

MERCER COUNTY PENNSYLVANIA



COMMISSIONERS
Ann Coleman, Ph.D., Chair
William Finley, Jr.
Timothy M. McGonigle

MERCER COUNTY 2025 BUDGET

December 12, 2024

Mercer County's total budget includes the general fund, capital improvement funds, the remaining ARPA money, and multiple federal and state grants. The responsible management of these funds ensures that our staff has the resources they need to provide services that range from protecting our children, maintaining public safety, answering calls at the 911 center, completing bridge maintenance, and ensuring that our veterans have access to the benefits they earned.

The Board of Commissioners has a responsibility to be transparent about county finances. Taxpayers have a right to know how their money is being used. County government primarily receives its general fund revenues from real estate tax. In 2020, the county's real estate assessed value was estimated at \$1.215 billion. In 2024, our real estate assessed value is only \$1.2 billion. When property values decrease, less revenue is collected.

This reduction is due to frequent tax appeals which often result in the issuance of tax refunds. The current county-wide tax reassessment will address this issue by producing fair and accurate property values and stabilizing our tax revenues.

There has not been a tax increase in Mercer County since 2013. During that time, just as our citizens have experienced at home, our costs have increased resulting in more expense for equipment repairs, office supplies, gas for our vehicles, and the steel needed to maintain our bridges.

The 2025 budget includes a tax increase of 3.60 mills* Most of this increase (2.75 mills) will be used for general fund operations. The remaining portion (.85 mills) will be used to pay the debt service on the 2021 bond. The debt service millage was not adjusted when this bond was originated. In order to cover the debt service on the 2021 bond, we need 2.25 mills of taxes.

Working with the Treasurer and Controller, the Board of Commissioners continues to use short-term investments to generate interest that bolsters the general fund. These investments will continue.

The decision to raise taxes was difficult and not taken lightly. Mercer County tax revenues simply have not covered the county's escalating costs. It is important to note that the tax increase does not provide enough revenue to balance the budget and this year's shortfall will be covered by using funds from the operating reserve account. Reserve funds have been used to balance the county's budget in the past. We cannot continue to rely on our reserves to balance the budget. In addition to providing a safety net in the case of an emergency, much these reserves do have a specific purpose as they were set aside in previous years to fund capital projects.

This budget is a financial plan and not an authorization to spend. The Commissioners will continue to look for ways to cut costs and control County spending with thoughtful planning, strong management, and judicious decision making.

*Based upon a property with a fair market value of \$200,000, the cost to the average county property owner will be approximately \$24.40 per mill or \$87.84.

125 S. DIAMOND ST., SUITE 103
MERCER, PA 16137
www.mercercountypa.gov

Phone: (724) 662-3800
Phone: (724) 662-7531
Fax: (724) 662-5314