RESERVE TOWNSHIP
2027
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:

- ✓ 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 before end of fiscal year.







2026 IN REVIEW ACCOMPLISHMENTS

- **Combatting Blight**
- Partnership with Tri-COG Land Bank in its 4th year.
- Acquired 2851 Mount Troy Rd. and 101 Klementina Dr.
- Several other properties under review.

2026 IN REVIEW
PROJECTS COMPLETED

Electric Hill Storm Sewer Improvements and Paving



Fleiner and Magnolia Street Paving





2026 YEAR IN REVIEW
PROJECTS COMPLETED



SANITARY SEWER CONSENT ORDER

- 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.
- Source Flow Reduction Project must be completed by end of 2026.
- We received 2 grants which will cover 100% of the cost.
- We are on track for completion by the deadline.

2027 Challenge:

General Fund Expenses continue to rise faster than Revenues



Reserve Township - All Funds

Fund Balance Snapshot

	Fund:	Beginning Fund Balance 1/1/26 *(DCED Audited Balance)*	2026 Projected Activity	Projected Fund Balance 12/31/26	2027 Budgeted Activity	Projected Fund Balance 12/31/27
01	General Fund	$ 1,303,681	$ (162,101)	$ 1,141,580	$ (417,156)	$ 724,424
03	Fire Protection Fund	-	-	-	48	48
06	Water Fund	702,020	34,751	736,771	(416,352)	320,419
08	Sewer Fund	663,863	(69,482)	594,381	(42,395)	551,986
09	Girty's Run Joint Sewer Authority Fund	2,742	(800)	1,942	(380)	1,562
20	Sewer Rehab Fund	10,651	275	10,926	9	10,935
30	Capital Improvements Fund	428,193	(183,927)	244,266	(53,000)	191,266
35	Liquid Fuels Fund	14,213	(9,499)	4,714	96	4,810
	Total - All Funds	**$ 3,125,363**	$ (390,783)	**$ 2,734,580**	$ (929,130)	**$ 1,805,450**

Overview of Financial Position

See Budget Document for detail

Takeaway: We will be drawing down our reserves to balance the budget. Not sustainable long term.

Grants awarded in ’26:

$582,704 LSA Grant for Water Meter Replacements

$253,623 LSA Grant for Sanitary Sewer Defect Repairs required under Ph 2 Consent Order.

$500,000 PA Small Water & Sewer Program Grant for Phase I Mt. Troy Road Waterline Replacement.

$1,336,327 Total Awards so far in 2026



Grants applied for in ‘26:

GEDTF Grant (Edison Street turnaround)

Requested $432,854.

PA DEP Growing Greener (Villa Drive Stormwater Pond Rehab) Requested $138,550.

PA CFA Watershed Restoration Grant (Villa Drive Stormwater Pond Rehab) Requested $163,000.

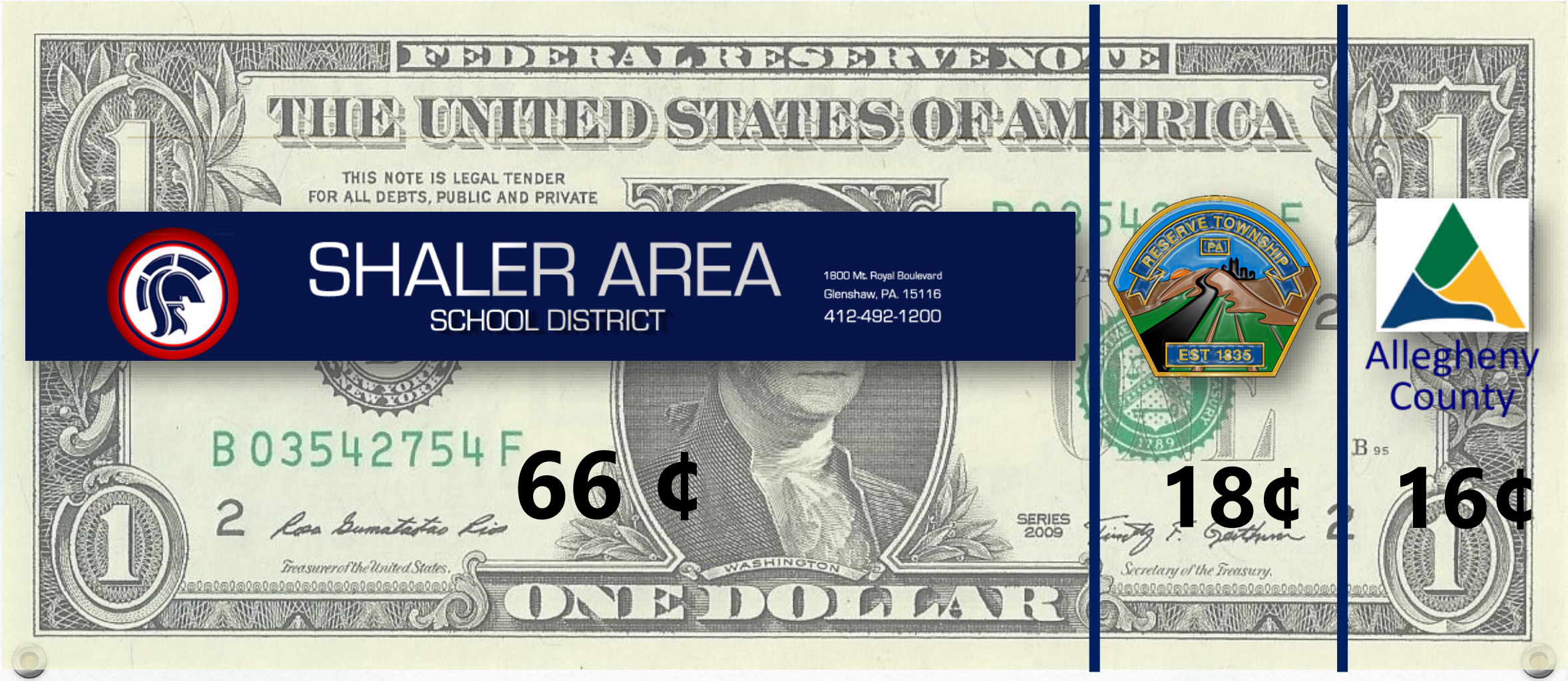
Act 101 Municipal Recycling Performance Grant-amount based on quantities recycled.

LSA Grant (Mount Troy Waterline Replacement Phase II)

Amount TBD

LSA Grant (Pollutant Reduction Project - Karen & Arlor Stormceptors) Amount TBD

Where does my Property Tax Dollar Go?



New Fund:
Fire Protection

- Reserve VFD cannot meet their operational needs with fundraising alone.
- Establishment of a dedicated Township Fund to provide additional support.
- Fire Protection Fund will hold revenue from a new 0.53 mil Fire Protection Tax on Real Property.
- Less than amount requested, but Commissioners considered the additional tax burden on property owners.







Largest Line Item in General Fund Budget:



Police Department $927,327

- **91% of this is salaries and benefits.**



Water and Sewer Rates- Pass Through Costs

- **<u>5%</u> increase in water consumption rates to offset the 5% increase from Pittsburgh Water.**
- **<u>14%</u> increase in ALCOSAN's sewage treatment charge to pass through the increase in their new multi-year rate structure.**

RESERVE TOWNSHIP

2027

BUDGET

Thank you

Questions?