



# Proposed Budget

For Consideration by  
the Board of Commissioners  
Proposed Adoption: December 3, 2025

# 2026

# RESERVE TOWNSHIP BUDGET PRESENTATION

- Prepared and Presented by:
  - Jan Kowalski CPA  
Township Manager

# BACKGROUND

- **The Role of Municipal Government in Pennsylvania:**
  1. Provide Necessary Services to the Community
  2. Enforce Rules for the Good of the Community
- **Financial Responsibility:**
  1. Raise the Funds Needed to Provide Services
  2. Ensure that Township Funds are spent responsibly and according to the adopted budget
- **The PA Department of Community & Economic Development requires:**
  - ✓ Annual Financial Reporting
  - ✓ Audits



# Budget Adoption Requirements:

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- ✓ **Manager must prepare and present a proposed budget to the Board of Commissioners;**
- ✓ **Budget must be open for public inspection for at least 20 days;**
- ✓ **Must be adopted by Ordinance before end of fiscal year.**



# 2025 IN REVIEW - ACCOMPLISHMENTS

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- **Combatting Blight**
- Partnership with Tri-COG Land Bank in its 2<sup>nd</sup> year.
- Acquired 2851 Mount Troy Road, will be listed for sale.
- 5 other properties under review.



# 2025 IN REVIEW - ACCOMPLISHMENTS

- **Technology Upgrades**
- Replaced and consolidated computer systems,
- Installed video and sound equipment in Board meeting area,
- \$50,000 Grant from Appalachian Regional Commission



Before



After



# 2025 IN REVIEW - ACCOMPLISHMENTS

## West Beckert Storm Sewers & ADA Accessible Curbs



## Doe Terrace Storm Sewer improvements

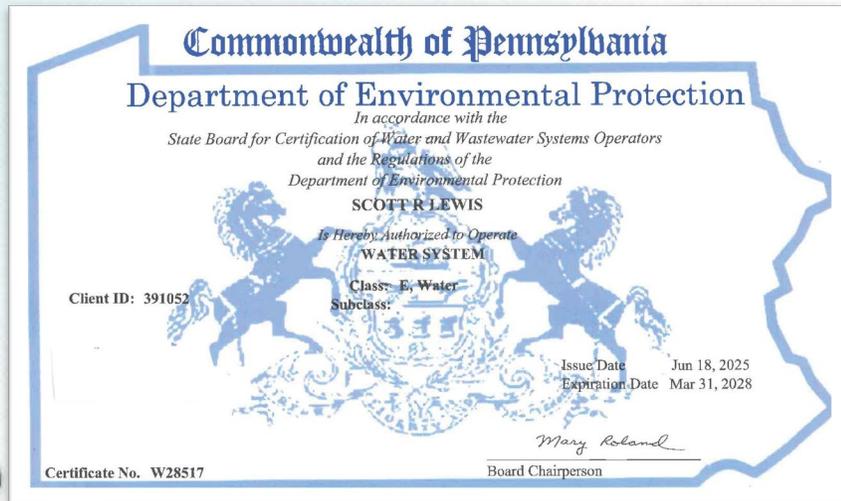


# Success Story – Water Department now self-sustaining

## New Billing Software Successfully Rolled out



## 2 Certified Water Operators



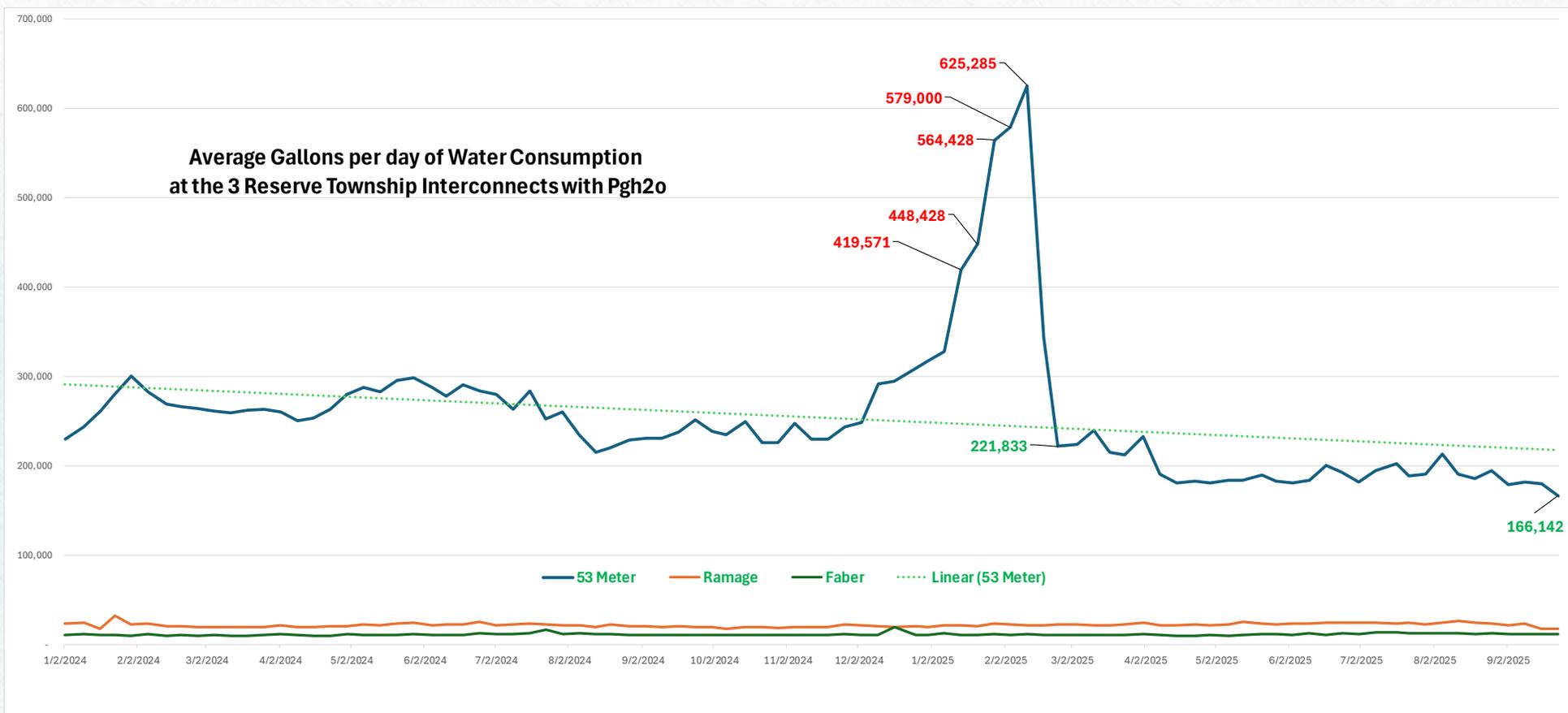
## New Cargo Trailer



# Success Story – Water Department now self-sustaining

With the help of a Leak Detection company, Public Works located and proactively repaired 7 leaks.

Average water use has declined by 62 gallons per minute or 89,000 gallons per day.



# Success Story – Intergovernmental Cooperation: The Value of Good Partnerships



Elizabeth Street Paving:  
Pittsburgh Water  
arranged for the paving,  
and we reimbursed  
them.



# Success Story – Intergovernmental Cooperation: The Value of Good Partnerships



Mount Troy Road  
Waterline Repair: the  
Abandoned Mine.

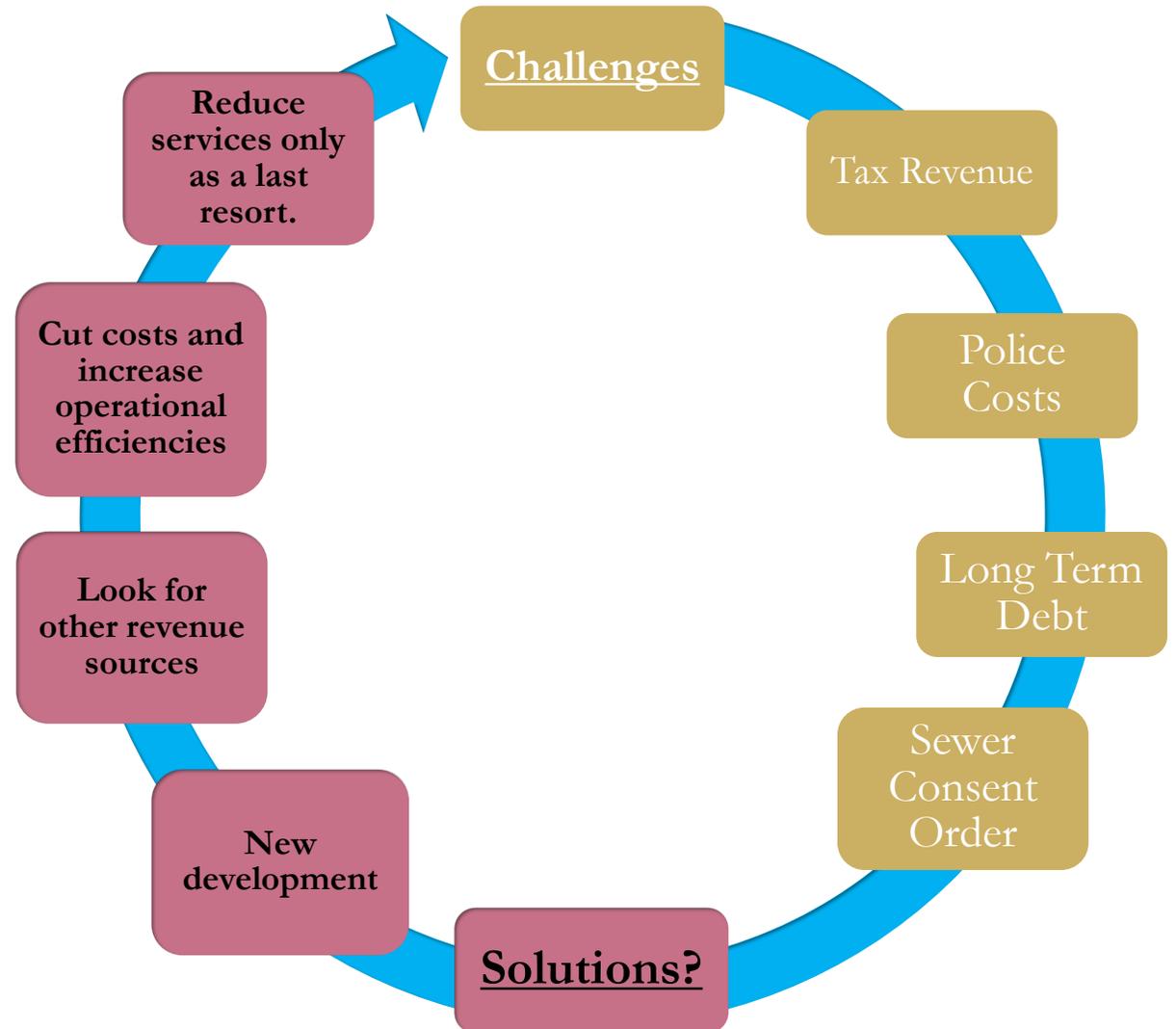
We fixed the waterline.  
Allegheny County  
filled in the mine shaft  
and restored the road.

We split the cost  
50/50.



**2026  
Challenge:**

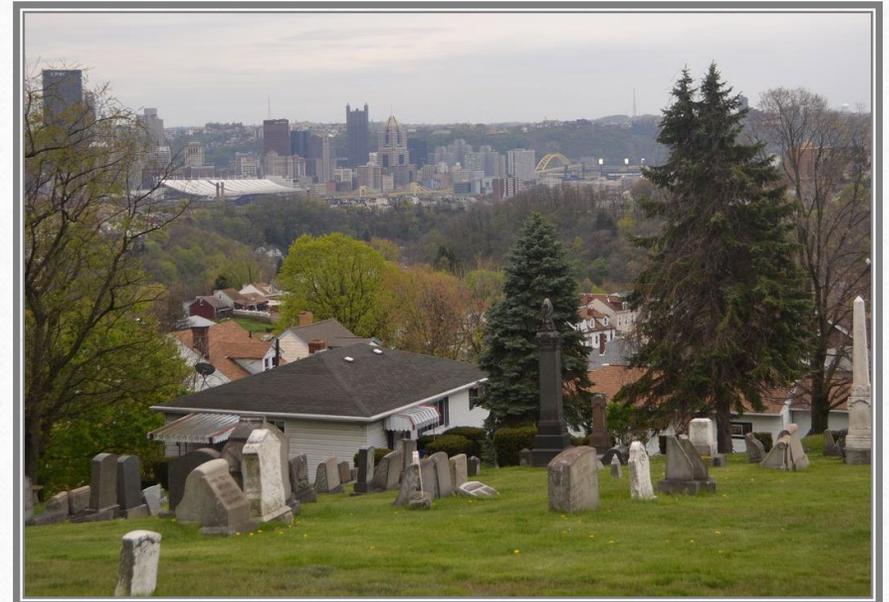
**General  
Fund  
Expenses  
continue to  
rise faster  
than  
Revenues**



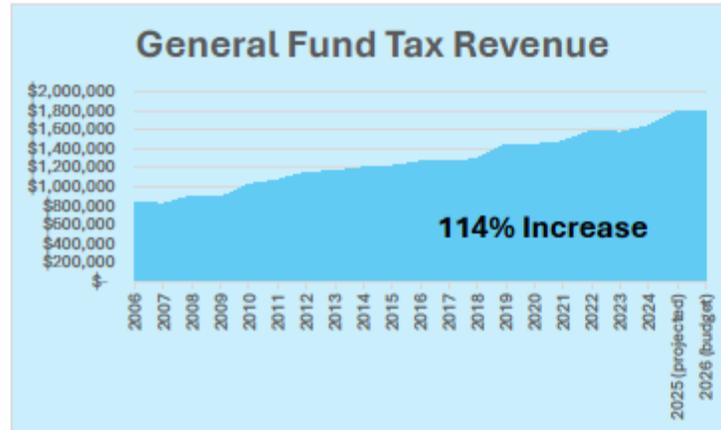
# Challenge 1: Stagnant Tax Revenue

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- Tax exempt property (Allegheny Land Trust, cemeteries, disabled veterans) increased by \$307,000 from beginning of 2025. 24% of land in Reserve is exempt (306 acres).
- Taxable value of real estate in the Township decreased by \$370,000 from beginning of 2025. (tax-exempt plus assessment appeals).
- Solutions: new development on Geyer Road should provide increased tax revenue once units are occupied.
- Property tax increase not on the table – would place an unfair burden on residents.

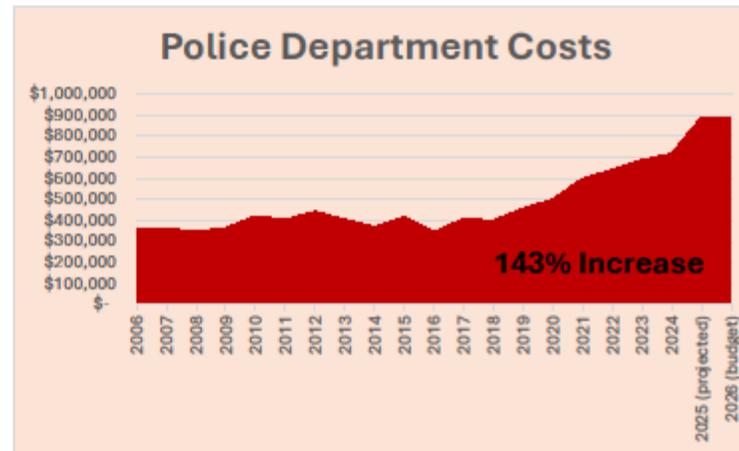


## Change in Tax Revenue compared with Police Department Costs from 2006-2026



From 2006 to 2026 Tax Revenues have increased 114%. Over the same period, the cost of maintaining our Police Department has increased 143%.

For 2026, Police Costs will represent 32% of the Township's General Fund Budget.



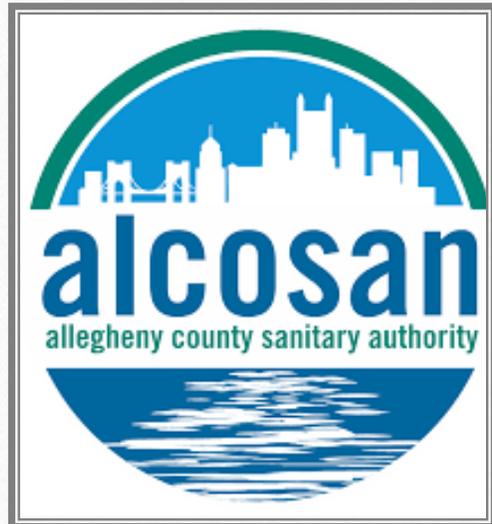
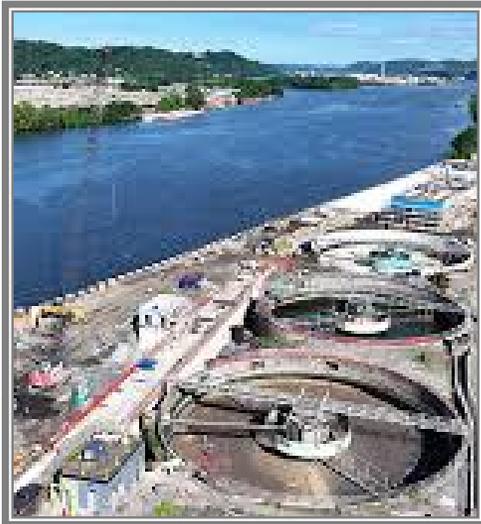
# Challenge 2: Police Costs

# Challenge 3: Long Term Debt

- 20-year loan for Pittview Landslide Repair.
- Current balance is \$2.1 million.
- Loan won't be paid off until 2041.
- Annual payments are \$164,000.
- Without this debt, the General Fund would be breaking even

# Challenge 4: Sanitary Sewer Consent Order

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- Consent Order with Allegheny County Health Department.
- Municipalities that use ALCOSAN for sewage treatment are mandated to reduce “Inflow and Infiltration” that is overwhelming the system.
- Extensive engineering & construction costs required – “unfunded mandate”.
- Source Flow Reduction Project must be completed by end of 2026.
- Doing project as we get grant funding but only covers part of the cost.

## Reserve Township - All Funds

### Fund Balance Snapshot

	Beginning Fund Balance 1/1/25  <i>(DCED Audited Balance)</i>	2025 Projected Activity	Projected Fund Balance 12/31/25	2026 Budgeted Activity	Projected Fund Balance 12/31/26
Fund:					
01 General Fund	\$ 1,154,661	\$ 76,422	\$ 1,231,083	\$ (177,194)	\$ 1,053,889
06 Water Fund	528,451	144,002	672,453	59,201	731,654
08 Sewer Fund	695,646	(46,093)	649,553	(89,154)	560,399
09 Girty's Run Joint Sewer Authority Fund	1,885	-	1,885	(380)	1,505
20 Sewer Rehab Fund	10,284	325	10,609	300	10,909
30 Capital Improvements Fund	312,516	79,854	392,370	(269,870)	122,500
35 Liquid Fuels Fund	25,903	(2,776)	23,127	(8,005)	15,122
<b>Total - All Funds</b>	<b>\$ 2,729,346</b>	<b>\$ 251,734</b>	<b>\$ 2,981,080</b>	<b>\$ (485,102)</b>	<b>\$ 2,495,978</b>

# Overview of Financial Position

(See  
Budget  
Document  
for detail)

# Grants awarded in '25:

**\$50,000** from Appalachian Regional Commission for Technology Infrastructure Upgrades in Township Office.

**\$4,050** Act 101 Municipal Recycling Performance Grant.

**\$54,050** Total Awards so far in 2025



# Grant Applications in process:



Act 101 Municipal Recycling Performance Grant-amount based on quantities recycled.



LSA Sanitary Sewer Defect Repairs (for Consent Order)- Requested **\$357,246**.



Mount Troy Road Waterline Replacement (Gardenview to Kinkura)- Requested **\$500,000**.



CFA Watershed Restoration (Villa Court Stormwater Pond Rehab)- Requested **\$163,000**.



GEDTF Hoffman Waterline Phase IV- Requested **\$274,869**.



LSA Water Meter Replacement-Advanced Metering Infrastructure- Requested **\$763,000**.

# Where does my Property Tax Dollar Go?

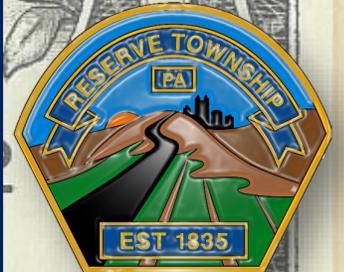


**SHALER AREA**  
SCHOOL DISTRICT

1800 Mt. Royal Boulevard  
Glenshaw, PA. 15116  
412-492-1200



Allegheny  
County



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Treasurer of the United States

ONE DOLLAR

SERIES  
2009

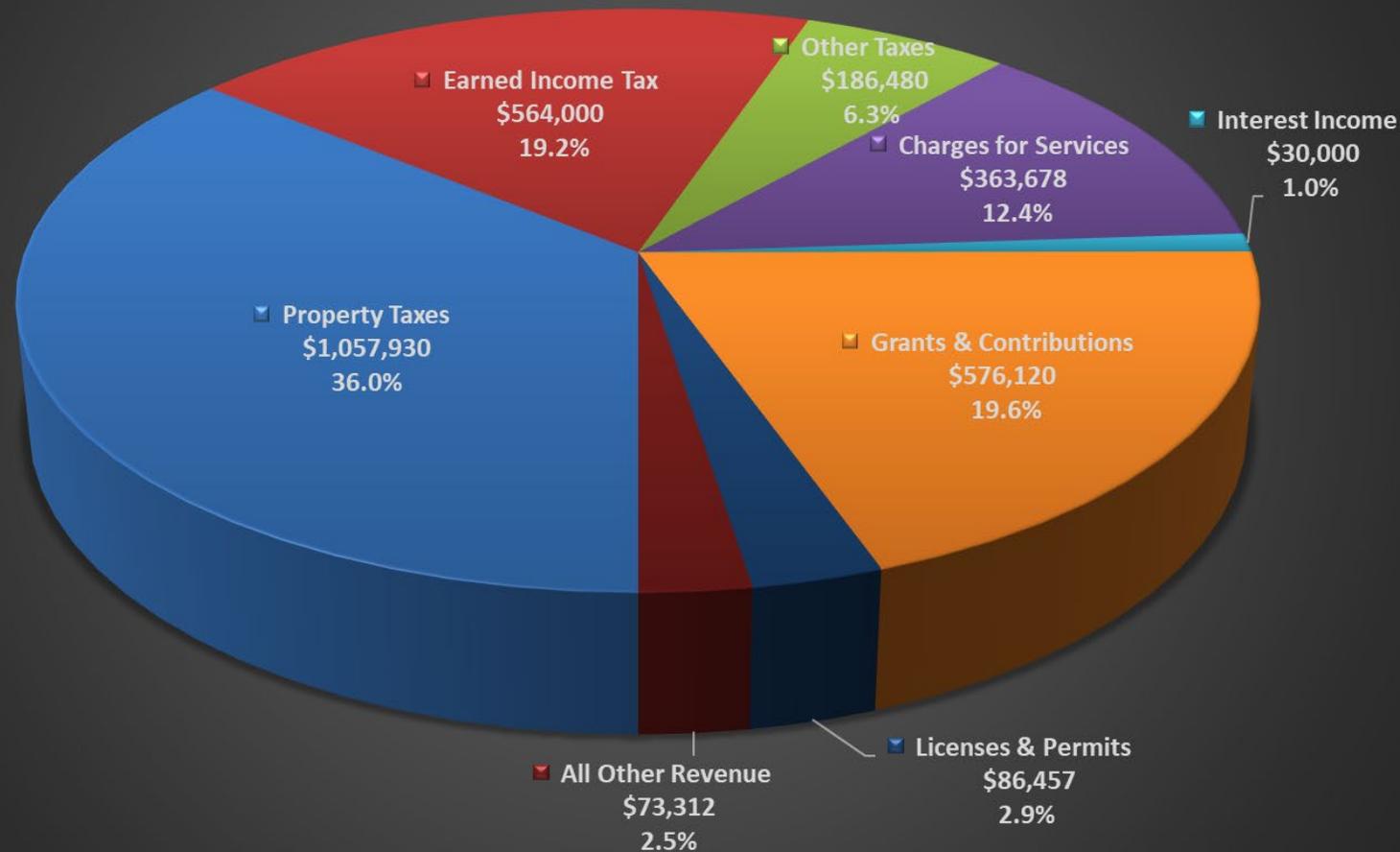
Secretary of the Treasury

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# General Fund Revenue Sources

2026 Budget

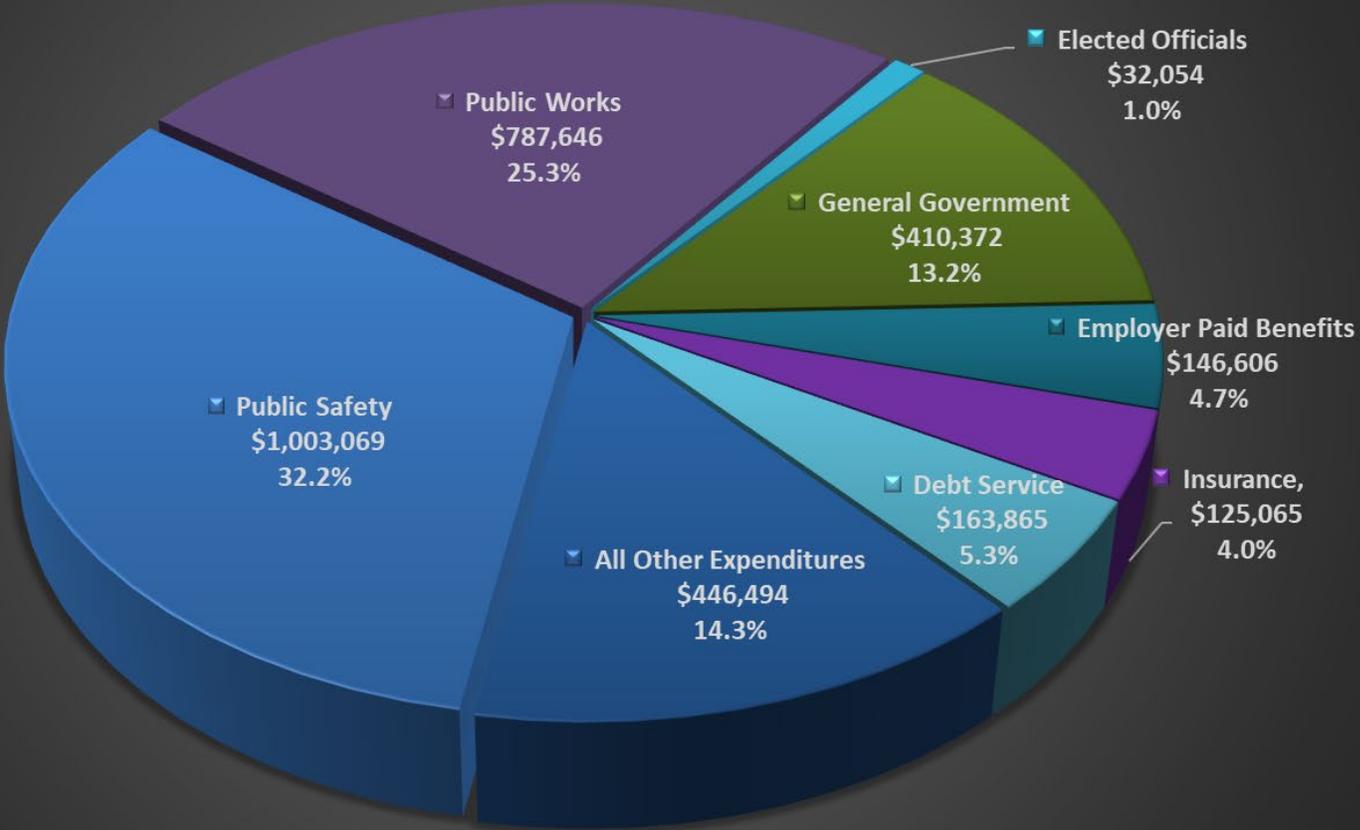
Where Does the Money Come From?



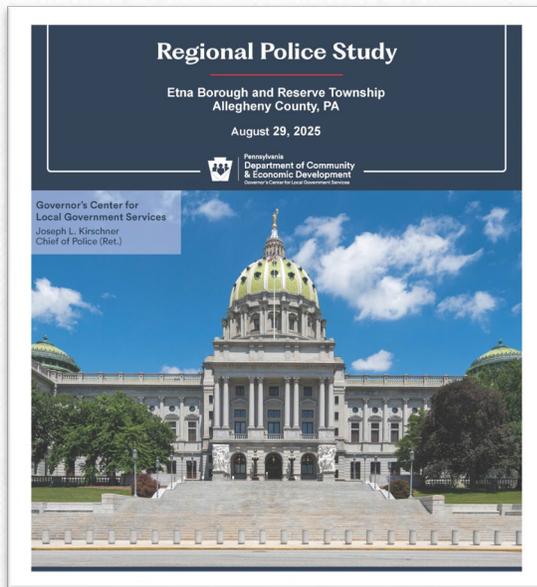
# General Fund Expenditures

2026 Budget

Where Does  
the  
Money Go?



# Largest Line Item in General Fund Budget:



## Police Department

• \$886,373

- 91% of this is salaries and benefits.
- Looking for ways to limit cost increases.
- Regional Police Study done by Pa DCED looked at possible merger with Etna Borough.



# Water and Sewer Rates:

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- No increase in Reserve Township portion of water and sewer charges.
- \$2.00 increase in quarterly Capital Improvement Charges (for Sewer Consent Order required project).
- 7% increase in ALCOSAN's sewage treatment charge. This is strictly a pass-through.



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# Thank you Questions?