



Mt. Lebanon, Pennsylvania

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FISCAL YEAR ENDED
DECEMBER 31, 2022

Mt. Lebanon, Pennsylvania

Annual Comprehensive Financial Report

Year Ended December 31, 2022

Issued by the Department of Finance
Andrew McCreery, CPA, Finance Director

MT. LEBANON, PENNSYLVANIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2022

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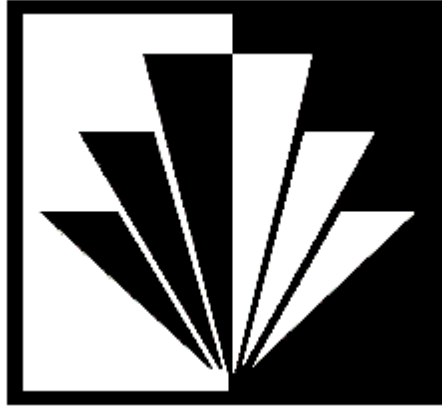
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INTRODUCTORY SECTION

April 7, 2023

The Commission of the Municipality
of Mt. Lebanon, Pennsylvania

The Annual Comprehensive Financial Report (ACFR) of Mt. Lebanon, Pennsylvania (Municipality), for the fiscal year ended December 31, 2022, is hereby submitted. Responsibility for both the accuracy of the data presented and the completeness and fairness of presentation, including disclosures in the notes to financial statements, rests with the Municipality. This report contains the government-wide financial statements and fund financial statements of the Municipality. All disclosures necessary to enable the reader to gain the maximum understanding of the Municipality's financial affairs have been included.

REPORT COMPOSITION

Report Format

This report contains three sections:

- Introductory:** includes this transmittal letter highlighting significant 2022 financial and management items, the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association (GFOA) for the 2021 ACFR, an organization chart, and a list of principal officers.
- Financial:** contains a report by the independent public accounting firm of Maher Duessel; Management's Discussion and Analysis, a narrative overview of the Municipality's financial performance for the fiscal year ended December 31, 2022; the basic financial statements, which include government-wide financial statements and fund financial statements and notes to financial statements; required supplementary information, combining and individual fund financial statements, and as applicable, schedules with comparative budgetary and prior year information, arranged by fund type.
- Statistical:** includes historical information for financial trends, revenue capacity, debt capacity, and demographic and economic indicators, and selected operating statistics for the Municipality.

Reporting Entity

This report includes all funds and component units of the Municipality (the reporting entity). In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *"The Financial Reporting Entity,"* the financial information for the Mt. Lebanon Industrial Development Authority (IDA) for the year ended December 31, 2022 is blended into the funds of the Municipality as the Municipality's elected officials serve as the board for the IDA, the Commission can impose their will on the activities of the IDA, and the Municipality is entitled to the assets of the IDA. The Municipality has no discretely presented component units.

As established by GASB, the basic criterion for determining inclusion in the reporting entity is financial accountability and the nature and significance of the relationship. Note 1A fully describes the criterion and the component units.

ECONOMIC CONDITION

The Municipality operates under a Home Rule Charter (Charter) with five elected commissioners, one from each ward. Under the Charter, which also provides for the council/manager form of government, the Municipality has a higher degree of local freedom and initiative than governments controlled by state statutes. The Municipality provides a full range of services including: fire and police protection, recreation facilities and programs, public works, parking, library and intergovernmental services, economic development and planning, zoning and building inspection, and general administration.

The Municipality is a suburb of the City of Pittsburgh located six miles southwest of the City of Pittsburgh. The 2020 Census indicates the Municipality's population is 34,075. This is an increase of 938 people compared to the 2010 Census.

Mt. Lebanon has consistently been considered one of the most desirable places to live in Pennsylvania and our real estate market reflects this sentiment. Since 2018, the average sale price of residential homes has increased 31.5%, with the average price of a residential property increasing 5.9% compared to the prior year. The housing stock is varied in style and price. In 2022, the average sale price was \$397,090 on 534 residential properties sold.

The unemployment rate in Mt. Lebanon remains low at 2.3% compared to Allegheny County (3.4%) and the Commonwealth of Pennsylvania (State) (4.3%) according to the US Bureau of Labor Statistics.

Economic Development and Commercial Districts

The Municipality has intact, accessible, walkable, and vibrant traditional business districts, a feature that is not found in many Pittsburgh suburbs. Washington Road, designated as a National Main Street by the Commonwealth and National Main Street Center, is the primary commercial

arterial in the Municipality. This commercial district hosts 41 structures that house nearly two hundred businesses employing around 1,000 people. Established in 2007, the Mt. Lebanon Partnership (Partnership) was created with the vision to “make Mt. Lebanon the Main Street of the South Hills, a true destination where businesses and community come together.” In 2020, the Municipality needed to deal with the challenges provided by the COVID-19 pandemic. While the intensity of the pandemic has subsided, the effects have not. Our primary business districts (Uptown + Beverly) have seen a marked increase in the public’s usage of independent contracting delivery firms (i.e., DoorDash). This has been a boon for our restaurant sector; however, it is creating traffic challenges as contractors are using the arterials in new ways that can lead to conflict with other customers and traffic. In addition to this trend, we are needing to prepare for other shopping realignments such as buy online pickup in store (BOPIS), which will demand a new way of thinking in terms of our parking assets. Finally, in 2023, we are bringing back pre-COVID activities and schedules. The public will see many events, and some new activities, at full capacity. This includes, but is not limited to the Uptown Market, Mt. Lebanon Artists’ Market, First Fridays, and a celebration to mark the end of the Vibrant Uptown streetscape project.

Despite COVID, all business districts continue to be near full occupancy. The vacancy rate for Washington Road is presently around 10% and Beverly Road is 0%. Lease rates are stable, and properties are vacant only for short periods. Beverly Road continues to be a small vibrant business district. Our communities’ Uptown Central Business District (CBD) continues to attract diverse eateries and offices that desire proximity to such amenities and our short commute to center city Pittsburgh.

Interest remains strong for entrepreneurial activities due to attractive public spaces, demographics, access to mass transit, and the long-term trend to sustainable walkable communities. In addition, the Municipality enjoys a low incidence of absentee landlords. This allows greater control of the quality of commercial enterprise. Current priorities include, but are not limited to – encouraging transit oriented development and an enhanced connection between the light rail platform to Washington Road, coupling Main Street principles with innovation to maintain flourishing business districts, development of upper floor units for commercial or residential purposes, planning and rebuilding the Washington Road public space(s) (Vibrant Uptown Project Phase II), and providing appropriate consultation to develop the former Denis Theater into an independent film theater/community cultural center.

The Economic Development Office central focus in 2023 will be to explore initiatives to continue the pattern of private investment in our commercial districts and completion of the Vibrant Uptown Project. The latter will infuse over \$3M in public investment in the Uptown corridor. The Economic Development Council (EDC) will be looking to implement actions items outlined in a recently completed Uptown Strategic Plan (2016), EDC Work Plan which is reviewed and adopted annually, and participation in the Municipality’s Comprehensive Plan which is underway. All plans call for bold approach(es) to maintaining our Central Business District’s (CBD) vitality. Planning for the second phase of Vibrant Uptown (VU2) shall commence in the summer of 2023. This second phase will be addressing Placemaking principles and focusing on areas not addressed in the first phase such as, but not limited, to Parse Way, Clearview Common, and gateways into

Uptown. A new area of focus will be moving the needle forward on a recently adopted Complete Streets policy. This policy enforces our commitment to safe streets for all users. Staff has organized a South Hills Mobility Task Force to partner with our neighboring communities to tackle challenges with SR19 and our light-rail. Staff anticipates seeking funding for an Active Transportation plan to be developed in 2024.

As noted above, Uptown Mt. Lebanon was accepted into the State's Main Street program in 2014 and again in December of 2019. This program places the CBD in a competitive position for scarce State investment dollars such as façade grants, reinvestment loans and technical assistance. The National Main Street Center recognized Uptown Mt. Lebanon as a national model in 2022.

Planning and Development Projects

The Planning Board recommended approval of four (4) subdivision/consolidation applications in 2022 – the Harrison-Deleonardo Plan on Lindendale Drive, the Weir Consolidation Plan on Mabrick Avenue, the DeLonga Consolidation Plan on Robb Hollow Road, and the Residences at Poplar Subdivision Plan on Pennsylvania Boulevard.

The Planning Board also recommended approval of two (2) land development plans: The First National Bank land development plan on Cochran Road and the Residences at Poplar land development plan on Pennsylvania Boulevard. The Planning Board also considered a proposal for townhouses at 50 Moffett Street but did not grant preliminary approval.

School District

The Mt. Lebanon School District is recognized as a leader in academic excellence in the country. This reputation, along with continuing achievements by faculty and students, continues to be a strong attraction for young families to the community.

Mt. Lebanon School District ranked #3 in Allegheny County and #5 in the state in the 2021 Pittsburgh Business Times Guide to Western PA Schools. The annual Honor Roll ranks the 105 school districts in the region and the 495 districts in the state based on three years of scores from the Pennsylvania System of School Assessment tests. Mt. Lebanon Schools have ranked among the top five schools on the list since it was first published in 2005.

The Mt. Lebanon School District ranks among the best school districts in the state and region in the 2022 Niche Rankings. Niche ranks the District #32 in the country, #2 in the region, and #5 in PA. The Niche website rates schools across the state and nation using data from the U.S. Department of Education, surveys and reviews.

The Mt. Lebanon School District was named among the Best 100 Communities for Music Education (BCME) in 2021 by the NAMM Foundation. BCME is a nationwide survey that acknowledges schools and districts across the U.S. for their commitment and support for music

education as part of the core curriculum. This is the 14th year in a row that the Mt. Lebanon School District has been designated a Best Community for Music Education.

The Association of School Business Officials International (ASBO) awarded the Mt. Lebanon School District with the Meritorious Budget Award (MBA) during the 2022-2023 budget year. The MBA promotes and recognizes excellence in school budget presentation and is conferred only to school districts whose budgets have undergone a rigorous review by financial professionals and have met or exceeded the program's stringent criteria. This is the 28th year in a row the School District was selected for this award.

The Association of School Business Officials (ASBO) International has awarded Mt. Lebanon School District its Certificate of Excellence in Financial Reporting for the 37th year in a row for excellence in financial reporting and accountability for its Annual Comprehensive Financial Report for the fiscal year ending 2021.

Mt. Lebanon High School was honored by the U.S. Department of Education as 1 of 46 schools from across the United States to receive the distinction as a U.S. Department of Education Green Ribbon School for innovative efforts to reduce environmental impact and utility costs, improve health and wellness for students and staff, and provide effective environmental and sustainability education.

MAJOR INITIATIVES

The Municipality approached 2022 with caution with uncertainty about lingering pandemic issues still unanswered. As pandemic issues waned, inflation and interest rates gave rise to other concerns for the Municipality. While service levels have returned to the levels seen prior to 2020, the Municipality is monitoring our revenue streams to ensure that economic issues will not negatively impact the service levels our community has come to expect.

The Municipality's two main revenue sources – real estate and earned income taxes – account for 64.7% of the revenue for the General Fund, the Municipality's main operating fund. As part of the 2022 budget, the Commission increased real estate taxes by 0.20 mills to 4.91 mills.

The Southwest Allegheny County Tax Collection District's appointed collector, Jordan Tax Service, collects the Municipality and School District's earned income tax. The rate for the Municipality is 0.8% and the School District is 0.5%. Under the employer mandated withholding system, employers typically submit quarterly. The Municipality monitors earned income taxes based on those quarterly collections. In 2022, net earned income taxes increased 8.1% when compared to the prior year. When analyzing quarterly collections, collections for prior tax years (2021 and prior) increased 15.8% when compared to the same collection periods from prior years. Current year collections increased 5.2% when compared to the same periods in the prior year. Both increases helped to increase the General Fund revenues and bodes well for 2023 collections. As

we enter 2023, the Municipality will continue to monitor collection patterns to establish appropriate baselines for the budget process.

The Municipality has an ordinance that establishes a funding requirement for streets, based on their condition assessment. These improvements cannot be funded through debt or with a tax increase. In 2022, this policy was met with funding for street construction provided by two sources - \$1.5 million from the General Fund and \$642,697 for curb work and other storm sewer infrastructure from the storm water fee.

Major annual projects continued on sanitary sewers to meet the federal consent order and other requirements. In 2022, sanitary sewer capital expenditures totaled \$2.2 million; all funded by a surcharge on the ALCOSAN bills. In addition to replacement and construction of new sewer lines, sewer lines were televised, cleaned and treated, and manholes were rehabilitated throughout the Municipality. In the last twelve years, \$19.5 million has been spent on sanitary sewer improvements. Currently, the sanitary sewer fee is \$4.05 per thousand gallons of water used but it is anticipated this fee will need to be raised in the future to pay for required improvements.

In its eleventh full year, the storm water fee generated \$1.4 million, which can be used for improvements to and maintenance of the storm water system. The fee is based on an impervious surface calculation and billed at a rate of \$8 per month per unit of impervious surface, with single-family residential property paying one unit (\$96 per year), and higher rates for multi-family, commercial, and tax-exempt properties. In the last eleven years, \$10.9 million has been spent on storm water capital projects to maintain, enhance, and expand the storm sewer system.

The Municipality completed projects initiated in 2022 funded by the 2019 and 2020 bond issues. Activity in 2022 included improvements to the library building roof, completed phases of the Vibrant Uptown project, and improvements at various facilities in the Municipality.

In order to capitalize on financial opportunities like favorable bond markets and grant opportunities, the Municipality uses a five-year Capital Improvement Program (CIP) that is updated on an annual basis. The CIP maps the Municipality's highest priority capital needs into a preliminary schedule of expenditures. This important management tool links major infrastructure needs with the Municipality's financial capacity. The current five-year CIP details the continuation of addressing infrastructure and other needs through the year 2027. The 2023 adopted budget provides over \$11.95 million for capital projects and improvements.

Finally, Mt. Lebanon will be completing a Comprehensive Plan in 2023. The Comprehensive Plan is done every ten years and establishes community priorities for the next ten years. Other plans will be incorporated into the Comprehensive Plan including the 2021 Parks and Recreation Master Plan, 2023 Main Park Site Plan, 2023 Eco-district Plan, and 2023 South Garage structural analysis. With these plans in tow, the Municipality and its residents should have a guide to the priorities for spending for the remainder of the decade.

FINANCIAL OPERATIONS

Systems and Controls

Accounting

In developing and evaluating the Municipality's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived and (2) the evaluation of costs and benefits requires estimates and judgments by management.

The finance department continually reviews established policies and procedures to control and reduce risks. We believe that the Municipality's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budget

The budgeting technique based on Zero Based Budgeting (ZBB) was used again in preparing the 2022 budget. Each program and activity must be justified, thereby providing increased accountability in the operating departments. Service levels are developed to focus attention on units of service within a decision unit (or cost center). This budget format allows elected officials to focus on overall service priorities and provides for an optimum mix of services within revenue constraints.

Budgetary control is maintained at the fund level, with operating departments charged with the maintenance of budgeted expenditures as a whole. Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental funds including the General Fund, Special Revenue Funds (excluding the Library Operating Fund and Industrial Development Authority Fund), and Capital Project Funds. A budget is also adopted for the one enterprise fund (Parking). Budgetary control for the Debt Service Fund is maintained through provisions of related trust indentures. Note 1E further describes the budget policies of the Municipality.

A more detailed explanation and description of municipal operations can be found in the Management's Discussion and Analysis (MD&A) section immediately following the report of the independent auditors.

Policies

Over the years, the finance department has instituted a number of financial policies in order to provide assurance that financial operations occur in a consistent manner from department to

department. These policies also enhance the safeguards for internal controls and budgetary compliance. Some of the more significant policies include those related to the purchasing system, including a checklist for contract compliance and approval; deposits, cash and credit transactions; fixed assets, grants, fraud, and related party transactions. In addition, the Municipality has adopted a debt policy under which a framework for the issuance of long-term debt has been established.

The Commission adopted a number of financial policies in 2011 to guide future budgets and provide a stable financial foundation. These include a minimum pension funding requirement even when pension assets exceed liabilities, a requirement for a budget balanced without use of unassigned fund balance, a phase-out of unassigned fund balance used to support current levels of pension funding, new multi-year service levels only budgeted if a source of funding is identified, minimum capital spending level funded by General Fund revenues, a requirement to have a capital improvement discussion after prior year financials are released, a minimum level for unassigned fund balance and a plan for restoration if the minimum is violated, how unassigned fund balance can be used in the budget, a comprehensive debt policy, and a budget amendment process.

In 2015, the Commission enhanced the financial policies by adopting an ordinance to enhance the thresholds for the General Fund unassigned fund balance. Prior to 2015, the stated goal for the General Fund unassigned fund balance was 10% of expenditures. The ordinance passed in October 2015 increased the stated minimum goal to 12% of expenditures with the intention of progressively increasing unassigned fund balance levels to 15% of expenditures. At the end of 2022, the unassigned fund balance was 16.1% of General Fund expenditures.

AWARDS AND ACKNOWLEDGEMENTS

Independent Audit

Pursuant to Section 912 of the Charter, an audit of the accounts and financial statements has been performed by an independent accounting firm. The external audit firm of Maher Duessel performed the audit, and their report is included in the Financial Section herein.

In addition to the required audit, which included all funds of the Municipality (including the Library), a separate audit was performed for the Real Estate Tax Collector. A separate audit report has been issued.

For 2022, the Municipality will have to comply with the provisions of the Single Audit Act, as amended, for funds received and expended as part of the American Rescue Plan Act (ARPA). If appropriate, the Municipality will perform separate program audits.

Certificate of Achievement

In 2023, 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 for its ACFR for the fiscal year ended December 31, 2021. The Municipality has received this award for 46 consecutive years, the longest in Pennsylvania.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such reports must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

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

Acknowledgements

The publication of this ACFR continues to reinforce the accountability of the Municipality to the taxpayers of the community. A note of sincere appreciation is extended to the many conscientious people who have contributed a significant amount of time and dedicated efforts to the preparation of this report. This report would not be possible without the dedicated services of the finance and administration offices and the support of all other municipal departments.

Gratitude is also extended to the elected officials of the Municipality for their cooperation and interest in the financial operations of the Municipality. The Mt. Lebanon Commission's maintenance of the highest standards of professionalism in the management of the Municipality's finances is greatly appreciated. With the continued support of the Mt. Lebanon Commission, we will be able to continue the quality of municipal government for which the Municipality is known.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'A. McCreery', is positioned above the printed name.

Andrew McCreery, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Municipality of Mt. Lebanon
Pennsylvania**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO

MT. LEBANON, PENNSYLVANIA

ORGANIZATIONAL CHART

DECEMBER 31, 2022



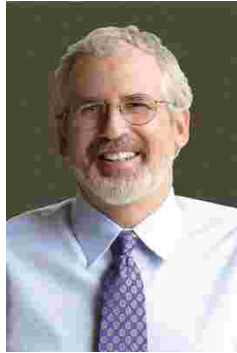
MT. LEBANON, PENNSYLVANIA

PRINCIPAL OFFICERS

COMMISSION



Andrew Flynn
President



Steven Silverman
Vice President



Craig Grella



Mindy Ranney



Anne Swager
Wilson

STAFF

Keith McGill, *Manager*

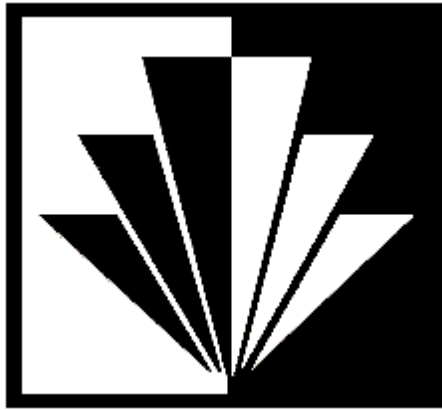
Andrew McCreery, CPA, *Finance Director*

David Donnellan, *Recreation Director*

Rudy Sukal, Jr., *Public Works Director*

Jason Haberman & Paul Petras, *Acting Police Chiefs*

Nicholas Sohyda, *Fire Chief*



FINANCIAL

SECTION

Independent Auditor's Report

**The Commission of the Municipality
of Mt. Lebanon, Pennsylvania**

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Municipality of Mt. Lebanon, Pennsylvania (Municipality), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Municipality's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Municipality, as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund and Sewage Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Municipality and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As described in Note 1 to the financial statements, the Municipality adopted Governmental Accounting Standards Board (GASB) Statement No. 87, "Leases," which requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Municipality's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

The Commission of the Municipality
of Mt. Lebanon, Pennsylvania
Independent Auditor's Report

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Municipality's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipality's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We have also previously audited, in accordance with auditing standards generally accepted in the United States of America, the Municipality's basic financial statements for the years ended December

The Commission of the Municipality
of Mt. Lebanon, Pennsylvania
Independent Auditor's Report

31, 2021 and 2020, which are not presented with the accompanying financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. Those audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipality's basic financial statements as a whole. The individual fund financial statements related to 2021 and 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2021 and 2020 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 individual fund financial statements related to 2021 and 2020 are fairly stated in all material respects in relation to the basic financial statements from which they were derived.

Other Information

Management is responsible for the other information listed in the table of contents. The other information listed in the table of contents does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Maher Duessel

Pittsburgh, Pennsylvania
April 7, 2023

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

This section of the Municipality of Mt. Lebanon's (Municipality) annual comprehensive financial report presents a narrative overview and analysis of the Municipality's financial performance for the fiscal year ended December 31, 2022. Please read this Management's Discussion and Analysis 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, 2022.

RESULTS IN BRIEF

- Total assets and deferred outflows of resources of the Municipality's governmental activities exceeded its liabilities and deferred inflows of resources at the close of the most recent year by \$127,670,401 (net position). Of this amount, \$18,390,959 (unrestricted net position) may be used to meet the Municipality's ongoing obligations to its citizens and creditors.
- The Municipality's governmental activities total net position increased from 2021 by \$7.0 million, or 5.8% and unrestricted net position increased by \$6.6 million, or 56.4% in 2022.
- Net investment in capital assets (net capital assets net of related debt) was \$96,590,736 at December 31, 2022, an increase of \$4.1 million.
- The Municipality did not issue any general obligation bonds in 2022.
- The Municipality's real property tax rate increased 0.20 mills to 4.91 mills in 2022. The earned income tax rate remained at 0.8%.
- The total fund balance for governmental funds was \$26,237,193 at December 31, 2022, with \$6,720,857 in unassigned fund balance.
- The General Fund had a total fund balance of \$11.9 million, of which \$6.7 million was unassigned. The total fund balance for the General Fund increased by \$2,780,559, or 30.5% and the unassigned fund balance increased by \$169,257, or 2.6%.
- The unassigned fund balance in the General Fund is 16.1% of the General Fund's total expenditures, including capital transfers.

MT. LEBANON, PENNSYLVANIA

MANAGEMENT’S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

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- At December 31, 2022, the Municipality had \$21.5 million of debt outstanding. This represents a decrease of \$2,900,000, or 11.9% from the previous year. The amount of outstanding direct debt per capita decreased from \$717 to \$632.
 - The Municipality’s business-type activities (Parking Fund) net position increased by \$589,497, or 7.2% in 2022. The unrestricted portion of net position increased by \$671,285 or 80.6%.
 - The plan net position held in trust to pay pension benefits decreased \$23.1 million or 16.5% in 2022. Plan net position in the other postemployment benefits trust decreased \$533,919 or 20.5% in 2022.

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 financial statements), and combining and individual fund statements. The basic financial statements present two different views of the Municipality through the use of government-wide financial statements and fund financial statements:

- The first two statements (pages 46-47) are government-wide financial statements that provide long-term and short-term information about the Municipality’s overall financial status.
- The remaining statements (pages 48-58) are fund financial statements that focus on individual parts of municipal government, reporting operations in more detail than the government-wide statements.

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

The fund financial statements include:

- The governmental funds statements (pages 48-53) describe how general government services such as public safety and recreation were financed. A budgetary comparison statement is provided for the General Fund and certain Special Revenue Funds to demonstrate compliance.
- The proprietary fund statements (pages 54-56) offer financial information about the activity (parking) that the Municipality operates as a business.
- Fiduciary fund statements (pages 57-58) provide information about the retirement and other postemployment benefit plans for municipal employees in which the Municipality acts solely as a trustee or agent for the benefit of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources cannot be used to support municipal activities.

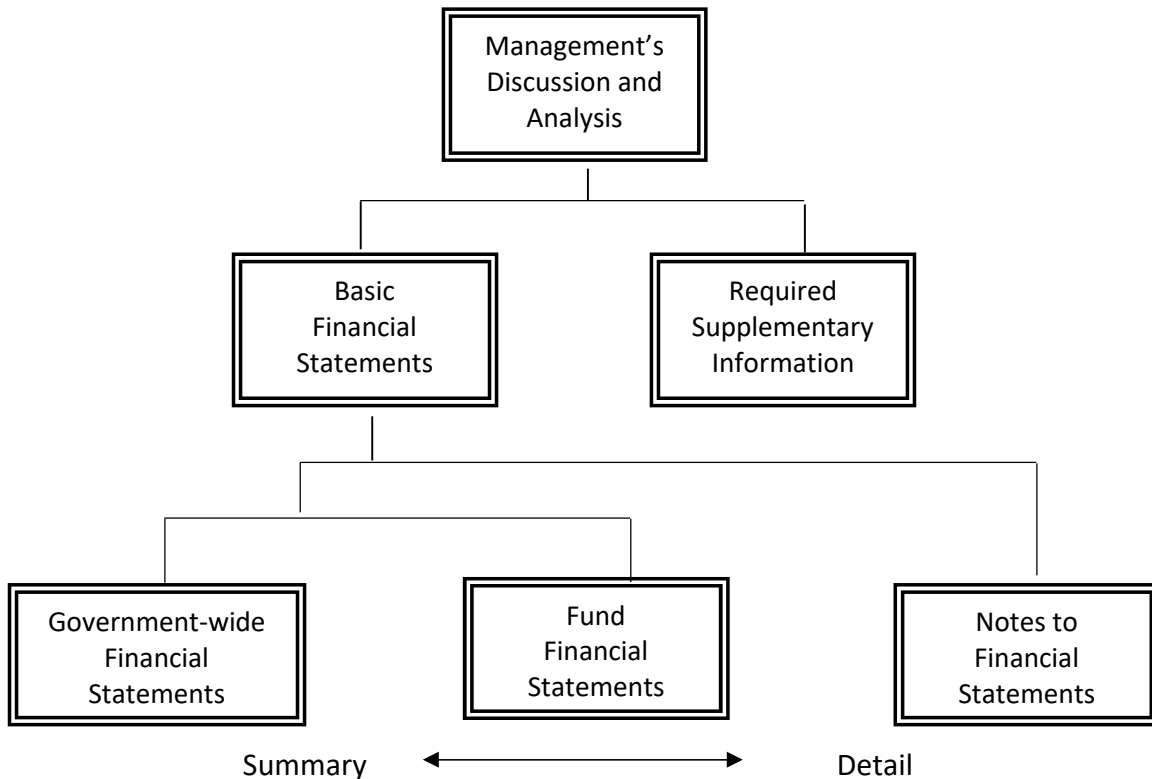
The financial statements include notes that provide an explanation for certain information in the financial statements and also provide more details for this information. The notes are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, the section on pages 120-147 provides additional details on the major governmental funds, combining and detail statements for the other governmental funds that are presented in a single column in the basic financial statements, an additional detail statement for the operations of the proprietary fund and combining statements for the fiduciary funds that are presented in a single column in the basic financial statements.

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Figure 1
REQUIRED COMPONENTS OF THE
COMPREHENSIVE ANNUAL FINANCIAL REPORT



Government-wide Financial Statements

The government-wide financial statements report information about the Municipality as a whole using accounting methods similar to those used by private-sector companies. These statements report the Municipality's net position and how it has changed.

The statement of net position includes all of the Municipality's assets, deferred outflows of resources, liabilities and deferred inflows of resources, except fiduciary funds. Net position, the difference between the Municipality's assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the Municipality's financial health. Over time, increases or decreases in the Municipality's net position may be an indicator of whether its financial health is improving or deteriorating.

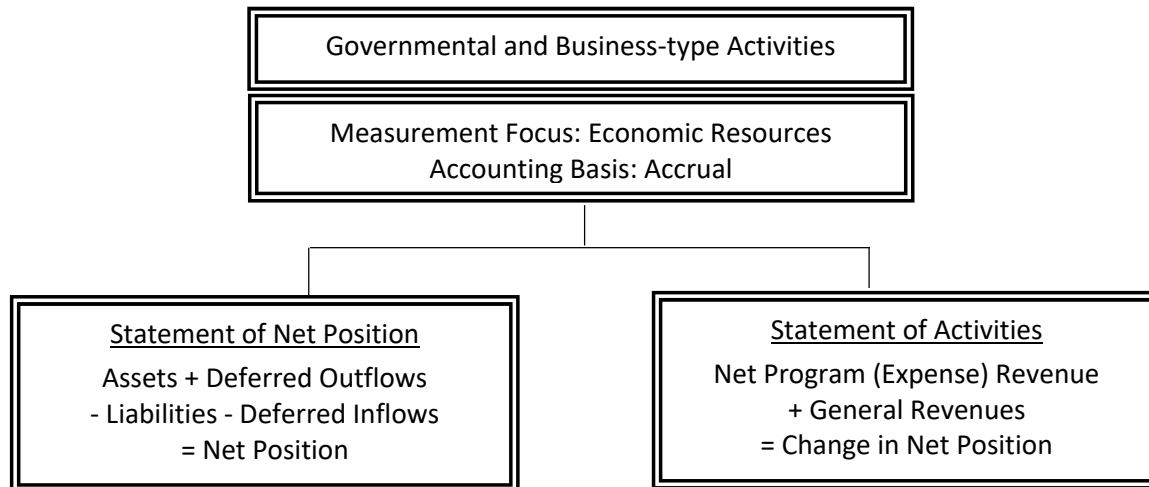
MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

The statement of activities focuses on how the Municipality's net position changed during the year. 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. 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 2.

Figure 2
GOVERNMENT-WIDE FINANCIAL STATEMENTS



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

- *Governmental activities* - Includes the Municipality's basic services, such as police, fire, public works, recreation, staff offices, and general administration. Property and earned income taxes, charges for services, and grants finance most of these activities.
- *Business-Type Activities* – Includes the operations of the Parking Fund (an enterprise fund), which covers the costs of parking operations through user fees and charges.

The government-wide financial statements do not include any component units presently on a discrete basis. All component units of the Municipality are blended.

MT. LEBANON, PENNSYLVANIA

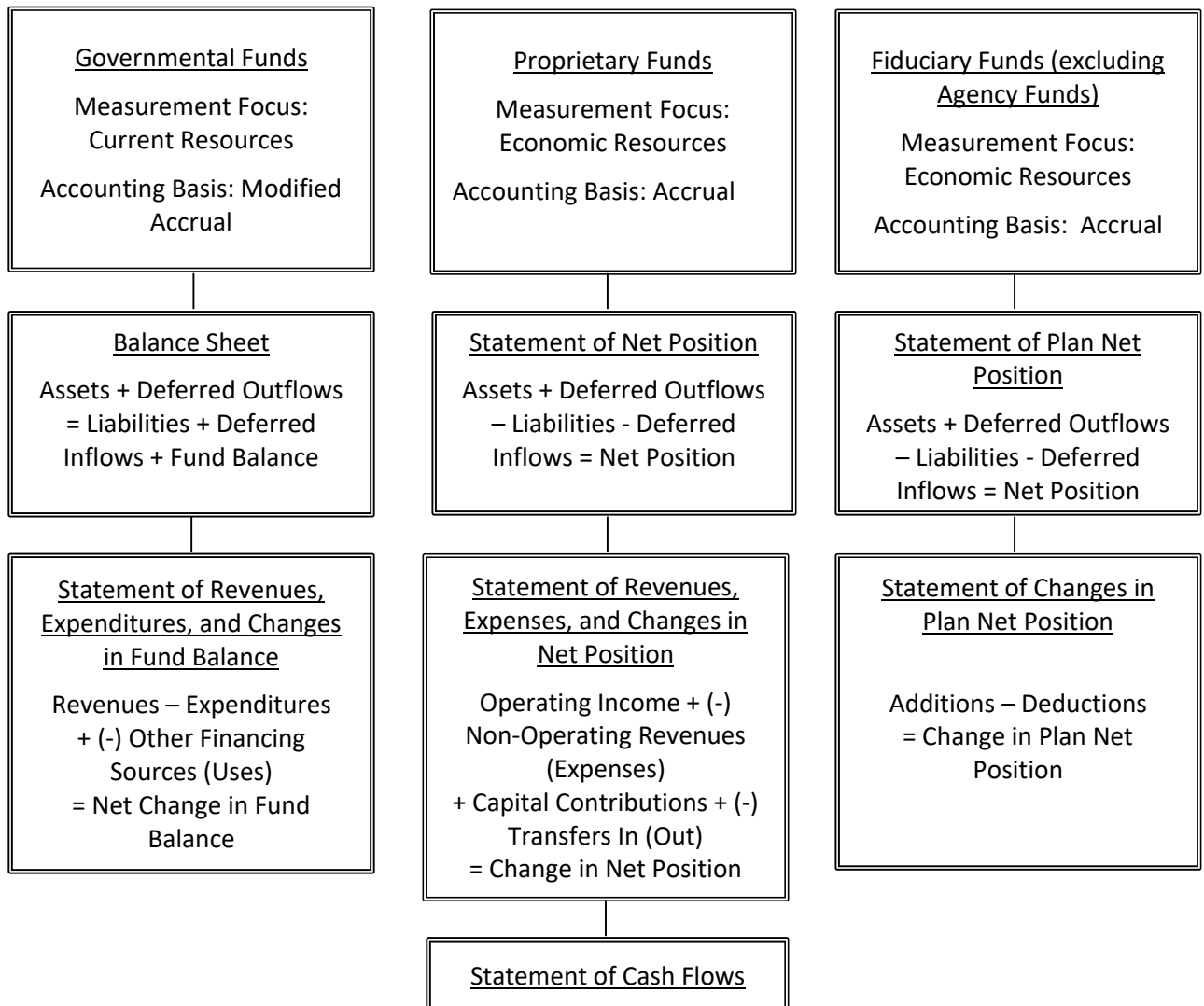
MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

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 primary features of the fund financial statements are presented in Figure 3.

Figure 3
FUND FINANCIAL STATEMENTS



MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

The Municipality maintains three kinds of funds:

- *Governmental funds* – Reports activities of the Municipality's basic services in governmental funds, which focus on (1) how cash and other financial assets that 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 funds statements provide a detailed short-term view that help to 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 each related governmental fund financial statement.
- *Proprietary fund* – Reports the same type of information for the activity (parking), as is reported in the business-type activities column in the government-wide financial statements. The statements for this fund simply presents more detail on the fund's operation.
- *Fiduciary funds* – Reports activities of three single-employer pension plans (General Employee's, Police Officer's, and Firefighter's) and an Other Postemployment Benefits (OPEB) plan. The Municipality functions as the trustee, or fiduciary, for these plans. 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 plan net position and a statement of changes in plan net position. These activities are excluded from the Municipality's government-wide financial statements because the Municipality cannot use these assets to finance its operations.

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

FINANCIAL ANALYSIS OF THE MUNICIPALITY AS A WHOLE

The Municipality's net position for its governmental and business-type activities at December 31, 2022 and 2021 are presented below.

	Governmental Activities		Business-type Activities	
	2022	2021	2022	2021
ASSETS				
Current and other assets	\$ 36,854,687	\$ 53,320,195	\$ 2,489,421	\$ 1,042,239
Capital assets	117,930,736	114,255,146	7,521,917	7,683,705
Total Assets	154,785,423	167,575,341	10,011,338	8,725,944
DEFERRED OUTFLOWS OF RESOURCES	15,178,592	3,179,356	-	-
LIABILITIES				
Current and other liabilities	5,639,580	6,822,451	109,011	147,873
Noncurrent liabilities	35,437,996	26,883,374	269,038	346,390
Total Liabilities	41,077,576	33,705,825	378,049	494,263
DEFERRED INFLOWS OF RESOURCES	1,216,038	16,426,256	812,111	-
NET POSITION				
Net investment in capital assets	96,590,736	92,471,301	7,316,917	7,398,705
Restricted	12,688,706	16,390,298	-	-
Unrestricted	18,390,959	11,761,017	1,504,261	832,976
Total Net Position	\$ 127,670,401	\$ 120,622,616	\$ 8,821,178	\$ 8,231,681

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

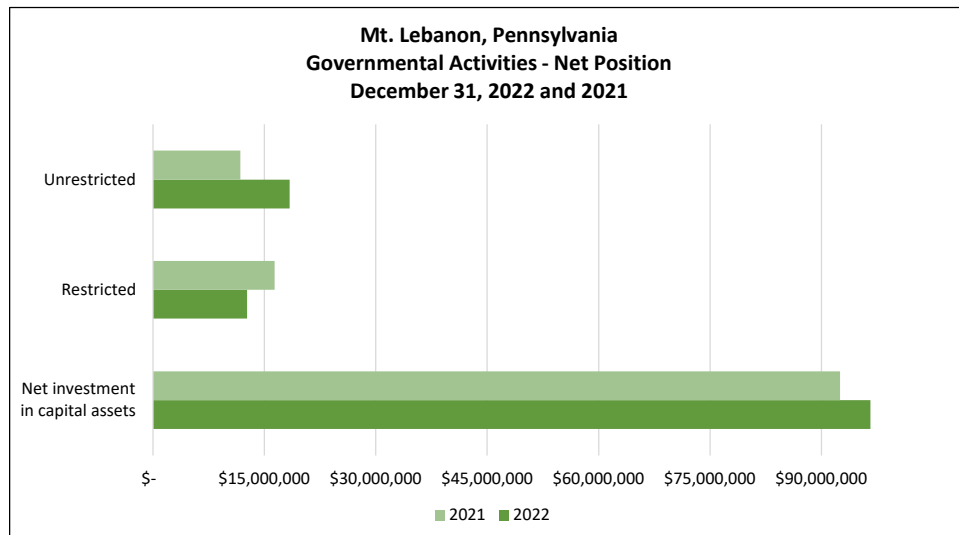
DECEMBER 31, 2022

Governmental Activities

Net Position

The net position of governmental activities increased from the previous year by \$7.0 million, or 5.8% to \$127.7 million. Of this amount, \$96.6 million represents the net balance of long-term capital assets and long-term debt. The \$12.7 million in restricted net position is comprised of \$12,293,572 for infrastructure upgrades, \$368,807 for donor restricted purposes for the Mt. Lebanon Public Library, \$10,422 for highway related expenditures, and \$15,905 for industrial development activities. The unrestricted net position of \$18,390,959 represents funds available to maintain operations or to provide for the payments of long-term debt at the governmental activities level.

The following chart graphically depicts the governmental activities net position at December 31, 2022 and 2021:



Capital Assets

The largest portion of the Municipality's net position (75.7%) accounts for the investment of capital assets (such as infrastructure, buildings, vehicles, and equipment), less any related outstanding debt used to acquire these assets. The Municipality maintains and uses these capital assets to meet the service demands of its residents and therefore these assets are not available for future spending. The net investment in capital assets is

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

reported net of related debt (except for unspent bond proceeds). Resources necessary to repay this debt will be required to be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities. Please see Note 6 – Capital Assets for a more detailed schedule of municipal capital assets.

Change in Net Position

In order to more fully understand the composition of the changes in net position for the current year, the following chart presents additional details regarding the result of governmental and business-type activities for the fiscal years ended December 31, 2022 and 2021:

	Governmental Activities		Business-type Activities	
	2022	2021	2022	2021
Revenues:				
Program revenues:				
Charges for services	\$ 18,945,941	\$ 17,871,800	\$ 2,040,744	\$ 1,704,167
Operating grants and contributions	6,331,715	3,914,410	-	-
Capital grants and contributions	683,800	416,809	-	-
General revenues:				
Real estate taxes	13,478,250	12,990,197	-	-
Earned income taxes	14,821,018	13,622,877	-	-
Other, including interest	4,354,888	4,098,385	28,284	815
Total revenues	58,615,612	52,914,478	2,069,028	1,704,982
Program Expenses:				
General government	5,399,783	4,839,354	-	-
Community development	944,634	563,788	-	-
Public works	21,850,085	20,115,421	-	-
Human services	2,957,609	2,520,950	-	-
Culture and recreation	4,210,977	3,451,649	-	-
Public safety:				
Police	10,261,205	6,201,629	-	-
Fire	4,064,552	2,625,080	-	-
Other	1,078,604	1,015,245	-	-
Interest on long-term debt	510,233	543,378	-	-
Parking	-	-	1,769,676	1,691,954
Total expenses	51,277,682	41,876,494	1,769,676	1,691,954
Increase (decrease) in net position before transfers	7,337,930	11,037,984	299,352	13,028
Transfers	(290,145)	-	290,145	-
Increase (decrease) in net position	7,047,785	11,037,984	589,497	13,028
Net position-beginning	120,622,616	109,584,632	8,231,681	8,218,653
Net position-ending	<u>\$ 127,670,401</u>	<u>\$ 120,622,616</u>	<u>\$ 8,821,178</u>	<u>\$ 8,231,681</u>

MT. LEBANON, PENNSYLVANIA

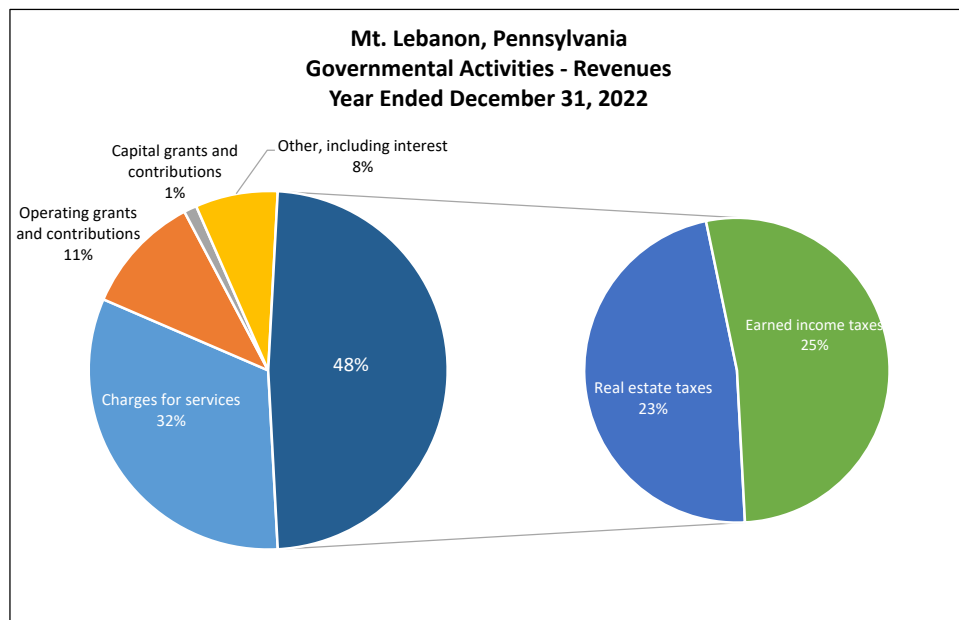
MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Revenues

Total revenues for governmental activities of \$58.6 million were largely derived from charges for services, real estate taxes, and earned income taxes (88.0%). Real estate taxes and earned income taxes make up 87.5% of all taxes collected by the Municipality. All sources of taxes provide 55.2% of the Municipality's revenue. Charges for services includes sewer processing, storm water management, recreation programs, joint programs (animal control, tax collection, and crossing guards), cable franchise fees, fines and penalties, licenses and permits, as well as magazine advertising and other revenues generated by user fees.

The following chart graphically depicts the governmental activities sources of revenues for the fiscal year ended December 31, 2022:



Overall governmental activities revenues increased \$7,047,785, or 5.8%. Highlighted below are the major program revenue variances.

- **Charges for services** increased \$1.1 million due to increases recreation revenue. Recreation revenue was lower than anticipated in 2021 due to lingering COVID-19 restrictions. Revenue reached pre-pandemic levels, increasing \$774,218 in 2022. All other charges for service remained stable in 2022 compared to 2021.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

-
- **Capital grants and contributions** increased \$266,991 due to funding received in 2022 not received in 2021. **Operating grants and contributions** received in 2022 were \$2.4 million higher than in 2021 due to the recognition of American Rescue Plan Act (ARPA) funding.

Mt. Lebanon taxpayers continued with strong earnings in 2022. Earned income tax collections increased \$1.2 million, or 8.9% from 2021. The collection increases were seen in both current year collections and prior year collections. Every collection quarter for 2022 exceeded prior year collections, indicating a strong year overall.

The Municipality's third largest revenue source is real estate tax. Assessment values are given to the Municipality by Allegheny County (County). Since the County does not have a specified duration between county-wide reassessments, the 2013 county-wide reassessment will be the base year value for properties in the Municipality from 2013 forward unless the County decides or is forced to reassess all properties.

In January 2022, the County delivered certified real estate assessments using 2013 as the base year. Although the base year is 2013, some property assessments do change throughout the year through owner or taxing body filed appeals. In 2022, the net decrease in taxable assessed value was \$7,581,806 or 0.3%. Real estate tax collections increased by \$488,053 or 3.8% compared to prior year collections due to the Mt. Lebanon Commission increasing the millage rate by 0.20 mills to 4.91 mills in the 2022 collection year.

Real Estate Transfer Tax, which is shown under the other category, decreased \$229,231, or 9.2% compared with the prior year. This revenue source was heavily impacted in the back half of the year when the federal reserve began to raise interest rates to curb inflation. While the housing prices have maintained, the number of transfers during this time started to slow, thus the decrease in revenue for 2022. Mt. Lebanon staff will continue to monitor the rates of the interest rate changes on transfer activity in 2023.

Program Expenses

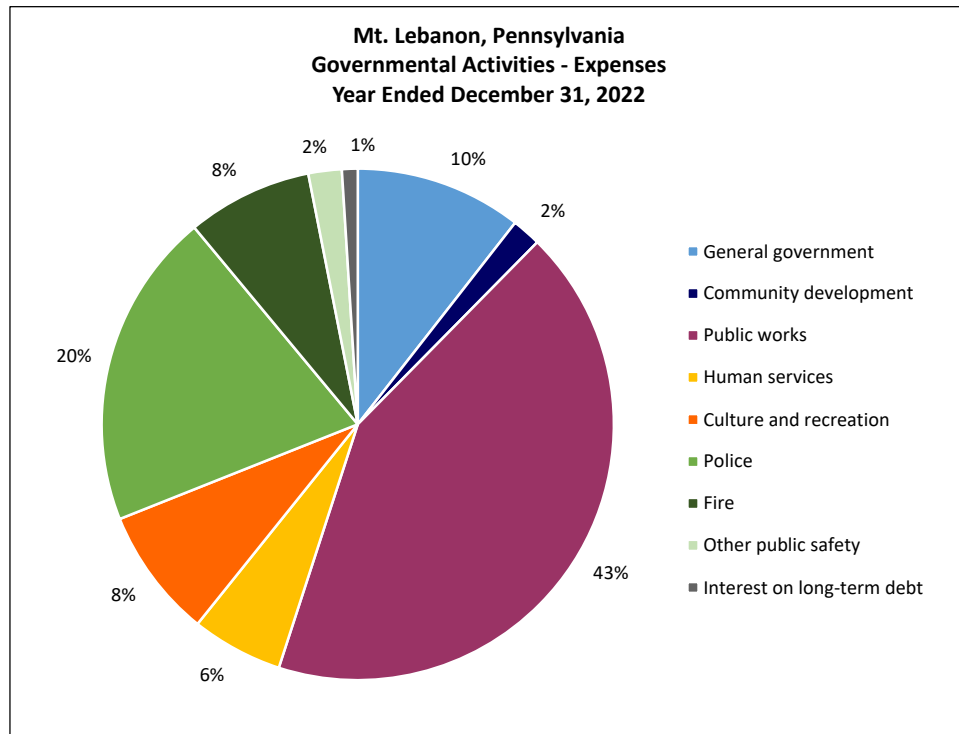
Total 2022 program expenses for all programs were \$51.3 million. The expenses reflect the delivery of a range of services, with the two largest areas being public works and public safety. Public safety has two operational departments – police and fire. The third largest area is general government, which includes administration, legal services, public information, information technology, insurance, and finance/tax functions.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

The following chart graphically depicts the governmental activities program expenses for the fiscal year ended December 31, 2022:



Increases in program expenses from the prior year totaled \$9.4 million. Highlighted below are the major program expense variances exclusive of pension expense increases related to Governmental Accounting Standards Board (GASB) Statement No. 68. A separate table has been provided to show the net increases in functional areas related to pension.

- **General Government** expenses increased due to operational increases of 5.7%.
- **Community Development** expenses increased due to the addition of a new full-time employee and the first year of a two-year comprehensive planning process.
- **Public Works** experienced increases in capital related expenditures including depreciation and commodity purchases netted with contractual increases.
- **Human Services** had increases in appropriations to the Library and Medical Rescue Team South Authority.
- **Culture and Recreation** increased 14.1% compared to 2021 due to activities at the Recreation Center and Seasonal Programs resuming at pre-COVID-19 levels.

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

- **Public Safety** overall saw an increase of 3.1% compared to 2021. This increase was a combination of increased personnel and contractual costs in the fire department and police department.
- **GASB Statement No. 68** recognizes certain costs and changes related to defined benefit pension plans in a different manner than is required by the Commonwealth of Pennsylvania (State), which causes a difference in pension expense for governmental activities. The primary cause of the difference is due to the recognition of pension expense components immediately or at a reduced deferral rate, which differs from the State's allowances.

The cumulative effect on the statement of activities was an increase to pension expense of \$3,406,083. This is the difference between the annual required pension contribution per State regulations and the expense calculated for GASB Statement No. 68. The pension expense calculation for GASB Statement No. 68 has no effect on the contributions required by the State and will have no impact on the Municipality's budget for 2023 and future years. The effects of the calculation, as shown below, is only for government-wide financial statement purposes.

Pension Expense for GASB 68	GASB 68 Pension Expense for Defined Benefit Pension Plans		
	2022	2021	Inc/(Dec)
<u>Governmental Activities</u>			
General government	\$ 51,173	\$ (219,590)	\$ 270,763
Community development	32,565	(139,739)	172,304
Public works	125,606	(538,993)	664,599
Human services	51,173	(219,590)	270,763
Culture and recreation	46,521	(199,627)	246,148
Public safety:			-
Police	151,812	(3,424,154)	3,575,966
Fire	114,580	(1,164,851)	1,279,431
Other	46,520	(199,627)	246,147
Total Increase/(Decrease) for GASB 68 Pension Expense	<u>\$ 619,950</u>	<u>\$ (6,106,171)</u>	<u>\$ 6,726,121</u>
Pension Expense (Municipal Contributions)	<u>\$ 2,786,133</u>	<u>\$ 3,013,460</u>	<u>\$ (227,327)</u>
Total Pension Expense for GASB 68	<u>\$ 3,406,083</u>	<u>\$ (3,092,711)</u>	<u>\$ 6,498,794</u>

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

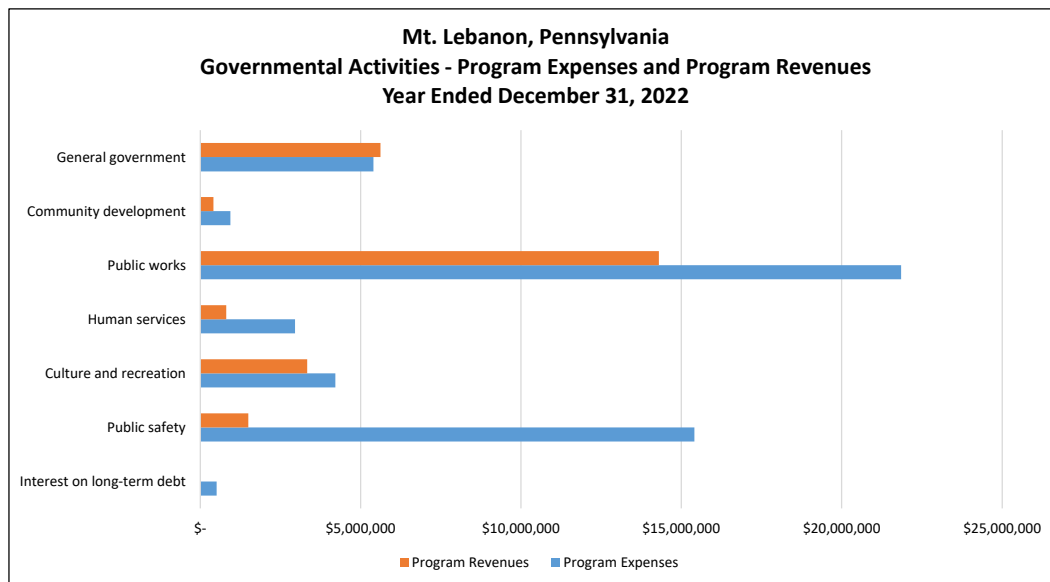
DECEMBER 31, 2022

Net Expense/Revenue by Program

Net program expenses/revenues indicate the amount of support required from taxes and other general revenues for the year.

Primary Government:	Net (Expense) Revenue		
	2022	2021	Inc/(Dec)
General government	\$ 220,214	\$ (1,304,193)	\$ (1,524,407)
Community development	(540,934)	(337,944)	202,990
Public works	(7,549,657)	(6,453,896)	1,095,761
Human services	(2,148,221)	(1,825,171)	323,050
Culture and recreation	(878,038)	(877,847)	191
Public safety:			
Police	(9,646,078)	(5,678,558)	3,967,520
Fire	(3,833,740)	(2,417,210)	1,416,530
Other	(429,539)	(235,278)	194,261
Interest on long-term debt	(510,233)	(543,378)	(33,145)
Total Net Expenses	<u>\$ (25,316,226)</u>	<u>\$ (19,673,475)</u>	<u>\$ 5,642,751</u>

The total net expense increased \$5,642,751 or 28.7% from 2021 to 2022. The reasons for this increase can be attributed to revenue and expense changes already discussed, such as an increase in pension expense and project activities throughout different departments. The chart below graphically depicts the governmental activities program revenues and program expenses for the fiscal year ended December 31, 2022.



MT. LEBANON, PENNSYLVANIA

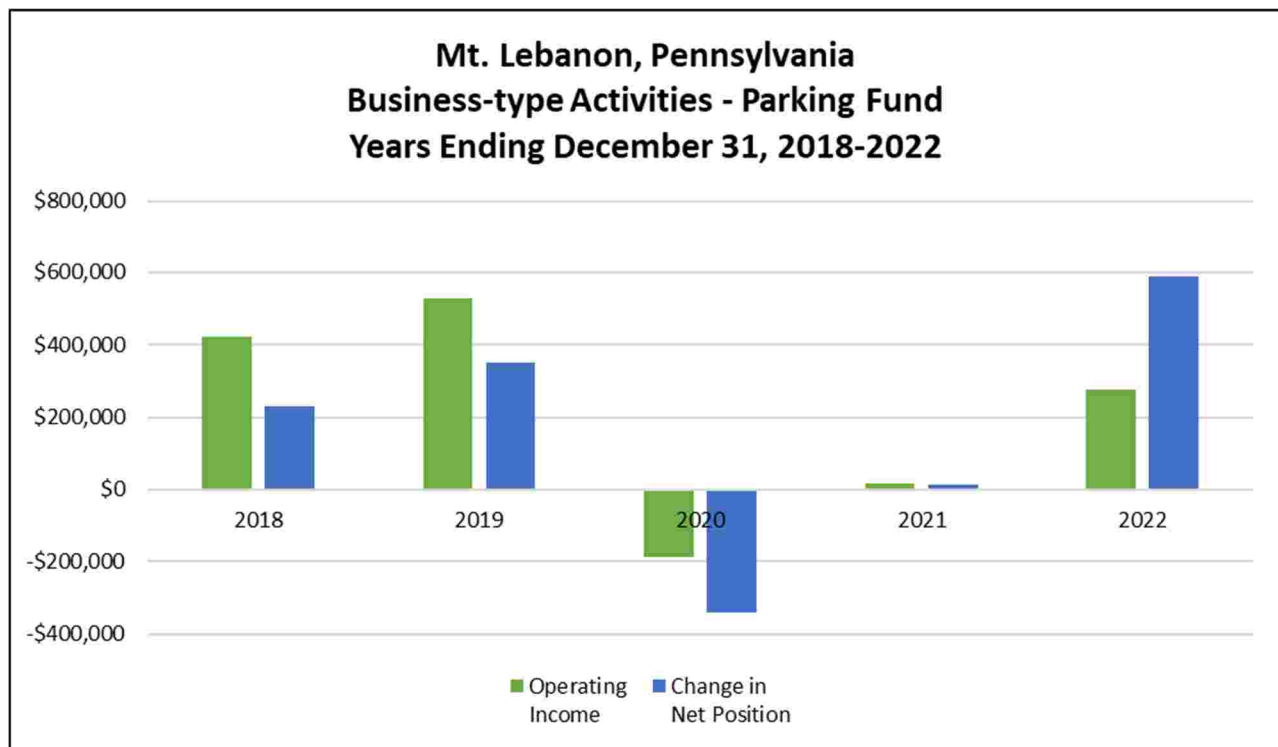
MANAGEMENT’S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Business-type Activities

The Municipality business-type activities consist of the operation of the Parking Fund. The operating results for the Parking Fund were positive for the current fiscal year. The Parking Fund started to see parking activity increase after vehicle and office space uses changed due to the pandemic. Net position increased by \$589,497. In 2022, the Commission authorized a funding amount of \$296,500 from the General Fund to the Parking Fund for elevator repairs. In addition, \$224,756 of \$275,800 previously assigned fund balance from the General Fund was used to offset parking operations.

The following chart graphically depicts the Parking Fund operating income and change in net position for the fiscal years ending December 31, 2018 – December 31, 2022:



MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

FINANCIAL ANALYSIS OF THE MUNICIPALITY'S FUNDS

GOVERNMENTAL FUNDS

At the close of the year, the governmental funds of the Municipality reported a combined fund balance of \$26.2 million, which represents an increase of \$818,442 from the previous year. The following chart shows the changes in fund balances during 2022:

Fund	Fund Balance		
	2022	2021	Increase (Decrease)
General	\$ 11,887,561	\$ 9,107,002	\$ 2,780,559
Sewage	11,770,874	11,925,872	(154,998)
Capital Projects	1,902,118	3,893,889	(1,991,771)
Other governmental funds:			
Library Operating	650,313	476,463	173,850
Industrial Development	15,905	15,525	380
State Highway Aid	10,422	-	10,422
Total fund balance	<u>\$ 26,237,193</u>	<u>\$ 25,418,751</u>	<u>\$ 818,442</u>

In 2022, the fund balance of the General Fund increased by 30.5%. The 2022 final budget appropriated \$2.0 million of fund balance to cover operational and capital expenditures, specifically 2021 capital and operational projects to be completed in 2022 and Commission fund balance assignments to accomplish necessary projects.

Revenues exceeded budget projections by \$2.2 million due to favorable earned income tax and recognition of all funds associated with the American Rescue Plan Act. Expenditures came in under budget projections by \$3.0 million due to substantial savings in capital outlays and community development. In addition, a positive variance was realized in public safety and public works due to personnel variances. Overall, the Municipality did not need to use fund balance to supplement current operational or capital expenditures.

The Municipality has spent a substantial amount of funds on sanitary sewer infrastructure work in years past. In 2022, sanitary sewer infrastructure work continued at a lower than anticipated pace and the Sewage Fund realized a small decrease in fund balance of \$154,998. The Sewage Fund's primary revenue source are assessments, which are based on water consumption. The remaining fund balance of \$11.8 million will be used for future construction projects or regulatory mandates related to sanitary sewers.

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Storm water management fees are accounted for in the Storm Water Fund. In 2022, all collected fees were used for either operational needs, debt service or capital outlays. On an annual basis, the municipal engineer issues a report on potential storm water capital projects. Any balance accumulated in this fund will be used for projects identified in that report in future years.

There were no new capital bond issues in 2022. The fund balance of the Capital Projects Fund was reduced by \$2.0 million due to bond proceeds received in prior years being spent in the current year. The restricted and assigned funds remaining are expected to be spent in future years. Of the total \$1.9 million in fund balance, \$351,033 is bond issue restricted and \$1.6 million is assigned for future projects.

The final variance of note was the fund balance increase of \$173,850 in the Library Operating Fund. A large one-time donation helped to increase the restricted fund balance by \$102,127.

Of the \$26.2 million combined fund balance total, \$12.5 million, or 47.7% is restricted fund balance. This category of fund balance represents the amounts that are constrained to be spent for specific purposes. These constraints are placed either by external parties or enabling legislation. Restrictions, and the source of the restriction, include \$11.8 million for sanitary sewer improvements (ALCOSAN agreement), \$351,033 for municipal facilities and equipment (bond proceeds), \$368,807 at the Library (donor), \$15,905 for industrial development activities (enabling), and \$10,422 for specific State restricted highway maintenance (State agreement).

In addition, assignments totaling \$6.4 million, or 24.6% include \$3.5 million assigned during the 2023 budget process. The amount used to balance the 2023 budget represents fund balance used to complete projects carried over (re-budgeted) into 2023. Assignments related to capital projects are \$1,551,085 in the Capital Projects Fund for various community improvements, \$335,824 in the General Fund for replacement of the field turf located at Clint Seymour Field, \$100,000 for phase II improvements on Washington Road, and \$117,686 for an automated material handler at the Library. Operating assignments include \$51,044 to supplement parking operations and \$65,000 for future benefit obligations. In addition, the Staff assigned \$427,725 in the General Fund for pending real estate tax refunds. Lastly, the Library Operating Fund has \$281,506 assigned for Library operating purposes.

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The residual fund balance in the General Fund, categorized as unassigned, represents fund balance that has not been restricted or assigned to specific purposes within the General Fund. These monies are available for expenditure. The Mt. Lebanon Commission has a fund balance policy that establishes 12% of total expenditures as the goal for maintenance of unassigned General Fund fund balance. At year-end, this fund balance is \$6,720,857 or 16.1% of total expenditures, including transfers. In another Commission fund balance policy, any General Fund fund balance in excess of the 12% goal becomes the subject of a capital investment discussion. This discussion will be held in April 2023.

General Fund

The results of the General Fund for 2022 demonstrate that the Municipality has been able adequately fund operations and capital items in 2022 while maintaining the level of service citizens have come to expect. The chart below shows the operating results of this fund for 2022:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance (Unfavorable)</u>
Revenues	\$ 41,284,710	\$ 43,498,493	\$ 2,213,783
Expenditures	<u>37,295,390</u>	<u>34,324,656</u>	<u>2,970,734</u>
Excess of Revenues Over Expenditures	3,989,320	9,173,837	5,184,517
Transfers, net	<u>(5,966,910)</u>	<u>(6,393,278)</u>	<u>(426,368)</u>
Net change in fund balance from operations	<u>\$ (1,977,590)</u>	<u>\$ 2,780,559</u>	<u>\$ 4,758,149</u>

It was planned that the Municipality use \$2.0 million in fund balance to support operations and capital projects for the year, but due to timing of capital projects, increases in tax revenue, one-time grant funding, and operational savings, no fund balance was used in 2022. The sections below will discuss the results that led to this favorable result.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Revenues

Total operating revenues exceeded budget by \$2.2 million or 5.4%. The major budget to actual variances contributing to this result are as follows:

Revenue Source	Exceeds/ (Under) Budget (in thousands)	Reason
Real estate taxes	(120.8)	In order to build capacity for fiscal year 2022 and beyond, the Mt. Lebanon Commission increased millage by 0.20 mills to 4.91 mills in 2022. Current year collections were on par with budget, but prior year collections came in under budget.
Earned income taxes	1,317.8	Overall collections increased by 8.1%. Current collections were up 5.2%. The largest percentage increase was in prior year collections (2021 and prior) coming in at 15.8% above the same collection periods from prior years.
Real estate transfer taxes	262.1	Real estate transfer tax is budgeted conservatively as the real estate market can fluctuate quickly. The Municipality saw that happen when interest rates started to rise in the back half of the year. While collections exceeded budget, collections were \$229k less than the prior year.
Building Permits	120.4	The Mt. Lebanon Inspections department issued over 1,000 permits in 2022, with building permits still remaining strong.
Intergovernmental	457.2	Recognition of all of the funds associated with the American Rescue Plan Act (ARPA) caused intergovernmental revenues to exceed budget.

Expenditures

Overall, expenditures were \$3.0 million or 8.0% less than budgeted. The major budget to actual fluctuations contributing to this favorable performance were:

Function	Under/ (Exceeds) Budget (in thousands)	Reason
Community development	215.5	The comprehensive plan and eco district plan were not completed in 2022.
Transportation	188.3	Labor related to street maintenance and traffic planning and signals were reallocated to other areas.

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Function	Under/ (Exceeds) Budget (in thousands)	Reason
Sanitation	(81.8)	Engineering related to the EPA consent order ramped up in 2022. These expenditures were necessitated by deadlines outlined in the consent order.
Buildings, grounds and equipment	31.1	Parks and forestry projects deferred to 2023 were netted with increases in commodities and fuel prices.
Recreation	(73.2)	Recreation revenues and expenditures exceeded budget for 2022. This was positive news as activity levels in recreation are at or above pre-pandemic levels.
Public Safety	159.1	Savings were realized in the police department due to retirements and personnel changes. There were 3 vacant police officer positions at year end 2022.
Capital outlay	2463.1	Large capital projects including the replacement of the recreation center roof and women's locker room expansion at the Public Safety Center were deferred to 2023. In addition, delays on the production of a new fire truck contributed to the variance.

These items account for 98% of the expenditure variance.

Fund Balance

The fund balance results and Commission policies related to fund balance were discussed at the beginning of this section. The General Fund fund balance at year-end totaled \$11,887,561, an increase of \$2.8 million from 2021. The reasons for this increase have been discussed above.

This fund balance is categorized into the following fund balance components:

Fund Balance Component	Amount	Explanation
Nonspendable	\$ 555,480	Prepaid items and inventory
Assigned for:		
Capital projects	335,824	Field turf replacement
Capital projects	100,000	Vibrant Uptown Phase II
Capital projects	117,686	Automated Material Handler
Subsequent years budget	3,513,945	2022 budget
Parking Operations	51,044	Support for Parking Operations
Future benefit obligations	65,000	Pension Contributions
Refund Reserve	427,725	Real Estate Tax Appeals
Unassigned	6,720,857	Available for expenditure
Total Fund Balance	<u>\$11,887,561</u>	

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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The General Fund has no restricted or committed fund balances.

Other Major Funds

Sewage Fund

The Sewage Fund accounts for a sewer service charge, currently \$4.05 per thousand gallons of water used, assessed to properties in the Municipality. In order to assess this charge, the Municipality has an agreement with the Allegheny County Sanitary Authority (ALCOSAN) that mandates the funds to be used for sanitary sewer purposes. Under the continuing directives of the Environmental Protection Agency (EPA) 308 order, substantial funding is needed to complete the required work.

Total assessments (municipal and ALCOSAN combined) were \$10,776,070 and all other income totaled \$208,326. Transfers to the Capital Projects Fund for infrastructure and equipment expenditures were \$2.2 million. In addition, \$641,353 was transferred to the General Fund for sanitary sewer maintenance activities and \$157,631 was transferred to the Debt Service Fund for debt service payments on bonds utilized to provide catch-up infrastructure work for the EPA consent decree in prior years.

The remainder of sewage fund expenditures were for payments to ALCOSAN for their portion of sewage charges and to Jordan Tax Service for collection expenditures. The remaining fund balance of \$11,770,874 was restricted for continuing infrastructure work for the EPA mandate and for other expenditures as above (collections costs, maintenance, debt service and ALCOSAN payments).

Capital Projects Fund

The Capital Projects Fund accounts for funds provided by the Municipality, most frequently from General, Sewage, and Storm Water Fund transfers, contributions, grants, and bond proceeds. In 2022, this fund had expenditures of \$8.4 million, or \$1.9 million more than the previous year. The Capital Projects Fund has a fund balance of \$1.9 million at year-end. Of this balance, \$351,033 is restricted for the completion of improvements to municipal facilities, infrastructure, and equipment funded by the 2020 bond issues. The assigned fund balance consists of a number of projects begun in prior years with funding from budget amendments for various community improvements.

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MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Projects accounted for in the Capital Projects Fund include:

Purpose	Expended in 2022	Restricted Fund Balance 12/31/2022	Assigned Fund Balance 12/31/2022
Sanitary sewers improvements	\$ 2,216,990	\$ -	\$ -
Street reconstruction	2,192,428	-	50,000
Storm water system upgrades	1,027,708	-	-
Traffic signal/intersection upgrades	207,835	-	221,350
Building and facility improvements	213,790	351,033	189,870
Recreation facilities improvements	491	-	-
Parks and Field Improvements	1,256	-	-
Pedestrian routes improvements	2,447,485	-	100,000
Large equipment	12,552	-	200,790
Other, including debt service	60,264	-	789,075
	<u>\$ 8,380,799</u>	<u>\$ 351,033</u>	<u>\$ 1,551,085</u>

Other Governmental Funds

Within the other governmental funds category are:

- **Storm Water Fund** - Fees assessed by the municipality on properties and used only for storm water system maintenance and improvements.
- **State Highway Aid Fund** - State revenues dedicated to pay for certain street maintenance and improvement costs.
- **Library Operating Fund** - The main fund of the separately run but not legally separate public library.
- **Industrial Development Authority Fund** - A blended component unit of the Municipality due to the board of the Authority being the five elected officials of the Municipality and the Municipality being entitled to the assets of the Authority.
- **Debt Service Fund** – Reporting all debt related activity for governmental funds.

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In total, the activities of these funds generated revenues of \$3.1 million and had a net increase in fund balance of \$184,652. The details of the activities of these funds may be found on pages 133-142.

Budgetary Highlights

The 2022 General Fund budget was adopted in December 2021. The adopted General Fund budget had expenditures, including transfers, of \$41.6 million. Expenditures were covered by current revenues, including transfers, of \$40.4 million and fund balance of \$1.2 million.

There was one budget amendment in 2022. Depicted below is a breakout of the revenues and expenditures included in the amendment.

Amendment Reason	
Project	Amount
Unanticipated expenditure	
Manager's Pavilion at Golf Course	\$ 37,600
Recreation Center Roof Replacement	1,545,000
Police Chief Recruitment	33,000
Lockers at Public Safety Building for Police	30,000
Expansion of Women's Locker Room at PSB	210,000
Historic District Street Signs	39,000
AED Replacement	79,120
Parking Elevator Improvements	296,500
Ice Spots Repair and Maintenance	329,000
Iroquois Park Streambank	18,710
Unanticipated Revenue	
American Rescue Plan Act (ARPA) Recognition	1,880,000

The 2023 municipal budget was adopted in December 2022. 2023 budget highlights include:

- The 2023 General Fund budget was adopted at \$45.0 million or an increase of 1.8% from the final 2022 budget. The net increase was a combination of operational expenditures increasing \$1.4 million and capital expenditures decreasing by \$219,350. The operating budget includes a large traffic calming project and improvements at the golf course. Due to sufficient revenue

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projections and available surplus from 2022, the Commission did not raise real estate tax millage in 2023.

- The 2023 General Fund budget includes funds to maintain current levels of service as well as for street reconstruction, capital equipment purchases, and park renovations. New capital items funded by the General Fund for 2023 include Brafferton Field improvements.
- The Capital Projects Fund budget includes funding for the continuation of sanitary sewer work under the interim consent order, storm sewer work, and the street reconstruction program (funded by the General Fund and the Storm Water Fund). In addition, new projects include reconstruction of two tennis courts at the Tennis Center, year one of a five-year façade project at the Public Safety Center, and the purchase of equipment for the sanitary sewer functions.

PROPRIETARY FUND

The Municipality's enterprise fund – the Parking Fund – was established January 1, 2012 due to the consolidation of the Mt. Lebanon Parking Authority. The Mt. Lebanon Parking Authority was a legally separate entity reported by the Municipality as a discretely presented component unit in prior years. The financial statements for the fund, which are presented on pages 54-56, provide the same type of information as on the government-wide statements, but in more detail.

As of December 31, 2022, the unrestricted net position of the fund is \$1.5 million, an increase of \$671,285 from the end of 2021. Charges for services for the year were \$2,040,744, which is an increase of 19.8% over the prior year. The operating expenses of the fund totaled \$1,764,449. This is an increase of 4.7%. The primary cause of the increases in both revenue and expense were related to parking demand increasing as the parking activity returned to pre-pandemic levels. The Parking Facilities Advisory Board continues to analyze future short- and long-term capital needs of the facilities operated by the fund.

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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets consist primarily of land, buildings and improvements, equipment, and infrastructure. The following chart provides a summary of capital assets at December 31, 2022 and 2021:

	<u>Summary of Capital Assets</u>			
	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Land	\$ 7,266,047	\$ 7,266,047	\$ 2,687,084	\$ 2,687,084
Construction in progress	3,670,591	1,392,457	-	-
Buildings and improvements other than buildings	55,712,693	54,638,139	14,648,506	14,358,361
Infrastructure	113,147,146	108,264,379	-	-
Equipment and other capital assets	23,128,053	22,936,539	1,738,657	1,701,007
Total capital assets	202,924,530	194,497,561	19,074,247	18,746,452
Less accumulated depreciation for:				
Buildings and improvements other than buildings	(26,420,735)	(24,778,324)	(10,300,409)	(9,864,705)
Infrastructure	(44,474,892)	(42,381,877)	-	-
Equipment and other capital assets	(14,098,167)	(13,082,214)	(1,251,921)	(1,198,042)
Total accumulated depreciation	(84,993,794)	(80,242,415)	(11,552,330)	(11,062,747)
Total Capital Assets, Net	\$ 117,930,736	\$ 114,255,146	\$ 7,521,917	\$ 7,683,705

The significant changes in the governmental activities include additions to infrastructure for streets, sanitary and storm sewers, completed improvements at the library building and equipment purchases. In the Parking Fund (business-type activity) there were equipment acquisitions and improvements at the North Garage.

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

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MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Long-Term Debt

In 2022, the Municipality's total debt decreased by \$2.9 million, or 11.9% from the previous year. The decrease was due to the continued principal payments on outstanding debt.

At December 31, 2022, the Municipality had \$21,545,000 of debt outstanding. The following details activity related to general obligation bonds during 2022:

<u>Summary of General Obligation Bond Activity</u>	
Beginning balance at January 1, 2022	\$ 24,445,000
New debt issues	0
Principal retirement	<u>(2,900,000)</u>
Ending balance at December 31, 2022	<u>\$ 21,545,000</u>

More detailed information about the Municipality's long-term debt can be found in Note 5 of the notes to the financial statements section of this report.

Bond Ratings

The Municipality received an affirmation of the Aa2 rating from Moody's Investor Service at the time of the 2020 bond issue.

TRUST AND AGENCY OPERATIONS

Pension Trust Fund

The Municipality maintains three defined benefit pension plans – General Employee's, Police Officer's, and Firefighter's. The only direct municipal involvement in the administration of the plans is the calculation of benefits for retirees, which are then paid by the trustee. During 2022, the combined plan net position decreased \$23.1 million, or 16.5%. The negative change in plan net position was due to employer and employee contributions and net investment income being insufficient to cover benefit payments and administration charges for 2022.

MT. LEBANON, PENNSYLVANIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2022

Employee contributions can be reduced or eliminated each year by Ordinance or Resolution subject to the plans meeting certain financial considerations. During 2022, employee contributions were needed in all three plans and were assessed at an allowable percentage in each plan – general 4.5%, uniformed fire 4.5%, and uniformed police 4.5%.

As mandated by state law, actuarial valuations for the plans are performed every two years – on 1/1/odd year date. As of the 1/1/2021 valuation, the actuarial accrued liability (AAL) of the three plans was \$118.6 million. At that time, for the three plans on a summarized basis, the AAL exceeded the actuarial value of assets by \$3.7 million.

The Municipality makes its contributions to the plan in accordance with the state mandated formula that calculates a minimum municipal obligation (MMO) for each plan. This obligation has two funding sources – state aid for pensions and the municipal contribution. The Municipality is required to make whatever payment is required by the MMO in excess of state aid received.

The required supplementary information located at the conclusion of the notes to the financial statements provides the details on the changes in the net pension liability and related ratios, contributions, and investment returns. In addition, more detailed information regarding municipal pension plans can be found in Note 8 of the notes to the financial statements section of this report.

Other Postemployment Benefits (OPEB) Trust Fund

Other postemployment benefits offered to employees who retire from the Municipality include postemployment healthcare subsidies and postemployment life insurance, with benefit levels negotiated by contractual group or set by the Municipality based on those levels.

In 2007, the Municipality established a trust fund for the payment of the benefits and budgets contributions annually based on the actuarial reports for the plan. As of January 1, 2021, the date of the most recent actuarial report, the actuarial accrued liability for the plan was \$3.2 million. At that point in time, the plan had \$2.3 million in funding, leaving an unfunded liability of \$0.9 million, and a funded ratio of 72.1%. The next actuarial valuation will be performed as of January 1, 2023.

As with pensions, recent contract changes will affect this benefit going forward. As of the dates for the negotiated contracts for police, fire and public works, and all other full-time

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employees, postemployment healthcare benefits have been eliminated for new hires (hires after the effective dates).

The required supplementary information located at the conclusion of the notes to the financial statements provides the details on the plan’s funding progress. In addition, more detailed information regarding OPEB can be found in Note 9 of the notes to the financial statements section of this report.

CONTACTING THE MUNICIPALITY’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, 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:

Mt. Lebanon, Pennsylvania
Finance Department
710 Washington Road
Pittsburgh, PA 15228
www.mtlebanon.org
412-343-3410

MT. LEBANON, PENNSYLVANIA

STATEMENT OF NET POSITION

DECEMBER 31, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and other money market instruments	\$ 29,471,756	\$ 1,186,417	\$ 30,658,173
Receivables:			
Taxes	4,101,379	-	4,101,379
Assessments	1,838,828	-	1,838,828
Accounts	753,274	44,652	797,926
Leases	-	162,913	162,913
Due from other governments	420,351	-	420,351
Internal balances	(286,381)	286,381	-
Other assets	555,480	9,939	565,419
Long-term leases and other receivables	-	799,119	799,119
Capital assets, not being depreciated	10,936,638	2,687,084	13,623,722
Capital assets, net of accumulated depreciation	38,321,844	4,834,833	43,156,677
Infrastructure assets, net of accumulated depreciation	68,672,254	-	68,672,254
Total Assets	154,785,423	10,011,338	164,796,761
Deferred Outflows of Resources			
Deferred outflows of resources for pension	14,834,168	-	14,834,168
Deferred outflows of resources for other postemployment benefits	344,424	-	344,424
Total Deferred Outflows of Resources	15,178,592	-	15,178,592
Liabilities			
Accounts payable	3,993,526	17,620	4,011,146
Advance deposits	726,545	63,444	789,989
Accrued payroll and deductions payable	730,465	26,158	756,623
Accrued interest payable	189,044	1,789	190,833
Noncurrent liabilities:			
Compensated absences, due within one year	691,672	22,231	713,903
Bonds payable, due within one year	2,835,000	85,000	2,920,000
Net pension liability, due beyond one year	10,772,112	-	10,772,112
Net other postemployment benefits liability, due beyond one year	1,326,485	-	1,326,485
Compensated absences, due beyond one year	1,307,727	41,807	1,349,534
Bonds payable, due beyond one year	18,505,000	120,000	18,625,000
Total Liabilities	41,077,576	378,049	41,455,625
Deferred Inflows of Resources			
Deferred inflows of resources for pension	1,045,078	-	1,045,078
Deferred inflows of resources for other postemployment benefits	170,960	-	170,960
Lease related	-	812,111	812,111
Total Deferred Inflows of Resources	1,216,038	812,111	2,028,149
Net Position			
Net investment in capital assets	96,590,736	7,316,917	103,907,653
Restricted for:			
Capital projects	12,293,572	-	12,293,572
Library	368,807	-	368,807
Industrial development	15,905	-	15,905
State highway aid	10,422	-	10,422
Unrestricted	18,390,959	1,504,261	19,895,220
Total Net Position	\$ 127,670,401	\$ 8,821,178	\$ 136,491,579

See accompanying notes to financial statements.

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STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 5,399,783	\$ 1,275,296	\$ 4,344,701	\$ -	\$ 220,214	\$ -	\$ 220,214
Community development	944,634	403,700	-	-	(540,934)	-	(540,934)
Public works	21,850,085	12,737,313	879,315	683,800	(7,549,657)	-	(7,549,657)
Human services	2,957,609	23,559	785,829	-	(2,148,221)	-	(2,148,221)
Culture and recreation	4,210,977	3,329,303	3,636	-	(878,038)	-	(878,038)
Public safety:							
Police	10,261,205	459,073	156,054	-	(9,646,078)	-	(9,646,078)
Fire	4,064,552	68,632	162,180	-	(3,833,740)	-	(3,833,740)
Other	1,078,604	649,065	-	-	(429,539)	-	(429,539)
Interest on long-term debt	510,233	-	-	-	(510,233)	-	(510,233)
Total governmental activities	51,277,682	18,945,941	6,331,715	683,800	(25,316,226)	-	(25,316,226)
Business-Type activities:							
Parking	1,769,676	2,040,744	-	-	-	271,068	271,068
Total primary government	\$ 53,047,358	\$ 20,986,685	\$ 6,331,715	\$ 683,800	(25,316,226)	271,068	(25,045,158)
General revenues:							
Taxes:							
Real estate					13,478,250	-	13,478,250
Earned income					14,821,018	-	14,821,018
Other					4,044,100	-	4,044,100
Interest income					310,788	27,325	338,113
Gain on sale of property					-	959	959
Transfers - internal activities					(290,145)	290,145	-
Total general revenues and transfers					32,364,011	318,429	32,682,440
Change in Net Position					7,047,785	589,497	7,637,282
Net position - beginning of year					120,622,616	8,231,681	128,854,297
Net position - end of year					\$ 127,670,401	\$ 8,821,178	\$ 136,491,579

See accompanying notes to financial statements.

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BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2022

Assets	General	Sewage	Capital Projects	Other Governmental Funds	Total Governmental Funds
Cash and other money market instruments	\$ 12,675,530	\$ 13,794,116	\$ 1,978,087	\$ 1,024,023	\$ 29,471,756
Receivables:					
Taxes	4,101,379	-	-	-	4,101,379
Assessments	39,212	1,596,286	-	203,330	1,838,828
Accounts	709,133	-	44,000	141	753,274
Due from other funds	1,320,263	-	671,772	-	1,992,035
Due from other governments	420,351	-	-	-	420,351
Other assets	555,480	-	-	-	555,480
Total Assets	\$ 19,821,348	\$ 15,390,402	\$ 2,693,859	\$ 1,227,494	\$ 39,133,103
Liabilities, Deferred Inflows of Resources, and Fund Balance					
Liabilities:					
Accounts payable	\$ 1,272,909	\$ 1,970,143	\$ 747,741	\$ 2,733	\$ 3,993,526
Advance deposits	717,398	-	-	9,147	726,545
Due to other funds	958,153	960,755	-	359,508	2,278,416
Accrued payroll and deductions payable	1,422,137	-	-	-	1,422,137
Total Liabilities	4,370,597	2,930,898	747,741	371,388	8,420,624
Deferred Inflows of Resources:					
Unavailable revenue	3,563,190	688,630	44,000	179,466	4,475,286
Fund Balance:					
Nonspendable:					
Prepaid items and inventory	555,480	-	-	-	555,480
Restricted for:					
Capital projects	-	11,770,874	351,033	-	12,121,907
Library donor specifications	-	-	-	368,807	368,807
Industrial development	-	-	-	15,905	15,905
State highway aid	-	-	-	10,422	10,422
Assigned for:					
Capital projects	553,510	-	1,551,085	-	2,104,595
Library services	-	-	-	281,506	281,506
Subsequent years budget	3,513,945	-	-	-	3,513,945
Parking operations	51,044	-	-	-	51,044
Future benefit obligations	65,000	-	-	-	65,000
Refund reserve	427,725	-	-	-	427,725
Unassigned	6,720,857	-	-	-	6,720,857
Total Fund Balance	11,887,561	11,770,874	1,902,118	676,640	26,237,193
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 19,821,348	\$ 15,390,402	\$ 2,693,859	\$ 1,227,494	\$ 39,133,103

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2022

Total Fund Balance - Governmental Funds	\$	26,237,193
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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 in the funds.	117,930,736
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Property and earned income tax receivable, as well as certain other receivables, are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	4,475,286
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Interest expense on long-term debt is not recognized on the fund statements until due.	(189,044)
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The net other postemployment benefits liability is not reflected on the fund statements.	(1,326,485)
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The net pension liability is not reflected on the fund financial statements.	(10,772,112)
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Deferred outflows and inflows of resources for pension and other postemployment benefits are recorded and amortized in the statement of net position and are not recorded on the fund financial statements.	13,962,554
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Compensated absences	\$ (1,307,727)	
Bonds payable	(21,340,000)	(22,647,727)

Net Position - Governmental Activities	\$	<u>127,670,401</u>
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See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE GOVERNMENTAL FUNDS

YEAR ENDED DECEMBER 31, 2022

	General	Sewage	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes:					
Real estate	\$ 13,475,998	\$ -	\$ -	\$ -	\$ 13,475,998
Earned income	14,647,833	-	-	-	14,647,833
Other	4,044,100	-	-	-	4,044,100
Total taxes	32,167,931	-	-	-	32,167,931
Licenses, permits, and fees	1,180,193	10,776,070	-	1,433,404	13,389,667
Fines, forfeitures, and penalties	74,425	19,594	-	7,538	101,557
Investment earnings	131,013	151,295	12,537	15,943	310,788
Intergovernmental	4,271,048	-	675,000	1,381,406	6,327,454
Recreation	3,330,805	-	-	-	3,330,805
Other	2,343,078	37,437	-	284,157	2,664,672
Total revenues	43,498,493	10,984,396	687,537	3,122,448	58,292,874
Expenditures:					
Current:					
General government	5,016,646	144,317	-	14,341	5,175,304
Community development	909,814	-	-	3,560	913,374
Public works	9,135,119	7,979,104	-	856,127	17,970,350
Human services	626,677	-	-	2,137,347	2,764,024
Culture and recreation	3,559,075	-	-	-	3,559,075
Public safety:					
Police	9,781,733	-	-	-	9,781,733
Fire	3,568,933	-	-	-	3,568,933
Other	1,066,803	-	-	-	1,066,803
Debt service	-	-	-	3,344,036	3,344,036
Capital outlay	659,856	-	8,380,799	-	9,040,655
Total expenditures	34,324,656	8,123,421	8,380,799	6,355,411	57,184,287
Excess (Deficiency) of Revenues Over Expenditures	9,173,837	2,860,975	(7,693,262)	(3,232,963)	1,108,587
Other Financing Sources (Uses):					
Transfers in	1,153,256	-	5,701,491	4,845,506	11,700,253
Transfers out	(7,546,534)	(3,015,973)	-	(1,427,891)	(11,990,398)
Total other financing sources (uses)	(6,393,278)	(3,015,973)	5,701,491	3,417,615	(290,145)
Net Change in Fund Balance	2,780,559	(154,998)	(1,991,771)	184,652	818,442
Fund Balance:					
Beginning of year	9,107,002	11,925,872	3,893,889	491,988	25,418,751
End of year	\$ 11,887,561	\$ 11,770,874	\$ 1,902,118	\$ 676,640	\$ 26,237,193

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2022

Net Change in Fund Balance - Governmental Funds \$ 818,442

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 9,136,886	
Depreciation expense	<u>(5,376,895)</u>	3,759,991

The net effect of various transactions involving capital assets (e.g., sales, dispositions, trade-ins) is to decrease net position. (84,401)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. 2,820,000

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned. 322,738

Changes in the long-term portion of the compensated absence liability are reflected as an adjustment to expense on the statement of activities, but not included in the fund statements. 24,476

Changes in the net other postemployment benefits liability and related deferred inflows and outflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements. (7,314)

Changes in the net pension asset and liability and related deferred inflows and outflows of resources do not affect current financial resources and, therefore, are not reflected on the fund statements. (619,950)

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds. 13,803

Change in Net Position of Governmental Activities \$ 7,047,785

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL AND SEWAGE FUNDS

YEAR ENDED DECEMBER 31, 2022

	General Fund				Sewage Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:								
Taxes	\$ 30,455,500	\$ 30,455,500	\$ 32,167,931	\$ 1,712,431	\$ -	\$ -	\$ -	\$ -
Licenses, permits, and fees	1,098,250	1,098,250	1,180,193	81,943	13,300,000	13,300,000	10,776,070	(2,523,930)
Fines, forfeitures, and penalties	121,600	121,600	74,425	(47,175)	19,520	19,520	19,594	74
Investment earnings	15,000	15,000	131,013	116,013	20,000	20,000	151,295	131,295
Intergovernmental	1,933,850	3,813,850	4,271,048	457,198	-	-	-	-
Recreation	3,228,770	3,228,770	3,330,805	102,035	-	-	-	-
Other	2,551,740	2,551,740	2,343,078	(208,662)	37,000	37,000	37,437	437
Total revenues	39,404,710	41,284,710	43,498,493	2,213,783	13,376,520	13,376,520	10,984,396	(2,392,124)

(Continued)

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL AND SEWAGE FUNDS

YEAR ENDED DECEMBER 31, 2022
(Continued)

	General Fund				Sewage Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures:								
Current:								
General government	5,045,160	5,078,160	5,016,646	61,514	125,000	125,000	144,317	(19,317)
Community development	1,125,300	1,125,300	909,814	215,486	-	-	-	-
Public works	9,207,840	9,246,840	9,135,119	111,721	8,797,220	8,797,220	7,979,104	818,116
Human services	659,710	659,710	626,677	33,033	-	-	-	-
Culture and recreation	3,485,840	3,485,840	3,559,075	(73,235)	-	-	-	-
Public safety:								
Police	9,867,530	9,867,530	9,781,733	85,797	-	-	-	-
Fire	3,508,960	3,508,960	3,568,933	(59,973)	-	-	-	-
Other	1,200,120	1,200,120	1,066,803	133,317	-	-	-	-
Capital outlay	1,221,210	3,122,930	659,856	2,463,074	-	-	-	-
Total expenditures	35,321,670	37,295,390	34,324,656	2,970,734	8,922,220	8,922,220	8,123,421	798,799
Excess (Deficiency) of Revenues Over Expenditures	4,083,040	3,989,320	9,173,837	5,184,517	4,454,300	4,454,300	2,860,975	(1,593,325)
Other Financing Sources (Uses):								
Transfers in	980,020	980,020	1,153,256	173,236	-	-	-	-
Transfers out	(6,302,720)	(6,946,930)	(7,546,534)	(599,604)	(4,454,300)	(4,454,300)	(3,015,973)	1,438,327
Total other financing sources (uses)	(5,322,700)	(5,966,910)	(6,393,278)	(426,368)	(4,454,300)	(4,454,300)	(3,015,973)	1,438,327
Net Change in Fund Balance	<u>\$ (1,239,660)</u>	<u>\$ (1,977,590)</u>	2,780,559	<u>\$ 4,758,149</u>	<u>\$ -</u>	<u>\$ -</u>	(154,998)	<u>\$ (154,998)</u>
Fund Balance:								
Beginning of year			9,107,002				11,925,872	
End of year			<u>\$ 11,887,561</u>				<u>\$ 11,770,874</u>	

(Concluded)

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF NET POSITION PROPRIETARY FUND - PARKING FUND

DECEMBER 31, 2022

Assets	
Current assets:	
Cash and other money market instruments	\$ 1,186,417
Accounts receivable	44,652
Leases receivable	162,913
Due from other funds	286,381
Prepays and other assets	9,939
Total current assets	1,690,302
Non-current assets:	
Long-term receivable	86,774
Long-term leases receivable	712,345
Capital assets not being depreciated	2,687,084
Capital assets, net of accumulated depreciation	4,834,833
Total non-current assets	8,321,036
Total Assets	\$ 10,011,338
Liabilities, Deferred Inflows of Resources, and Net Position	
Liabilities:	
Current liabilities:	
Current portion of bonds payable	\$ 85,000
Accrued interest payable	1,789
Accounts payable	17,620
Accrued payroll	48,389
Advance deposits	63,444
Total current liabilities	216,242
Non-current liabilities:	
Bonds payable	120,000
Compensated absences	41,807
Total noncurrent liabilities	161,807
Total Liabilities	378,049
Deferred Inflows of Resources:	
Lease related	812,111
Net Position:	
Net investment in capital assets	7,316,917
Unrestricted	1,504,261
Total Net Position	8,821,178
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 10,011,338

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION PROPRIETARY FUND - PARKING FUND

YEAR ENDED DECEMBER 31, 2022

Operating Revenues:

Vehicle space rental	\$ 1,030,951
Meter collections	579,380
Fine collections	231,645
Leases	169,307
Other	29,461
	<hr/>
Total operating revenues	2,040,744

Operating Expenses:

Personnel	762,836
Contracted services	337,538
Utilities	49,618
Materials and supplies	81,973
Depreciation	532,484
	<hr/>
Total operating expenses	1,764,449

Operating Income (Loss)	<hr/> 276,295
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Nonoperating Revenues (Expenses):

Interest income	27,325
Interest expense	(5,227)
Gain (loss) on sale of property	959
	<hr/>
Total nonoperating revenues (expenses)	23,057

Income (loss) before transfers	299,352
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Transfers in	<hr/> 290,145
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Change in Net Position	589,497
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Net Position:

Beginning of year	<hr/> 8,231,681
End of year	<hr/> <hr/> \$ 8,821,178

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF CASH FLOWS PROPRIETARY FUND - PARKING FUND

YEAR ENDED DECEMBER 31, 2022

Cash Flows From Operating Activities:	
Receipts from customers	\$ 1,950,111
Payments for goods and services	(474,733)
Payments to employees	(756,912)
Net cash provided by (used in) operating activities	718,466
Cash Flows From Investing Activities:	
Interest income	11,364
Cash Flows From Non-Capital Financing Activities:	
Transfers to and from other funds	7,837
Repayment of long-term receivable	9,119
Net cash provided by (used in) non-capital financing activities	16,956
Cash Flows From Capital and Related Financing Activities:	
Payment of long-term debt	(80,000)
Payment of interest on long-term debt	(5,894)
Interest income - leases	15,961
Acquisition of property and equipment	(386,832)
Proceeds from sale of capital assets	17,095
Net cash provided by (used in) capital and related financing activities	(439,670)
Net Increase (Decrease) in Cash and Other Money Market Instruments	307,116
Cash and Other Money Market Instruments:	
Beginning of year	879,301
End of year	\$ 1,186,417
Reconciliation of Operating Income to Net	
Cash Provided by (Used in) Operating Activities:	
Operating income (loss)	\$ 276,295
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	532,484
Change in operating assets and liabilities:	
Accounts receivable	2,132
Leases receivable	(875,258)
Prepays and other assets	6,249
Accounts payable	(11,853)
Accrued payroll	5,924
Advance deposits	(29,618)
Deferred inflows of resources	812,111
Total adjustments	442,171
Net cash provided by (used in) operating activities	\$ 718,466

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF PLAN NET POSITION FIDUCIARY FUNDS - TRUST FUNDS

DECEMBER 31, 2022

Assets	
Accrued income receivable	\$ 16,930
Investments (at fair value):	
Equity funds	73,041,611
Fixed income funds	29,576,006
Partnerships/joint ventures	11,223,217
Short-term funds	5,170,470
Total Assets	119,028,234
Liabilities	
Accounts payable	193,738
Net Position	
Restricted for pensions	116,766,486
Restricted for OPEB benefits	2,068,010
Total Net Position	\$ 118,834,496

See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

STATEMENT OF CHANGES IN PLAN NET POSITION FIDUCIARY FUNDS - TRUST FUNDS

YEAR ENDED DECEMBER 31, 2022

Additions:

Contributions:

Employer, including state aid	\$ 2,915,954
Employee	573,548

Total contributions	3,489,502
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Investment gain (loss):

Net depreciation in fair value of investments	(25,225,537)
Interest and dividends	4,710,365

Total investment gain (loss)	(20,515,172)
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Less investment expense	57,818
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Net investment gain (loss)	(20,572,990)
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Total additions	(17,083,488)
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Deductions:

Benefits	6,437,045
Withdrawals	70,934
Administrative expense	49,329

Total deductions	6,557,308
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Change in Net Position	(23,640,796)
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Net Position:

Beginning of year	142,475,292
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End of year	\$ 118,834,496
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See accompanying notes to financial statements.

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

1. Summary of Significant Accounting Policies

The Municipality of Mt. Lebanon, Pennsylvania (Municipality) was organized in 1912 and operates as a Home Rule Municipality under a Charter adopted May 21, 1974. The Municipality, which operates as a council/manager form of government, is a suburb of Pittsburgh with approximately 34,000 residents and an area of six square miles.

The financial statements of the Municipality have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the authoritative standard-setting body for the establishment of governmental accounting and financial reporting principles. The more significant of these accounting policies are as follows:

A. Reporting Entity

The report includes all of the services provided by the Municipality to residents and businesses within its boundaries. Municipal services provided include public safety, recreation, public works, library, parking, and general administration. In evaluating the Municipality as a primary government in accordance with GAAP, management has addressed all potential component units. Consistent with applicable guidance, the criteria used by the Municipality to evaluate the possible inclusion of related entities within its reporting entity are financial accountability and the nature and significance of the relationship. In determining financial accountability in a given situation, the Municipality reviews the applicability of the following criteria:

The Municipality is financially accountable for:

1. Organizations that make up the legal municipal entity.
2. Legally separate organizations if the Municipal Commission (Commission) appoints a voting majority of the organizations' governing body and the Municipality is able to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the Municipality.
 - a. Impose its Will - If the Municipality can significantly influence the programs, projects, or activities of, or the level of services performed or provided by, the organization.

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

- b. Financial Benefit or Burden - Exists if the Municipality (1) is entitled to the organization's resources, (2) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide support to, the organization, or (3) is obligated in some manner for the debt of the organization.
3. Organizations that are fiscally dependent on the Municipality and a financial benefit or burden relationship are present. Fiscal dependency is established if the organization is unable to adopt its budget, levy taxes, or set rates or charges, or issue bonded debt without approval by the Municipality.

Blended Component Unit

The Mt. Lebanon Industrial Development Authority (IDA) was formed in 2006 to assist in the enhancement of development and redevelopment in the Municipality. The IDA is included as a blended component unit of the Municipality because the Commission serves as the board for the IDA, the Commission can impose its will on the activities of the IDA, and the Municipality is entitled to the assets of the IDA; thus, the Municipality has operational responsibility for the IDA. Separate financial statements are not issued.

Related Organization

The Mt. Lebanon Hospital Authority (MLHA) was incorporated under the Municipal Authorities Act of 1945. MLHA is authorized by law to borrow money, to issue bonds, and to secure payment of such bonds for the purpose of enabling it to acquire, construct, maintain, and lease facilities devoted for hospital purposes. Although the Municipality appoints a majority of the voting Board of Directors of MLHA, the Municipality can neither impose its will nor does the Municipality have an ongoing financial burden or benefit relationship.

Jointly Governed Organization

The Medical Rescue Team South Authority, Inc. (MRTSA) was originally incorporated in 1984 under the provisions of the Municipal Authorities Act of 1945. MRTSA is organized to provide emergency medical services (EMS) to its six contiguous participating municipalities including the Municipality. The governing body of MRTSA is its Board of Directors (Board), which is comprised of two members from each member community. The Board appoints an Operations Director to administer the affairs of MRTSA. Beyond appointing Board members, the individual member communities do not have the ability to significantly influence MRTSA operations. Therefore, MRTSA is not considered a

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

component unit of any one member community. Separately issued financial statements of MRTSA are available through MRTSA offices, 315 Cypress Way, Pittsburgh, PA 15228.

B. 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 non-fiduciary activities of the primary government and its component unit. For the most part, the effect of inter-fund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Expenses reported for functional activities include allocated indirect expenses.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and 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 are recognized as revenues in the year for which they are levied to the extent collectible. Grants and similar items are recognized as soon as all eligibility requirements imposed by the grantor have been met.

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

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 Municipality considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Governmental fund revenues accrued on this basis include earned income taxes, property taxes, local services tax, sales tax, deed transfer tax, sewer and storm water assessments, donations, joint program cost reimbursements (animal control program, crossing guard services, and tax office operating costs), ice and snow control on state roads, ice rink rental, and magazine advertising. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and expenditures related to compensated absences, other post-employment benefits, pension contributions, and claims and judgments are recorded only when payment is due.

In the government-wide financial statements, long-term liabilities related to post-employment benefits, including pensions, health insurance, and life insurance are calculated based on actuarial valuations as described in Notes 8 and 9.

Capital assessment revenues are accrued to match development expenditures if collection is assured. Revenues from intergovernmental grants are recognized on the basis of actual expenditures incurred and to the extent amounts are available.

The accounts of the Municipality are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

The Municipality reports the following major governmental funds:

The *General Fund* is the Municipality's primary operating fund. It accounts for all financial resources of the general government, except for those accounted for in another fund.

The *Sewage Fund* accounts for sewer service charges assessed to properties in the Municipality and may be used only for sanitary sewer system maintenance and improvements.

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

The *Capital Projects Fund* accounts for funds provided by the Municipality including 1) interfund transfers, 2) issuance of bonds, and 3) grants and contributions received for the purpose of acquisition, construction, or improvement of capital facilities or infrastructure.

The Municipality reports the following major proprietary fund:

The *Parking Fund* is used to account for the operations of the Municipality's parking facilities.

The Municipality also has the following other governmental funds:

Special revenue funds include:

The *State Highway Aid Fund* accounts for state liquid fuels monies required to be spent on road maintenance and improvements.

The *Storm Water Fund* accounts for storm water fees assessed on properties and used only for storm water system maintenance and improvements.

The *Library Operating Fund* is the primary operating fund of the Library.

The *Industrial Development Authority Fund* accounts for the operations of the IDA, which was created to enhance and promote development, redevelopment, and economic activities.

The *Debt Service Fund* accounts for resources to be used for debt service expenditures.

Additionally, the Municipality reports the following fiduciary fund type:

The *Trust Funds* include the Pension Trust Fund and the Other Postemployment Benefits (OPEB) Trust Fund. The Pension Trust Fund accounts for assets held by the Municipality in a trustee capacity for the future payment of retirement benefits to employees. The Municipality has three separate Pension Trust Funds. The OPEB Trust Fund accounts for assets held by the Municipality in a trustee capacity for the future payment of postemployment benefits other than retirement benefits.

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Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Municipality's enterprise fund are parking fees and leasing of space. Operating expenses for the enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Interfund Activity in the Government-Wide Statements

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

E. Budgets and Budgetary Accounting

An operating budget is adopted each year for the General Fund, the State Highway Aid Fund, the Storm Water Fund, the Sewage Fund, and the Capital Projects Fund on a modified accrual basis of accounting. In addition, an operating budget is adopted for the Parking Fund under the accrual method of accounting. Budgetary control for the Debt Service Fund is maintained through provisions of related trust indentures.

Adoption of the budget by the Commission constitutes appropriations for the expenditures for the fiscal year. Under the Home Rule Charter, the expenditure budget may be amended by the Commission after a public hearing, provided that such amendment shall not result in expenditures exceeding estimated revenue, including available fund balance, determined at the time of the amendment. Any excess appropriations at the end of the fiscal year are not carried forward, but instead lapse.

Within the budgeted funds, the Manager is authorized to transfer budgeted amounts between departments provided that such transfers do not alter total expenditures approved by the Commission or exceed estimated revenues. Therefore, the measurement level of control over expenditures in these funds is the surplus or deficit of the fund as a whole. Operating departments are charged with the maintenance of

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the budget for the department as a whole; however, operating departments may exceed the appropriation with Manager approval.

Library

The Library adopts annual operating budgets that are used for financial control purposes. There is no legal requirement for adoption of annual appropriated budgets.

IDA

The IDA did not adopt a legally appropriated operating budget for 2022.

F. Interfund Transactions

Advances between funds are accounted for in the appropriate interfund receivable and payable accounts. These advances (reported in "due from" asset accounts) are considered "available spendable resources."

G. Deposits and Investments

The Municipality's cash and other money market instruments are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are recorded at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

H. Fair Value Measurements

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.

I. Capital Assets

Capital assets which include equipment, buildings, vehicles, land and building improvements, and infrastructure are recorded at cost or estimated historical cost. In

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accordance with applicable guidance, infrastructure assets that were acquired or significantly reconstructed, or that received significant improvements, in years ending after 1979 have been capitalized. To the extent the Municipality's capitalization threshold is met, capital outlays are recorded and depreciated using the straight-line method over the following estimated useful lives:

	Capitalization Amount	Useful Life
Land improvements	\$5,000 to \$25,000	10 to 40 years
Buildings	10,000 to 50,000	10 to 50 years
Building improvements	25,000	15 years
Phone system	10,000	15 years
Equipment	5,000	3 to 15 years
Vehicles	5,000 to 20,000	3 to 20 years
Library books and materials	n/a	15 years
<u>Infrastructure</u>		
Road network	50,000	40 years
Sewers	25,000	50 years
Parking lots	10,000	40 years
Sidewalks	10,000	25 years

Maintenance and repairs are charged to operations when incurred. Expenses that materially change capacities or extend useful lives are capitalized.

J. Leases

The Municipality is a lessor for three noncancellable leases of building space owned by the Parking Fund. The Municipality recognizes leases receivable and deferred inflows of resources in the government-wide and proprietary fund financial statements.

At the commencement of a lease, the Municipality initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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Key estimates and judgments include how the Municipality determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Municipality uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Municipality monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the leases receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the leases receivable.

K. Accumulated Unpaid Vacation and Sick Pay

Full-time employees are granted 10 to 25 days of vacation leave per year, dependent upon employment classification and length of service. Vacation leave may be carried beyond the calendar year only with the Manager's approval and must be used in the following year. Sick leave is accumulated continuously for full-time employees at the rate of 1½ days or 1 day per month to a maximum of 120 days dependent on date of hire. If any days in excess of the maximum occur, the extra days may qualify for an annual cash payment based on a predetermined scale. Unused vacation and unpaid sick day buy back is accrued in and eventually paid from the General Fund or Parking Fund. The benefits so accrued are not in excess of a normal year's accumulation.

Upon retirement, accumulated sick pay (up to the 120-day maximum) may be used to offset retirement medical costs or taken as a cash payment dependent on employment classification. The amount of the accumulation is based upon a sliding scale.

As of the date of the negotiated contract for police, the sick day buy back provisions have been eliminated for new hires.

L. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position and/or the balance sheet 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 assets and/or fund balance that applies to a future period(s) and so will *not* be

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recognized as an outflow of resources (expense/expenditure) until then. The Municipality has one item that qualifies for reporting in this category:

Certain amounts determined in connection with pension and other postemployment benefits accounting requirements are reported as deferred outflows of resources on the government-wide financial statements. These amounts are determined based on actuarial valuations performed for the plans. Notes 8 and 9 present additional information about the pension and other postemployment benefits plans, respectively.

In addition to liabilities, the statement of net position and/or the balance sheet 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 assets and/or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Municipality has three items that qualify for reporting in this category:

Unavailable revenue is reported only on the balance sheet and represents property and earned income taxes, sewer and storm water assessments, and donations which will not be collected within the available period. This amount will be recognized as an inflow of resources in the period the amounts become available.

Certain amounts determined in connection with pension and other postemployment benefits accounting requirements are reported as deferred inflows of resources on the government-wide financial statements. This amount is determined based on the actuarial valuations performed for the pension plans. Notes 8 and 9 present additional information about the pension and other postemployment benefits plans, respectively.

Certain amounts determined in connection with lease accounting are reported as deferred inflows of resources on the government-wide financial statements for business-type activities and the proprietary fund statement of net position. This amount will be recognized as an inflow of resources on the straight-line basis over the life of the lease.

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M. Fund Balance

In the fund financial statements, governmental funds report fund balance in categories based on the level of constraint placed upon the funds. The levels are as follows:

- **Nonspendable** – This category represents funds that are not in spendable form and includes such items as prepaid items and inventory. Nonspendable fund balances as of December 31, 2022 are described in the governmental funds balance sheet.
- **Restricted** – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending that are legally enforceable by outside parties. At December 31, 2022, the Municipality had restrictions through grant agreements, enabling legislation, and debt covenants as described in the governmental funds balance sheet.
- **Committed** – This category represents funds that are limited in use due to constraints on purpose and circumstances of spending imposed by elected commissioners by ordinance. Such a commitment must be made prior to the end of the fiscal year. Removal of this commitment requires a Commission ordinance. As of December 31, 2022, the Municipality had no committed funds.
- **Assigned** – This category represents intentions of the Municipality to use the funds for specific purposes. The authority to make assignments of fund balance may only be made by the Commission and remains in place until the Commission releases the assignments. The assignment cannot exceed the available spendable unassigned fund balance in any particular fund. Assigned fund balances as of December 31, 2022 are described in the governmental funds balance sheet.
- **Unassigned** – This category includes the residual classification for the Municipality's General Fund and includes all spendable amounts not contained in other classifications for that fund. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report negative unassigned fund balance in that fund.

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The Municipality's policy is to use funds in the order of the most restrictive to the least restrictive.

The Municipality's fund balance policy for the General Fund provides for a minimum unassigned fund balance of 10%, with a goal of 12-15%, of the Municipality's General Fund annual expenditures. The Municipality's fund balance policy also outlines conditions for the use of unassigned fund balance.

N. Classification of Net Position

The government-wide and proprietary fund financial statements are required to classify net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted – This component of net position consists of constraints placed on assets through external restrictions, reduced by liabilities or deferred inflows or resources related to those assets. The Municipality's restricted net position is outlined on the statement of net position.
- Unrestricted – This component of net position consists of assets that do not meet the definition of "restricted" or "net investment in capital assets."

O. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

P. Adoption of Accounting Pronouncements

GASB Statement No. 87, "*Leases*," requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as

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inflows of resources or outflows of resources based on the payment provisions of the contract. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The effects of this adoption were not material to beginning net position balances and were adjusted through the statement of activities for business-type activities and the proprietary fund's statement of revenues, expenses, and changes in net position.

The following GASB Statements were also adopted for the year ended December 31, 2022: Statement Nos. 91 (Conduit Debt Obligations), 92 (Omnibus 2020), 97 (Deferred Compensation Plans), and 99 (Omnibus 2022 – paragraphs 26 through 32). These statements had no significant impact on the Municipality's financial statements for the year ended December 31, 2022.

Q. Pending Pronouncements

GASB has issued statements that will become effective in future years including Nos. 94 (Public-Private and Public-Public Partnerships), 96 (Information Technology Arrangements), 99 (Omnibus 2022), 100 (Accounting Changes and Error Corrections), and 101 (Compensated Absences). Management has not yet determined the impact of these statements on the financial statements.

2. **Property Taxes**

Based upon assessed valuations established by Allegheny County as of January 1 (approximately \$2.8 billion in 2022), the Municipality bills and collects its own property taxes. The schedule for property taxes levied for 2022 is as follows:

June 1	- levy date
June 1 - July 31	- 2% discount period
August 1 - September 30	- face payment period
October 1 - April 30	- 10% penalty period
May 1	- delinquency period
July 20	- lien filing date

The municipal tax rate for all purposes in 2022 was 4.91 mills (\$4.91 per \$1,000 of assessed valuation). The state mandated limit on millage for the general operations of the

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Municipality is 30 mills, with separate millage limits available for firefighter protection, library, pension contributions, and other uses. The Municipality does not currently categorize the mills levied.

3. Deposits and Investments

Governmental and Proprietary Funds

Pennsylvania statutes provide for investment of governmental funds into certain authorized investment types including U.S. Treasury Bills, other short-term U.S. government obligations, short term commercial paper issued by a public corporation, banker's acceptances, insured or collateralized time deposits, and certificates of deposit. The statutes also allow pooling of governmental funds for investment purposes.

The deposit and investment activities of the Municipality adhere to state statutes. Deposits of the governmental funds are either maintained in demand deposits at local banks, certificates of deposit, or other pooled investments with the Pennsylvania Local Government Investment Trust (PLGIT).

Deposits

The following is a description of the Municipality's deposit risks:

Custodial Credit Risk – Deposits. As of December 31, 2022, \$500,000 of the Municipality's \$26,400,053 bank balance was insured by the Federal Deposit Insurance Corporation. The remaining bank balance was exposed to custodial credit risk, which is collateralized in accordance with Act 72 of the Pennsylvania state legislature, which requires the institution to pool collateral for all governmental deposits and have the collateral held by an approved custodian in the institution's name. These deposits have carrying amounts of \$26,530,269 as of December 31, 2022.

Investments

The Municipality's cash equivalent investments in PLGIT are not subject to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form. The Municipality's position in the external investment pool is the same as the value of the pool shares and is reported at amortized cost, which approximates fair value. PLGIT activities are invested directly in a portfolio of securities, which are held by a third-party custodian. All investments in an external investment pool that is not SEC-registered are

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subject to oversight by the Commonwealth of Pennsylvania. The Municipality can generally withdraw funds from the external investment pool without limitation, other than investments within the PLGIT/Reserve-Class account, which limits redemptions or exchanges to two per calendar month. In addition, there are certain limitations placed on the following withdrawals: for PLGIT-Class and PLGIT/Reserve-Class accounts, there is a one-day holding period.

As of December 31, 2022, the total of PLGIT accounts had bank and book balances of \$4,127,904, which is considered to be a cash equivalent for presentation on the statement of net position and governmental funds balance sheet.

The following is a description of the Municipality's investment risks:

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Municipality has no formal investment policy that would limit its investment choices based on credit ratings by nationally recognized statistical rating organizations. As of December 31, 2022, the investments in PLGIT have received AAA ratings from Standard & Poor's.

Interest Rate Risk – The Municipality has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. All investments have an average maturity of less than one year.

Pension and OPEB Trust Funds

The pension and OPEB trust funds' investments are held separately from those of other Municipality funds. Assets in the pension and OPEB trust funds are stated at fair value. Any premiums or discounts are recognized as a gain or loss upon disposition. The Municipality maintains investment policies that summarize the investment philosophy of the Municipality and establishes investment guidelines and performance objectives for the General Employees, Police, and Firefighter pension plans and OPEB trust.

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The Municipality's pension and OPEB trust funds categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The pension and OPEB trust funds have the following recurring fair value measurements at December 31, 2022:

Investments by Fair Value Level	Total	Fair Value Measurements		
		Level 1	Level 2	Level 3
Short-term funds	\$ 5,170,470	\$ 5,170,470	\$ -	\$ -
Partnerships/joint ventures	11,223,217	-	-	11,223,217
Total Investments by Fair Value Level	16,393,687	\$ 5,170,470	\$ -	\$ 11,223,217
Investments Measured at NAV:				
Multi-manager series trust:				
Domestic equity fund	47,859,713			
International equity fund	25,181,898			
Fixed income fund	29,576,006			
Total Investments measured at NAV	102,617,617			
Total investments measured at fair value	\$ 119,011,304			

Short-term funds classified in Level 1 are valued using prices quoted in active markets for those securities.

Partnerships/joint ventures classified in Level 3 are valued based upon the Municipality's share of the trust assets held. The underlying assets of the partnerships/joint ventures are primarily invested in equity interests in operational and multifamily real estate assets in markets across the United States. The property trust valuations of real estate is determined by the property trust trustee and give consideration to the income, cost, and sales comparison approaches of estimating property value. This investment can never be redeemed within the fund. Distributions from the fund will be received as the underlying investments of the fund are liquidated. It is expected that the underlying assets of the fund will be liquidated over five to seven years after the end of the investment period. The unfunded commitment for this investment was \$9,135,940.

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) under the so-called "practical expedient" is presented on the following table.

Instrument	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Multi-manager series trust (1)	\$ 102,617,617	N/A	Daily	N/A

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(1) *Multi-manager series trust.* This investment type includes the PFM Multi-Manager Series Trust (PFM Trust), a Delaware statutory trust organized on December 21, 2016. The PFM Trust offers the following series: Domestic Equity Fund, International Equity Fund, and Fixed Income Fund. The Domestic Equity Fund seeks to provide long-term capital appreciation through a diversified portfolio consisting primarily of U.S. equity securities. The International Equity Fund seeks to provide long-term capital appreciation through a diversified portfolio consisting primarily of non-U.S. equity securities. The Fixed Income Fund seeks to maximize total return (capital appreciation and income) consistent with reasonable risk. The Fixed Income Fund declares and distributes dividends from net investment income, if any, monthly. The Domestic Equity Fund and International Equity Fund each declare and distribute net investment income, if any, to shareholders as dividends at least annually. Each fund makes distributions of its net realized capital gains, if any, at least annually.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of the future fair values. Furthermore, although the Municipality believes its valuation methods for the pension and OPEB trust funds are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following is a description of the pension and OPEB trust funds' deposit and investment risks:

Credit Risk - The risk that an issuer or other counterparty to an investment will not fulfill its obligations is called credit risk. The Municipality has an adopted policy statement for each of its three sponsored pension plans – general employees, police, and firefighter and the OPEB trust fund. The adopted policy indicates that the overall rating of the fixed income assets shall be investment grade (A or higher), based on the rating of one Nationally Recognized Statistical Rating Organization.

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The total plan target and range allocations are as follows for the pension trust funds:

Asset Class	Asset Weightings	
	Range	Target
Equity - Domestic	19%-59%	39%
Equity - International	1%-41%	21%
Equity - Other	0%-20%	0%
Fixed Income	8%-48%	28%
Alternatives - Equity	0%-10%	5%
Alternatives - Fixed Income	0%-10%	5%
Cash Equivalent	0% - 20%	2%

The policy also indicates the objectives of the fund cannot be achieved without incurring a certain amount of principal volatility. The fund will be managed in a style that seeks to minimize principal fluctuations over the established time horizon and that is consistent with the fund's stated objectives.

The total plan target and range allocations are as follows for the OPEB trust:

Asset Class	Asset Weightings	
	Range	Target
Equity - Domestic	27%-57%	42%
Equity - International	8%-38%	23%
Equity - Other	0%-20%	0%
Fixed Income	18%-48%	35%
Cash Equivalent	0% - 20%	0%

Concentration of Credit Risk – The adopted pension investment policy indicates fixed income securities of any one issuer shall not exceed 5% of the total bond portfolio at the time of purchase. The 5% limitation does not apply to issues of the U.S. Treasury or other federal agencies. In addition, not more than 5% of the total stock portfolio valued at market may be invested in the stock of any one corporation.

Interest Rate Risk – The pension and OPEB trust funds do not have a formal deposit or investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The Pension Trust Funds are invested in various types of financial instruments. The diversification of the investment portfolio serves to assist in mitigating the various types of

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risks associated with different types of financial instruments. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments could occur in the near-term and that such changes could materially affect the amount reported on the statement of fiduciary net position.

Library

In 1990, the Friends of the Library agreed to begin the Mt. Lebanon Public Library Fund (Fund) with a gift of \$15,000 to The Pittsburgh Foundation (Foundation). Subsequently, other donations were received by the Fund. The Foundation is under agreement to manage and invest the Fund. The annual net income of the Fund is paid to the Library, but due to the small amount of income available, the Library has been reinvesting the income into the Fund. As of December 31, 2022, the balance was \$86,109.

In 2017, the Friends of the Library began the Friends of Mt. Lebanon Public Library Designated Fund (Designated Fund) with a gift of \$50,000 to the Mt. Lebanon Community Endowment (Endowment). Subsequently, funds were moved from the Foundation to the Endowment. The Endowment is under agreement to manage and invest the Designated Fund. The annual net income of the Designated Fund is paid to the Library, but due to the small amount of income available, the Library has been reinvesting the income into the Designated Fund. As of December 31, 2022, the balance was \$158,167.

These funds are under the control of the Foundation and Endowment, respectively, and subject to their policies and, as such, are not recorded on the books of the Library.

4. Due From Other Governments

Amounts due from other governments represent receivables for services provided by the Municipality or collections made by another government on behalf of the Municipality. At December 31, 2022, the amounts are due from the following governmental units:

	<u>General Fund</u>
Due from:	
School District	\$ 208,013
County	259,278
Other	<u>(46,940)</u>
	<u>\$ 420,351</u>

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5. Long-Term Liabilities

During 2022, long-term liabilities changed as follows:

	Balance at January 1, 2022	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
Primary Government					
Governmental activities:					
Bonds payable	\$ 24,160,000	\$ -	\$ (2,820,000)	\$ 21,340,000	\$ 2,835,000
Compensated absences	2,032,881	1,138,800	(1,172,282)	1,999,399	691,672
Net pension liability	-	14,611,748	(3,839,636)	10,772,112	-
Net other postemployment benefits liability	690,493	765,813	(129,821)	1,326,485	-
Governmental activities, long-term liabilities	<u>\$ 26,883,374</u>	<u>\$ 16,516,361</u>	<u>\$ (7,961,739)</u>	<u>\$ 35,437,996</u>	<u>\$ 3,526,672</u>
Business-type activities:					
Bonds payable	\$ 285,000	\$ -	\$ (80,000)	\$ 205,000	\$ 85,000
Compensated absences	61,390	25,899	(23,251)	64,038	22,231
Business-type activities, long-term liabilities	<u>\$ 346,390</u>	<u>\$ 25,899</u>	<u>\$ (103,251)</u>	<u>\$ 269,038</u>	<u>\$ 107,231</u>

Compensated absences in governmental activities are liquidated from the General Fund.

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Bonds payable as of December 31, 2022 is composed of the following General Obligation Bond issues:

Description	Interest Rate %	Original Principal	Balance December 31, 2022
2015 Series, maturing in 2025	2.00 - 4.00	\$ 9,620,000	\$ 205,000
2016 Series, maturing in 2027	2.00 - 3.25	4,355,000	2,615,000
2017 Series, maturing in 2032	0.80 - 3.25	8,800,000	660,000
2019 Series, maturing in 2029	2.00 - 4.00	7,765,000	7,635,000
2020 Series A, maturing in 2032	2.00 - 3.00	7,415,000	7,415,000
2020 Series B, maturing in 2024	0.35 - 0.79	6,525,000	3,015,000
			<u>\$ 21,545,000</u>

Total payments made on bonds payable in 2022 were \$2,900,000 and \$529,263 for principal and interest, respectively.

The future annual payments required to amortize bonds payable outstanding as December 31, 2022 are as follows:

	Government Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 2,835,000	\$ 489,297	\$ 85,000	\$ 4,294
2024	2,865,000	450,768	85,000	2,594
2025	2,550,000	397,700	35,000	788
2026	2,655,000	335,950	-	-
2027	2,730,000	261,600	-	-
2028-2032	7,705,000	384,950	-	-
Total	<u>\$ 21,340,000</u>	<u>\$ 2,320,265</u>	<u>\$ 205,000</u>	<u>\$ 7,676</u>

The future annual payments listed above are to be funded by the General Fund, Sewage Fund, Storm Water Fund, and Parking Fund.

The 2015 Series General Obligation Bonds were issued for the current refunding of the Municipality's General Obligation Bonds, Series A of 2010, and for the current refunding of a portion of the Municipality's General Obligation Bonds, Series B of 2010.

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The 2016 Series General Obligation Bonds were issued for the current refunding of a portion of the Municipality's General Obligation Bonds, Series of 2011, and for the advance refunding of a portion of the Municipality's General Obligation Bonds, Series A of 2012.

The 2017 Series General Obligation Bonds were issued to provide funding for various municipality capital improvement projects and equipment.

The 2019 Series General Obligation Bonds were issued for capital improvement projects, the current refunding of the Municipality's General Obligation Bonds, Series of 2012, and the current refunding of a portion of the Municipality's General Obligation Bonds, Series of 2014.

The 2020 Series A General Obligation Bonds were issued for the current refunding of the Municipality's General Obligation Bonds, Refunding Series of 2015, the current refunding of the Municipality's General Obligation Bonds, Series of 2013, and capital improvement projects. The 2020 Series B General Obligation Bonds were issued for the advance refunding of the Municipality's General Obligation Bonds, Series of 2017.

The Local Governmental Unit Debt Act (Act 52 of 1978) (Debt Act), reenacted and amending Act 185 of 1972 prescribes debt limits, net revenues, and the calculation of the borrowing base for all local units in Pennsylvania. The Debt Act is administered by the Pennsylvania Department of Community and Economic Development. Under the Municipality's Home Rule Charter, any new debt in excess of 250% of the borrowing base must be approved by the electorate. The borrowing base as of December 31, 2022 is \$66,147,506. Under the Debt Act, the Municipality could use a legal debt limit multiplier of 350%.

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6. Capital Assets

A summary of current year changes in capital assets is as follows:

	January 1, 2022	Additions	Disposals	Transfers/ Reclassifications	December 31, 2022
Governmental activities:					
Land (not depreciated)	\$ 7,266,047	\$ -	\$ -	\$ -	\$ 7,266,047
Construction in progress (not depreciated)	1,392,457	2,704,279	(426,145)	-	3,670,591
Buildings and improvements other than buildings	54,638,139	1,074,554	-	-	55,712,693
Infrastructure	108,264,379	4,882,767	-	-	113,147,146
Library book collection	2,607,269	309,252	(271,669)	-	2,644,852
Equipment	20,329,270	592,179	(418,637)	(19,611)	20,483,201
	<u>194,497,561</u>	<u>9,563,031</u>	<u>(1,116,451)</u>	<u>(19,611)</u>	<u>202,924,530</u>
Less accumulated depreciation for:					
Buildings and improvements other than buildings	(24,778,324)	(1,642,411)	-	-	(26,420,735)
Infrastructure	(42,381,877)	(2,093,015)	-	-	(44,474,892)
Library book collection	(411,665)	(319,006)	271,669	-	(459,002)
Equipment	(12,670,549)	(1,322,463)	320,400	33,447	(13,639,165)
	<u>(80,242,415)</u>	<u>(5,376,895)</u>	<u>592,069</u>	<u>33,447</u>	<u>(84,993,794)</u>
Governmental activities capital assets, net	<u>\$ 114,255,146</u>	<u>\$ 4,186,136</u>	<u>\$ (524,382)</u>	<u>\$ 13,836</u>	<u>\$ 117,930,736</u>
Business-type activities:					
Land (not depreciated)	\$ 2,687,084	\$ -	\$ -	\$ -	\$ 2,687,084
Buildings and improvements other than buildings	14,358,361	290,145	-	-	14,648,506
Equipment	1,701,007	96,687	(78,648)	19,611	1,738,657
	<u>18,746,452</u>	<u>386,832</u>	<u>(78,648)</u>	<u>19,611</u>	<u>19,074,247</u>
Less accumulated depreciation for:					
Buildings and improvements other than buildings	(9,864,705)	(435,704)	-	-	(10,300,409)
Equipment	(1,198,042)	(96,780)	76,348	(33,447)	(1,251,921)
	<u>(11,062,747)</u>	<u>(532,484)</u>	<u>76,348</u>	<u>(33,447)</u>	<u>(11,552,330)</u>
Business-type activities capital assets, net	<u>\$ 7,683,705</u>	<u>\$ (145,652)</u>	<u>\$ (2,300)</u>	<u>\$ (13,836)</u>	<u>\$ 7,521,917</u>

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NOTES TO FINANCIAL STATEMENTS

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Depreciation expense for capital assets and infrastructure was allocated to the various functions/programs as follows:

Governmental activities:	
General government	\$ 213,267
Public works	3,266,219
Human services	453,459
Culture and recreation	668,824
Public safety:	
Police	390,987
Fire	384,139
	<u>5,376,895</u>
Total depreciation expense - governmental activities	<u>\$ 5,376,895</u>
Business-type activities:	
Parking	<u>\$ 532,484</u>

7. Interfund Receivables, Payables, and Transfers

Interfund balances result mainly from the time lag between the 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. Transfers are used to move revenues from one fund to pay for various programs or functions that the Municipality accounts for in other funds.

The individual interfund receivables and payables are shown below:

Fund	Interfund Receivable	Interfund Payable
General	\$ 1,320,263	\$ 958,153
Sewage	-	960,755
Capital Projects	671,772	-
Other governmental	-	359,508
	<u>1,992,035</u>	<u>2,278,416</u>
Parking	286,381	-
	<u>\$ 2,278,416</u>	<u>\$ 2,278,416</u>

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	Transfer In			
	General Fund	Capital Projects	Other Governmental	Parking
				Total
Transfer out:				
General	\$ -	\$ 2,702,166	\$ 4,554,223	\$ 290,145
Sewage	641,353	2,216,989	157,631	-
Other governmental	511,903	782,336	133,652	-
	<u>\$ 1,153,256</u>	<u>\$ 5,701,491</u>	<u>\$ 4,845,506</u>	<u>\$ 290,145</u>
				<u>\$ 11,990,398</u>

8. Pension Plans

Summary of Significant Accounting Policies

Financial information of the pension plans (Plans) is presented on the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plans. Employer contributions to the Plans are recognized when due as required by applicable law. Investments of the Plans are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price.

At December 31, 2022, there were no individual investments that constituted more than 5% of plan net position available for benefits that were required to be reported. The Plans did not have any investment transactions with related parties during the year.

Plan Description

The Municipality administers three single-employer defined benefit pension plans: General Employees, Police, and Firefighter. These plans cover substantially all full-time employees. All plans provide retirement benefits to plan members and also provide for a death benefit for surviving spouses. Plan provisions are established by municipal ordinance with the authority for municipal contributions required by Act 205 of 1984 of the Commonwealth of Pennsylvania (Act). The Plans are governed by the Municipality's Commission which has delegated the authority to manage the Plans to the Manager. The activity of the Plans is reported within the Fiduciary Funds – Trust Funds in the accompanying financial statements. Separate plan financial statements are not available.

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At December 31, 2022, participants in the plans were as follows:

	General Employees	Police	Firefighter
Inactive plan members or beneficiaries currently receiving benefits	72	61	17
Inactive plan members entitled to but not yet receiving benefits	21	1	1
Active plan members	79	42	18
Total plan members	172	104	36

Benefits Provided – General Employees Plan

Retirement Benefit – The General Employees plan provides for a normal retirement benefit after completion of 25 years of credited service and attaining age 60. For participants hired before January 1, 2012, the scheduled monthly retirement benefit is 60% of the participant's compensation averaged over 36 consecutive months out of the final 120 months of employment that produce the highest average. For participants hired on or after January 1, 2012, the scheduled monthly retirement benefit is 50% of the participant's compensation averaged over 36 consecutive months out of the final 120 months of employment that produce the highest average with compensation limited to base salary plus any applicable longevity. A participant is eligible for an additional monthly benefit of 1.0% of the final average monthly compensation for each year of credited service in excess of 25 years. After seven years of credited service, a participant is eligible to receive a retirement benefit with reductions for participants with less than 25 years of credited service and participants under the age of 60 at the time of the benefit commencement.

Death Benefit – If a participant shall die after commencement of retirement benefit payments in the normal form or prior to the commencement of the receipt of retirement benefits and after the participant has attained normal retirement age under the plan, a benefit shall be paid to the surviving spouse of the participant. The benefit shall be paid in an amount equal to 50% of the participant's accrued benefit as of the date of death.

If a vested participant shall die prior to the commencement of the receipt of retirement benefits and before the vested participant has attained normal retirement age under the plan, the surviving spouse of the participant shall be entitled to receive a survivor benefit. The benefit shall be an amount equal to 50% of the participant's accrued benefit determined as of the date of death commencing as of the first day of the month coincident with or next following what would have been the participant's attainment of age 60 or the first day of the month coincident with or next following the date of death if the participant

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has attained age of 60. In lieu of receiving a deferred survivor benefit, the participant's beneficiary may elect to receive a lump sum distribution of accumulated contributions.

Benefits Provided – Police Plan

Retirement Benefit – The Police plan provides for a normal retirement benefit after completion of 25 years of credited service and attaining age 50. For participants hired before January 11, 2004, the scheduled monthly retirement benefit is 75% of the participant's compensation averaged over 36 consecutive months out of the final 120 months of employment that produce the highest average. A participant is eligible for an additional monthly benefit of 1.0% of the final average monthly compensation for each year of credited service in excess of 25 years and an additional monthly benefit of 1.0% of final average monthly compensation for each year of active military service. A participant is vested after seven years of service. After seven years of service, a participant is eligible to receive a retirement benefit with reductions for participants with less than 25 years of credited service and participants under the age of 50 at the time of the benefit commencement.

For participants hired after January 11, 2004, the scheduled monthly retirement benefit is 50% of the average monthly compensation earned by the participant during the last 36 months immediately preceding termination of active employment. A participant is eligible for an additional monthly benefit of \$100 for completion of 26 years of service. A participant is 100% vested in the plan at 12 years of service. A participant is eligible for an early retirement benefit after 20 years of service subject to reductions for early retirement.

Disability Benefit - If a participant becomes totally and permanently disabled as a result of accident or sickness occurring in the line of duty, the participant is entitled to receive a monthly disability benefit. The scheduled benefit is the greater of the participant's accrued benefit or 50% of the participant's salary at the time the disability was incurred, offset by Social Security disability benefits for the same injury. Payments will continue until the earliest of recovery, death, or normal retirement.

Death Benefit – If a participant's death occurs after the commencement of retirement benefit payments in the normal form or prior to the commencement of the receipt of retirement benefits and after the participant has attained normal retirement age under the plan, the participant's surviving spouse or dependent children are eligible to receive a monthly benefit. The benefit payable is 100% of the pension the participant was receiving or entitled to receive on the date of death and is payable until the latest of the spouse's death or the youngest dependent attaining age 18 (age 23 if attending college). If a participant's death occurs before payment of a benefit has commenced and did not attain

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normal retirement age, the participant's beneficiary shall be eligible to receive a lump sum distribution of an amount equal to the accumulated contributions of the participant as of the date of death of the participant.

Cost of Living Adjustments – Benefit terms provide for annual cost-of-living adjustments to each participant's retirement benefit subsequent to the member's retirement date depending on date of hire. Participants hired prior to January 11, 2004 who have completed at least 20 years of credited service are eligible to receive an annual retirement benefit adjustment of 2% of the participant's final average monthly compensation. Participants with less than 20 years of credited service are eligible to receive an annual retirement benefit adjustment of 2% of the participant's retirement benefit. The total monthly retirement benefit including service increments, military service benefits, and cost-of-living adjustments shall not exceed an amount equal to 90% of the participant's final average monthly compensation.

For participants hired after January 11, 2004, an annual retirement benefit adjustment on the participant's monthly retirement benefit, excluding service increments, is based on the percentage change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The total of all increases may not exceed 30% of the participant's original benefit nor may the sum of the retiree's benefit and all increases exceed 75% of final average monthly compensation used to compute the original retirement benefit.

Benefits Provided – Firefighter Plan

Retirement Benefit – The Firefighter plan provides for a normal retirement benefit after completion of 25 years of credited service and attaining age 53. For participants hired before August 28, 2011, the scheduled monthly retirement benefit is 70% of the participant's compensation averaged over 36 consecutive months out of the final 120 months of employment that produce the highest average. For participants hired on or after August 28, 2011, the scheduled monthly retirement benefit is 50% of the participant's compensation averaged over 36 consecutive months out of the final 120 months of employment that produce the highest average with compensation limited to base salary plus any applicable longevity. A participant is eligible for an additional monthly benefit of 1.0% of the final average monthly compensation for each year of credited service in excess of 25 years and an additional monthly benefit of 1.0% of final average monthly compensation for each year of active military service. After seven years of credited service, an employee is eligible to receive a retirement benefit with reductions for participants with less than 25 years of credited service and participants under the age of 53 at the time of the benefit commencement.

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Death Benefit – If a participant shall die after commencement of retirement benefit payments in the normal form or prior to the commencement of the receipt of retirement benefits and after the participant has attained normal retirement age under the plan, a benefit shall be paid to the surviving spouse of the participant or if there is no surviving spouse to the surviving dependent children of the participant. The benefit shall be paid in an amount equal to 50% of the participant's accrued benefit as of the date of death.

If a vested participant shall die prior to the commencement of the receipt of retirement benefits and before the vested participant has attained normal retirement age under the plan, the surviving spouse of the participant or if there is no surviving spouse to the surviving dependent children of the participant shall be entitled to receive a survivor benefit. The benefit shall be an amount equal to 50% of the participant's accrued benefit determined as of the date of death commencing as of the first day of the month coincident with or next following what would have been the participant's attainment of age 53 or the first day of the month coincident with or next following the date of death if the participant has attained age of 53. In lieu of receiving a deferred survivor benefit, the participant's beneficiary may elect to receive a lump sum distribution of accumulated contributions.

Contributions

The Plans are funded by the Municipality on an annual basis pursuant to the provisions of the Act. The Act requires that annual contributions be based upon the calculation of the Minimum Municipal Obligation (MMO). Certain pension information and calculations are based upon an actuarial valuation performed as of January 1, 2019.

Employees are not required to contribute under the Act; such contributions are subject to collective bargaining and can be reduced or eliminated each year by Ordinance or Resolution subject to the Plans meeting certain financial conditions. For the year ended December 31, 2022, general employees were required to contribute 4.5% of their salary; police officers were required to contribute 4.5% of their salary; and firefighters were required to contribute 4.5% of their salary. On-behalf payments by employees are recognized as contributions in the statement of changes in plan net position for fiduciary funds.

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The Commonwealth of Pennsylvania allocates certain funds to assist in pension funding. Any financial requirement established by the MMO which exceeds the Commonwealth of Pennsylvania allocation must be funded by the Municipality. Payments made to the plans were sufficient to meet the MMOs in 2022. The following table reflects contribution information for 2022:

	General Employees	Police	Firefighter	Total
MMO	\$ 397,860	\$ 2,210,149	\$ 131,174	\$ 2,739,183
Contributions:				
Municipal	\$ -	\$ 1,776,980	\$ -	\$ 1,776,980
Allocation of state aid	397,860	480,119	131,174	1,009,153
Total	397,860	2,257,099	131,174	2,786,133
Employee	232,936	251,818	88,794	573,548
Total contributions	\$ 630,796	\$ 2,508,917	\$ 219,968	\$ 3,359,681
Covered payroll	\$ 5,366,094	\$ 5,618,946	\$ 2,177,584	
Employee contributions as a % of covered payroll	4.34%	4.48%	4.08%	

Administrative costs, including investment, custodial trustee, and actuarial services are charged to the appropriate plan and funded from investment earnings.

The contribution rate for the Police plan is based on the total compensation of the officer. The General Employees (negotiated) and Firefighter (negotiated) plans have a different basis for the calculation of the pension contribution for hires after a certain effective date. For eligible employees hired before the effective date, the pension contribution is calculated on total compensation; whereas, employees hired after the effective date, the pension contribution is calculated using base wage plus longevity only. Effective dates for the General Employees and Firefighter plans are January 1, 2012 and August 28, 2011, respectively. Other employee contributions to the pension plans include provisions for military buyback and retroactive pension contributions.

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Net Pension (Asset) Liability

The components of the net pension (asset) liability of the Plans at December 31, 2022 were as follows:

	General Employees	Police	Firefighter	Total
Total pension liability	\$ 33,372,037	\$ 74,921,718	\$ 19,244,843	\$ 127,538,598
Plan fiduciary net position	(31,725,315)	(66,065,043)	(18,976,128)	(116,766,486)
Net pension liability (asset)	<u>\$ 1,646,722</u>	<u>\$ 8,856,675</u>	<u>\$ 268,715</u>	<u>\$ 10,772,112</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>95.07%</u>	<u>88.18%</u>	<u>98.60%</u>	

Changes in the Net Pension (Asset) Liability

The changes in the net pension (asset) liability of the Municipality for the General Employees Plan for the year ended December 31, 2022 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balances at December 31, 2021	\$ 32,087,437	\$ 38,127,130	\$ (6,039,693)
Changes for the year:			
Service cost	695,210	-	695,210
Interest	2,234,764	-	2,234,764
Differences between expected and actual experience	(95,738)	-	(95,738)
Contributions - employer	-	397,860	(397,860)
Contributions - employee	-	232,936	(232,936)
Net investment income	-	(5,454,152)	5,454,152
Benefit payments, including refunds	(1,549,636)	(1,549,636)	-
Administrative expense	-	(28,823)	28,823
Net changes	<u>1,284,600</u>	<u>(6,401,815)</u>	<u>7,686,415</u>
Balances at December 31, 2022	<u>\$ 33,372,037</u>	<u>\$ 31,725,315</u>	<u>\$ 1,646,722</u>

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The changes in the net pension (asset) liability of the Municipality for the Police Plan for the year ended December 31, 2022 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balances at December 31, 2021	\$ 72,550,475	\$ 78,744,789	\$ (6,194,314)
Changes for the year:			
Service cost	1,338,879	-	1,338,879
Interest	5,027,858	-	5,027,858
Differences between expected and actual experience	(194,390)	-	(194,390)
Contributions - employer	-	2,257,099	(2,257,099)
Contributions - employee	-	251,818	(251,818)
Net investment income	-	(11,336,821)	11,336,821
Benefit payments, including refunds	(3,801,104)	(3,801,104)	-
Administrative expense	-	(50,738)	50,738
Net changes	2,371,243	(12,679,746)	15,050,989
Balances at December 31, 2022	\$ 74,921,718	\$ 66,065,043	\$ 8,856,675

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The changes in the net pension (asset) liability of the Municipality for the Firefighter Plan for the year ended December 31, 2022 were as follows:

	Increases / Decreases		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
Balances at December 31, 2021	\$ 18,806,837	\$ 23,001,444	\$ (4,194,607)
Changes for the year:			
Service cost	311,703	-	311,703
Interest	1,291,452	-	1,291,452
Differences between expected and actual experience	(189,827)	-	(189,827)
Contributions - employer	-	131,174	(131,174)
Contributions - employee	-	88,794	(88,794)
Net investment income	-	(3,248,513)	3,248,513
Benefit payments, including refunds	(975,322)	(975,322)	-
Administrative expense	-	(21,449)	21,449
Net changes	438,006	(4,025,316)	4,463,322
Balances at December 31, 2022	\$ 19,244,843	\$ 18,976,128	\$ 268,715

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Actuarial Assumptions - The total pension liability was determined by an actuarial valuation performed on January 1, 2022, and rolled forward to December 31, 2022, using the following actuarial assumptions, applied to all periods in the measurement:

	General Employees	Police	Firefighter
Actuarial assumptions:			
Investment rate of return	7.00%	7.00%	7.00%
Projected salary increases	4.50%	5.25%	4.50%
Inflation rate	2.50%	2.50%	2.50%
Mortality	2010 Public Retirement Plans - General Employee	2010 Public Retirement Plans - Public Safety	2010 Public Retirement Plans - Public Safety
Cost-of-living adjustments	N/A	2.0%*	N/A

Actuarial assumptions based on actuarial experience study for the period 1996 - 2014.

N/A - not applicable

* See page 86 for details

Changes in Actuarial Assumptions – There were no changes to actuarial assumptions from the January 1, 2021 actuarial valuations.

Investment Policy – Each Plan has an Investment Policy Statement which can be amended by the Commission based on recommendations from the Pension Investment Advisory Board. The core objectives of the statement are as follows: 1) Invest assets in a manner consistent with the fiduciary standards of the Act, 2) Provide for the funding and anticipated withdrawals on a continuing basis, 3) Conserve and enhance the capital value of the pension funds in real terms through asset appreciation and income generation, while maintaining a moderate investment risk profile, 4) Minimize principal fluctuations over the investment cycle (3-5 years), and 5) Achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding the investment objective set forth in the policy.

Long-Term Expected Rate of Return – The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) are developed for each major asset class. These ranges are combined to produce

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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.

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the Plans' target asset allocation as of December 31, 2022:

Asset Class	Target Allocation			Long-Term Expected Real Rate of Return		
	General Employees	Police	Firefighter	General Employees	Police	Firefighter
Domestic equity	39.0%	39.0%	39.0%	5.17%	5.17%	5.17%
International equity	21.0%	21.0%	21.0%	5.02%	5.02%	5.02%
Other equity	0.0%	0.0%	0.0%	0.00%	0.00%	0.00%
Fixed income	28.0%	28.0%	28.0%	2.12%	2.12%	2.12%
Equity alternatives	5.0%	5.0%	5.0%	5.94%	5.94%	5.94%
Fixed income alternatives	5.0%	5.0%	5.0%	4.31%	4.31%	4.31%
Cash	2.0%	2.0%	2.0%	0.12%	0.12%	0.12%
	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>			

Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended December 31, 2022, the annual money-weighted rate of return on the General Employees, Police, and Firefighter Plan investments, net of investment expense, was (15.79%), (15.64%), and (15.59%), respectively.

Discount Rate - The discount rate used to measure the total pension liability for the General Employees, Police, and Firefighter Plans was 7.00%. 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 the Municipality's contributions will be made based on the yearly MMO calculation. Based on those assumptions, the Plans' 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 payments to determine the total pension liability.

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate – The following presents the net pension (asset) liability of the Plans calculated using the discount rates described above, as well as what the Plan's net pension (assets) liabilities would be if

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they were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rates:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
General Employees	\$ 5,492,002	\$ 1,646,722	\$ (1,592,385)
Police Plan	\$ 18,652,771	\$ 8,856,675	\$ 792,336
Firefighter Plan	\$ 2,431,937	\$ 268,715	\$ (1,545,662)

Pension Expense and Deferred Outflow of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2022, the Municipality recognized pension expense of approximately \$3,406,000. At December 31, 2022, the Municipality reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General Employees	Police	Firefighter	Total
<u>Deferred Outflow of Resources:</u>				
Differences between expected and actual experience	\$ -	\$ 349,466	\$ 1,358	\$ 350,824
Changes in assumption	461,081	1,124,066	334,244	1,919,391
Net difference between projected and actual earnings on pension plan investments	3,396,309	7,180,269	1,987,375	12,563,953
Total deferred outflows of resources	<u>\$ 3,857,390</u>	<u>\$ 8,653,801</u>	<u>\$ 2,322,977</u>	<u>\$ 14,834,168</u>
	General Employees	Police	Firefighter	Total
<u>Deferred Inflows of Resources:</u>				
Differences between expected and actual experience	\$ 324,348	\$ 170,289	\$ 515,917	\$ 1,010,554
Changes in assumption	21,900	12,624	-	34,524
Total deferred inflows of resources	<u>\$ 346,248</u>	<u>\$ 182,913</u>	<u>\$ 515,917</u>	<u>\$ 1,045,078</u>

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Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31,	General Employees	Police	Firefighter	Total
2023	\$ (17,465)	\$ 418,915	\$ (106,889)	\$ 294,561
2024	753,914	1,936,065	375,661	3,065,640
2025	1,173,024	2,721,662	625,356	4,520,042
2026	1,601,669	3,405,251	960,250	5,967,170
2027	-	(11,005)	(20,199)	(31,204)
Thereafter	-	-	(27,119)	(27,119)
Total	<u>\$ 3,511,142</u>	<u>\$ 8,470,888</u>	<u>\$ 1,807,060</u>	<u>\$ 13,789,090</u>

9. Other Postemployment Benefits

Summary of Significant Accounting Policies

Financial information of the Mt. Lebanon OPEB Trust (Trust) is presented on the accrual basis of accounting. Employer contributions to the Trust are made annually and reimbursements to the Municipality for retired member payments are submitted and received on an annual basis.

Investments of the Trust are reported at fair value. Securities traded on national exchanges are valued at the last reported sales price.

At December 31, 2022, there were no individual investments that constituted more than 5% of Trust net position available for benefits that were required to be reported. The Trust did not have any investment transactions with related parties during the year.

Plan Description

The Municipality has established the Trust to fund one or more of the Municipality's employee post-employment benefits other than pensions. The activity of the Trust is reported within the Fiduciary Funds – Trust Fund in the accompanying financial statements. Separate Trust financial statements are not available.

The Trust is a single-employer defined benefit plan administered by the Municipality which provides specific post-employment health and life insurance benefits for certain retired

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

employees, with benefit levels negotiated by contractual group or set by the Municipality based on those levels.

The post-employment health insurance benefit has been eliminated for new hires as of the following effective dates: contract Police – May 15, 2012; contract Firefighter – August 28, 2011; General Employees – January 1, 2012.

At December 31, 2022, participants in the Trust were as follows:

	General Employees	Police	Firefighter
Participants:			
Inactive, currently receiving benefits:			
Health insurance	4	22	7
Life insurance	47	43	11
Active:			
Health insurance	52	29	8
Life insurance	88	44	16

Benefits Provided - Post-Employment Health Insurance

Upon retirement, a retiree may elect to either stay in the medical group of the Municipality or may leave the group to purchase their own medical coverage. In either case, the retiree shall be provided a reimbursement for health insurance premiums until such time as the retiree becomes eligible for Medicare.

The maximum amount of the reimbursement for each employee group is as follows:

Police: A percentage of Police Officer VI Pay Grade, based on years of service, as follows:

<u>Service at Retirement</u>	<u>Percentage</u>	<u>2022 Per Month Amount</u>
25+ years	0.80%	\$821.81
20-24 years	0.65%	\$667.72
16-19 years	0.50%	\$516.63

Firefighter: \$400 per month upon retirement

General Employees: \$400 per month, after 15 years of service

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Benefits Provided - Post-Employment Life Insurance

The following provisions were included in the actuarial assumption regarding life insurance:

Eligibility: Retirement with 15 years or more of service

Insurance amount: \$15,000 – Police and Firefighter
 \$10,000 – All others

Contributions

The Municipality makes required contributions to the Trust as specified by the actuarial valuation. An actuarial valuation will be performed biennially, and participants do not contribute to the Trust.

Net OPEB Liability

The components of the net OPEB liability of the Trust at December 31, 2022 were as follows:

Total OPEB liability	\$ 3,394,495
Plan fiduciary net position	<u>2,068,010</u>
Net OPEB liability	<u>\$ 1,326,485</u>
Plan fiduciary net position as a percentage of the total OPEB liability	<u>60.92%</u>

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Changes in the Net OPEB Liability

The changes in the net OPEB liability of the Municipality for the year ended December 31, 2022 were as follows:

	Increases / Decreases		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at December 31, 2021	\$ 3,292,422	\$ 2,601,929	\$ 690,493
Changes for the year:			
Service cost	55,870	-	55,870
Interest	228,120	-	228,120
Contributions - employer	-	129,821	(129,821)
Net investment income	-	(475,686)	475,686
Benefit payments	(181,917)	(181,917)	-
Administrative expense	-	(6,137)	6,137
Net changes	102,073	(533,919)	635,992
Balances at December 31, 2022	\$ 3,394,495	\$ 2,068,010	\$ 1,326,485

Actuarial Assumptions – The total OPEB liability was determined by an actuarial valuation performed on January 1, 2021, and rolled forward to December 31, 2022, using the following actuarial assumptions, applied to all periods in the measurement:

- Actuarial cost method – Entry Age Normal Cost;
- Interest rate – 7.00%;
- Retirement Age – Police, upon attainment of age 51 and 25 years of service; Firefighter, upon attainment of age 53 and 25 years of service; General and Public Works, upon attainment of age 60 and 25 years of service;
- Mortality – 2010 Public Retirement Plan;
- Salary increase – An assumed 5.25% increase in basic wages was used in the actuarial assumptions for Police medical benefits because the benefit is a function of base rates as outlined above;
- Inflation: 2.50%.

Changes in Actuarial Assumptions – From the January 1, 2019 actuarial valuation report, the inflation assumption was lowered from 2.75% to 2.50%, the salary scale assumption was lowered from 5.50% to 5.25%, the interest rate assumption was lowered from 7.25% to 7.00%, and the mortality assumption was changed from RP-2014 Mortality Table with 50%

MT. LEBANON, PENNSYLVANIA

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YEAR ENDED DECEMBER 31, 2022

Blue Collar Adjustment (public safety only) and mortality improvement projected with rates derived from the Long-Range Demographic Assumptions for the 2015 SSA Trustee Report to the 2010 Public Retirement Plan and mortality improvement is projected from 2015 using the 2020 SSA Trustee Report.

Investment Policy – The Trust has an Investment Policy Statement which can be amended by the Commission based on recommendations from the Pension Investment Advisory Board. The core objectives of the statement are as follows: 1) Invest assets in a manner consistent with the fiduciary standards of the Act, 2) Provide for the funding and anticipated withdrawals on a continuing basis, 3) Conserve and enhance the capital value of the pension funds in real terms through asset appreciation and income generation, while maintaining a moderate investment risk profile, 4) Minimize principal fluctuations over the investment cycle (3-5 years), and 5) Achieve a long-term level of return commensurate with contemporary economic conditions and equal to or exceeding the investment objective set forth in the policy.

Long-Term Expected Rate of Return – The long-term expected rate of return on the Trust's investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of investment expense and inflation) 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.

The following was the asset allocation policy and best estimates of arithmetic real rates of return for each major asset class included in the Trust's target asset allocation as of December 31, 2022:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	42.0%	6.3%
International equity	23.0%	6.3%
Other equity	0.0%	6.3%
Fixed income	35.0%	2.0%
Cash	0.0%	0.0%
	<u>100.0%</u>	

Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the

MT. LEBANON, PENNSYLVANIA

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YEAR ENDED DECEMBER 31, 2022

year ended December 31, 2022, the annual money-weighted rate of return on the Trust's investments, net of investment expense, was (17.38%).

Discount Rate - The discount rate used to measure the total OPEB liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that the Municipality's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Trust'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 Trust investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the Trust calculated using the discount rate described above, as well as what the Trust's net OPEB liability would be if it was calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rates:

1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
<u>\$ 1,600,875</u>	<u>\$ 1,326,485</u>	<u>\$ 1,085,079</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

For the year ended December 31, 2022, the Municipality recognized OPEB expense of approximately \$137,000. At December 31, 2022, the Municipality reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

<u>Deferred Outflow of Resources:</u>	
Changes in assumption	\$ 57,546
Net difference between projected and actual earnings on OPEB plan investments	<u>286,878</u>
Total deferred outflows of resources	<u>\$ 344,424</u>
 <u>Deferred Inflows of Resources:</u>	
Differences between expected and actual experience	<u>\$ 170,960</u>

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEBs will be recognized in OPEB expense as follows:

<u>Year ending December 31,</u>	
2023	\$ (17,606)
2024	36,716
2025	73,241
2026	110,655
2027	(16,154)
Thereafter	<u>(13,388)</u>
Total	<u>\$ 173,464</u>

10. Fiduciary Funds Financial Information

The following financial information represents fiduciary trust funds as of December 31, 2022:

Plan Net Position

	General Employees	Police	Firefighter	Other Postemployment Benefits	Total
Assets					
Accrued income receivable	\$ 4,886	\$ 8,773	\$ 2,826	\$ 445	\$ 16,930
Investments (at fair value):					
Equity funds	19,271,700	40,746,762	11,588,198	1,434,951	73,041,611
Fixed income funds	7,926,178	16,343,636	4,623,207	682,985	29,576,006
Partnerships/joint ventures	3,043,655	6,274,275	1,905,287	-	11,223,217
Short-term funds	<u>1,480,965</u>	<u>2,695,813</u>	<u>857,853</u>	<u>135,839</u>	<u>5,170,470</u>
Total Assets	<u>31,727,384</u>	<u>66,069,259</u>	<u>18,977,371</u>	<u>2,254,220</u>	<u>119,028,234</u>
Liabilities					
Accounts payable	<u>2,069</u>	<u>4,216</u>	<u>1,243</u>	<u>186,210</u>	<u>193,738</u>
Net Position					
Restricted for pensions	31,725,315	66,065,043	18,976,128	-	116,766,486
Restricted for OPEB benefits	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,068,010</u>	<u>2,068,010</u>
Total Net Position	<u>\$ 31,725,315</u>	<u>\$ 66,065,043</u>	<u>\$ 18,976,128</u>	<u>\$ 2,068,010</u>	<u>\$ 118,834,496</u>

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Changes in Plan Net Position

	General Employees	Police	Firefighter	Other Postemployment Benefits	Total
Additions:					
Contributions:					
Employer, including state aid	\$ 397,860	\$ 2,257,099	\$ 131,174	\$ 129,821	\$ 2,915,954
Employee	232,936	251,818	88,794	-	573,548
Total contributions	630,796	2,508,917	219,968	129,821	3,489,502
Investment gain (loss):					
Net depreciation					
in fair value of investments	(6,725,526)	(13,956,038)	(4,010,104)	(533,869)	(25,225,537)
Interest and dividends	1,271,374	2,619,217	761,591	58,183	4,710,365
Total investment gain (loss)	(5,454,152)	(11,336,821)	(3,248,513)	(475,686)	(20,515,172)
Less investment expense	15,497	32,082	9,388	851	57,818
Net investment gain (loss)	(5,469,649)	(11,368,903)	(3,257,901)	(476,537)	(20,572,990)
Total additions	(4,838,853)	(8,859,986)	(3,037,933)	(346,716)	(17,083,488)
Deductions:					
Benefits	1,513,764	3,782,530	958,834	181,917	6,437,045
Withdrawals	35,872	18,574	16,488	-	70,934
Administrative expense	13,326	18,656	12,061	5,286	49,329
Total deductions	1,562,962	3,819,760	987,383	187,203	6,557,308
Change in Plan Net Position	(6,401,815)	(12,679,746)	(4,025,316)	(533,919)	(23,640,796)
Net Position:					
Beginning of year	38,127,130	78,744,789	23,001,444	2,601,929	142,475,292
End of year	\$ 31,725,315	\$ 66,065,043	\$ 18,976,128	\$ 2,068,010	\$ 118,834,496

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Net Appreciation (Depreciation) in Fair Value of Investments

The composition of net appreciation (depreciation) in fair value of investments reported on the statement of changes in plan net position is as follows:

	General Employees	Police	Firefighter	Other Postemployment Benefits	Total
Realized gain (loss)	\$ (58,485)	\$ (4,116)	\$ (14,077)	\$ 65	\$ (76,613)
Unrealized gain (loss)	(6,667,041)	(13,951,922)	(3,996,027)	(533,934)	(25,148,924)
	<u>\$ (6,725,526)</u>	<u>\$ (13,956,038)</u>	<u>\$ (4,010,104)</u>	<u>\$ (533,869)</u>	<u>\$ (25,225,537)</u>

The calculation of realized gains and losses is independent of the calculation of the net change in the fair value of investments.

Realized gains and losses on investments that have been held in more than one fiscal year and sold in the current year were included as part of the change in the fair value of investments reported in the prior year(s) and the current year.

11. Defined Contribution Plan

Certain management employees are eligible or required to participate in a defined contribution pension plan (Plan) adopted under the provisions of Internal Revenue Code Section 401 (Qualified pension, profit-sharing, and stock bonus plans). No employee of the Municipality can be in two qualified pension plans at once as an active employee. As part of its fiduciary role, the Municipality has an obligation of due care in selecting the third-party administrator.

Benefit terms are established and amended by resolution of the Commission. The Plan does not allow employee contributions and the Municipality contributes 15% of the employee's regular wages to the Plan on their behalf. The contributions and associated earnings vest immediately upon employee entry into the Plan. The Municipality contributes on a bi-weekly schedule.

During 2022, the Municipality contributed \$205,884 to the Plan. The Municipality had no liability outstanding at December 31, 2022.

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

12. Leases

The Parking Fund leases two retail spaces at its North Parking Garage to third parties under lease terms of six years, with renewal options available. The Parking Fund also leases unused office space to the Mt. Lebanon Historical Society under a lease term of twenty years. The Municipality receives total monthly payments of approximately \$17,000 relating to these leases. The Municipality recognized \$169,307 in lease revenue and \$15,961 in interest revenue during 2022 related to these leases. As of December 31, 2022, the Municipality's receivable for lease payments was \$875,258. Also, the Municipality has deferred inflows of resources associated with leases that will be recognized as revenue over the lease terms. As of December 31, 2022, the balance of the deferred inflows of resources was \$812,111.

As of December 31, 2022, future lease payments are as follows:

Year Ending	Principal	Interest	Total
2023	\$ 162,913	\$ 16,062	\$ 178,975
2024	194,000	12,568	206,568
2025	224,584	8,339	232,923
2026	137,120	4,208	141,328
2027	67,112	2,525	69,637
2028-2032	76,520	3,481	80,001
2033-2034	13,009	227	13,236
Total	<u>\$ 875,258</u>	<u>\$ 47,410</u>	<u>\$ 922,668</u>

13. Risk Financing

The Municipality is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. There were no significant reductions in insurance coverage from coverage in the prior year. For its property and liability coverage, the Municipality participates as a member of the Municipal Risk Management Property and Liability Trust (Trust), a public entity risk pool operated for the benefit of 165 cities, municipalities, boroughs, townships, and municipal authorities. The Trust operates pursuant to the Pa Intergovernmental Cooperation Act (1972 P.L., 762, No. 180; 53 P.S. Section 2303) and 42 Pa. C.S.A., Section 8564. The Trust purchases excess insurance with a \$150,000 per occurrence retention. The Trust may impose special assessments, when such assessments are required to reduce or eliminate a

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

deficit of the Trust. The liability of current, former, and terminated members for special assessments shall be only for liabilities resulting from the actual plans of coverage of property and liability exposures provided by the Trust during the specific period of time that the coverages were in force. Political subdivision members may withdraw at the end of any policy or fiscal year by giving 90 days written notice to the Trust prior to the beginning of any policy or fiscal year. At the time of withdrawal, the participant is responsible for their share of assessments but has no claim on any other assets of the Trust.

For its worker's compensation insurance coverage, the Municipality participates in the Municipal Risk Management Worker's Compensation Pooled Trust (Trust), a public entity risk pool operated for the benefit of approximately 200 cities, municipalities, boroughs, townships, and municipal authorities. Trust underwriting and rate-setting policies are established after consultation with an independent actuary and certain approvals of the Pennsylvania Department of Labor and Industry as mandated by Act 44 of 1993 (Act 44). All Trust participants may be subject to a supplemental assessment/dividend based on the overall experience of the participants, pursuant to Act 44. Each participant of the Trust agrees to jointly and severally assume and discharges the liabilities arising under the Worker's Compensation Act and Occupational Disease Act of each and every participant of the Trust. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. The Trust purchases excess insurance coverage with statutory limits. The retention for this excess coverage is \$750,000 per occurrence. There were no significant reductions in insurance coverage from coverage in the prior year. Political subdivisions joining the Trust must remain members for a minimum of four years; a member may withdraw from the Trust after that time by giving ninety days' notice, subject to approval by the Trust actuary under specified circumstances related to the continued fiscal stability of the pool. At the time of withdrawal, the participant is responsible for their share of assessments but has no claim on any other assets of the Trust. Estimates of any additional assessments are unknown.

14. Contingent Liabilities and Commitments

Grant Programs

The Municipality participates in state or federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Municipality is potentially liable for any expenditures which may be disallowed pursuant to the terms of these grant programs.

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

Pennsylvania Department of Environmental Protection Consent Order

On May 6, 2004, the Municipality entered into an Administrative Consent Order (ACO) with the Allegheny County Health Department (ACHD) in order to eliminate sanitary sewer overflows and comply with the Clean Streams Law. As part of the ACO, the Municipality was required to inventory their system, complete necessary repairs, perform flow monitoring, dye test, adopt a point-of-sale dye testing ordinance, adopt an ordinance to eliminate storm water connections, perform a hydraulic analysis of the collection system, develop an operation and maintenance plan, and prepare a feasibility study to address any collection system deficiencies to eliminate sanitary sewer overflows within six (6) months after the submittal of an ALCOSAN wet weather plan or July 31, 2013, based on the submittal date of the ALCOSAN plan.

In 2013, in compliance with a consent order the Municipality submitted a feasibility study for long term improvements to address wet weather issues with an estimated cost of \$10,600,000. Under the original order, improvements were to be installed by 2026, however in the feasibility study it was noted that the minimum start of construction under any circumstance would be 2026.

The ACO expired on March 30, 2015. The Municipality asked ACHD to extend the termination date or to enter into a new Consent Order Agreement (COA). This extension was requested so that the Municipality could explore the potential benefits of Green Infrastructure (GI) as a means of reducing flows. The regulatory agencies are offering the opportunity for the customer municipalities to investigate flow reduction opportunities through two phases. The first phase will be implemented under an interim ACO. Phase two will require municipalities to negotiate and execute new COAs and ACOs consistent with the ALCOSAN agreement currently being developed.

The Interim COA was signed by the Municipality on December 8, 2015. The Interim COA requires that the Municipality complete a Source Reduction Study within 18 months of the execution of the COA. The Source Reduction Study also must include at least one flow reduction demonstration project within 500 days of the execution of the COA, as well as continuing to implement all items listed in the previously submitted Operation and Maintenance Plan. The Municipality has complied with all terms of the Interim COA.

A Phase II COA was issued by the ACHD and executed by the Municipality and the ACHD on October 28, 2021. The current COA requires the Municipality by December 31, 2026 to complete flow reduction projects in different sewer sheds to meet the required gold line standard (GLS) of acceptable flows in the system and to report on the same.

MT. LEBANON, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2022

In 2022, the Municipality reviewed the GLS as during its due diligence and an updated Schedule B was submitted. The updated Schedule B verified that improvements made to the system since 2008 reduced the measured flow at the point of connections (POC) in the system. In addition, in 2022, flow monitoring on smaller reaches of sewers was completed to obtain more data to strategically select projects to meet the GLS. The Municipality met all required deadlines of the COA in 2022.

Concurrently in 2022, ALCOSAN continued an effort to regionalize portions of the trunk sewer system that services multiple municipalities. The Municipality met with ALOCSAN and is considering the proposal.

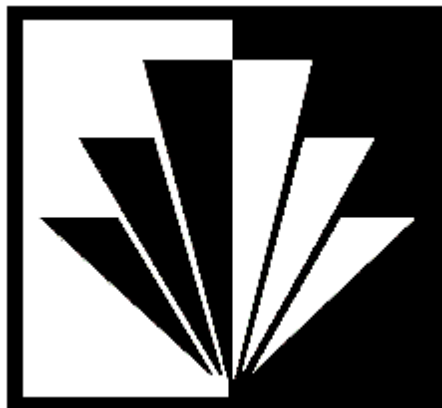
During the year ended December 31, 2022, the Municipality incurred approximately \$2.2 million in expenditures related to sanitary sewer improvements.

Commitments

The Municipality has entered into contract commitments related to various capital purchases and projects. As of December 31, 2022, the Municipality had approximately \$5.6 million in commitments related to various capital projects.

15. Stormwater Fees

On January 4, 2023, in the case of *Borough of West Chester v. Pa State System of Higher Education and West Chester University of Pa. of the State System of Higher Education*, No. 260 M.D. 2018 (Pa. Cmwlth. Jan. 4, 2023), the Pennsylvania Commonwealth Court ruled that the Storm Water Fee imposed by the Borough of West Chester constituted a tax and the tax-exempt school system defendants should not be subject to the fee. Since the Municipality imposes a similar fee, the Municipality may be subject to adjustments to the Storm Water Fee depending on appeals filed by the Borough of West Chester or appeals made by similar entities in Mt. Lebanon. Currently, tax-exempt properties make up 11.6% of the Municipality's Storm Water Fees collected.



REQUIRED

SUPPLEMENTARY INFORMATION

MT. LEBANON, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE MUNICIPALITY'S NET PENSION (ASSET) LIABILITY AND RELATED RATIOS

GENERAL EMPLOYEES PENSION PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service cost	\$ 695,210	\$ 642,260	\$ 623,203	\$ 623,431	\$ 591,920	\$ 595,445	\$ 584,860	\$ 524,753	\$ 487,918
Interest	2,234,764	2,145,748	2,082,168	2,003,538	1,905,168	1,817,074	1,736,766	1,620,029	1,581,478
Changes of benefit terms	-	-	-	55,521	-	9,176	-	-	-
Differences between expected and actual experience	(95,738)	(279,853)	(239,869)	(21,697)	(26,433)	(754,836)	493,888	(391,056)	-
Changes of assumptions	-	815,757	(60,543)	-	-	655,645	-	604,646	-
Benefit payments, including refunds of member contributions	(1,549,636)	(1,400,064)	(1,254,328)	(1,229,665)	(1,182,357)	(1,153,080)	(1,114,298)	(1,066,084)	(1,055,408)
Net Changes in Total Pension Liability	1,284,600	1,923,848	1,150,631	1,431,128	1,288,298	1,169,424	1,701,216	1,292,288	1,013,988
Total Pension Liability - Beginning	32,087,437	30,163,589	29,012,958	27,581,830	26,293,532	25,124,108	23,422,892	22,130,604	21,116,616
Total Pension Liability - Ending (a)	\$ 33,372,037	\$ 32,087,437	\$ 30,163,589	\$ 29,012,958	\$ 27,581,830	\$ 26,293,532	\$ 25,124,108	\$ 23,422,892	\$ 22,130,604
Plan Fiduciary Net Position:									
Contributions - employer	\$ 397,860	\$ 520,891	\$ 511,555	\$ 456,673	\$ 424,715	\$ 403,602	\$ 413,887	\$ 433,269	\$ 432,172
Contributions - member	232,936	259,575	247,441	242,483	233,311	222,616	222,255	222,399	200,620
Net investment income	(5,454,152)	4,827,232	4,267,341	5,551,354	(1,454,774)	3,903,290	1,344,937	56,604	1,500,399
Benefit payments, including refunds of member contributions	(1,549,636)	(1,400,064)	(1,254,328)	(1,229,665)	(1,182,357)	(1,153,080)	(1,114,298)	(1,066,084)	(1,055,408)
Administrative expense	(28,823)	(38,840)	(23,208)	(30,566)	(47,065)	(52,741)	(68,792)	(79,994)	(13,394)
Net Change in Plan Fiduciary Net Position	(6,401,815)	4,168,794	3,748,801	4,990,279	(2,026,170)	3,323,687	797,989	(433,806)	1,064,389
Plan Fiduciary Net Position - Beginning	38,127,130	33,958,336	30,209,535	25,219,256	27,245,426	23,921,739	23,123,750	23,557,556	22,493,167
Plan Fiduciary Net Position - Ending (b)	\$ 31,725,315	\$ 38,127,130	\$ 33,958,336	\$ 30,209,535	\$ 25,219,256	\$ 27,245,426	\$ 23,921,739	\$ 23,123,750	\$ 23,557,556
Net Pension (Asset) Liability - Ending (a-b)	\$ 1,646,722	\$ (6,039,693)	\$ (3,794,747)	\$ (1,196,577)	\$ 2,362,574	\$ (951,894)	\$ 1,202,369	\$ 299,142	\$ (1,426,952)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.07%	118.82%	112.58%	104.12%	91.43%	103.62%	95.21%	98.72%	106.45%
Covered Payroll	\$ 5,366,094	\$ 5,319,127	\$ 5,032,161	\$ 4,995,603	\$ 4,740,168	\$ 4,452,316	\$ 4,495,374	\$ 4,474,435	\$ 4,008,309
Net Pension (Asset) Liability as a Percentage of Covered Payroll	30.69%	(113.55%)	(75.41%)	(23.95%)	49.84%	(21.38%)	26.75%	6.69%	(35.60%)

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

MT. LEBANON, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE MUNICIPALITY'S NET PENSION (ASSET) LIABILITY AND RELATED RATIOS

POLICE PENSION PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service cost	\$ 1,338,879	\$ 1,444,668	\$ 1,453,363	\$ 1,318,227	\$ 1,410,980	\$ 1,417,581	\$ 1,329,704	\$ 1,244,919	\$ 1,124,408
Interest	5,027,858	4,862,119	4,693,793	4,452,276	4,243,417	4,052,750	3,845,671	3,544,643	3,375,994
Changes of benefit terms	-	-	-	-	-	256,168	-	131,383	-
Differences between expected and actual experience	(194,390)	89,180	575,105	168,924	(326,971)	(978,015)	1,570,774	(231,435)	-
Changes of assumptions	-	1,826,608	(28,404)	-	-	654,822	-	1,596,283	-
Benefit payments, including refunds of member contributions	(3,801,104)	(3,482,058)	(3,195,714)	(3,048,980)	(2,657,376)	(2,361,531)	(2,319,172)	(2,267,742)	(2,209,527)
Net Changes in Total Pension Liability	2,371,243	4,740,517	3,498,143	2,890,447	2,670,050	3,041,775	4,426,977	4,018,051	2,290,875
Total Pension Liability - Beginning	72,550,475	67,809,958	64,311,815	61,421,368	58,751,318	55,709,543	51,282,566	47,264,515	44,973,640
Total Pension Liability - Ending (a)	\$ 74,921,718	\$ 72,550,475	\$ 67,809,958	\$ 64,311,815	\$ 61,421,368	\$ 58,751,318	\$ 55,709,543	\$ 51,282,566	\$ 47,264,515
Plan Fiduciary Net Position:									
Contributions - employer	\$ 2,257,099	\$ 2,278,991	\$ 2,388,374	\$ 2,352,549	\$ 2,353,133	\$ 2,109,775	\$ 2,053,201	\$ 1,906,718	\$ 1,869,761
Contributions - member	251,818	247,264	248,961	250,972	232,434	238,177	207,998	203,554	181,912
Net investment income	(11,336,821)	9,996,060	8,723,018	11,370,132	(2,938,933)	7,657,620	2,561,820	107,540	2,626,108
Benefit payments, including refunds of member contributions	(3,801,104)	(3,482,058)	(3,195,714)	(3,048,980)	(2,657,376)	(2,361,531)	(2,319,172)	(2,267,742)	(2,209,526)
Administrative expense	(50,738)	(64,150)	(45,077)	(50,780)	(88,187)	(95,084)	(120,705)	(141,950)	(16,497)
Net Change in Plan Fiduciary Net Position	(12,679,746)	8,976,107	8,119,562	10,873,893	(3,098,929)	7,548,957	2,383,142	(191,880)	2,451,758
Plan Fiduciary Net Position - Beginning	78,744,789	69,768,682	61,649,120	50,775,227	53,874,156	46,325,199	43,942,057	44,133,937	41,682,179
Plan Fiduciary Net Position - Ending (b)	\$ 66,065,043	\$ 78,744,789	\$ 69,768,682	\$ 61,649,120	\$ 50,775,227	\$ 53,874,156	\$ 46,325,199	\$ 43,942,057	\$ 44,133,937
Net Pension (Asset) Liability - Ending (a-b)	\$ 8,856,675	\$ (6,194,314)	\$ (1,958,724)	\$ 2,662,695	\$ 10,646,141	\$ 4,877,162	\$ 9,384,344	\$ 7,340,509	\$ 3,130,578
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.18%	108.54%	102.89%	95.86%	82.67%	91.70%	83.15%	85.69%	93.38%
Covered Payroll	\$ 5,618,946	\$ 5,500,832	\$ 5,533,253	\$ 5,577,948	\$ 5,165,202	\$ 5,292,825	\$ 5,202,636	\$ 5,081,332	\$ 4,537,748
Net Pension (Asset) Liability as a Percentage of Covered Payroll	157.62%	(112.61%)	(35.40%)	47.74%	206.11%	92.15%	180.38%	144.46%	68.99%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

MT. LEBANON, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE MUNICIPALITY'S NET PENSION (ASSET) LIABILITY AND RELATED RATIOS

FIREFIGHTER PENSION PLAN

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability:									
Service cost	\$ 311,703	\$ 290,755	\$ 287,561	\$ 286,393	\$ 297,870	\$ 311,943	\$ 352,303	\$ 330,893	\$ 364,155
Interest	1,291,452	1,261,248	1,230,072	1,220,594	1,172,120	1,126,813	1,101,371	1,031,986	993,682
Changes of benefit terms	-	-	-	23,995	-	-	-	-	-
Differences between expected and actual experience	(189,827)	(39,427)	(572,633)	3,234	(86,189)	(736,092)	78,650	(179,545)	-
Changes of assumptions	-	461,498	44,105	-	-	256,159	-	324,581	-
Benefit payments, including refunds of member contributions	(975,322)	(928,756)	(855,164)	(842,843)	(792,299)	(637,575)	(531,475)	(478,956)	(489,422)
Net Changes in Total Pension Liability	438,006	1,045,318	133,941	691,373	591,502	321,248	1,000,849	1,028,959	868,415
Total Pension Liability - Beginning	18,806,837	17,761,519	17,627,578	16,936,205	16,344,703	16,023,455	15,022,606	13,993,647	13,125,232
Total Pension Liability - Ending (a)	\$ 19,244,843	\$ 18,806,837	\$ 17,761,519	\$ 17,627,578	\$ 16,936,205	\$ 16,344,703	\$ 16,023,455	\$ 15,022,606	\$ 13,993,647
Plan Fiduciary Net Position:									
Contributions - employer	\$ 131,174	\$ 213,578	\$ 230,607	\$ 220,441	\$ 230,060	\$ 338,241	\$ 364,036	\$ 455,969	\$ 448,324
Contributions - member	88,794	94,114	88,209	88,473	89,058	91,154	84,081	82,730	72,526
Net investment income	(3,248,513)	2,943,462	2,578,936	3,464,190	(884,144)	2,443,097	832,846	31,987	887,616
Benefit payments, including refunds of member contributions	(975,322)	(928,756)	(855,164)	(842,843)	(792,299)	(637,575)	(531,475)	(478,956)	(489,422)
Administrative expense	(21,449)	(24,898)	(14,047)	(20,249)	(29,911)	(33,886)	(43,140)	(51,122)	(9,888)
Net Change in Plan Fiduciary Net Position	(4,025,316)	2,297,500	2,028,541	2,910,012	(1,387,236)	2,201,031	706,348	40,608	909,156
Plan Fiduciary Net Position - Beginning	23,001,444	20,703,944	18,675,403	15,765,391	17,152,627	14,951,596	14,245,248	14,204,640	13,295,484
Plan Fiduciary Net Position - Ending (b)	\$ 18,976,128	\$ 23,001,444	\$ 20,703,944	\$ 18,675,403	\$ 15,765,391	\$ 17,152,627	\$ 14,951,596	\$ 14,245,248	\$ 14,204,640
Net Pension (Asset) Liability - Ending (a-b)	\$ 268,715	\$ (4,194,607)	\$ (2,942,425)	\$ (1,047,825)	\$ 1,170,814	\$ (807,924)	\$ 1,071,859	\$ 777,358	\$ (210,993)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	98.60%	122.30%	116.57%	105.94%	93.09%	104.94%	93.31%	94.83%	101.51%
Covered Payroll	\$ 2,177,584	\$ 2,071,148	\$ 1,893,835	\$ 1,920,449	\$ 1,929,787	\$ 1,823,074	\$ 1,895,055	\$ 1,966,010	\$ 1,826,798
Net Pension (Asset) Liability as a Percentage of Covered Payroll	12.34%	(202.53%)	(155.37%)	(54.56%)	60.67%	(44.32%)	56.56%	39.54%	(11.55%)

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules - pension trust funds.

MT. LEBANON, PENNSYLVANIA

SCHEDULES OF MUNICIPALITY'S CONTRIBUTIONS AND INVESTMENT RETURNS

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
GENERAL EMPLOYEES PLAN:									
Schedule of Municipality's Contributions									
Actuarially determined contribution	\$ 397,860	\$ 520,891	\$ 511,555	\$ 456,673	\$ 424,715	\$ 403,602	\$ 413,887	\$ 433,269	\$ 432,172
Contributions in relation to the actuarially determined contribution	397,860	520,891	511,555	456,673	424,715	403,602	413,887	433,269	432,172
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 5,366,094	\$ 5,319,127	\$ 5,032,161	\$ 4,995,603	\$ 4,740,168	\$ 4,452,316	\$ 4,495,374	\$ 4,474,435	\$ 4,008,309
Contributions as a percentage of covered payroll	7.41%	9.79%	10.17%	9.14%	8.96%	9.06%	9.21%	9.68%	10.78%
Investment Returns									
Annual money-weighted rate of return, net of investment expense	-15.79%	13.96%	14.55%	20.64%	-4.77%	16.41%	5.96%	0.04%	6.86%
POLICE PLAN:									
Schedule of Municipality's Contributions									
Actuarially determined contribution	\$ 2,210,149	\$ 2,278,991	\$ 2,287,919	\$ 2,306,379	\$ 2,331,048	\$ 2,067,756	\$ 2,053,201	\$ 1,906,718	\$ 1,869,761
Contributions in relation to the actuarially determined contribution	2,257,099	2,278,991	2,388,374	2,352,549	2,353,133	2,109,775	2,053,201	1,906,718	1,869,761
Contribution deficiency (excess)	\$ (46,950)	\$ -	\$ (100,455)	\$ (46,170)	\$ (22,085)	\$ (42,019)	\$ -	\$ -	\$ -
Covered payroll	\$ 5,618,946	\$ 5,500,832	\$ 5,533,253	\$ 5,577,948	\$ 5,165,202	\$ 5,292,825	\$ 5,202,636	\$ 5,081,332	\$ 4,537,748
Contributions as a percentage of covered payroll	40.17%	41.43%	43.16%	42.18%	45.56%	39.86%	39.46%	37.52%	41.20%
Investment Returns									
Annual money-weighted rate of return, net of investment expense	-15.64%	13.87%	14.51%	20.72%	-4.81%	16.39%	5.98%	0.02%	6.53%
FIREFIGHTER PLAN:									
Schedule of Municipality's Contributions									
Actuarially determined contribution	\$ 131,174	\$ 213,578	\$ 230,607	\$ 220,441	\$ 230,060	\$ 338,241	\$ 364,036	\$ 455,969	\$ 448,324
Contributions in relation to the actuarially determined contribution	131,174	213,578	230,607	220,441	230,060	338,241	364,036	455,969	448,324
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 2,177,584	\$ 2,071,148	\$ 1,893,835	\$ 1,920,449	\$ 1,929,787	\$ 1,823,074	\$ 1,895,055	\$ 1,966,010	\$ 1,826,798
Contributions as a percentage of covered payroll	6.02%	10.31%	12.18%	11.48%	11.92%	18.55%	19.21%	23.19%	24.54%
Investment Returns									
Annual money-weighted rate of return, net of investment expense	15.59%	13.98%	14.40%	20.66%	-4.67%	16.36%	5.95%	0.02%	6.90%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

MT. LEBANON, PENNSYLVANIA

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2021

Actuarial Methods and Assumptions

Contributions are determined using actuarially determined rates based on the following methods and assumptions:

	General Employees	Police	Firefighter
Actuarial valuation date	1/1/2021	1/1/2021	1/1/2021
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar Open	Level Dollar Closed	Level Dollar Closed
Asset valuation method	4-Year Smoothing	4-Year Smoothing	4-Year Smoothing
Remaining amortization period	N/A	10-15 years	9-10 years
Actuarial assumptions:			
Investment rate of return	7.00%	7.00%	7.00%
Projected salary increases	4.50%	5.25%	4.50%
Inflation rate	2.50%	2.50%	2.50%
Cost-of-living adjustments	N/A	2.0% *	N/A
Mortality table	2010 Public Retirement Plans - General Employee	2010 Public Retirement Plans - Public Safety	2010 Public Retirement Plans - Public Safety

N/A - Not Applicable

* If hired before January 11, 2004, retirees who had completed 20 years of service and disabled retirees will receive annual increases of 2% final monthly average compensation. Annual increases for retirees with less than 20 years of service is 2% of the retirement benefits. If hired

MT. LEBANON, PENNSYLVANIA

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2022

on or after January 11, 2004, the retiree will receive an increase in the monthly benefit, excluding service increment, equal to the percentage change in the CPI-W.

Benefit Changes

General Employees Plan

In 2017, benefit terms were modified for Parking Authority employees to retire at age 60 regardless of service, with appropriate reduction for early retirement.

Police Plan

In 2015, benefit terms were modified to reflect a recent Pennsylvania Supreme Court decision regarding the interpretation of the maximum cost of living adjustment (COLA) applicable to participants who were hired before January 11, 2004 and who retired early.

In 2017, benefit terms were modified to increase the survivor benefit for participants hired after January 11, 2014. The surviving spouse will now receive 100% of the participant's accrued benefit, the same benefit as those officers hired before January 11, 2004. In addition, benefit terms were modified to change the averaging period for participants hired after January 11, 2014 from the highest consecutive 36 months out of the final 60 months of employment to the final 36 months of employment.

Changes in Actuarial Assumptions

General Employees Plan

In 2015, amounts reported as changes of assumptions resulted primarily from lowering the interest rate from 7.5% to 7.25% to add a degree of conservatism to the assumptions, lowering the assumed rate of salary increases from 5.0% to 4.75% based on lower expectations of future increases, and adding rates of retirement to better reflect participant's historical retirement patterns.

In 2017, the inflation rate assumption was lowered from 3.00% to 2.75%. In addition, there was a change in the mortality assumption. Significant reductions in mortality that have occurred since the development of the RP-2000 Mortality Table prompted the change in mortality assumption from the RP-2000 Combined Healthy Mortality Table with rates projected to improve with scale AA, to the RP-2014 Mortality Table with rates

MT. LEBANON, PENNSYLVANIA

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2021

projected to improve based on the Long-Range Demographic Assumptions for the 2015 Social Security Administration's Trustee Report.

In 2021, the investment rate of return was lowered from 7.25% to 7.00%, projected salary increases were lowered from 4.75% to 4.5%, and the inflation rate was lowered from 2.75% to 2.50%. The mortality table was updated from the RP-2014 table to the 2010 Public Retirement Plans – General Employees table.

Police Plan

In 2015, amounts reported as changes of assumptions resulted primarily from lowering the interest rate from 7.5% to 7.25% to add a degree of conservatism to the assumptions and adding rates of retirement to better reflect the historical pattern of retirements and the greater incentive to retire early created by the Pennsylvania Supreme Court decision referenced above.

In 2017, the inflation rate assumption was lowered from 3.00% to 2.75%. In addition, there was a change in the mortality assumption. Significant reductions in mortality that have occurred since the development of the RP-2000 Mortality Table prompted the change in mortality assumption from the RP-2000 Combined Healthy Mortality Table with Blue Collar adjustment and rates projected to improve with scale AA, to the RP-2014 Mortality Table with 50% of the Blue Collar Adjustment and rates projected to improve based on the Long-Range Demographic Assumptions for the 2015 Social Security Administration's Trustee Report.

In 2021, the investment rate of return was lowered from 7.25% to 7.00%, projected salary increases were lowered from 5.50% to 5.25%, and the inflation rate was lowered from 2.75% to 2.50%. The mortality table was updated from the RP-2014 with 50% of the Blue Collar adjustment table to the 2010 Public Retirement Plans – Public Safety table.

Firefighter Plan

In 2015, amounts reported as changes of assumptions resulted primarily from lowering the interest rate from 7.5% to 7.25% to add a degree of conservatism to the assumptions and lowering the assumed rate of salary increases from 5.0% to 4.75% based on lower expectations of future increases.

MT. LEBANON, PENNSYLVANIA

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2022

In 2017, the inflation rate assumption was lowered from 3.00% to 2.75%. In addition, there was a change in the mortality assumption. Significant reductions in mortality that have occurred since the development of the RP-2000 Mortality Table prompted the change in mortality assumption from the RP-2000 Combined Healthy Mortality Table with Blue Collar adjustment and rates projected to improve with scale AA, to the RP-2014 Mortality Table with 50% of the Blue Collar Adjustment and rates projected to improve based on the Long-Range Demographic Assumptions for the 2015 Social Security Administration's Trustee Report.

In 2021, the investment rate of return was lowered from 7.25% to 7.00%, projected salary increases were lowered from 4.75% to 4.50%, and the inflation rate was lowered from 2.75% to 2.50%. The mortality table was updated from the RP-2014 with 50% of the Blue Collar adjustment table to the 2010 Public Retirement Plans – Public Safety table.

MT. LEBANON, PENNSYLVANIA

SCHEDULE OF CHANGES IN THE MUNICIPALITY'S NET OPEB LIABILITY AND RELATED RATIOS

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017
Total OPEB Liability:						
Service cost	\$ 55,870	\$ 54,507	\$ 59,103	\$ 57,523	\$ 69,975	\$ 68,102
Interest	228,120	220,784	225,520	216,439	214,728	205,526
Differences between expected and actual experience	-	(151,136)	-	(103,546)	-	-
Changes of assumptions	-	75,252	-	-	-	-
Benefit payments, including refunds of member contributions	(181,917)	(162,096)	(159,300)	(141,557)	(148,546)	(148,590)
Net Changes in Total OPEB Liability	102,073	37,311	125,323	28,859	136,157	125,038
Total OPEB Liability - Beginning	3,292,422	3,255,111	3,129,788	3,100,929	2,964,772	2,839,734
Total OPEB Liability - Ending (a)	\$ 3,394,495	\$ 3,292,422	\$ 3,255,111	\$ 3,129,788	\$ 3,100,929	\$ 2,964,772
Plan Fiduciary Net Position:						
Contributions - employer	\$ 129,821	\$ 129,821	\$ 184,191	\$ 184,191	\$ 201,692	\$ 201,692
Net investment income (loss)	(475,686)	349,970	330,798	389,484	(111,628)	248,280
Benefit payments, including refunds of member contributions	(181,917)	(162,096)	(159,300)	(141,557)	(148,546)	(148,590)
Administrative expense	(6,137)	(7,779)	(3,254)	(7,246)	(4,359)	(6,413)
Net Change in Plan Fiduciary Net Position	(533,919)	309,916	352,435	424,872	(62,841)	294,969
Plan Fiduciary Net Position - Beginning	2,601,929	2,292,013	1,939,578	1,514,706	1,577,547	1,282,578
Plan Fiduciary Net Position - Ending (b)	\$ 2,068,010	\$ 2,601,929	\$ 2,292,013	\$ 1,939,578	\$ 1,514,706	\$ 1,577,547
Net OPEB Liability (Asset) - Ending (a-b)	\$ 1,326,485	\$ 690,493	\$ 963,098	\$ 1,190,210	\$ 1,586,223	\$ 1,387,225
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	60.92%	79.03%	70.41%	61.97%	48.85%	53.21%
Covered Employee Payroll	\$ 14,511,420	\$ 14,167,519	\$ 13,773,626	\$ 13,376,391	\$ 13,117,492	\$ 12,515,658
Net OPEB Liability (Asset) as a Percentage of Covered Employee Payroll	9.14%	4.87%	6.99%	8.90%	12.09%	11.08%

* Until a full 10-year trend is compiled, the required information for the Trust is presented for as many years as are available.

See accompanying notes to required supplementary schedules -
other postemployment benefits trust fund.

MT. LEBANON, PENNSYLVANIA

SCHEDULES OF MUNICIPALITY'S OPEB CONTRIBUTIONS AND INVESTMENT RETURNS

YEARS ENDED DECEMBER 31
LAST TEN YEARS*

	2022	2021	2020	2019	2018	2017
Schedule of Municipality's Contributions						
Actuarially determined contribution	\$ 129,821	\$ 129,821	\$ 184,191	\$ 184,191	\$ 201,692	\$ 201,692
Contributions in relation to the actuarially determined contribution	129,821	129,821	184,191	184,191	201,692	201,692
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 14,511,420	\$ 14,167,519	\$ 13,773,626	\$ 13,376,391	\$ 13,117,492	\$ 12,515,658
Contributions as a percentage of covered employee payroll	0.89%	0.92%	1.34%	1.38%	1.54%	1.61%
Investment Returns						
Annual money-weighted rate of return, net of investment expense	-17.38%	14.16%	16.19%	21.28%	-4.94%	16.73%

* Until a full 10-year trend is compiled, the required information for the plan is presented for as many years as are available.

See accompanying notes to required supplementary schedules -
other postemployment benefits trust fund.

MT. LEBANON, PENNSYLVANIA

NOTES TO REQUIRED SUPPLEMENTARY SCHEDULES OTHER POSTEMPLOYMENT BENEFITS TRUST FUND

YEAR ENDED DECEMBER 31, 2022

Actuarial Methods and Assumptions

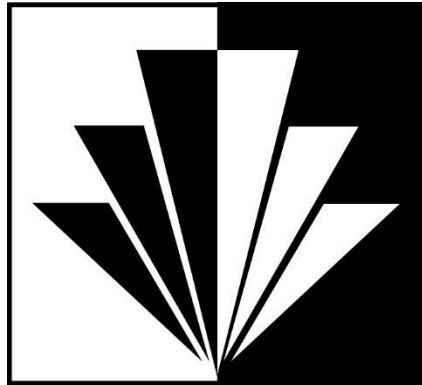
The methods and assumptions used to determine contribution rates are as follows:

- Actuarial valuation date – January 1, 2021;
- Actuarial cost method – Entry Age Normal Cost;
- Actuarial value of assets – Fair Value;
- Amortization method – Level Dollar Open;
- Amortization period – 30 years;
- Interest rate – 7.00%;
- Retirement Age – Police, upon attainment of age 51 and 25 years of service; Firefighter, upon attainment of age 53 and 25 years of service; General and Public Works, upon attainment of age 60 and 25 years of service;
- Mortality – Police and Firefighter, 2010 Public Retirement Plans – Public Safety; General and Public Works, 2010 Public Retirement Plans – General Employee;
- Salary increase – An assumed 5.25% increase in basic wages was used in the actuarial assumptions for Police medical benefits because the benefit is a function of base rates as outlined above;
- Inflation: 2.50%.

Changes in Actuarial Assumptions

The interest rate was decreased from 7.50% to 7.25% in the January 1, 2017 actuarial valuation. In addition, mortality rates were updated.

For the January 1, 2021 actuarial valuation, the interest rate was decreased from 7.25% to 7.00%, the mortality assumption was updated, the salary increase assumption was decreased from 5.50% to 5.25%, and inflation was decreased from 2.75% to 2.50%.



COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

General Fund:

The General Fund accounts for all transactions of the Municipality which are not properly accounted for in other funds. The General Fund is used to account for the ordinary operations of the Municipality which are financed from taxes and other general revenues.

Sewage Fund:

The Sewage Fund is used to account for sewer service charges assessed to properties in the Municipality. By agreement, Jordan Tax Service provides billing and collection service. All funds generated by the Municipality, net of sewer treatment charges, must be used for sanitary sewer maintenance and reconstruction.

Capital Projects Fund:

The Capital Projects Funds account for the acquisition, construction, or improvement of capital facilities or infrastructure by the Municipality.

MT. LEBANON, PENNSYLVANIA

GENERAL FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and other money market instruments	\$ 12,675,530	\$ 11,020,650	\$ 9,189,605
Receivables:			
Taxes	4,101,379	3,905,395	3,928,060
Assessments	39,212	42,559	10,494
Accounts	709,133	738,295	579,233
Due from other funds	1,320,263	1,269,210	1,612,931
Due from other governments	420,351	566,168	645,845
Other assets	555,480	594,143	419,510
Total Assets	\$ 19,821,348	\$ 18,136,420	\$ 16,385,678
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities:			
Accounts payable	\$ 1,272,909	\$ 1,107,601	\$ 914,763
Advance deposits	717,398	633,375	635,725
Due to other funds	958,153	1,385,313	1,628,811
Accrued payroll and deductions payable	1,422,137	1,320,125	1,274,401
Unearned revenue	-	1,170,887	-
Total Liabilities	4,370,597	5,617,301	4,453,700
Deferred Inflows of Resources:			
Unavailable revenue	3,563,190	3,412,117	3,094,791
Fund Balance:			
Nonspendable:			
Prepaid items and inventory	555,480	594,143	419,510
Assigned for:			
Capital projects	553,510	380,799	932,398
Subsequent years budget	3,513,945	1,239,660	1,170,560
Parking operations	51,044	275,800	-
Future benefit obligations	65,000	65,000	65,000
Refund reserve	427,725	-	-
Unassigned	6,720,857	6,551,600	6,249,719
Total Fund Balance	11,887,561	9,107,002	8,837,187
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 19,821,348	\$ 18,136,420	\$ 16,385,678

MT. LEBANON, PENNSYLVANIA

GENERAL FUND COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2022
(COMPARATIVE ACTUAL FOR YEARS ENDED DECEMBER 31, 2021 AND 2020)

	2022	2021	2020
Revenues:			
Taxes:			
Real estate	\$ 13,475,998	\$ 13,052,389	\$ 12,906,801
Earned income	14,647,833	13,375,606	13,180,483
Other	4,044,100	4,053,453	3,759,170
Total taxes	32,167,931	30,481,448	29,846,454
Licenses, permits, and fees	1,180,193	1,072,606	1,178,776
Fines, forfeitures, and penalties	74,425	81,946	93,060
Investment earnings	131,013	14,846	48,301
Intergovernmental	4,271,048	1,927,654	1,997,000
Recreation	3,330,805	2,571,758	1,414,325
Other	2,343,078	2,364,826	2,489,277
Total revenues	43,498,493	38,515,084	37,067,193
Expenditures:			
Current:			
General government	5,016,646	4,717,796	4,697,139
Community development	909,814	700,494	636,315
Public works	9,135,119	8,672,642	7,815,138
Human services	626,677	525,156	480,774
Culture and recreation	3,559,075	2,969,415	2,322,576
Public safety:			
Police	9,781,733	9,783,359	9,796,156
Fire	3,568,933	3,405,991	3,191,112
Other	1,066,803	1,215,574	934,804
Capital outlay	659,856	681,346	240,676
Total expenditures	34,324,656	32,671,773	30,114,690
Excess of Revenues over Expenditures	9,173,837	5,843,311	6,952,503
Other Financing Sources (Uses):			
Transfers in:			
Storm Water Fund	511,903	526,716	406,871
Parking Fund	-	-	151,420
Sewage Fund	641,353	468,349	427,133
Total transfers in	1,153,256	995,065	985,424
Transfers out:			
Library Operating Fund	(1,501,470)	(1,470,530)	(1,286,320)
Debt Service Fund	(3,052,753)	(3,057,493)	(3,043,066)
Parking Fund	(290,145)	-	-
Capital Projects Fund	(2,702,166)	(2,040,538)	(2,538,561)
Total transfers out	(7,546,534)	(6,568,561)	(6,867,947)
Total other financing sources (uses)	(6,393,278)	(5,573,496)	(5,882,523)
Net Change in Fund Balance	2,780,559	269,815	1,069,980
Fund Balance:			
Beginning of year	9,107,002	8,837,187	7,767,207
End of year	\$ 11,887,561	\$ 9,107,002	\$ 8,837,187

MT. LEBANON, PENNSYLVANIA

DETAILED SCHEDULE OF GENERAL FUND REVENUES BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance
Real Estate Taxes:			
Current year taxes	\$ 13,289,250	\$ 13,296,054	\$ 6,804
Prior years' taxes and penalties	307,500	179,944	(127,556)
Total real estate taxes	13,596,750	13,475,998	(120,752)
Earned Income Taxes	13,330,000	14,647,833	1,317,833
Other Taxes:			
Local Services tax	410,000	462,562	52,562
Real estate transfer taxes	2,000,000	2,262,135	262,135
Utility taxes	28,750	29,601	851
County sales tax	1,090,000	1,289,802	199,802
Total other taxes	3,528,750	4,044,100	515,350
Total taxes	30,455,500	32,167,931	1,712,431
Licenses, Permits, and Fees:			
Public works permits	93,000	72,538	(20,462)
Building permits	140,000	260,461	120,461
Other permits, licenses, and fees	169,650	170,682	1,032
Cable TV franchise fees	687,100	666,762	(20,338)
Liquor license fees	8,500	9,750	1,250
Total licenses, permits, and fees	1,098,250	1,180,193	81,943
Fines, Forfeitures, and Penalties:			
Motor vehicle code violations	100,000	44,004	(55,996)
Ordinance violation fines	4,000	17,926	13,926
Animal fines and kennel charges	1,500	2,925	1,425
Alarm system and other fines	16,100	9,570	(6,530)
Total fines, forfeitures, and penalties	121,600	74,425	(47,175)
Investment Earnings	15,000	131,013	116,013
Intergovernmental	3,813,850	4,271,048	457,198
Recreation:			
Recreation center	1,942,200	1,961,210	19,010
Golf course	463,600	480,206	16,606
Tennis center	250,700	269,105	18,405
Seasonal programs	572,270	620,284	48,014
Total recreation	3,228,770	3,330,805	102,035
Other:			
Joint programs	841,530	805,587	(35,943)
Mt. Lebanon magazine	476,500	486,499	9,999
Charges for service	421,180	463,822	42,642
Other	735,530	495,207	(240,323)
Assessments	77,000	91,963	14,963
Total other	2,551,740	2,343,078	(208,662)
Total revenues	\$ 41,284,710	\$ 43,498,493	\$ 2,213,783

MT. LEBANON, PENNSYLVANIA

DETAILED SCHEDULE OF GENERAL FUND EXPENDITURES BY PROGRAM BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance
General Government:			
General management	\$ 755,960	\$ 685,663	\$ 70,297
Public information	872,370	812,733	59,637
Legal services	344,630	321,973	22,657
Financial management	510,700	499,340	11,360
Treasury management	26,530	26,511	19
Real estate tax collection	101,630	107,617	(5,987)
Earned income tax collection	245,520	272,647	(27,127)
Other tax collection	7,380	8,204	(824)
Insurance	351,520	345,097	6,423
Information services	752,580	708,219	44,361
Office services	99,640	104,938	(5,298)
Fringe benefits unallocated	1,009,700	1,123,704	(114,004)
Total general government	5,078,160	5,016,646	61,514
Community Development:			
Economic development	250,910	166,935	83,975
Planning	321,340	201,879	119,461
Engineering	32,700	45,314	(12,614)
Inspection	413,440	405,340	8,100
Civic activity	106,910	90,346	16,564
Total community development	1,125,300	909,814	215,486
Public Works:			
Administration	541,050	566,877	(25,827)
Transportation:			
Street maintenance	558,230	477,316	80,914
Curb maintenance	184,920	182,361	2,559
Pedestrian routes	374,640	377,673	(3,033)
Ice and snow control	514,700	488,089	26,611
Traffic planning and signals	193,240	102,960	90,280
Traffic signs and painting	208,480	218,764	(10,284)
Street lighting	4,000	2,765	1,235
Total transportation	2,038,210	1,849,928	188,282
Sanitation:			
Sanitary sewer maintenance	446,670	641,353	(194,683)
Storm sewer maintenance	313,430	276,472	36,958
Refuse collection	2,384,380	2,329,177	55,203
Street sweeping	447,860	427,141	20,719
Total sanitation	3,592,340	3,674,143	(81,803)
Buildings, grounds, and equipment:			
Public safety building	364,390	363,726	664
Municipal building maintenance	253,290	263,797	(10,507)
Public works building maintenance	119,020	182,791	(63,771)
Firing range	40,030	20,084	19,946
Library building maintenance	215,160	238,785	(23,625)
Parks maintenance	837,450	669,457	167,993
Planting areas	39,820	41,594	(1,774)
Forestry	627,430	558,124	69,306
Equipment maintenance	578,650	705,813	(127,163)
Total buildings, grounds, and equipment	3,075,240	3,044,171	31,069
Total public works	9,246,840	9,135,119	111,721

(Continued)

MT. LEBANON, PENNSYLVANIA

DETAILED SCHEDULE OF GENERAL FUND EXPENDITURES BY PROGRAM BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022
(Continued)

	Final Budget	Actual	Variance
Human Services:			
Library	-	(681)	681
Outreach program	144,340	109,890	34,450
Medical Rescue Team South	489,370	468,233	21,137
Community organizations	26,000	49,235	(23,235)
Total human services	659,710	626,677	33,033
Culture and Recreation:			
Recreation management	345,670	349,035	(3,365)
Recreation center	1,970,590	1,990,092	(19,502)
Golf course	491,780	495,003	(3,223)
Tennis center	223,460	265,346	(41,886)
Seasonal programs	454,340	459,599	(5,259)
Total culture and recreation	3,485,840	3,559,075	(73,235)
Public Safety:			
Police:			
Administration	824,080	741,120	82,960
Field service	6,352,430	6,383,788	(31,358)
Support service	395,260	349,995	45,265
Investigations	1,039,490	970,914	68,576
Traffic safety	677,450	727,082	(49,632)
Crime prevention	578,820	608,834	(30,014)
Total police	9,867,530	9,781,733	85,797
Fire	3,508,960	3,568,933	(59,973)
Other:			
Emergency management	60,360	53,777	6,583
Crossing guards	598,900	530,941	67,959
Animal control	540,860	482,085	58,775
Total other	1,200,120	1,066,803	133,317
Total public safety	14,576,610	14,417,469	159,141
Capital Outlay:			
Equipment	689,120	-	689,120
Buildings and other improvements	2,433,810	659,856	1,773,954
Total capital outlay	3,122,930	659,856	2,463,074
Total expenditures by program	\$ 37,295,390	\$ 34,324,656	\$ 2,970,734

(Concluded)

MT. LEBANON, PENNSYLVANIA

DETAILED SCHEDULE OF GENERAL FUND EXPENDITURES BY OBJECT BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022

	Final Budget	Actual	Variance
Personnel Costs:			
Regular salaries and wages	\$ 12,290,150	\$ 11,789,713	\$ 500,437
Overtime wages	1,151,360	1,511,405	(360,045)
Part-time and temporary wages	1,620,830	1,527,589	93,241
Retainers and special salaries	27,400	26,683	717
Fringe benefits	7,048,980	7,032,490	16,490
Total personnel costs	22,138,720	21,887,880	250,840
Contractual Services:			
Special appropriations	1,081,710	1,115,269	(33,559)
Professional and consulting services	1,717,630	1,630,680	86,950
Training and conferences	135,160	101,526	33,634
Memberships	32,730	30,835	1,895
Insurance	351,520	345,097	6,423
Utilities and telephone	985,070	998,429	(13,359)
Repairs and maintenance	187,400	195,556	(8,156)
Printing and photography	142,930	142,883	47
Postage	76,110	70,597	5,513
Rentals	164,880	161,042	3,838
Contractual service	4,581,720	4,476,895	104,825
Other contractual services	726,330	641,649	84,681
Total contractual services	10,183,190	9,910,458	272,732
Commodities:			
Office supplies	32,050	21,636	10,414
Books and periodicals	14,490	8,130	6,360
Equipment	858,650	629,602	229,048
Maintenance supplies	605,960	812,643	(206,683)
Construction supplies	33,500	31,238	2,262
Supplies for resale and recreation supplies	83,230	68,800	14,430
Botanical supplies	25,300	22,584	2,716
Fuels and lubricants	197,370	271,829	(74,459)
Total commodities	1,850,550	1,866,462	(15,912)
Capital Budget	3,122,930	659,856	2,463,074
Total expenditures by object	\$ 37,295,390	\$ 34,324,656	\$ 2,970,734

MT. LEBANON, PENNSYLVANIA

SEWAGE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and other money market instruments	\$ 13,794,116	\$ 13,892,370	\$ 13,156,076
Assessments receivable	1,596,286	1,371,932	1,195,900
Total Assets	\$ 15,390,402	\$ 15,264,302	\$ 14,351,976
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities:			
Accounts payable	\$ 1,970,143	\$ 1,867,604	\$ 1,862,615
Due to other funds	960,755	917,964	749,892
Total Liabilities	2,930,898	2,785,568	2,612,507
Deferred Inflows of Resources:			
Unavailable revenue	688,630	552,862	390,927
Fund Balance:			
Restricted for capital projects	11,770,874	11,925,872	11,348,542
Total Fund Balance	11,770,874	11,925,872	11,348,542
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 15,390,402	\$ 15,264,302	\$ 14,351,976

MT. LEBANON, PENNSYLVANIA

SEWAGE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022
(COMPARATIVE ACTUAL FOR YEARS ENDED DECEMBER 31, 2021 AND 2020)

	2022			
	Final Budget	Actual	2021	2020
Revenues:				
Licenses, permits, and fees	\$ 13,300,000	\$ 10,776,070	\$ 10,433,809	\$ 10,423,033
Fines, forfeitures, and penalties	19,520	19,594	7,697	16,958
Investment earnings	20,000	151,295	22,982	92,646
Other	37,000	37,437	37,050	36,180
Total revenues	13,376,520	10,984,396	10,501,538	10,568,817
Expenditures:				
General government	125,000	144,317	104,042	126,965
Public works	8,797,220	7,979,104	7,547,510	7,438,691
Total expenditures	8,922,220	8,123,421	7,651,552	7,565,656
Excess of Revenues over Expenditures	4,454,300	2,860,975	2,849,986	3,003,161
Other Financing Sources (Uses):				
Transfers out:				
Debt Service Fund	(157,630)	(157,631)	(157,755)	(157,249)
General Fund	(446,670)	(641,353)	(468,349)	(427,133)
Capital Projects Fund	(3,850,000)	(2,216,989)	(1,646,552)	(1,605,279)
Total other financing sources (uses)	(4,454,300)	(3,015,973)	(2,272,656)	(2,189,661)
Net Change in Fund Balance	\$ -	(154,998)	577,330	813,500
Fund Balance:				
Beginning of year		11,925,872	11,348,542	10,535,042
End of year		<u>\$ 11,770,874</u>	<u>\$ 11,925,872</u>	<u>\$ 11,348,542</u>

MT. LEBANON, PENNSYLVANIA

CAPITAL PROJECTS FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and other money market investments	\$ 1,978,087	\$ 3,637,637	\$ 5,189,825
Receivables - accounts	44,000	44,000	69,055
Due from other funds	671,772	1,366,532	1,625,061
Total Assets	\$ 2,693,859	\$ 5,048,169	\$ 6,883,941
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities:			
Accounts payable	\$ 747,741	\$ 1,119,080	\$ 1,141,038
Advance deposits	-	-	204,581
Total Liabilities	747,741	1,119,080	1,345,619
Deferred Inflows of Resources:			
Unavailable revenue	44,000	35,200	44,000
Fund Balance:			
Restricted	351,033	2,773,958	4,514,765
Assigned	1,551,085	1,119,931	979,557
Total Fund Balance	1,902,118	3,893,889	5,494,322
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 2,693,859	\$ 5,048,169	\$ 6,883,941

MT. LEBANON, PENNSYLVANIA

CAPITAL PROJECTS FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022
(COMPARATIVE ACTUAL FOR YEARS ENDED DECEMBER 31, 2021 AND 2020)

	2022		2021	2020
	Final Budget	Actual		
Revenues:				
Investment earnings	\$ -	\$ 12,537	\$ 4,015	\$ 67,363
Intergovernmental	1,309,650	675,000	419,202	-
Other	-	-	6,407	333,282
Total revenues	1,309,650	687,537	429,624	400,645
Expenditures:				
Capital outlay	11,055,370	8,380,799	6,491,913	6,232,405
Total expenditures	11,055,370	8,380,799	6,491,913	6,232,405
Deficiency of Revenues over Expenditures	<u>(9,745,720)</u>	<u>(7,693,262)</u>	<u>(6,062,289)</u>	<u>(5,831,760)</u>
Other Financing Sources:				
Transfers in:				
General Fund	2,327,370	2,702,166	2,040,538	2,538,561
Storm Water Fund	769,200	782,336	774,766	864,383
Sewage Fund	3,850,000	2,216,989	1,646,552	1,605,279
Debt Service Fund	-	-	-	671,199
Net transfers	6,946,570	5,701,491	4,461,856	5,679,422
Total other financing sources	6,946,570	5,701,491	4,461,856	5,679,422
Net Change in Fund Balance	<u>\$ (2,799,150)</u>	<u>(1,991,771)</u>	<u>(1,600,433)</u>	<u>(152,338)</u>
Fund Balance:				
Beginning of year		3,893,889	5,494,322	5,646,660
End of year		<u>\$ 1,902,118</u>	<u>\$ 3,893,889</u>	<u>\$ 5,494,322</u>

OTHER GOVERNMENTAL FUNDS

Special Revenue:

The *State Highway Aid Fund* is used to account for state liquid fuels tax monies rebated to the Municipality. This special revenue fund is required by state law.

The *Storm Water Fund* is used to account for storm water fees assessed on properties in the Municipality, which may only be used for storm water system maintenance and improvements.

The Mt. Lebanon Public Library - *Library Operating Fund* reports ongoing operations of the Library.

The *Industrial Development Authority Fund* accounts for the operations of the IDA which was created to enhance and promote development, redevelopment and economic activities.

Debt Service:

The *Debt Service Fund* is used for the payment of principal and interest on general long-term obligations of the Municipality.

MT. LEBANON, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS COMBINING BALANCE SHEET

DECEMBER 31, 2022

	Special Revenue Funds					Total
	State Highway Aid	Storm Water	Library Operating	Industrial Development Authority	Debt Service	
Assets						
Cash and other money market instruments	\$ 10,422	\$ 250,464	\$ 747,232	\$ 15,905	\$ -	\$ 1,024,023
Receivables:						
Assessments	-	203,330	-	-	-	203,330
Accounts	-	-	141	-	-	141
Total Assets	<u>\$ 10,422</u>	<u>\$ 453,794</u>	<u>\$ 747,373</u>	<u>\$ 15,905</u>	<u>\$ -</u>	<u>\$ 1,227,494</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance						
Liabilities:						
Accounts payable	\$ -	\$ -	\$ 2,733	\$ -	\$ -	\$ 2,733
Advance deposits	-	9,147	-	-	-	9,147
Due to other funds	-	265,181	94,327	-	-	359,508
Total Liabilities	<u>-</u>	<u>274,328</u>	<u>97,060</u>	<u>-</u>	<u>-</u>	<u>371,388</u>
Deferred Inflows of Resources:						
Unavailable revenue	-	179,466	-	-	-	179,466
Fund Balance:						
Restricted	10,422	-	368,807	15,905	-	395,134
Assigned	-	-	281,506	-	-	281,506
Total Fund Balance	<u>10,422</u>	<u>-</u>	<u>650,313</u>	<u>15,905</u>	<u>-</u>	<u>676,640</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 10,422</u>	<u>\$ 453,794</u>	<u>\$ 747,373</u>	<u>\$ 15,905</u>	<u>\$ -</u>	<u>\$ 1,227,494</u>

MT. LEBANON, PENNSYLVANIA

OTHER GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2022

	Special Revenue Funds					
	State Highway Aid	Storm Water	Library Operating	Industrial Development Authority	Debt Service	Total
Revenues:						
Licenses, permits, and fees	\$ -	\$ 1,429,654	\$ -	\$ 3,750	\$ -	\$ 1,433,404
Fines, forfeitures, and penalties	-	-	7,538	-	-	7,538
Investment earnings	2,836	12,578	339	190	-	15,943
Intergovernmental	863,713	-	517,693	-	-	1,381,406
Other	-	-	284,157	-	-	284,157
Total revenues	866,549	1,442,232	809,727	3,940	-	3,122,448
Expenditures:						
Current:						
General government	-	14,341	-	-	-	14,341
Community development	-	-	-	3,560	-	3,560
Public works	856,127	-	-	-	-	856,127
Human services	-	-	2,137,347	-	-	2,137,347
Debt service:						
Principal	-	-	-	-	2,820,000	2,820,000
Interest	-	-	-	-	524,036	524,036
Total expenditures	856,127	14,341	2,137,347	3,560	3,344,036	6,355,411
Excess (Deficiency) of Revenues Over Expenditures	10,422	1,427,891	(1,327,620)	380	(3,344,036)	(3,232,963)
Other Financing Sources (Uses):						
Transfer in from General Fund	-	-	1,501,470	-	3,052,753	4,554,223
Transfer in from Sewage Fund	-	-	-	-	157,631	157,631
Transfer in from Storm Water Fund	-	-	-	-	133,652	133,652
Transfer out to Capital Projects Fund	-	(782,336)	-	-	-	(782,336)
Transfer out to Debt Service Fund	-	(133,652)	-	-	-	(133,652)
Transfer out to General Fund	-	(511,903)	-	-	-	(511,903)
Total other financing sources (uses)	-	(1,427,891)	1,501,470	-	3,344,036	3,417,615
Net Change in Fund Balance	10,422	-	173,850	380	-	184,652
Fund Balance:						
Beginning of year	-	-	476,463	15,525	-	491,988
End of year	\$ 10,422	\$ -	\$ 650,313	\$ 15,905	\$ -	\$ 676,640

MT. LEBANON, PENNSYLVANIA

STATE HIGHWAY AID FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and other money market instruments	\$ 10,422	\$ 10,360	\$ 349,076
Due from other funds	-	14,708	-
Total Assets	<u>\$ 10,422</u>	<u>\$ 25,068</u>	<u>\$ 349,076</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ -	\$ 25,068	\$ 121,437
Due to other funds	-	-	24,754
Total Liabilities	<u>-</u>	<u>25,068</u>	<u>146,191</u>
Fund Balance - Restricted	<u>10,422</u>	<u>-</u>	<u>202,885</u>
Total Liabilities and Fund Balance	<u>\$ 10,422</u>	<u>\$ 25,068</u>	<u>\$ 349,076</u>

MT. LEBANON, PENNSYLVANIA

STATE HIGHWAY AID FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022
(COMPARATIVE ACTUAL FOR YEARS ENDED DECEMBER 31, 2021 AND 2020)

	2022			
	Final Budget	Actual	2021	2020
Revenues:				
Investment earnings	\$ 750	\$ 2,836	\$ 838	\$ 4,457
Intergovernmental - state allocation	871,750	863,713	855,160	921,060
Total revenues	872,500	866,549	855,998	925,517
Expenditures:				
Current - public works	872,500	856,127	1,058,883	787,298
Net Change in Fund Balance	<u>\$ -</u>	10,422	(202,885)	138,219
Fund Balance:				
Beginning of year		-	202,885	64,666
End of year		<u>\$ 10,422</u>	<u>\$ -</u>	<u>\$ 202,885</u>

MT. LEBANON, PENNSYLVANIA

STORM WATER FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and other money market instruments	\$ 250,464	\$ 280,773	\$ 437,033
Receivables - assessments	203,330	154,891	159,916
Total Assets	<u>\$ 453,794</u>	<u>\$ 435,664</u>	<u>\$ 596,949</u>
Liabilities, Deferred Inflows of Resources, and Fund Balance			
Liabilities:			
Accounts payable	\$ -	\$ 332	\$ 334
Advance deposits	9,147	7,212	5,763
Due to other funds	265,181	275,751	432,838
Total Liabilities	274,328	283,295	438,935
Deferred Inflows of Resources:			
Unavailable revenue	179,466	152,369	158,014
Fund Balance - Restricted	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 453,794</u>	<u>\$ 435,664</u>	<u>\$ 596,949</u>

MT. LEBANON, PENNSYLVANIA

STORM WATER FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022
(COMPARATIVE ACTUAL FOR YEARS ENDED DECEMBER 31, 2021 AND 2020)

	2022		2021	2020
	Final Budget	Actual		
Revenues:				
Licenses, permits, and fees	\$ 1,453,910	\$ 1,429,654	\$ 1,445,638	\$ 1,408,304
Investment earnings	2,000	12,578	1,795	5,682
Total revenues	1,455,910	1,442,232	1,447,433	1,413,986
Expenditures:				
Current - general government	19,700	14,341	15,199	11,390
Excess of Revenues Over Expenditures	1,436,210	1,427,891	1,432,234	1,402,596
Other Financing Uses:				
Transfer out to Capital Projects Fund	(769,200)	(782,336)	(774,766)	(864,383)
Transfer out to Debt Service Fund	(133,660)	(133,652)	(130,752)	(131,342)
Transfer out to General Fund	(533,350)	(511,903)	(526,716)	(406,871)
Total other financing uses	(1,436,210)	(1,427,891)	(1,432,234)	(1,402,596)
Net Change in Fund Balance	\$ -	-	-	-
Fund Balance:				
Beginning of year		-	-	-
End of year		\$ -	\$ -	\$ -

MT. LEBANON, PENNSYLVANIA

MT. LEBANON PUBLIC LIBRARY - LIBRARY OPERATING FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and money market instruments	\$ 747,232	\$ 620,736	\$ 696,643
Receivables - accounts	141	220	-
Total Assets	\$ 747,373	\$ 620,956	\$ 696,643
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 2,733	\$ 68,998	\$ 32,079
Due to other funds	94,327	75,495	284,668
Total Liabilities	97,060	144,493	316,747
Fund Balance:			
Restricted	368,807	266,680	174,889
Assigned	281,506	209,783	205,007
Total Fund Balance	650,313	476,463	379,896
Total Liabilities and Fund Balance	\$ 747,373	\$ 620,956	\$ 696,643

MT. LEBANON, PENNSYLVANIA

MT. LEBANON PUBLIC LIBRARY - LIBRARY OPERATING FUND COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Revenues:			
Fines, forfeitures, and penalties	\$ 7,538	\$ 7,118	\$ 16,011
Investment earnings	339	430	685
Intergovernmental	517,693	494,804	543,362
Other	284,157	193,857	177,518
Total revenues	809,727	696,209	737,576
Expenditures:			
Current - human services:			
Salaries, payroll taxes, and benefits	1,505,015	1,510,834	1,426,443
Collection	402,762	361,757	366,752
General administration	229,570	197,581	178,831
Total expenditures	2,137,347	2,070,172	1,972,026
Deficiency of Revenues Over Expenditures	(1,327,620)	(1,373,963)	(1,234,450)
Other Financing Sources:			
Transfer in from General Fund	1,501,470	1,470,530	1,286,320
Net Change in Fund Balance	173,850	96,567	51,870
Fund Balance:			
Beginning of year	476,463	379,896	328,026
End of year	\$ 650,313	\$ 476,463	\$ 379,896

MT. LEBANON, PENNSYLVANIA

INDUSTRIAL DEVELOPMENT AUTHORITY FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and other money market instruments	\$ 15,905	\$ 11,775	\$ 11,479
Receivables - assessments	-	3,750	-
Due from other funds	-	-	3,750
Total Assets	\$ 15,905	\$ 15,525	\$ 15,229
Liabilities and Fund Balance			
Liabilities:			
Due to other funds	\$ -	\$ -	\$ -
Fund Balance - Restricted	15,905	15,525	15,229
Total Liabilities and Fund Balance	\$ 15,905	\$ 15,525	\$ 15,229

MT. LEBANON, PENNSYLVANIA

INDUSTRIAL DEVELOPMENT AUTHORITY FUND COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Revenues:			
Licenses, permits, and fees	\$ 3,750	\$ 3,750	\$ 3,750
Investment earnings	190	26	121
Total revenues	3,940	3,776	3,871
Expenditures:			
Current - community development	3,560	3,480	3,580
Net Change in Fund Balance	380	296	291
Fund Balance:			
Beginning of year	15,525	15,229	14,938
End of year	\$ 15,905	\$ 15,525	\$ 15,229

MT. LEBANON, PENNSYLVANIA

DEBT SERVICE FUND COMPARATIVE BALANCE SHEET

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Assets			
Cash and other money market instruments	\$ -	\$ -	\$ -
Liabilities and Fund Balance			
Liabilities	\$ -	\$ -	\$ -
Fund Balance - Restricted	-	-	-
Total Liabilities and Fund Balance	\$ -	\$ -	\$ -

MT. LEBANON, PENNSYLVANIA

DEBT SERVICE FUND COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2022
(COMPARATIVE ACTUAL FOR YEARS ENDED DECEMBER 31, 2021 AND 2020)

	2022		2021	2020
	Final Budget	Actual		
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Debt service:				
Principal	2,820,000	2,820,000	2,850,000	9,698,492
Interest	524,130	524,036	496,000	824,655
Bond issuance cost	-	-	-	100,121
Total expenditures	3,344,130	3,344,036	3,346,000	10,623,268
Deficiency of Revenues Over Expenditures	(3,344,130)	(3,344,036)	(3,346,000)	(10,623,268)
Other Financing Sources (Uses):				
Transfers in from General Fund	3,052,840	3,052,753	3,057,493	3,043,066
Transfers in from Sewage Fund	157,630	157,631	157,755	157,249
Transfers in from Storm Water Fund	133,660	133,652	130,752	131,342
Transfers out to Capital Projects Fund	-	-	-	(671,199)
Issuance of refunding bonds	-	-	-	13,940,000
Bond issue premium	-	-	-	494,318
Payment to refunded bond escrow agent	-	-	-	(6,471,508)
Total other financing sources (uses)	3,344,130	3,344,036	3,346,000	10,623,268
Net Change in Fund Balance	-	-	-	-
Fund Balance:				
Beginning of year	-	-	-	-
End of year	\$ -	\$ -	\$ -	\$ -

PARKING FUND

The *Parking Fund* is used to account for the operations of the Municipality's parking facilities.

MT. LEBANON, PENNSYLVANIA

PARKING FUND

COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BY FACILITY

YEAR ENDED DECEMBER 31, 2022

	North Garage	South Garage	Meter	Lot	Properties	General	Total
Operating Revenues:							
Vehicle space rental	\$ 473,451	\$ 397,961	\$ -	\$ 159,539	\$ -	\$ -	\$ 1,030,951
Meter collections	-	-	323,440	255,940	-	-	579,380
Fine collections	-	-	64,290	31,970	-	135,385	231,645
Leases	162,722	-	-	-	6,585	-	169,307
Other	237	-	1,777	21	-	27,426	29,461
Total operating revenues	636,410	397,961	389,507	447,470	6,585	162,811	2,040,744
Operating Expenses:							
Personnel	199,282	192,945	83,872	120,487	-	166,250	762,836
Contracted services	117,909	72,890	40,940	62,385	-	43,414	337,538
Utilities	18,710	21,418	213	7,308	201	1,768	49,618
Materials and supplies	14,359	19,122	23,943	6,511	-	18,038	81,973
Depreciation	232,640	173,585	42,854	59,919	-	23,486	532,484
Total operating expenses	582,900	479,960	191,822	256,610	201	252,956	1,764,449
Operating Income (Loss)	53,510	(81,999)	197,685	190,860	6,384	(90,145)	276,295
Nonoperating Revenues (Expenses):							
Interest income	14,231	-	-	-	1,730	11,364	27,325
Interest expense	-	-	-	-	-	(5,227)	(5,227)
Gain (loss) on sale of property	-	-	-	-	-	959	959
Total nonoperating revenues (expenses)	14,231	-	-	-	1,730	7,096	23,057
Income (loss) before transfers	67,741	(81,999)	197,685	190,860	8,114	(83,049)	299,352
Transfers in	-	-	-	-	-	290,145	290,145
Change in Net Position	\$ 67,741	\$ (81,999)	\$ 197,685	\$ 190,860	\$ 8,114	\$ 207,096	\$ 589,497

FIDUCIARY FUNDS

The *Pension Trust Fund* accounts for assets held by the Municipality in a trustee capacity for the future payment of retirement benefits to employees.

The *Other Postemployment Benefits (OPEB) Trust Fund* accounts for assets held by the Municipality in a trustee capacity for the future payment of postemployment benefits other than retirement benefits.

MT. LEBANON, PENNSYLVANIA

COMBINING STATEMENT OF PLAN NET POSITION FIDUCIARY FUNDS - TRUST FUNDS

DECEMBER 31, 2022

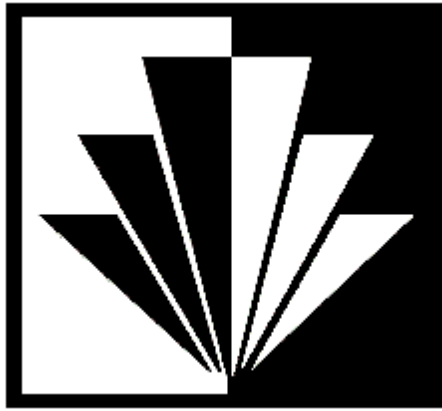
	Pension Trust Funds				Other	Total
	General Employees	Police	Firefighter	Total Pension	Postemployment Benefits	Trust Funds
Assets						
Accrued income receivable	\$ 4,886	\$ 8,773	\$ 2,826	\$ 16,485	\$ 445	\$ 16,930
Investments (at fair value):						
Equity funds	19,271,700	40,746,762	11,588,198	71,606,660	1,434,951	73,041,611
Fixed income funds	7,926,178	16,343,636	4,623,207	28,893,021	682,985	29,576,006
Partnerships/joint ventures	3,043,655	6,274,275	1,905,287	11,223,217	-	11,223,217
Short-term funds	1,480,965	2,695,813	857,853	5,034,631	135,839	5,170,470
Total Assets	31,727,384	66,069,259	18,977,371	116,774,014	2,254,220	119,028,234
Liabilities						
Accounts payable	2,069	4,216	1,243	7,528	186,210	193,738
Net Position						
Restricted for pensions	31,725,315	66,065,043	18,976,128	116,766,486	-	116,766,486
Restricted for OPEB benefits	-	-	-	-	2,068,010	2,068,010
Total Net Position	\$ 31,725,315	\$ 66,065,043	\$ 18,976,128	\$ 116,766,486	\$ 2,068,010	\$ 118,834,496

MT. LEBANON, PENNSYLVANIA

COMBING STATEMENT OF CHANGES IN PLAN NET POSITION FIDUCIARY FUNDS - TRUST FUNDS

YEAR ENDED DECEMBER 31, 2022

	Pension Trust Funds				Other Postemployment Benefits	Total Trust Funds
	General Employees	Police	Firefighter	Total Pension		
Additions:						
Contributions:						
Employer, including state aid	\$ 397,860	\$ 2,257,099	\$ 131,174	\$ 2,786,133	\$ 129,821	\$ 2,915,954
Employee	232,936	251,818	88,794	573,548	-	573,548
Total contributions	630,796	2,508,917	219,968	3,359,681	129,821	3,489,502
Investment gain (loss):						
Net depreciation in fair value of investments	(6,725,526)	(13,956,038)	(4,010,104)	(24,691,668)	(533,869)	(25,225,537)
Interest and dividends	1,271,374	2,619,217	761,591	4,652,182	58,183	4,710,365
Total investment gain (loss)	(5,454,152)	(11,336,821)	(3,248,513)	(20,039,486)	(475,686)	(20,515,172)
Less investment expense	15,497	32,082	9,388	56,967	851	57,818
Net investment gain (loss)	(5,469,649)	(11,368,903)	(3,257,901)	(20,096,453)	(476,537)	(20,572,990)
Total additions	(4,838,853)	(8,859,986)	(3,037,933)	(16,736,772)	(346,716)	(17,083,488)
Deductions:						
Benefits	1,513,764	3,782,530	958,834	6,255,128	181,917	6,437,045
Withdrawals	35,872	18,574	16,488	70,934	-	70,934
Administrative expense	13,326	18,656	12,061	44,043	5,286	49,329
Total deductions	1,562,962	3,819,760	987,383	6,370,105	187,203	6,557,308
Change in Plan Net Position	(6,401,815)	(12,679,746)	(4,025,316)	(23,106,877)	(533,919)	(23,640,796)
Net Position:						
Beginning of year	38,127,130	78,744,789	23,001,444	139,873,363	2,601,929	142,475,292
End of year	\$ 31,725,315	\$ 66,065,043	\$ 18,976,128	\$ 116,766,486	\$ 2,068,010	\$ 118,834,496



CAPITAL

ASSETS

MT. LEBANON, PENNSYLVANIA

COMPARATIVE STATEMENT OF GOVERNMENTAL CAPITAL ASSETS - BY SOURCE

DECEMBER 31, 2022, 2021, AND 2020

	2022	2021	2020
Capital Assets:			
Land	\$ 7,266,047	\$ 7,266,047	\$ 7,266,047
Construction in progress	3,670,591	1,392,457	1,182,088
Buildings and improvements other than buildings	55,712,693	54,638,139	54,086,302
Infrastructure	113,147,146	108,264,379	103,329,870
Library book collection	2,644,852	2,607,269	2,752,044
Equipment	20,483,201	20,329,270	19,434,606
	<u>\$ 202,924,530</u>	<u>\$ 194,497,561</u>	<u>\$ 188,050,957</u>
Investments in Capital Assets By Source:			
Governmental funds	\$ 133,674,743	\$ 127,800,959	\$ 123,026,070
General Obligation Bonds	61,894,935	60,016,750	59,257,425
Gifts, grants, and other resources	7,354,852	6,679,852	5,767,462
	<u>\$ 202,924,530</u>	<u>\$ 194,497,561</u>	<u>\$ 188,050,957</u>

MT. LEBANON, PENNSYLVANIA

SCHEDULE OF CHANGES IN GOVERNMENTAL CAPITAL ASSETS - BY SOURCE

YEAR ENDED DECEMBER 31, 2022

	Land	Construction in Progress	Buildings and Improvements Other Than Buildings	Infrastructure	Library Book Collection	Equipment	Total
Capital Assets, Beginning of Year	\$ 7,266,047	\$ 1,392,457	\$ 54,638,139	\$ 108,264,379	\$ 2,607,269	\$ 20,329,270	\$ 194,497,561
Expenditures from:							
General Fund	-	256,794	569,666	1,600,257	-	592,179	3,018,896
General Obligation Bonds	-	1,772,485	504,888	-	-	-	2,277,373
Special Revenue and Capital Projects Funds	-	-	-	3,282,510	309,252	-	3,591,762
Gifts, Grants and Other Sources	-	675,000	-	-	-	-	675,000
Transfers	-	-	-	-	-	(19,611)	(19,611)
Less capital asset disposals	-	(426,145)	-	-	(271,669)	(418,637)	(1,116,451)
Capital Assets, End of Year	<u>\$ 7,266,047</u>	<u>\$ 3,670,591</u>	<u>\$ 55,712,693</u>	<u>\$ 113,147,146</u>	<u>\$ 2,644,852</u>	<u>\$ 20,483,201</u>	<u>\$ 202,924,530</u>

MT. LEBANON, PENNSYLVANIA

SCHEDULE OF GOVERNMENTAL CAPITAL ASSETS - BY FUNCTION AND ACTIVITY

DECEMBER 31, 2022

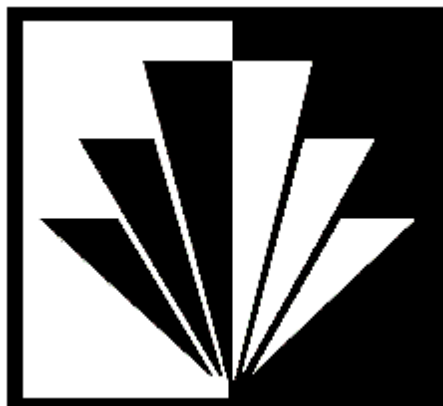
	Land	Construction in Progress	Buildings and Improvements other than Buildings	Infrastructure	Library Book Collection	Equipment	Total
Administration:							
General	\$ 94,563	\$ -	\$ 8,692,675	\$ -	\$ -	\$ 796,906	\$ 9,584,144
Parks and Recreation:							
Facilities	6,687,739	16,531	18,614,985	-	-	-	25,319,255
Vehicles and special purpose equipment	-	-	-	-	-	1,020,108	1,020,108
Total parks and recreation	6,687,739	16,531	18,614,985	-	-	1,020,108	26,339,363
Public Works:							
General	48,750	-	13,000,681	-	-	1,712,560	14,761,991
Infrastructure	-	3,615,270	-	113,147,146	-	-	116,762,416
Traffic installations	-	-	-	-	-	5,181,241	5,181,241
Vehicles and special purpose equipment	-	-	-	-	-	4,480,600	4,480,600
Total public works	48,750	3,615,270	13,000,681	113,147,146	-	11,374,401	141,186,248
Fire Department:							
General	-	-	-	-	-	982,538	982,538
Communications	-	-	-	-	-	310,931	310,931
Vehicles and apparatus	-	-	-	-	-	3,142,930	3,142,930
Total fire department	-	-	-	-	-	4,436,399	4,436,399
Police Department:							
General	-	-	-	-	-	441,282	441,282
Communications	-	-	-	-	-	452,982	452,982
Vehicles	-	-	-	-	-	1,775,682	1,775,682
Total police department	-	-	-	-	-	2,669,946	2,669,946
Public Safety:							
General	370,479	-	-	-	-	-	370,479
Facilities	-	30,833	9,916,976	-	-	-	9,947,809
Total public safety	370,479	30,833	9,916,976	-	-	-	10,318,288
Public Library:							
General	64,516	7,957	5,487,376	-	2,644,852	185,441	8,390,142
Total capital assets	\$ 7,266,047	\$ 3,670,591	\$ 55,712,693	\$ 113,147,146	\$ 2,644,852	\$ 20,483,201	\$ 202,924,530

MT. LEBANON, PENNSYLVANIA

SCHEDULE OF CHANGES IN GOVERNMENTAL CAPITAL ASSETS - BY FUNCTION AND ACTIVITY

YEAR ENDED DECEMBER 31, 2022

	January 1, 2022	Additions	Disposals	Transfers/ Reclassifications	December 31, 2022
Administration:					
General	\$ 9,573,497	\$ 40,350	\$ (27,578)	\$ (2,125)	\$ 9,584,144
Parks and Recreation:					
Facilities	25,229,026	90,229	-	-	25,319,255
Vehicles and special purpose equipment	937,869	47,649	-	34,590	1,020,108
Total parks and recreation	26,166,895	137,878	-	34,590	26,339,363
Public Works:					
General	14,692,168	495,968	(426,145)	-	14,761,991
Infrastructure	109,230,691	7,531,725	-	-	116,762,416
Traffic installations	5,181,241	-	-	-	5,181,241
Vehicles and special purpose equipment	4,501,928	344,857	(361,310)	(4,875)	4,480,600
Total public works	133,606,028	8,372,550	(787,455)	(4,875)	141,186,248
Fire Department:					
General	982,538	-	-	-	982,538
Communications	310,931	-	-	-	310,931
Vehicles and apparatus	3,142,930	-	-	-	3,142,930
Total fire department	4,436,399	-	-	-	4,436,399
Police Department:					
General	441,282	-	-	-	441,282
Communications	452,982	-	-	-	452,982
Vehicles	1,693,309	159,323	(29,749)	(47,201)	1,775,682
Total police department	2,587,573	159,323	(29,749)	(47,201)	2,669,946
Public Safety:					
General	370,479	-	-	-	370,479
Facilities	9,916,976	30,833	-	-	9,947,809
Total public safety	10,287,455	30,833	-	-	10,318,288
Public Library:					
General	7,839,714	822,097	(271,669)	-	8,390,142
Total capital assets	\$ 194,497,561	\$ 9,563,031	\$ (1,116,451)	\$ (19,611)	\$ 202,924,530



STATISTICAL SECTION

Statistical Section

This section of the Mt. Lebanon Municipality's (Municipality) 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.

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Financial Trends These schedules contain trend information to help the reader understand how the Municipality's financial performance and well-being have changed over time.	153
Revenue Capacity These schedules contain information to help the reader assess the Municipality's most significant local revenue sources, the property tax, and the earned income tax.	157
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.	164
Demographic and Economic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the Municipality's financial activities take place.	167
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Municipality's financial report relates to the services the Municipality provides and the activities it performs.	169

MT. LEBANON, PENNSYLVANIA

NET POSITION BY COMPONENT LAST TEN YEARS ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020	2019	2018	2017 ⁽²⁾	2016	2015	2014 ⁽¹⁾	2013
Governmental Activities:										
Net investment in capital assets	\$ 96,590,736	\$ 92,471,301	\$ 88,715,893	\$ 87,061,522	\$ 80,723,787	\$ 77,334,705	\$ 74,482,051	\$ 71,957,562	\$ 66,597,935	\$ 56,344,296
Restricted	12,688,706	16,390,298	12,552,251	10,697,277	10,026,812	8,967,508	6,940,867	5,139,679	4,886,309	5,557,751
Unrestricted	18,390,959	11,761,017	8,316,488	2,671,486	3,479,951	4,452,226	5,569,888	6,514,149	7,893,497	9,910,428
<i>Total Governmental Activities Net Position</i>	<u>\$ 127,670,401</u>	<u>\$ 120,622,616</u>	<u>\$ 109,584,632</u>	<u>\$ 100,430,285</u>	<u>\$ 94,230,550</u>	<u>\$ 90,754,439</u>	<u>\$ 86,992,806</u>	<u>\$ 83,611,390</u>	<u>\$ 79,377,741</u>	<u>\$ 71,812,475</u>
Business-type Activities:										
Net investment in capital assets	\$ 7,316,917	\$ 7,398,705	\$ 7,533,617	\$ 7,609,277	\$ 7,344,896	\$ 7,061,560	\$ 6,340,964	\$ 5,413,745	\$ 4,953,686	\$ 4,647,536
Unrestricted	1,504,261	832,976	685,036	952,358	865,809	917,286	1,218,662	1,891,797	1,975,476	1,763,124
<i>Total Business-type Activities Net Position</i>	<u>\$ 8,821,178</u>	<u>\$ 8,231,681</u>	<u>\$ 8,218,653</u>	<u>\$ 8,561,635</u>	<u>\$ 8,210,705</u>	<u>\$ 7,978,846</u>	<u>\$ 7,559,626</u>	<u>\$ 7,305,542</u>	<u>\$ 6,929,162</u>	<u>\$ 6,410,660</u>
Primary Government:										
Net investment in capital assets	\$ 103,907,653	\$ 99,870,006	\$ 96,249,510	\$ 94,670,799	\$ 88,068,683	\$ 84,396,265	\$ 80,823,015	\$ 77,371,307	\$ 71,551,621	\$ 60,991,832
Restricted	12,688,706	16,390,298	12,552,251	10,697,277	10,026,812	8,967,508	6,940,867	5,139,679	4,886,309	5,557,751
Unrestricted	19,895,220	12,593,993	9,001,524	3,623,844	4,345,760	5,369,512	6,788,550	8,405,946	9,868,973	11,673,552
<i>Total Primary Government Net Position</i>	<u>\$ 136,491,579</u>	<u>\$ 128,854,297</u>	<u>\$ 117,803,285</u>	<u>\$ 108,991,920</u>	<u>\$ 102,441,255</u>	<u>\$ 98,733,285</u>	<u>\$ 94,552,432</u>	<u>\$ 90,916,932</u>	<u>\$ 86,306,903</u>	<u>\$ 78,223,135</u>

(1) Governmental Activities net position restated for recognition of net pension liability and an adjustment for capital assets over depreciated in previous years.

(2) Governmental Activities net position restated for recognition of net other postemployment liability.

MT. LEBANON, PENNSYLVANIA

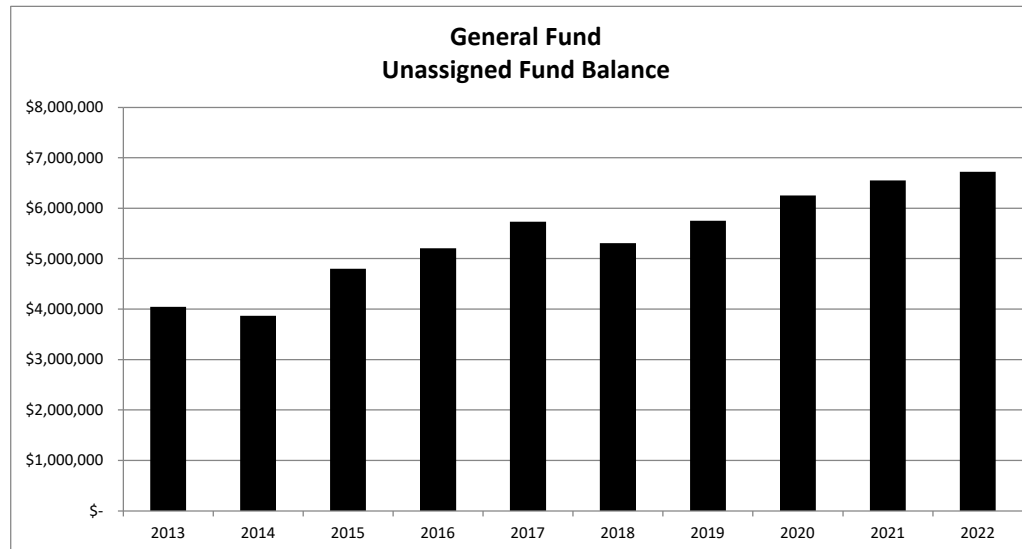
CHANGES IN NET POSITION LAST TEN YEARS ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General government	\$ 1,275,296	\$ 1,460,350	\$ 1,513,544	\$ 1,301,857	\$ 1,394,665	\$ 1,523,785	\$ 1,575,830	\$ 1,461,429	\$ 1,502,041	\$ 1,839,277
Community development	403,700	225,844	196,537	541,433	482,238	367,164	224,375	195,858	239,577	161,723
Public works	12,737,313	12,338,838	12,290,474	11,187,632	10,940,692	10,566,251	10,221,004	9,921,004	9,393,226	9,144,178
Human services	23,559	11,367	19,808	76,163	81,887	80,284	80,179	84,711	77,849	99,676
Cultural and recreation	3,329,303	2,555,085	1,411,668	2,936,559	2,867,480	2,591,871	3,004,355	2,973,206	2,815,975	2,689,655
Public safety	1,176,770	1,280,316	1,463,259	1,361,481	1,195,842	1,246,112	1,322,757	1,168,198	748,128	797,843
Operating grants and contributions	6,331,715	3,914,410	4,018,551	3,474,743	3,366,768	3,166,698	3,060,795	2,940,458	2,796,934	2,259,523
Capital grants and contributions	683,800	416,809	324,482	909,670	93,422	60,000	237,291	152,630	459,955	618,683
<i>Total governmental activities program revenues</i>	<u>25,961,456</u>	<u>22,203,019</u>	<u>21,238,323</u>	<u>21,789,538</u>	<u>20,422,994</u>	<u>19,602,165</u>	<u>19,726,586</u>	<u>18,897,494</u>	<u>18,033,685</u>	<u>17,610,558</u>
Business-type Activities - Parking	<u>2,040,744</u>	<u>1,704,167</u>	<u>1,356,516</u>	<u>2,211,179</u>	<u>2,080,753</u>	<u>2,041,315</u>	<u>2,026,701</u>	<u>2,009,582</u>	<u>2,027,837</u>	<u>2,012,002</u>
<i>Total primary government program revenues</i>	<u>\$ 28,002,200</u>	<u>\$ 23,907,186</u>	<u>\$ 22,594,839</u>	<u>\$ 24,000,717</u>	<u>\$ 22,503,747</u>	<u>\$ 21,643,480</u>	<u>\$ 21,753,287</u>	<u>\$ 20,907,076</u>	<u>\$ 20,061,522</u>	<u>\$ 19,622,560</u>
Expenses:										
Governmental Activities:										
General government	\$ 5,399,783	\$ 4,839,354	\$ 4,931,438	\$ 5,062,474	\$ 5,083,689	\$ 4,889,807	\$ 5,222,338	\$ 5,129,230	\$ 5,028,178	\$ 4,639,338
Community development	944,634	563,788	551,669	845,932	807,040	765,250	866,012	902,482	862,888	893,173
Public works	21,850,085	20,115,421	19,454,765	18,472,233	17,914,631	16,483,756	15,888,156	15,223,427	14,117,364	13,866,143
Human services	2,957,609	2,520,950	2,481,193	2,844,101	2,677,144	2,450,286	2,543,208	2,339,041	2,333,704	2,357,084
Cultural and recreation	4,210,977	3,451,649	2,890,377	3,818,175	3,270,388	3,509,202	3,674,132	3,616,982	3,446,210	3,531,847
Public safety	15,404,361	9,841,954	11,301,368	14,191,519	15,391,328	14,098,357	15,116,604	13,844,481	12,654,350	11,923,138
Interest on long-term debt	510,233	543,378	647,717	435,968	717,438	773,131	493,804	487,306	633,388	549,138
<i>Total governmental activities expenses</i>	<u>51,277,682</u>	<u>41,876,494</u>	<u>42,258,527</u>	<u>45,670,402</u>	<u>45,861,658</u>	<u>42,969,789</u>	<u>43,804,254</u>	<u>41,542,949</u>	<u>39,076,082</u>	<u>37,759,861</u>
Business-type Activities - Parking	<u>1,769,676</u>	<u>1,691,954</u>	<u>1,553,022</u>	<u>1,702,327</u>	<u>1,691,641</u>	<u>1,467,454</u>	<u>1,613,856</u>	<u>1,487,970</u>	<u>1,500,662</u>	<u>1,985,543</u>
<i>Total primary government expenses</i>	<u>\$ 53,047,358</u>	<u>\$ 43,568,448</u>	<u>\$ 43,811,549</u>	<u>\$ 47,372,729</u>	<u>\$ 47,553,299</u>	<u>\$ 44,437,243</u>	<u>\$ 45,418,110</u>	<u>\$ 43,030,919</u>	<u>\$ 40,576,744</u>	<u>\$ 39,745,404</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Real estate	\$ 13,478,250	\$ 12,990,197	\$ 12,909,098	\$ 12,919,031	\$ 12,868,406	\$ 12,856,418	\$ 12,344,588	\$ 12,064,474	\$ 12,062,164	\$ 12,000,641
Earned income	14,821,018	13,622,877	13,135,608	12,950,010	12,210,864	12,214,397	11,764,177	11,630,148	11,529,728	10,898,054
Other	4,044,100	4,053,453	3,759,170	3,586,749	3,300,552	3,186,782	3,154,416	2,999,496	2,777,634	2,802,247
Other - interest and transfer	20,643	44,932	370,675	624,809	534,953	338,830	195,903	184,986	181,454	179,593
<i>Total governmental activities</i>	<u>32,364,011</u>	<u>30,711,459</u>	<u>30,174,551</u>	<u>30,080,599</u>	<u>28,914,775</u>	<u>28,596,427</u>	<u>27,459,084</u>	<u>26,879,104</u>	<u>26,550,980</u>	<u>25,880,535</u>
Business-type Activities - Parking	<u>318,429</u>	<u>815</u>	<u>(146,476)</u>	<u>(157,922)</u>	<u>(157,253)</u>	<u>(154,641)</u>	<u>(158,761)</u>	<u>(145,232)</u>	<u>(8,673)</u>	<u>(155,751)</u>
<i>Total primary government</i>	<u>\$ 32,682,440</u>	<u>\$ 30,712,274</u>	<u>\$ 30,028,075</u>	<u>\$ 29,922,677</u>	<u>\$ 28,757,522</u>	<u>\$ 28,441,786</u>	<u>\$ 27,300,323</u>	<u>\$ 26,733,872</u>	<u>\$ 26,542,307</u>	<u>\$ 25,724,784</u>
Change in Net Position										
Governmental Activities	\$ 7,047,785	\$ 11,037,984	\$ 9,154,347	\$ 6,199,735	\$ 3,476,111	\$ 5,228,803	\$ 3,381,416	\$ 4,233,649	\$ 5,508,583	\$ 5,731,232
Business-type Activities	<u>589,497</u>	<u>13,028</u>	<u>(342,982)</u>	<u>350,930</u>	<u>231,859</u>	<u>419,220</u>	<u>254,084</u>	<u>376,380</u>	<u>518,502</u>	<u>(129,292)</u>
<i>Total primary government</i>	<u>\$ 7,637,282</u>	<u>\$ 11,051,012</u>	<u>\$ 8,811,365</u>	<u>\$ 6,550,665</u>	<u>\$ 3,707,970</u>	<u>\$ 5,648,023</u>	<u>\$ 3,635,500</u>	<u>\$ 4,610,029</u>	<u>\$ 6,027,085</u>	<u>\$ 5,601,940</u>

MT. LEBANON, PENNSYLVANIA

FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS MODIFIED ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	\$ 555,480	\$ 594,143	\$ 419,510	\$ 533,088	\$ 727,810	\$ 371,430	\$ 343,329	\$ 344,193	\$ 548,231	\$ 285,567
Restricted	-	-	-	-	-	-	-	-	-	-
Assigned	4,611,224	1,961,259	2,167,958	1,482,032	1,623,437	1,299,833	1,123,098	533,608	1,175,920	1,074,840
Unassigned	6,720,857	6,551,600	6,249,719	5,752,087	5,310,208	5,731,065	5,204,358	4,802,623	3,869,664	4,045,633
Total General Fund	11,887,561	9,107,002	8,837,187	7,767,207	7,661,455	7,402,328	6,670,785	5,680,424	5,593,815	5,406,040
All Other Governmental Funds:										
Restricted	12,517,041	14,982,035	16,256,310	15,754,252	12,645,773	15,949,669	7,170,091	6,328,567	7,958,638	9,031,519
Assigned	1,832,591	1,329,714	1,184,564	835,080	1,984,845	1,223,257	1,102,033	820,942	1,263,009	1,653,844
Total All Other Governmental Funds	14,349,632	16,311,749	17,440,874	16,589,332	14,630,618	17,172,926	8,272,124	7,149,509	9,221,647	10,685,363
Total Governmental Funds	\$ 26,237,193	\$ 25,418,751	\$ 26,278,061	\$ 24,356,539	\$ 22,292,073	\$ 24,575,254	\$ 14,942,909	\$ 12,829,933	\$ 14,815,462	\$ 16,091,403



MT. LEBANON, PENNSYLVANIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS MODIFIED ACCRUAL BASIS OF ACCOUNTING

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Revenues:										
Real estate taxes	\$ 13,475,998	\$ 13,052,389	\$ 12,906,801	\$ 12,949,165	\$ 12,889,134	\$ 12,824,898	\$ 12,362,890	\$ 12,062,778	\$ 12,056,146	\$ 11,979,183
Earned income taxes	14,647,833	13,375,606	13,180,483	12,841,790	12,330,334	12,036,410	11,677,730	11,682,140	11,471,738	11,130,541
Other taxes	4,044,100	4,053,453	3,759,170	3,586,749	3,300,552	3,186,782	3,154,416	2,999,496	2,777,634	2,802,247
Licenses, permits, and fees	13,389,667	12,955,803	13,013,863	12,418,675	12,060,282	11,638,711	11,340,061	11,092,966	10,387,664	9,758,025
Fines, forfeitures, and penalties	101,557	96,761	126,029	201,964	186,559	207,410	221,927	227,209	234,949	215,515
Investment and rental ⁽¹⁾	310,788	44,932	219,255	452,919	368,653	176,679	36,291	27,389	26,265	22,217
Intergovernmental	6,327,454	3,696,820	3,461,422	3,688,462	2,765,572	2,575,004	2,469,729	2,601,595	2,417,986	2,682,434
Recreation	3,330,805	2,571,758	1,414,325	2,936,875	2,867,680	2,591,989	3,005,162	2,960,477	2,815,568	2,689,655
Other	2,664,672	2,602,140	3,036,257	2,637,315	2,543,176	2,576,343	2,716,154	2,374,327	2,208,572	2,041,448
Total Revenues	58,292,874	52,449,662	51,117,605	51,713,914	49,311,942	47,814,226	46,984,360	46,028,377	44,396,522	43,321,265
Expenditures:										
Current:										
General government	5,175,304	4,837,037	4,835,494	4,789,502	4,854,640	4,625,018	4,902,311	4,943,730	4,807,067	4,481,903
Community development	913,374	703,974	639,895	831,029	759,586	753,027	816,691	1,020,972	859,928	890,553
Public works	17,970,350	17,279,035	16,041,127	15,336,470	15,056,574	13,893,163	13,574,639	13,184,534	12,142,459	11,996,308
Human services	2,764,024	2,595,328	2,452,800	2,939,130	2,449,806	2,314,781	2,375,751	2,403,763	2,373,858	2,405,214
Cultural and recreation	3,559,075	2,969,415	2,322,576	3,062,313	2,959,763	2,704,130	2,849,603	2,871,336	2,706,114	2,589,342
Public Safety:										
Police	9,781,733	9,783,359	9,796,156	9,576,569	9,525,675	9,171,497	8,922,309	8,482,838	7,855,513	7,449,755
Fire	3,568,933	3,405,991	3,191,112	3,287,275	3,220,552	3,276,014	3,329,331	3,432,157	3,394,563	3,256,265
Other	1,066,803	1,215,574	934,804	1,080,581	1,002,111	898,368	880,789	852,520	833,449	812,528
Debt service:										
Principal Retirement	2,820,000	2,850,000	9,702,442	5,469,640	2,436,210	2,527,468	1,415,516	1,968,592	1,736,272	1,733,289
Interest and Fiscal Charges	524,036	496,000	920,826	779,680	737,176	699,482	510,567	710,652	660,227	648,349
Capital Outlay	9,040,655	7,173,259	6,473,081	10,855,641	9,285,251	6,288,179	5,469,916	8,361,841	11,035,151	7,872,576
Total Expenditures	57,184,287	53,308,972	57,310,313	58,007,830	52,287,344	47,151,127	45,047,423	48,232,935	48,404,601	44,136,082
Excess (Deficiency) of Revenues Over Expenditures	1,108,587	(859,310)	(6,192,708)	(6,293,916)	(2,975,402)	663,099	1,936,937	(2,204,558)	(4,008,079)	(814,817)
Other Financing Sources (Uses):										
Transfers in	11,700,253	10,273,451	11,282,823	10,754,401	9,613,868	9,344,199	8,779,157	11,197,761	9,089,654	10,261,960
Transfers out	(11,990,398)	(10,273,451)	(11,131,403)	(10,582,511)	(9,447,568)	(9,182,048)	(8,619,545)	(11,040,164)	(8,934,465)	(10,104,584)
Refunds of prior year expenditures	-	-	-	52,264	525,921	-	-	-	-	-
Debt transfer to Parking Fund	-	-	-	-	-	-	-	-	-	-
Debt proceeds	-	-	-	4,855,000	-	8,800,000	-	-	2,545,000	4,450,000
Bond issuance premium (discount)	-	-	494,318	369,228	-	7,095	140,754	261,969	31,949	142,182
Proceeds of refunding bonds	-	-	13,940,000	2,910,000	-	-	4,355,000	9,015,864	-	-
Payment to refunded bond escrow agent	-	-	(6,471,508)	-	-	-	(4,479,327)	(9,216,401)	-	-
Total Other Financing Sources (Uses)	(290,145)	-	8,114,230	8,358,382	692,221	8,969,246	176,039	219,029	2,732,138	4,749,558
Net Change in Fund Balances	\$ 818,442	\$ (859,310)	\$ 1,921,522	\$ 2,064,466	\$ (2,283,181)	\$ 9,632,345	\$ 2,112,976	\$ (1,985,529)	\$ (1,275,941)	\$ 3,934,741
Debt service as a percentage of non-capital expenditures	7.0%	7.3%	20.8%	13.3%	7.5%	7.8%	4.9%	6.9%	6.5%	6.6%
Debt service as a percentage of total expenditures	5.8%	6.3%	18.5%	10.8%	6.1%	6.7%	4.3%	5.6%	5.0%	5.4%

(1) Beginning in 2015, rental revenue is recognized in recreation or other revenue.

MT. LEBANON, PENNSYLVANIA
PROGRAM REVENUES BY FUNCTION/PROGRAM
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Function/Program:										
Governmental Activities:										
General government	\$ 5,619,997	\$ 3,535,161	\$ 3,650,708	\$ 2,821,509	\$ 2,809,402	\$ 2,859,294	\$ 2,846,674	\$ 2,544,310	\$ 2,545,411	\$ 2,586,857
Community development	403,700	225,844	196,537	541,433	482,238	367,164	226,875	299,419	239,577	161,723
Public works	14,300,428	13,661,525	13,566,209	13,116,322	12,001,459	11,525,427	11,117,197	10,914,962	10,534,547	10,412,532
Human services	809,388	695,779	736,891	808,967	840,630	807,598	782,810	753,240	828,435	698,325
Cultural and recreation	3,332,939	2,573,802	1,416,796	2,937,738	2,869,864	2,594,292	3,139,992	2,984,254	2,825,067	2,699,979
Public safety:										
Police	615,127	523,071	825,698	686,145	609,748	722,699	887,848	667,662	254,379	284,326
Fire	230,812	207,870	240,951	217,531	218,138	226,777	249,094	241,097	321,892	276,188
Other	649,065	779,967	604,533	659,893	591,515	498,914	476,096	492,550	484,377	490,628
<i>Total Governmental Activities</i>	<u>25,961,456</u>	<u>22,203,019</u>	<u>21,238,323</u>	<u>21,789,538</u>	<u>20,422,994</u>	<u>19,602,165</u>	<u>19,726,586</u>	<u>18,897,494</u>	<u>18,033,685</u>	<u>17,610,558</u>
Business-type Activity - Parking	<u>2,040,744</u>	<u>1,704,167</u>	<u>1,356,516</u>	<u>2,211,179</u>	<u>2,080,753</u>	<u>2,041,315</u>	<u>2,026,701</u>	<u>2,009,582</u>	<u>2,027,837</u>	<u>2,012,002</u>
<i>Total Primary Government</i>	<u>\$ 28,002,200</u>	<u>\$ 23,907,186</u>	<u>\$ 22,594,839</u>	<u>\$ 24,000,717</u>	<u>\$ 22,503,747</u>	<u>\$ 21,643,480</u>	<u>\$ 21,753,287</u>	<u>\$ 20,907,076</u>	<u>\$ 20,061,522</u>	<u>\$ 19,622,560</u>

MT. LEBANON, PENNSYLVANIA

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS LAST TEN YEARS MODIFIED ACCRUAL BASIS OF ACCOUNTING

Year	Real Estate	Earned Income	Local Services	Real Estate Transfer	Utility	County Sales	Total
2022	\$13,475,998	\$14,647,833	\$462,562	\$2,262,135	\$29,601	\$1,289,802	\$32,167,931
2021	13,052,389	13,375,606	409,242	2,491,366	29,752	1,123,093	30,481,448
2020	12,906,801	13,180,483	398,978	2,338,095	28,750	993,347	29,846,454
2019	12,949,165	12,841,790	441,964	2,086,238	26,207	1,032,340	29,377,704
2018	12,889,134	12,330,334	439,417	1,843,974	28,645	988,516	28,520,020
2017	12,824,898	12,036,410	446,019	1,760,690	27,978	952,095	28,048,090
2016	12,362,890	11,677,730	442,631	1,759,408	30,004	922,373	27,195,036
2015	12,062,778	11,682,140	454,080	1,615,768	30,571	899,077	26,744,414
2014	12,056,146	11,471,738	433,413	1,458,034	32,766	853,421	26,305,518
2013	11,979,183	11,130,541	441,779	1,509,382	30,664	820,422	25,911,971

MT. LEBANON, PENNSYLVANIA

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS LAST TEN YEARS

Tax Year	Mills Levied			
	Mt. Lebanon	Mt. Lebanon School District	Allegheny County	Total
2022	4.91	26.39	4.73	36.03
2021	4.71	25.59	4.73	35.03
2020	4.71	24.79	4.73	34.23
2019	4.71	24.79	4.73	34.23
2018	4.71	24.32	4.73	33.76
2017	4.71	23.93	4.73	33.37
2016	4.51	23.93	4.73	33.17
2015	4.51	23.55	4.73	32.79
2014	4.51	23.15	4.73	32.39
2013	4.51	22.61	4.73	31.85

Note: Mill - one one thousandth of a dollar. Used to calculate a tax levied on real estate.
(One mill = \$0.001)

Sources: Mt. Lebanon Comprehensive Annual Financial Reports
Mt. Lebanon School District Comprehensive Annual Financial Reports
Allegheny County Comprehensive Annual Financial Reports

MT. LEBANON, PENNSYLVANIA

ASSESSED VALUATION AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY LAST TEN YEARS

<u>Year</u>	<u>Taxable Real Property</u>	<u>Exempt Real Property</u>	<u>Total</u>	<u>Estimated Actual Values of Real Property</u>	<u>Mt. Lebanon Municipal Millage Rate</u>
2022	\$2,776,754,924	\$368,238,700	\$3,144,993,624	\$3,144,993,624	4.91
2021	2,784,336,730	368,164,100	3,152,500,830	3,152,500,830	4.71
2020	2,767,725,710	368,060,000	3,135,785,710	3,135,785,710	4.71
2019	2,756,995,028	349,031,440	3,106,026,468	3,106,026,468	4.71
2018	2,747,645,634	349,059,900	3,096,705,534	3,096,705,534	4.71
2017	2,743,104,034	376,669,846	3,119,773,880	3,119,773,880	4.71
2016	2,734,870,374	381,877,822	3,116,748,196	3,116,748,196	4.51
2015	2,732,801,335	381,969,222	3,114,770,557	3,114,770,557	4.51
2014	2,718,872,379	372,261,922	3,091,134,301	3,091,134,301	4.51
2013	2,698,042,173	469,117,122	3,167,159,295	3,167,159,295	4.51

Notes: Allegheny County assessment records do not allow categorization by class, use or ownership.
Mt. Lebanon does not tax personal property.

Sources: Mt. Lebanon Tax Office
Mt. Lebanon Comprehensive Annual Financial Reports

MT. LEBANON, PENNSYLVANIA

PRINCIPAL TAXPAYERS
DECEMBER 31, 2022 AND DECEMBER 31, 2013

Taxpayer - Type of Real Property	December 31, 2022			December 31, 2013		
	Estimated Actual Values of Real Property	Rank	Percentage of Total Assessed Valuation	Estimated Actual Values of Real Property	Rank	Percentage of Total Assessed Valuation
The Galleria (L&B Southpoint) - <i>Retail Shops</i>	\$ 23,362,500	1	0.84%	\$ 31,665,300	1	1.21%
Brookdale Senior Housing (A.H. Pennsylvania) - <i>Senior Housing</i>	19,000,000	2	0.68%	19,090,000	2	0.73%
Bower Hill Development - <i>Co-op Apartments</i>	17,500,000	3	0.63%	17,500,000	3	0.67%
Concordia Lutheran - <i>Senior Housing/Health</i>	13,162,800	4	0.47%	9,860,260	4	0.38%
Springhill Suites (Mt. Lebanon Acquisitions LLC) - <i>Hotel</i>	10,350,000	5	0.37%			
IHP/Bower Hill LLC - <i>Apartments</i>	9,500,000	6	0.34%	9,400,000	5	0.36%
Virginia Manor Shops - <i>Retail Shops</i>	7,931,300	7	0.29%	6,355,400	7	0.24%
Pendale Towers - <i>Apartments</i>	7,150,000	8	0.26%	6,000,000	9	0.23%
Public Storage - <i>Storage Facility</i>	6,265,400	9	0.23%			
St. Clair Memorial Hospital - <i>Medical Offices</i>	6,026,680	10	0.22%	6,026,680	8	0.23%
900 Washington Road - <i>Co-op Apartments</i>				5,374,700	10	0.20%
Tithonus Mount Lebanon - <i>Personal Care Facility</i>				8,138,900	6	0.31%
	<u>\$ 120,248,680</u>		<u>4.33%</u>	<u>\$ 119,411,240</u>		<u>4.56%</u>
Total Taxable Assessed Valuation	<u>\$ 2,776,754,924</u>			<u>\$ 2,622,540,155</u>		

Source: Mt. Lebanon Tax Office
Mt. Lebanon Comprehensive Annual Financial Reports

MT. LEBANON, PENNSYLVANIA

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN YEARS

Year	Adjusted Total Tax Levy	Collected within Fiscal Year of Levy		Collections in Subsequent Years	Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2022	\$13,640,970	\$13,443,060	98.55%	\$0	\$13,443,060	98.55%
2021	13,114,226	12,912,805	98.46%	122,927	13,035,732	99.40%
2020	13,001,574	12,665,937	97.42%	291,385	12,957,322	99.66%
2019	12,982,654	12,768,207	98.32%	177,502	12,945,709	99.72%
2018	12,941,411	12,730,211	98.37%	184,274	12,914,485	99.79%
2017	12,917,422	12,679,105	98.16%	219,951	12,899,056	99.86%
2016	12,323,667	12,120,139	98.35%	191,511	12,311,650	99.90%
2015	12,309,292	12,132,595	98.56%	166,338	12,298,933	99.92%
2014	12,206,460	12,024,213	98.51%	173,287	12,197,500	99.93%
2013	12,089,325	11,994,251	99.21%	87,216	12,081,467	99.94%

Source: Mt. Lebanon Tax Office

MT. LEBANON, PENNSYLVANIA

MUNICIPAL EARNED INCOME TAX REVENUE COLLECTIONS LAST TEN YEARS COLLECTIONS BY FISCAL YEAR

<u>Year</u>	<u>Tax Rate⁽¹⁾</u>	<u>Collections for Current Year</u>	<u>Collections for Prior Years</u>	<u>Refunds</u>	<u>Total Collections</u>	<u>Commission⁽²⁾</u>	<u>Total Remitted</u>
2022	0.80%	\$10,335,842	\$4,611,796	(\$346,527)	\$14,601,111	(\$267,890)	\$14,333,221
2021	0.80%	9,820,838	4,000,502	(293,316)	13,528,024	(249,218)	13,278,806
2020	0.80%	9,330,499	4,068,273	(369,227)	13,029,545	(239,019)	12,790,526
2019	0.80%	9,290,196	4,008,563	(363,753)	12,935,006	(239,199)	12,695,807
2018	0.80%	8,914,730	3,557,574	(314,756)	12,157,548	(223,626)	11,933,922
2017	0.80%	8,758,095	3,623,652	(266,569)	12,115,178	(221,212)	11,893,966
2016	0.80%	8,275,765	3,661,950	(261,672)	11,676,043	(214,222)	11,461,821
2015	0.80%	8,375,768	3,477,737	(230,503)	11,623,002	(212,204)	11,410,798
2014	0.80%	8,045,429	3,742,116	(319,936)	11,467,609	(208,705)	11,258,904
2013	0.80%	7,960,267	3,917,285	(235,898)	11,641,654	(209,070)	11,432,584

Source: Mt. Lebanon Tax Office

(1) Earned income tax rate and collection amounts represent only the municipal share. The Mt. Lebanon School District levies an earned income tax of 0.50%.

(2) Per Act 32 of 2008 mandated municipal earned income tax collections are to be collected by a regional tax collection district. Mt. Lebanon is part of the Allegheny County Southwest Tax Collection District (ACSWTCD) and pays an 1.8% commission to a third party collector as voted on by the ACSWTCD.

MT. LEBANON, PENNSYLVANIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN YEARS

	Net non- electoral direct debt - governmental activities	Net non- electoral direct debt - business- type activities	Total primary government	% of Assessed Valuation	Direct debt per capita	Total primary government debt per capita	Debt per total personal income
2022	\$21,340,000	\$205,000	\$21,545,000	0.78%	\$632	\$632	1.13%
2021	24,160,000	285,000	24,445,000	0.88%	717	717	1.28%
2020	27,010,000	365,000	27,375,000	0.99%	803	803	1.43%
2019	28,873,492	446,508	29,320,000	1.06%	885	885	2.08%
2018	26,578,132	1,121,868	27,700,000	1.01%	836	836	1.96%
2017	29,014,342	1,845,658	30,860,000	1.13%	931	931	2.19%
2016	22,741,810	2,568,190	25,310,000	0.93%	764	764	1.79%
2015	24,212,326	3,247,674	27,460,000	1.00%	829	829	1.95%
2014	26,271,954	3,928,046	30,200,000	1.11%	911	911	2.14%
2013	25,463,226	2,931,774	28,395,000	1.05%	857	857	2.01%

MT. LEBANON, PENNSYLVANIA

LEGAL DEBT MARGIN INFORMATION LAST TEN YEARS

	Three year average revenue (borrowing base) ⁽¹⁾	Legal debt limit ⁽²⁾	Debt applicable to limit	Legal debt margin	Legal debt margin % ⁽³⁾
2022	\$66,147,506	\$165,368,765	\$21,545,000	\$143,823,765	86.97%
2021	71,891,777	179,729,443	24,445,000	155,284,443	86.40%
2020	65,392,694	163,481,735	27,375,000	136,106,735	83.26%
2019	64,200,001	160,500,003	29,320,000	131,180,003	81.73%
2018	57,505,450	143,763,625	27,700,000	116,063,625	80.73%
2017	56,331,287	140,828,218	30,860,000	109,968,218	78.09%
2016	52,283,898	130,709,745	25,310,000	105,399,745	80.64%
2015	53,287,193	133,217,983	27,460,000	105,757,983	79.39%
2014	54,992,921	137,482,303	30,200,000	107,282,303	78.03%
2013	51,631,429	129,078,573	28,395,000	100,683,573	78.00%

(1) The local Governmental Unit Debt act (Act 52 of 1978), reenacted and amending Act 185 of 1972 prescribes debt limits, net revenues and the calculation of the borrowing base for all local units in Pennsylvania. The "Debt Act" is administered by the Pennsylvania Department of Economic Development. Under the Mt. Lebanon Home Rule Charter, any new debt in excess of 250% of the borrowing base must be approved by the electorate.

(2) 250% of borrowing base. Under the Debt Act, the Municipality could use a legal debt limit multiplier of 350%.

(3) Percent of debt limit remaining.

MT. LEBANON, PENNSYLVANIA

COMPUTATION OF DIRECT AND OVERLAPPING DEBT DECEMBER 31, 2022

<u>Jurisdiction</u>	<u>Total Debt Outstanding</u>	<u>Percentage Applicable to Mt. Lebanon</u>	<u>Amount Applicable to Mt. Lebanon</u>
Direct			
Mt. Lebanon (1)	<u>\$21,340,000</u>	100.0%	<u>\$21,340,000</u>
Overlapping			
Mt. Lebanon School District (2)	121,205,000	100.0%	121,205,000
County of Allegheny (3)	<u>982,451,683</u>	3.3%	<u>32,326,492</u>
<i>Total Overlapping Debt</i>	<u>1,103,656,683</u>		<u>153,531,492</u>
Total	<u><u>\$1,124,996,683</u></u>		<u><u>\$174,871,492</u></u>

Sources: Municipal Finance Department.

Mt. Lebanon School District ACFR and Allegheny County Controller's Office

(1) The local Governmental Unit Debt act (Act 52 of 1978), reenacted and amending Act 185 of 1972 prescribes debt limits, net revenues and the calculation of the borrowing base for all local units in Pennsylvania. The "Debt Act" is administered by the Pennsylvania Department of Economic Development. Under the Mt. Lebanon Home Rule Charter, any new debt in excess of 250% of the borrowing base must be approved by the electorate.

(2) Mt. Lebanon School District figures are for the year ending June 30, 2022.

(3) Proportionate share of Allegheny County's existing debt as of December 31, 2022 (unaudited) based on the ratio of Mt. Lebanon's assessed valuation to Allegheny County's assessed valuation.

MT. LEBANON, PENNSYLVANIA

PRINCIPAL EMPLOYERS CURRENT YEAR AND TEN YEARS AGO

Employer	December 31, 2022			December 31, 2013		
	Employees	Rank	Percentage of Total Municipality Employment	Employees	Rank	Percentage of Total Municipality Employment
St Clair Hospital	1,883	1	19.5%	2,173	1	23.1%
Mt. Lebanon School District	797	2	8.3%	888	2	9.4%
PNC Bank	208	3	2.2%	-	-	-
Mt. Lebanon Municipality	205	4	2.1%	235	4	2.5%
Crown Castle USA	173	5	1.8%	-	-	-
Keystone Oaks School District	155	6	1.6%	171	6	1.8%
Baptist Homes Nursing	150	7	1.6%	237	5	2.5%
Concordia of South Hills	144	8	1.5%	148	8	1.6%
Giant Eagle	106	9	1.1%	-	-	-
Shop N Save	93	10	1.0%	-	-	-
Asbury Health Center	-	-	-	452	3	4.8%
Family Hospice	-	-	-	179	7	1.9%
Devonshire of Mt. Lebanon	-	-	-	147	9	1.6%
Super Value Holding	-	-	-	132	10	1.4%
Total	<u>3,914</u>		<u>40.7%</u>	<u>4,762</u>		<u>50.6%</u>
Total Employees	<u>9,655</u>			<u>9,403</u>		

Source: Mt. Lebanon Tax Office

MT. LEBANON, PENNSYLVANIA

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN YEARS

Year	Population ⁽¹⁾	Total Personal Income ⁽²⁾	Per Capita Personal Income ⁽¹⁾	Median Household Income ⁽¹⁾	Median Age ⁽¹⁾	Educational Attainment: Bachelor's Degree or higher ⁽¹⁾	School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾	Average Sales Price of Residential Property ⁽⁵⁾	Total Taxable Assessed Property Value ⁽⁵⁾
2022	34,075	\$ 1,910,005,975	\$ 56,053	\$ 100,011	43.8	70.6%	5,412	2.3%	\$ 397,090	\$2,776,754,924
2021	34,075	1,910,005,975	56,053	100,011	43.8	70.6%	5,350	2.6%	374,790	2,784,336,730
2020	34,075	1,910,005,975	56,053	100,011	43.8	70.6%	5,531	4.2%	346,781	2,767,725,710
2019	33,137	1,410,189,087	42,711	74,003	43.8	64.1%	5,513	2.9%	323,175	2,756,995,028
2018	33,137	1,410,189,087	42,711	74,003	43.8	64.1%	5,528	3.2%	301,925	2,747,645,634
2017	33,137	1,410,189,087	42,711	74,003	43.8	64.1%	5,453	3.5%	295,737	2,743,104,034
2016	33,137	1,410,189,087	42,711	74,003	43.8	64.1%	5,361	2.5%	285,383	2,734,870,374
2015	33,137	1,410,189,087	42,711	74,003	43.8	64.1%	5,321	2.9%	260,177	2,732,801,335
2014	33,137	1,410,189,087	42,711	74,003	43.8	64.1%	5,218	3.6%	249,768	2,718,872,379
2013	33,137	1,410,189,087	42,711	74,003	43.8	64.1%	5,268	4.5%	255,115	2,698,042,173

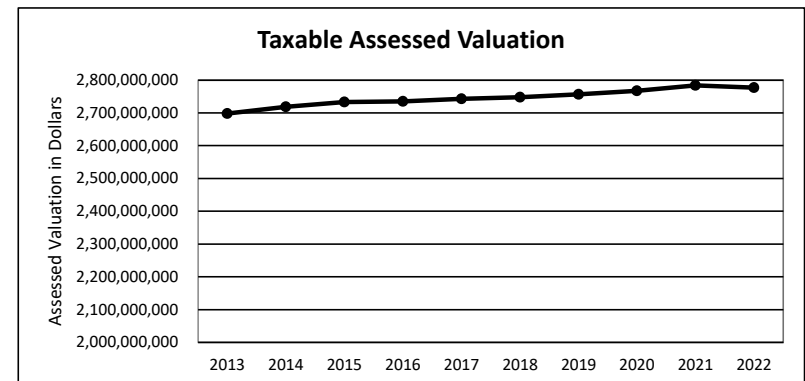
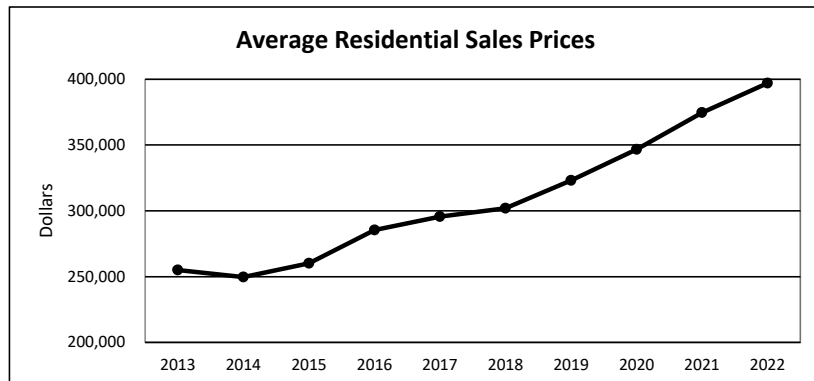
(1) Source: 2013-2019, 2010 U. S. Census/2020-2022, 2020 U.S. Census (Median Age not available from 2020 Census)

(2) Computation of per capita personal income multiplied by population for given census year

(3) Source: Mt. Lebanon School District

(4) Source: US Dept. of Labor & PA Center for Workforce Information & Analysis (2013-2014); US Census Bureau American Community Survey (2015-2018);
US Bureau of Labor Statistics for Mt. Lebanon (2019-2022)

(5) Source: Mt. Lebanon Tax Office



MT. LEBANON, PENNSYLVANIA

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN YEARS

Function/program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government: ⁽¹⁾										
Lien letter & tax certification requests	990	1,777	2,022	1,293	952	1,802	1,161	2,381	1,341	1,165
LeboAlerts (online and SMS notification system)	294	269	229	367	375	339	413	442	347	414
Community Development:										
Number of permits issued ⁽²⁾	1,054	819	745	637	650	623	585	536	526	482
Estimated value of construction ^{a (2)}	\$33,972,051	\$23,660,230	\$17,375,334	\$58,979,386	\$34,257,329	\$25,555,091	\$15,765,213	\$14,008,035	\$16,872,741	\$15,186,564
Occupancy permits issued ⁽²⁾	56	38	33	8	25	18	28	43	24	31
Number of Planning Commission agenda items ⁽³⁾	9	7	5	6	13	14	12	10	14	14
Police: ⁽⁴⁾										
Calls for service ^b	18,588	18,750	18,790	20,819	21,819	23,094	25,796	26,996	27,385	27,286
Total arrests	314	246	378	487	548	565	609	603	635	587
Part I Offenses reported (major offenses)	157	210	170	264	293	280	414	315	276	317
Part I Offenses cleared percentage	46%	23%	77%	37%	45%	50%	39%	41%	44%	47%
Part II Offenses reported (other crimes)	552	609	518	647	611	610	716	674	676	549
Part II Offenses cleared percentage	55%	22%	42%	53%	57%	54%	47%	57%	59%	65%
DUI arrests	71	32	36	58	68	57	76	94	118	88
Animal control calls for service	1,567	1,489	1,924	1,691	2,207	1,881	2,203	2,093	2,089	1,691
Fire: ⁽⁵⁾										
Calls for service (emergency and non-emergency) ^c	3,786	3,919	3,708	4,385	4,502	3,875	3,695	3,886	3,952	3,884
Responses involving loss	12	13	16	22	30	25	22	23	36	34
Fire loss (per capita)	\$6.87	\$10.54	\$6.49	\$9.74	\$31.21	\$4.27	\$10.83	\$23.73	\$6.69	\$8.88
Structure fires	17	9	11	16	17	9	29	15	15	16
Public Works: ⁽⁶⁾										
Roads resurfaced (linear feet)	6,706	7,762	7,400	8,080	11,804	8,080	7,247	4,475	6,900	5,485
Roads reconstructed (linear feet)	4,687	4,750	5,450	5,300	6,500	6,564	5,875	6,250	5,600	3,473
Sidewalks repaired (square feet)	10,616	9,786	0	0	0	2,860	5,957	4,074	0	7,579
Curb replacement (linear feet)	2,265	2,228	1,866	1,459	2,614	1,604	2,341	1,515	695	1,469
Number of trees removed	129	160	176	147	157	122	146	134	149	325
Number of trees planted	146	120	175	121	58	116	157	133	343	219
Number of municipal trees	11,444	11,427	11,467	11,468	11,494	11,494	11,500	11,489	11,490	11,296
Residential curb side recycling tons picked up ^d	1,383	1,527	1,526	1,499	2,612	2,447	2,110	2,128	2,542	2,616
Truckloads of leaves picked-up ^e	1,350	962	959	892	1,624	1,033	1,030	926	1,529	1,392
Tons of snow melting salt used	5,522	4,708	3,813	4,893	5,463	3,006	5,519	3,748	7,202	6,060
Closed circuit televising (miles)	25.1	20.8	17.5	18.1	27.0	15.1	16.0	17.0	3.2	20.9
Point repairs	11	44	11	14	25	30	3	6	23	8
Root damage sidewalk restoration (square feet)	15,549	11,346	14,817	17,727	18,054	14,140	12,242	20,569	37,696	37,840
Structural liner corrections (linear feet)	19,144	24,580	17,444	17,317	11,295	3,526	2,350	11,100	16,425	9,670

(Continued)

MT. LEBANON, PENNSYLVANIA

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN YEARS

Function/program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Recreation: ^{f (7)}										
Ice Center Attendance	42,816	26,182	18,060	59,042	65,345	33,254	62,485	67,081	70,691	69,576
Pool Attendance	57,437	56,042	0	54,281	55,318	60,032	68,546	67,142	59,516	40,054
Number of golf rounds played	24,442	23,926	21,896	20,865	19,088	22,662	23,183	23,459	22,916	23,824
Number of Seasonal Programs	297	215	144	429	425	410	449	449	443	417
Seasonal Program Enrollment	9,068	6,742	3,430	10,876	10,417	11,291	11,790	10,696	10,815	10,100
Seasonal Program Attendance	64,585	52,786	22,479	66,170	67,418	72,537	74,038	68,726	70,966	71,733
Tennis Center Attendance	15,337	8,298	6,609	9,464	9,653	10,311	11,963	12,900	12,617	13,399
Number of Tennis Programs	130	125	87	122	118	108	113	117	131	130
Tennis Program Enrollment	1,253	1,182	798	1,044	1,006	993	1,051	1,121	1,280	1,215
Platform Tennis Center Attendance	7,861	7,818	5,974	6,988	6,480	7,320	7,084	7,471	7,115	6,505
Library: ⁽⁸⁾										
Collection ^g	136,636	136,807	147,783	146,699	145,801	147,518	153,225	157,393	154,648	152,272
Circulation ^g	709,292	668,672	533,413	698,151	702,637	724,875	632,983	609,329	583,771	597,446
Reference questions	17,452	5,084	2,386	29,652	32,929	42,075	57,909	72,169	71,993	62,956
Number of programs	1,391	2,298	1,123	2,211	2,095	1,832	1,654	1,674	1,821	1,438
Program attendance	22,502	16,690	14,954	43,899	46,399	42,247	35,882	35,279	37,743	30,738
Registration	17,606	16,720	17,224	17,857	17,814	18,129	18,680	20,779	21,279	22,111
Registrations as a percentage of population	52%	49%	52%	54%	54%	54%	56%	63%	64%	67%
Visits by library patrons	248,872	140,122	108,059	360,720	343,995	368,930	328,774	359,104	360,960	326,128
Minutes patrons spent on computers in library ^h	544,224	1,005,488	1,175,244	6,337,740	7,286,840	6,417,127	6,297,676	5,871,568	5,332,644	5,261,343
Parking: ⁽⁴⁾										
Meter tickets	7,466	7,287	5,791	6,413	6,516	7,098	5,029	5,781	7,423	7,886
Police tickets	7,471	4,911	3,088	6,815	6,846	6,704	7,514	8,084	8,195	7,525
Tickets paid online	9,316	7,964	5,614	7,189	4,950	3,749	3,232	3,164	2,930	2,383

(Concluded)

Sources:

- (1) Mt. Lebanon Finance Department
- (2) Mt. Lebanon Inspections Department
- (3) Mt. Lebanon Planning Department
- (4) Mt. Lebanon Police Department
- (5) Mt. Lebanon Fire Department
- (6) Mt. Lebanon Department of Public Works
- (7) Mt. Lebanon Recreation Department
- (8) Mt. Lebanon Library

Notes:

- a: Excludes signs, mechanical, pools, demolition & driveways
 - b: Calls for Service are calculated by Allegheny County
 - c: Nonemergency calls for service include community outreach, education and inspections
 - d: Includes all residential recycling
 - e: Truckload of leaves = 4 Tons
 - f: Beginning in 2008, the Recreation Department enhanced tracking of operating indicators
 - g: Beginning in 2013, the Library collection and circulation totals include e-books.
 - h: Beginning in 2022, minutes spent on computers does not include public wifi.
 - n/a: Information not available
- Certain amounts and quantities are estimates

MT. LEBANON, PENNSYLVANIA

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM LAST TEN YEARS

Function/program	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Government										
Square footage occupied	32,020	32,020	32,020	32,020	32,020	32,020	32,020	32,020	32,020	32,020
Inspection vehicles	2	2	2	2	2	2	2	2	2	2
Other departmental vehicles	4	4	4	4	4	3	4	5	5	5
Public Works										
Municipal street (lane miles)	179.00	179.00	179.00	179.00	179.00	179.00	179.00	179.00	179.00	179.00
Number of traffic lighted intersections	41	41	41	41	41	41	41	41	41	41
Sanitary sewers (miles) ⁽¹⁾	159.95	159.87	159.87	147.60	147.52	145.39	145.39	145.37	144.97	144.75
Storm sewers (miles)	71.58	75.81	75.81	74.30	72.33	60.51	60.51	60.25	59.97	59.58
Vehicles	28	28	28	28	29	28	28	26	26	27
Library										
Square footage occupied	30,060	30,060	30,060	30,060	30,060	30,060	30,060	30,060	30,060	30,060
Collection	136,636	136,807	147,783	146,699	145,801	147,518	153,225	157,393	154,648	152,272
Recreation										
Number of parks	12	12	12	12	12	12	12	12	12	12
Acreage of park land	304.11	304.11	304.11	304.11	304.11	304.11	304.11	304.11	304.11	304.11
Recreation centers	1	1	1	1	1	1	1	1	1	1
Recreation center square footage	55,954	55,954	55,954	55,954	55,954	55,954	55,954	55,954	55,954	55,954
Ice skating rinks	2	2	2	2	2	2	2	2	2	2
Golf course (9-hole)	1	1	1	1	1	1	1	1	1	1
Tennis Courts	15	15	15	15	15	15	15	15	15	15
Platform tennis courts	4	4	4	4	4	4	4	4	4	4
Ball fields	5	5	5	5	5	5	5	5	5	5
Public Safety										
Public safety center	1	1	1	1	1	1	1	1	1	1
Square footage of fire department	20,866	20,866	20,866	20,866	20,866	20,866	20,866	20,866	20,866	20,866
Square footage of police department	28,134	28,134	28,134	28,134	28,134	28,134	28,134	28,134	28,134	28,134
Fire vehicles	10	10	11	11	12	12	11	12	12	12
Police vehicles	34	35	34	34	40	32	35	30	30	29
Parking ⁽²⁾										
Parking Garages	2	2	2	2	2	2	2	2	2	2
Square footage of North Garage	117,238	117,238	117,238	117,238	117,238	117,238	117,238	117,238	117,238	117,238
Square footage of South Garage	112,200	112,200	112,200	112,200	112,200	112,200	112,200	112,200	112,200	112,200
Parking spaces available in municipality	1,026	1,026	1,026	1,018	1,018	1,018	1,018	1,018	1,018	1,020
Parking Vehicles	4	4	4	4	4	4	4	4	4	4

Sources: Finance Department, Capital Improvement Programs, Public Works and Appraisals

(1)Due to consent order work sanitary sewer measurements may change until measurements are complete.

MT. LEBANON, PENNSYLVANIA

FULL-TIME EQUIVALENT MUNICIPAL EMPLOYEES BY FUNCTION/PROGRAM LAST TEN YEARS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Function/program										
General Government:										
Administration	4.2	4.2	4.1	4.2	4.2	4.0	3.8	4.3	4.0	3.7
Information Technology	3.8	4.0	4.0	4.0	3.4	3.7	3.7	3.8	3.1	3.1
Finance	4.7	4.8	4.4	4.6	4.6	4.7	4.7	4.7	4.5	4.7
Tax	1.7	1.7	1.5	1.7	1.5	1.8	2.0	2.0	2.0	2.0
Public Information	7.0	5.9	5.7	5.8	6.4	6.3	6.3	6.3	5.0	7.0
Parking Clerical	1.0	1.0	0.8	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Community Development										
Economic Develop/Planning	2.8	2.5	2.5	2.5	2.5	2.8	2.8	3.0	3.2	3.0
GIS	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Inspections	5.0	3.8	3.7	4.0	4.0	4.0	4.0	4.0	4.2	4.3
Public Works										
Administration	5.0	5.0	5.0	5.0	5.0	5.0	3.0	2.5	3.6	3.7
Maintenance/Labor	24.8	24.9	23.3	23.7	25.7	24.7	24.8	24.4	23.0	23.1
Maintenance/Labor - Parking	2.4	3.0	3.0	3.0	3.0	2.5	3.0	3.0	3.0	3.0
Human Services/Library	22.6	22.9	20.6	24.7	23.9	23.3	23.9	23.8	20.2	21.5
Public Safety										
Police Officers	42.7	44.4	44.6	45.5	43.8	44.7	45.0	44.6	45.0	44.0
Police Civilians ⁽¹⁾	9.4	10.2	9.8	9.6	9.7	8.8	8.8	8.5	8.6	8.8
Crossing Guards ⁽²⁾	42.0	42.0	42.0	42.0	43.0	43.0	43.0	43.0	43.0	56.0
Fire	18.0	17.0	16.6	17.0	16.7	17.0	17.0	17.0	17.0	17.0
Fire civilians	1.1	1.1	1.1	1.1	1.0	1.1	1.2	1.2	1.2	1.3
Parking Enforcement	7.7	8.1	6.6	7.6	7.6	7.7	7.6	8.3	7.6	8.0
Recreation										
Management	4.0	4.0	3.8	4.0	4.1	4.9	5.3	5.4	5.3	5.7
Seasonal	2.0	1.5	0.1	2.0	2.0	2.0	1.4	1.5	1.7	1.7
Golf	6.1	5.9	5.5	5.8	5.4	5.3	5.5	5.2	3.5	5.5
Tennis	2.3	2.4	1.4	1.8	2.1	2.2	2.2	2.5	1.6	2.0
Ice Rink	16.4	13.1	11.4	17.2	16.0	14.4	17.2	16.0	13.2	14.5
Pool	9.0	7.5	0.0	7.8	8.0	8.1	8.5	9.1	6.7	6.2
Totals:	245.7	240.9	221.5	245.6	244.6	243.0	246.7	246.1	232.2	251.8

(1) Police civilians include animal control and police records employees

(2) Includes crossing guard supervisor and each regular crossing guard post.

Sources: Mt. Lebanon financial and personnel records



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