

**CITY OF GREENSBURG  
WESTMORELAND COUNTY, PENNSYLVANIA**

**AUDITED FINANCIAL STATEMENTS  
AND SINGLE AUDIT REPORT**

**FOR THE YEAR ENDED DECEMBER 31, 2008**

CITY OF GREENSBURG  
WESTMORELAND COUNTY, PENNSYLVANIA  
YEAR ENDED DECEMBER 31, 2008

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## INDEPENDENT AUDITORS' REPORT

City Council  
City of Greensburg  
416 South Main Street  
Greensburg, Pennsylvania 15601

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Greensburg, Westmoreland County, Pennsylvania (the City) as of and for the year ended December 31, 2008, which comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express our opinion on these financial statements based on our audit. We did not audit the financial statements of the Aerobic Center Municipal Authority, whose total assets of \$917,612, total net assets of \$703,556 and total revenues of \$820,879 which represent 8.21 percent, 6.29 percent and 20.65 percent of the assets, net assets and revenues of the business-type activities. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Aerobic Center Municipal Authority, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Greensburg, Westmoreland County, Pennsylvania as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 3 through 14, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

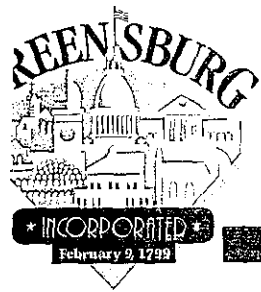
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The Schedule of Expenditures of Federal Awards has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have issued a report dated September 4, 2009, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.



Sarp & Company  
CERTIFIED PUBLIC ACCOUNTANTS

Greensburg, Pennsylvania  
September 4, 2009



## CITY OF GREENSBURG

### City Council

ROBERT DEPASQUALE  
RANDAL M. FINROCK  
EMIDIO PETERINELLI  
THOMAS J. TRIDICO

KARL E. EISAMAN  
*Mayor*

TIMOTHY J. MCCORMICK  
*City Solicitor*

SUSAN M. TROUT  
*City Administrator*

MARY PEREZ  
*City Treasurer  
Fiscal Director*

WALTER J. LYONS  
*Chief of Police*

JOHN E. HUTCHINSON  
*Fire Chief*

### CITY OF GREENSBURG MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2008

The discussion and analysis of the City of Greensburg's financial performance provides an overview of the city's financial activities for the fiscal year ending December 31, 2008. Please read it in conjunction with the City's financial statements and notes which follow in order to obtain a thorough understanding of the City's financial condition at December 31, 2008.

Fiscal year 2008 represented the fifth year in which the City of Greensburg implemented Governmental Accounting Standards Board (GASB) Statement Number 34, "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.*" The City will continue to use the new accounting standard in order to enhance the understandability and usefulness of the annual financial reports.

#### USING THIS ANNUAL REPORT

This Management's Discussion and Analysis is intended to serve as an introduction to the City of Greensburg's basic financial statements. This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (pages 15 and 16) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 15.

These statements tell how governmental activities were financed in the short term as well as what remains for future spending. They report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements contain financial information about proprietary funds, fiduciary funds and our component units.

Proprietary funds are funds that the City operates like a business. This group includes the Parking Revenue Fund, and the Hutchinson Parking Garage Fund.

Fiduciary funds are those funds that involve resources that are held by the City for which we act as a trustee or agent for the benefit of others. The City's component units include the Greensburg Parking Authority and the Aerobic Center Municipal Authority.



## CITY OF GREENSBURG

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 statements and notes are followed by required supplementary information. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual is presented for the General Fund.

### FINANCIAL HIGHLIGHTS

- The total net assets (assets less liabilities) on a government-wide basis were \$19,422,944 at December 31, 2008, not including component units. This is an increase of \$2,626,561 over last year. This increase is mainly due to the addition of two new surface parking lots that were constructed.
- Real estate tax rates were increased to 21.25 mills in 2008.
- Revenues of the City's governmental funds were \$14,243,721 which includes transfers from the City's business-type activities and proceeds from the sale of fixed assets. Expenses amounted to \$15,555,541.
- Revenues of the City's business-type activities were \$1,871,341 for 2008 and expenses amounted to \$908,002.
- The City of Greensburg's total assets at December 31, 2007 were \$32,184,250 excluding component units. GASB 34 required that all capital assets, including infrastructure, be valued and reported within the government-wide financial statements, but allowed capitalization of infrastructure to begin in 2004. The City reported infrastructure in the 2004 statements and will continue to report in this and future financial statements.

### GOVERNMENT-WIDE FINANCIAL STATEMENTS

The analysis of the City as a whole begins on page 13. The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. Current year revenues and expenditures are recorded when identified regardless of when cash is actually paid or received. These two statements reflect the financial position of the



## CITY OF GREENSBURG

City. Increases or decreases in the City's net assets over time are a good indicator of its financial health. You will need to consider other nonfinancial factors, such as changes in the City's real estate tax base and general economic conditions to assess the overall position of the City.

The Statement of Net Assets and the Statement of Activities divide the City into three categories:

- *Governmental Activities* - Most of the City's basic services are reported here, including the police, fire, public works, parks and recreation, and general administration.
- *Business-type Activities* - The Parking Revenue Fund and the Hutchinson Garage Fund are reported here.
- *Component Units* - The City includes two separate legal entities in its report - the Greensburg Parking Authority and the Aerobic Center Municipal Authority.

### FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the most significant funds, not the City as a whole. Funds are accounting groups that the City uses to keep track of specific sources of funding and spending. Some funds are required to be established by State law or by bond covenants. Non-major funds are reported as "Other Governmental Funds".

The City has three types of funds:

\**Governmental Funds* - Include most of the City's basic services and focus on the inflow and outflow of cash and the balances left at year-end that are available for spending. These funds, including the General Fund, Special Revenue Funds, Capital Project Funds and the Debt Service Fund, are reported using the modified accrual basis of accounting. Therefore, the governmental fund statements provide a detailed short-term view that assist in determining the financial resources available in the near future to finance the City's programs. The relationship between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that follows the governmental fund financial statements.

\**Proprietary Funds* - These funds are used to account for financial activity of the City's operations for which customers are charged a user fee. They are the same



## CITY OF GREENSBURG

as the business-type activities reported in the government-wide statements but provide more detail and information, such as cash flows.

*\*Fiduciary Funds* – The City is the trustee or fiduciary for its employees' pension plans as well as the Payroll Clearing Fund, the Special Fund and the Thomas Lynch Concert Fund. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The fiduciary activity is reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. These funds are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

**Notes to the financial statements** – The notes provide additional information that is essential to a full understanding of the data presented in the government-wide and fund financial statements. The notes can be found immediately following the basic financial statements.

**Other information** – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. This information can be found immediately following the notes to the financial statements.

### Government-wide Financial Analysis

#### Net Assets:

As noted earlier, net assets are useful indicators of a government's financial position. At December 31, 2008, the City's assets exceeded its liabilities by \$19,422,944. Total assets equaled \$32,184,250. Of this amount, \$26,630,311 was capital assets, including infrastructure. Prior to the adoption of GASB No. 34, infrastructure was not reported or depreciated in governmental financial statements.

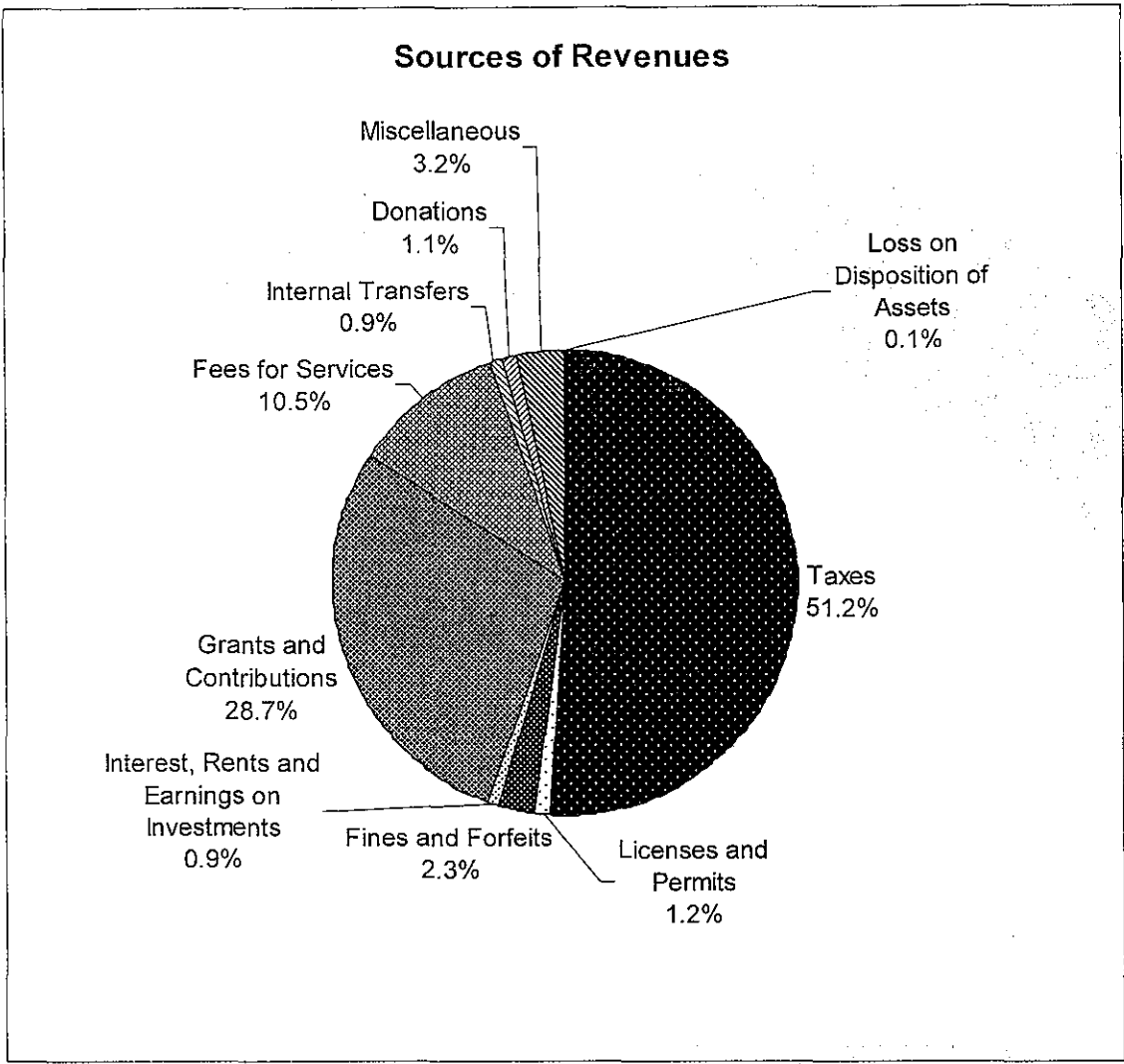
#### Governmental Activities:

Total revenues from governmental activities of \$13.1 million were derived primarily from tax collections at 51.2%. Grants and contributions made up the next largest source at 28.7%. Fees for services made up 10.5%. Fines and forfeits, interest, licenses and permits, internal transfers and other miscellaneous income make up the remaining balance.



# CITY OF GREENSBURG

The following chart graphically depicts the government-wide sources of revenues for the fiscal year ended December 31, 2008.



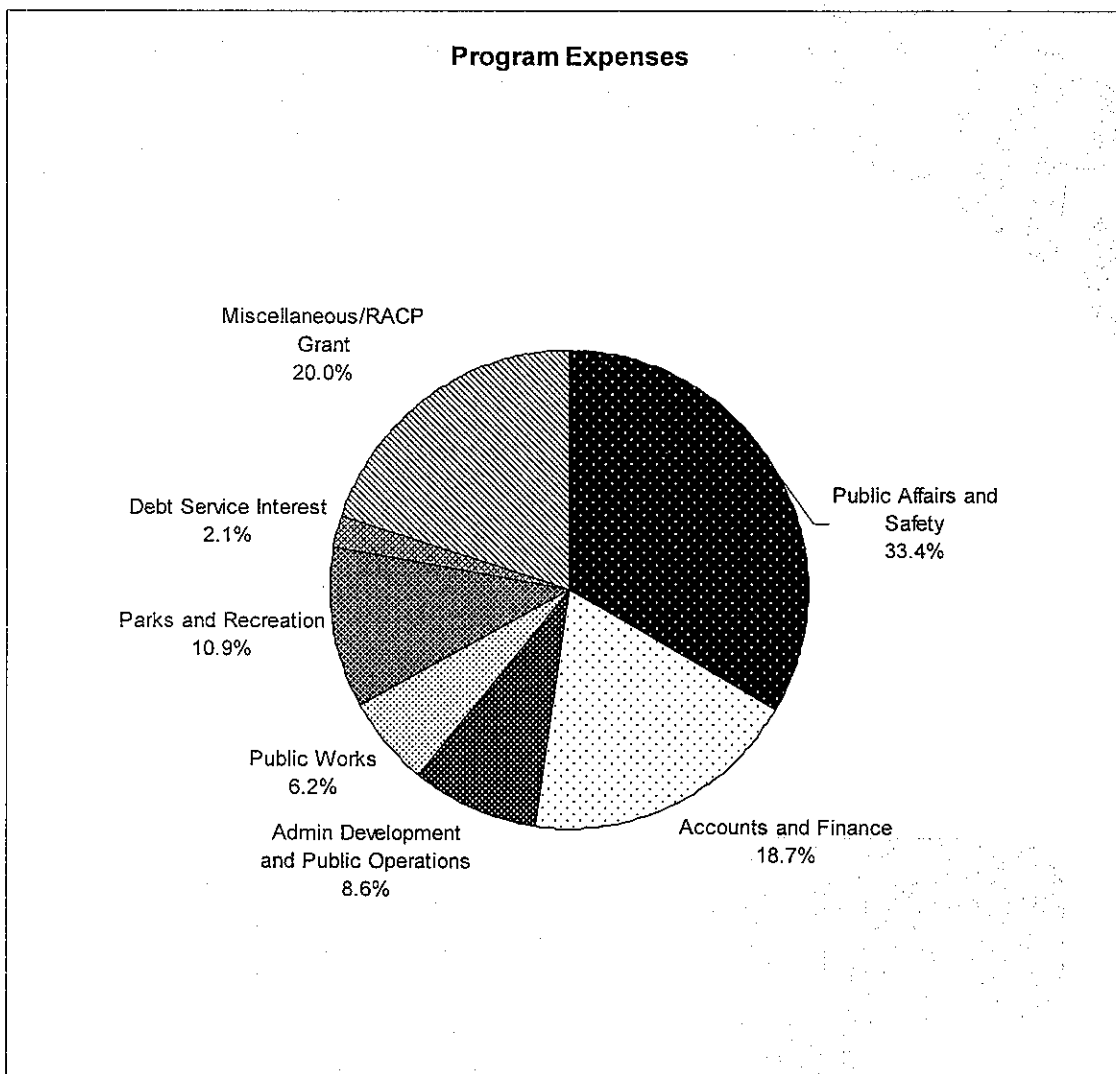
Total 2008 expenses for all programs were \$13.7 million. These expenses reflect the delivery of a wide range of services, with the largest area being public safety at 33.4%. The next largest area was the payment of grant expenses for the Seton Hill University Performing Arts Center at 20%. The City was the grantee for this project. The department of accounts and finance at 18.7% was the next largest. This area represents general



## CITY OF GREENSBURG

government expenditures such as insurances, computer equipment and contracted services as well as other day-to-day operating expenses. Parks and recreation is at 10.9% and administration development and public operations follows with 8.6% of the expenditures. Public works weighs in at 6.2%. Debt service interest expenses account for the remaining 2.1%.

The following chart graphically depicts the government-wide program expenses for the fiscal year ended December 31, 2008.





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### **Business-type Activities:**

The total revenue generated from business-type activities during 2008 was \$2,012,345. Operating expenses during this period amounted to \$1,020,531. The City uses this positive balance in net operating income to offset general government expenditures.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

### **General Fund**

There were no differences between the 2008 adopted original budget and the final budget. The City's General Fund reported a fund balance of \$42,725 at the end of the year, a decrease of \$824,716. This is mainly due to the requirement of the City to comply with the new Governmental Accounting Standards Board (GASB) Statement #45. This statement requires governments to value and report on postemployment benefits, other than pensions, offered to its' employees. The level of benefits varies between the classification of employee and time frame of retirement. These costs have traditionally been "pay as you go" and continue to be funded in that manner. It is not a requirement that the City pre-fund this obligation at this time. However, it must be disclosed in the financial statements. General Fund revenues increased by \$713,760 over 2007 and expenses increased by \$1,270,094. The expenditure growth was spread across every municipal department, with the largest increase in the Department of Public Affairs and Safety. Of the total 21.25 mills of real estate tax, 12.25 mills were allocated for the general fund. The remaining 9.00 mills were used for debt service. The 1.25 mill increase over 2007 was devoted entirely to the general fund to be used for operating expenses. This was the first time in ten years that a tax increase was enacted, after a reduction in 2005.

### **Other Major Funds**

#### **2003 General Obligation Bond Fund:**

In 2003, the City took advantage of low rates and refinanced much of its debt and acquired over \$1 million in new money. This money was to be used for street improvements and revitalization of our downtown. In 2008 funds were expended to complete Phase I of a Hometown Streets project that enhanced the beauty and safety of our downtown. The project included brick-stamped concrete crosswalks, sidewalk repair and beautification, benches, planters and bike racks. We also continued to engineer Phase II and Phase III of the project.



## CITY OF GREENSBURG

### **2005 General Obligation Note Fund:**

Early in 2006 the city obtained a general obligation note for \$4 million to construct additional parking to satisfy the needs of current and future growth in the downtown. These funds were utilized in 2008 to fund additional capital repairs to city owned buildings and parking garages. Monies from this fund were also expended on the required local match of engineering fees to replace two bridges that are slated to begin construction in 2011.

### **Debt Service Fund:**

The total indebtedness of the City at December 31, 2008 was \$10,134,459. There are presently two bond issues outstanding as well as a PEMA loan that will be paid in full in 2011. The city borrowed \$4 million in the form of a general obligation note in 2006 to fund the construction of three new surface parking lots as well as other capital projects. There is also a mortgage payable to the Redevelopment Authority of the County of Westmoreland. Detailed information regarding the City's long term debt can be found in Note 3 of the notes to Financial Statements.

## **Non-Major Governmental Funds**

### **Capital Assets:**

Capital assets consist primarily of land, buildings and improvements, equipment, infrastructure and construction in progress. The total capital assets, net of depreciation, at December 31, 2008 are \$26,630,311. Major capital asset events for which capital expenditures have been incurred during fiscal year 2008 include technological equipment purchases in the police department, street paving, vehicle purchases in the police and fire departments, and the purchase of a new street sweeper. We also made necessary repairs to several city owned structures. Roof replacements, siding and maintenance to parking structures were completed in 2008.

### **Other Non-Major Governmental Funds:**

The Armstrong Fund is funded by a grant each year and is used solely to assist transient or needy individuals. This service is administered by the Greensburg Police Department. The Motor Tax Fund is used for road repair and maintenance, equipment purchases and winter maintenance services. It is funded solely by the Liquid Fuels Allocation from the Department of Transportation.

The Grant Fund is used solely for grant monies to pass through.



## CITY OF GREENSBURG

The Greensburg Community Days Fund and the St. Clair Park Concert Fund support these two community events. Both events are organized by teams of volunteers and are almost wholly self-supporting. A small donation from the City supplements the income and donations received by each group.

### Proprietary Funds

#### **Parking Revenue Fund:**

The Parking Revenue Fund generates revenue through metered and leased parking from three garages, 16 lots and various on-street locations located throughout the downtown. A budgeted transfer is made every year out of this fund to help offset general fund expenditures. The amount transferred in 2008 was \$800,000. A transfer is also budgeted to help offset debt payments associated with parking projects. The amount transferred to the debt service fund for 2008 was \$190,800.

#### **Hutchinson Garage Fund:**

This garage is located near the campus of Excelsa Westmoreland Hospital located within the city limits. At the end of each year, the net profit is divided based on an agreement with the hospital. The City's portion is used to purchase capital equipment for the police and fire departments as well as support recreational activities and future capital repairs to the garage. The transfer realized by the City in 2008 was \$148,503.

### Trust and Agency Funds

#### **Pension Plans:**

The City of Greensburg has two pension plans – non-uniformed employees and police. The non-uniformed plan is administered by Pennsylvania Municipal Retirement System (PMRS). The police pension plan is governed by City Council of the City of Greensburg. The plan is managed by CS McKee Investment Managers. During 2008, non-uniformed employees were required to contribute 3.5% of their salary and police were required to contribute 5% of their salary plus one dollar per month to the plan. More detailed information regarding the police pension plan can be found on pages 25 and 26 of the statements as well as in Note 4 in the Notes to the Financial Statements.



## CITY OF GREENSBURG

### **Thomas Lynch Concert Fund:**

There is a restricted investment of \$60,000 in this fund. The interest earned is used to help fund a symphony concert in the City's St. Clair Park amphitheater each year.

### **Payroll Clearing Fund:**

This is used as a clearing fund for the City's payroll functions.

### **Special Fund:**

The Special Fund is used to hold ordinance compliance bonds for those completing building or improvement projects within the City. This fund is monitored for forfeitures and periodically a transfer is made to the general fund of monies available for unrestricted use. No transfer was made in 2008.

### **Requests for Information:**

This financial report is designed to provide a general overview of the City of Greensburg's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Fiscal Director, City of Greensburg, 416 South Main Street, Greensburg, PA 15601.

CITY OF GREENSBURG  
WESTMORELAND COUNTY, PENNSYLVANIA  
STATEMENT OF NET ASSETS  
DECEMBER 31, 2008

	Governmental Activities	Business - Type Activities	Total Primary Government	Component Units	
				Greensburg Parking Authority	Aerobic Center Municipal Authority
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and Cash Equivalents	\$ 3,343,594	\$ 647,624	\$ 3,991,218	\$ -	\$ 232,077
Taxes Receivable (Net)	222,315	-	222,315	-	-
Intergovernmental Receivables	1,213,548	-	1,213,548	-	-
Other Receivables	119,755	7,103	126,858	70,400	12,953
Deferred Charge	-	-	-	-	11,177
<b>Total Current Assets</b>	<b>4,899,212</b>	<b>654,727</b>	<b>5,553,939</b>	<b>70,400</b>	<b>256,207</b>
<b>Noncurrent Assets:</b>					
Certificates of Deposit	-	-	-	-	80,298
<b>Capital Assets:</b>					
Land	2,081,906	823,807	2,905,713	-	1,320,216
Buildings and Other Property and Equipment	25,378,203	13,506,878	38,885,081	-	-
Construction in Progress	324,398	-	324,398	-	-
Less: Accumulated Depreciation	(10,691,791)	(4,793,090)	(15,484,881)	-	(739,109)
<b>Total Capital Assets, Net of Depreciation</b>	<b>17,092,716</b>	<b>9,537,595</b>	<b>26,630,311</b>	<b>-</b>	<b>581,107</b>
<b>Total Noncurrent Assets:</b>	<b>17,092,716</b>	<b>9,537,595</b>	<b>26,630,311</b>	<b>-</b>	<b>661,405</b>
<b>Total Assets</b>	<b>\$ 21,991,928</b>	<b>\$ 10,192,322</b>	<b>\$ 32,184,250</b>	<b>\$ 70,400</b>	<b>\$ 917,612</b>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENSBURG  
WESTMORELAND COUNTY, PENNSYLVANIA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2008

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
<b>Governmental Activities:</b>			
Department of Public Affairs and Safety	\$ 4,597,487	\$ -	\$ 195,068
Department of Accounts and Finance	2,577,441	-	374,245
Department of Administration Development and Public Operations	1,186,542	211,570	179,111
Department of Public Works	853,058	-	325,011
Department of Parks and Recreation	1,495,522	1,177,423	10,000
Capital Outlay	-	18,232	-
Interest and Long-Term Debt	294,925	-	-
PA RACP Grant	2,757,191	-	2,757,191
Total Government Activities	<u>13,762,166</u>	<u>1,407,225</u>	<u>3,840,626</u>
<b>Business-Type Activities:</b>			
Parking Revenue Fund	784,250	1,334,500	-
Hutchinson Garage Fund	236,281	535,976	-
Total Business-Type Activities	<u>1,020,531</u>	<u>1,870,476</u>	<u>-</u>
<b>Component Units:</b>			
Greensburg Parking Authority	-	-	-
Aerobic Center Municipal Authority	831,616	808,890	1,250
Total Component Units	<u>\$ 831,616</u>	<u>\$ 808,890</u>	<u>\$ 1,250</u>
<b>General Revenues:</b>			
Taxes:			
Property taxes, levied for general purposes			
Public utility, realty and earned income taxes levied for general purposes			
License and Permits			
Fines and Forfeits			
Interest			
Donations			
Loss on Disposition of Assets			
Miscellaneous Income			
Internal Transfers			
Capital Contribution			
Total General Revenues and Transfers			

Change in Net Assets

Net Assets, Beginning

Prior Period Adjustment

Net Assets, Ending

The accompanying notes are an integral part of these financial statements.

Liabilities	Governmental Activities	Business - Type Activities	Total Primary Government	Component Units	
				Greensburg Parking Authority	Aerobic Center Municipal Authority
<b>Current Liabilities:</b>					
Accounts Payable and Other Current Liabilities	\$ 1,759,854	\$ 111,121	\$ 1,870,975	\$ -	\$ 139,431
Current Portion of:					
Bonds Payable	515,000	245,000	760,000	-	-
Notes Payable	351,693	-	351,693	-	16,893
Capital Lease Obligation	74,195	-	74,195	-	-
Accrued Interest Payable	23,280	8,686	31,966	-	-
<b>Total Current Liabilities</b>	<b>2,724,022</b>	<b>364,807</b>	<b>3,088,829</b>	<b>-</b>	<b>156,324</b>
<b>Long-Term Liabilities:</b>					
Bonds Payable	3,420,000	2,060,000	5,480,000	-	-
Notes Payable	3,542,766	-	3,542,766	-	57,732
Capital Lease Obligation	155,350	-	155,350	-	-
Compensated Absences	75,855	-	75,855	-	-
Other Post Employment Benefits	377,951	755	378,706	-	-
Other Liabilities	39,800	-	39,800	-	-
<b>Total Long-Term Liabilities</b>	<b>7,611,722</b>	<b>2,060,755</b>	<b>9,672,477</b>	<b>-</b>	<b>57,732</b>
<b>Total Liabilities</b>	<b>10,335,744</b>	<b>2,425,562</b>	<b>12,761,306</b>	<b>-</b>	<b>214,056</b>
<b>Net Assets:</b>					
Invested in Capital Assets, Net of Related Debt	9,010,432	7,223,909	16,234,341	-	506,482
Restricted for Capital Improvement	1,956,158	-	1,956,158	-	-
Restricted for Roads and Streets	129,050	-	129,050	-	-
Restricted for Debt Service	294,794	-	294,794	-	-
Restricted for Culture and Recreation	111,283	-	111,283	-	-
Unrestricted	154,467	542,851	697,318	70,400	197,074
<b>Total Net Assets</b>	<b>11,656,184</b>	<b>7,766,760</b>	<b>19,422,944</b>	<b>70,400</b>	<b>703,556</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 21,991,928</b>	<b>\$ 10,192,322</b>	<b>\$ 32,184,250</b>	<b>\$ 70,400</b>	<b>\$ 917,612</b>

Program Revenues Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets			Component Unit Total
	Governmental Activities	Business - Type Activities	Total	
\$ -	\$ (4,402,419)	\$ -	\$ (4,402,419)	
-	(2,203,196)	-	(2,203,196)	
-	(795,861)	-	(795,861)	
-	(528,047)	-	(528,047)	
-	(308,099)	-	(308,099)	
-	18,232	-	18,232	
-	(294,925)	-	(294,925)	
-	-	-	-	
-	(8,514,315)	-	(8,514,315)	
-	-	550,250	550,250	
-	-	299,695	299,695	
-	-	849,945	849,945	
-	-	-	-	\$ -
-	-	-	-	(21,476)
\$ -	-	-	-	(21,476)
	2,673,553	-	2,673,553	-
	4,176,754	-	4,176,754	-
	157,440	-	157,440	-
	311,000	-	311,000	-
	114,873	20,418	135,291	5,896
	152,634	-	152,634	3,674
	(6,747)	-	(6,747)	1,169
	424,125	866	424,991	-
	(120,585)	(791,020)	(911,605)	-
	-	911,605	911,605	-
	7,883,047	141,869	8,024,916	10,739
	(631,268)	991,814	360,546	(10,737)
	12,287,452	4,708,931	16,996,383	714,293
	-	2,066,015	2,066,015	-
\$	11,656,184	\$ 7,766,760	\$ 19,422,944	\$ 703,556

CITY OF GREENSBURG  
 WESTMORELAND COUNTY, PENNSYLVANIA  
 COMBINED BALANCE SHEET - GOVERNMENTAL FUNDS  
 DECEMBER 31, 2008

	Major Funds					Combined Total
	General Fund	Grant Fund	2005 G.O. Bond Fund	Debt Service Fund	Other Funds	
<b>Assets</b>						
Cash and Cash Equivalents	\$ 734,213	\$ -	\$ 1,279,433	\$ 282,764	\$ 1,047,185	\$ 3,343,595
Investments	-	-	-	-	-	-
Accounts Receivable:						
Taxes	133,718	-	-	12,030	-	145,748
Other	99,737	-	11,251	-	8,767	119,755
Due From Other Governments	-	1,213,548	-	-	-	1,213,548
<b>Total Current Assets</b>	<u>967,668</u>	<u>1,213,548</u>	<u>1,290,684</u>	<u>294,794</u>	<u>1,055,952</u>	<u>4,822,646</u>
<b>Liabilities and Fund Equity</b>						
<b>Liabilities:</b>						
Accounts Payable	179,548	1,213,548	22,576	-	74,234	1,489,906
Accrued Liabilities	217,949	-	-	-	-	217,949
Deferred Revenue	109,695	-	-	-	52,000	161,695
Other Liabilities	39,800	-	-	-	-	39,800
Other Post Employment Benefits	377,951	-	-	-	-	377,951
<b>Total Liabilities</b>	<u>924,943</u>	<u>1,213,548</u>	<u>22,576</u>	<u>-</u>	<u>126,234</u>	<u>2,287,301</u>
<b>Fund Equity:</b>						
Unreserved	42,725	-	-	-	1,335	44,060
Reserved for Debt Service	-	-	-	294,794	-	294,794
Reserved for Roads and Streets	-	-	-	-	129,050	129,050
Reserved for Capital Improvements	-	-	1,268,108	-	688,050	1,956,158
Reserved for Culture and Recreation	-	-	-	-	111,283	111,283
<b>Total Fund Equity</b>	<u>42,725</u>	<u>-</u>	<u>1,268,108</u>	<u>294,794</u>	<u>929,718</u>	<u>2,535,345</u>
<b>Total Liabilities and Fund Equity</b>	<u>\$ 967,668</u>	<u>\$ 1,213,548</u>	<u>\$ 1,290,684</u>	<u>\$ 294,794</u>	<u>\$ 1,055,952</u>	<u>\$ 4,822,646</u>

The accompanying notes are an integral part of these financial statements.

CITY OF GREENSBURG  
WESTMORELAND COUNTY, PENNSYLVANIA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2008

Total Fund Balances-Governmental Funds \$ 2,535,345

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$27,784,507, and the accumulated depreciation is \$10,691,791. 17,092,716

Taxes receivable will be collected in future years but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in those funds. 190,063

Establish allowance for doubtful accounts - property taxes receivable. (3,801)

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	\$ 7,829,459	
Prior period adjustment	-	
Capital lease obligations	229,545	
Compensated absences	75,855	
Accrued interest payable	<u>23,280</u>	(8,158,139)

Total Net Assets-Governmental Activities \$ 11,656,184

The accompanying notes are an integral part of these financial statements.