits and Refunds Paid						3,842,773	3,842,773
489.00	All Other Unclassified Expenditures						955	955
Total Unclassified Operating Expenditures							3,843,728	3,843,728

Other Financing Uses								
491.00	Refund of Prior Year Revenues							
492.00	Interfund Operating Transfers	1,000,000						1,000,000
493.00	All Other Financing Uses							
Total Other Financing Uses		1,000,000						1,000,000

TOTAL EXPENDITURES	28,425,153	781,815	1,363,895				3,843,728	34,414,591
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EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES	2,587,183	44,451	-136,659				1,536,406	4,031,381
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MONROEVILLE BORO

December 31, 2016

DEBT STATEMENT

OUTSTANDING BONDS AND NOTES

Listed below are all currently outstanding bond and note issues according to our files, excluding bond issues redeemed or refunded and defeased. Please show the principal payments and make any other necessary corrections and additions.

Purpose	Bond (B) Capital Lease (C) Lease Rental (L) Note (N)	Issue Year (yyyy)	Maturity Year (yyyy)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year	Principal Paid This Year	Current Year Accretion on Compound Interest Bonds	Outstanding at Year End (1)	Plus (less) Unamortized Premium (Discount)	Total Balance
General Obligation Bonds and Notes											
Series of 2012B	Bond	2012	2021	3,445,000	3,445,000		0		3,445,000		3,445,000
Series of 2012A	Bond	2012	2022	5,000,000	4,560,000		90,000		4,470,000		4,470,000
Series of 2010	Bond	2010	2019	11,260,000	965,000		300,000		665,000		665,000
Series of 2010A	Bond	2010	2016	7,210,000	1,735,000		1,735,000		0		0
Series of 2011	Bond	2011	2026	7,450,000	1,585,000		435,000		1,150,000		1,150,000
Series of 2015	Bond	2015	2026	9,655,000	9,630,000		35,000		9,595,000		9,595,000
Revenue Bonds and Notes											
Lease Rental Debt											
Capital Lease 185413000	Capital Leases	2014	2024	1,076,356	966,331		97,312		869,019		869,019
Capital Lease 185416000	Capital Leases	2014	2019	261,663	180,789		79,157		101,632		101,632
Capital Lease 191227000	Capital Leases	2015	2019	61,981	61,981		15,331		46,650		46,650
Capital Lease 4981 FML1	Capital Leases	2015	2020	357,925	357,925		71,039		286,886		286,886
Capital Lease 4981 FML2	Capital Leases	2015	2018	113,627	113,627		37,778		75,849		75,849
Other											

(1) - excludes unamortized premium/discount

Total bonds and notes outstanding	20,705,036
Capitalized lease obligations	0
Net debt	20,705,036

MONROEVILLE BORO, ALLEGHENY County
STATEMENT OF CAPITAL EXPENDITURES
 December 31, 2016

Category	Capital Purchases	Capital Construction	Total
Community Development			
Electric			
Fire	300,434		300,434
Gas System			
General Government			
Health			
Housing			
Libraries			
Mass Transit			
Parks			
Police	163,697		163,697
Recreation			
Sewer			
Solid Waste	18,071		18,071
Streets / Highways	297,582	249,913	547,495
Water			
Other: _____			
TOTAL CAPITAL EXPENDITURES	779,784	249,913	1,029,697

EMPLOYEE COMPENSATION

Total salaries, wages, commissions, etc. paid this year (including all employees and elected officials)

11,814,829

Independent Public Accountant/Certified Public Accountant Submission Page
Opinion page was provided in lieu of signature page.

SIGNATURE AND VERIFICATION

Signed: Peter J. Vancheri Appointed Auditor/CPA

December 31, 2016

NOTES / COMMENTS

HOSACK, SPECHT, MUETZEL & WOOD LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

Members of Council
Municipality of Monroeville
Monroeville, Pennsylvania

Dear Members:

Report on the Financial Statements

We have audited the accompanying Balance Sheet, Statement of Revenues and Expenditures, Debt Statement, Statement of Capital Expenditures, and Other Information (the Schedules) included in the Annual Audit and Financial Report of the Municipality of Monroeville, Allegheny County, Pennsylvania, as of and for the year ended December 31, 2016 as described in the instructions provided by the Pennsylvania Department of Community and Economic Development (DCED).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these schedules in accordance with financial reporting provisions prescribed or permitted by the DCED to demonstrate compliance with the DCED's regulatory basis of accounting and budget laws relating to the preparation of the Schedules. Management is also responsible for the design implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Schedules 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 Schedules are free from material misstatement.

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

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

Basis for Adverse Opinion on U. S. Generally Accepted Accounting Principles

The Schedules are prepared by the Municipality of Monroeville on the basis of the financial reporting provisions prescribed or permitted by the DCED in the instructions to the Annual Audit and Financial Report to demonstrate compliance with the DCED's regulatory basis of accounting and budget laws, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the DCED. These requirements permit the Schedules to be prepared on the modified accrual basis of accounting without the presentation of the management's discussion and analysis, the government-wide financial statements, budget and actual information and financial statement disclosures.

The effects on the Schedules of the variances between the regulatory basis of accounting described above and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U. S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion on U. S. Generally Accepted Accounting Principles paragraph, the Schedules referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of each fund of the Municipality of Monroeville as of December 31, 2016, or changes in financial position or cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the Schedules referred to above present fairly, in all material respects, the assets, liabilities and fund equity of the Municipality of Monroeville as of December 31, 2016, and its revenues, expenditures and other financing sources and uses for the year then ended, in accordance with the financial reporting provisions prescribed or permitted by the DCED described above.

Report on Other Legal and Regulatory Requirements

This report is intended solely for the information and use of the governing body and management of the Municipality of Monroeville and for filing with the various local and state departments or offices and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Hosack, Specht, Muetzel & Wood LLP

HOSACK, SPECHT, MUETZEL & WOOD LLP
Pittsburgh, Pennsylvania
May 26, 2017