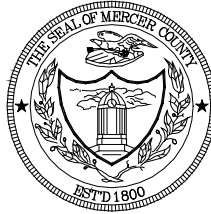


**BOARD OF COMMISSIONERS**

Matthew B. McConnell, Chairman  
Scott Boyd  
Timothy M. McGonigle



**FINANCE OFFICE**

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Mercer, PA 16137  
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**COUNTY OF MERCER**

**BUDGET for 2022**

As Adopted Thursday, December 2, 2021

By John F. Logan, Fiscal Administrator

Once again, the Commissioners are NOT increasing the real estate tax rate. Total County millage remains at 23.65 for the fifth year, reflecting the Commissioners' concern for the economic damage done by the coronavirus. By managing our costs and holding the line on taxes, we are helping everyone continue to recover.

Revenue: County real estate tax revenue will decrease slightly. Additions to our tax base nearly offset decreases from assessment appeals by some of our largest taxpayers. In the General Fund, federal and state grants are expected to continue at or near past level, with a slight increase in charges for services.

Expenses: There are four types of County expenses in the General Fund: pay, benefits, operating expense, and appropriations to agencies.

Pay: Rates will increase 2% to non-union employees and we are meeting similar obligations with those bargaining units with labor agreements in effect.

Benefits: Health insurance is a significant part of both county costs and employee total compensation. Our premiums will increase by 10.5% or \$386,000 in the non-union plan and by similar rates in the plans covering our bargaining unit employees. The cost of health insurances is our single largest increase. Our other benefit cost rates have remained stable. However, maintaining good working relationships with all employees makes the County more effective in delivering services to our citizens, so we know that the cost of our benefit program is appreciated and necessary.

Operating Expense: Controlling operating costs has required the participation of all our elected officials and department heads, and we thank them for it. That cost type will increase only 1%.

Appropriations: County appropriations support a wide range of agencies. For example, they support Children and Youth, County Transit, Recycling, Mental Health, and the Penn State Extension. We are budgeting at the same level as last year, but with the caveat that we would not make up any reduction if state or federal funding for those programs is reduced.

For the first time in many years, the General Fund finished 2020 with a small deficit \$14,060. In 2021, I am using \$1,000,000 from our operating reserves, as planned, and project a deficit of \$124,000. With cost increases for 2022, we will draw \$2.4 million to support 2022, where I project a deficit for the year of \$134,110. By using this reserve and accepting an annual deficit instead of raising taxes, we are returning that amount to the taxpayers..

Capital Projects: Bridge repair and replacement is a major challenge we are dealing with. Last June we successfully refunded our bonds and made an additional \$12 million available for bridges. Already we have established contracts for the required engineering to replace 17 of the 30 targeted bridges over the next five years. Citizens should see fewer signs for "Bridge Closed" or "Weight Limit 10 Tons" as that work moves into the construction phase. Emergency vehicles, school busses and agricultural equipment will have full access throughout the County.

Thoughtful planning and prudent spending continue to be the best tools we have for fulfilling our obligation as trusted stewards of public money.