



Annual Audit and Financial Report

City of _____ County

Borough of Dormont Allegheny County

Township of _____ County

Municipality of _____ County

for the year

2011

Independent Auditor's Report

Members of Council
Borough of Dormont

We have audited the Cash Basis Balance Sheet, Cash Basis Statement of Revenues and Expenditures, Debt Statement, Statements of Capital Expenditures and Employee Compensation (the Schedules) included in the Annual Audit and Financial Report of the Borough of Dormont (Borough), Pennsylvania, for the year ended December 31, 2011, as described in the instructions provided by the Pennsylvania Department of Community and Economic Development (DCED). The Schedules are the responsibility of the Borough's management. Our responsibility is to express an opinion on the Schedules based on our audit.

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

These Schedules were prepared in conformity with the accounting practices and procedures prescribed or permitted by the DCED, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. These requirements permit the Schedules to be prepared on the cash basis of accounting without financial statement disclosures, without government-wide financial statements, without budgetary comparisons, without Management's Discussion and Analysis, and other required supplementary information, and requires all funds of the Borough to be aggregated on the Schedules. The effects on the Schedules of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matters discussed in the preceding paragraph, the Schedules referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Borough as of December 31, 2011, and the results of its operations for the year then ended.

The vast majority of the Borough's earned income taxes, solid waste disposal fees, sewage usage fees, and local services taxes (stated at \$822,250, \$486,120, \$1,715,024, and \$46,118, respectively, for the year ended December 31, 2011) are collected by outside service agencies. We were unable to obtain audited financial statements of the outside service agencies supporting the amounts collected, as the planned independent audits of the outside service agencies have not been completed. Accordingly, we were unable to satisfy ourselves as to (1) whether the Borough's earned income taxes, solid waste disposal fees, sewage usage fees, and local services taxes were remitted to the Borough and (2) whether actual remittances to the Borough were made on a timely basis.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine the evidence regarding the Borough's earned income tax, solid

Members of Council
Borough of Dormont
Independent Auditor's Report

waste disposal fees, sewage usage fees, and local services taxes, the Schedules referred to above present fairly, in all material respects, the cash basis financial position of the Borough as of December 31, 2011, and its cash receipts and cash disbursements for the year then ended on the basis of accounting described in the third paragraph.

Our audit was conducted for the purpose of forming an opinion on the Schedules. The pension information on pages 22-26 is presented for the purposes of additional analysis and is not a required part of the Schedules. The information has not been subjected to the auditing procedures applied in the audit of the Schedules and, accordingly, we do not express an opinion or provide any assurance on it.

This report is intended solely for the information and use of the Members of Council and management of the Borough and for filing with the various local and state departments or offices and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Maher Duessel

Pittsburgh, Pennsylvania
March 21, 2012

BALANCE SHEET
 December 31, 2011

ASSETS AND OTHER DEBITS	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
100-120 Cash and Investments.....	418,072	2,760,934	610,823	-
140-144 Tax Receivable.....	-	-	-	-
121-129 Account Receivable (excluding taxes).....	-	-	-	-
145-149 130 Due From Other Funds.....	-	-	-	-
131-139 Other Current Assets.....	-	-	-	-
150-159	-	-	-	-
160-169 Fixed Assets.....	-	-	-	-
180-189 Other Debits.....	-	-	-	-
TOTAL ASSETS AND OTHER DEBITS.....	\$ 418,072	\$ 2,760,934	\$ 610,823	\$ -

LIABILITIES AND OTHER CREDITS				
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-
200-209 All Other Current Liabilities.....	-	-	-	-
231-239 230 Due to Other Funds.....	-	-	-	-
260-269 Long-Term Liabilities.....	-	-	-	-
240-259 Current Portion of Long-Term Debt & Other Credits.....	-	-	-	-
TOTAL LIABILITIES AND OTHER CREDITS.....	\$ -	\$ -	\$ -	\$ -

FUND AND ACCOUNT GROUP EQUITY				
281-284 Contributed Capital.....	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	-
270-289 Fund Balance/Retained Earnings on 12/31.....	418,072	2,760,934	610,823	-
291-299 Other Equity.....	-	-	-	-
TOTAL FUND ACCOUNT GROUP EQUITY.....	\$ 418,072	\$ 2,760,934	\$ 610,823	\$ -

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

	FIDUCIARY FUNDS					TOTAL
	PROPRIETARY FUNDS		Trust & Agency	ACCOUNTS GROUPS		
	Enterprise	Internal Service		General Fixed Assets	General Long Term Debt	
ASSETS AND OTHER DEBITS						
100-120 Cash and Investments.....	-	-	9,794,867	-	-	13,584,696
140-144 Tax Receivable.....	-	-	-	-	-	-
121-129 Account Receivable (excluding taxes).....	-	-	-	-	-	-
145-149 130 Due From Other Funds.....	-	-	-	-	-	-
131-139 Other Current Assets.....	-	-	-	-	-	-
150-159 Fixed Assets.....	-	-	-	14,059,269	-	14,059,269
160-169 Other Debits.....	-	-	-	-	4,249,838	4,249,838
TOTAL ASSETS AND OTHER DEBITS.....	\$ -	\$ -	\$ 9,794,867	\$ 14,059,269	\$ 4,249,838	\$ 31,893,803

LIABILITIES AND OTHER CREDITS						
210-229 Payroll Taxes and Other Payroll Withholdings.....	-	-	-	-	-	-
200-209 All Other Current Liabilities.....	-	-	-	-	-	-
231-239 230 Due to Other Funds.....	-	-	-	-	-	-
260-269 Long-Term Liabilities.....	-	-	-	-	2,867,469	2,867,469
240-259 Current Portion of Long-Term Debt & Other Credits.....	-	-	-	-	1,382,369	1,382,369
TOTAL LIABILITIES AND OTHER CREDITS.....	\$ -	\$ -	\$ -	\$ -	\$ 4,249,838	\$ 4,249,838

FUND AND ACCOUNT GROUP EQUITY						
281-284 Contributed Capital.....	-	-	-	-	-	-
290 Investment in General Fixed Assets.....	-	-	-	14,059,269	-	14,059,269
270-289 Fund Balance/Retained Earnings on 12/31.....	-	-	9,794,867	-	-	13,584,696
291-299 Other Equity.....	-	-	-	-	-	-
TOTAL FUND ACCOUNT GROUP EQUITY.....	\$ -	\$ -	\$ 9,794,867	\$ 14,059,269	\$ -	\$ 27,643,965

TOTAL LIABILITIES AND FUND AND ACCOUNT GROUP EQUITY.....	\$ 31,893,803
---	----------------------

Total Assets and Other Debits minus Total Liabilities and Other Credits must equal the Total Fund and Account Group Equity.

STATEMENT OF REVENUES AND EXPENDITURES

December 31, 2011

REVENUES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
TAXES				
301.00 Real Estate Taxes.....	3,718,816	-	-	-
305.00 Occupation Taxes (Levied Under Municipal Code).....	-	-	-	-
308.00 Residence Taxes (Levied by Cities of the 3rd Class).....	-	-	-	-
309.00 Regional Asset District Sales Tax (Allegheny County Municipalities only).....	405,433	-	-	-
310.00 Per Capita Taxes.....	-	-	-	-
310.10 Real Estate Transfer Taxes.....	119,188	-	-	-
310.20 Earned Income Taxes/Wage Taxes.....	822,250	-	-	-
310.30 Business Gross Receipts Taxes.....	-	-	-	-
310.40 Occupation Taxes (levied under Act 511).....	-	-	-	-
310.50 Local Services Taxes**.....	46,118	-	-	-
310.60 Amusement/Admission Taxes.....	-	-	-	-
310.70 Mechanical Device Taxes.....	-	-	-	-
310.90 Other Local Tax Enabling Act/Act511/Taxes	-	-	-	-
.....	-	-	-	-
.....	-	-	-	-
TOTAL TAXES.....	\$ 5,111,805	\$ -	\$ -	\$ -

LICENSES & PERMITS				
320-322 All Other Licenses and Permits.....	43,695	-	-	-
321.80 Cable Television Franchise Fees.....	201,278	-	-	-
TOTAL LICENSES & PERMITS.....	\$ 244,973	\$ -	\$ -	\$ -

FINES & FORFEITS				
330-332 Fines and Forfeits.....	107,053	-	-	-
TOTAL FINES & FORFEITS.....	\$ 107,053	\$ -	\$ -	\$ -

INTEREST, RENTS, & ROYALTIES				
341.00 Interest Earnings.....	3,246	3,656	936	-
342.00 Rents and Royalties.....	261,171	-	-	-
TOTAL INTEREST, RENTS, & ROYALTIES.....	\$ 264,417	\$ 3,656	\$ 936	\$ -

** This tax was known as the Occupational Privilege Tax (OPT) prior to 2005 and the Emergency and Municipal Services Tax prior to 2008.

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

	INTERGOVERNMENTAL REVENUES		GOVERNMENTAL FUNDS	
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
FEDERAL				
351.03 Highways and Streets.....	6,159	-	127,588	-
351.09 Community Development.....	-	-	-	-
351.00 All Other Federal Capital and Operating Grants.....	-	-	-	-
352.01 National Forest.....	-	-	-	-
352.00 All Other Federal Shared Revenue & Entitlements.....	-	-	-	-
353.00 Federal Payments in Lieu of Taxes.....	-	-	-	-
TOTAL FEDERAL.....	\$ 6,159	\$ -	\$ 127,588	\$ -

STATE				
354.03 Highways and Streets.....	-	-	-	-
354.09 Community Development.....	-	-	-	-
354.15 Recycling/Act 101.....	-	-	-	-
354.00 All Other State Capital and Operating Grants.....	-	-	-	-
355.01 Public Utility Realty Tax (PURTA).....	6,576	-	-	-
355.02- Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State Road 355.03 Turnback.....	-	158,362	-	-
355.04 Alcoholic Beverage Licenses.....	-	-	-	-
355.05 General Municipal Pension System State Aid.....	224,068	-	-	-
355.07 Foreign Fire Insurance Tax Distribution.....	59,072	-	-	-
355.08 Local Share Assessment/Gaming Proceeds.....	-	-	-	-
355.00 All Other Shared Revenues & Entitlements.....	-	-	-	-
356.00 State Payments in Lieu of Taxes.....	-	-	-	-
TOTAL STATE.....	\$ 289,716	\$ 158,362	\$ -	\$ -

LOCAL GOVERNMENT UNITS				
357.03 Highways and Streets.....	-	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-
358.00 Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	-
359.00 Local Governmental Units, Authorities Payments, and Payments in Lieu of Taxes.....	-	-	-	-
TOTAL LOCAL GOVERNMENT UNITS.....	\$ -	\$ -	\$ -	\$ -

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

	INTERGOVERNMENTAL REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
		Enterprise	Internal Service	Trust and Agency	Memorandum Only
FEDERAL					
351.03 Highways and Streets.....	-	-	-	-	133,747
351.09 Community Development.....	-	-	-	-	-
351.00 All Other Federal Capital and Operating Grants.....	-	-	-	-	-
352.01 National Forest.....	-	-	-	-	-
352.00 All Other Federal Shared Revenue & Entitlements.....	-	-	-	-	-
353.00 Federal Payments in Lieu of Taxes.....	-	-	-	-	-
TOTAL FEDERAL.....	\$ -	\$ -	\$ -	\$ -	\$ 133,747

STATE					
354.03 Highways and Streets.....	-	-	-	-	-
354.09 Community Development.....	-	-	-	-	-
354.15 Recycling/Act 101.....	-	-	-	-	-
354.00 All Other State Capital and Operating Grants.....	-	-	-	-	-
355.01 Public Utility Realty Tax (PURTA).....	-	-	-	-	6,576
355.02- Motor Vehicle Fuel Tax (Liquid Fuels Tax) and State 355.03 Road Turnback.....	-	-	-	-	158,362
355.04 Alcoholic Beverage Licenses.....	-	-	-	-	-
355.05 General Municipal Pension System State Aid.....	-	-	-	-	224,068
355.07 Foreign Fire Insurance Tax Distribution.....	-	-	-	-	59,072
355.08 Local Share Assessment/Gaming Proceeds.....	-	-	-	-	-
355.00 All Other Shared Revenues & Entitlements.....	-	-	-	-	-
356.00 State Payments in Lieu of Taxes.....	-	-	-	-	-
TOTAL STATE.....	\$ -	\$ -	\$ -	\$ -	\$ 448,078

LOCAL GOVERNMENT UNITS					
357.03 Highways and Streets.....	-	-	-	-	-
357.00 All Other Local Governmental Units Capital and Operating Grants.....	-	-	-	-	-
358.00 Local Government Unit Shared Payments for Contracted Intergovernmental Services.....	-	-	-	-	-
359.00 Local Governmental Units, Authorities Payments, and Payments in Lieu of Taxes.....	-	-	-	-	-
TOTAL LOCAL GOVERNMENT UNITS.....	\$ -	\$ -	\$ -	\$ -	\$ -

TOTAL INTERGOVERNMENTAL REVENUES.....					\$ 581,825
--	--	--	--	--	-------------------

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

REVENUES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
CHARGES FOR SERVICE				
361.00 General Government.....	42,306	-	-	-
362.00 Public Safety.....	175,866	-	-	-
363.20 Parking.....	319,479	-	-	-
363.00 All Other Charges for Highway & Streets Services.....	1,900	-	-	-
364.10 Wastewater/Sewage Charges.....	-	1,715,024	-	-
364.30 Solid Waste Collection & Disposal Charge (trash).....	476,296	-	-	-
364.60 Host Municipality Benefit Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	9,824	-	-	-
365.00 Health.....	-	-	-	-
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	203,752	-	-	-
368.00 Airports.....	-	-	-	-
369.00 Bars.....	-	-	-	-
370.00 Cemeteries.....	-	-	-	-
372.00 Electric System.....	-	-	-	-
373.00 Gas System.....	-	-	-	-
374.00 Housing System.....	-	-	-	-
375.00 Markets.....	-	-	-	-
377.00 Transit Systems.....	-	-	-	-
378.00 Water System.....	-	-	-	-
379.00 All Other Charges for Service.....	-	-	-	-
TOTAL CHARGES FOR SERVICE.....	\$ 1,229,423	\$ 1,715,024	\$ -	\$ -

UNCLASSIFIED OPERATING REVENUES				
383.00 Special Assessments.....	-	-	-	-
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors.....	-	-	19,004	-
388.00 Fiduciary Fund Pension Contributions.....	-	-	-	-
389.00 All Other Unclassified Operating Revenues ***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....	\$ -	\$ -	\$ 19,004	\$ -

OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition.....	350	-	8,475	-
392.00 Interfund Operating Transfers**.....	85,000	-	630,000	-
393.00 Proceeds of General Long-Term Debt.....	620,000	-	-	-
394.00 Proceeds of Short-Term Debt.....	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	90,509	-	-	-
TOTAL OTHER FINANCING SOURCES.....	\$ 795,859	\$ -	\$ 638,475	\$ -

TOTAL REVENUES.....	\$ 8,049,405	\$ 1,877,042	\$ 786,003	\$ -
----------------------------	---------------------	---------------------	-------------------	-------------

** The total of line 392.00 must match the total of line 492.00

***This amount cannot be greater than 1% of the total revenues within the same fund

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

REVENUES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
CHARGES FOR SERVICE				
361.00 General Government.....	-	-	-	42,306
362.00 Public Safety.....	-	-	-	175,866
363.20 Parking.....	-	-	-	319,479
363.00 All Other Charges for Highway & Streets Services.....	-	-	-	1,900
364.10 Wastewater/Sewage Charges.....	-	-	-	1,715,024
364.30 Solid Waste Collection & Disposal Charge (trash).....	-	-	-	476,296
364.60 Host Municipality Benefit Fee for Solid Waste Facility.....	-	-	-	-
364.00 All Other Charges for Sanitation Services.....	-	-	-	9,824
365.00 Health.....	-	-	-	-
366.00 Human Services.....	-	-	-	-
367.00 Culture and Recreation.....	-	-	-	203,752
368.00 Airports.....	-	-	-	-
369.00 Bars.....	-	-	-	-
370.00 Cemeteries.....	-	-	-	-
372.00 Electric System.....	-	-	-	-
373.00 Gas System.....	-	-	-	-
374.00 Housing System.....	-	-	-	-
375.00 Markets.....	-	-	-	-
377.00 Transit Systems.....	-	-	-	-
378.00 Water System.....	-	-	-	-
379.00 All Other Charges for Service.....	-	-	-	-
TOTAL CHARGES FOR SERVICE.....	\$ -	\$ -	\$ -	\$ 2,944,447

UNCLASSIFIED OPERATING REVENUES				
383.00 Special Assessments.....	-	-	-	-
386.00 Escheats (sale of personal property).....	-	-	-	-
387.00 Contributions & Donations from Private Sectors.....	-	-	-	19,004
388.00 Fiduciary Fund Pension Contributions.....	-	-	333,079	333,079
389.00 All Other Unclassified Operating Revenues ***.....	-	-	-	-
TOTAL UNCLASSIFIED OPERATING REVENUES.....	\$ -	\$ -	\$ 333,079	\$ 352,083

OTHER FINANCING SOURCES				
391.00 Proceeds of General Fixed Asset Disposition.....	-	-	-	8,825
392.00 Interfund Operating Transfers**.....	-	-	-	715,000
393.00 Proceeds of General Long-Term Debt.....	-	-	-	620,000
394.00 Proceeds of Short-Term Debt.....	-	-	-	-
395.00 Refunds of Prior Year Expenditures.....	-	-	-	90,509
TOTAL OTHER FINANCING SOURCES.....	\$ -	\$ -	\$ -	\$ 1,434,334

TOTAL REVENUES.....	\$ -	\$ -	\$ 728,778	\$ 11,441,228
----------------------------	-------------	-------------	-------------------	----------------------

** The total of line 392.00 must match the total of line 492.00

***This amount cannot be greater than 1% of the total revenues within the same fund

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
GENERAL GOVERNMENT				
400.00 Legislative (Governing) Body.....	19,264	-	-	-
401.00 Executive (Manager or Mayor).....	195,070	-	-	-
402.00 Auditing Services/Financial Administration.....	60,994	-	-	-
403.00 Tax Collection.....	71,307	-	-	-
404.00 Solicitor/Legal Services.....	141,549	-	-	-
405.00 Secretary/Clerk.....	-	-	-	-
406.00 Other General Government Administration.....	-	-	-	-
407.00 IT-Networking Services-Data Processing.....	48,118	-	-	-
408.00 Engineering Services.....	99,892	-	-	-
409.00 General Government Buildings and Plant.....	166,506	-	-	-
TOTAL GENERAL GOVERNMENT.....	\$ 802,700	\$ -	\$ -	\$ -

PUBLIC SAFETY				
410.00 Police.....	1,495,938	-	-	-
411.00 Fire	436,704	-	-	-
412.00 Ambulance/Rescue.....	-	-	-	-
413.00 UCC and Code Enforcement.....	73,939	-	-	-
414.00 Planning and Zoning.....	7,687	-	-	-
415.00 Emergency Management & Communications.....	-	-	-	-
416.00 Militia and Armories.....	-	-	-	-
417.00 Examination of Licensed Occupations.....	-	-	-	-
418.00 Public Scales (weights and measures).....	-	-	-	-
419.00 Other Public Safety.....	-	-	-	-
TOTAL PUBLIC SAFETY.....	\$ 2,014,268	\$ -	\$ -	\$ -

HEALTH AND HUMAN SERVICES				
420.00- 425.00 Health and Human Services.....	-	-	-	-

PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal.....	-	-	-	-
427.00 Solid Waste Collection and Disposal (trash).....	542,182	-	-	-
428.00 Weed Control.....	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	-	1,495,283	-	-
TOTAL PUBLIC WORKS - SANITATION.....	\$ 542,182	\$ 1,495,283	\$ -	\$ -

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
GENERAL GOVERNMENT				
400.00 Legislative (Governing) Body.....	-	-	-	19,264
401.00 Executive (Manager or Mayor).....	-	-	-	195,070
402.00 Auditing Services/Financial Administration.....	-	-	-	60,994
403.00 Tax Collection.....	-	-	-	71,307
404.00 Solicitor/Legal Services.....	-	-	-	141,549
405.00 Secretary/Clerk.....	-	-	-	-
406.00 Other General Government Administration.....	-	-	-	-
407.00 IT-Networking Services-Data Processing.....	-	-	-	48,118
408.00 Engineering Services.....	-	-	-	99,892
409.00 General Government Buildings and Plant.....	-	-	-	166,506
TOTAL GENERAL GOVERNMENT.....	\$ -	\$ -	\$ -	\$ 802,700

PUBLIC SAFETY				
410.00 Police.....	-	-	-	1,495,938
411.00 Fire.....	-	-	-	436,704
412.00 Ambulance/Rescue.....	-	-	-	-
413.00 UCC and Code Enforcement.....	-	-	-	73,939
414.00 Planning and Zoning.....	-	-	-	7,687
415.00 Emergency Management & Communications.....	-	-	-	-
416.00 Militia and Armories.....	-	-	-	-
417.00 Examination of Licensed Occupations.....	-	-	-	-
418.00 Public Scales (weights and measures).....	-	-	-	-
419.00 Other Public Safety.....	-	-	-	-
TOTAL PUBLIC SAFETY.....	\$ -	\$ -	\$ -	\$ 2,014,268

HEALTH AND HUMAN SERVICES				
420.00- 425.00 Health and Human Services.....	-	-	-	-

PUBLIC WORKS - SANITATION				
426.00 Recycling Collection and Disposal.....	-	-	-	-
427.00 Solid Waste Collection and Disposal (trash).....	-	-	-	542,182
428.00 Weed Control.....	-	-	-	-
429.00 Wastewater/Sewage Collection & Treatment.....	-	-	-	1,495,283
TOTAL PUBLIC WORKS - SANITATION.....	\$ -	\$ -	\$ -	\$ 2,037,465

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
EXPENDITURES				
PUBLIC WORKS - HIGHWAYS & STREETS				
430.00 General Services - Administration.....	422,896	-	-	-
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	79,608	-	-
433.00 Traffic Control Devices.....	1,552	24,323	-	-
434.00 Street Lighting.....	72,059	14,707	-	-
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	480	-	135,406	-
437.00 Repairs of Tools and Machinery.....	-	2,466	-	-
438.00 Maintenance & Repairs of Roads & Bridges.....	57,919	-	657,018	-
439.00 Highway Construction and Rebuilding Projects.....	-	20,109	-	-
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS.....	\$ 554,906	\$ 141,213	\$ 792,424	\$ -

PUBLIC WORKS - OTHER SERVICES				
440.00 Airports.....	-	-	-	-
441.00 Cemeteries.....	-	-	-	-
442.00 Electric System.....	-	-	-	-
443.00 Gas System.....	-	-	-	-
444.00 Markets.....	-	-	-	-
445.00 Parking	683,520	-	-	-
446.00 Storm Water and Flood Control.....	-	-	-	-
447.00 Transit System.....	16,075	-	-	-
448.00 Water System.....	-	-	-	-
449.00 Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES.....	\$ 699,595	\$ -	\$ -	\$ -

CULTURE AND RECREATION				
451.00 Culture - Recreation Administration.....	62,119	-	-	-
452.00 Participant Recreation.....	206,040	-	213,093	-
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	160,226	-	-	-
455.00 Shade Trees.....	6,255	-	-	-
456.00 Libraries.....	86,150	-	-	-
457.00 Civil and Military Celebrations.....	12,347	-	-	-
458.00 Senior Citizens' Centers.....	-	-	-	-
450.00 All Other Culture and Recreation.....	-	-	-	-
TOTAL CULTURE AND RECREATION.....	\$ 533,137	\$ -	\$ 213,093	\$ -

COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources.....	-	-	-	-
462.00 Community Development and Housing.....	-	-	-	-
463.00 Economic Development.....	-	-	3,308	-
464.00 Economic Opportunity.....	-	-	-	-
465.00- 469.00 All Other Community Development.....	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT.....	\$ -	\$ -	\$ 3,308	\$ -

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
PUBLIC WORKS - HIGHWAYS & STREETS				
430.00 General Services - Administration.....	-	-	-	422,896
431.00 Cleaning of Streets and Gutters.....	-	-	-	-
432.00 Winter Maintenance - Snow Removal.....	-	-	-	79,608
433.00 Traffic Control Devices.....	-	-	-	25,875
434.00 Street Lighting.....	-	-	-	86,766
435.00 Sidewalks and Crosswalks.....	-	-	-	-
436.00 Storm Sewers and Drains.....	-	-	-	135,886
437.00 Repairs of Tools and Machinery.....	-	-	-	2,466
438.00 Maintenance & Repairs of Roads & Bridges.....	-	-	-	714,937
439.00 Highway Construction and Rebuilding Projects.....	-	-	-	20,109
TOTAL PUBLIC WORKS - HIGHWAYS & STREETS.....	\$ -	\$ -	\$ -	\$ 1,488,543

PUBLIC WORKS - OTHER SERVICES				
440.00 Airports.....	-	-	-	-
441.00 Cemeteries.....	-	-	-	-
442.00 Electric System.....	-	-	-	-
443.00 Gas System.....	-	-	-	-
444.00 Markets.....	-	-	-	-
445.00 Parking.....	-	-	-	683,520
446.00 Storm Water and Flood Control.....	-	-	-	-
447.00 Transit System.....	-	-	-	16,075
448.00 Water System.....	-	-	-	-
449.00 Water Transport and Terminals.....	-	-	-	-
TOTAL PUBLIC WORKS - OTHER SERVICES.....	\$ -	\$ -	\$ -	\$ 699,595

CULTURE AND RECREATION				
451.00 Culture - Recreation Administration.....	-	-	-	62,119
452.00 Participant Recreation.....	-	-	-	419,133
453.00 Spectator Recreation.....	-	-	-	-
454.00 Parks.....	-	-	-	160,226
455.00 Shade Trees.....	-	-	-	6,255
456.00 Libraries.....	-	-	-	86,150
457.00 Civil and Military Celebrations.....	-	-	-	12,347
458.00 Senior Citizens' Centers.....	-	-	-	-
450.00 All Other Culture and Recreation.....	-	-	-	-
TOTAL CULTURE AND RECREATION.....	\$ -	\$ -	\$ -	\$ 746,230

COMMUNITY DEVELOPMENT				
461.00 Conservation of Natural Resources.....	-	-	-	-
462.00 Community Development and Housing.....	-	-	-	-
463.00 Economic Development.....	-	-	-	3,308
464.00 Economic Opportunity.....	-	-	-	-
465.00- 469.00 All Other Community Development.....	-	-	-	-
TOTAL COMMUNITY DEVELOPMENT.....	\$ -	\$ -	\$ -	\$ 3,308

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	GOVERNMENTAL FUNDS			
	General Fund	Special Revenue (Including State Liquid Fuels)	Capital Projects	Debt Service
DEBT SERVICE				
471.00 Debt Principal (short-term and long-term).....	1,269,981	-	-	-
472.00 Debt Interest (short-term and long-term).....	46,363	-	-	-
475.00 Fiscal Agent Fees.....	954	-	-	-
TOTAL DEBT SERVICE.....	\$ 1,317,298	\$ -	\$ -	\$ -

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	124,565	-	-	-
482.00 Judgments and Losses.....	18,073	-	-	-
483.00 Pension/Retirement Fund Contributions.....	223,168	-	-	-
484.00 Worker Compensation Insurance.....	183,038	-	-	-
487.00 Group Insurance and Other Benefits.....	434,424	-	-	-
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS.....	\$ 983,268	\$ -	\$ -	\$ -

INSURANCE				
486.00 Insurance, Casualty, and Surety.....	127,859	-	-	-

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....				
489.00 All Other Unclassified Expenditures ***.....	3,645	-	-	-
TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....	\$ 3,645	\$ -	\$ -	\$ -

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	3,736	-	-	-
492.00 Interfund Operating Transfers**.....	630,000	85,000	-	-
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES.....	\$ 633,736	\$ 85,000	\$ -	\$ -

TOTAL EXPENDITURES.....	\$ 8,212,594	\$ 1,721,496	\$ 1,008,825	\$ -
--------------------------------	---------------------	---------------------	---------------------	-------------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....				
	\$ (163,189)	\$ 155,546	\$ (222,822)	\$ -

** The total of line 492.00 must match the total of line 392.00

***This amount cannot be greater than 1% of the total expenditures within the same fund

2011 MUNICIPAL ANNUAL AUDIT AND FINANCIAL REPORT/STATEMENT OF REVENUES AND EXPENDITURES

EXPENDITURES	PROPRIETARY FUNDS		FIDUCIARY FUND	TOTAL
	Enterprise	Internal Service	Trust and Agency	Memorandum Only
DEBT SERVICE				
471.00 Debt Principal (short-term and long-term).....	-	-	-	1,269,981
472.00 Debt Interest (short-term and long-term).....	-	-	-	46,363
475.00 Fiscal Agent Fees.....	-	-	-	954
TOTAL DEBT SERVICE.....	\$ -	\$ -	\$ -	\$ 1,317,298

EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS				
481.00 Employer Paid Withholding Taxes and Unemployment Compensation.....	-	-	-	124,565
482.00 Judgments and Losses.....	-	-	327,914	345,987
483.00 Pension/Retirement Fund Contributions.....	-	-	-	223,168
484.00 Worker Compensation Insurance.....	-	-	-	183,038
487.00 Group Insurance and Other Benefits.....	-	-	-	434,424
EMPLOYER PAID BENEFITS & WITHHOLDING ITEMS.....	\$ -	\$ -	\$ 327,914	\$ 1,311,182

INSURANCE				
486.00 Insurance, Casualty, and Surety.....	-	-	-	127,859

UNCLASSIFIED OPERATING EXPENDITURES				
488.00 Fiduciary Fund Benefits and Refunds Paid.....	-	-	416,800	416,800
489.00 All Other Unclassified Expenditures ***.....	-	-	64,402	68,047
TOTAL UNCLASSIFIED OPERATING EXPENDITURES.....	\$ -	\$ -	\$ 481,202	\$ 484,847

OTHER FINANCING USES				
491.00 Refund of Prior Year Revenues.....	-	-	-	3,736
492.00 Interfund Operating Transfers**.....	-	-	-	715,000
493.00 All Other Financing Uses.....	-	-	-	-
TOTAL OTHER FINANCING USES.....	\$ -	\$ -	\$ -	\$ 718,736

TOTAL EXPENDITURES.....	\$ -	\$ -	\$ 809,116	\$ 11,752,031
--------------------------------	-------------	-------------	-------------------	----------------------

EXCESS/DEFICIT OF REVENUES OVER EXPENDITURES.....				
	\$ -	\$ -	\$ (80,338)	\$ (310,803)

** The total of line 492.00 must match the total of line 392.00

***This amount cannot be greater than 1% of the total expenditures within the same fund

DEBT STATEMENT

Type	Purpose	Bond (B) Note (N)	Issue Date (year)	Maturity Date (year)	Original Amount of Issue	Outstanding Beginning of Year (1)	Principal Incurred This Year (Additions)	Principal Paid This Year	Current Year Accretion of Compound Interest Bonds	Outstanding Year-End (1)	Plus (Less) Unamortized Premium (Discount)	Total Balance
GENERAL OBLIGATION BONDS AND NOTES												
GOBs - Capital Appreciation		B	1997	2018	\$ 2,041,634	\$ 4,047,340	-	\$ 700,000	\$ 216,997	\$ 3,564,337	-	\$ 3,564,337
General Obligation Note		N	2006	2015	524,191	286,833	-	65,157	-	221,676	-	\$ 221,676
General Obligation Note		N	2011	2026	620,000	-	620,000	324,667	-	295,333	-	\$ 295,333
												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
REVENUE BONDS AND NOTES												
												\$ -
												\$ -
												\$ -
												\$ -
												\$ -
LEASE RENTAL DEBT/GENERAL LEASES												
												\$ -
												\$ -
												\$ -
												\$ -
OTHER												
AIM Loan			2007	2012	225,000	90,000	-	45,000	-	45,000	-	\$ 45,000
Tax Exempt Appropriation Note			2003	2013	520,000	181,662	-	58,170	-	123,492	-	\$ 123,492
Capital Leases						-	76,987	76,987	-	-	-	\$ -
												\$ -
										Total bonds and notes outstanding.....		\$ 4,249,838
										Capitalized lease obligations.....		-
										Other debt.....		-
										TOTAL OUTSTANDING DEBT.....		\$ 4,249,838

Other Information

BOROUGH OF DORMONT

POLICE AND NON-UNIFORMED PENSION PLANS

PENSION DISCLOSURES

YEAR ENDED DECEMBER 31, 2011

1. PLAN DESCRIPTION

The Borough of Dormont (Borough) administers two single-employer defined benefit pension plans: the Police Plan and the Non-Uniformed Pension Plan (Plans). The Plans cover substantially all full-time employees, and provide retirement and disability benefits to the Plans' members and their beneficiaries. Plan provisions are established by municipal ordinance or resolution with the authority for municipal contributions required by Act 205 of the Commonwealth of Pennsylvania (Act). The Plans are governed by the Members of Council (Council), who have delegated the authority to manage the Plans' assets to an outside third party. The Plans do not issue separate reports.

Basis of Accounting

The Borough's schedules are prepared using the cash basis of accounting with the exception of the pension funds. The pension fund's investments are recorded at fair value and interest revenue is recognized in the period earned.

Non-Uniformed Employees Plan

The Non-Uniformed Employees Plan (Plan) is a defined benefit plan available to all full-time Borough employees under the Act. According to the Plan, participants are eligible for retirement upon the later of the completion of 20 years of credited service or attainment of age 65. Participants are fully vested in this Plan upon the completion of 10 years of credited service. The monthly pension benefit is equal to 1.25 percent of the final monthly average compensation multiplied by years of credited service.

Police Plan

The Police Plan (Plan) is a defined benefit plan available to all full-time Borough police officers under the Act. According to the Plan, participants are eligible for retirement upon the later of the completion of 25 years of aggregate service or attainment of age 50. Participants are fully vested in this Plan upon the completion of 12 years of aggregate service. The monthly pension benefit is equal to 50 percent of the final monthly average salary. Included in the Borough's Plan is a Deferred Retirement Option Plan (DROP). The DROP activity is included in the Police Pension Trust Fund for reporting purposes.

BOROUGH OF DORMONT

POLICE AND NON-UNIFORMED PENSION PLANS

PENSION DISCLOSURES

YEAR ENDED DECEMBER 31, 2011

At January 1, 2009, the date of the most recent valuation, participants in the Plans were as follows:

	<u>Police</u>	<u>Non-Uniformed</u>
Participants:		
Retired and inactive	8	6
Active employees	14	17

2. FUNDING POLICY AND CONTRIBUTIONS

The Act requires that annual contributions be based upon the calculation of the Minimum Municipal Obligation (MMO). The MMO calculation is based upon the biennial actuarial valuation. Employees are not required to contribute under the Act; such contributions are subject to collective bargaining. The Commonwealth of Pennsylvania allocates certain funds to assist in pension funding. Any financial requirement established by the MMO in excess of the Commonwealth of Pennsylvania allocation must be funded by the Borough.

The annual required contribution for the current year was determined as part of the January 1, 2009 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.5% investment rate of return (net of administrative expenses) and (b) projected salary increases of 5.5% per year. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a four-year period. The unfunded actuarial accrued liability is being amortized using the level dollar open method (closed method for the Police Plan).

For 2011, Non-Uniformed Employees were required to contribute to the Plan at a rate of 3.8% and Police were required to contribute to the Plan at a rate of 8%. Employee contributions for 2011 were \$31,752 and \$78,159, respectively.

The MMO obligation for the Non-Uniformed Employees and Police Plans was \$11,682 and \$177,879, respectively, at December 31, 2011.

The Borough determined that the pension liability (asset) at transition, calculated in accordance with Governmental Accounting Standards Board Statement No. 27, "Accounting for Pensions by State and Local Government Employers," was zero for both Plans and the net pension liability (asset) is (\$33,607) and zero at December 31, 2011 for the Police Plan and Non-Uniformed Plan Employees Plan, respectively.

BOROUGH OF DORMONT

POLICE AND NON-UNIFORMED PENSION PLANS

PENSION DISCLOSURES

YEAR ENDED DECEMBER 31, 2011

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

3. LOCATION OF HISTORICAL TREND DATA

Historical trend information related to each of the Plans is presented as other information. This data provides information about the progress made by each of the Plans in accumulating sufficient assets to pay benefits when due.

BOROUGH OF DORMONT
SCHEDULE OF FUNDING PROGRESS
POLICE PENSION PLAN

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Excess (Deficiency) of Assets Over (Under) AAL	Funded Ratio	Covered Payroll	Excess (Deficiency) as a Percentage of Covered Payroll
1/1/2005	\$ 5,549,827	\$ 5,279,902	\$ 269,925	105%	\$ 1,134,529	23.79%
1/1/2007	6,558,286	6,355,903	202,383	103%	1,283,643	15.77%
1/1/2009	6,789,569	7,357,944	(568,375)	92%	1,239,321	-45.86%

Note: State law requires biennial valuations on the odd-numbered years.

See accompanying note to supplementary schedules.

BOROUGH OF DORMONT
SCHEDULE OF FUNDING PROGRESS
NON-UNIFORMED PENSION PLAN

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Excess (Deficiency) of Assets Over (Under) AAL	Funded Ratio	Covered Payroll	Excess (Deficiency) as a Percentage of Covered Payroll
1/1/2005	\$ 1,639,717	\$ 1,356,946	\$ 282,771	121%	\$ 712,461	39.69%
1/1/2007	1,907,444	1,349,382	558,062	141%	716,352	77.90%
1/1/2009	1,976,330	1,638,533	337,797	121%	812,589	41.57%

Note: State law requires biennial valuations on the odd-numbered years.

See accompanying note to supplementary schedules.

BOROUGH OF DORMONT

SCHEDULE OF CONTRIBUTIONS FROM EMPLOYERS AND OTHER CONTRIBUTING ENTITIES

Calendar Year	Non-Uniformed Employees		Police	
	Annual Required Contributions	Percentage Contributed	Annual Required Contributions	Percentage Contributed
2009	\$ -	n/a	\$ 138,271	100%
2010	-	n/a	134,673	100%
2011	11,682	100%	177,879	119%

Note: Contributions include state pension aid

See accompanying note to supplementary schedules.

BOROUGH OF DORMONT

POLICE AND NON-UNIFORMED PENSION PLANS

NOTE TO SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2011

The information presented in the supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

	<u>Non-Uniformed Employees</u>	<u>Police</u>
Actuarial valuation date	1/1/2009	1/1/2009
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level Dollar Open	Level Dollar Closed
Amortization period	17	13
Asset valuation method	4-Year Smoothing	4-Year Smoothing
Actuarial assumptions:		
Investment rate of return	7.5%	7.5%
Projected salary increases	5.5%	5.5%
Underlying inflation rate	3.0%	3.0%
Cost of living adjustments	n/a	n/a

n/a = not applicable

The Borough has a net pension asset (a negative net pension obligation (NPO)) in the Police Pension Plan as of December 31, 2011 calculated as follows:

BOROUGH OF DORMONT

POLICE AND NON-UNIFORMED PENSION PLANS

NOTE TO SUPPLEMENTARY SCHEDULES

YEAR ENDED DECEMBER 31, 2011

	<u>Police</u>
Annual required contribution	\$ 177,879
Interest on NPO	-
Adjustment to the ARC	-
Annual pension cost	177,879
Contribution made	<u>211,486</u>
Change in NPO	(33,607)
NPO, 12/31/2010	<u>-</u>
NPO, 12/31/2011	<u><u>\$ (33,607)</u></u>

LEGAL ADVERTISEMENT

Independent Auditor's Report

Members of Council
Borough of Dormont

We have audited, in accordance with auditing standards generally accepted in the United States of America, the Balance Sheet (Cash Basis), Statement of Revenues and Expenditures (Cash Basis), Debt Statement, and Statements of Capital Expenditures and Employee Compensation (the Schedules) included in the Annual Audit and Financial Report of the Borough of Dormont (Borough), Pennsylvania, for the year ended December 31, 2011 (not presented herein), as described in the instructions provided by the Pennsylvania Department of Community and Economic Development (DCED), and have issued our report thereon dated March 21, 2012. In our report, we expressed a qualified opinion on the Schedules due to a limitation on the scope of our audit arising from our inability to obtain audited financial statements from an outside service agency responsible for the collection of taxes and fees comprising 33% of total revenues.

As described on the accompanying schedules, this summary financial information of the Borough, as of and for the year ended December 31, 2011, is not a presentation in conformity with accounting principles generally accepted in the United States of America. In our opinion, however, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine the evidence regarding the Borough's earned income taxes, solid waste disposal fees, sewage usage fees, and local services taxes, the accompanying summary financial information is fairly stated, in all material respects, in relation to the Schedules from which it has been derived.

MAHER DUESSEL
Pittsburgh, Pennsylvania
March 21, 2012

BOROUGH OF DORMONT
SUMMARY FINANCIAL INFORMATION

{Derived from the Annual Audit and Financial Report [DCED-CLGS-30 (10-11)] for the Borough of Dormont for 2011}

SUMMARY BALANCE SHEET INFORMATION - CASH BASIS
ALL GOVERNMENTAL FUND TYPES

December 31, 2011

<u>Assets</u>	
Cash and investments	\$ 3,789,829
Total Assets	<u>\$ 3,789,829</u>
<u>Liabilities and Fund Balance</u>	
Fund Balance	\$ 3,789,829
Total Liabilities and Fund Balance	<u>\$ 3,789,829</u>

(Continued)

BOROUGH OF DORMONT
SUMMARY FINANCIAL INFORMATION

{Derived from the Annual Audit and Financial Report [DCED-CLGS-30 (10-11)] for the Borough of Dormont for 2011}

SUMMARY OF OPERATIONS AND CHANGES IN FUND BALANCE - CASH BASIS
ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED DECEMBER 31, 2011
(Continued)

Revenues and Other Financing Sources:

Taxes	\$ 5,111,805
Licenses and permits	244,973
Fines and forfeits	107,053
Interest, rent, and royalties	269,009
Intergovernmental revenues	581,825
Charges for services	2,944,447
Miscellaneous revenues	19,004
Other financing sources - proceeds of general fixed asset disposition	8,825
Other financing sources - proceeds of general long-term debt	620,000
Other financing sources - refunds of prior year expenditures	90,509
	9,997,450
Total revenues and other financing sources	9,997,450

Expenditures and Other Financing Uses:

General government	802,700
Public safety	2,014,268
Public works and enterprises	4,225,603
Culture and recreation	746,230
Community development	3,308
Debt service	1,317,298
Employer paid withholding taxes and unemployment compensation	124,565
Judgments and losses	18,073
Pension/retirement fund contributions	223,168
Workers' compensation	183,038
Other group insurance benefits	434,424
Insurance	127,859
Miscellaneous expenses	3,645
Refund of prior years revenue	3,736
	10,227,915
Total expenditures and other financing uses	10,227,915

Deficiency of Revenues and Other Financing Sources

Over Expenditures and Other Financing Uses (230,465)

Fund Balance:

Beginning of year	4,020,294
End of year	\$ 3,789,829

Net debt at December 31, 2011 \$ 4,249,838

Date of last maturity of debt March 1, 2026

Assessed valuation of 2011 real estate \$ 265,933,450

The summary information shown differs from accounting principles generally accepted in the United States of America. Significant differences are as follows: governmental interfunds are netted; budgetary comparisons are not presented; fiduciary funds are not included; component units are not included; footnote disclosures and account groups are excluded; government-wide financial statements are not included; Management's Discussion and Analysis is not included; and information is shown in total instead of reflected by individual major and non-major funds.

(Concluded)