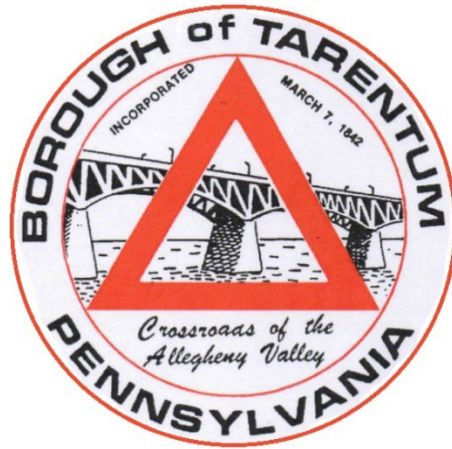


2025 Draft Budget

Manager Narrative and Budget Overview



Presented to Borough Council on

Tuesday, November 12, 2024

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Letter to Council and Mayor

November 12, 2024

Municipal Council and Mayor Lang:

On behalf of Borough staff, I am pleased to present the 2025 Fiscal Budget, reflecting our commitment to delivering essential services efficiently and sustainably. From maintaining roads, stormwater systems, and utilities to ensuring public safety, recreation, and other critical services, we carefully evaluated every aspect of operations in preparing this budget. Despite challenges like limited resources and a lack of regular property reassessments, the Borough remains focused on balancing community needs with responsible financial management—challenges shared by municipalities across Allegheny County, Pennsylvania, and the nation.

The 2025 Budget emphasizes infrastructure maintenance and long-term stability. To address rising costs and sustain essential services, I recommend a gradual tax increase paired with cost-saving measures. This phased approach includes a modest 0.5-mill increase in the first year, followed by smaller adjustments over several years, which Council will review. Part of this increase is a dedicated 0.5-mill tax for fire equipment, as our fire departments face growing costs, reduced donations, fewer volunteers, and aging equipment. Without added funding, our ability to provide reliable fire services could be compromised. This incremental increase is necessary to maintain high-quality services for our residents.

Impact of County Reassessment Policies on Tax Revenue

An ongoing challenge in planning our budget is Allegheny County's lack of regular property reassessments. The county has not conducted a countywide reassessment since 2012. This policy directly affects the Borough's ability to generate sufficient tax revenue and creates growing disparities between longtime homeowners and recent homebuyers. New homeowners often shoulder a disproportionate share of property taxes, while properties that have not been recently reassessed continue to be taxed at outdated values, limiting our tax base growth.

Without routine reassessments, our property tax revenue fails to reflect actual market values, making it increasingly difficult to fund essential services and improvements. Regular reassessments would provide a more equitable distribution of tax responsibility and enhance the Borough's ability to meet rising costs and community needs. This structural issue highlights the importance of incremental tax increases, as we are forced to rely more heavily on millage adjustments rather than the more balanced growth that accurate assessments would support.

For context, our real estate tax rate has remained unchanged since 2004, generating around \$550,000 in annual revenue. To match the purchasing power we had in 2004, our current millage rate would need to increase by about 3 to 4 mills, reaching approximately 8.51 mills. However, I am not requesting this full increase now. Instead, the phased approach would gradually bring us closer to this target over several years, allowing us to adjust thoughtfully to rising expenses while maintaining essential services.

Inflation has significantly impacted municipal expenses, from fuel and materials to wages and insurance premiums. For example, road salt, fleet fuel, and health insurance have all seen sharp cost increases. We've balanced our budget for many years without raising taxes—a 20-year accomplishment—but this

approach has grown increasingly difficult. We also can no longer rely solely on the electric fund to support a large share of the general fund, as this is not sustainable long-term.

Electric System Adjustments

As one of only 35 Pennsylvania municipalities with its own electric distribution system, Tarentum has delivered electricity to about 2,500 customers, with power purchased on the wholesale market. In the past, surpluses from our power fund have subsidized general operations, but with our current contract expiring, we now face nearly double the previous costs, driven primarily by rising capacity fees (payments to ensure sufficient power at peak demand times). This increase will impact utilities across the PJM Interconnection region, affecting Pennsylvania, Ohio, Maryland, and New Jersey.

To purchase the same amount of electricity we have historically used, we must add a 1.8-cent capacity fee across all power schedules. While the Borough itself does not need to raise its base cost per kWh, passing on this capacity fee is essential to maintaining a fiscally healthy electric system and supporting overall Borough operations. To provide residents with price stability, we recommend continuing the five-year plan started in 2024. This plan will help manage rising costs while keeping our electric system an asset for critical Borough projects.

Water System Improvements

Our water system has seen significant improvements through grants, allowing us to make essential upgrades. Streamlining operations, such as reducing shifts from three to two at the water plant, has cut overtime costs and improved employee work-life balance. These efficiencies help stabilize water services without a rate increase in 2025.

In adopting this budget, we recognize the importance of a forward-thinking approach that ensures the financial health of our community. By implementing modest, gradual adjustments, we aim to shield residents from the potential burden of significant tax increases in future years. These incremental steps help us to address the rising costs of essential services—a reality that has become more pressing over the past twenty years. Together, with Council's foresight and community support, we are creating a path toward a more stable and hopeful future for Tarentum. We look forward to a Borough that is not only resilient but positioned to thrive for generations to come.

If you have any questions regarding the 2025 budget or have additional questions or concerns about any other matter, please do not hesitate to contact the office at (724) 224-1818. Thank you, and we look forward to another year of continued progress and revitalization.

Sincerely,

Dwight Boddorf, MPPM
Borough Manager

Fund Information and Highlights

Fund 01 GENERAL FUND

The General Fund is associated with ongoing or daily operations of the Borough.

- Real Estate Tax revenue is anticipated to remain steady based on property assessments by Allegheny County.
- Expenses have increased due to ongoing contractual obligations, inflation, and personnel costs.
- We do not need to increase sanitation costs for 2025.
- We propose continuing the Borough's blight removal program.

Fund 03 FIRE PROTECTION FUND

The Fire Protection Fund is a newly established fund specifically for fire protection services and equipment within the Borough.

- This fund will support acquiring and maintaining fire equipment and resources dedicated to fire prevention and response.

Fund 04 SPECIAL REVENUE AND GRANTS FUND

The Special Revenue and Grants Fund is another newly established fund that manages and tracks specific revenue sources and grant-funded projects outside the General Fund.

- This fund supports targeted programs funded by grants or other special revenue sources and ensures compliance with spending regulations tied to these revenues.

Fund 06 WATER FUND

The Water Fund is a proprietary fund associated with the Borough's water infrastructure collection, treatment, and maintenance.

- Several years' worth of planned upgrades will start in 2025, which will be made possible through a grant and Borough funding.
- I am not recommending a water rate increase for 2025

Fund 07 ELECTRIC FUND

The Electric Fund is a proprietary fund associated with the Borough's maintenance of the electric grid infrastructure.

- A new five-year contract begins in 2025
- Due to a surge in capacity costs, we recommend including a \$.018 capacity fee across all power schedules.
- A new bucket truck will be delivered in 2025, which is necessary for electrical operations
- The 2025 budget, as presented, recommends a price increase due to capacity costs rising and the continuation of incremental annual increases to stabilize energy rate increases for residents over the next five years.

Fund 08 SEWER FUND

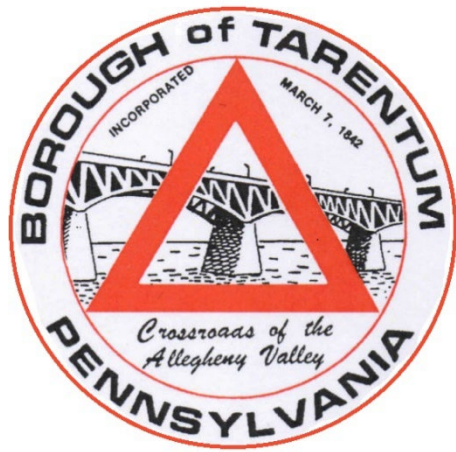
The Sewer Fund is an independent fund associated with the Borough's combined sanitary sewer infrastructure maintenance.

- A PA Supreme Court decision is expected within a few months regarding how municipalities may or may not charge for stormwater. This decision will shape the Borough's policies on stormwater fees moving forward.

Fund 30 CAPITAL FUND

The Capital Fund is associated with infrastructure and major equipment purchases. Some projects include, but are not limited to, the following:

- Water plant electrical and mechanical upgrades
- Leak detection for the water system
- Records digitization and conversion
- Riverfront planning
- A complete list of projects can be found on page 38 of this document.



Borough Overview

One of 130 municipalities in Allegheny County, Tarentum Borough is uniquely situated along the Allegheny River and is just south of the tri-county point of Allegheny, Armstrong, and Westmoreland Counties. The cornerstone of this thriving community starts with a beautiful riverfront park that features a stadium, a deck hockey court, a children's spray water park, and a covered amphitheater with outdoor seating, restrooms, and concessions. Furthermore, the Borough boasts riverfront parks, playgrounds, full-time police, fire and EMS services, and a thriving local business community.

Tarentum By the Numbers



Population:
4,352



Household Median
Income: \$ 41,466



Education:
15% Bachelor's
Degree or Higher



Employment:
51.9%



Median Age:
46.2 Years



65 or Older:
20.8%

Sources

US Census Bureau:

https://data.census.gov/profile/Tarentum_borough,_Allegheny_County,_Pennsylvania?g=060XX00US4200376104

Borough Officials

Name	Title	Seat	Status	Contact
Bob Lang	Mayor	Mayor	Elected Official	blang@tarentumboro.com
Scott Dadowski	Council President	2 nd Ward	Elected Official	sdadowski@tarentumboro.com
Lou Ann Homa	Council Vice-President	1 st Ward	Elected Official	lhoma@tarentumboro.com
Kevin Bertocki		2 nd Ward	Elected Official	kbertocki@tarentumboro.com
Brian Nolan		3 rd Ward	Elected Official	bnolan@tarentumboro.com
Maggie Smith		At-Large	Elected Official	msmith@tarentumboro.com
Raymond Kerr		1 st Ward	Elected Official	rkerr@tarentumboro.com
Susan Clark		3 rd Ward	Elected Official	sclark@tarentumboro.com

Duties of the Mayor:

Pursuant to the Pennsylvania Borough Code, the Mayor shall have the duty to preserve order in the Borough, enforce the ordinances and regulations of the Borough, and perform any other duties as shall be vested in the Mayor's office by law or ordinance.

The Mayor shall sign papers, contracts, obligations, and documents as may be required by law.

Lastly, the Mayor may also collect any costs and fees received and pay the money into the treasury to report to the Council from time to time on the state of the Borough and to make recommendations to the Council on matters of borough concern.

Functions of Council:

The Borough Code gives the Borough Council general supervision of the Borough's affairs. As such, council members must assume many roles found in separate branches or levels of state and federal governments. Specifically, council members serve in legislative, executive, and administrative capacities.

Council serves as the legislative body of the Borough, setting policy, enacting ordinances and resolutions, adopting budgets, and levying taxes. Council members also represent the Borough and its concerns before other municipal governments, the state and federal governments, and private sector entities.

The Council also performs executive functions, including preparation of the annual budget, proclaiming municipal events, hiring employees, and appointing members to borough authorities, boards, and commissions. Certain executive functions, such as representing the Borough at official functions, are often performed by the President of Council.

Council members also play a role in the administrative activities of municipal governments, overseeing day-to-day borough operations. In this capacity, council members provide for enforcing local laws and regulations, managing personnel, and purchasing equipment, materials, supplies, and services. Council members, as administrators, are actively involved in the financial management of the Borough and are responsible not only for the collection of monies earned through taxes, service charges, and grants but also for seeing that municipal funds are spent in accordance with approved municipal budgets.

A number of boroughs in Pennsylvania, including Tarentum, have hired a professional borough manager to direct operations on behalf of Borough Council.

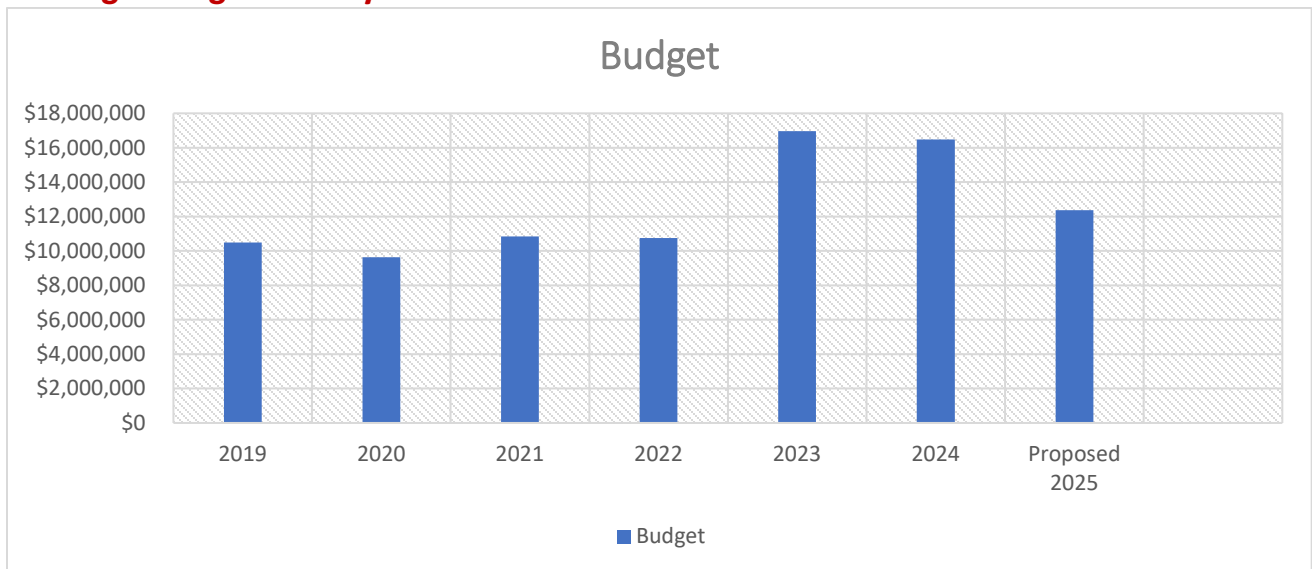
Council members also possess many other duties. Some examples are:

- Meet with residents to obtain input on borough programs and policies.
- Meet with other elected officials and borough staff on issues of general governance.
- Review technical reports from engineers, planners, and other professionals.
- Attend county and borough meetings and conferences.
- Participate in inspecting problems or reviewing proposals identified by residents.
- Report on the status of local government affairs to concerned residents.

Professional Services

Name	Title	Firm
Eric Dee	Solicitor	Avolio Law Offices
Dan Schmitt	Engineer	Gibson-Thomas Engineering
Mark Turnley	Auditor	Mark Turnley and Associates
Dave Gusmar	Insurance Agent	Altany Insurance

Borough Budget History



Real Estate Tax History

The last millage increase for Tarentum Borough occurred in 2004 when the millage was set to the current rate of 5.48 mills. This rate equates to a tax liability of \$548 per \$100,000 of assessed real estate value. The 2025 proposed budget incorporates a new tax strategy.

Tax Breakdown

	Tarentum Borough ⁱ	Allegheny County	Highlands School District ¹	Total
Millage Rate	5.48 mills	4.73 mills	25.13 mills	35.34 mills
Percentage of Total Taxes	15.50%	13.4%	71.1%	100.00%
Average Residential Tax Bill	\$ 235	\$ 203	\$ 1,069	\$1,507
Average Residential Assessment: \$ 42,560 ²				
Average Commercial Tax Bill	\$ 834	\$ 720	\$ 3,897	\$5,451
Average Commercial Assessment: \$ 155,065 ³				
Average Industrial Tax Bill	\$ 1,120	\$ 966	\$ 5,133.96	\$7,219.96
Average Industrial Assessment: \$ 204,296 ⁴				

Currently, for every dollar (\$100.00) of real estate taxes paid by Borough residents, the following represents the distribution of the tax payment.

\$16.00	Tarentum Borough
\$ 13.00	Allegheny County
\$ 71.00	Highlands School District
\$ 100.00	Total

Tax Policy Update: Addressing the Need for Change

Historical Context: The Borough of Tarentum has not raised taxes for the past 20 years. During this period, we have increasingly depended on subsidies from the electric fund to support our general fund operations. While this strategy has provided short-term relief, it presents several critical challenges that we must address to ensure long-term financial health and sustainability.

Challenges of Relying on the Electric Fund

1. Financial Sustainability Relying on the electric fund to support our general operations is not a sustainable long-term strategy. This dependence places excessive pressure on the electric fund, potentially hindering our ability to maintain and upgrade essential electric infrastructure in the future.

2. Budget Flexibility Heavy reliance on the electric fund means that fluctuations in electric revenue can directly impact our ability to provide essential services and respond to unexpected financial needs. This dependency limits our budgetary flexibility and resilience.

3. Fairness Using the electric fund in this manner means that electric customers are shouldering a disproportionate share of the Borough's financial burden. This approach may not be equitable to all residents and could lead to dissatisfaction within the community.

4. Lost Investment Opportunities Funds diverted from the electric fund for general use could otherwise be invested in enhancing our electric infrastructure. Such investments would improve reliability and potentially reduce future costs, benefiting the community in the long term.

Proposal for a Gradual Tax Increase

Given these issues, we are considering a tax increase this year. However, rather than implementing a significant tax hike all at once, we propose a phased approach to gradually raising taxes over a few years as well as targeting specific needs such as fire services. This strategy offers several key benefits:

1. Gradual Adjustment Incremental tax increases allow residents to adjust their budgets over time, minimizing financial strain and reducing the likelihood of economic shock.

2. Economic Stability Gradual increases help maintain economic stability by avoiding sudden reductions in consumer spending and investment, which can occur with a large one-time tax hike.

3. Predictability and Planning A phased approach provides predictability, allowing both the Borough and residents to plan more effectively for the future. This predictability enhances financial planning and community confidence.

4. Inflation Adjustment Incremental increases allow us to adjust tax rates in line with inflation, ensuring that the real value of our revenue is maintained. This adjustment helps to preserve the Borough's financial health in an evolving economic environment.

We aim to create a more sustainable, fair, and resilient financial framework for the Borough of Tarentum by addressing these challenges and implementing a gradual tax increase. This proactive approach ensures that we can continue to provide essential services and invest in our community's future prosperity.

For a home at Tarentum's median assessed value (According to County) of \$40,000:

- **Current millage:** 5.48 mills
- **Current tax:** \$219.20
- **Suggested millage:** 5.98 mills (including 0.5 mills fire tax)
- **New tax:** \$239.20
- **Increase:** \$20.00 per year

For a home assessed at \$100,000:

- **Current millage:** 5.48 mills
- **Current tax:** \$548.00
- **Suggested millage:** 5.98 mills (including 0.5 mills fire tax)
- **New tax:** \$598.00
- **Increase:** \$50.00 per year

Financial Goals and Policies

The Borough of Tarentum has an important responsibility to its citizens to carefully account for public funds, to manage municipal finances wisely, and to plan the adequate funding of services. The Borough Council adopts financial management and budgetary policies to provide sound principles for planning the Borough's current and future needs.

The financial goals of the Borough of Tarentum are broad, fairly universal statements. These goals are stated as follows:

- To preserve the quality of life in the Borough through the proper financial management of its resources and to fund a sufficient level of municipal services required for the maintenance of the Borough's infrastructure.
- To have the ability to withstand local and regional economic shocks, adjust to changes in our community's service requirements, and respond to changes in Federal, State, and County priorities and funding as they affect the Borough's residents.

The financial and budgeting policies that follow are proposed to meet these goals.

1. The Borough will maintain a balanced budget by paying for all current expenditures with current revenues and fund balance. The Borough will avoid budgetary procedures that balance current expenditures at the expense of future years, such as postponing expenditures, underestimating expenditures, overestimating revenues, or utilizing short-term borrowing as tax anticipation loans (TANs) to balance the budget.
2. The budget will provide adequate maintenance and repair of capital assets and orderly replacement.
3. The budget will provide adequate funding for all retirement plans and other employee benefits.
4. The Borough's Finance Officer will prepare monthly reports of revenues and expenditures for the Borough Council and Department Heads.
5. Enterprise funds, such as water and electricity, must be self-supporting.
6. The Borough will seek available state and federal funds for operating and capital projects.
7. The Borough will encourage the delivery of services, in whole or in part, by other public and private organizations whenever and wherever greater efficiency and effectiveness can be expected.
8. The Borough will utilize technology and productivity advancements that will help reduce or avoid increasing personnel costs.
9. The Borough will seek arrangements to share services with other municipalities where cost reductions can be achieved and where the quality of service will not be endangered.

Budget Preparation and Adoption

The Borough of Tarentum establishes an Annual Budget following the process outlined below that integrates the requirements of Title 8 of the Pennsylvania Consolidated Statutes that govern Boroughs and Incorporated Towns, otherwise known as the Borough Code.

Budget Preparation

1. At regularly scheduled Council meetings and individual discussions, the Borough Manager and Finance Director gather data on goals and projects that will impact the budget for the upcoming year.
2. Previous budgets and departmental budget worksheets are distributed to the Chief of Police, Zoning and Code Enforcement, Public Works Director, and the Water Plant Director Officer to gather information on departmental needs and requests.
3. After the worksheets are collected, the Finance Director and Borough Manager compile both the requests of Staff and Council into an initial draft budget.
4. Borough Council reviews the initial draft budget and can request modifications until the Council Workshop meeting on November 14th.

Proposed Budget

1. The Borough Manager and Finance Director prepare the Proposed Budget document, integrating any modifications requested by the Borough Council, for presentation at the Council Meeting that is held on November 12th.
2. After discussion and final review by Council the Borough Council tentatively adopts the Proposed Budget and moves to advertise said budget in a locally circulated publication.

Advertisement Period

1. Per Chapter 13 of the Pennsylvania Borough Code, the Proposed Budget document is advertised for 14 days and becomes available for review by the public. The document is made available for review both in person at the Borough Offices and online at the Borough's official website, <http://www.tarentumboro.com>

Budget Adoption

1. After public input and direction from Council, the Borough Manager and Finance Director prepare the Final Budget for adoption.
2. The Final Budget for adoption is presented to the Borough Council at the first regular meeting of December for review and then formally adopted by ordinance.
3. The Final Adopted Budget is made available to the public via the Borough's website and Borough Offices.

Budget Management

1. Throughout the budget year, the Finance Director produces monthly reports tracking spending year to date to identify actual spending that was budgeted. These reports are shared with both

- Staff and Borough Council and made public for review by taxpayers and residents.
2. As deviations or exceptions are made within spending and/or projects are planned for the upcoming budget year, the Finance Director and Borough Manager make notes of adjustments that need to occur within the following year's budget to ensure accurate and conservative estimates are moving ahead.

Budget Timeline

Date	Event
8/15/2024	Distribution of the Previous Year's Budget to Staff and Council
09/09/2024	Initial Drafting of Budget
09/23/2024 - 10/31/24	Staff and Department Reviews of Budget
10/06/2024	Council Meeting – Review of budget requirements and overview
11/8/2024	Council preview of the draft budget via hardcopy/email
11/12/2024	Council Business Meeting - Tentatively Adopt or Change Budget
11/13/2024	Submit advertisement to Triblive for 14 days
11/14/2024	Budget Advertisement available in Triblive and on Borough Website
12/10/2024	Adopt Final Budget
12/10/2024	Publish Final Budget

2025 Budget at a Glance

Unrestricted/Earmarked Funds

Unrestricted funds are flexible and can be used for any operational need of the organization. However, earmarked funds within this category are informally designated by the organization for specific uses, but unlike restricted funds, this designation can be altered if necessary.

Total Revenues: **\$ 12,373,191.84**

Total Expenditures: **\$ 12,373,191.84**

Fund #		Expenditures	Revenue	Difference
01	General Fund	\$ 4,709,901.55	\$ 4,709,901.54	0.00
06	Water Fund	\$ 1,751,173.57	\$ 1,751,173.57	0.00
07	Electric Fund	\$ 5,388,267.04	\$ 5,388,267.04	0.00
08	Sewer Fund	\$ 523,849.68	\$ 523,849.68	0.00
Total		\$ 12,373,191.84	\$ 12,373,191.83	-0.01

Restricted Funds

These are funds designated for a specific purpose, usually set by donors, grant agreements, or regulations. They must be used for the intended purpose only, such as a particular project, program, or capital expenditure, and cannot be diverted to other expenses.

Total Revenues: **\$ 9,479,752.93**

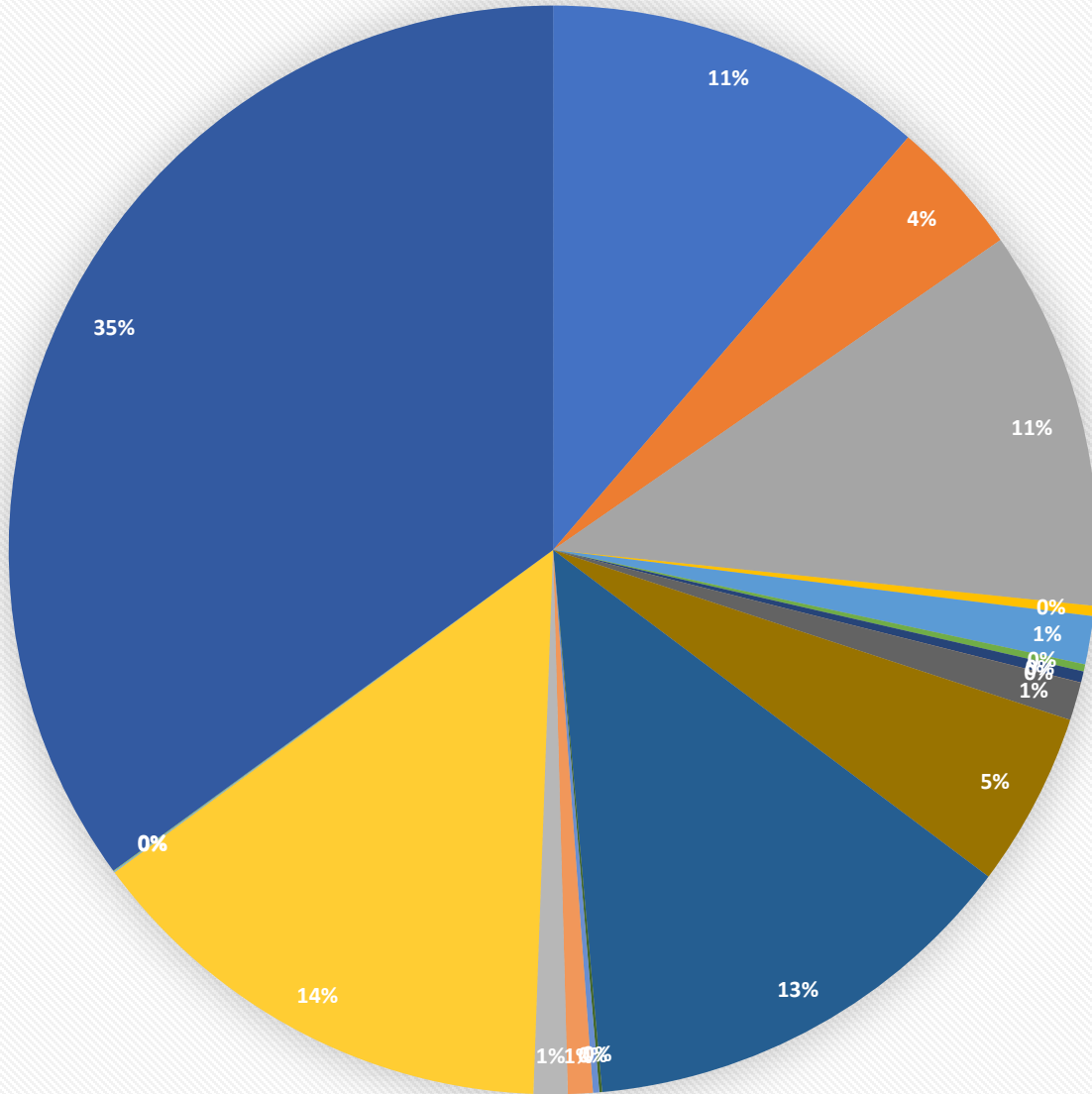
Total Expenditures: **\$ 9,479,752.93**

Fund #		Expenditures	Revenue	Difference
03	Fire Protection Fund	\$ 44,000.00	\$ 44,000.00	0.00
04	Grants and Special Revenue Fund	\$ 4,295,541.99	\$ 4,295,541.99	0.00
05	Recreation Fund	\$ 21,096.83	\$ 21,096.83	0.00
30	Capital Reserve Fund	\$ 4,896,288.20	\$ 4,896,288.20	0.00
35	Liquid Fuels Fund	\$ 218,825.91	\$ 218,825.91	0.00
60	Pension	\$ 4,000.00	\$ 4,000.00	0.00
Total		\$ 9,479,752.93	\$ 9,479,752.93	0.00

The entire budget is attached to this document as Appendix A.

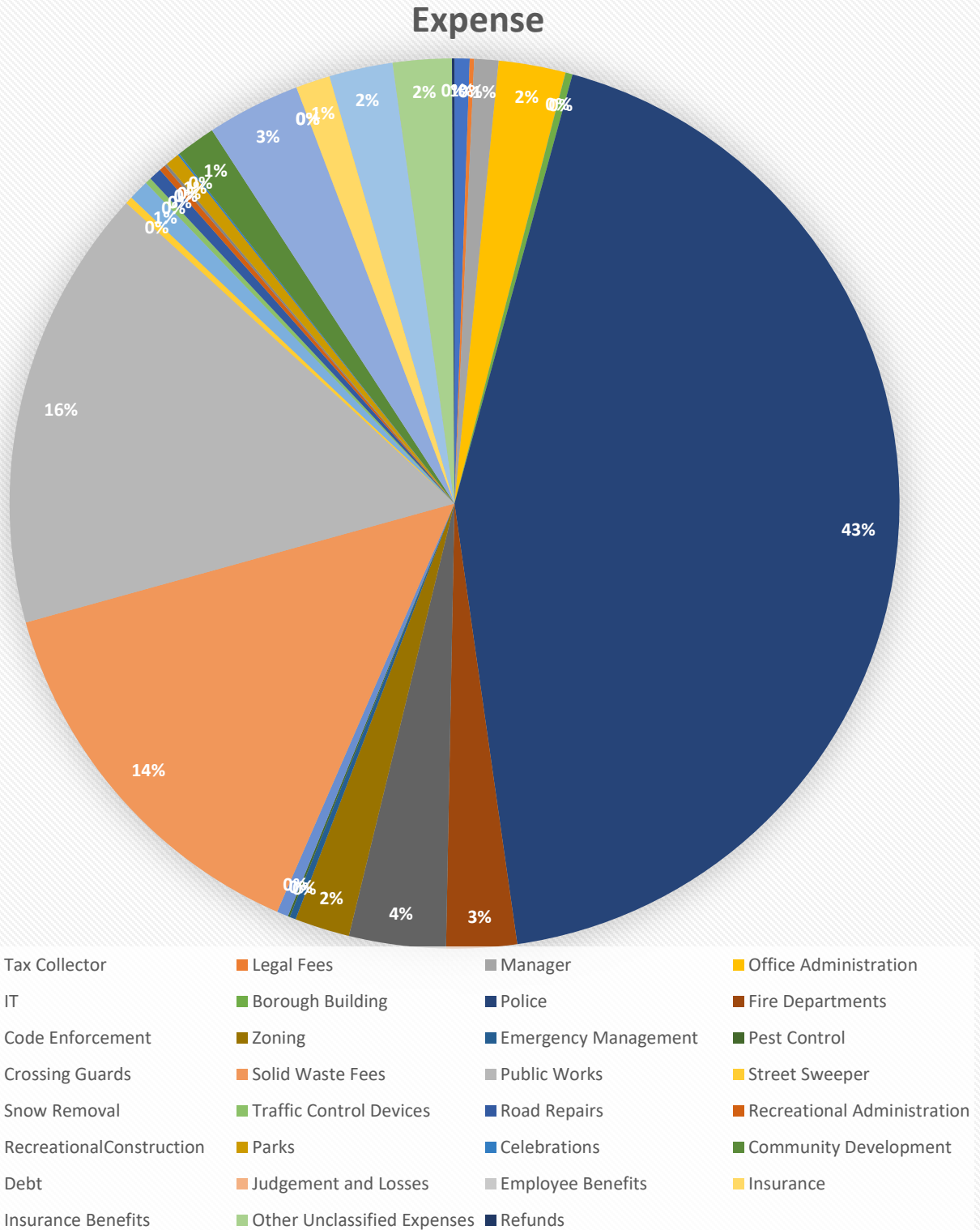
General Fund Revenue Chart

Revenue



- Property Taxes
- Penalties & Interest
- Fines
- State Shared Revenue
- General Government
- Sanitation
- Interfund Transfers
- Sales Tax
- Business Licenses & Permits
- Interest Earnings
- Intergovernmental Services
- Public Safety
- Recreational Revenues
- Local Enabling Tax
- Non-Business Licenses & Permits
- Rents & Royalties
- PILOT
- Highways & Streets
- Other Revenues

General Fund Expense Chart



Services, Programs, and Operations Overview

Several programs or operations within any organization are not well-known outside those departments. Municipal government is no different. While line items exist on the budget, they often are insufficient to explain the major services, programs, and operations within the Borough. The following information is being presented alongside the budget to help the public understand what those line items' budgets pay for.

Note: this document provides a general overview and does not include every service or program the Borough provides.

Police Department

Police Patrol Services

Program Mission: *To provide public safety, emergency response, and crime deterrence.*

Program Description: This program directs, regulates, instructs, and supports the Police Department's operations in meeting the Borough's operational and strategic goals in the area of Patrol Services. The program provides management accountability over all Patrol Services functions, including Traffic and Foot Details, Enforcement, and Training.

Police Community Services

Program Mission: *To provide community education, coordination, crime prevention, and youth services.*

Program Description: This program directs, regulates, instructs, and supports the Police Department's operations in meeting the Borough's goals in the area of Community Services. The program provides management accountability over all Community Services functions, including programs and special events, school crossing guards, parking and code enforcement, and equipment and fleet coordination.

Police Support Services

Program Mission: *To provide public safety, emergency response, and crime deterrence by providing support services such as investigations, records, and administration.*

Program Description: This program directs, regulates, instructs, and supports the Police Department's operations in meeting the Borough's operational and strategic goals in the area of Support Services. The program provides management accountability over all Support Services functions, including the Investigations Section, Administrative Support, and Records Support. This includes liaison with local, state, and federal investigative agencies and the County Major Crime and Drug Task Forces.

2024 Program Accomplishments

- Standardized equipment for all officers and vehicles, including newly acquired Brackenridge vehicles
- Add additional sections of Tarentum and Brackenridge Boroughs to the current camera system
- Update web presence and forms for ease of use
- Continue to align the Tarentum and Brackenridge ordinance for consistency in policing between the two communities
- Updated building security systems

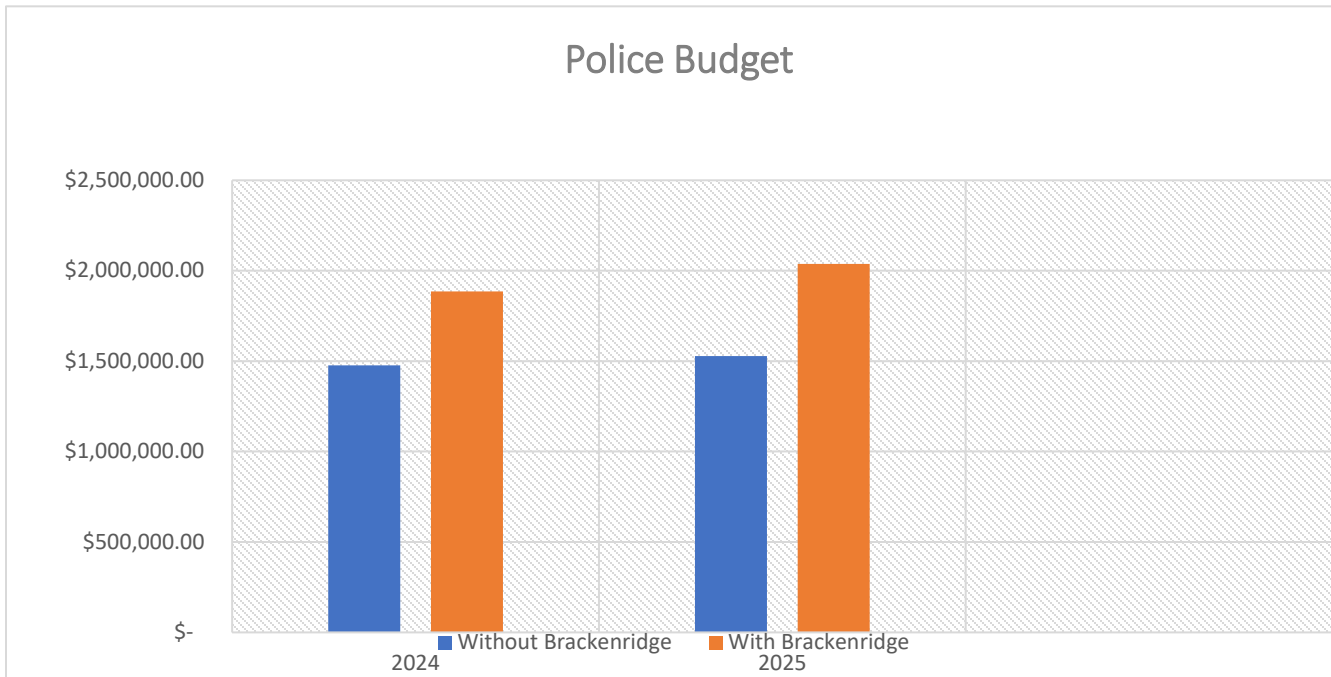
2025 Objectives

- Add additional sections of Tarentum and Brackenridge Boroughs to the current camera system
- Creation of K9 Unit
- Purchase of and training for a police drone
- Continue to secure community and grant funding for the annual backpack giveaway

Notes on Tarentum and Brackenridge Shared Policing

Borough officials from Brackenridge and Tarentum entered an intergovernmental agreement on 08/01/2023 for shared Police Services between the two communities. The contract encompasses various policing services, from patrols and investigations to training and community initiatives aligned underneath Tarentum Borough. Brackenridge will reimburse Tarentum monthly for the cost of three officers for an initial contract length of five years. By leveraging the Brackenridge officer's knowledge and resources, Tarentum and Brackenridge will reap the benefits of increased efficiencies, streamlined services, and enhanced law enforcement capabilities.

2025 Police Budget:



Cost Per Officer

2024: \$144,965.96

2025: \$145,559.48

Difference: .41% increase in cost per officer

Notes:

1. The agreement between Tarentum and Brackenridge requires that Brackenridge Borough fill and pay for a fourth officer position in 2025.
2. The collective bargaining agreement has a contractual 4 % increase in pay per year for each officer.
3. We estimate that workers' compensation and overtime will be lower than last year.

Code Enforcement

Subdivision & Land Development

Program Mission: *To assure compliance with subdivision, land development, and stormwater management ordinances.*

Program Description: This program administers the Borough of Tarentum's Subdivision & Land Development Ordinance and Stormwater Management Ordinance by reviewing plans for development and redevelopment. Borough Planning Commission recommendations, Allegheny County Planning Commission recommendations, and staff recommendations are presented to the Tarentum Borough Council for appropriate actions.

Code Enforcement, Public Safety, & Permits

Program Mission: *To assure compliance with building and property maintenance codes.*

Program Description: This program provides for public health, safety, and welfare by administering Borough and State codes. This includes many ordinances, including building and property maintenance codes, zoning, stormwater, and other local ordinances. These codes regulate the use and maintenance of public and private properties and any structures thereon. Administration includes responding to and investigating complaints, plan review and issuance of permits, inspections of construction in progress, issuance of certificates of occupancy, issuance of violation notices and citations, and coordination of rental inspections.

2024 Program Accomplishments

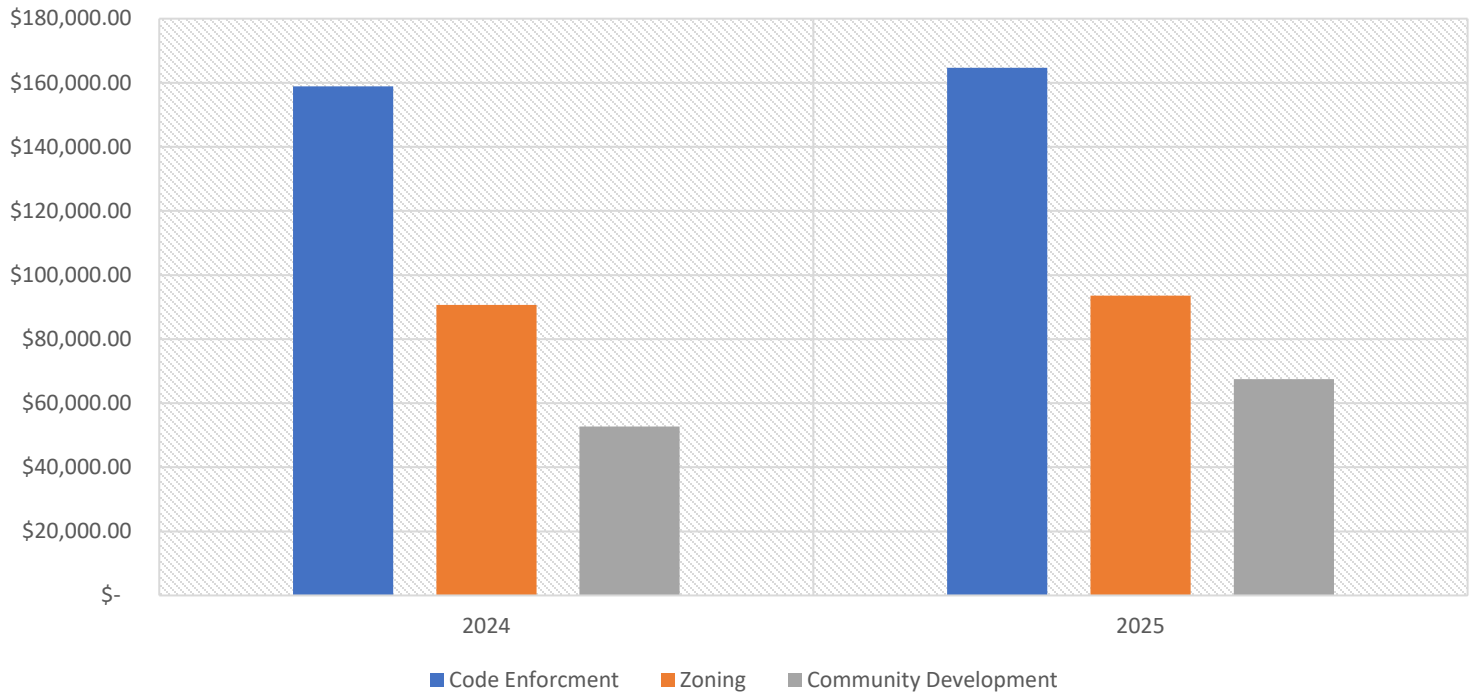
- Continue with the Omnibus demolitions plan
 - As of 2024 approximately 65 blighted properties have been demolished.
- Review and update zoning ordinances
- Continued update the official Borough zoning map
- Update web presence and forms for ease of use
- Vacant property cleanup

2025 Objectives

- 628 -630 East 9th Avenue for Demo
- Dreshar Stadium for Demo
- Work with Allegheny County on the final review and update the official Borough zoning map
- Continue to encourage residents to utilize VRRP
- Continuation of the demolition program
- Refine code enforcement techniques and reporting

2025 Code Enforcement Budget:

Code, Zoning, Development



- Left Blank Intentionally -

Engineering and Public Works

MS4 Stormwater Maintenance

Program Mission: *To comply with the Department of Environmental Protection Agency's Municipal Separate Storm Sewer System (MS) Program requirements by ensuring the stormwater system functions properly.*

Program Description: This program provides drainage systems to convey stormwater runoff from the streets of the Borough. Work activities include the replacement of storm sewer pipes and inlets and cleaning grates, collection boxes, and storm sewer pipes to ensure the proper performance of all stormwater facilities.

Engineering Services

Program Mission: *Plan and implement all capital projects and develop strategies to improve operating efficiencies and infrastructure preservation.*

Program Description: This program provides capital improvement planning, engineering, surveying, project plan and bid document preparation, inspections, document management, and project management services to all areas of the Borough. This function is contracted out to Gibson-Thomas Engineering.

Property Maintenance

Program Mission: *To maintain Borough buildings in excellent condition.*

Program Description: This program provides maintenance, repair, and custodial services to Borough buildings. In addition, this program includes the surveillance and treatment of mosquito breeding areas in Borough parks and other properties.

Street Maintenance

Program Mission: *To improve the condition of Borough streets and alleys.*

Program Description: This program provides roadway maintenance for the streets and alleys in the Borough. Maintenance includes utility cut restorations, winter damage restorations, stabilization of sinkholes, crack sealing, and pothole repairs. All activities within the program support the Community Goals of improving the image of the Borough and providing a safe community environment.

Street Signs and Markings

Program Mission: *To provide clear and appealing road signage to assist traffic flow and safety.*

Program Description: This program involves the fabrication, installation, and maintenance of traffic signs, street name signs, pavement, and temporary signs and barricades for regulatory, warning, and traffic guide purposes. This program focuses on standardizing signs in type, size, and lettering to improve the Borough's aesthetics while meeting PennDOT's requirements.

Street Cleaning

Program Mission: *To maintain streets free of debris and litter and provide a clean Central Business District area.*

Program Description: This program focuses on community aesthetics and reducing debris load to creeks and streams by performing routine and preventative maintenance in the Central Business District and cleaning Borough streets and parking lots via a vacuum sweeper.

Snow and Ice Control

Program Mission: *To treat and plow streets and alleys and clear public sidewalks following winter precipitation events.*

Program Description: This program provides salting, plowing, and snow removal of streets and alleys as needed during the winter to provide for safe and efficient traffic movement following winter precipitation. This program also includes the clearing and de-icing of sidewalks, driveways, and parking lots on Borough-owned property and emergency services stations.

Fleet Maintenance

Program Mission: *To have Borough vehicles available and functional when needed by employees.*

Program Description: This program provides maintenance and repairs to Borough vehicles, including state inspections, preventative maintenance, and emergency repairs to the fleet. In addition, it also provides maintenance and repairs to all of the Borough's small equipment, such as pumps, saws, and more.

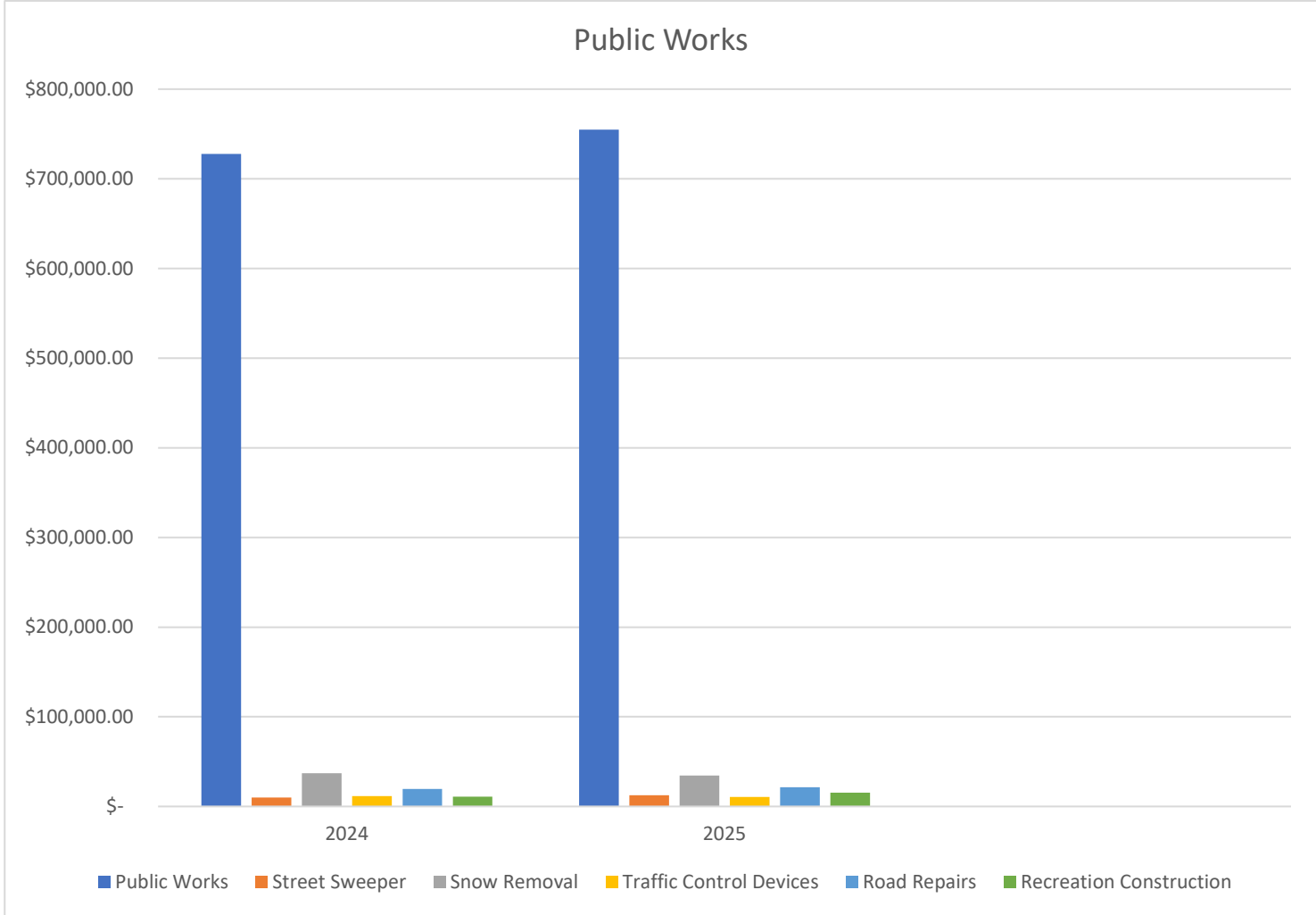
2024 Program Accomplishments

- Observed and inspected MS4
- Tree trimming
- Pole replacement for 15 poles
- Curb and crosswalk painting

2025 Program Objectives

- Tree trimming
- Paving program
- Pole replacement for 15 poles
- Creation of a road evaluation program to assess existing conditions of roads and assign priority maintenance and paving

2025 Public Works Budget:



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Parks and Recreation

Parks Operations & Maintenance

Program Mission: *To provide safe and enjoyable recreational facilities and programs.*

Program Description: This program provides parks, open spaces, and recreation opportunities to enhance residents' quality of life. Maintenance services include maintaining park facilities and equipment, inspecting playgrounds for safety issues, maintaining athletic fields, maintaining trees, and snow removal.

Spray Park

Program Mission: *To provide a safe, operation-efficient, and enjoyable outdoor spray park.*

Program Description: This program operates an outdoor spray park that provides opportunities for friends, neighbors, and families of the Tarentum Borough to interact with one another during an enjoyable aquatic experience.

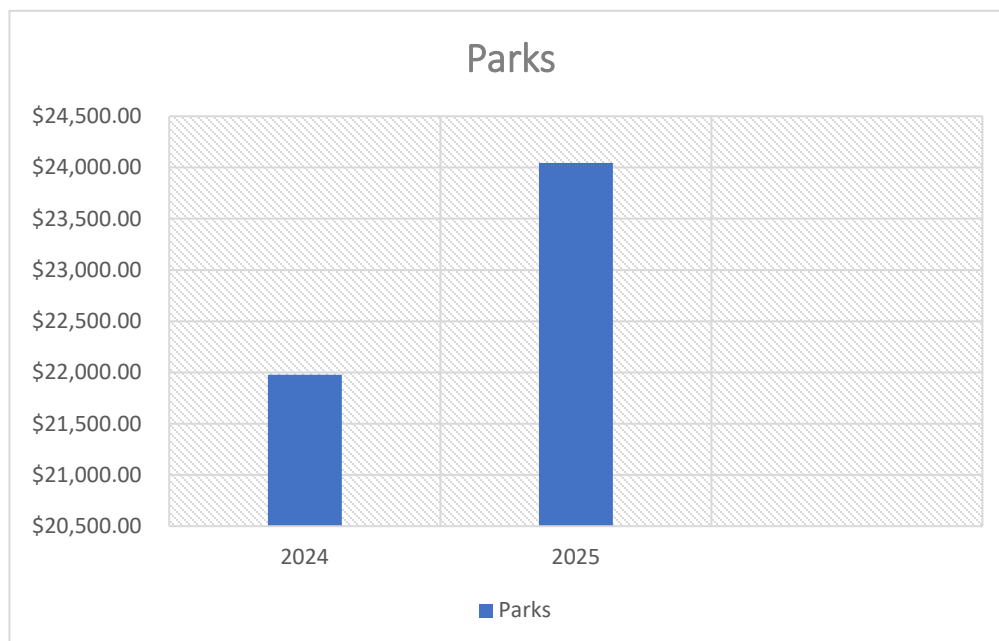
2024 Program Accomplishments

- Paint and repairs to Snack Shack
- Clean debris on the riverfront
- Start long-term park plan
- Create a sitting space at 215 Corbet Avenue

2025 Program Objectives

- Repair park signs
- Clean the remaining debris on the riverfront
- Continue with the long-term park plan

2025 Parks Budget:



Administration Division

General Management

Program Mission: *To oversee all aspects of the Borough's operations and policies and develop strategies to assure the future success of the Borough's organization.*

Program Description: The Office of the Borough Manager is the chief executive officer for all non-police programs. The Manager is responsible for transforming the guidelines established by the Borough Council into policies, procedures, and measurable action plans. The Manager also serves as the Borough secretary and communicates with the Borough Council, citizens, municipalities, customers, and employees.

Financial Management

Program Mission: *Assure fiscal accountability for Borough operations and meet all adopted fiscal management policies.*

Program Description: This program provides budgeting and fiscal management services to the Borough and the Tarentum Recreation Board. It is charged with maintaining an appropriate accounting system, monitoring the cash management functions, budget preparation, and monitoring and providing all treasury services. This activity also performs financial reporting to management and external agencies.

Customer Service

Program Mission: *To meet the needs of our customers by providing accurate information in a timely and courteous manner.*

Program Description: This program provides customer satisfaction through trained staff to offer knowledgeable, professional, and courteous service. Support is provided to Borough operating departments through clerical assistance, preparation of service requests, telephone inquiries, mail processing, accounts payable disbursements, central storage for office supplies, and office records retention and disposition. This program also provides online payment support for online users.

Collection Service

Program Mission: *Generate and collect utility bills.*

Program Description: This program is responsible for meter reading, generating customer utility bills, and ensuring accuracy in preparing those bills. Approximately 3,000 bills are printed and mailed each month. Services billed include electricity, water, and refuse. This program is also responsible for disconnection service notices and utilizing a collection agency when needed.

Employee Relations

Program Mission: *Build and institute human resources policies, practices, and programs that will lead to the success of our co-workers and enable the Borough to achieve its vision and mission.*

Program Description: This function aims to partner with uniformed and non-uniform employees and unions to deliver products and services, adding value to achieve the Borough's goals and objectives by maximizing its Human Resources. Human Resources leads and manages recruitment/selection, organization development, benefits, safety, policy administration, and labor relations, resulting in a high-performance work organization.

IT Technical Support

Program Mission: *To assure the reliability of computer hardware and software, providing users with the necessary information, as well as cybersecurity and safeguarding of data.*

Program Description: This program provides all Borough employees with computer hardware, software, and support. (Allegheny County provides support for software used by the Police Department.) Support includes installing and troubleshooting hardware and software, training, and ensuring high system performance and security levels. Up and Running Computer provides most of the IT Technical Support and is supplemented by Tarentum Borough administrative staff.

2024 Program Accomplishments

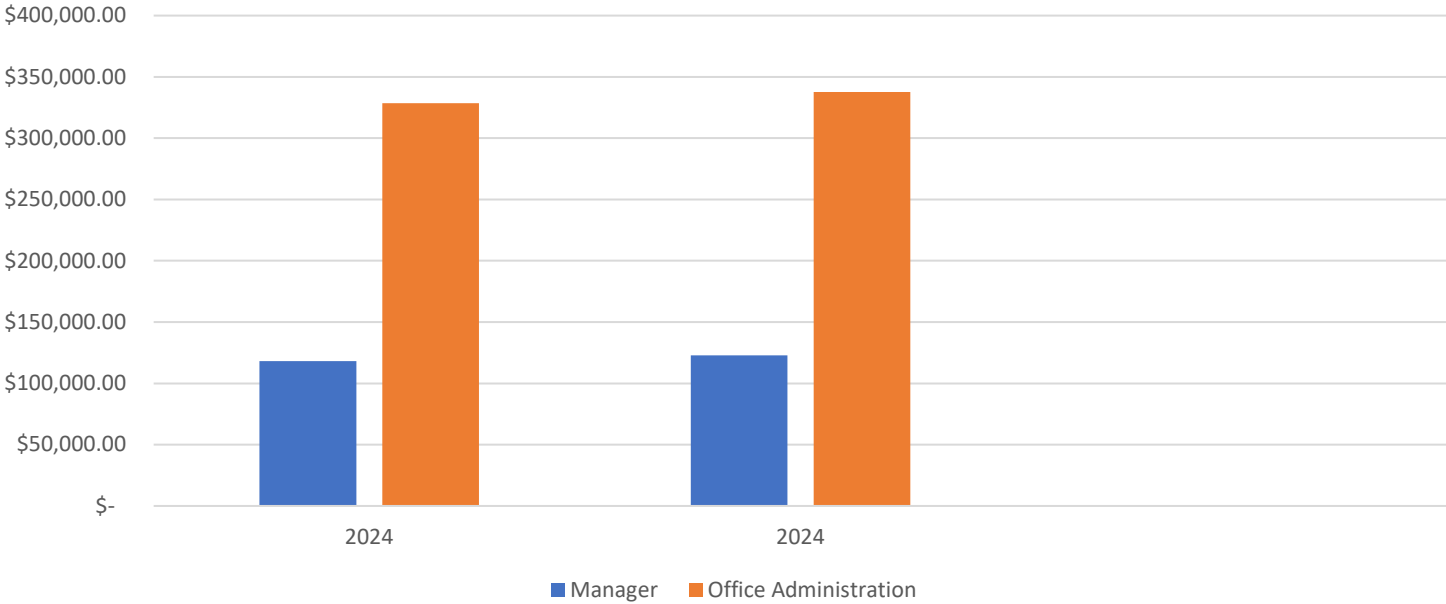
- Secured a new energy contract to provide electric utility rate stability
- Updated Borough's GIS maps for both water and electric utilities
- Start Borough Wide Manual
- Website updates
- Received over 1.6 million worth of grant funding
- Updated several sections of the Borough's electric ordinance
- Continue implementation of the Borough's long-range multi-municipal plan

2025 Program Objectives

- Continue to strategically apply for grant funding
- Continue to update website
- Finish Borough wide manual
- Continue cost savings measures
- Initiate a records digitization and conversion project
- Continue implementation of the Borough's long-range multi-municipal plan

2025 Administration Budget:

Office Admin Pay & Benefits
(Includes IT, Postage, Phone, Etc.)



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Fire Departments

Fire Department Overview and Support Statement

The Borough of Tarentum does not directly oversee the day-to-day operations of its fire departments, but we play an essential role in supporting their mission. We certify their operations, maintain ownership of certain buildings and fire engines, and contribute to their continued success by providing utilities and direct financial support. Our dedicated fire departments, staffed by committed volunteers, make it possible to keep fire protection costs significantly lower than if the Borough fully funded and operated the service. We deeply appreciate our fire department volunteers' invaluable service and dedication, whose work is vital to keeping our community safe and prepared.

Fire Protection and Response

Program Mission: To provide rapid, efficient, and effective fire protection, rescue, and emergency response services for the safety of all residents and properties in the Borough of Tarentum.

Program Description: This program includes fire suppression, emergency medical assistance, rescue operations, hazardous material response, and disaster management. Thier mission is supported through fire prevention education, training, and continuous equipment and technology upgrades. The department's staff is committed to maintaining the highest readiness and operational safety standards to protect life, property, and the environment in emergencies.

Fire Safety and Prevention

Program Mission: To reduce fire risks and promote safety awareness within the Borough of Tarentum through proactive education and prevention efforts.

Program Description: This program involves regular community outreach, educational sessions for residents, schools, and businesses, and building inspections to ensure fire code compliance. The fire department also organizes drills and events to raise public awareness and understanding of fire hazards, evacuation procedures, and fire prevention techniques.

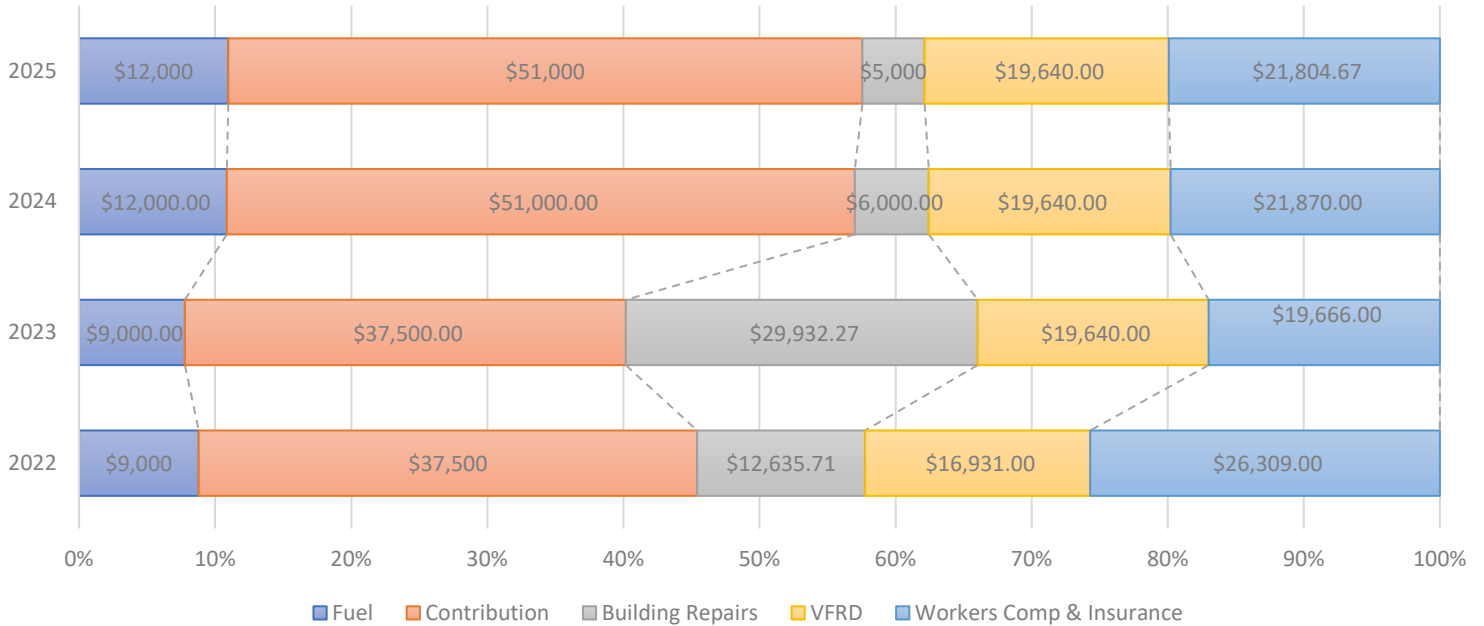
Fire Equipment and Fleet Maintenance

Program Mission: To maintain all fire department vehicles and equipment in peak condition for safe and reliable operation during emergencies.

Program Description: This program includes routine maintenance, repairs, and replacement of fire trucks, rescue vehicles, and specialized equipment. Additionally, this program ensures compliance with state inspections and safety standards, reducing downtime and ensuring that our fleet is always ready for rapid deployment.

2025 Fire Department Budget: This does not include the proposed fire tax.

Fire Departments)



Note*

If the proposed fire tax of .5 mills is approved, it will raise a projected \$44,000.00 in total, or about \$14,666.66 for each of the three departments.

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Electric Fund

Distribution System Operation & Maintenance

Program Mission: *To provide safe, reliable electric service to Borough customers.*

Program Description: This program operates and maintains the Electric Distribution System, serving over 2,500 residential, commercial, and industrial customers. This program aims to proactively predict and prevent system failures while delivering customers safe, reliable electric energy. This program also provides for traffic signal maintenance.

Management Support Services

Program Mission: *To provide management oversight and strategic planning services for electric operations to assure competitive rates.*

Program Description: This program's primary concern is procuring power and administering power supply contracts. In addition, it reimburses the General Fund for the administration's financial, accounting, billing, collections, and human resources support. Underfund transfers and debt service areas are budgeted into this program.

2023 Program Accomplishments

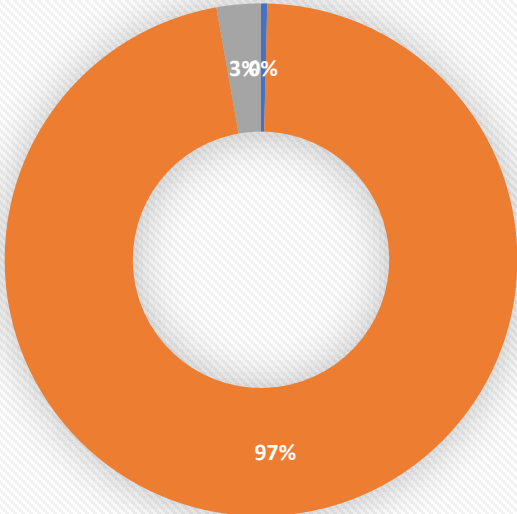
- Refined the use of the Sensus system to predict localized outages by monitoring single and group meter outage alerts from Sensus for increased reliability
- Increase staff training for all staff involved with the electrical system
- Pole replacement for 15 poles
- Meter replacements
- Upgraded traffic light at Freeport & Corbet

2025 Program Objectives

- Continue to refine the use of the Sensus system to predict localized outages by monitoring single and group meter outage alerts from Sensus for increased reliability
- Increase staff training for all staff involved with the electrical system
- Continue to seek innovative ways to improve reliability and customer satisfaction
- Pole replacement for 15 poles
- Meter replacement
- Initiate transformer refurbishment program
- Take delivery of electric bucket truck

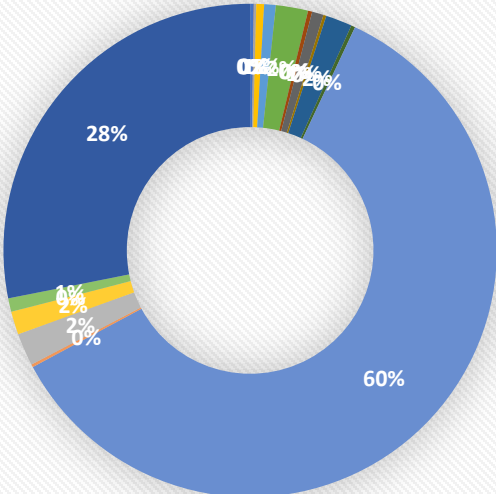
2025 Electric Fund Revenue vs. Expense:

Revenue



- Pole Attachment
- Metered Sales
- Carryover

Expense



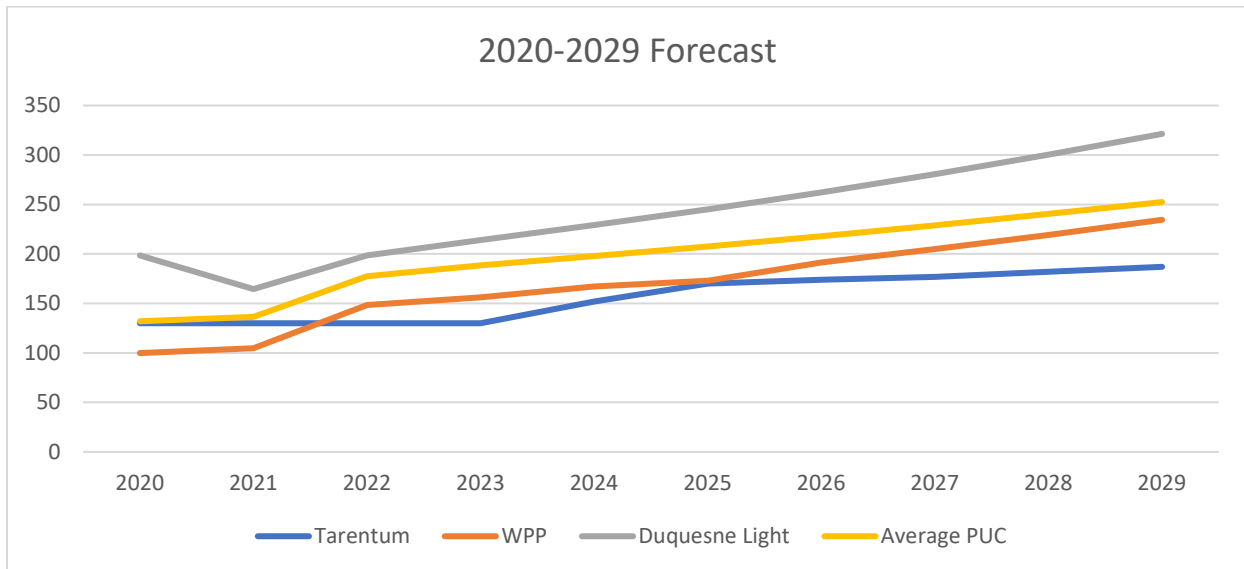
- | | | | |
|--|---|--|---|
| ■ Council | ■ Mayor | ■ Auditing | ■ Legal Fees |
| ■ Manager | ■ Office Administration | ■ IT | ■ Building |
| ■ Public Works | ■ Fire Department | ■ Street Lighting | ■ Traffic Lights |
| ■ Electric | ■ Community Development | ■ Debt Principal | ■ Debt Interest |
| ■ Judgement and Losses | ■ Insurance | ■ Interfund Transfer | |

Electric 5-year cost forecasts:

The 2020-2030 electric forecast is based on historical data from the PUC and PMEA on energy prices from around the state, including West Penn Power, Duquesne Light, and the state average.

***Note:** Although prices fluctuate from year to year, the following is the average 10 (2014-2024) year percentage increase in prices.

- West Penn Power: 7%
- Duquesne Light: 7%
- Average PUC: 5%



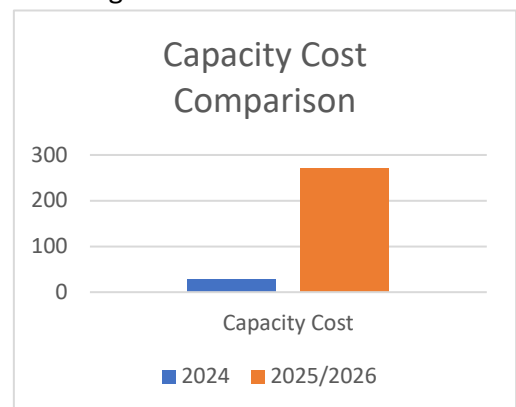
Rising Capacity Cost

Due to significant increases in capacity costs across the region, **we strongly recommend** that the Borough adjust electricity rates beginning next year. This change will affect many communities, not just Tarentum, as capacity charges are rising for millions of customers in multiple states.

What are Capacity Costs?

Capacity costs are paid to ensure that electricity supply is reliable, especially during periods of high demand, such as extreme weather conditions. Regional transmission organizations set these charges, which are necessary to maintain a stable grid.

- Capacity cost for 2024: 28.92/MW-day.
- Capacity cost for 2025/2026: \$269.92/MW-day.



Why is This Increase Happening?

There are two main reasons for the increase in capacity costs:

1. **Growing Demand for Power:** The demand for electricity continues to grow as we rely more on technology, vehicle electrification, and increased household energy usage. However, the current power supply is not keeping pace with this rising demand. As a result, more power must be secured from various energy sources, leading to higher costs.
2. **Infrastructure and Supply Limitations:** The power grid requires continual maintenance and upgrades to meet these growing energy needs. In addition, a lack of new power generation facilities has strained the ability to produce enough electricity, particularly during periods of peak demand. This supply shortage drives up capacity costs to ensure enough power is available when needed.

What Role Does PJM Play?

The cost increases are primarily driven by **PJM Interconnection**, the regional transmission organization that manages the electric grid across multiple states, including Pennsylvania. PJM is responsible for ensuring the electricity grid's reliability and sets capacity costs to guarantee that sufficient power generation is available to meet demand.

Organizations like Tarentum Borough and many surrounding electric systems do not have control over these capacity costs, as PJM mandates them to maintain grid stability. This means that while we strive to manage local operations as efficiently as possible, these broader capacity charges affect all of us and are beyond our direct control.

What This Means for Tarentum

1. **We strongly recommend that starting in 2025, a \$.018 per kWh capacity fee be added to the monthly bill across all electric service categories.** We understand that rising costs can be challenging, and we are committed to helping residents manage these changes. The Borough will continue to seek ways to minimize the impact of these external costs on our community. However, if this fee is not adopted for 2025, the Borough will not be able to meet its financial obligations.
2. Historically, Tarentum Borough has only included two charges on its electric bill:
 - Flat Monthly Fee: This is a fixed charge each month.
 - Combined Supply, Distribution, and Service Fees: All other charges—including supply, distribution, interconnection, and service fees—have been bundled into a single charge.

This differs from other local power companies, which break out each of these fees separately on your bill. However, starting in 2025, if approved, Tarentum Borough will add a separate line item for the capacity charges being passed down to us by PJM. This change is being made to ensure greater transparency so residents can clearly see the pass-through cost.

Recommendation

To establish a sustainable, stable electric pricing strategy for Tarentum, I recommend implementing an annual pricing adjustment plan that addresses capacity costs and ensures gradual, predictable rate increases. This approach will provide residents with more stable pricing, avoid sudden large jumps, and allow for better financial planning for both the Borough and its customers.

Long-term electric pricing strategy:

1. Annual Adjustment Mechanism

- **Incorporate a 3-5% Annual Adjustment:** Instead of a substantial rate increase every five years or at contract renewals, move to an annual price adjustment of 3-5%. This increment would cover gradual increases in energy supply costs, capacity fees, and operational expenses.
- **Capacity Fee Integration:** Factor the next year's projected capacity cost directly into the annual adjustment. For 2025, the increase should include the anticipated capacity cost hike, spread evenly over the billing periods to minimize immediate impact on residents.

2. Review and Forecast Adjustments

- **Quarterly Review of Costs and Market Trends:** Establish a quarterly review process to monitor market prices, energy demand trends, and regulatory changes, especially those affecting capacity and transmission costs. This will allow for proactive adjustments if unexpected cost surges occur, while still maintaining the annual adjustment approach as much as possible.
- **5-Year Forecasting and Transparency:** Develop a 5-year pricing forecast based on anticipated energy market trends. Share this forecast with residents to maintain transparency and help them plan for incremental price adjustments.

3. Enhanced Financial Reserves

- **Establish a Reserve Fund for Capacity Cost Variability:** Allocate a portion of annual revenue from electric sales to a reserve fund specifically for capacity-related costs. This fund can absorb sudden increases, reducing the need to pass significant fluctuations onto residents. Ideally, the reserve fund should cover at least six month's worth of capacity charges.

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Water Fund

Treatment System Operation & Maintenance

Program Mission: *To provide safe, reliable water service to Borough customers.*

Program Description: This program operates and maintains the water treatment system, serving over 2,500 residential, commercial, and industrial customers. The goal of this program is to treat water for potability safely.

Distribution System Operation & Maintenance

Program Mission: *To provide safe, reliable water service to Borough customers.*

Program Description: This program operates and maintains the Water Distribution System, serving over 2,500 residential, commercial, and industrial customers. This program aims to proactively predict and prevent system failures while delivering safe, reliable water to customers.

Management Support Services

Program Mission: To provide management oversight and strategic planning services for water treatment operations.

Program Description: The procurement of chemicals and chemical testing are the primary concerns of this program.

2024 Program Accomplishments

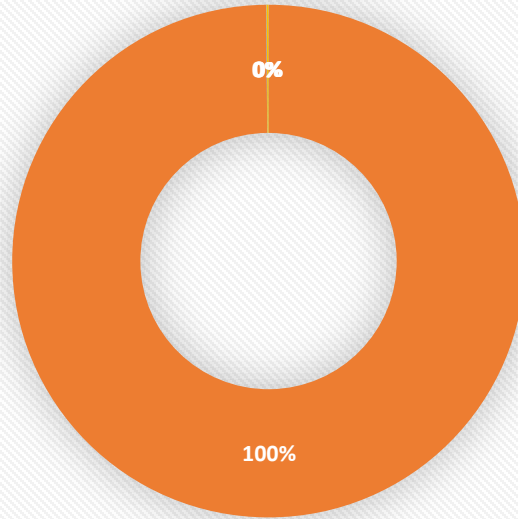
- Replacement of machinery, equipment, and pumps to improve the reliability and safety of drinking water
- Continue to seek innovative ways to improve reliability and customer satisfaction
- Increase water line maintenance
- Explore dredging retrofit for cost savings
- Purchase vehicle for operations at the water plant and pumphouse
- Reduced shifts from twenty-four hours per day to sixteen
- Initial submission of lead and copper service line inventory

2025 Program Objectives

- Substantial replacement of machinery, equipment, and pumps to improve the reliability and safety of drinking water
- Major distribution line replacement at Tripak Boulevard
- Physical inspection of service lines to verify initial lead and copper line inventory methods are accurate
- Include more automation throughout the plant

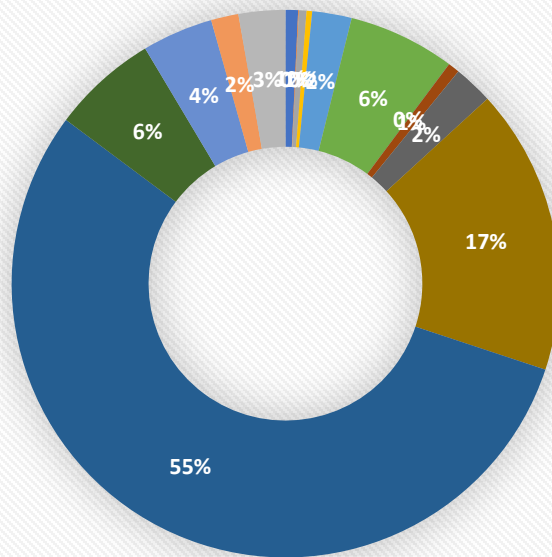
2025 Water Fund Revenue vs. Expense:

Revenue



- Interest
- Metered Sales
- Misc.
- Insurance Reimbursement
- Interfund Transfer
-

Expense



- Council
- Mayor
- Auditing
- Legal Fees
- Manager
- Office Administration
- IT
- Building
- Public Works
- Distribution
- Water Plant
- Debt Principal
- Debt Interest
- East Deer Discount
- Insurance

List of Grants and Projects

Water Plant Tank

Upgrade and replacement of multiple pieces of equipment necessary for water treatment

Estimated cost: \$1,583,230.00

Borough Match: \$583,230.00

Funding Source: COVID Small Water and H2O Fund

Water Treatment Mechanical and Upgrade Project

Upgrade and replacement of multiple pieces of equipment necessary for water treatment

Estimated cost: \$1,351,992.50

Borough Match: \$351,992.50

Funding Source: Local Share Account Fund and Capital Reserves

Water Treatment Electrical Upgrade Project

Upgrade and replacement of multiple pieces of equipment necessary for water treatment

Estimated cost: \$452,152.00

Borough Match: N/A project fully grant-funded

Funding Source: GEDTF

Collins Way Runoff Project

Estimated cost: \$93,700

Borough Match: \$26,700

Funding Source: CDBG Year 49

Bull-Creek Bridge Repair

Estimated cost: \$50,000

Borough Match: N/A

Funding Source: Capital Reserves

7th and Ormond

Estimated cost: \$290,683.00

Borough Match: N/A

Funding Source: CDBG Year 47 and GEDTF

K9 Vehicle and Equipment

Estimated cost: \$89,500

Borough Match: N/A

Funding Source: State Funding

Leak Detection Equipment

Estimated cost: \$10,000.00

Borough Match: \$10,000.00

Funding Source: Capital Reserve

List of Grants and Projects-Continued

LSA Grant: Vehicle Fleet

Estimated cost: \$791,827.99

Borough Match: N/A

Funding Source: Local Share Account Fund

CDBG Year 50 ADA

Estimated cost: \$89,375

Borough Match: \$64,376

Funding Source: CDBG Year 50 and Capital Reserves

Tripak Boulevard Water Line Replacement (Resolution 24-23)

Estimated cost: \$307,050

Borough Match: N/A

Funding Source: GEDTF

Omnibus Demolition Project

Borough's multi-year demolition project that started in 2019

Borough Match: \$65,000.00

Funding Source: General Fund

Riverfront Development Planning

Estimated cost: \$40,000.00

Borough Match: \$20,000.00

Funding Source: Boating Facility Grant and Capital Reserves

Multi-Modal Fund Application (West Tarentum)

Redevelopment of 215 Corbet after building demolition

Estimated cost: \$20,000

Borough Match: N/A

Funding Source: General Fund (Community Development General Construction)

Dreshar Stadium Demo (Resolution 24-22)

Estimated cost: \$62,500

Borough Match: N/A

Funding Source: CDBG and ACT 152

Paving Project

Paving of 5 alleys/roads

Estimated cost: \$85,000

Borough Match: N/A

Funding Source: Liquid Fuels

List of Grants and Projects-Continued

Electric Bucket Truck Vehicle Replacement

Vehicle for Electric Distribution

Estimated cost: \$197,973.00

Model: Altec

Funding Source: Covid Funds (Reserved)

Records Digitization and Conversion Project

Estimated cost: \$10,000.00

Borough Match: \$5,000.00

Funding Source: Historical & Archival Records Care Grant and Capital Reserves

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2025 Budget Companion Document: Strategic Recommendations (Appendix A)

This document serves as a strategic companion to the 2025 Fiscal Budget for Tarentum Borough. It provides recommendations, specific figures, and projected impacts to support the Borough Council's budgetary decisions. The analysis aims to enhance financial sustainability, optimize resources, and align operations with long-term fiscal goals.

Financial Figures and Trends

1. Electric Fund Capacity Cost Impact

The Borough anticipates a sharp increase in capacity costs, rising from \$28.92/MW-day in 2024 to \$269.92/MW-day in 2025. This cost surge requires an adjustment in electric fund expenditures and could lead to higher rates for the over 2,500 customers served. A phased 3-5% annual increase is recommended to distribute these costs more predictably over time, instead of periodic substantial hikes.

2. General Fund Dependence on Electric Revenues

Historically, the Borough has relied on electric fund surpluses to support the general fund, helping to avoid tax increases for over 20 years. As the 2024 general fund expenses are expected to reach \$4,709,901, gradual tax increases are advised to reduce dependency on the electric fund. This approach will stabilize financial flows and ensure equitable resource allocation.

3. Personnel Cost Projections

Personnel costs, particularly within the Police Department, are projected to increase by 4% annually. This increase raises the per-officer cost from \$144,965.96 in 2024 to \$146,633.00 in 2025. Expanding inter-municipal shared services, as applied to police services with Brackenridge, could mitigate some costs across other departments, including public works.

4. Proposed Tax Increase for Fire Equipment

A 0.5 mill tax increase, dedicated to fire equipment, would generate an additional \$20 annually for a median assessed home (\$40,000 valuation). This measure addresses operational demands while maintaining essential services as donation and volunteer rates decline.

Areas for Potential Improvement and Savings

1. Shared Services Beyond Policing

Building on the shared policing model with Brackenridge, similar agreements for EMS, public works, or vehicle maintenance could result in substantial savings. A coordinated approach could reduce fleet and equipment costs across departments.

2. Digital Automation Gains

Implementing digital billing, payroll, and tax processing in Tyler Incode could streamline administration, reduce errors, and reallocate resources to high-value tasks. As tax filing is currently manual, this transition could lead to significant efficiency improvements.

3. Preventive Maintenance for Utilities

Routine maintenance in water and electric systems may help lower long-term costs by minimizing emergency repairs. The upcoming bucket truck purchase for electric operations may also align with preventive maintenance tools for water systems, deferring costly future repairs.

4. Projected Revenue from Incremental Rate Adjustments

Implementing a 3-5% incremental rate increase annually, instead of larger periodic adjustments, could generate a steady revenue buffer for electric fund needs. For a customer base of 2,500, this approach balances affordability with essential revenue stabilization.

Incorporating these recommendations will aid in achieving a balanced, proactive approach to financial management, ensuring Tarentum Borough's fiscal stability and community resilience.

2025 Draft Budget (Appendix B)
