



Kelly Cook, Borough Manager
300 West High Street
Ebensburg, Pennsylvania 15931
Telephone: 814-472-8780
E-Mail: kcook@ebensburgpa.com
Website: www.ebensburgpa.com

November 25, 2024

Mayor Datsko and Members of Borough Council:

As we stand on the brink of the 200th anniversary of the incorporation of Ebensburg as a municipality, the 2025 Budget is respectfully submitted to the Borough Council, Mayor Datsko and residents of Ebensburg Borough. This budget complies with the Borough Code and the requirements of the Commonwealth of Pennsylvania. It represents our commitment to strong financial management practices, and our strategic plan for continued growth and a sustained future.

The 2025 Operating Fund Budget is a comprehensive document that addresses the anticipated revenues and expenditures for ALL borough operations including general government, police, streets, wastewater system, water system, stormwater system, recreation programs, community development and capital funds. For accounting purposes, all operations are managed within a single operating fund. For illustration purposes, this Budget document also contains "snapshots" of each of these separate operations.



The annual budget document is the single most important policy document adopted by Borough Council each year. The budget guides the management of the Borough throughout the year by clearly setting forth the goals and objectives of the Council for the coming year and authorizing the programs that will be carried out to meet those objectives. The budget document also sets forth the management plan for implementing the programs and achieving the community goals and objectives. As Council's number one policy statement, the budget accomplishes the following:

- Economic development initiatives are pursued
- Service levels are set
- Partnerships are nourished
- New technology is acquired
- Community security is enhanced through public safety
- Borough employees are supported in delivering efficient and effective services
- Public infrastructure is built and maintained
- Recreation for citizens is provided
- Public health is protected by recycling, waste collection, water resources, and stormwater management

- Reliability of utility services is funded
- The Borough’s financial integrity is maintained to meet service and debt obligations, and to provide sufficient reserves for future capital investments
- Customer service is enhanced
- Improved quality of life is sought for all citizens

The budget sets the annual operating and capital budgets, as well as the capital improvement program for the next ten years. The budget and capital improvement program recognizes the importance of well-planned improvements and replacements that are necessary to protect the Borough’s public facilities. Therefore, the budget document not only serves as a policy guide for the coming year, but it also establishes a long-range planning document that provides the framework for sound financial decision-making and establishes the foundation for a strong and dynamic future for the community.

The 2025 Operating Budget calls for revenues of \$7,436,845 and expenditures of \$7,436,845. The general fund budget is balanced without an increase in real estate taxes.

	Revenues	Expenditures	Surplus
General Fund Budget	\$2,561,445.00	\$2,561,445.00	\$0.00
Water Fund Budget	\$2,588,600.00	\$2,588,600.00	\$0.00
Wastewater Fund Budget	\$2,058,000.00	\$2,058,000.00	\$0.00
Stormwater Fund Budget	\$228,800.00	\$228,800.00	\$0.00
Total Operating Fund	\$7,436,845.00	\$7,436,845.00	\$0.00

The General Fund Budget reflects a decrease of -0.48% over last year. Revenues are slightly down due to the assessed value of the real estate, the transfer tax and interest earnings slightly decreasing. The decrease in expenditures is primarily because a) the Borough is not paying rent for the parking lot that was purchased in 2024 from their capital budget and b) the sidewalk debt service is eliminated because the loan was paid in full in 2024. This in turn allowed any inflationary expenditure increases to be offset.

The Water Fund Budget has a 5.37% increase, which is due to an increase in revenues and expenditures associated with a large infrastructure project to replace a third of the borough’s antiquated waterlines. The Borough has a rich history but unfortunately, the waterlines are a product of this history, and many have not been updated. Fortunately, the Ebensburg Municipal Authority was able to secure a substantial grant that will cover a little over forty percent of a water main replacement project, but the rest will have to be paid for by the users. The Authority also applied for funding to cover the cost of a Phase I Stormwater Project and received a grant to

help cover this cost. The Stormwater Fund has an adequate revenue stream to fund the debt service for this project and enough in reserve for the design fees needed for future projects.

BASIC POLICIES AND ASSUMPTIONS

- A basic premise in preparing the 2025 Budget is to minimize any required increase in real estate tax rates to fund day-to-day operations.
- It is the Borough's policy to estimate revenues conservatively.
- A two-tier real estate tax will be maintained.
- Existing levels of service shall be maintained.
- It is the Borough's policy to minimize borrowing. Borrowing is for capital expenditures and only when sufficient current funds are not available or municipal needs are unable to wait until current funds are available.
- Program fees charged for specialized services such as the swimming pool, tennis center and YPCC will be further evaluated to cover expenses associated with such programs, while keeping the program affordable. While a subsidy from general funds for these departments is acceptable, the optimal goal is self-sufficiency.
- The Borough budgets adequate funds to maintain all its assets at a level which protects the borough's capital investment and minimizes future repair and replacement costs.
- The Borough will project its equipment and vehicle replacement needs for the next ten years and will update this projection each year.
- All departments will budget contributions to Capital Reserves based on their estimated future share of costs for the replacement of vehicles and equipment, and for future maintenance and improvements to borough-owned facilities and buildings.
- Utility fees will be set at a level that fully supports the direct and indirect costs of providing services, including funding of Capital Reserves.
- The Salary & Wage Schedule is adopted by Resolution of Borough Council annually.
- Idle cash will be invested on a continuous basis in legal, safe investments with adequate liquidity and yield.
- All department heads will actively pursue all State, Federal and private grant sources available for any and all borough expenses, including major equipment purchases and projects.
- Water and sewer tap fees will be placed in Capital Reserves for capital improvements to those systems.
- The appropriate departments are assessed the actual stormwater fee associated with their facilities.

REAL ESTATE TAX

Ebensburg Borough utilizes a two-tier real estate tax assessment. A higher rate is applied to land than is applied to buildings. This form of assessment encourages the development of vacant land and does not overly penalize property owners for improvements made to properties.

The total taxable real estate assessment is \$34,894,630 comprised of assessed land value of \$6,355,520 and assessed building value of \$28,539,110. The rate of collection is estimated to be 95%. Overall, 25% of the assessed value of property in Ebensburg is exempt from real estate taxes.

The 2025 tax rates remain unchanged from 2024, with a total of 39.25 mills on land and 11.75 mills on improvements. This is the equivalent of a 16.75 mill real estate tax in conventional terms.

On a two-tier basis, the tax rates of 39.25 mills on land and 8.5 mills on buildings are divided as follows:

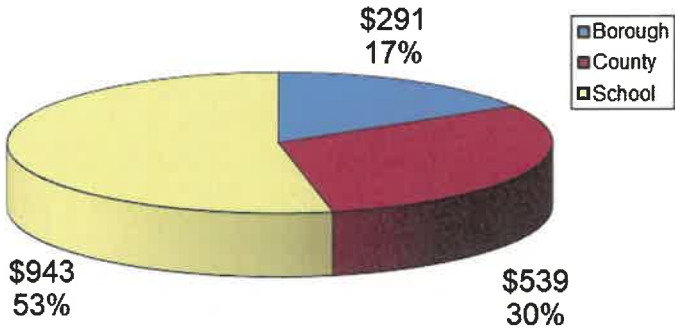
Tiered Millage Rate		
General Purposes	36.75 mills on land	& 11.75 mills on buildings
Stormwater	2.50 mills on land	
Total	39.25 mills on land	& 11.75 mills on buildings

The following demonstrates how the calculation of the two-tier tax rate compares to the calculation of a conventional tax rate.

	Assessed Value	Millage Rate	Revenue Generated
Land	\$ 6,355,520	39.25	\$249,454
Buildings	\$28,539,110	11.75	<u>\$335,335</u>
Total			\$584,789
95% collection	\$34,894,630	16.75	\$555,550

COMPARISON OF TAXING AUTHORITIES

The 2025 average property assessment for residential property in Ebensburg Borough is \$17,383. Thus, the average taxpayer will pay approximately \$291 per year (a little less than \$25 per month) for borough services. These taxes fund the most basic borough services such as police protection, fire protection, street sweeping, snow plowing, street resurfacing, traffic signals, recreation, leaf collection, playgrounds, street lighting and other similar activities.



These borough services, and the corresponding borough property tax, represent only 17% of the total property tax bill paid by borough taxpayers. Approximately, thirty (30%) percent of taxes paid by borough taxpayers goes to county government (31.0 mills), and fifty-three (53%) percent goes to the local school district (54.25 mills).

OTHER TAXES

All Act 511 taxes will remain the same in 2025. The Act 511 taxes are as follows:

- 1.0% Realty Transfer Tax
- 1.0% Earned Income Tax
- \$47.00 Local Services Tax

2024 SUCCESSES

Ebensburg Borough has enjoyed remarkable change over the previous two decades. Each and every Council during that period has changed the face of Ebensburg, completing projects begun by their predecessors and undertaking their own new initiatives. Those notable accomplishments of past Councils include the YPCC, Memorial Field, Tennis Center, swimming pool and roller rink projects; neighborhood sidewalk replacement projects, the downtown streetscape project; the Saltlick waterline and inter-municipal connections; wastewater plant and collection system upgrades; new playgrounds; new downtown events; and multiple shared projects and purchases.

The current Borough Council continued that progressive spirit with even more initiatives. In 2024, Borough Council accomplished the following:

- Supported the Municipal Authority in implementing the first phase of a multi-phased project to replace the waterlines in town.
- Replaced a police cruiser.
- Partially completed renovation of the Borough Pool.
- Supported the Municipal Authority in a sewer line replacement project for Lovell Avenue and Manor Drive.
- Supported the Municipal Authority in the installation of a storm sewer drainage system in the northwestern quadrant of town.
- Completed a hiring search for new Recreation Director and successfully transitioned over.
- Hired a full-time police officer to replace a retiring officer.
- Maintained gold certification in the PA Sustainable Community Program.

- Oversaw installation of a Historic Ebensburg mural to beautify High Street.
- Negotiated a contract for the provision of electrician services, including coverage for emergency/quick-response needs.
- Installed a thermal barrier at the tennis center to prevent the condensation from forming on the courts.
- Purchased the previously-leased “Municipal Parking Lot” at the corner of W. High Street and S. Cherry Street, ensuring its use in perpetuity
- Initiated a parking study to identify appropriate fee and enforcement strategies.
- Applied for and secured a LSA grant for installation of a Rapid Rectangular Beacon to improve pedestrian safety at the corner of W. High St. and Julian.
- Secured a grant for updating the Police reporting system.
- Secured a new façade grant in the amount of 50,000.
- The Borough became compliant in the Lead and Copper Rule. This required an inventory of all waterpipes in the Borough for the federal government. This regulation is an attempt to protect water sources by reducing the amount of lead and copper in drinking water.
- Filled vacant positions on public works staff and facilitated training for three employees who successfully obtained their CDL

GRANTS

The Borough staff has actively sought grants and low-interest funding for many projects.

2024-2025 Funding Sources		
Pool Renovations	Commonwealth	\$134,600
Street Resurfacing	PennDOT	\$111,210
Street Resurfacing	County	\$7,500
Police Report Management System	Commonwealth	\$40,000
Ogden Tank Improvement	Commonwealth	\$374,500
Storm sewer	PENNVEST	\$1,000,000
Phase I Waterline Replacement	PENNVEST	\$3,476,431
Façade Grant	Commonwealth	\$50,000
Rapid Rectangular Flashing Beacon	Commonwealth	\$52,745
Drug Task Force, Aggressive Driving, Etc.	PennDOT	\$500
Total Grants		\$5,247,486

DEBT ANALYSIS

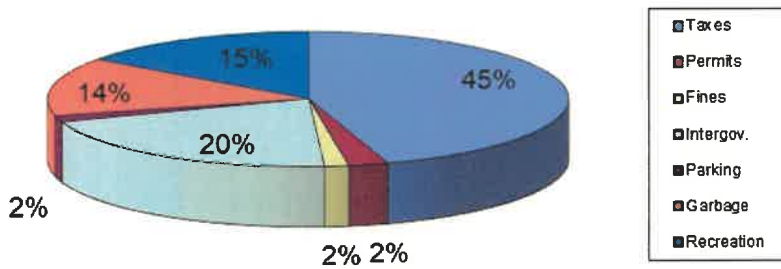
Ebensburg Borough guarantees several loans on behalf of the Ebensburg Municipal Authority. As the Authority loans are self-liquidating, they are not included in the Borough’s debt statement.

In 2020, Ebensburg Borough opened a line of credit for ongoing sidewalk and curb improvements in 2020 and 2021. The line of credit allowed costs to be paid for both projects

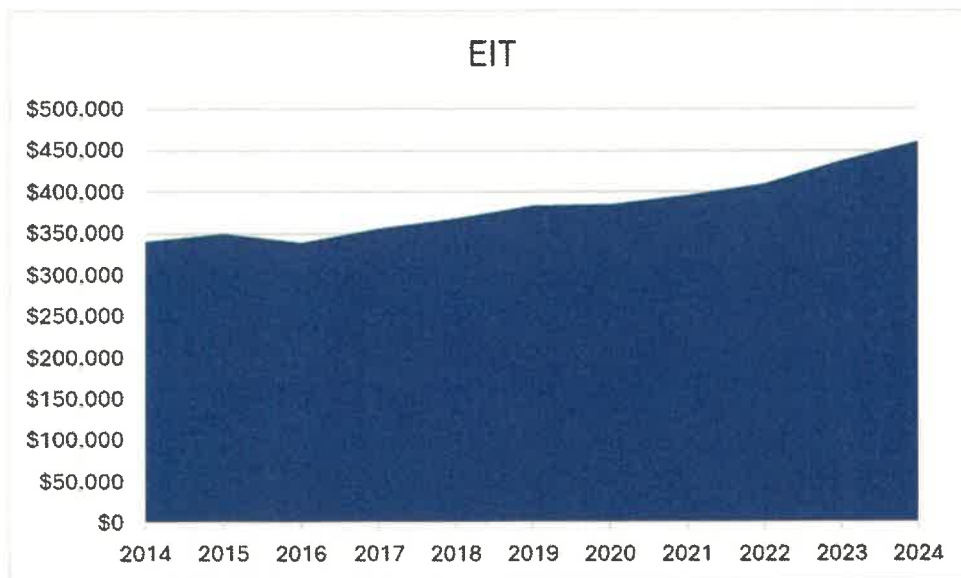
while property owner assessments were being collected. Following the completion of the 2021 project a balance of approximately \$670,000 existed. A separate loan was obtained in early 2022 to settle the line of credit. Due to fiscal management and the settlement of balances, this loan was paid off late in 2024. While the vast majority of sidewalk assessment funds have been collected from property owners, as of October 31, 2025, \$81,200 in assessments remain outstanding. Where necessary and appropriate, liens will be filed against property owners who are not keeping up with payment plans.

With the sidewalk loan having been paid off, the Borough currently has no outstanding debt of its own.

ANALYSIS OF GENERAL FUND REVENUES



This chart illustrates the breakdown of revenues into the general fund. While real estate taxes make up the greatest percentage of revenue, they still represent less than 50%. Although decreasing in recent years, Ebensburg's combined recreation programs remain a significant source of revenue, constituting 15% of total revenues. It is important that those recreation-related revenues be monitored throughout the year to be certain that programs are meeting budgeted goals.



Earned Income Tax – The earned income tax is a ½ percent tax on all earned income for residents living within the borough limits. While the rate is constant, the collected amount increases nominally every year as wages and incomes increase.

Local Services Tax - The local services tax is paid by all persons employed within Ebensburg Borough. The tax is \$52 per year, of which \$47 is paid to the borough and \$5 to the school district.

Parking – The revenue generated from parking meters has never been looked to as a source of income for the borough. The primary reason that the parking meters exist is to help assure that vehicles are rotated through the available parking spaces, making parking available for visitors to downtown Ebensburg.

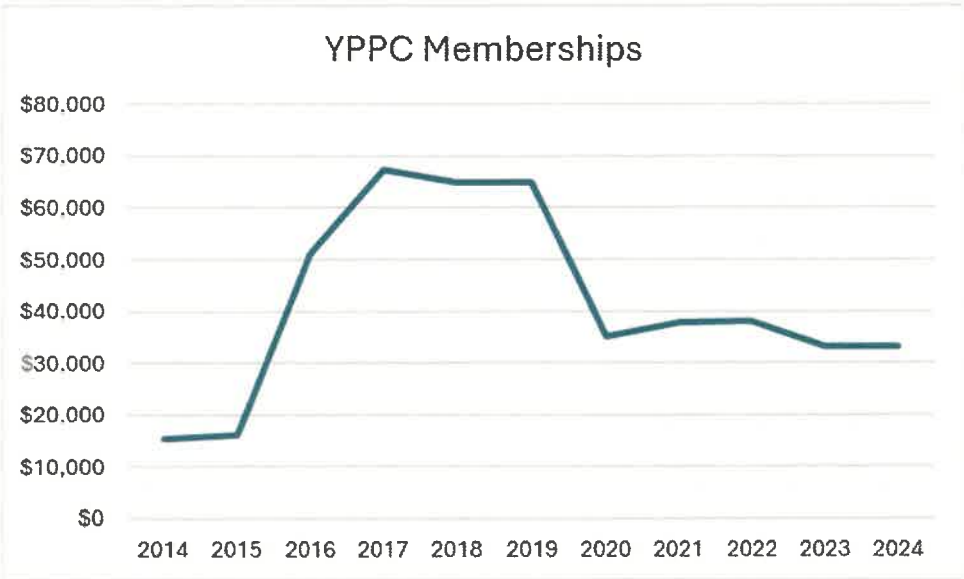


That said, it is important that the revenue covers the ongoing cost of enforcement, the capital costs of the meters and stations, the maintenance of same, and the lots. The annual cost of enforcement is approximately \$24,000. The borough purchased the historically leased lot in the center of town in 2024. Rather than continuing to pay to rent the lot, the borough made the prudent decision to purchase it to ensure adequate parking in the downtown area well into the future. Staff has initiated a study to investigate various means of implementing cost measures and practices for monitoring the parking in all the downtown area, including the lots and on-street parking.

Swimming Pool – Revenue from swimming pool annual and daily passes has varied greatly over the years. Since the new pool was opened in 2012 there had been a gradual decline in memberships. New management, a summer of excellent weather, and the temporary closing of two nearby municipal pools resulted in a 324% increase in 2016. The 2020 season brought in only \$17,900, but it is slowly recovering. 2024 revenues were slightly down due to a delayed

opening and then a long period of inclement weather.

YPCC – YPCC membership fees have also varied over the decade. Memberships drastically increased in 2009 when the fitness center was introduced and continued to grow for three years. As the fitness center became outdated and other privately-owned centers were opened, membership fees decreased. Covid and the purchasing of in-home equipment by customers who were previously members greatly reduced membership.

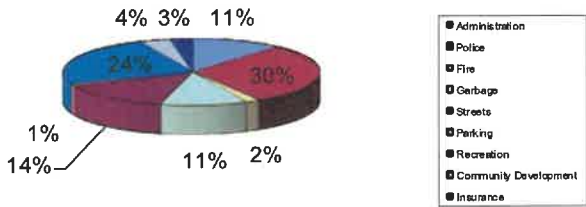


YPPC- The memberships at the YPPC have varied over the past decade. COVID impacted memberships tremendously. The Borough and the Recreation Committee will monitor this facility and look for ways to increase membership. Program fees, such as Silver Sneakers, have become a higher source of revenue and other such programs will continue to be evaluated and possibly increased.

Tennis Center – Membership fees at the tennis center remained fairly consistent over its twelve years of operation but Covid-19 impacted recent revenues. The previous two years revenues increased but last year decreased a bit. Renovations were made at the Center to get rid of a moisture problem and improve lighting, and the Borough is hopeful this may assist in revenues. The tennis pro has been successful in increasing the center's presence on social media and will continue to do so in 2025 to pursue additional members.



ANALYSIS OF GENERAL FUND EXPENDITURES

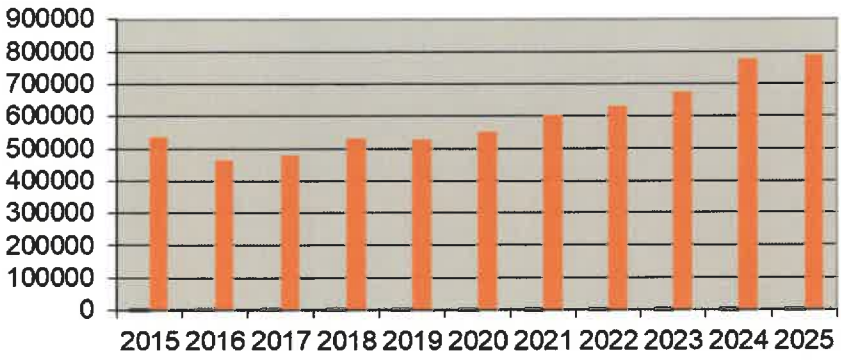


The above chart illustrates the breakdown of expenditures from the general fund. The cost of police protection is Ebensburg's largest budgeted expense (\$765,105) followed by recreation (\$615,160).

Police Department – The cost of providing police protection has remained consistent over the years but recently experienced several major changes. The Borough welcomed a new police chief in 2023 and hired an additional officer, bringing the department to six full-time officers. In 2024 the Borough hired an officer to fill a vacancy created by retirement. Ebensburg continues to benefit from full twenty-four-hour police coverage. Surprisingly, with an increase in officers, we have experienced a decrease in training expenditure because the department leadership has actively sought out free training. By utilizing the borough building for this training and actively recruiting attendance from other departments, we have also decreased our overall costs because there are no travel time or expenses incurred by our officers.

Upcoming in 2025 will be the installation of an updated report management system, thanks to a grant received for \$40,000. The current system used tabulated statistics needed to report required information to the Pennsylvania State Police through UCRS, but not that required for the NIBRS which was implemented by the Federal Bureau of Investigation and became the national standard for law enforcement data reporting as of 2021. The new system will automatically report both sets of data to the Pennsylvania State Police and the FBI monthly. Officers will no longer have to spend time in the office manually inputting data for the reports, but they can access the system to record entries in every patrol vehicle.

Police Department Expenses



Recreation – The 2025 Budget contains five sections devoted to recreational facilities.

YPCC – Since its inception, the YPCC has required a significant subsidy from the general fund in order to pay for day-to-day operational costs. That subsidy was as high as \$88,000 in 2015. Due to significant changes the subsidy dropped to less than \$30,000 but the effects of Covid were severe and the subsidy increased to over \$50,000 for several years.

For 2025 the subsidy is approximately \$62,690. Staff will be working with the Recreation Board to increase the activities offered and will assess membership and programs provided to increase revenue sources.

Considering the amount of activity at the YPCC and the high percentage of our population served by the center's programs, Council remains committed to subsidizing its operation to the extent necessary.

Swimming Pool – The swimming pool has also historically required an annual general fund subsidy. That subsidy varies greatly from year to year depending primarily on weather. While revenues increased drastically when the renovations were completed in 2012, they have gradually declined since. The pool recovered in revenues after Covid but increases in chemical costs, heating and personnel have caused an increase in outflows. The annual subsidy for the swimming pool is approximately \$42,690.

Parks – This line item covers the operation, maintenance and electricity for Kimball Park, Penn Eben Park, Veterans Park, Memorial Field, Lake Rowena and the three playgrounds. The Borough has been making a concentrated effort to maintain and replace equipment as deemed necessary. Staff has recently applied for a grant to update equipment at all playgrounds and continues to seek grant funding for the dredging of Lake Rowena.





Tennis Center – Ebensburg’s Tennis Center has continued to grow its programming and has been able to reliably support its own operation. Since Covid, though, the facility has experienced a deficit. This year, a deficit of approximately \$51,600 is anticipated. Staff continues to seek ways to control expenses and increase revenue sources.

Roller Rink – The roller-skating rink is not expected to generate any revenue, nor incur any significant cost. Any program fees assessed for leagues and tournaments will be sufficient to cover unusual costs for those events such as electricity and staff.



Highways – The Borough did not undertake any street paving projects between 2014 and 2019, in anticipation of the comprehensive wastewater project. Since then, the Borough has repaved nearly every Borough-maintained street. However, due to unexpected funding for major water and stormwater projects, together with replacement of various lines by the gas company, many of the streets have since been torn up and patched. No paving was done in 2024 but it is anticipated that some streets will be repaved in the upcoming year.

The Borough has made it a standard to mill existing paved surfaces prior to resurfacing. While that increases the total cost by 25% it avoids stormwater issues, preserves curb reveal and makes a better job overall.

Timber Management – Ebensburg owns over 1,300 acres of property in the borough and Cambria Township. Approximately 800 acres of that is populated with various types of standing timber. The last sale of timber was in 2018. The borough retains a forester to manage the timber, and to provide advice on management practices. Discussions with the forester are on-going and we may have forest sales in the upcoming year but that has yet to be finalized.

Community Development – Events in Ebensburg such as PotatoFest, Wheels & Wings, Dickens of a Christmas, Homecoming and Art in Bloom will continue to grow and have a very positive impact on the community.

Capital Improvement Program – The Borough Council places great importance on adequately funding a comprehensive capital improvement program. The capital reserve fund allows Council to not only handle routine or planned improvements, but also to undertake unanticipated projects and major unexpected costs without negatively impacting the annual operating budget.

No year in recent history stressed the need for the reserve more than 2025. When the parking lot that the borough rented for years went on the market, Council was able to purchase it for \$250,000. Additionally, the tennis center was experiencing indoor condensation issues that reached a peak in 2024, and often making it unsafe to utilize the courts. After talking to

numerous professionals regarding the condensation, specifications were procured, bids were received, and repairs were made for \$114,750. Finally, after receiving a grant for repairs necessary to preserve the integrity of the pool, repairs and improvements were made, but the bids received were well more than the estimated cost. Due to the reserves, Council was able to move forward with the project.

Regardless of any difficulties experienced in balancing an annual budget, the importance of continuing to fund a capital reserve fund must be recognized.

ANALYSIS OF UTILITY-RELATED FUND REVENUES

Previous budgets have described rising concerns about water and wastewater revenues and warned of rate adjustments that would be required in coming years. Water rates were adjusted in 2022 and 2024 to adequately supply the revenue needed for debt service on projects.

Wastewater revenues will remain adequate in 2025, but a rate adjustment will be needed in the near future to plan for needed capital improvements to the conveyance system and the plant.

Wastewater System – There are three factors looming in the future that could significantly affect wastewater revenues.

First, the facility-owned wastewater collection system at the Ebensburg Center is in such poor condition, and allows so much stormwater to infiltrate, that a surcharge has been added to the facility's bill for many years. The surcharge averaged \$54,000 annually, with over \$30,000 still received in 2024. Repairs are ongoing at the facility that should greatly reduce the amount of infiltration. While that is good news for the treatment plant's capacity, it will negatively affect wastewater revenues.

Second, there have been discussions about the potential closing of the Ebensburg Center. That is not likely to occur in the near future, but if it were to eventually happen, the loss in wastewater revenue will be in excess of \$130,000 annually (unless, of course, another user with similar water needs were to move into that facility).

Third, reserve funds were utilized in 2024 to install 3,500 L.F. of gravity sewer main and appurtenances along backlot areas adjacent to Manor Drive and Lovell Park, including reconnection of existing customer connections. The purpose of the project was to address structural deficiencies within the existing sanitary sewer mains which resulted in excessive inflow and infiltration. In 2025, the reserve will need to be evaluated so adequate funding is established for future planned capital projects.

Water System – There are several factors that could affect water system revenues in the long term as well.

First, if the closure of Ebensburg Center were to occur, the loss in revenue would be about \$80,000 annually. Second, Ebensburg Center has been plagued by water leaks. Major water leaks generate revenues to the fund, but repairs are usually made as soon as possible. Again, while that is good news for Ebensburg Center, it has a negative impact on our water sales.

Rates were recently adjusted to cover routine operating costs, capital projects and repairs to water leaks that plague the system. The water system continues to experience major water losses, and the search and repair of leaks is constant.

ANALYSIS OF UTILITY-RELATED FUND EXPENDITURES



Wastewater System – A major wastewater system replacement project began in 2018 and was completed in 2019. The project's goal was to separate stormwater from the wastewater system, allowing the combined sewer overflows to be eliminated. The \$9M project was funded with a PENNVEST loan with an interest rate of 1% over 25 years. A wastewater rate increase was implemented in 2013 in anticipation of the project. The balance of the required increase was imposed in 2016. All revenue generated by

those rate increases has been directed towards the debt service due to PENNVEST.

There are no upcoming major capital projects anticipated in the upcoming year.

Water System – In 2020, the Municipal Authority conducted a water system evaluation and capital needs study of the distribution system. That report, presented to the Authority in the spring of 2021, described a capital improvement project costing \$10+ million on the distribution system alone. It included the need to replace storage tanks first constructed around 1900 and water mains that are 120 years old.



In 2022 the Municipal Authority imposed a rate increase that provided additional annual operating revenue that was applied to short-term debt for engineering costs associated with grant applications for improvements at the water plant and for the replacement of antiquated lines.

This endeavor was successful because, as stated earlier, the first phase of this project took place in 2024. Two grants totaling \$3,476,431 and two low interest loans in the amount of \$5,059,030 were secured through PENNVEST for this project. Although rates were raised, it was the best fiscally responsible decision to do so because if the Authority had waited, the lines would still need to be replaced, and it is doubtful that such a large grant would be secured in the future.

In addition, the total replacement of the water treatment plant is being considered. That project, which will need to be addressed at some point in the next ten years, will cost at least \$15 million. The Saltlick loan will be paid off in 2025 freeing up funds that can be directed toward a water plant project, but it is less than half of what that new debt service would cost.

Stormwater System – Stormwater management fees were implemented in September 2014, and the full rate was imposed in 2016. Each department is assessed a stormwater fee on its Borough-

owned facilities, just like all other private property owners. A small portion of the stormwater fees are utilized for stormwater maintenance, with the majority paying off the debt service for the 2024-2025 project and the remainder is placed in reserves for future projects.

With the elimination of stormwater flows into the sanitary sewer system, and the apparent increased frequency of significant rainfall events, the Municipal Authority designed and applied for funding on a major stormwater improvement project affecting several areas of town in 2023. In 2024 the Borough began its first phase of a multi-phased project to address stormwater in the northwestern portion of town which was financed through a million-dollar grant and a low interest loan.

HUMAN RESOURCE FACTORS

Labor costs obviously affect all departments. It is important to understand historical trends relative to labor and strive to control those costs.

Pension Plans – The Borough provides two defined benefit employee pension plans (uniform and non-uniform) that require annual contributions of considerable sums. Despite generally strong investment performance, as a result of higher wages and a larger police force, Borough contributions are expected to amount to nearly \$137,000 for 2025. The employee contributions to the non-uniformed and uniformed defined benefit plans remain at 5% in 2025.

In 2021 the Borough implemented a new pension plan for all new non-uniformed hires. This plan is a defined-contribution plan that is not dependent on market conditions and will allow the Borough to benefit from the ability to plan the expenditures well into the future. The Borough's 2025 contribution to this plan is approximately \$10,000.

Employee Healthcare – Increases in the cost of employee healthcare have had a drastic impact on everyone in the public and private sectors. For budgeting purposes, premiums are anticipated to increase by 10% in 2025. The first half of the decade saw double-digit increases in premiums each and every year. Borough Council has acted responsibly and proactively to contain those costs to the extent possible and will continue to do so.

Employee Wages – In 2021 and 2022 the Borough experienced significant difficulty in attracting and retaining employees, especially in the Public Works department, for several reasons. Due to the economy and recent trends in the workforce, potential employees considered other starting wages and benefits in the area and the Borough's compensation and packages offered were not viewed to be competitive. As a result, the Borough was unable to fill vacant positions and operated with a limited workforce for most of the year. To retain current employees and ensure the capacity to attract new employees in the future, the Borough increased the hourly wage of employees to a level that is in line with the average with other municipalities of our size across the state. The Borough was also forced to reinstate health insurance for employee dependents, although with continued contributions required from employees that were already in place.

The decision to reinstate benefits and increase wages was not taken lightly by Council knowing

that it would affect budgets well into the future. However, it was determined that staff could not operate efficiently to provide the essential services that our residents require without a fully manned workforce or even worse, with a “revolving door” in which employees routinely left for higher-paying opportunities.

SIDEWALK PROJECTS

In 2018, Council approved the design of a major sidewalk improvement project on Horner Street, Crawford Street, Sample Street, Caroline Street, South Marian Street and West Triumph Street. The design costs were paid from the sidewalk reserve. All required permitting, including HOP and E&S, were secured.

In 2019 sidewalk and curb construction was completed on South Caroline Street, South Marian Street and West Triumph Street. In 2020, a similar project was completed in the northeast quadrant of town on North Caroline Street, East Horner Street, East Crawford Street and East Sample Street. In 2021 a contract was awarded for sidewalk and curb replacement for the third and final phase of this project in the northwest quadrant of town. This was completed in 2022 with the roads paved and trees planted in the fall. Both sidewalk projects on the two northern quadrants were financed over a five-year period, but the fund was sufficient to cover the remainder of the loan in 2024 and it was paid off. In 2025, no significant sidewalk project is planned. That said, several areas of the Borough would still benefit greatly from the installation of new sidewalks and curbing. It is anticipated that at some point in the coming years, additional projects will be developed and implemented.

SUSTAINABLE COMMUNITY CERTIFICATION

The Sustainable Pennsylvania Community Certification, a project of the Pennsylvania Municipal League, is a voluntary performance recognition program designed to help municipalities achieve sustainability goals, which in turn will allow them to save money, conserve resources, and encourage innovation. The program is intended to bring recognition to municipalities that are applying the policy and practice of sustainability; municipalities that incorporate sustainable practices into their operations also foster community prosperity. The program provides communities with an online structure and performance platform for recognition as they adopt sustainable policies and practices. The program helps municipalities progress from whatever their municipal practices are or have been in the past toward achieving a Sustainable future.

In 2021 the Borough was designated with the Gold level of sustainability. Only a small percentage of communities across the Commonwealth have attained this status. Looking ahead, the Borough will focus on maintaining and resubmitting sustainability recognition in 2025.

HUMAN RELATIONS AND DIVERSITY

In 2020, Council formed a standing diversity committee and established policies for private and civic groups to sponsor events in Ebensburg. Although organized activities in this area have been limited, the borough remains fully committed to ensuring that Ebensburg is a welcoming community for all.

MAJOR OBJECTIVES IN 2025

The purpose of borough government is to serve the residents and property owners of the community. This requires the various departments of the Borough to do their share in providing a livable community in all respects (physically and socially). The community needs a sound infrastructure to serve its residents and property owners, as well as to protect property values in the future. The Borough must also protect its residents and property owners, as well as their properties. The Borough must provide a social atmosphere that will encourage the community's viability in the forms of recreation, social services, aesthetics, sound economic base and responsiveness to community problems. Finally, borough government has a responsibility to inform the public of its activities and plans to permit the residents and property owners the ability to assess the effectiveness of their government and make known their opinions.

There are four basic divisions for accomplishing the above:

1. General Government
2. Protection of Persons & Property
3. Public Works
4. Culture & Recreation

GENERAL GOVERNMENT

The basic functions of the Borough need a variety of support and coordinating services to permit them to operate. These services also act as the implementation arm for Council's policies. These services include administration, finance, tax collection, facilities, community development, and professional services such as legal, engineering and accounting. The objectives in 2024 include:

Administration

- Provide training and educational opportunities to elected officials including conferences and seminars sponsored by the Pennsylvania State Boroughs Association (PSAB).
- Provide training and educational opportunities to management including municipal management conferences and seminars offered by PSAB, Association for Pennsylvania Municipal Management (APMM), International City/Municipal Managers Association (ICMA), and PA Municipal League (PML).
- Continue inter-municipal cooperation with neighboring municipalities in the areas of recreation, planning, and economic development.
- Execute a succession plan to ensure a smooth transition in replacing a long-term employee planning retirement in 2025. As part of the succession process the Borough anticipates hiring a replacement in near future. The candidate will then train alongside the current employee on a part-time basis for several billing cycles. This will allow the candidate to become familiar with all the cycles the billing entails. It is expected the candidate will become full-time six weeks to a month prior to the employee's departure.

Community Development

- Continue to implement the Main Street 4-point Approach to downtown revitalization, economic restructuring, organization, design and promotion.

- Work with eligible business/property owners to distribute Façade Improvement funds for downtown improvement projects.
- Maintain and improve the Borough's website.
- Continue publication of borough newsletter twice per year.
- Continue efforts to maintain a college intern on staff throughout various periods of the year.
- Refinish benches, bollard lights, trash receptacles, and light pole bases as needed.
- Continue to maintain certification in PML's Sustainability program and begin the recertification process.
- Complete a project intended to welcome trail users to Ebensburg and encourage them to visit downtown.
- Complete a Community Outreach Survey for residents of Ebensburg Borough.
- Develop and implement programs and events celebrating the 200th anniversary of the incorporation of Ebensburg as a Borough.



PROTECTION OF PERSONS & PROPERTY

The Borough provides or finances a variety of services to protect the public and property including police protection, parking enforcement, fire prevention and suppression, emergency management, codes enforcement, planning and zoning, and solid waste collection and recycling. The objectives in 2025 include:

Police Protection

- Continue to provide educational opportunities for police officers.
- Monitor use of part-time officers in order to remain within budgetary limits.
- Make a concentrated effort to share resources and opportunities with the neighboring municipalities.
- Purchase ammunition
- Purchase or lease body cameras.
- Calibration of parking meters.

Codes Enforcement

- Maintain strict enforcement of property maintenance regulations.
- Continue strict controls on neglected grass and weeds.

Zoning

- Continue to assist Laurel Municipal Inspection Agency with zoning enforcement so that the needs of our residents are met.

Solid Waste Collection & Recycling

- Increase public education for the voluntary curbside recycling program to encourage maximum participation.

Employee Safety

- Develop and implement a comprehensive safety program for all borough employees, with

particular emphasis on public works operations.

PUBLIC WORKS

The Borough maintains a 15.2-mile road network, storm sewers and numerous buildings and structures. In addition, the Borough maintains the water, wastewater and stormwater systems on behalf of the Ebensburg Municipal Authority. The objectives in 2025 are:

Highways

- Complete a street resurfacing project in select areas.
- Provide efficient snow removal services.
- Continue the annual replacement program for old street signs and posts, in compliance with retro-reflectivity policy.
- Conduct yearly inspections of traffic signal poles and timing/operation of lights.

Water System

- Continued monitoring and repairing of leaking lines.
- Install a meter pit at Maple Heights for fire hydrants and sprinkler lines.
- Begin an annual program of customer water meter replacement.
- Continue with inspection of lines and laterals and complete paperwork involved to comply with the federally mandated Lead-Copper Rule.

Wastewater System

- Monitor and repair/replace mains as needed.

Stormwater

- Complete the Stormwater project in town.

Timber Management - No planned activities.

CULTURE & RECREATION

The Borough provides a well-rounded variety of recreational facilities including three playgrounds, Lake Rowena, the YPCC, Memorial Field, the Ebensburg Tennis Center, Ebensburg Skate Park and Ebensburg Swimming Pool. It also provides financial support to the Ebensburg library. In 2024 the borough hired a new Recreation Director and while it is anticipated, she will bring her nutritional expertise into activities at the Borough, she will continue to work towards previously set goals. The Borough applied for a major grant for Lake Rowena in 2024. This ambitious grant applied for the dredging of Lake Rowena, stabilization of the banks, the replacement of the fishing pier and many other improvements to the recreational area surrounding the park. The borough should receive news of the grant in December of 2024. The objectives in 2025 include:

General

- Acquire college interns to assist with department needs including landscaping, field maintenance, office admin and programming.

- Ascertain grants for the replacement of playground equipment and to repair drainage problems at Memorial Park.

Swimming Pool

- Purchase additional deck chairs.

Lake Rowena

- In coordination with the Fish Commission, apply herbicide to control lake weeds.
- Continue control program to manage geese.
- Repair or replace the fishing pier.
- Remove the suspended boat dock.
- Continue to investigate the possibility for a dredging project if a grant is not secured.



Tennis Center

- Cleaning of the indoor courts.

YPCC

- Continued evaluation of practices and activities to increase membership.
- Secure funding to refinish gym floor in 2026.

AIRPORT

In 2008 Ebensburg Borough entered into a fifteen-year agreement with Regional Aviation Conservation and Recreation Association (RACRA) for the lease and operation of the airport. The initial term of the lease ended on December 31, 2023. RACRA had the option to extend the lease for up to two additional five-year terms but failed to do so within the prescribed timeframe. Subsequently, the lease was renewed for one year with a one-year option, which RACRA has elected to exercise. Prior to the end of the current lease on December 31, 2025, Council will need to consider options for granting an extension to RACRA, which has successfully managed operations of the airport for the past 15 years at no expense to the Borough.

In 2023, it became evident that one of the hangar structures at the airport was in poor condition. The structure was evaluated by a structural engineer, and it was determined that repairs could effectively be made. RACRA continues to seek grant funds to make permanent repairs. There are no expenses related to the airport included in the 2025 budget.

CAPITAL BUDGET

Ebensburg Borough has a long-standing commitment to upgrade and replace borough facilities and equipment. This budget provides funding for the ongoing capital improvement program.

Annually, capital reserves are budgeted in each department in order to assure that needed funds are on hand in the future. In 2025, a total of \$440,265 will be transferred from revenue in the general, water, wastewater and stormwater funds to the capital improvement fund. These

transfers are necessary to ensure that adequate funds are on hand in the future to meet the obligations of an ongoing capital improvement program. The capital budget allocates \$443,330 toward projects in 2025. The table below shows expected fund balances for each of the major fund categories at the end of 2025.

	General Fund Capital Reserve	Water Capital Reserve	Wastewater Capital Reserve	Stormwater Capital Reserve
12/31/2025	1,414,970.00	348,650.00	267,710.00	465,800.00

FUTURE BUDGET CONSIDERATIONS

This budget contemplates continuing Council's long-standing practice of investing in community improvements. Our Capital Improvement Program, funded through reserves, low-interest loans and grants will continue to allow us to enhance community aesthetics and improve public facilities and infrastructure. Our residents will enjoy new programs and services and take even greater pride in their community.

Ebensburg Borough remains financially strong and sound. That is largely due to Borough Council's willingness to continue to invest in the borough's future. While many towns are in a state of decline, Ebensburg continues to be active and vibrant. The economic status of our region is struggling with the rest of the country, but a renaissance in Ebensburg Borough is continuing.

PUBLIC IMAGE

We expect Ebensburg Borough to continue to experience change throughout the coming year and beyond. We will enter 2025 in a state of construction and repair as work moves toward completion on our Stormwater Project. Two years ago, a resident asked a member of Council, "When will Ebensburg be done?" It is our hope that Ebensburg will never "be done" since the continuous process of seeking out and implementing improvements allows us to be adequately prepared for our future. At the same time, we must aggressively identify and pursue efficiencies and cost savings measures to offset inevitable increases in expenses over time. With Ebensburg essentially "built out", we cannot expect that growth in population or businesses will provide the increased revenues needed to ensure that Ebensburg remains a thriving community.

STAFF AND VOLUNTEERS

Ebensburg is a strong community where the citizens have come to expect responsive municipal services, delivered in an efficient manner by a professional Borough Council and staff. I am proud to have served as Manager of a community that is open-minded, forward-thinking and committed to making improvements. It is with great pleasure and purpose that we serve the citizens of Ebensburg together.

In doing so, we rely heavily upon a cadre of volunteers who serve voluntarily on the various authorities, boards, and commissions. Others provide their time to volunteer for our numerous

community events and are invaluable to the borough's success.

Our employees continue to deliver quality cost-effective service to our residents. Their talents and creativity have proven invaluable, and we are committed to recognizing their dedication and efforts through appropriate compensation and benefit packages.



CONCLUSION

Financial stability will be maintained in the future through the Borough's ongoing efforts to provide the highest quality service in the most efficient and cost-effective manner possible. It has been achieved through establishing and following sound financial management policies designed to protect the public's finances and provide accountability to the taxpayers.

This budget, considered a reliable financial plan for the 2025 fiscal year, maintains and enhances our key services while working, to the extent possible, within our financial constraints. It reflects the balance between current economic realities and the desire to provide the best government possible during these current conditions. It is the continuing goal of the staff to produce excellence in budgeting, evidenced by the high standards of financial reporting displayed throughout this document.

I wish to extend my personal gratitude for the hard work of all staff and Council members in its preparation. Most importantly, thanks to our Mayor and Borough Council for their sound policy direction, leadership, and continuing support.

I am confident that the upcoming fiscal year will be another year of progress and improvement for our community, with major emphasis on minimizing the impacts of inflation and rising costs. I am grateful to each of you for your leadership and support, and I welcome your comments and suggestions as you review the attached information in the days ahead.

Respectfully submitted,



Kelly Cook
Borough Manager