

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## STATEMENT OF NET ASSETS

DECEMBER 31, 2008

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>Assets</b>			
Cash and investments	\$ 19,946,643	\$ 816,313	\$ 20,762,956
Receivables, net	4,240,288	350,547	4,590,835
Internal balances	(9,081,950)	9,081,950	-
Due from other governmental agencies	121,987	-	121,987
Prepaid assets	188,868	-	188,868
Deferred bond issue costs	539,564	-	539,564
Investment in Tri-Community EMS	333,675	-	333,675
Capital assets, non-depreciable	5,122,477	19,532,521	24,654,998
Capital assets, net of accumulated depreciation	8,569,558	13,714,038	22,283,596
Infrastructure assets, net of accumulated depreciation	14,508,253	-	14,508,253
<b>Total Assets</b>	<b>44,489,363</b>	<b>43,495,369</b>	<b>87,984,732</b>
<b>Liabilities</b>			
Accounts payable and accrued expenses	3,441,481	472,719	3,914,200
Accrued interest payable	120,691	-	120,691
Unearned revenue	182,079	-	182,079
Refundable deposits	439,412	-	439,412
Net other postemployment benefit obligation	189,649	-	189,649
Bonds and notes payable:			
Due within one year	456,017	650,811	1,106,828
Due in more than one year	20,493,760	37,547,923	58,041,683
<b>Total Liabilities</b>	<b>25,323,089</b>	<b>38,671,453</b>	<b>63,994,542</b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	11,742,657	4,133,348	15,876,005
Restricted by grantors	172,370	-	172,370
Unrestricted	7,251,247	690,568	7,941,815
<b>Total Net Assets</b>	<b>\$ 19,166,274</b>	<b>\$ 4,823,916</b>	<b>\$ 23,990,190</b>

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2008

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
<b>Primary government:</b>							
Governmental activities:							
General government	\$ 1,896,089	\$ 194,347	\$ 138,988	\$ -	\$ (1,562,754)	\$ -	\$ (1,562,754)
Public safety	5,104,920	109,602	243,211	-	(4,752,107)	-	(4,752,107)
Public works	6,697,107	165,740	629,593	-	(5,901,774)	-	(5,901,774)
Community development	580,012	-	-	-	(580,012)	-	(580,012)
Recreation and leisure services	1,372,072	458,502	855,322	-	(58,248)	-	(58,248)
Library services	990,068	28,479	348,813	-	(612,776)	-	(612,776)
Interest on long-term debt	909,256	-	-	-	(909,256)	-	(909,256)
Total governmental activities	17,549,524	956,670	2,215,927	-	(14,376,927)	-	(14,376,927)
Business-type activities:							
Sanitary sewer	4,282,366	3,255,368	-	-	-	(1,026,998)	(1,026,998)
Community recreation	424,485	-	-	-	-	(424,485)	(424,485)
Magazine	165,179	192,629	-	-	-	27,450	27,450
Total business-type activities	4,872,030	3,447,997	-	-	-	(1,424,033)	(1,424,033)
<b>Total primary government</b>	<b>\$ 22,421,554</b>	<b>\$ 4,404,667</b>	<b>\$ 2,215,927</b>	<b>\$ -</b>	<b>(14,376,927)</b>	<b>(1,424,033)</b>	<b>(15,800,960)</b>
General revenues:							
Taxes:							
Property taxes, levied for general purposes					4,265,916	-	4,265,916
Earned income taxes, levied for general purposes					7,276,599	-	7,276,599
Emergency & Municipal Services					220,686	-	220,686
Other taxes					1,206,701	-	1,206,701
Franchise fees					297,199	-	297,199
Unrestricted investment earnings					781,040	27,264	808,304
Miscellaneous					235,323	-	235,323
Transfers					(7,314,714)	7,314,714	-
Total general revenues and transfers					6,968,750	7,341,978	14,310,728
<b>Change in Net Assets</b>					(7,408,177)	5,917,945	(1,490,232)
Net assets - beginning					26,574,451	(1,094,029)	25,480,422
Net assets - ending					\$ 19,166,274	\$ 4,823,916	\$ 23,990,190

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## BALANCE SHEET GOVERNMENTAL FUNDS

DECEMBER 31, 2008

	General Fund	Capital Projects Fund 2008	Capital Projects Fund 2007	Capital Projects Fund - Regular	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>						
Cash and investments	\$ 2,670,721	\$ 13,860,329	\$ 1,421,205	\$ 1,219,608	\$ 774,780	\$ 19,946,643
Taxes receivable:						
Real estate taxes	278,566	-	-	-	-	278,566
Earned income taxes	2,816,092	-	-	-	-	2,816,092
Accounts receivable (Net of allowance for uncollectible accounts)	220,231	-	-	5,778	919,621	1,145,630
Due from other funds	271,032	-	-	947,477	312,514	1,531,023
Due from fiduciary funds	19,430	-	-	-	-	19,430
Due from emergency medical service	102,557	-	-	-	-	102,557
Prepays	188,689	-	-	-	179	188,868
<b>TOTAL ASSETS</b>	<b>\$ 6,567,318</b>	<b>\$ 13,860,329</b>	<b>\$ 1,421,205</b>	<b>\$ 2,172,863</b>	<b>\$ 2,007,094</b>	<b>\$ 26,028,809</b>
<b>LIABILITIES AND FUND BALANCE:</b>						
Liabilities:						
Accounts payable	\$ 308,671	\$ 2,013,519	\$ 14,819	\$ 406,347	\$ 517,770	\$ 3,261,126
Due to other funds	1,114,751	9,094,725	-	-	403,497	10,612,973
Due to fiduciary funds	5,656	-	-	-	-	5,656
Refundable deposits	439,412	-	-	-	-	439,412
Accrued payroll and related taxes	174,699	-	-	-	-	174,699
Deferred revenues	1,297,052	-	-	6,000	176,079	1,479,131
<b>TOTAL LIABILITIES</b>	<b>3,340,241</b>	<b>11,108,244</b>	<b>14,819</b>	<b>412,347</b>	<b>1,097,346</b>	<b>15,972,997</b>
Fund Balance:						
Reserved for prepaid items	188,689	-	-	-	179	188,868
Reserved for capital projects	-	2,752,085	1,406,386	-	-	4,158,471
Unreserved, reported in:						
General Fund	3,038,388	-	-	-	-	3,038,388
Special Revenue Funds	-	-	-	-	909,569	909,569
Capital Projects Funds	-	-	-	1,760,516	-	1,760,516
<b>TOTAL FUND BALANCE</b>	<b>3,227,077</b>	<b>2,752,085</b>	<b>1,406,386</b>	<b>1,760,516</b>	<b>909,748</b>	<b>10,055,812</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 6,567,318</b>	<b>\$ 13,860,329</b>	<b>\$ 1,421,205</b>	<b>\$ 2,172,863</b>	<b>\$ 2,007,094</b>	<b>\$ 26,028,809</b>

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS

YEAR ENDED DECEMBER 31, 2008

<b>Total Fund Balance - Governmental Funds</b>		\$ 10,055,812
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the statement of net assets.		28,200,288
Property and earned income taxes receivable will be collected next year, but are not available soon enough to pay for the current period's expenditures and therefore, are deferred in the funds.		1,297,052
The Township's investment in Tri-Community EMS is recorded as an asset on the statement of net assets.		333,675
Government funds report the effect of issuance costs and discounts when debt is first issued, whereas these amounts are deferred and amortized on the statement of activities.		539,564
The net other postemployment benefit obligation is not reflected on the fund statements.		(189,649)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:		
	Bonds and notes payable \$ (20,949,777)	
	Accrued interest payable <u>(120,691)</u>	<u>(21,070,468)</u>
<b>Total Net Assets - Governmental Activities</b>		<b><u>\$ 19,166,274</u></b>

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2008

	General Fund	Capital Projects Fund 2008	Capital Projects Fund 2007	Capital Projects Fund - Regular	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>						
Real estate taxes	\$ 4,320,622	\$ -	\$ -	\$ -	\$ -	\$ 4,320,622
Earned income taxes	7,436,388	-	-	-	-	7,436,388
Other taxes	1,427,387	-	-	-	-	1,427,387
Licenses and permits	131,257	-	-	-	1,600	132,857
Fees and fines	387,968	-	-	-	-	387,968
Rents	69,622	-	-	-	-	69,622
Interest	97,481	524,729	103,613	29,922	25,295	781,040
Service agreements	168,750	-	-	-	-	168,750
Other revenue and grants	800,540	-	-	10,278	1,676,602	2,487,420
Recreation fees	458,502	-	-	-	-	458,502
<b>TOTAL REVENUES</b>	<b>15,298,517</b>	<b>524,729</b>	<b>103,613</b>	<b>40,200</b>	<b>1,703,497</b>	<b>17,670,556</b>
<b>EXPENDITURES:</b>						
Current:						
General government	1,595,607	-	-	-	-	1,595,607
Community development	538,405	-	-	-	-	538,405
Public safety	4,462,275	-	-	-	42,984	4,505,259
Public works	4,758,970	-	-	-	552,981	5,311,951
Recreation and leisure services	617,194	-	-	-	884,862	1,502,056
Library services	768,482	-	-	-	209,927	978,409
Capital outlay:						
General government	-	-	-	268,899	-	268,899
Community development	-	-	-	37,291	-	37,291
Public safety	-	-	-	481,354	-	481,354
Recreation and leisure services	-	97,952	2,098,854	-	-	2,196,806
Public works	-	1,963,406	128,136	944,151	-	3,035,693
Debt service:						
Principal retirement	-	-	-	-	335,000	335,000
Bond issuance costs	-	296,126	-	-	-	296,126
Interest	-	-	-	-	830,969	830,969
<b>TOTAL EXPENDITURES</b>	<b>12,740,933</b>	<b>2,357,484</b>	<b>2,226,990</b>	<b>1,731,695</b>	<b>2,856,723</b>	<b>21,913,825</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>2,557,584</b>	<b>(1,832,755)</b>	<b>(2,123,377)</b>	<b>(1,691,495)</b>	<b>(1,153,226)</b>	<b>(4,243,269)</b>

(Continued)

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR

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

YEAR ENDED DECEMBER 31, 2008  
(Continued)

	General Fund	Capital Projects Fund 2008	Capital Projects Fund 2007	Capital Projects Fund - Regular	Other Governmental Funds	Total Governmental Funds
<b>OTHER FINANCING SOURCES (USES):</b>						
Proceeds from general obligation bonds	-	4,770,710	-	-	-	4,770,710
Discount on general obligation bonds	-	(145,350)	-	-	-	(145,350)
Transfers in	-	-	-	853,703	1,226,571	2,080,274
Transfers (out)	(2,550,274)	-	-	(30,000)	-	(2,580,274)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(2,550,274)</u>	<u>4,625,360</u>	<u>-</u>	<u>823,703</u>	<u>1,226,571</u>	<u>4,125,360</u>
<b>NET CHANGE IN FUND BALANCE</b>	7,310	2,792,605	(2,123,377)	(867,792)	73,345	(117,909)
TOTAL FUND BALANCE, JANUARY 1	<u>3,219,767</u>	<u>(40,520)</u>	<u>3,529,763</u>	<u>2,628,308</u>	<u>836,403</u>	<u>10,173,721</u>
TOTAL FUND BALANCE, DECEMBER 31	<u>\$ 3,227,077</u>	<u>\$ 2,752,085</u>	<u>\$ 1,406,386</u>	<u>\$ 1,760,516</u>	<u>\$ 909,748</u>	<u>\$ 10,055,812</u>

(Concluded)

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2008

**Net Change in Fund Balance - Governmental Funds** \$ (117,909)

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

Governmental funds report capital outlays for capital assets 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 for capital assets exceeded depreciation expense in the current period.

	\$ 5,370,104	
Capital outlay for capital assets		
Less: depreciation expense	(1,368,993)	4,001,111

The transfer of capital assets from governmental activities to business-type activities results in a decrease in net assets in the statement of activities. In the fund statements, there is no impact. This amount represents the net book value of capital assets transferred.

(6,814,714)

Because some taxes will not be collected for several months after the Township's year-end, they are not considered as "available" revenues in the governmental funds. Deferred revenues increased by this amount during the year.

(214,495)

The increase in the net other post employment benefit obligation does not require the use of current financial resources and therefore is not reflected on the fund statements.

(189,649)

Current year long-term debt principal payments reported as expenditures in the governmental fund financial statements are shown as a reduction in the debt in the government-wide financial statements.

335,000

When debt is issued, governmental funds report the proceeds as current financial resources. In contrast, the statement of activities treats such activity as an increase in long-term liabilities. This amount represents the net proceeds related to governmental activities from the 2008 bond issue.

(4,770,710)

The governmental fund financial statements report the effect of bond issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

400,190

Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, an interest expenditure is reported when due. Accrued interest increased by this amount during the year.

(37,001)

**Change in Net Assets - Governmental Activities**

\$ (7,408,177)

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

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

YEAR ENDED DECEMBER 31, 2008

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
<b>REVENUES:</b>				
Real estate taxes	\$ 4,294,440	\$ 4,294,440	\$ 4,320,622	\$ 26,182
Earned income taxes	7,672,975	7,672,975	7,436,388	(236,587)
Other taxes	1,409,000	1,409,000	1,427,387	18,387
Licenses and permits	125,150	125,150	131,257	6,107
Fees and fines	366,700	366,700	387,968	21,268
Rents	70,900	70,900	69,622	(1,278)
Interest	150,000	150,000	97,481	(52,519)
Service agreements	284,030	284,030	168,750	(115,280)
Other revenue and grants	618,200	618,200	800,540	182,340
Recreation fees	384,197	384,197	458,502	74,305
TOTAL REVENUES	<u>15,375,592</u>	<u>15,375,592</u>	<u>15,298,517</u>	<u>(77,075)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	1,532,629	1,682,629	1,595,607	87,022
Community development	612,749	612,749	538,405	74,344
Public safety	4,489,595	4,504,095	4,462,275	41,820
Public works	4,948,845	4,948,845	4,758,970	189,875
Recreation and leisure services	740,615	740,615	617,194	123,421
Library services	793,146	793,146	768,482	24,664
TOTAL EXPENDITURES	<u>13,117,579</u>	<u>13,282,079</u>	<u>12,740,933</u>	<u>541,146</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,258,013	2,093,513	2,557,584	464,071
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfer (out)	(2,258,013)	(2,258,013)	(2,550,274)	(292,261)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ (164,500)</u>	<u>\$ 7,310</u>	<u>\$ 171,810</u>

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## STATEMENT OF NET ASSETS PROPRIETARY FUNDS

DECEMBER 31, 2008

	Business-type Activities-Enterprise Funds			Total Enterprise Funds
	Sanitary Sewer Fund	Boyce/Mayview Community Recreation Center Fund	Other Enterprise: Township/School District Magazine Fund	
<b>ASSETS:</b>				
Current assets:				
Cash and cash equivalents	\$ 816,313	\$ -	\$ -	\$ 816,313
Accounts receivable	333,164	-	17,383	350,547
Due from other funds	4,724,238	4,362,698	82,783	9,169,719
Total current assets	5,873,715	4,362,698	100,166	10,336,579
Capital assets:				
Construction in progress	-	19,532,521	-	19,532,521
Sewer lines and improvements, net of accumulated depreciation	13,623,975	-	-	13,623,975
Equipment, net of accumulated depreciation	86,986	1,664	1,413	90,063
Total capital assets	13,710,961	19,534,185	1,413	33,246,559
<b>TOTAL ASSETS</b>	<b>19,584,676</b>	<b>23,896,883</b>	<b>101,579</b>	<b>43,583,138</b>
<b>LIABILITIES:</b>				
Current liabilities:				
Accounts payable	468,368	307	4,044	472,719
Due to other funds	87,769	-	-	87,769
Current portion of bonds payable	260,988	389,823	-	650,811
Total current liabilities	817,125	390,130	4,044	1,211,299
Noncurrent liabilities:				
Bonds payable	15,847,776	21,700,147	-	37,547,923
<b>TOTAL LIABILITIES</b>	<b>16,664,901</b>	<b>22,090,277</b>	<b>4,044</b>	<b>38,759,222</b>
<b>NET ASSETS:</b>				
Invested in capital assets, net of related debt	2,326,435	1,806,913	-	4,133,348
Unrestricted	593,340	(307)	97,535	690,568
<b>TOTAL NET ASSETS</b>	<b>\$ 2,919,775</b>	<b>\$ 1,806,606</b>	<b>\$ 97,535</b>	<b>\$ 4,823,916</b>

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2008

	Business-type Activities-Enterprise Funds			Total Enterprise Funds
	Sanitary Sewer Fund	Boyce/Mayview Community Recreation Center Fund	Other Enterprise: Township/School District Magazine Fund	
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 3,255,368	\$ -	\$ 192,629	\$ 3,447,997
<b>OPERATING EXPENSES:</b>				
Sewage treatment charges	1,969,947	-	-	1,969,947
Personnel services	276,535	55,565	82,237	414,337
Contractual services	768,862	2,947	279	772,088
Materials and supplies	34,691	6,695	82,614	124,000
Depreciation	590,648	416	49	591,113
<b>TOTAL OPERATING EXPENSES</b>	<b>3,640,683</b>	<b>65,623</b>	<b>165,179</b>	<b>3,871,485</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(385,315)</b>	<b>(65,623)</b>	<b>27,450</b>	<b>(423,488)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Transfers in	-	500,000	-	500,000
Interest income on investments	27,264	-	-	27,264
Bond interest expense	(641,683)	(358,862)	-	(1,000,545)
<b>TOTAL NONOPERATING REVENUES (EXPENSES)</b>	<b>(614,419)</b>	<b>141,138</b>	<b>-</b>	<b>(473,281)</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>5,483,623</b>	<b>1,331,091</b>	<b>-</b>	<b>6,814,714</b>
<b>CHANGE IN NET ASSETS</b>	<b>4,483,889</b>	<b>1,406,606</b>	<b>27,450</b>	<b>5,917,945</b>
<b>NET ASSETS, JANUARY 1</b>	<b>(1,564,114)</b>	<b>400,000</b>	<b>70,085</b>	<b>(1,094,029)</b>
<b>NET ASSETS, DECEMBER 31</b>	<b>\$ 2,919,775</b>	<b>\$ 1,806,606</b>	<b>\$ 97,535</b>	<b>\$ 4,823,916</b>

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

YEAR ENDED DECEMBER 31, 2008

	Business-type Activities-Enterprise Funds			
	Sanitary Sewer Fund	Boyce/Mayview Community Recreation Center Fund	Other Enterprise Funds	Total Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 3,296,647	\$ -	\$ 181,516	\$ 3,478,163
Payment for treatment charges	(1,924,396)	-	-	(1,924,396)
Payments for services	(1,045,397)	(58,205)	(82,458)	(1,186,060)
Payments to suppliers	(34,691)	(6,695)	(82,614)	(124,000)
Net cash provided by (used in) operating activities	292,163	(64,900)	16,444	243,707
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers from (to) other funds	(121,922)	809,637	(14,982)	672,733
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Purchases of capital assets	(2,423,826)	(18,203,510)	(1,462)	(20,628,798)
Principal paid on capital debt	(165,000)	-	-	(165,000)
Proceeds from issuance of bonds	5,360,000	24,074,081	-	29,434,081
Interest paid on capital debt, including capitalized interest	(634,461)	(358,862)	-	(993,323)
Net cash provided by (used in) capital and related financing activities	2,136,713	5,511,709	(1,462)	7,646,960
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Funds invested with Capital Projects Fund 2008 investments	(2,936,174)	(6,256,446)	-	(9,192,620)
Investment income	27,264	-	-	27,264
Net cash provided by (used in) investing activities	(2,908,910)	(6,256,446)	-	(9,165,356)
NET DECREASE IN CASH	(601,956)	-	-	(601,956)
CASH AND CASH EQUIVALENTS - Beginning of Year	1,418,269	-	-	1,418,269
CASH AND CASH EQUIVALENTS - End of Year	\$ 816,313	\$ -	\$ -	\$ 816,313
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ (385,315)	\$ (65,623)	\$ 27,450	\$ (423,488)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	590,648	416	49	591,113
Changes in assets and liabilities				
Accounts receivable	41,279	-	(11,113)	30,166
Accounts payable	45,551	307	58	45,916
Total adjustments	677,478	723	(11,006)	667,195
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	\$ 292,163	\$ (64,900)	\$ 16,444	\$ 243,707
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Net book value of capital assets transferred from governmental activities	\$ 5,483,623	\$ 1,331,091	\$ -	\$ 6,814,714

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## COMBINED STATEMENT OF PLAN NET ASSETS PENSION TRUST FUNDS

DECEMBER 31, 2008

<b>ASSETS</b>	
Cash	\$ 38,592
Mutual funds	12,732,111
Due from other funds	<u>5,656</u>
<b>TOTAL ASSETS</b>	<u>12,776,359</u>
<b>LIABILITIES</b>	
Due to other funds	<u>19,430</u>
<b>NET ASSETS</b>	
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS (A schedule of funding progress for each plan is presented on pages 56 and 57)	<u><u>\$ 12,756,929</u></u>

The notes to the financial statements are an integral part of this statement.

# TOWNSHIP OF UPPER ST. CLAIR, PENNSYLVANIA

## COMBINED STATEMENT OF CHANGES IN PLAN NET ASSETS PENSION TRUST FUNDS

YEAR ENDED DECEMBER 31, 2008

### ADDITIONS:

#### Contributions:

Member contributions/rollovers	\$ 130,940
Township contributions	112,355
State aid	<u>400,802</u>
Total contributions	<u>644,097</u>

### INVESTMENT INCOME (LOSS):

Net depreciation in fair value of investments	(5,239,974)
Less: investment expenses	<u>(14,059)</u>
Net investment income (loss)	<u>(5,254,033)</u>
Total additions	<u>(4,609,936)</u>

### DEDUCTIONS:

Benefits	160,941
Withdrawal credits	80,162
Administrative expenses	<u>13,231</u>
Total deductions	<u>254,334</u>

**Decrease in Plan Net Assets** (4,864,270)

### Net Assets:

Beginning of year	<u>17,621,199</u>
End of year	<u>\$ 12,756,929</u>

The notes to the financial statements are an integral part of this statement.