



MOOSIC BOROUGH STRATEGIC MANAGEMENT PLANNING PROGRAM REPORT

NOVEMBER 2025



Pennsylvania Economy League, Central PA, LLC
Camp Hill, PA



Pennsylvania
**Department of Community
& Economic Development**

Paid for in part by funds from DCED's
Governor's Center for Local Government Services.

CONTENTS

.....	1
.....	1
Executive Summary	6
Demographics _____	6
Historical Financials _____	6
Projections _____	7
Operations _____	8
Labor and Personnel _____	10
Observations and Recommendations _____	10
Chapter 1 Government Structure and Demographics.....	12
Government Overview _____	12
Introduction.....	12
Government Structure	13
Location and History.....	13
Demographic Patterns _____	14
Introduction.....	14
Population	14
Population by Age	16
Net Migration	17
Housing _____	17
Age of Housing.....	17
Owner Occupied, Renter Occupied and Vacant Housing Units.....	18
Median Housing Value of an Owner-Occupied Home	19
Income _____	20
Median Household Income.....	20
Education, Employment, Poverty	20
Chapter 2	21
Historical Financials	21
Introduction _____	21
Methodology _____	21
Summary _____	22
Adjusted Summary _____	22
Assessed Value and Market Value _____	23
Revenue _____	25
Tax Revenue	26
Non-Tax Revenue	27

Expenditures _____	29
Personnel vs. Non-Personnel.....	29
Personnel Expenditures	29
Non-Personnel Expenditures.....	30
Department Expenditures.....	32
Chapter 3	33
Projections	33
Introduction _____	33
Assumptions _____	34
Revenues	34
Expenditures	34
Summary _____	34
Revenues _____	36
2026 Assessment Value and Millage	36
Projected Tax Revenue.....	36
Projected Non-Tax Revenues	37
Expenditures _____	39
Personnel vs. Non-Personnel.....	39
Personnel Expenditures	39
Non-Personnel Expenditures.....	40
Departmental Expenditures _____	42
Recommendations _____	43
Chapter 4	47
Operations	47
Introduction _____	47
Governing Body _____	48
Administration _____	48
Administrator and Office Staff.....	48
Financial Management and Internal Controls.....	49
Annual Audit.....	49
Tax Collection.....	50
Human Resources.....	50
Office Management and Facility	50
Grant Writing	50
Technology.....	51
General Government Expenditures _____	51
Codes, Zoning and Permits.....	52
Planning, Zoning and Codes Expenditures _____	53
General Government Recommendations _____	53
Public Safety _____	58

Police Department.....	58
Facility	59
Police Department Expenditures _____	59
Fire Department Expenditures _____	60
Recommendations _____	61
Public Works _____	63
Refuse and Recycling.....	63
Roads and Streets.....	63
Sewer and Stormwater Infrastructure.....	64
Facilities and Equipment	65
Public Works Department Expenditures _____	65
Solid Waste Collection Expenditures _____	66
Wastewater Expenditures _____	66
Parks Maintenance Expenditures _____	67
Recommendations _____	68
Economic and Community Development _____	70
Main Street Matters	72
Neighborhood Assistance Program.....	73
Parks and Recreation _____	73
Recommendations _____	74
Chapter 5.....	77
Labor and Personnel.....	77
Introduction _____	77
Employee Compensation and Benefits Overview _____	77
Pension Benefits _____	79
Heart and Lung Benefits _____	83
Health Insurance _____	84
Health Benefits for Current Employees.	84
Other Post-Retirement Benefits (OPEB)	86
General Labor Recommendations _____	87
Wages and Other Cash Compensation.....	88
Longevity	89
Overtime.....	89
Part-Time Employees.....	91
Eliminate Carry Over or Payout of Unused Time.....	91
Layoff.....	92
Training and Education.....	92
Grievance Procedure.....	92

Bill of Rights 92
Establish an Overall Bargaining Strategy and Pattern..... 93
Short Term CBAs 94
Personnel Manual 94
Benefits Audit 94
Regionalization and Shared Services..... 95
Command Staff in Bargaining Unit 95
Employee Contracts 96
Chapter 6 97
Observations and Recommendations 97
Introduction 97
Financial 98
Borough Council 101
Administration 102
Planning, Zoning, Codes 105
Public Works 106
Police Department 109
Fire 110
Economic and Community Development 110
Labor and Personnel 112

Executive Summary

In 2025, the Pennsylvania Economy League Central Division (PEL) undertook an analysis of the financial condition of Moosic borough under the Commonwealth's Strategic Management Planning Program. The goals of the analysis were to determine the borough's current and future overall financial condition.

The current analysis involved a review of the borough's financial reports, independent audits, debt payment schedules, pension obligations, the 2024 and 2025 budgets, other fiscal data, and additional relevant information and factors that may affect the current and future financial condition of the borough, including sociodemographic data. Furthermore, PEL staff participated in discussions with borough officials.

PEL acknowledges and appreciates the full cooperation of all who contributed to the preparation of this study, including the Moosic elected officials and staff. The analysis could not have been successfully completed without their assistance.

Demographics

Moosic's population has grown steadily since 1970, increasing by 28.2 percent, while neighboring Lackawanna County experienced a decline of 7.8 percent over the same period. The borough's age distribution has remained relatively balanced, with the working-age population (ages 18 to 64) consistently comprising around sixty percent, and both youth (under 18) and seniors (65 and older) each representing approximately twenty percent.

Population growth in Moosic has been driven primarily by net migration, as deaths have outpaced births since 1990. Between 1990 and 2023, the borough gained 975 residents through migration.

Housing development has been active, with forty percent of units built since 1980. However, the proportion of owner-occupied homes has declined from nearly eighty percent in 1990 to 67.6 percent in 2020, while rental units increased from 17.1 percent to 23.5 percent. Vacant housing also increased, reaching 8.9 percent in 2020.

Moosic's median housing value rose by 240.3, outpacing Lackawanna County's growth of 176.8 percent, though slightly trailing Pennsylvania's increase of 245.1 percent.

Median household income in Moosic increased by 98.1 percent, remaining above the county and comparable to the state. In 2023, Moosic had a lower poverty rate than both Lackawanna County and Pennsylvania, with education and employment levels aligning closely with state averages.

Historical Financials

The historic review of Moosic Borough's General Fund highlights both persistent fiscal challenges and notable strengths that position the borough for future stability and growth.

Moosic faced recurring deficits from 2020 to 2024, with only one year (2022) showing a surplus. These deficits prompted three property tax increases, reflecting the borough's efforts to maintain service levels amid rising costs.

A key structural challenge is the limited growth in assessed property values, which increased only 37.1 percent from 2001 to 2023, compared to a 300 percent rise in market value. This disparity has constrained the borough's ability to generate sufficient revenue through property taxes without raising millage rates.

When adjusted for one-time revenues and expenditures, the borough achieved surpluses in three of the five years, thanks to the use of federal pandemic aid, state grants, and elevated building permit revenues. These sources helped offset operational costs and stabilize the budget during volatile periods. However, the borough's reliance on one-time revenues also temporarily masked deeper financial issues.

Revenue growth was strong, with total revenues increasing by over 25 percent, and earned income taxes showing natural growth of 23 percent. The borough also diversified its revenue streams through licenses, permits, and service reimbursements.

On the expenditure side, personnel costs rose nearly 40 percent, driven by wage increases, healthcare, and pension obligations, while non-personnel costs declined, indicating disciplined spending in other areas.

The borough also faces operational inefficiencies, particularly in solid waste services, which have consistently operated at a deficit, even after doubling the refuse fee in 2023.

Moosic made significant capital investments, including the construction of a new public safety building, funded through a mix of grants, donations, and general obligation notes. These investments enhance community infrastructure and public services, but the required borrowing and increased debt service add further pressure to the budget.

Looking ahead, the borough's development potential, particularly in the Glenmaura area, offers opportunities to expand the tax base. Additionally, the upcoming countywide reassessment in 2026 is expected to improve revenue equity and flexibility.

Projections

The financial projections for the Borough of Moosic from 2025 through 2029 offer a critical lens into the borough's fiscal trajectory amid a period of reassessment and economic uncertainty. The 2026 budget is used as the baseline for projections; however, the budget includes a one-time infusion of \$500,000 from the borough's fund balance to avoid a deficit.

Instead, annual deficits are likely to begin in 2027, culminating in a projected deficit of \$560,303 by 2029. This trend is driven by a combination of stagnant or declining revenues and rising expenditures, particularly in personnel costs such as wages and healthcare.

While tax revenues are expected to grow modestly, primarily through earned income taxes, non-tax revenues are projected to decline by 23.8 percent, in large part due to one-time revenues in 2025 associated with construction of the public safety building.

The borough's fund balance is also at risk. Having declined from a peak of \$2.5 million in 2018 to \$1.4 million in recent years, it is expected to fall below \$1 million by 2029 if used to offset deficits.

This erosion of reserves could compromise the borough's ability to respond to emergencies or invest in future capital needs.

On the expenditure side, personnel costs are forecasted to increase by nearly 12 percent, with healthcare alone rising by over 21 percent. These increases are compounded by inflationary pressures on supplies and services, and the need to fund debt service and capital improvements.

To address these financial challenges, this chapter outlines several strategic recommendations:

- **Implement Plan Initiatives:** Prioritize operational changes that reduce expenditures or improve efficiency.
- **Hire a Licensed Financial Advisor:** To manage debt, explore asset sales (e.g., sewer system), and develop a sustainable fiscal plan.
- **Raise Sewer and Garbage Fees:** Adjust fees to fully cover service costs, reducing reliance on tax revenue.
- **Use Special Purpose Millage:** Establish dedicated tax levies for specific services like debt service and street lighting.
- **Develop a Capital Improvement Plan (CIP):** Create a structured, multi-year plan for infrastructure and equipment investments.
- **Adjust Fees and Fines:** Ensure full cost recovery for services such as code enforcement and permitting.
- **Budget health insurance costs and other benefits by department:** Budgeting by department increases transparency and accountability.
- **Increase Real Estate Tax Rate:** If necessary, raise millage to eliminate budget deficits.
- **Establish a Fund Balance Policy:** Define appropriate fund reserve levels and usage guidelines.
- **Explore Alternative Revenue for Streetlights:** Consider solar panel investments to offset costs.
- **Consider Home Rule:** Adopt a governance model that allows greater flexibility in taxation and financial management

Operations

Moosic Borough is well-positioned to modernize its operations, enhance service delivery and undergo smart economic and community development, assisted by new council leadership and a newly appointed administrator and treasurer who bring fresh expertise and vision.

The borough administrator and treasurer are approaching their roles with a significant amount of private sector experience in human resources and financial management. The new leadership offers a valuable opportunity to professionalize borough operations, improve internal controls, and develop written procedures. Challenges include outdated software, fragmented roles (e.g., secretary also serving as DPW supervisor and RTK officer), and legacy issues such as unresolved theft

allegations. Strengthening financial systems, clarifying job duties, and investing in staff training are key steps forward.

The borough has made strides in financial oversight with the hiring of the new treasurer and implementation of purchase order policies. However, past mismanagement and outdated software continue to pose risks. The lack of a capital budget and prior inconsistent reporting highlight the need for a formal accounting manual and improved internal controls. Opportunities include adopting modified accrual accounting, enhancing audit practices, and engaging department heads in budgeting for greater ownership and accuracy.

Technology infrastructure across departments is outdated, with a failed software transition and recycled hardware. This limits operational efficiency and increases cybersecurity risks. The borough's website and social media presence are strong, offering a foundation for expanded digital services, although the website could use a refresh. Upgrading systems, digitizing records, and implementing code enforcement software with GIS capabilities are critical opportunities to modernize operations.

The Moosic Police Department faces staffing shortages and increasing demands due to regional attractions like Montage Mountain. The construction of a new public safety building is a major investment that will enhance service delivery. However, the department most likely needs additional officers, updated equipment, and specialized training (e.g., Crisis Intervention). Regional cooperation and technology upgrades are essential to meet growing public safety needs.

Public works operations are robust but stretched thin. The borough provides extensive refuse and recycling services, which may limit capacity for other essential tasks like stormwater management and infrastructure maintenance. The department lacks IT support and modern equipment, and the health and safety manual is outdated. Opportunities include expanding garage space, implementing GIS mapping, and conducting cost allocation studies to ensure proper use of sewer and refuse fees.

Moosic has significant development potential in areas like Montage Mountain, Rocky Glenn, and Birney Avenue. However, public safety concerns, traffic congestion, and underutilized retail spaces hinder progress. The borough is actively partnering with county agencies and exploring revitalization strategies. Designation as a Main Street community, public art initiatives, and expanded recreation amenities offer promising avenues for growth and community engagement.

Moosic's parks are valuable community assets, but many require renovation and safety upgrades. The borough has demonstrated commitment through successful fundraising events and partnerships. Opportunities include leveraging state grants, developing master site plans, and enhancing amenities like walking trails and dog parks to improve quality of life and attract new residents.

Recent investments in public safety infrastructure, proactive financial reforms, and robust community partnerships reflect Moosic's forward-thinking approach. Despite challenges, the borough has a promising path toward greater efficiency, sustainability, and quality of life for its residents.

Labor and Personnel

Moosic Borough (“Moosic” or the “Borough”) has a guarded fiscal outlook. While the Borough’s economic demographics are more positive, particularly when compared with Lackawanna County, the Borough’s deficits in recent years advises that the Borough needs to exercise fiscal caution and seek to reduce costs and the growth of its necessary expenditures.

Like all municipalities in the Commonwealth, personnel costs account for a majority of the Borough’s total general fund expenditures. Further, the Borough’s personnel and labor costs have risen steadily since 2020, and based on the current collective bargaining agreements, that trajectory will be maintained in the near future. As a result, the area of personnel costs must be one of the Borough’s key areas of focus in the future.

The Moosic area has been fortunate to feature growth in a vibrant restaurant, retail, and entertainment landscape. Aided by its location near the I-81 and the northeast extension of the Pennsylvania Turnpike and just outside Scranton and not too far from Wilkes Barre, Moosic has been able to do what many former coal and textile manufacturing towns have been unable to do. The Borough has been able to capitalize on its location and other advantages, but it must continue to manage those assets proactively in order to continue to succeed.

The Borough’s revenues hopefully will increase with continued development and a county-wide real estate reassessment, but the Borough must take action to slow the rate of increase in the Borough’s personnel costs if the Borough is going to be able to use the growth in revenue to continue to make the Borough an attractive place to live and recreate in the future. A municipality’s fiscal condition can change for the worse over time, if not quickly; thus, an ounce of precaution and proactive fiscal management is always necessary to guarding the public purse.

Based on the foregoing imbalance between the Moosic’s rising labor and personnel costs and its revenues, it is clear not only that the Borough must employ increased practical oversight of its overall fiscal health, but that oversight must start with the Borough’s labor and personnel costs. Historical and demographic data for other municipalities in northeastern Pennsylvania and municipalities of a similar class, i.e., boroughs, reinforce such an approach and the need to be proactive.

Observations and Recommendations

Moosic borough faces challenges ahead as it must address projected deficits; however, it does so from a position of strength given the potential in the borough for increased residential and commercial development, along with the borough’s strong demographics with stable to growing population and wealth measurements at or above county and state levels. The borough also has a new leadership team both on council and in the administration that provides a fresh perspective and energy to overcome lingering weaknesses.

The Lackawanna County reassessment, the first since 1968, will increase the value of a mill, lower millage to provide room as needed for higher future service costs and more equitably spread the tax burden among property owners based on current market value.

The Pennsylvania Economy League has identified three primary concerns that the borough must address to ensure its long-term stability and growth.

The first and most pressing issue is financial sustainability. The borough's 2026 budget anticipates using a one-time infusion of \$500,000 from the borough's fund balance to avoid a deficit. As a result, annual deficits are likely to begin in 2027, culminating in a projected deficit of \$560,303 by 2029.

This trend is driven by a combination of stagnant or declining revenues and rising expenditures, particularly in personnel costs such as wages and healthcare.

To address this, the borough is encouraged to consider hiring a licensed financial advisor, explore the sale of its sewer conveyance system, and implement strategic revenue enhancements such as special purpose millage, increased real estate taxes, and a comprehensive capital improvement plan.

The second major concern is administrative modernization and internal controls, which are essential for improving transparency, efficiency, and risk management. The borough has made progress by hiring a new administrator and treasurer, but further steps are needed to strengthen financial oversight and prevent fraud.

Recommendations include transitioning from cash basis to modified accrual accounting, developing a formal Accounting Policies and Procedures Manual, and ensuring that all major policies are documented in writing. Additionally, the borough must upgrade its outdated technology infrastructure, digitize records, and provide targeted training for staff, particularly those new to the public sector. These efforts will help streamline operations and support data-driven decision-making.

The third concern involves infrastructure and public service management, which is critical to maintaining resident safety and supporting future development. The borough must evaluate the potential sale of its sewer system, ensure compliance with MS4 stormwater regulations, and assess the cost-effectiveness of its in-house refuse and recycling services.

A capital plan for public works is needed to address equipment and paving needs, and GIS mapping should be implemented to improve maintenance and planning for sewer and stormwater systems. The borough is also encouraged to explore shared services with neighboring municipalities to reduce costs and improve service delivery.

These infrastructure initiatives, if properly managed and funded, will enhance the borough's resilience and capacity to meet community needs.

Chapter 1

Government Structure and Demographics

In 2025, the Pennsylvania Economy League Central Division (PEL) undertook an analysis of the financial condition of Moosic borough under the Commonwealth's Strategic Management Planning Program. The goals of the analysis were to determine the borough's current and future overall financial condition.

The current analysis involved a review of the borough's financial reports, independent audits, debt payment schedules, pension obligations, the 2024 and 2025 budgets, other fiscal data, and additional relevant information and factors that may affect the current and future financial condition of the borough, including sociodemographic data. Furthermore, PEL staff participated in discussions with borough officials.

PEL acknowledges and appreciates the full cooperation of all who contributed to the preparation of this study, including the Moosic elected officials and staff. The analysis could not have been successfully completed without their assistance.

During this project, PEL:

- Analyzed the borough's financial history from 2020 through 2024 focusing on such factors as revenues, expenditures, tax base, operating positions, and debt structure.
- Examined the historical data and the 2025 budget in relation to ongoing operations, salary and benefit requirements and other obligations of the borough.
- Reviewed all tax bases and revenues, major user fees and other revenue sources.
- Projected, to the extent possible based on known factors and available data, revenues, and expenditures for 2025 through 2029 assuming continuation of obligated levels of wages and operations, existing revenue patterns and other operating trends.
- Made recommendations to assist the borough in developing and improving its administration, public works, economic development, and public safety services.

Government Overview

Introduction

The existence of municipal governments in Pennsylvania is authorized by the Pennsylvania Constitution and state law. All land within the commonwealth is incorporated by law as a municipality with its own government. There are three primary types of or classifications of municipal governments: cities (of the first, second, second class A or third class), boroughs and townships (of the first or second class).

Municipal governments in Pennsylvania are the principal providers of direct public services to citizens. Services often include, among others, police and fire protection, construction and maintenance of roadways and bridges, street lighting, parks and recreation facilities and programs, planning and zoning activities, enforcement of building and related codes, water treatment and distribution, sewage collection and treatment, storm water management, solid waste collection and disposal, and recycling.

Government Structure

Moosic operates under Pennsylvania's Borough Code. The form of government established by the code is characterized by a strong and dominant council and a weak executive in terms of duties, responsibilities, and powers.

Moosic Borough Council is comprised of seven members elected to four-year terms who serve at-large. The powers of the council set forth in the Borough Code are broad and extensive, covering virtually the whole range of municipal functions. The general supervision of borough affairs is in the hands of the council, and many of the roles found in separate branches or levels of the state and federal governments are combined in the council members. The council serves as the legislative body by setting policy, enacting ordinances, and resolutions, adopting budgets and levying taxes.

The council may also perform executive functions, such as developing the budget, enforcing ordinances, approving expenditures, and hiring employees. While the council may also play a large role in administrative activities by overseeing the day-to-day operation of a borough government, that function in Moosic is handled by an appointed borough manager.

The position of mayor has few statutory powers in the Borough Code. The mayor has no vote on the council except to break ties. Borough mayors retain limited administrative powers, chiefly centered on supervising the daily operations of the police department. In addition to Moosic's elected mayor, there is an elected tax collector.

The administrative staff includes a part-time administrative assistant and a full-time treasurer in addition to the borough manager. The borough has a full-time local police department and part-time code enforcement officer. Public works employees collect refuse and recycling and maintain the borough's sewer conveyance system, which flows to the Lower Lackawanna Sewer Authority, in addition to street maintenance and repair. Emergency services are provided by the volunteer Greenwood Hose Company.

Location and History

Moosic is a borough in Lackawanna County, located 3 miles south of downtown Scranton and 10 miles northeast of downtown Wilkes-Barre, on the Lackawanna River. Moosic has a total area of 6.6 square miles.

The name "Moosic" probably derives from the Unami language of the Lenape people, meaning "elk place." The Lenape, a Native American people, are the earliest-known inhabitants of Moosic. The borough was incorporated on December 9, 1898. Before incorporation, the villages of Moosic and Greenwood had been a part of Lackawanna Township.

Moosic is in a former coal-mining region. A few older industries existed at one time, including the manufacturing of canvas gloves and silk products. From 1886 to 1987, Moosic was the site of Rocky Glen Park, an amusement park. The former grounds are now a Pennsylvania state historical marker.

Recent development includes a multiplex movie theater, along with several restaurants and hotels. The Shoppes at Montage were completed in 2007, consisting of an open-air, outdoor plaza housing over forty stores and restaurants. Other sites include the Glenmaura complex of upscale houses.

Glenmaura National Golf Club is recognized as a PGA tournament course and identified by a major U.S. golf magazine as one of the top 100 courses in the nation. The Scranton/Wilkes-Barre RailRiders are a Triple-A Minor League Baseball team in Moosic. They are a farm team of the New York Yankees and play at PNC Field.

The borough has transitioned from a coal and textile-based economy to a hub for light manufacturing, healthcare, logistics, and retail. Its location along the I-81 corridor and near the Pennsylvania Turnpike (I-476) has made it a favorable site for regional warehousing and distribution.

Demographic Patterns

Introduction

Moosic's population has grown steadily since 1970, increasing by 28.2 percent, while neighboring Lackawanna County experienced a decline of 7.8 percent over the same period. The borough's age distribution has remained relatively balanced, with the working-age population (ages 18 to 64) consistently comprising around sixty percent, and both youth (under 18) and seniors (65 and older) each representing approximately twenty percent.

Population growth in Moosic has been driven primarily by net migration, as deaths have outpaced births since 1990. Between 1990 and 2023, the borough gained 975 residents through migration.

Housing development has been active, with forty percent of units built since 1980. However, the proportion of owner-occupied homes has declined from nearly eighty percent in 1990 to 67.6 percent in 2020, while rental units increased from 17.1 percent to 23.5 percent. Vacant housing also increased, reaching 8.9 percent in 2020.

Moosic's median housing value rose by 240.3, outpacing Lackawanna County's growth of 176.8 percent, though slightly trailing Pennsylvania's increase of 245.1 percent.

Median household income in Moosic increased by 98.1 percent, remaining above the county and comparable to the state. In 2023, Moosic had a lower poverty rate than both Lackawanna County and Pennsylvania, with education and employment levels aligning closely with state averages.

Historical data from this section has been drawn from the U.S. Census and the five-year American Community Survey (ACS). Data from 2023 is from the ACS. For details on how the ACS differs from the U.S. Census, go to <https://www.census.gov/programs-surveys/acs/about/acs-and-census.html>

Population

From 1910 to 1970, Moosic's population remained stable at approximately 4,000 to 4,600 residents. Population increased to peak at 6,068 in 1980 and since then has ranged from 5,339 in 1990 to 5,954 in 2023. The change from 1970 to 2023 was an increase of 28.2 percent. Lackawanna County's population declined from 1970 to 2000, growing slightly from 2010 to 2023. The county's population difference between 1970 and 2023 was a decline of almost 8 percent.

Table 1.1 Moosic Borough and Lackawanna County Population, 1970 to 2023

	1970	1980	1990	2000	2010	2020	2023	Change 1970 - 2023	
								#	%
Moosic Borough	4,646	6,068	5,339	5,575	5,719	5,959	5,954	1,308	28.2
Lackawanna County	234,107	227,908	219,039	213,295	214,437	210,162	215,834	-18,273	-7.8

Figure 1.1 Moosic Borough and Lackawanna County Population, 1970 to 2023

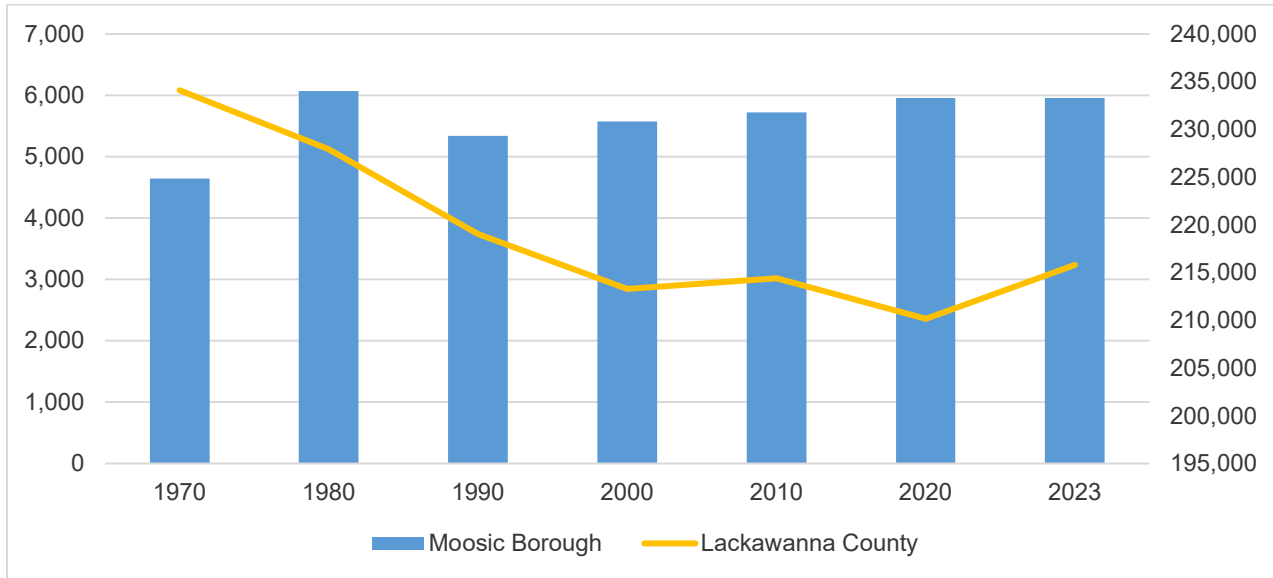
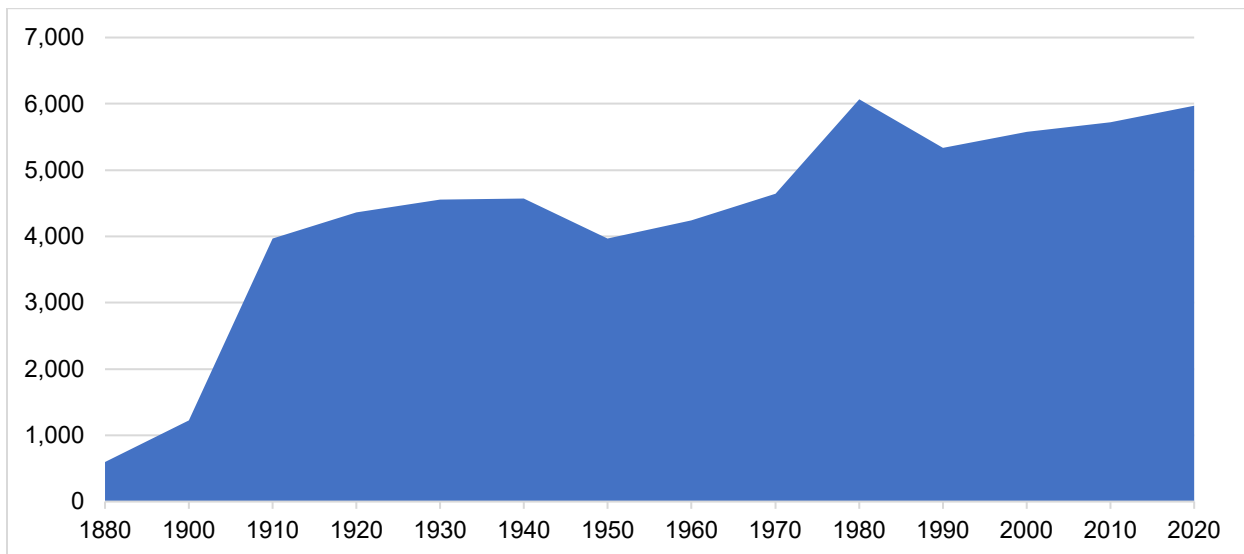


Figure 1.2 Moosic Historical Population, 1830 to 2020



Population by Age

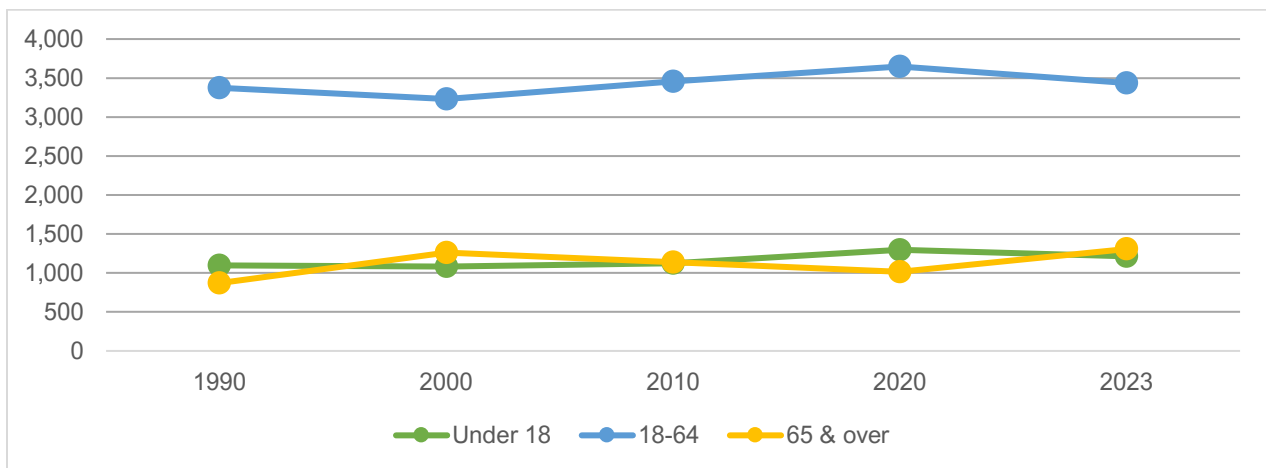
The working age population of 18 to 64 has historically accounted for approximately 60 percent of the total population, with the under 18 and over 65 populations generally supplying roughly 20 percent each. The number of those under 18 has risen slightly, as has those over 65, as the overall population number has increased.

The working age population generally supplies a significant proportion of tax revenue, primarily through property and earned income taxes. The under age 18 population can serve as a “feeder” population for the municipality. Those over 65 are more likely to be on a fixed income and to not pay earned income taxes.

Table 1.3 Moosic Population by Age, 1990 to 2023

Age Group	Total Population						Percent of Total				
	1990	2000	2010	2020	2023	Change 1990-2023	1990	2000	2010	2020	2023
	#	#	#	#	#	#	%	%	%	%	%
Under 18	1,097	1,082	1,126	1,297	1,211	114	20.5	19.4	19.7	21.8	20.3
18-64	3,372	3,231	3,454	3,648	3,436	64	63.2	58.0	60.4	61.2	57.7
65 & over	870	1,262	1,139	1,014	1,307	437	16.3	22.6	19.9	17.0	22.0
Total Population	5,339	5,575	5,719	5,959	5,954	615	100.0	100.0	100.0	100.0	100.0

Figure 1.3 Moosic Population by Age, 1990 to 2023



Net Migration

Deaths in Moosic have exceeded births since 1990. As a result, population growth has been the product of people moving into the borough. Net migration from 1990 to 2023 was 975 additional residents.

Table 1.4 Moosic Net Migration, 1990 to 2023

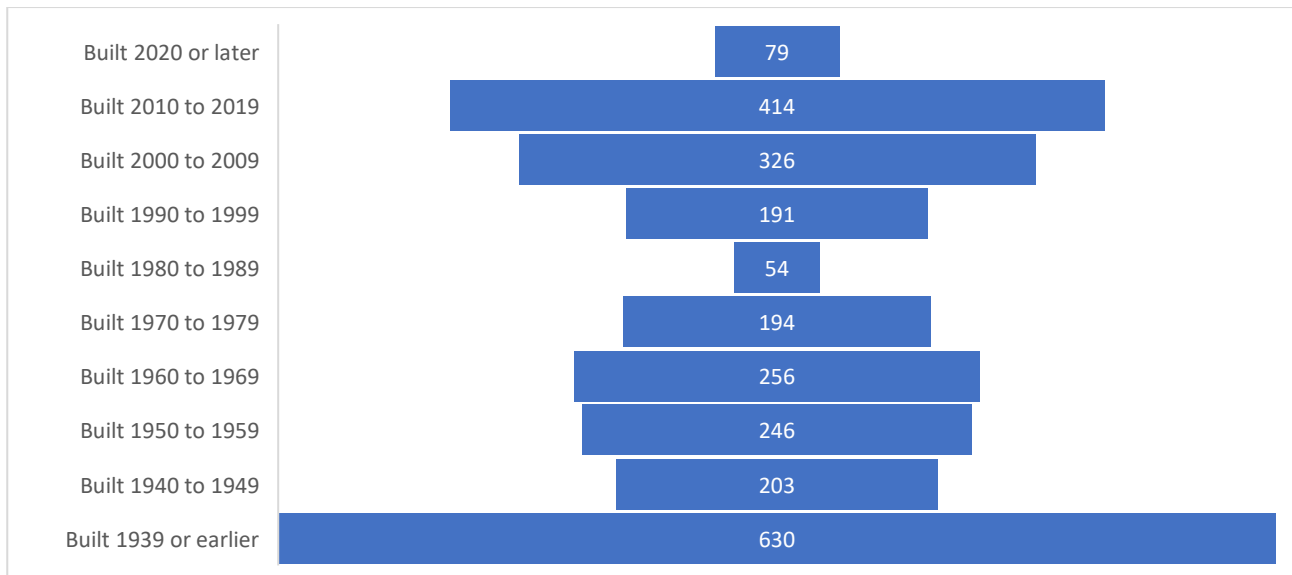
	1990 to 1999	2000 to 2009	2010 to 2019	2020-2023	1990 to 2023
Total Population (start)	5,339	5,575	5,719	5,959	5,339
Total Population (end)	5,575	5,719	5,959	5,954	5,959
Total Population Change (a)	236	144	240	-5	620
Births	507	530	418	158	1,455
Deaths	529	581	700	358	1,810
Natural Pop. Change (b)	-22	-51	-282	-200	-355
Net Migration (a minus b)	258	195	522	195	975

Housing

Age of Housing

Forty percent of Moosic’s housing units have been built since 1980, while approximately one-quarter were built prior to 1940. Older housing units can be more prone to blight and often have lower value than newer housing units.

Figure 1-4 Moosic Age of Housing Stock



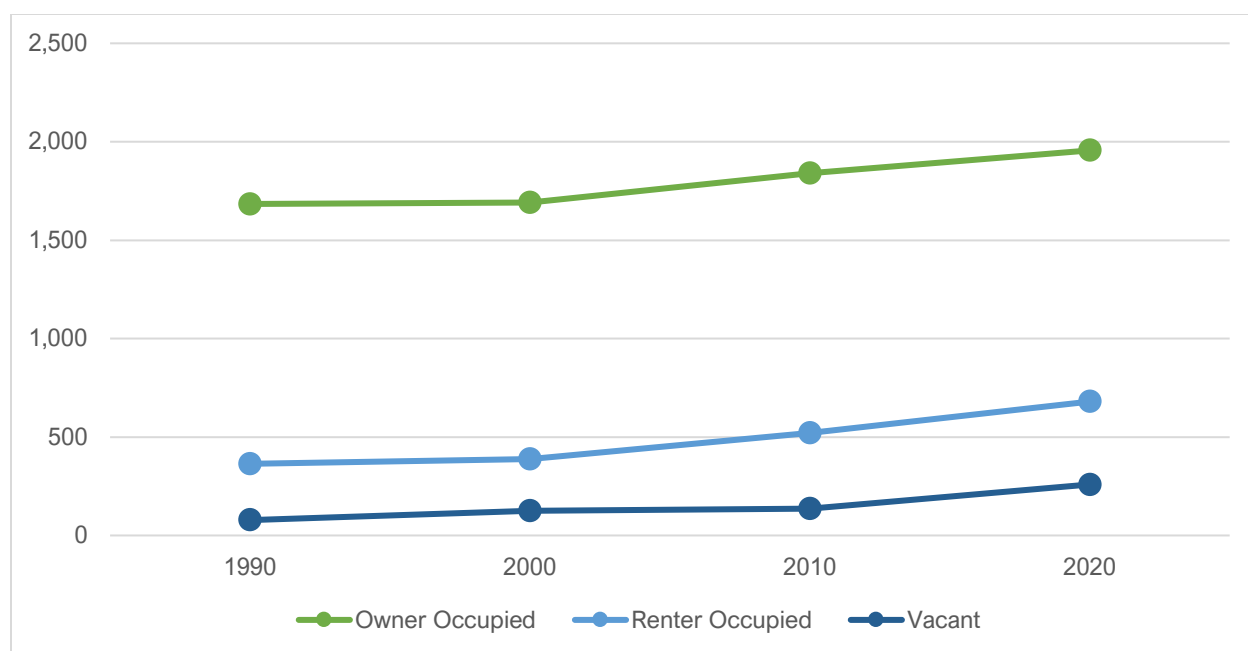
Owner Occupied, Renter Occupied and Vacant Housing Units

The overall number of housing units in Moosic increased from 1990 to 2020, however, the percentage of owner occupied units declined while the percentage of renter occupied and vacant units grew. The percentage of owner occupied units dropped from almost 80 percent in 1990 to 67.6 percent in 2020. Rental units increased from 17.1 percent to 23.5 percent in 2020.

Table 1.5 Owner occupied, renter occupied and vacant housing in Moosic, 1990 to 2020

	Total Housing Units					Percent of Total			
	1990	2000	2010	2020	Change 1990-2020	1990	2000	2010	2020
	#	#	#	#	#	%	%	%	%
Owner Occupied	1,684	1,692	1,841	1,956	272	79.2	76.7	73.6	67.6
Renter Occupied	364	388	522	680	316	17.1	17.6	20.9	23.5
Total Occupied	2,048	2,080	2,363	2,636	588	96.3	94.3	94.5	91.1
					0				
Vacant	78	126	137	259	181	3.7	5.7	5.5	8.9
					0				
Total Units	2,126	2,206	2,500	2,895	769	100.0	100.0	100.0	100.0

Figure 1.5 Owner occupied, renter occupied and vacant housing units in Moosic, 1990 to 2023



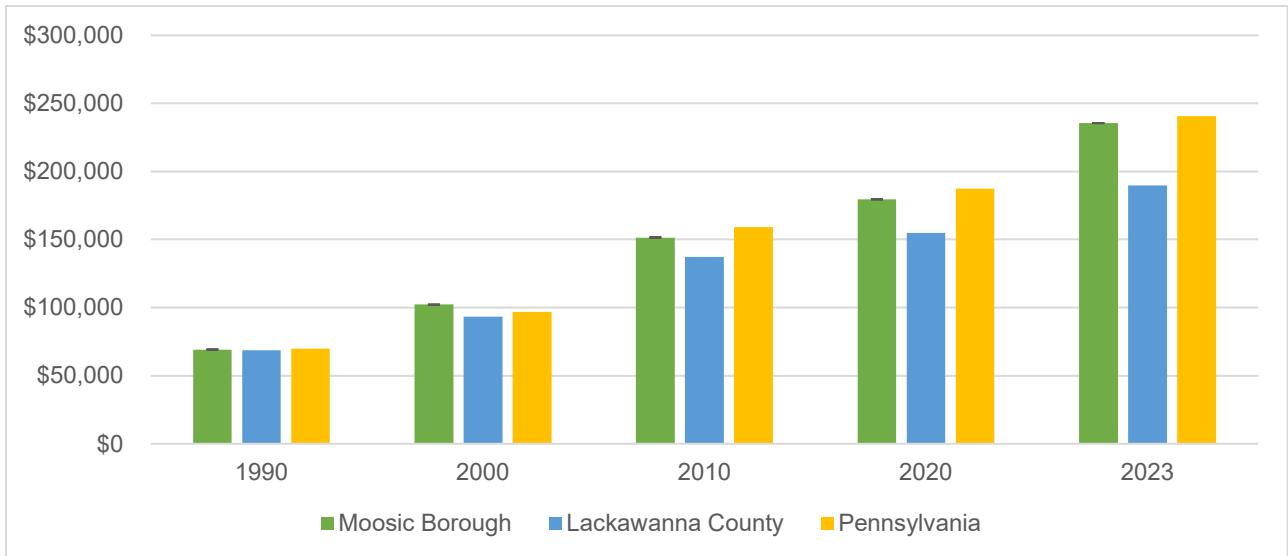
Median Housing Value of an Owner-Occupied Home

The median value of an owner occupied home in Moosic has remained above the median value in Lackawanna County throughout the historical review period. For the most part, Moosic’s median values have been slightly lower than the state. Moosic’s median values grew by 240 percent compared to only 177 percent in Lackawanna County.

Table 1.6 Median Housing Value of an Owner-Occupied Home, Moosic, Lackawanna County and Pennsylvania, 1990 to 2023

	1990	2000	2010	2020	2023	Change 1990 - 2023	
						\$	%
Moosic Borough	\$69,200	\$102,200	\$151,500	\$179,500	\$235,500	166,300	240.3
Lackawanna County	\$68,600	\$93,400	\$137,100	\$154,700	\$189,900	121,300	176.8
Pennsylvania	\$69,700	\$97,000	\$159,300	\$187,500	\$240,500	170,800	245.1

Figure 1.6 Median Housing Value of an Owner-Occupied Home, Moosic, Lackawanna County and Pennsylvania, 1990 to 2023



Income

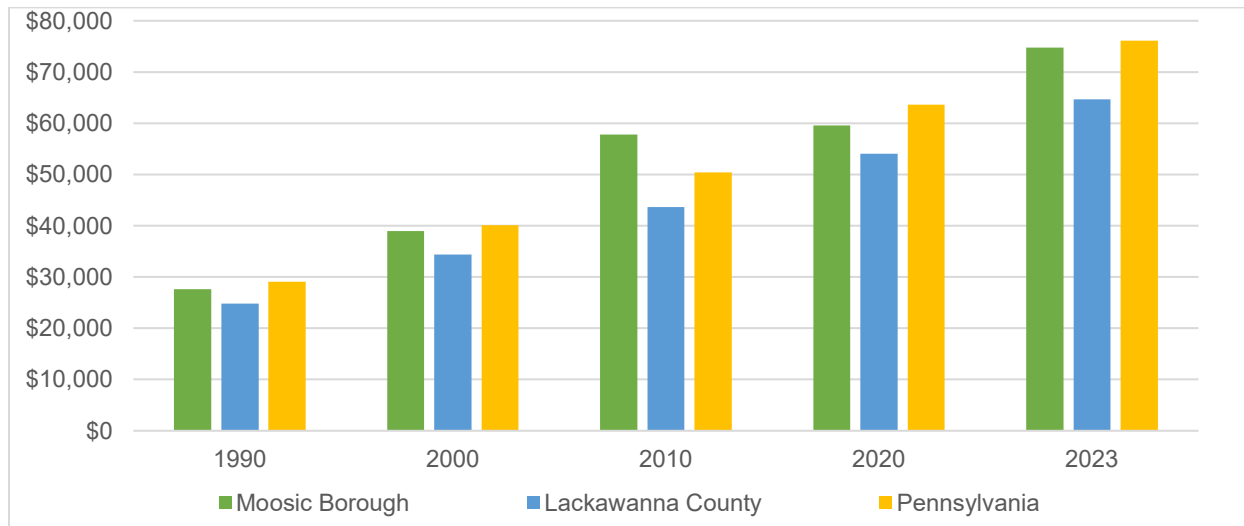
Median Household Income

Similar to median home values, Moosic’s median household income has remained above that of Lackawanna County from 1990 to 2023, while Moosic’s values are slightly lower but comparable to that of the state. Median household income in Moosic from 1990 to 2023 rose by 91.8 percent compared to 87.8 percent in the county and 89.7 percent in the state for the same time period.

Table 1.7 Median Household Income in Moosic, Lackawanna County and Pennsylvania, 1990 to 2023

	1990	2000	2010	2020	2023	Change 1990-2022	
						\$	%
Moosic Borough	27,670	38,987	57,826	59,594	74,792	35,805	91.8
Lackawanna County	24,816	34,438	43,673	54,064	64,691	30,253	87.8
Pennsylvania	29,069	40,106	50,398	63,627	76,081	35,975	89.7

Figure 1.7 Median Household Income in Moosic, Lackawanna County and Pennsylvania, 1990 to 2023



Education, Employment, Poverty

Current measures show Moosic’s residents have a lower poverty rate than both the county and the state. Employment rates and education levels are on par with the state and slightly higher than in the county.

Table 1.8 Education, Employment and Poverty, 2023

	Bachelor’s Degree or Higher	Employment Rate	Poverty
Moosic	35.1%	61.1%	7.5%
Lackawanna County	32.0%	56.4%	15.8%
Pennsylvania	35.3%	60.0%	12.0%

Chapter 2

Historical Financials

Introduction

The historic review of Moosic Borough's General Fund highlights both persistent fiscal challenges and notable strengths that position the borough for future stability and growth.

Moosic faced recurring deficits from 2020 to 2024, with only one year (2022) showing a surplus. These deficits prompted three property tax increases, reflecting the borough's efforts to maintain service levels amid rising costs.

A key structural challenge is the limited growth in assessed property values, which increased only 37.1 percent from 2001 to 2023, compared to a 300 percent rise in market value. This disparity has constrained the borough's ability to generate sufficient revenue through property taxes without raising millage rates.

When adjusted for one-time revenues and expenditures, the borough achieved surpluses in three of the five years, thanks to the use of federal pandemic aid, state grants, and elevated building permit revenues. These sources helped offset operational costs and stabilize the budget during volatile periods. However, the borough's reliance on one-time revenues also temporarily masked deeper financial issues.

Revenue growth was strong, with total revenues increasing by over 25 percent, and earned income taxes showing natural growth of 23 percent. The borough also diversified its revenue streams through licenses, permits, and service reimbursements.

On the expenditure side, personnel costs rose nearly 40 percent, driven by wage increases, healthcare, and pension obligations, while non-personnel costs declined, indicating disciplined spending in other areas.

The borough also faces operational inefficiencies, particularly in solid waste services, which have consistently operated at a deficit, even after doubling the refuse fee in 2023.

Moosic made significant capital investments, including the construction of a new public safety building, funded through a mix of grants, donations, and general obligation notes. These investments enhance community infrastructure and public services, but the required borrowing and increased debt service add further pressure to the budget.

Looking ahead, the borough's development potential, particularly in the Glenmaura area, offers opportunities to expand the tax base. Additionally, the upcoming countywide reassessment in 2026 is expected to improve revenue equity and flexibility.

Methodology

PEL compiled this historical review of the borough's financials through analysis of year-end financial reports, independent audits, annual budgets, salary and benefit data, pension obligations

and other financial obligations, as well as interviews with borough officials. The historical review concentrates on the General Fund.

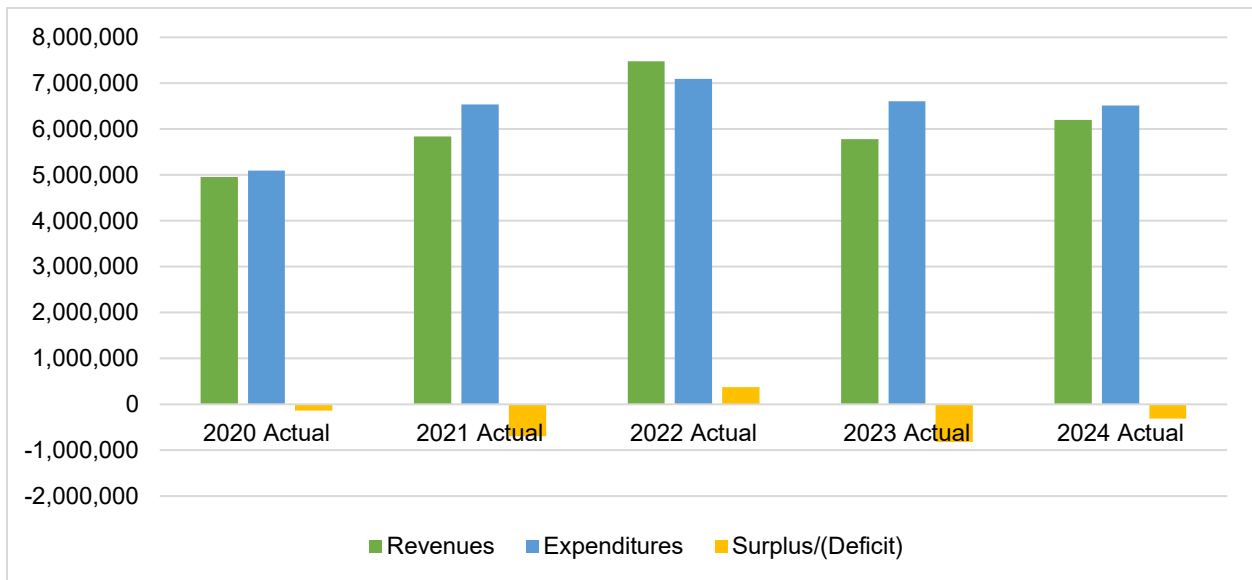
Summary

Moosic borough experienced deficits in the General Fund every year during the historical review period with the exception of 2022. During this period, the borough increased property taxes three times.

Table 2.1 Revenues, Expenditures and Surplus/(Deficit)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual
Revenues	4,954,846	5,839,877	7,475,079	5,785,441	6,201,621
Expenditures	5,089,563	6,537,449	7,094,670	6,604,581	6,507,045
Surplus/(Deficit)	-134,717	-697,572	380,409	-819,140	-305,424

Figure 2.1 Revenues, Expenditures and Surplus/(Deficit)



Adjusted Summary

The adjusted summary removes one-time revenues and expenditures like capital, transfers from borough funds for tax anticipation revenue and expenditures. Refuse revenue and solid waste collection expense are also removed. The adjusted summary produces surpluses in three out of the five years.

Federal pandemic funds were received by the borough as state grant revenue in 2021 and 2022 that was used as lost revenue and offset costs. The borough also received higher than average building permit revenues from 2022 through 2024, which also strengthened the bottom line.

Table 2.2 Adjusted Revenues, Expenditures and Surplus/(Deficit)

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual
Revenues	4,954,846	5,839,877	7,475,079	5,785,441	6,201,621
Less:					
Refuse	-171,794	-286,630	-215,674	-404,126	-539,183
Excess Building Permits	0	0	-670,681	-94,883	-392,673
Federal Grants	-10,875	0	0	0	0
State Grants	-374,366	-315,082	-320,353	0	-156,333
Local Grants	-5,750	-5,750	-100	0	0
Transfers	-816,903	-1,469,031	-1,664,543	-472,581	0
Miscellaneous	118,576	0	0	0	0
Net Revenues	3,693,733	3,763,384	4,603,729	4,813,851	5,113,432
Expenditures	5,089,563	6,537,449	7,094,670	6,604,581	6,507,045
Less:					
Solid Waste Collection	-567,656	-442,975	-445,207	-875,205	-596,644
Capital	-174,652	-780,044	-341,726	-1,102,584	-1,005,355
Transfers	-815,604	-1,466,742	-1,664,575	-461,586	-28,024
Net Expenditures	3,531,652	3,847,688	4,643,163	4,165,206	4,877,022
Net Surplus/Deficit	162,082	-84,304	-39,434	648,645	236,410

Assessed Value and Market Value

The assessed value of Moosic as determined by Lackawanna County increased by only 37.1 percent from 2001 to 2023. In contrast, market value as determined by the State Tax Equalization Board (STEB) grew by 300 percent during that same time. The ratio of assessed to market value in 2023 was 10.3 percent.

This low assessment growth results in the inability of real estate taxation to keep up with inflation absent tax millage increases. The challenge is even more urgent because property tax revenue makes up a significant portion of the borough's total revenues.

Lackawanna County underwent a reassessment with new values expected in 2026, which will increase the value of a mill and give the borough more flexibility to generate additional revenue as needed from property taxes.

The Center for Rural Pennsylvania, which is a legislative agency of the Pennsylvania General Assembly (the "Center"), published a scholarly study entitled "Pennsylvania County Property Reassessment: Impact on Local Government Finances and the Local Economy."¹

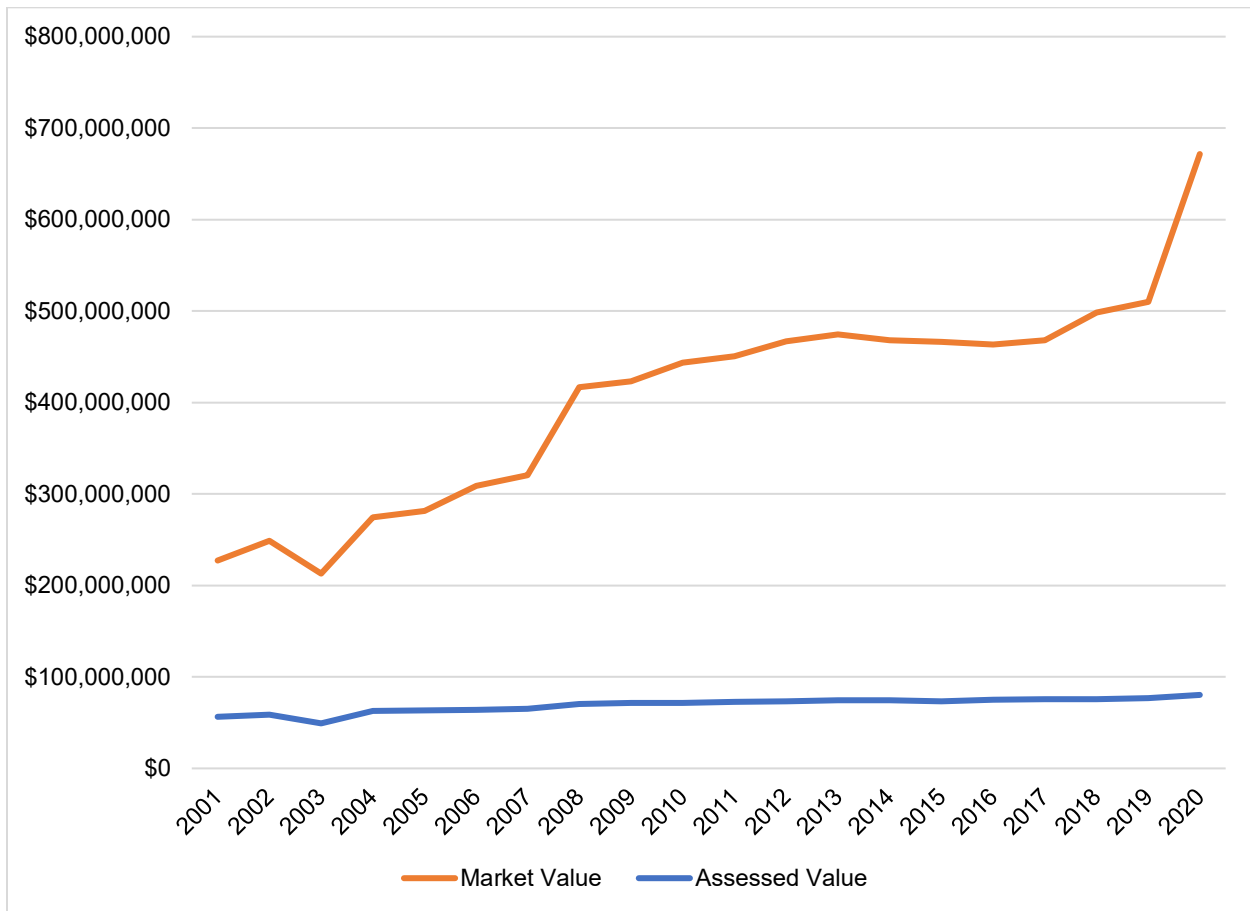
¹ Weber, et. al. "Pennsylvania County Property Reassessment: Impact on Local Government Finances and the Local Economy." The Center for Rural Pennsylvania. November 2010, https://www.rural.palegislature.us/documents/reports/county_reassessment_2010.pdf

In its study the Center found that an increase in the years since the last countywide reassessment leads to a decrease in the amount of tax revenue generated per mill, and that the decrease was greater for rural counties. Further, the Center found that as the years since reassessment increase, the county property tax system becomes more inequitable. The Center recommended that reassessment occurs at intervals of no less than every four years.

Table 2.3 Assessed Value and Market Value

Year	Market Value	Change	% Change	Assessed Value	Change	% Change	Assessed Vs. Market
2001	227,356,400			56,258,558			24.7%
2002	248,901,800	21,545,400	9.5	58,995,950	2,737,392	4.9	23.7%
2003	212,974,600	-35,927,200	-14.4	49,237,836	-9,758,114	-16.5	23.1%
2004	274,256,000	61,281,400	28.8	62,594,524	13,356,688	27.1	22.8%
2005	281,588,600	7,332,600	2.7	63,639,002	1,044,478	1.7	22.6%
2006	308,672,300	27,083,700	9.6	64,015,049	376,047	0.6	20.7%
2007	320,700,000	12,027,700	3.9	65,265,144	1,250,095	2.0	20.4%
2008	416,586,620	95,886,620	29.9	70,401,437	5,136,293	7.9	16.9%
2009	423,383,415	6,796,795	1.6	71,328,992	927,555	1.3	16.8%
2010	443,713,349	20,329,934	4.8	71,676,025	347,033	0.5	16.2%
2011	450,760,483	7,047,134	1.6	72,874,504	1,198,479	1.7	16.2%
2012	467,189,630	16,429,147	3.6	73,273,481	398,977	0.5	15.7%
2013	474,712,642	7,523,012	1.6	74,529,112	1,255,631	1.7	15.7%
2014	468,191,890	-6,520,751	-1.4	74,411,752	-117,360	-0.2	15.9%
2015	466,223,459	-1,968,431	-0.4	73,611,782	-799,970	-1.1	15.8%
2016	463,615,338	-2,608,121	-0.6	75,126,843	1,515,061	2.1	16.2%
2017	468,112,749	4,497,411	1.0	75,835,944	709,101	0.9	16.2%
2018	498,361,249	30,248,500	6.1	75,835,944	0	0.0	15.2%
2019	510,020,772	11,659,523	2.3	76,945,621	1,109,677	1.4	15.1%
2020	671,650,500	161,629,728	24.1	80,345,291	3,399,670	4.2	12.0%
2021	673,778,178	2,127,678	0.3	79,036,919	-1,308,372	-1.7	11.7%
2022	788,932,422	115,154,244	14.6	79,789,026	752,107	0.9	10.1%
2023	750,042,938	-38,889,484	-5.2	77,106,126	-2,682,900	-3.5	10.3%

Figure 2.2 Assessed Value and Market Value



Revenue

Tax revenue grew by almost 25 percent during the historical review period, while nontax revenue fluctuated but ended the review period 26 percent higher than in 2020. Other than the years that the borough received pandemic aid, tax revenue provided over 55 percent of total revenues, while nontax revenue contributed 42 percent to 44 percent of total revenues.

Table 2.4 Total Revenues

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
						#	%
Tax Revenue	2,805,625	2,767,040	3,094,690	3,389,761	3,504,751	699,126	24.9
Nontax	2,149,222	3,072,837	4,380,389	2,395,680	2,696,870	547,648	25.5
Total Revenue	4,954,846	5,839,877	7,475,079	5,785,441	6,201,621	1,246,775	25.2
Tax Revenue	56.6	47.4	41.4	58.6	56.5		
Nontax	43.4	52.6	58.6	41.4	43.5		
Total Revenue	100.0	100.0	100.0	100.0	100.0		

Tax Revenue

Property taxes are the largest source of revenue for the borough, providing 42 percent to 53 percent of total revenues. Property tax revenue steadily increased for a growth of 37.3 percent from 2020 to 2024. However, growth was the product of real estate tax increases in 2022, 2023 and 2024 as shown in Table 2.6.

The borough, which does not levy any real estate special purpose millage, also increased property taxes in 2020. Prior to 2020, taxes had not been increased for over 10 years.

While roughly one quarter of borough housing dates to pre-1939, approximately 25 percent was built since 2009. Newer housing has more value and is less prone to blight than older housing, which often makes up 50 percent or more of older, urban core boroughs. Growth is continuing in Moosic with almost 80 housing units built since 2020, according to American Community Survey data.

Moosic includes Glenmaura, a development with upscale housing and commercial properties. Glenmaura still has a significant amount of open lots that could positively impact future tax revenue if developed. However, some of the commercial buildings are empty as they have not recovered from the pandemic downturn.

Earned income taxes provide roughly one-third of total tax revenue and have experienced the greatest natural growth, rising by \$227,641 or 23 percent from 2020 to 2024. Local services taxes have declined since 2020, likely reflective of less activity in the business centers on Montage Mountain in the wake of the pandemic.

The increase in the mechanical devices tax is related to an increase in skills games at area businesses, specifically the opening of the arcade game-heavy Dave and Buster’s Restaurant. Montage Mountain is home to significant retail shops. Real estate transfer tax varies with activity and is reflective of the borough’s room for growth, as well as large commercial tracts. The borough has an amusement tax but does not enforce it on the Lackawanna County-owned baseball stadium based on a legal opinion. All Act 511 taxes are at the maximum except for mechanical devices.

Table 2.5 Total Tax Revenues

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Property Taxes	1,363,011	1,219,295	1,313,464	1,564,158	1,871,592	508,581	37.3
EIT	997,325	1,046,710	1,129,938	1,147,518	1,224,966	227,641	22.8
LST	306,922	300,554	268,526	270,515	261,269	-45,653	-14.9
Mechanical Devices	750	0	100	2,125	2,250	1,500	200.0
RE Transfer	137,618	200,481	382,661	405,445	144,674	7,056	5.1
Tax Revenue	2,805,625	2,767,040	3,094,690	3,389,761	3,504,751	699,126	24.9
Real Property Taxes	48.6	44.1	42.4	46.1	53.4		
EIT	35.5	37.8	36.5	33.9	35.0		
LST	10.9	10.9	8.7	8.0	7.5		
Mechanical Devices	0.0	0.0	0.0	0.1	0.1		
RE Transfer	4.9	7.2	12.4	12.0	4.1		
Tax Revenue	100	100	100	100	100		

Table 2.6 Tax Rates

Tax Name	2020	2021	2022	2023	2024
Real Estate - General Purpose (mills)	15.87	15.87	18.37	21.87	23.87
REAL ESTATE - TOTAL (mills)	15.87	15.87	18.37	21.87	23.87
Earned Income - Resident (percent)	0.5	0.5	0.5	0.5	0.5
Earned Income - Nonresident (percent)	1.0	1.0	1.0	1.0	1.0
Local Services Tax (LST) (dollars)	47	47	47	47	47
Realty Transfer (percent)	0.5	0.5	0.5	0.5	0.5
Amusement (percent)	10.0	10.0	10.0	10.0	10.0
Mechanical Devices (dollars)	50	50	50	50	50

Non-Tax Revenue

Other than transfers, the largest source of non-tax revenues is licenses and permits. Building licenses provide the greatest amount of licenses and permit revenue followed by cable franchise fees. Revenues varied widely mostly depending on the amount of building permit revenue, which peaked in 2022 at over \$800,000. Cable franchise revenue averaged roughly \$120,000 annually.

State shared revenue includes a state LSA grant of \$329,058 for remodeling the municipal building in 2020, pandemic funds of \$610,431 taken as lost revenue in 2021 and 2022, and \$156,333 in 2024. The borough received state recycling grants: \$113,937 for a recycling truck, 2021; \$27,307, 2022; 36,434, 2023; and \$268,993 for a woodchipper in 2024. In addition, state revenue from public utilities and alcohol beverages varied from \$2,500 to \$3,000 and \$2,750 to \$5,500, respectively.

Charges for services include reimbursement to the borough for police special duty that ranged from a low of \$110,643 in 2020 to \$241,783 in 2024. The borough also received a donation of \$100,000 each in 2023 and 2024, and a Lackawanna County grant of \$300,000 in 2024, all for the public safety building.

Insurance reimbursements are monies the borough receives as refunds for various funds such as heart and lung insurance, workers' compensation, vehicle payment and similar. This category depends on annual activity.

State pension aid fluctuated but ended 2024 at an increase of 24 percent over 2020. Fireman's relief from the state grew by 30 percent over 2020.

Miscellaneous includes a negative \$118,576 in 2020 in unclassified operating revenue, resulting in a negative \$100,007 in 2020 once other miscellaneous revenues are added for the year.

Sewer fees to support the borough's sewer conveyance system are \$35 for residential customers and \$150 for commercial accounts plus a water usage fee. In addition to the sewer charge, this category includes revenue from sewer connections and related expenditures. Sewer revenue has fluctuated but was 21.7 percent higher in 2024 than 2020.

The refuse fee was \$75 annually and was increased to \$150 annually in 2023. As a result, refuse fees were almost 60 percent higher in 2024 than in 2020. However, the current collection in 2024 was

approximately \$100,000 lower than in 2023. Delinquent refuse collections in the two years were similar.

The borough obtained GO notes in 2022 of \$1 million for the new public safety building and in 2023 of \$1.5 million for the new public safety building and other capital projects. Funds from the GO notes are expected to be drawn down completely in 2025 with the completion of the building.

Table 2.7 Total Non-Tax Revenues

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Licenses Permits	260,977	289,337	974,708	377,541	677,724	416,747	159.7
Fines & Forfeits	27,919	19,648	29,977	50,510	70,971	43,052	154.2
Interest, Rents	1,503	450	2,441	6,596	6,779	5,276	351.1
Federal Grants	10,875	0	0	0	0	-10,875	-100.0
Local Grants	0	0	0	0	5,750	5,750	100.0
State Shared	382,063	435,879	354,355	44,789	434,139	52,076	13.6
Fireman's Relief	37,760	38,552	48,135	50,387	49,388	11,628	30.8
State Pension	193,564	143,918	155,414	208,389	239,079	45,515	23.5
Miscellaneous	-100,007	37,413	35,358	30,214	31,585	131,592	100.0
Insurance Reimb	81,547	67,173	194,374	213,866	67,040	-14,507	-17.8
Services	117,608	230,707	228,853	373,512	661,206	543,598	462.2
Sewer	147,416	150,502	201,971	158,688	179,423	32,007	21.7
Refuse	169,994	171,493	186,927	366,132	269,230	99,236	58.4
Donations	0	1,185	150	2,500	3,250	3,250	100.0
Sale of Assets	1,100	17,548	2,000	0	0	-1,100	-100.0
Transfers	816,903	1,469,031	1,664,543	472,581	0	-816,903	-100.0
Debt	0	0	301,183	39,975	1,306	1,306	100.0
Total	2,149,222	3,072,837	4,380,389	2,395,680	2,696,870	547,648	25.5
Licenses Permits	12.1	9.4	22.3	15.8	25.1		
Fines & Forfeits	1.3	0.6	0.7	2.1	2.6		
Interest, Rents	0.1	0.0	0.1	0.3	0.3		
Federal Grants	0.5	0.0	0.0	0.0	0.0		
Local Grants	0.0	0.0	0.0	0.0	0.2		
State Shared	17.8	14.2	8.1	1.9	16.1		
Fireman's Relief	1.8	1.3	1.1	2.1	1.8		
State Pension	9.0	4.7	3.5	8.7	8.9		
Miscellaneous	-4.7	1.2	0.8	1.3	1.2		
Insurance Reimb	3.8	2.2	4.4	8.9	2.5		
Services	5.5	7.5	5.2	15.6	24.5		
Sewer	6.9	4.9	4.6	6.6	6.7		
Refuse	7.9	5.6	4.3	15.3	10.0		
Donations	0.0	0.0	0.0	0.1	0.1		
Sale of Assets	0.1	0.6	0.0	0.0	0.0		
Transfers	38.0	47.8	38.0	19.7	0.0		
Debt	0.0	0.0	6.9	1.7	0.0		
Total	100.0	100.0	100.0	100.0	100.0		

Expenditures

Personnel vs. Non-Personnel

The borough’s personnel costs, which are over half of total expenditures, have steadily increased since 2020 from \$2.7 million to \$3.7 million in 2024, a growth of almost 40 percent. In contrast, the borough’s non-personnel costs peaked in 2022 and then fell to \$1.7 million in 2024, a decline of 24.3 percent.

Table 2.9 provides detail of the borough’s capital spending. Grant funds and donations offset various capital purchases as outlined earlier in the chapter under non-tax revenue sources.

Table 2.8 Personnel, Non-Personnel, Debt Service and Capital Expenditures

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Type						#	\$
Personnel	2,689,470	3,024,388	3,310,333	3,613,284	3,749,682	1,060,212	39.4
Non-Personnel	2,208,456	2,728,264	3,314,065	1,802,628	1,671,376	-537,080	-24.3
Debt Service	16,985	4,754	128,546	86,085	80,632	63,647	374.7
Capital	174,652	780,044	341,726	1,102,584	1,005,355	830,703	475.6
Total Expenditures	5,089,563	6,537,449	7,094,670	6,604,581	6,507,045	1,417,482	27.9
Personnel	52.8	46.3	46.7	54.7	57.6		
Non-Personnel	43.4	41.7	46.7	27.3	25.7		
Debt Service	0.3	0.1	1.8	1.3	1.2		
Capital	3.4	11.9	4.8	16.7	15.5		
Total Expenditures	100.0	100.0	100.0	100.0	100.0		

Table 2.9 Total Capital Expenditures

Account Description	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual
Public Safety Building	0	0	0	139,857	706,340
Recycling Expenses	141,173	—	—	342,657	—
Repair/Maintenance To Sewer	6,079	77,272	17,643	31,097	4,677
Highway Maintenance & Repair	6,112	10,824	28,840	238,700	82,469
Highway Repair Supplies	11,959	422,927	265,183	333,561	6,517
Storm Water & Flood Control	9,329	269,022	30,060	16,712	9,862
Recreation Expenses	—	—	—	—	195,490
Total	174,652	780,044	341,726	1,102,584	1,005,355

Personnel Expenditures

Salary and wages, the largest personnel expenditure at 62 percent of total personnel expenditures, grew by 37.1 percent or \$628,119 from 2020 to 2024. The borough in 2022 agreed to provide wages to Greenwood Fire Department for part-time drivers. Wage amounts were \$39,000 in 2022; \$39,000 in 2023; and \$46,000 in 2024.

Healthcare, at just under 20 percent of total costs, increased by \$201,872 or 40.7 percent over the historical review period. Pension, at approximately 8 percent of total personnel expenditures, rose by 47.3 percent or \$102,921.

Table 2.10 Personnel Expenditures

Type	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	1,691,876	1,853,837	2,073,844	2,202,412	2,319,995	628,119	37.1
Pension	217,364	243,937	249,276	315,318	320,285	102,921	47.3
Unemployment Comp	9,486	11,531	9,938	9,561	10,478	992	10.5
Workers Comp	142,608	182,528	212,295	253,130	230,984	88,376	62.0
Healthcare	496,315	593,121	616,607	672,632	698,187	201,872	40.7
Medicare	24,986	26,578	28,723	30,463	32,086	7,100	28.4
Social Security	106,834	112,855	119,651	129,768	137,667	30,833	28.9
Total Employee Exp	2,689,470	3,024,388	3,310,333	3,613,284	3,749,682	1,060,212	39.4
Salary & Wages	62.9	61.3	62.6	61.0	61.9		
Pension	8.1	8.1	7.5	8.7	8.5		
Unemployment Comp	0.4	0.4	0.3	0.3	0.3		
Workers Comp	5.3	6.0	6.4	7.0	6.2		
Healthcare	18.5	19.6	18.6	18.6	18.6		
Medicare	0.9	0.9	0.9	0.8	0.9		
Social Security	4.0	3.7	3.6	3.6	3.7		
Total Employee Exp	100	100	100	100	100		

Non-Personnel Expenditures

Supplies are the largest non-personnel category and include supply and building costs across all departments including expenditures for capital projects: 2020, \$386,675, general building (largely offset by a grant), and \$141,173, recycling (offset by grant); 2021, \$202,344, sanitary sewer; 2022, \$235,025, sanitary sewer; 2023, \$342,657, recycling; and 2024, \$139,687, sanitary sewer, and \$195,490, recreation.

Supplies were 16 percent to 30 percent of total non-personnel expenditures and 35.6 percent lower in 2024 than in 2020.

The services category includes costs for third-party building inspections that are offset by borough fees: \$69,633, 2020; \$48,503, 2021; \$254,092, 2022; \$103,301, 2023; and \$230,793, 2024. Other items in this category are pave cuts and advertising costs. Building inspection costs rose substantially starting in 2022.

Professional services mostly account for engineering expenses. Costs increased to peak at \$169,047 in 2022 related to the public safety building and have declined since then to end the period at \$136,271.

Disposal is the cost of refuse and recycling disposal. Disposal expenditures peaked in 2023 at \$155,106 and declined to \$135,306 in 2024, an increase of 7.6 percent compared to 2020.

The bulk of insurance expenditures are for general liability insurance, which grew from \$93,489 in 2020 to \$142,194 in 2024. Overall, the category was 55.6 percent higher in 2024 than in 2020. Vehicles include repairs and fuel costs for police and public works. Costs increased by \$55,005 or 84.2 percent from 2020 to 2024. Fireman’s relief is the amount of state aid that the borough receives for the volunteer fire department. Fire donations are additional borough funds provided to the volunteer fire department.

Street lightening decline is most likely due to a misclassification in 2020 of liquid fuels revenue.

Table 2.11 Non-Personnel Expenditures

Type	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Uniforms	0	14,404	7,743	10,917	22,721	22,721	0.0
Supplies	645,871	442,223	576,428	360,019	416,046	-229,825	-35.6
Services	109,293	82,312	286,976	131,060	274,426	165,133	151.1
Professional Services	119,569	120,624	169,047	156,855	136,271	16,702	14.0
Insurance & Bonding	94,124	122,680	132,762	131,748	146,469	52,345	55.6
Utilities	23,417	20,696	31,884	28,081	32,209	8,792	37.5
Equipment	54,769	42,596	56,049	44,287	117,851	63,082	115.2
K9 EXPENSE	0	0	0	41,642	18,041	18,041	0.0
Vehicle	65,348	93,934	96,305	106,775	120,353	55,005	84.2
Repairs & Maintenance	722	4,215	11,495	2,807	5,667	4,945	684.8
Hydrant Expense	39,586	41,138	44,152	45,779	48,279	8,693	22.0
Fireman's Relief	37,760	38,552	48,135	50,387	49,388	11,628	30.8
Donations	51,325	90,786	58,039	61,789	62,155	10,830	21.1
Other	-16,761	2,826	2,787	8,389	5,418	22,179	-132.3
Disposal	125,776	140,646	114,227	155,106	135,306	9,530	7.6
Rentals	13,952	3,595	13,136	4,773	52,518	38,566	276.4
Street Lighting	28,102	295	324	628	234	-27,868	-99.2
Transfers	815,604	1,466,742	1,664,575	461,586	28,024	-787,580	-96.6
Total Expenditures	2,208,456	2,728,264	3,314,065	1,802,628	1,671,376	-537,080	-24.3
Uniforms	0.0	0.5	0.2	0.6	1.4		
Supplies	29.2	16.2	17.4	20.0	24.9		
Services	4.9	3.0	8.7	7.3	16.4		
Professional Services	5.4	4.4	5.1	8.7	8.2		
Insurance & Bonding	4.3	4.5	4.0	7.3	8.8		
Utilities	1.1	0.8	1.0	1.6	1.9		
Equipment	2.5	1.6	1.7	2.5	7.1		
K9 EXPENSE	0.0	0.0	0.0	2.3	1.1		
Vehicle	3.0	3.4	2.9	5.9	7.2		
Repairs & Maintenance	0.0	0.2	0.3	0.2	0.3		
Hydrant Expense	1.8	1.5	1.3	2.5	2.9		
Fireman's Relief	1.7	1.4	1.5	2.8	3.0		
Donations	2.3	3.3	1.8	3.4	3.7		
Other	-0.8	0.1	0.1	0.5	0.3		
Disposal	5.7	5.2	3.4	8.6	8.1		
Rentals	0.6	0.1	0.4	0.3	3.1		
Street Lighting	1.3	0.0	0.0	0.0	0.0		
Transfers	36.9	53.8	50.2	25.6	1.7		
Total Expenditures	100	100	100	100	100		

Department Expenditures

- General Government—one-half to one-third of total expenditures—includes salary and wages for council, mayor, borough manager, treasurer, secretary/clerk, and tax collector; professional services costs for solicitor and engineer, workers compensation, non-uniform pension, healthcare/Medicare, transfers and various non-personnel costs related to General Government.
- General government expenditures increased from almost \$2.7 million in 2020 to peak at almost \$3.5 million in 2022, then declined to just under \$2 million in 2024. The change between 2020 and 2024 was a decline of 25.1 percent and corresponds to the departure of the long-time borough manager in 2024.
- Police expenditures steadily increased by 55.9 percent or \$664,469 from 2020 to 2024.
- Expenditures for the volunteer fire department include capital costs for the new public safety building of \$139,857 in 2023 and \$706,340 in 2024.
- The largest expenditures in planning, zoning and codes are building inspections as outlined previously.
- The borough manually allocates expenditures from the public works compliment to the divisions of public works, solid waste collection, wastewater collection, and recreation depending on activity. The largest annual expenditures for public works were capital projects including paving.

Table 2.12 Departmental Expenditures

	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
General Government	2,650,989	3,104,095	3,465,427	2,452,073	1,985,107	-665,882	-25.1
Police	1,187,788	1,393,905	1,628,424	1,733,341	1,852,257	664,469	55.9
Fire	128,671	170,476	189,326	336,812	912,162	783,491	608.9
Planning & Zoning/Codes	98,015	81,249	301,751	140,026	272,783	174,768	178.3
Public Works	361,569	1,096,339	664,824	927,673	487,115	125,546	34.7
Solid Waste Collection	546,872	425,240	425,602	851,566	567,451	20,579	3.8
Wastewater Collection	65,935	222,830	254,468	51,237	151,925	85,990	130.4
Culture/Recreation	32,740	38,562	36,302	25,768	197,613	164,873	503.6
Debt Service	16,985	4,754	128,546	86,085	80,632	63,647	374.7
Total Expenditures	5,089,563	6,537,449	7,094,670	6,604,581	6,507,045	1,417,482	27.9
General Government	52.1	47.5	48.8	37.1	30.5		
Police	23.3	21.3	23.0	26.2	28.5		
Fire	2.5	2.6	2.7	5.1	14.0		
Planning & Zoning/Codes	1.9	1.2	4.3	2.1	4.2		
Public Works	7.1	16.8	9.4	14.0	7.5		
Solid Waste Collection	10.7	6.5	6.0	12.9	8.7		
Wastewater Collection	1.3	3.4	3.6	0.8	2.3		
Culture/Recreation	0.6	0.6	0.5	0.4	3.0		
Debt Service	0.3	0.1	1.8	1.3	1.2		
Total Expenditures	100.0	100.0	100.0	100.0	100.0		

Chapter 3

Projections

Introduction

The financial projections for the Borough of Moosic from 2025 through 2029 offer a critical lens into the borough's fiscal trajectory amid a period of reassessment and economic uncertainty. The 2026 budget is used as the baseline for projections; however, the budget includes a one-time infusion of \$500,000 from the borough's fund balance to avoid a deficit.

Instead, annual deficits are likely to begin in 2027, culminating in a projected deficit of \$560,303 by 2029. This trend is driven by a combination of stagnant or declining revenues and rising expenditures, particularly in personnel costs such as wages and healthcare.

While tax revenues are expected to grow modestly, primarily through earned income taxes, non-tax revenues are projected to decline by 23.8 percent, in large part due to one-time revenues in 2025 associated with construction of the public safety building.

The borough's fund balance is also at risk. Having declined from a peak of \$2.5 million in 2018 to \$1.4 million in recent years, it is expected to fall below \$1 million by 2029 if used to offset deficits. This erosion of reserves could compromise the borough's ability to respond to emergencies or invest in future capital needs.

On the expenditure side, personnel costs are forecasted to increase by nearly 12 percent, with healthcare alone rising by over 21 percent. These increases are compounded by inflationary pressures on supplies and services, and the need to fund debt service and capital improvements.

To address these financial challenges, this chapter outlines several strategic recommendations:

- **Implement Plan Initiatives:** Prioritize operational changes that reduce expenditures or improve efficiency.
- **Hire a Licensed Financial Advisor:** To manage debt, explore asset sales (e.g., sewer system), and develop a sustainable fiscal plan.
- **Raise Sewer and Garbage Fees:** Adjust fees to fully cover service costs, reducing reliance on tax revenue.
- **Use Special Purpose Millage:** Establish dedicated tax levies for specific services like debt service and street lighting.
- **Develop a Capital Improvement Plan (CIP):** Create a structured, multi-year plan for infrastructure and equipment investments.
- **Adjust Fees and Fines:** Ensure full cost recovery for services such as code enforcement and permitting.
- **Budget health insurance costs and other benefits by department:** Budgeting by department increases transparency and accountability.
- **Increase Real Estate Tax Rate:** If necessary, raise millage to eliminate budget deficits.

- **Establish a Fund Balance Policy:** Define appropriate fund reserve levels and usage guidelines.
- **Explore Alternative Revenue for Streetlights:** Consider solar panel investments to offset costs.
- **Consider Home Rule:** Adopt a governance model that allows greater flexibility in taxation and financial management

Assumptions

Revenues

- The 2026 budget serves as the baseline.
- Tax rates and fees remain at 2026 levels.
- Real estate tax revenue growth at 0.6% based on assessment level changes.
- Current earned income tax growth of 2.0 percent annually.
- Cable franchise fees decreased 2.0 percent annually.
- Local services taxes held constant.
- State aid for pensions increased 3.0 percent annually.
- Other non-tax revenues are held constant.

Expenditures

- The 2026 budget serves as the baseline.
- Employee count is consistent with 2026 budgeted levels.
- No new debt incurred.
- Wages increase 2.5 percent annually 2027-2029
- Healthcare increased 5.0 percent annually
- Supplies and services costs increased annually with an inflation adjustment consistent with the most recent Central Budget Office estimates: 2.2 percent; 2025 → 2026: 2.1 percent; 2026 → 2027: 2.0 percent; 2027 → 2028: 1.97 percent 2028 → 2029: 1.94 percent.

Summary

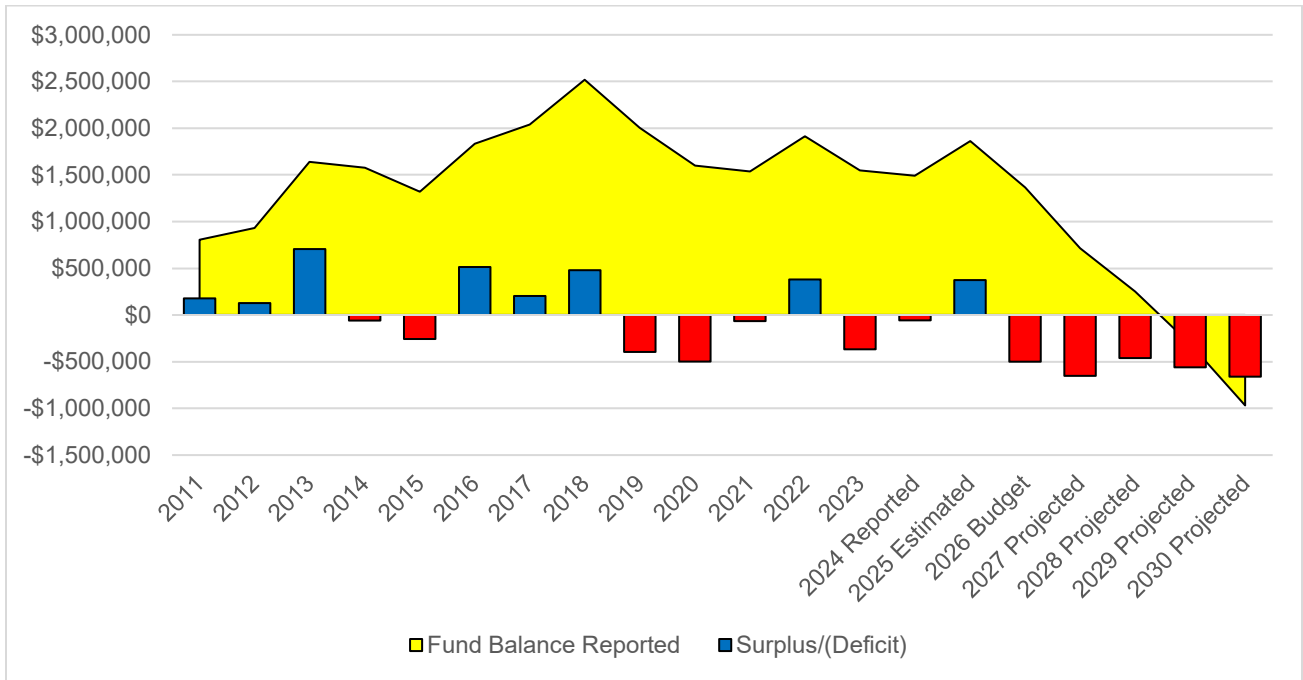
Budgeted revenues for Moosic borough in 2026 include the use of \$500,000 in one-time funds from the borough's General Fund balance. Without the one-time funds, Moosic borough is likely to begin experiencing deficits starting in 2027 that are expected to fall in 2028, ending the projection period in 2029 with an anticipated deficit of \$560,303. Revenues are projected to decline while expenditures are likely to increase by 11.7 percent from 2025 to 2029.

Figure 3.1 shows Moosic's General Fund balance. Best practice calls for a fund balance of two to three months of expenditures. Historically, Moosic's fund balance peaked in 2018 at \$2.5 million. Since that time, the fund balance has declined to \$1.4 million, and projections indicate that the fund balance will be depleted by 2028 if projected deficits are eliminated by using fund balance.

Table 3.1 Projected Revenues, Expenditures and Surplus/Deficit

	2025 Budget	2026 Budget	2027 Projected	2028 Projected	2029 Projected	Change 2025 to 2029	
Revenues	6,597,269	6,820,588	6,300,648	6,346,607	6,393,480	-203,789	-3.1
Expenditures	6,223,414	6,820,588	6,952,345	6,807,912	6,953,783	730,369	11.7
Surplus/(Deficit)	373,855	0	-651,697	-461,306	-560,303		

Figure 3.1 Surplus/(Deficit) and Fund Balance



Revenues

Tax revenues are projected to be over 60 percent of total revenues going forward while non-tax sources are likely to provide another one-third. Tax revenue is likely to rise by 12 percent while non-tax sources are projected to decline by almost 24 percent, mostly due to the loss of one-time revenue sources in 2025.

Table 3.2 Projected Tax Revenue and Non-Tax Revenue

	2025 Budget	2026 Budget	2027 Projection	2028 Projection	2029 Projection	Change 2025- 2029	
						\$	%
Tax	3,822,169	4,156,398	4,196,698	4,237,617	4,279,166	456,997	12.0
Nontax	2,775,100	2,664,190	2,103,950	2,108,989	2,114,314	-660,786	-23.8
Total	6,597,269	6,820,588	6,300,648	6,346,607	6,393,480	-203,789	-3.1
Tax	57.9	60.9	66.6	66.8	66.9		
Nontax	42.1	39.1	33.4	33.2	33.1		
Total	100.0	100.0	100.0	100.0	100.0		

2026 Assessment Value and Millage

In 2026, the borough will use a new assessment value calculated by Lackawanna County to set real estate millage rates. The millage rate in 2025 was 23.87 mills based on an assessed value of \$82,788,820. In 2016, the borough intends to enact a total 1.99 real estate millage rate with 1.344 mills for General Purpose, 0.577 mills for Debt Service, and 0.069 mills for Pension and Retirement. The new rate is based on the county’s 2026 value of \$1,092,159,721. Municipalities are required by state law to establish neutral millage rates following a reassessment.

Projected Tax Revenue

Moosic’s largest revenue source, real estate taxes, are projected to increase slightly from 2025 to 2029 once all millage revenue is combined. Growth of 14.2 percent is projected for earned income taxes, which represents approximately one-third of total taxes. All other taxes are projected at 2026 budgeted levels.

Moosic’s residential and commercial development was severely impacted by the 2020 pandemic, which shut down numerous office buildings and slowed housing starts. There are signs that the pace of development will begin to increase, which would improve tax revenue

Table 3.3 Projected Tax Revenue

By Category	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
GP RE Taxes	2,031,169	1,527,863	1,537,030	1,546,252	1,555,530	-475,639	-23.4
DS RE Taxes	0	630,176	633,957	637,761	641,587	641,587	100.0
Pension RE Taxes	0	75,359	75,811	76,266	76,724	76,724	100.0
EIT	1,250,000	1,345,000	1,371,900	1,399,338	1,427,325	177,325	14.2
LST	278,000	273,000	273,000	273,000	273,000	-5,000	-1.8
Mechanical Devices Tax	13,000	5,000	5,000	5,000	5,000	-8,000	-61.5
RE Transfer	250,000	300,000	300,000	300,000	300,000	50,000	20.0
Tax Revenue	3,822,169	4,156,398	4,196,698	4,237,617	4,279,166	456,997	12.0
GP Taxes	53.1	36.8	36.6	36.5	36.4		
DS Taxes	0.0	15.2	15.1	15.0	15.0		
Pension Taxes	0.0	1.8	1.8	1.8	1.8		
EIT	32.7	32.4	32.7	33.0	33.4		
LST	7.3	6.6	6.5	6.4	6.4		
Amusement Tax	0.0	0.0	0.0	0.0	0.0		
Mechanical Devices Tax	0.3	0.1	0.1	0.1	0.1		
RE Transfer	6.5	7.2	7.1	7.1	7.0		
Tax Revenue	100.0	100.0	100.0	100.0	100.0		

Projected Non-Tax Revenues

State pension aid, along with sewer and refuse revenue based on 2026 fee increases, is projected to grow from 2025 to 2029. Sewer and refuse revenue reflect fee increases enacted in 2026.

State shared revenue in 2025 includes a non-reoccurring grant. Charges for services also include one-time funds for the public safety building.

Licenses and permits after 2026 include \$200,000 annually for building permits. The borough’s permit revenue has varied substantially depending on activity but there is significant commercial and residential development in the planning stages on Montage Mountain.

As discussed previously, \$500,000 from the borough’s fund balance is used to balance the budget in 2026.

Table 3.4 Projected Non-Tax Revenue

	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
Licenses & Permits	544,000	435,550	368,150	365,798	363,493	-180,507	-33.2
Fines & Forfeits	64,000	44,000	43,560	43,124	42,693	-21,307	-33.3
Interest, Rents & Royalties	7,000	5,000	5,100	5,202	5,306	-1,694	-24.2
Federal Grants	5,000	0	0	0	0	-5,000	-100.0
Local Grants	1,000	1,000	1,000	1,000	1,000	0	0.0
State Shared Revenue	326,000	212,000	212,000	212,000	212,000	-114,000	-35.0
Fireman's Relief	51,000	49,000	49,000	49,000	49,000	-2,000	-3.9
State Pen Aid	250,000	250,000	257,500	265,225	273,182	23,182	9.3
Miscellaneous	48,500	31,300	31,300	31,300	31,300	-17,200	-35.5
Insurance Reimbursement	110,000	40,000	40,000	40,000	40,000	-70,000	-63.6
Charges for Services	560,600	232,500	232,500	232,500	232,500	-328,100	-58.5
Sewer	262,000	318,500	318,500	318,500	318,500	56,500	21.6
Refuse	468,000	490,340	490,340	490,340	490,340	22,340	4.8
Donations	3,000	45,000	45,000	45,000	45,000	42,000	1400.0
Sale of Assets	0	10,000	10,000	10,000	10,000	10,000	100.0
Fund Balance	75,000	500,000	0	0	0	-75,000	-100.0
Total Nontax Revenue	2,775,100	2,664,190	2,103,950	2,108,989	2,114,314	-660,786	-23.8
Licenses & Permits	19.6	16.3	17.5	17.3	17.2		
Fines & Forfeits	2.3	1.7	2.1	2.0	2.0		
Interest, Rents & Royalties	0.3	0.2	0.2	0.2	0.3		
Federal Grants	0.2	0.0	0.0	0.0	0.0		
Local Grants	0.0	0.0	0.0	0.0	0.0		
State Shared Revenue	11.7	8.0	10.1	10.1	10.0		
Fireman's Relief	1.8	1.8	2.3	2.3	2.3		
State Pension Aid	9.0	9.4	12.2	12.6	12.9		
Miscellaneous	1.7	1.2	1.5	1.5	1.5		
Insurance Reimbursement	4.0	1.5	1.9	1.9	1.9		
Charges for Services	20.2	8.7	11.1	11.0	11.0		
Sewer	9.4	12.0	15.1	15.1	15.1		
Refuse	16.9	18.4	23.3	23.2	23.2		
Donations	0.1	1.7	2.1	2.1	2.1		
Sale of Assets	0.0	0.4	0.5	0.5	0.5		
Fund Balance	2.7	18.8	0.0	0.0	0.0		
Total Nontax Revenue	100.0	100.0	100.0	100.0	100.0		

Expenditures

Personnel vs. Non-Personnel

The largest increase in costs is projected in personnel expenditures, which are likely to grow by 17.2 percent or \$661,897 from 2025 to 2029. Personnel expenditures are likely to be 60 percent or more of total expenditures with non-personnel costs contributing another one-third.

Debt service is for all borough debt service including projected payments for borrowing associated with the Public Safety Building now under construction and for debt associated with police vehicles. The debt service is projected to peak in 2026 at \$630,180 before dropping back to approximately \$300,000 for 2028-29. Expenditures also assume a placeholder amount of \$139,500 annually from the General Fund to pay for capital needs.

Despite the projected increase, debt service is still likely to remain within the standards of best practice during the next five years at less than 10 percent of total expenditures.

Table 3.5 Projected Employee and Nonemployee Expenditures

Type	2025 Estimate	2026 Budget	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
Employee	3,840,948	4,134,600	4,253,372	4,376,060	4,502,845	661,897	17.2
Nonemployee	1,766,874	1,916,308	1,948,319	1,980,308	2,012,563	245,689	13.9
Debt Service	456,592	630,180	611,154	312,045	298,875	-157,717	-34.5
Capital	159,000	139,500	139,500	139,500	139,500	-19,500	-12.3
Total Expenditures	6,223,414	6,820,588	6,952,345	6,807,912	6,953,783	730,369	11.7
Employee	61.7	60.6	61.2	64.3	64.8		
Nonemployee	28.4	28.1	28.0	29.1	28.9		
Debt Service	7.3	9.2	8.8	4.6	4.3		
Capital	2.6	2.0	2.0	2.0	2.0		
Total Expenditures	100.0	100.0	100.0	100.0	100.0		

Personnel Expenditures

Salaries, which are likely to be 63 to 64 percent of employee expenditures, are anticipated to rise by 17.9 percent or \$433,722, the largest increase of any personnel expenditure. Health care, at roughly 20 percent of total employee expenditures, is projected to rise by \$246,428 or 34.4 percent. Pension, at 7 percent of employee expenditures, is projected to increase by \$37,712 or 14.7 percent, while workers’ compensation, also at roughly 5 percent of total employee expenditures, is expected to grow by 7.7 percent.

Table 3.6 Projected Employee Expenditures

	2025 Estimate	2026 Budget	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
Type							
Salary & Wages	2,424,782	2,654,405	2,720,765	2,788,784	2,858,504	433,722	17.9
FICA	175,000	180,000	180,000	180,000	180,000	5,000	2.9
Healthcare	716,600	831,900	873,495	917,170	963,028	246,428	34.4
Pension	257,066	273,731	280,574	287,589	294,778	37,712	14.7
Unemployment Comp	12,500	12,500	12,813	13,133	13,461	961	7.7
Workers Comp	255,000	182,064	185,725	189,384	193,073	-61,927	-24.3
Total Employee Exp	3,840,948	4,134,600	4,253,372	4,376,060	4,502,845	661,897	17.2
Salary & Wages	63.1	64.2	64.0	63.7	63.5		
FICA	4.6	4.4	4.2	4.1	4.0		
Healthcare	18.7	20.1	20.5	21.0	21.4		
Pension	6.7	6.6	6.6	6.6	6.5		
Unemployment Comp	0.3	0.3	0.3	0.3	0.3		
Workers Comp	6.6	4.4	4.4	4.3	4.3		
Total Employee Exp	100.0	100.0	100.0	100.0	100.0		

Non-Personnel Expenditures

Supplies, approximately one-third of non-personnel expenditures, are budgeted at a higher level in 2026 than in 2025, accounting for the increase from 2025 to 2029 of almost 50 percent. Higher 2026 supply expenditures are for wastewater (~\$80,000), public works (~\$90,000) and administration (~\$40,000). Wastewater and public works (refuse and recycling collection) costs are offset by higher fees enacted in 2026.

Professional services, the next largest category, reflects likely higher legal expenditures in part given pending charges against the former borough manger. Auditor costs are also projected to increase because of the recommendation to conduct a more robust borough audit.

Disposal costs decline, reflecting the terms of the new refuse and recycling agreements.

The donation budgeted in 2025 is for the Fire Department and does not reoccur.

Table 3.7 Projected Employee Expenditures

Type	2025 Budget	2026 Budget	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
Uniforms	25,000	50,000	50,000	50,000	50,000	25,000	100.0
Supplies	527,800	740,100	754,983	769,857	784,853	257,053	48.7
Services	298,999	259,000	264,208	269,413	274,662	-24,337	-8.1
Professional Services	206,800	246,800	251,763	256,723	261,724	54,924	26.6
Insurance & Bonding	152,675	180,700	184,334	187,965	191,627	38,952	25.5
Utilities	37,600	39,000	39,784	40,568	41,358	3,758	10.0
Equipment	10,000	10,000	10,000	10,000	10,000	0	0
K9 EXPENSE	15,000	10,000	10,201	10,402	10,605	-4,395	-29.3
Vehicle	113,000	116,200	118,537	120,872	123,227	10,227	9.1
Repairs & Maintenance	9,500	9,900	9,900	9,900	9,900	400	4.2
Hydrant Expense	44,000	52,500	52,500	52,500	52,500	8,500	19.3
Fireman's Relief	50,000	49,000	49,000	49,000	49,000	-1,000	-2.0
Donations	62,000	0	0	0	0	-62,000	-100
Other	43,500	10,600	10,600	10,600	10,600	-32,900	-75.6
Disposal	166,000	135,708	135,708	135,708	135,708	-30,292	-18.2
Rentals	5,000	5,000	5,000	5,000	5,000	0	0
Street Lighting	0	1,800	1,800	1,800	1,800	1,800	0
Total Expenditures	1,766,874	1,916,308	1,948,319	1,980,308	2,012,563	245,689	13.9
Uniforms	1.4	2.6	2.6	2.5	2.5		
Supplies	29.9	38.6	38.8	38.9	39.0		
Services	16.9	13.5	13.6	13.6	13.6		
Professional Services	11.7	12.9	12.9	13.0	13.0		
Insurance & Bonding	8.6	9.4	9.5	9.5	9.5		
Utilities	2.1	2.0	2.0	2.0	2.1		
Equipment	0.6	0.5	0.5	0.5	0.5		
K9 EXPENSE	0.8	0.5	0.5	0.5	0.5		
Vehicle	6.4	6.1	6.1	6.1	6.1		
Repairs & Maintenance	0.5	0.5	0.5	0.5	0.5		
Hydrant Expense	2.5	2.7	2.7	2.7	2.6		
Fireman's Relief	2.8	2.6	2.5	2.5	2.4		
Donations	3.5	0.0	0.0	0.0	0.0		
Other	2.5	0.6	0.5	0.5	0.5		
Disposal	9.4	7.1	7.0	6.9	6.7		
Rentals	0.3	0.3	0.3	0.3	0.2		
Street Lighting	0.0	0.1	0.1	0.1	0.1		
Transfers	0.0	0.0	0.0	0.0	0.0		
Total Expenditures	100.0	100.0	100.0	100.0	100.0		

Departmental Expenditures

The largest projected increase is in General Government, which is expected to grow by 17.1 percent or \$344,251.

General Government includes salary and wages for council, mayor, borough manager, treasurer, secretary/clerk, and tax collector; professional services costs for solicitor and engineer, workers compensation, non-uniform pension, healthcare/Medicare, transfers and various non-personnel costs related to General Government.

Police expenditures are likely to increase by 10.0 percent or \$201,596.

Debt service is projected to decline by 35 percent as obligations are paid off.

Table 3.8 Projected Departmental Expenditures

	2025 Estimate	2026 Budget	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
General Government	2,012,301	2,153,305	2,218,745	2,286,407	2,356,552	344,251	17.1
Police	1,960,939	2,013,900	2,062,278	2,111,804	2,162,535	201,596	10.3
Fire	202,000	209,500	210,650	211,829	213,037	11,037	5.5
Planning & Zoning/Codes/Other PS	274,018	246,000	251,031	256,071	261,163	-12,855	-4.7
Public Works	511,602	462,945	471,398	479,977	488,715	-22,887	-4.5
Solid Waste Collection	551,962	755,258	770,478	786,050	801,992	250,030	45.3
Wastewater Collection	225,000	307,500	313,757	320,020	326,341	101,341	45.0
Culture/Recreation	29,000	42,000	42,854	43,709	44,573	15,573	53.7
Debt Service	456,592	630,180	611,154	312,045	298,875	-157,717	-34.5
Total Expenditures	6,223,414	6,820,588	6,952,345	6,807,912	6,953,783	730,369	11.7
General Government	32.3	31.6	31.9	33.6	33.9		
Police	31.5	29.5	29.7	31.0	31.1		
Fire	3.2	3.1	3.0	3.1	3.1		
Planning & Zoning/Codes/Other PS	4.4	3.6	3.6	3.8	3.8		
Public Works	8.2	6.8	6.8	7.1	7.0		
Solid Waste Collection	8.9	11.1	11.1	11.5	11.5		
Wastewater Collection	3.6	4.5	4.5	4.7	4.7		
Culture/Recreation	0.5	0.6	0.6	0.6	0.6		
Debt Service	7.3	9.2	8.8	4.6	4.3		
Total Expenditures	100.0	100.0	100.0	100.0	100.0		

Recommendations

Implement plan initiatives. Implement plan initiatives that impact expenditure reductions or increase productivity. Throughout the plan, the borough should undertake those initiatives and recommendations as policy and operational priorities, particularly those that will have near term expenditure reductions or operational changes leading to enhanced efficiency.

Consider hiring a licensed financial advisor. The borough has taken on more debt than it anticipated when planning for the new public safety building. In addition, projections indicate that the borough will experience deficits from 2026 to 2029. Finally, the borough has a valuable asset, the sewer conveyance system, that could potentially be sold to assist with financial sustainability. The borough would benefit from a professional to assess debt, determine financial opportunities and risks, and develop a fiscal plan that aligns with borough goals and needs. The borough should use STMP Phase II funding for this activity as appropriate.

Raise sewer and garbage fees. Fees for these services should be set so that the full cost for the service is captured in the fee. Current borough sewer and garbage fees do not adequately cover the borough's expenditures for these services, particularly regarding personnel. As a result, tax revenue is used to fill in the gaps. While the borough has increased commercial sewer rates, it has not increased residential rates. Meanwhile, the borough raised the garbage fee in 2023, but the higher fee still does not cover all expenditures for the borough's robust garbage collection. The borough should consider all costs associated with the services when setting the fees, including any administrative tasks. The borough could also consider hiring a consultant to conduct a cost allocation study for these services.

Consider the use of special purpose millage. Using special purpose tax millage offers a municipality the benefit of collecting dedicated revenue for specific projects, services, or incentives. This approach provides a stable funding source and gives taxpayers a clear understanding of how their tax dollars are being used. Revenue collected from a special purpose millage is legally restricted for its stated purpose. This prevents money from being diverted for other general fund needs and provides a reliable income stream for a specific project, like the borough's new public safety building. In particular, the borough could consider dedicated millage for debt service, street lighting and firehouse/municipal building.

Table 3.9 Borough Special Purpose Tax Levies²

Tax	Legal Limit	Citation
Debt Service	no limit	8 Pa.C.S. § 1302(a)(1)
Pensions and Retirement	1/2 mill	8 Pa.C.S. § 1302(a)(2)
Shade Trees	1/10 mills	8 Pa.C.S. § 1302(a)(3)
Street Lighting	8 mills	8 Pa.C.S. § 1302(a)(4)
Library	no limit	8 Pa.C.S. § 1302(a)(8); 24 Pa.C.S. § 9351
Special Road Fund	5 mills	8 Pa.C.S. § 1304
Recreation	no limit	8 Pa.C.S. § 1302(a)(10)
Fire Engines, Fire Apparatus, Fire Hose	3 mills	8 Pa.C.S. § 1302(a)(6)
Firehouse, Lockup or Municipal Building	2 mills	8 Pa.C.S. § 1302(a)(7)
Ambulance, Rescue & Other Emergency Services	1/2 mill	8 Pa.C.S. § 1302(a)(9)
Open Space (real estate or earned income)	set by voters	32 P.S. § 5007.1
Distressed Pension System Recovery Program	no limit	53 P.S. § 895.607(f)

Develop a capital budget and plan. The borough has done well in funding certain capital purchases including recent building purchases and renovations, and the funding of police cars. The borough should expand that process to conduct a borough-wide inventory to assess the most current and critical repair and replacement needs for equipment, buildings and infrastructure and establish a multi-year (at least five years) Capital Improvement Program (CIP).

To best address the borough's capital needs within the constraints of limited resources, the borough should set clear criteria for prioritizing and selecting capital investments that:

- Protect the health and safety of the public and employees.
- Advance the implementation of the borough's long-term goals and objectives.
- Invest in core infrastructure and equipment needs.
- Show the impact of capital investments on the operating budget.

The CIP process should precede the borough's normal budget process and be completed by September of each year so that CIP recommendations for the upcoming year are integrated into the operating budget. The annual CIP document should include, but not be limited to:

- A narrative that details CIP project priorities for the upcoming budget year.
- A description of the CIP development process that the manager and staff conducted during the year and how the CIP projects were selected.
- A summary of the CIP by project type and department.
- Individual descriptions of each project included in the CIP for the upcoming budget year. The description of each project should include the project's location, project summary, estimated cost, estimated completion date and the project's estimated operational cost and/or savings.
- Funding source(s) and/or capital borrowings.

² Source: DCED Taxation Manual, 2019

- Impact of capital improvement financing on operating budget.

The creation of an annual CIP document will allow the borough to prioritize its capital projects within the framework of limited resources and in alignment with its goals and objectives. It will also give elected officials and the public an opportunity to comment on the projects.

Development of a sustainable CIP must begin with an assessment of existing capital assets. [PennDOT's Local Technical Assistance Program](#) can provide resources to assist with the assessment.

Set and increase other fees and fines as appropriate. The borough imposes permits, licenses, fees and fines for various activities including building, zoning and code enforcement. As borough costs increase it is important to review and update fees related to the services provided to ensure there is a full cost recovery, otherwise general tax revenue must be used to offset the difference. Fees for new code enforcement activities should be set an appropriate level taking the above into account.

As a best practice, a fee schedule resolution should be passed by the council annually even in instances where fees are not increased from year to year.

Budget health insurance costs and other benefits by department. The borough currently budgets for health care in the general government department. The borough should budget health insurance by department to increase financial transparency and accountability, improve cost control, and aid in data-driven human resources and budget decisions. This method provides a more detailed picture of how resources are being allocated and utilized.

Increase real estate tax rate as necessary to ensure balanced budgets. To the extent that revenues are insufficient to eliminate the borough's projected annual budget deficits, the borough should increase the real estate tax millage to offset any remaining deficits. The cap for general purpose millage, which can be used for any expenditures, is 30 mills with an additional 5 mills available with court approval.

Establish a fund balance policy. The borough currently has a fund balance in the general fund that is above the best practice minimum of two to three months of revenue/expenditures. The borough should establish a fund balance policy to manage these funds.

Fund balance policies can help a municipality meet several stated goals including but not limited to meeting seasonal cash flow requirements and securing investment-grade credit ratings.

Fund balance policies typically identify appropriate minimum (and maximum) fund balance levels for a given fund, how the balance may be used (including limits on its use to balance a budget, or assignment to fulfill local grant matches), how to replenish fund balance when used, and how excess fund balance can be allocated when available.

Consider alternative revenues for streetlights. In addition to special purpose millage, the borough should consider whether an investment in solar panels could be used to offset streetlight costs. The borough should consider a feasibility study under STMP Phase II for this initiative.

Consider Home Rule. Adoption of home rule can provide needed revenue flexibility by broadening the borough's tax base. Home rule municipalities are not subject to the limits on the rates of real estate millage, earned income and real estate transfer taxes that exist in state municipal codes, although the charter can limit the increase of total tax revenue year over year. Home rule also gives municipalities the opportunity to select a government structure that best fits community needs.

As a home rule municipality, the borough could take a more balanced approach to taxes by using a mixture of changes to the three main tax levies so that no one tax paying group is impacted disproportionately. For example, retired individuals might pay property tax but do not pay earned income tax. Wage earners pay the earned income tax and might also pay property tax. Commercial and business entities are more likely affected by property tax and real estate transfer tax increases since their property values and transactions tend to be on a larger scale, and they are not subject to the earned income tax.

Home rule is a complex process that involves multiple votes by residents and the governing body, including the election of a home rule charter study commission. Information on home rule and the home rule process is available from the state Department of Community and Economic Development's [Home Rule in Pennsylvania](#) manual. The manual is available for download at www.dced.pa.gov/library under Local Government/Handbooks and Guides.

Chapter 4 Operations

Introduction

Moosic Borough is well-positioned to modernize its operations, enhance service delivery and undergo smart economic and community development, assisted by new council leadership and a newly appointed administrator and treasurer who bring fresh expertise and vision.

The borough administrator and treasurer are approaching their roles with a significant amount of private sector experience in human resources and financial management. The new leadership offers a valuable opportunity to professionalize borough operations, improve internal controls, and develop written procedures. Challenges include outdated software, fragmented roles (e.g., secretary also serving as DPW supervisor and RTK officer), and legacy issues such as unresolved theft allegations. Strengthening financial systems, clarifying job duties, and investing in staff training are key steps forward.

The borough has made strides in financial oversight with the hiring of the new treasurer and implementation of purchase order policies. However, past mismanagement and outdated software continue to pose risks. The lack of a capital budget and prior inconsistent reporting highlight the need for a formal accounting manual and improved internal controls. Opportunities include adopting modified accrual accounting, enhancing audit practices, and engaging department heads in budgeting for greater ownership and accuracy.

Technology infrastructure across departments is outdated, with a failed software transition and recycled hardware. This limits operational efficiency and increases cybersecurity risks. The borough's website and social media presence are strong, offering a foundation for expanded digital services, although the website could use a refresh. Upgrading systems, digitizing records, and implementing code enforcement software with GIS capabilities are critical opportunities to modernize operations.

The Moosic Police Department faces staffing shortages and increasing demands due to regional attractions like Montage Mountain. The construction of a new public safety building is a major investment that will enhance service delivery. However, the department most likely needs additional officers, updated equipment, and specialized training (e.g., Crisis Intervention). Regional cooperation and technology upgrades are essential to meet growing public safety needs.

Public works operations are robust but stretched thin. The borough provides extensive refuse and recycling services, which may limit capacity for other essential tasks like stormwater management and infrastructure maintenance. The department lacks IT support and modern equipment, and the health and safety manual is outdated. Opportunities include expanding garage space, implementing GIS mapping, and conducting cost allocation studies to ensure proper use of sewer and refuse fees.

Moosic has significant development potential in areas like Montage Mountain, Rocky Glenn, and Birney Avenue. However, public safety concerns, traffic congestion, and underutilized retail spaces hinder progress. The borough is actively partnering with county agencies and exploring revitalization strategies. Designation as a Main Street community, public art initiatives, and expanded recreation amenities offer promising avenues for growth and community engagement.

Moosic's parks are valuable community assets, but many require renovation and safety upgrades. The borough has demonstrated commitment through successful fundraising events and partnerships. Opportunities include leveraging state grants, developing master site plans, and enhancing amenities like walking trails and dog parks to improve quality of life and attract new residents.

Recent investments in public safety infrastructure, proactive financial reforms, and robust community partnerships reflect Moosic's forward-thinking approach. Despite challenges, the borough has a promising path toward greater efficiency, sustainability, and quality of life for its residents.

Governing Body

Moosic Borough Council consists of seven council members who are elected at-large serving four-year terms. The borough also has an elected mayor who is responsible for oversight of the borough's police department as provided under the state Borough Code and serves as a tie breaker, if necessary, on borough council votes. The borough council meets monthly.

Council has several committees of three council members each that meet as needed. Committees are Police, Public Works, Emergency Management, Safety, and Budget and Finance.

The borough secretary, a former borough council member, prepares minutes, agendas and hard copies of council meeting packets that are hand delivered to council members. Certain council members are not as savvy with technology as other members, which accounts for printing the documents that can be 60 pages or more. The secretary is responsible for updating resolutions, ordinances, agendas and meeting minutes on the borough's website through ecode.

In addition to secretary duties, this position also serves as the Right-to-Know officer and public works supervisor.

During the operations review, council experienced significant turmoil. Former borough administrator and current council member Jane Sterling was charged with theft of sick time hours. She also allegedly removed borough files, including personnel records and historical archives, during a period when she was working from home as the borough administrator prior to her retirement and winning a seat on council. It is unclear what records, if any, remain missing. As of the writing of this report, the matter remains pending.

Administration

Administrator and Office Staff

The current borough administrator was appointed in August 2024, following Sterling's retirement. The borough administrator serves as the CEO, overseeing payroll, project management and human resources, as well as supervising staff. He is responsible to borough council as a whole for the proper and efficient administration of the borough.

The administrator spends the majority of his time in three main areas. The first area is human resources, where the administrator deals with daily personnel issues. Second is project management

on the public safety building. Third is resolving problems, such as a recent regulatory issue with the Internal Revenue Service. He also spends a considerable amount of time handling sewer concerns. In addition, the administrator is writing various operational procedures.

The administrative staff also includes the full-time treasurer; the full-time secretary/DPW supervisor/RTK officer; and a part-time administrative assistant, who works approximately 20 hours per week. The borough also employs a part-time codes and zoning officer.

Financial Management and Internal Controls

The treasurer is responsible for the bulk of financial management. Duties include invoicing, tracking purchase order numbers, bank reconciliations, monthly financial reporting, and related tasks. He is in the process of reviewing and reconciling prior years financial statements and streamlining the borough's financial systems. Efforts are also being made to improve monthly reporting, which was considered confusing. The administrative assistant processes payments received at the borough window.

Authorized check signers include the administrator, council president, administrative assistant, and treasurer. Three signatures are required.

The borough had challenges with financial reporting in the past under the prior administrator including fines from the Internal Revenue Service regarding employee taxes and issues with the pension fund for failing to report a claim. Financial management has been further complicated by the borough's outdated software.

A new policy requires purchase order numbers for any expenditure over \$25, although the system remains inconsistent. The borough makes use of cooperative purchasing through the Pennsylvania Cooperative Purchasing Program (Co-Stars).

The administrator is working towards a more proactive and inclusive budgeting process. Department heads are being brought into discussions earlier, with quarterly meetings planned to improve ownership and accountability. There is no capital plan or budget.

Annual Audit

The borough undergoes an annual audit by an external, independent firm to complete the reporting requirements for the state Department of Community and Economic Development's Annual Financial Report (AFR). The state review is a minimum standard. The borough should consider a more robust independent audit, particularly given the recent theft charges against the former borough administrator.

A more complete independent audit will ensure transparency, accountability, and the proper use of public funds. The audit should examine financial controls and procedures, identify weaknesses and provide recommendations for improvement. The audit can also verify that the borough is complying with various regulatory requirements while helping to uncover wasteful spending, inefficiencies and areas for improvement.

Importantly for Moosic, an audit helps to prevent and detect fraud. Employee misconduct is deterred because of the knowledge that independent, external auditors will be scrutinizing financial

records and internal controls. Meanwhile, auditors are trained to detect signs of fraud, mismanagement, or misuse of funds that internal staff may overlook.

Tax Collection

The borough has an elected tax collector that works seasonal, part-time hours from an office in the borough building. The administrator is interested in strengthening the reporting capabilities of the tax collector to increase transparency.

Human Resources

As previously noted, the administrator is responsible for basic human resource functions. Borough council recently approved an employee handbook for non-uniform workers. Health insurance is obtained through Geisinger in line with collective bargaining agreements.

The administrator has created written job descriptions for administrative staff and for a general public works laborer that have been approved by council. The administrator hires non-union employees in cooperation with borough council and the mayor. The borough council police committee and civil service procedures are used for police hiring, and public works employees are hired by the borough council public works committee. Collective bargaining with municipal unions is performed by borough council and the solicitor.

The administrator also processes payroll, which is compiled in Freedom Software and sent to third-party CRI Payroll Services for direct deposit.

Office Management and Facility

The borough office is open to the public Monday through Friday from 8:30 a.m. to 4 p.m. The window is generally staffed by the administrative assistant or the borough secretary. Residents can ring a bell if no one is at the window. Payments are accepted for various borough permits and fees.

Phones are answered by the administrative assistant or the borough secretary, but the borough also makes use of a voice mail system. Residents can access the borough payment window for assistance but must be admitted through a locked door to the borough offices. There is no panic button.

Borough departments located in the municipal building include administration, with offices for the administrator and treasurer, and the codes and zoning office. The building includes a conference room and borough council chambers, which have been renovated within the last several years. Other than IT needs, the facility is in good condition and adequate for current needs.

Grant Writing

The borough recently entered into a contract for \$3,000 a month with Penn Strategies for grant writing services. In particular, the borough is seeking funds for paving, streetscape improvements and infrastructure improvements. Since this is a new arrangement, the borough has not evaluated whether it is cost effective.

Technology

The borough uses Freedom Systems software, which is outdated, difficult to use and will no longer be supported. A failed transition to successor system gWorks cost \$13,000, and a refund is being negotiated, although the borough might remain with gWorks. The borough was also evaluating Tyler and Edmunds as potential replacements. Computer hardware is similarly outdated, with the borough using recycled units. Council chambers lack any technology except for a speaker system.

Borough officials expressed concern regarding cyber security risks and outdated technology, particularly for financial management and computers in police cars.

The borough has a considerable number of paper records that should be reviewed and digitized based on appropriate retention standards.

The borough's website includes detailed information on borough departments, public safety, borough services like garbage and recycling, downloadable permits and applications, online payment options, link to ecode, names of elected officials and committees, and related information. Although some pages require updates, the web site in general provides adequate information and customer service options for residents. The borough also has a very active Facebook page that provides current information on events, garbage and recycling schedules and similar information.

General Government Expenditures

Table 4.1 General Government Expenditures, 2020 to 2024

General Government	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
						#	%
Salary & Wages	176,154	196,714	197,027	279,940	189,151	12,997	7.4
Pension	131,022	135,534	136,683	145,646	147,109	16,087	12.3
Workers Comp	142,608	182,528	212,295	253,130	230,984	88,376	62.0
Unemployment Comp	9,486	11,531	9,938	9,561	10,478	992	10.5
Social Security	10,922	12,196	12,216	17,356	11,727	806	7.4
Healthcare	70,437	84,535	87,656	95,725	99,174	28,736	40.8
Medicare	2,554	2,852	2,857	4,059	2,743	188	7.4
Employee Expenses	543,183	625,891	658,672	805,417	691,366	148,182	27.3
Supplies	496,495	96,522	124,041	135,948	122,157	-374,338	-75.4
Services	37,566	20,577	25,196	20,634	38,010	444	1.2
Prof Services	118,219	118,824	167,247	155,055	134,471	16,252	13.7
Insurance & Bonding	94,124	122,680	132,762	131,748	146,469	52,345	55.6
Utilities	15,659	15,113	17,770	19,058	19,823	4,164	26.6
Other	-16,761	2,826	2,787	8,389	5,418	22,179	-132.3
Rentals	5,932	3,327	13,136	1,072	49,044	43,112	726.7
Transfers	815,604	1,466,742	1,664,575	461,586	28,024	-787,580	-96.6
Total Expenditures	2,110,020	2,472,501	2,806,187	1,738,907	1,234,782	-875,238	-41.5

Table 4.2 Projected General Government Expenditures, 2025 to 2029

General Government	2025	2026	2027	2028	2029	Change 2025-2029	
	Estimate	Projection	Projection	Projection	Projection	\$	%
Salary & Wages	234,500	251,210	257,490	263,928	270,526	36,026	15.4
FICA	17,939	19,218	19,698	20,190	20,695	2,756	15.4
Healthcare	101,371	117,219	123,080	129,234	135,696	34,325	33.9
Pension	22,127	27,596	28,286	28,993	29,718	7,591	34.3
Workers Comp	255,000	182,064	185,725	189,384	193,073	-61,927	-24.3
Unemployment Comp	12,500	12,500	12,813	13,133	13,461	961	7.7
Employee Expenses	643,438	609,807	627,092	644,862	663,169	19,732	3.1
Supplies	142,800	194,600	198,513	202,424	206,367	63,567	44.5
Services	35,999	29,000	29,583	30,166	30,754	-5,245	-14.6
Professional Services	205,000	245,000	249,927	254,851	259,815	54,815	26.7
Insurance & Bonding	152,675	180,700	184,334	187,965	191,627	38,952	25.5
Utilities	23,600	20,500	20,912	21,324	21,740	-1,860	-7.9
Other	43,500	9,600	9,600	9,600	9,600	-33,900	-77.9
Total Expenditures	1,247,012	1,289,207	1,319,962	1,351,192	1,383,072	136,060	10.9

Codes, Zoning and Permits

The borough has one part-time codes and zoning officer. Building inspections are performed by NEIC and the borough's engineer is Penn Eastern.

The borough has ordinances to maintain quality of life and to register rental properties. Quality of life violations include improper trash storage, failure to properly maintain the property, storing of unregistered vehicles, accumulation of snow and ice, and similar issues. Violators are subject to a \$600 fine.

Landlords are required to submit detailed information to the borough on tenants. Tenants are subject to a disruptive tenant ordinance. Rental units can be closed for three violations of the disruptive conduct ordinance, drug activity, property condemnation or failure to comply with BOCA. Landlords can be subject to fines up to \$600 for violations.

Zoning and land use emerged as a critical issue with borough council. The borough's zoning code, last updated in 2003, is ill-equipped to handle contemporary development pressures. From short-term rentals to solar farms and data centers, the borough lacks the regulatory framework to guide modern growth. Borough officials are also interested in updating zoning for economic development purposes, such as rezoning parcels for a potential ATV park. Regional zoning could be a solution, allowing neighboring municipalities to share land use responsibilities.

The part-time zoning and code enforcement officer is overwhelmed, unable to keep pace with development, inspections and enforcement. In particular, it is not possible to take a proactive approach to hotels on Birney Avenue (or even Montage Mountain) that are likely out of compliance

or to ensure that the existing ordinances for quality of life and rental properties are followed. Amusement taxes are paid by Dave & Buster’s, a family-oriented restaurant with arcade games, but not by convenience stores and similar establishments that have small games of chance.

A full-time zoning and code enforcement position, in addition to the part-time position, is needed to take a more proactive approach.

Codes and zoning use Freedom software. The administrator is interested in a more robust software or application for those activities that would capture and process more information.

Planning, Zoning and Codes Expenditures

Personnel costs in planning and zoning are for the borough’s part-time codes officer. Costs for services are for third-party contractors and are offset by borough fees.

Table 4.3 Planning, Zoning and Codes Expenditures, 2020 to 2024

Planning & Zoning/Codes	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	19,548	19,881	19,681	20,374	26,814	7,266	37.2
Social Security	1,212	1,233	1,220	1,263	1,662	450	37.2
Medicare	283	288	285	295	389	105	37.2
Employee Expenses	21,043	21,402	21,187	21,933	28,865	7,822	37.2
Supplies	6,540	8,732	26,059	14,551	13,376	6,836	104.5
Services	70,578	50,836	254,211	103,301	230,793	160,215	227.0
Professional Services	1,350	1,800	1,800	1,800	1,800	450	33.3
Total Expenditures	99,511	82,770	303,257	141,585	274,834	175,324	176.2

Table 4.4 Projected Planning, Zoning and Codes Expenditures, 2025 to 2029

Planning & Zoning/Codes	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
						\$	%
Salary & Wages	21,200	21,730	22,273	22,830	23,401	2,201	10.4
Employee Expenses	21,200	21,730	22,273	22,830	23,401	2,201	10.4
Supplies	21,000	21,422	21,844	22,270	22,701	1,701	8.1
Services	201,000	205,042	209,081	213,154	217,277	16,277	8.1
Professional Services	1,800	1,836	1,872	1,909	1,946	146	8.1
Other	1,000	1,000	1,000	1,000	1,000	0	0.0
Total Expenditures	246,000	251,031	256,071	261,163	266,324	20,324	8.3

General Government Recommendations

Consider hiring a full-time codes and zoning officer. Given the size of the borough and the pace of development, the current part-time codes and zoning officer is unable to take a proactive approach to inspection and enforcement. This will become even more of a problem when the borough updates its codes and zoning. The borough should consider creating a full-time position supported by a STMP grant while retaining the part-time position.

Undergo Comprehensive Planning. The borough should undergo the comprehensive planning process either alone or, ideally, with one or more of its neighbors (Taylor and/or Old Forge) followed by an update to zoning.

Comprehensive plans focus on developing community goals and objectives through a robust citizen input process and review of demographics, physical environment, economic conditions and more. Components to a comprehensive plan include land use, housing, transportation, community facilities and related issues. Among other issues, the comprehensive plan should consider revitalization of the borough's commercial corridors and developable land.

The planning process should assist the borough in planning for and determining various service levels based on anticipated growth. [DCED's comprehensive plan manual can be downloaded here.](#) The borough should seek STMP Phase II funds for this project.

Update zoning. The borough last updated zoning in 2003, which is woefully out of date. There are numerous uses that can and should be included in a zoning update both to protect against incompatible land uses and to encourage targeted economic development. Consideration can be given to items like short term rentals, data centers, industrial solar arrays, ATV parks and more. A comprehensive plan as recommended above serves as a first step to updating zoning. As such, the borough may consider regional zoning in conjunction with neighboring municipalities that participate in the comprehensive plan process. Under regional zoning, uses can be spread throughout the footprint of the member municipalities rather than requiring every use in an individual municipality. The borough should seek STMP Phase II funds to assist with this project.

Formalize council committee roles and develop meeting schedule. Council committees meet on an informal, as needed basis. Council and the administrator should review the role and mission of committees in developing borough policy along with the borough administrator. To be effective, committee meetings should be held at least quarterly. The Safety Committee in particular should be reviewed in that an active committee can result in a 5 percent discount on workers compensation insurance.

Eliminate paper council packets and purchase tablets. The secretary currently spends time printing packets for council that run to dozens of pages and then hand delivering them to council members. At a minimum, council members should pick up their own packets rather than reducing the secretary's capacity for his many other roles by delivering them. Ideally, the borough should purchase tablets for each council members so that packets can be delivered electronically. Tablets would also help council members keep all relevant information together without the need to store paper records.

Increase technology in council chambers. Council chambers should be upgraded with hardware (monitor, projector) and software that permits virtual meetings, presentations, and similar needs. This will increase the efficiency of council meetings and make them more customer-friendly for residents. Technology would further help reduce the amount of paper used by the borough.

Consider establishing a Council of Governments. Under the state Intergovernmental Cooperation Law, if a municipality has the power to take an action or deliver a service under the provisions of its code or charter, it has the power to cooperate with another municipality in doing

so. COGs are established to enable a group of municipalities to work together on programs of mutual interest. They can provide a forum for regional discussion on everything from sharing equipment to establishing Halloween hours.

COGs have numerous functions and programs depending on the needs of its members including joint purchasing, equipment sharing, shared recreation, joint code enforcement, regional economic development and emergency preparedness, and more.

Information on COGs, including steps to form one, is available from the DCED publication [Intergovernmental Cooperation Handbook](#). The [Pennsylvania Association of Councils of Government](#) (PACOG) is another resource for information on COGs.

Ensure that proper internal controls are in place. Borough council has taken significant steps to improve borough operations by hiring a new professional administrator and treasurer with significant private sector backgrounds in those fields. Council should take a proactive role to ensure that the administrator has in place proper policies and procedures, particularly financial internal controls, that guard against internal theft and fraud. Council is encouraged to follow practices and policies established by the [Government Finance Officers Association](#). The GFOA website has a wealth of information.

Develop an Accounting Policies and Procedures Manual. The borough should consider drafting and adopting an Accounting Policies and Procedures Manual. Policies that should be considered include finance calendar, general cash receipts policy, credit card/fuel card policy, capitalization policy, balanced budget policy, fund balance policy, investment policy, debt management policy, and a contribution policy. A written accounting policies and procedures policy manual ensures appropriate checks and balances are incorporated into daily financial activities. the manual should detail the annual financial/business cycle in areas such as reports due to the Commonwealth, timing of audits, tax filings, etc. A written manual also assists in the continuity of operations in the event the borough loses key personnel.

Consider move to modified accrual basis of accounting for governmental funds. The borough currently maintains its accounting records on the cash basis of accounting. As a result, certain assets and their related revenues as well as certain liabilities and their related expenses are not recorded in its financial statements, which can result in an unclear picture of the municipality's financial position. Cash basis differs from generally accepted accounting principles (GAAP) basis of accounting, which for governmental units is the modified accrual basis of accounting and for proprietary and fiduciary funds the full accrual basis of accounting.

Consider a more robust audit. Historically, borough audits have only met the minimum state threshold in terms of reporting. The borough should consider a request for proposals to have a more comprehensive independent audit of borough finances, including tax collections, particularly given the issue with alleged theft by the prior borough administrator.

Prioritize training for the administrator and treasurer. All borough employees benefit from and should attend regular training. Both the administrator and treasurer have substantial experience but are new to the public sector. The Pennsylvania Municipal League provides the [PATH Pennsylvania](#)

[Training Hub](#) through a contract with the State Department of Community and Economic Development. [The Pennsylvania State Association of Boroughs](#) also provides extensive training.

Ensure written policies and procedures. The borough should ensure that all major borough policies and procedures are in writing, which promotes consistency, compliance and accountability. Written policies help mitigate risks associated with employee actions like misconduct, provide a stronger common work culture and ethical environment, reduce the potential for ambiguities resulting in errors, and provide a valuable resource to train new employees and provide ongoing guidance for existing employees.

Consider realigning duties to allow the secretary to provide direct oversight of public works.

The position of secretary/DPW supervisor/RTK officer is an unusual alignment that was driven by current personnel and prior needs. The borough should consider changes to this role, including shifting the Right-to-Know responsibilities to the part-time administrative assistant due to the limited volume of requests. Other changes, such as greater support from the administrator and treasurer on answering telephones, and the introduction of more robust technology such as tablets to lessen the need to make copies, will also free up the secretary to provide direct oversight of the road commissioner and DPW activities in the field as originally envisioned. The borough should then review the effectiveness of the altered role and determine if additional changes are warranted, particularly if/when the position becomes vacant.

Continue to collaborate with department heads in budget procedures. The new administrator should continue to involve department heads in the budget process. Such a strategy has numerous benefits:

- **Improved Accuracy:** Department heads possess the most detailed understanding of their team's specific needs, operational drivers, and potential cost-saving opportunities. This firsthand knowledge translates to more realistic and accurate budget projections, preventing both overspending and resource shortages that could hinder performance.
- **Enhanced Accountability and Ownership:** When department heads are involved in creating the budget, they develop a stronger sense of ownership and responsibility for its adherence. This fosters a culture where they are more likely to proactively manage their resources and strive towards achieving budgetary goals.
- **Effective Resource Allocation:** Department heads can provide insights into how to allocate resources most efficiently within their department to maximize impact and align with overall company goals. They can identify areas of waste and optimize spending to align with actual operational needs.
- **Faster and Better Decision-Making:** Empowering department heads with budget ownership allows them to make quicker decisions related to their departmental spending and resource allocation without needing constant approval from higher management. This can lead to increased efficiency and responsiveness to changing needs.

- **Increased Motivation and Morale:** Being included in the budgeting process can boost employee motivation and morale, as it demonstrates that their expertise and contributions are valued. This can lead to increased job satisfaction, engagement, and productivity.
- **Improved Communication and Collaboration:** Budgeting provides a natural platform for communication and collaboration across departments and with finance teams. This exchange of information can break down silos, foster a shared understanding of organizational objectives, and ensure that budgets support the overall strategic vision.

Increase collaboration between the tax collector and the administrator. The tax collector can provide valuable knowledge to the borough administrator concerning enforcement of various fees and permits. The administrator should work with the tax collector on developing tools to extract the information needed, including through increased use of technology.

Monitor Grant Writer contract. The borough recently engaged grant writing services from a consultant. The borough should continue to monitor the cost benefit ratio of these services to ensure that it remains beneficial.

Increase enforcement and review ordinances for quality of life, landlord registration, and disruptive tenants. While these ordinances are in place, there is a lack of enforcement due to capacity issues that would be cured with the hiring of an additional full-time codes and zoning officer. In addition, the borough should review its program as needed to ensure that it remains robust and meets the needs of the community. One area to consider is rental property inspections. The borough should charge appropriate fees to recoup costs associated with these activities.

The Housing Alliance of Pennsylvania provides a comprehensive toolkit in [Blight to Bright](#) with information on ordinances, inspections, strategies, policies and procedures, and more related to code enforcement and blight reduction. Blight control is key to maintaining a strong tax base. A more robust code enforcement program could also require additional staff capacity since the current employee is part-time.

Consider and enforce a Vacant Property Ordinance. Current Census estimates suggest that vacant housing units have increased. A rise in vacant housing indicates a potential for current public safety hazards and future property blight. If not already enacted, the borough should consider and enforce a vacant property registration ordinance. A vacant property ordinance would allow the borough to proactively monitor the condition of vacant properties and preemptively address the burdens that problematic vacant properties place on local governments.

Update technology across departments. The borough lacks updated computer hardware and software is in a state of flux given the need to transition away from Freedom Systems software. The borough should continue to evaluate the gWorks proposal but also consider other options as it decides on a new operating system for use across departments. The borough should consider using STMP Phase II funds for this activity and other needed IT upgrades.

Acquire and implement code enforcement software. Code enforcement software with GIS mapping capabilities can improve code enforcement management and records retention while

providing data back-up options. These software offerings can also help staff log data and pictures while in the field. The borough should consider soliciting product demonstrations from the market to ascertain the costs and benefits of a code enforcement software system.

Digitize records. The borough should review and retain records based on standards from the state Historical and Museum Commission. [The manual is available by clicking here.](#) The borough should review costs associated with this activity and determine if it is appropriate to purchase specialized equipment for this task that could be used for other activity across departments, or if it should use a third-party contractor.

Job descriptions. Job descriptions should be reviewed and updated as necessary from time to time to ensure they continue to meet current needs.

Public Safety

Police Department

The Moosic Police Department operates 24/7 with 11 full-time and three part-time officers. The complement includes a chief, assistant chief, captain and one detective. There is difficulty in maintaining shift coverage without incurring overtime in part because of the vacation time accrued by veteran officers and lack of available part-time officers to fill in.

The department previously had 13 officers, and the chief believes two or three more full-time officers are needed given the department's workload and current capacity.

The department works an 8-hour shift structure with two officers per shift. The shifts are 7 a.m. to 3 p.m., 3 p.m. to 11 p.m., and 11 p.m. to 7 a.m. The chief and the detective work mostly days, while the assistant chief and captain work a combination of day and evening shifts to ensure proper oversight.

Coverage area for the department is 6.6 square miles and includes Montage Mountain. Montage is home to large business complexes, an assisted living facility, upscale housing developments, shopping centers, a theater complex, and a 98-bed mental health facility that soon will be accepting adolescents, as well as the Lackawanna County baseball stadium, a ski resort and water park, and an amphitheater for summer concerts. The theater alone reportedly attracts over 500,000 people a year.

As a result of the extensive development, there is a large volume of traffic on Montage Mountain roads, which are generally patrolled by the Moosic police. Not all attractions are directly in Moosic, but all traffic flows through Moosic to reach the mountaintop attractions.

Between Montage Mountain and Birney Avenue, another large commercial area in the borough, there are five hotels with over 676 rooms total. The Birney Avenue corridor also contains large shopping complexes.

Because of its attractions and location right off of the highway, Birney Avenue and Montage Mountain receive a large amount of traffic and so there is a considerable transient population. Hotels on Birney Avenue have "short-term rental practices," but borough police are too strained to take a proactive approach there. Problems at the hotels were previously concentrated on Birney

Avenue but have now spread to those on the mountain and include domestic violence and drug activity.

Moosic police work cooperatively with the state police, other local departments and the Lackawanna County Sheriff's Office. This is especially true when large scale events occur at the stadium, resort and pavilion. It is not unusual to have large events at two of the facilities at the same time, compounding the traffic situation. Roads on the mountain are maintained by Lackawanna County, not by Moosic Borough.

The department has a K-unit that undergoes training twice a month, and an officer certified for motor carrier enforcement. Training otherwise is mostly limited to annual updates.

Facility

The former police department was in a donated building that had severe mold issues and had to be demolished. The department is currently working out of a second floor rental building and paying \$2,880 in rent.

The borough is in the process of completing a new \$6.1 million public safety building that will be used by the police department and by the Greenwood Fire Department, a mostly volunteer fire department with some part-time drivers paid by the borough. The 18,000 square foot facility on Birney Avenue is funded through a combination of grants and loans.

The new facility will have a patrol room with workstations, interview rooms, two cells, a secure evidence processing room, an armory, and a de-escalation room for officers.

The main equipment needed by the department is new body cameras. The police department has new computer monitors and a new server. The police department also has updated, written policies and procedures.

Police Department Expenditures

Police expenditures reflect increases to salary and wages that became effective January 2024 with the new collection bargaining agreement. There was also a \$33,000 buyout of a police officer in January 2024. Police overtime increased in 2024 due to the loss of the officer, another officer off on heart and lung disability, and an increase in special duty patrols that are offset by a third-party.

Table 4.5 Police Departmental Expenditures, 2020 to 2024

Police	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	959,578	1,124,994	1,286,651	1,313,781	1,353,956	394,378	41.1
Pension	86,342	108,403	112,593	169,672	173,176	86,834	100.6
Social Security	59,494	69,750	79,772	81,454	83,945	24,451	41.1
Healthcare	228,922	274,738	284,884	311,106	322,315	93,393	40.8
Medicare	13,914	16,312	18,656	19,050	19,632	5,718	41.1
Uniforms	0	14,404	7,743	10,917	22,721	22,721	0.0
Employee Expenses	1,348,249	1,608,601	1,790,300	1,905,980	1,975,745	627,496	46.5

Supplies	53,126	34,091	92,578	79,099	58,153	5,027	9.5
Services	743	10,900	7,569	7,090	11,324	10,581	1423.4
Utilities	7,758	5,583	14,114	9,023	12,386	4,628	59.6
Equipment	54,769	42,596	56,049	44,287	117,851	63,082	115.2
K9 EXPENSE	0	0	0	41,642	18,041	18,041	0.0
Vehicle	22,219	50,399	46,500	54,018	79,367	57,148	257.2
Repairs & Maintenance	0	1,159	1,616	1,255	1,311	1,311	0.0
Total Expenditures	1,486,864	1,753,329	2,008,725	2,142,394	2,274,178	787,314	53.0

Table 4.6 Projected Police Departmental Expenditures, 2025 to 2029

Police	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
						\$	%
Salary & Wages	1,509,000	1,550,000	1,588,750	1,628,469	1,669,180	160,180	10.6
FICA	115,439	118,575	121,539	124,578	127,692	12,254	10.6
Healthcare	329,457	380,963	400,011	420,011	441,012	111,555	33.9
Pension	234,939	246,135	252,288	258,596	265,060	30,121	12.8
Uniforms	25,000	50,000	50,000	50,000	50,000	25,000	100.0
Employee Expenses	2,213,835	2,345,673	2,412,589	2,481,654	2,552,945	339,111	15.3
Supplies	48,500	27,000	27,543	28,086	28,633	-19,867	-41.0
Services	27,000	29,000	29,583	30,166	30,754	3,754	13.9
Utilities	14,000	18,500	18,872	19,244	19,619	5,619	40.1
Equipment	10,000	10,000	10,000	10,000	10,000	0	0.0
K9 EXPENSE	15,000	10,000	10,201	10,402	10,605	-4,395	-29.3
Vehicle	69,000	60,000	61,207	62,412	63,628	-5,372	-7.8
Repairs & Maintenance	1,500	1,900	1,900	1,900	1,900	400	26.7
Total Expenditures	2,398,835	2,502,073	2,571,894	2,643,863	2,718,083	319,248	13.3

Fire Department Expenditures

In 2022, the borough began allocating funds to the Greenwood Hose Company to pay part-time drivers to staff the volunteer fire department. The borough receives an accounting of the personnel costs. In addition, the borough pays the annual hydrant expense and provides an annual donation above and beyond the state-provided fireman’s relief funds. Capital expenditures in 2023 and 2024 are related to the new public safety building.

Table 4.7 Fire Departmental Expenditures, 2020 to 2024

Fire	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	0	0	39,000	39,000	46,000	46,000	0.0
Social Security	0	0	2,418	2,418	2,852	2,852	0.0
Medicare	0	0	566	566	667	667	0.0
Employee Expenses	0	0	41,984	41,984	49,519	49,519	0.0

Hydrant Expense	39,586	41,138	44,152	45,779	48,279	8,693	22.0
Fireman's Relief	37,760	38,552	48,135	50,387	49,388	11,628	30.8
Donations	51,325	90,786	58,039	61,789	62,155	10,830	21.1
Capital	0	0	0	139,857	706,340	706,340	0.0
Total Expenditures	128,671	170,476	192,309	339,796	915,681	787,010	611.6

Table 4.8 Projected Fire Departmental Expenditures, 2025 to 2029

Fire	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
						\$	%
Salary & Wages	46,000	46,000	47,150	48,329	49,537	3,537	7.7
Social Security	3,519	3,519	3,607	3,697	3,790	271	7.7
Employee Expenses	49,519	49,519	50,757	52,026	53,327	3,808	7.7
Hydrant Expense	44,000	52,500	52,500	52,500	52,500	8,500	19.3
Fireman's Relief	50,000	49,000	49,000	49,000	49,000	-1,000	-2.0
Donations	62,000	0	0	0	0	-62,000	-100.0
Capital	0	62,000	62,000	62,000	62,000	62,000	0.0
Total Expenditures	205,519	213,019	214,257	215,526	216,827	11,308	5.5

Recommendations

Continue to monitor and assess police staffing issues. The borough faces challenges as the ability to recruit and maintain police officers has become increasingly difficult across the state. This is true of both part-time and full-time officers. Given the extent of development in the borough, it is important to have a department that is staffed appropriately to meet needs. The borough should undergo a state study of its police department by DCED to determine, among other things, the appropriate size for the department. These studies are at no cost to the borough.

Ensure that technology is updated in the police department. In particular, computers in police cars cannot be updated to Windows 11. Technology in the police department should be included in the borough’s comprehensive IT review.

Consider expanding regional cooperation efforts potentially through contracting police services to a neighboring municipality or related options. The borough could consider a study to determine if contracting services would have benefits in terms of service improvement and/or cost containment. Funds to explore options can be obtained through STMP Phase II or through the MAP.

Consider more specialized training for police. Training in the department is mostly limited to annual required updates, other than the K-9 unit. Police training is crucial for ensuring public safety and building trust between law enforcement and the communities they serve. Effective training and cross training equip officers with the knowledge, skills, and ethical framework to handle diverse situations, de-escalate conflicts, and minimize the use of force.

In particular, the department should consider implementing Crisis Intervention Training for officers given the presence of a large mental health facility in the borough. The National Alliance on Mental Illness in NEPA has been instrumental in the past in providing that type of training. The department should also consider expanding cross-training and making more use of specialized training details like motor carrier enforcement that promote public health, safety and welfare in a high-traffic municipality.

Review and update policies and procedures as necessary. Written policies and procedures are crucial for police departments to ensure officers act consistently, legally, and ethically, which builds public trust and protects both the public and the officers. These guidelines provide a roadmap for daily operations, help officers make decisions in complex situations, and are vital for training, accountability, and managing liability for the department.

Review funding for fire operations. The borough recently opted to begin paying the Greenwood Fire Department to ensure that it is properly staffed with part-time drivers in the event of an emergency to ensure the health, safety and welfare of the population. The borough should monitor this arrangement for effectiveness and cost efficiency in terms of maintaining adequate services.

The borough could consider levying special purpose fire millage to assist in funding. However, the borough should not extend the terms of the part-time driver arrangement to pay for full-time firefighters unless and until considerable study is given to need and cost.

If the borough is contemplating full-time firefighters, it should also consider a regional department rather than a single borough department. DCED has multiple resources if the borough desires to study this issue include the Municipal Assistance Program (MAP).

Conduct a legal review for a potential a fire fee. This initiative requires review by the borough solicitor prior to implementation. Currently, Title 8 (pertaining to boroughs and incorporated towns) permits boroughs to “ensure that fire [...] services are provided within the borough by the means and to the extent determined by the borough, including the appropriate financial and administrative assistance for these services” (Sec. 1202 (56)). It also permits borough officials to “prescribe reasonable fees for the services of the borough's officers and to enforce the payment of the fees” (Sec. 1202 (1)).

It appears that a non-home rule borough in Allegheny County, Forest Hills, imposes a fire fee. Their Fire Protection Fee – Chapter 7, Part 6 of their local ordinances – is paid by “each owner of residential, multi-family and commercial property within the Borough.”

Other fee options are listed below. Each fee is levied on different grounds and stem from a borough's ability to prescribe reasonable fees under (Sec.1202(1)):

- Front-footage – imposed upon the size of a property;
- Fire hydrant – imposed upon properties near fire hydrants (access to benefits basis); or
- Flat fee – imposed evenly on all benefited properties.

Public Works

The borough secretary supervises the public works roadmaster, estimating he spends approximately 50 percent of his time on this task. In this role, the secretary was envisioned as a conduit between council and public works.

Originally, the secretary was going to work in the field with public works. However, due at least in part to the transition between the former and current borough administrator, the secretary instead spends the bulk of his time in the office, with tasks including responding to resident phone calls regarding public works, particularly related to the robust refuse and recycling operation. This has lessened his effectiveness as a conduit, with the new administrator working more directly with the roadmaster.

The roadmaster handles day-to-day public works operations including assignment of the daily work that is performed. The department has 12 full-time employees divided into four areas: garbage, recycling, road crew, and floaters with three employees in each grouping. Historically, the department had an additional two full-time workers.

Refuse and Recycling

Garbage and recycling trucks include a driver and two collectors. Recycling and garbage are collected in-house on Monday, Tuesday and Wednesday. Recycling collected is comingled cans, bottles, and plastic, as well as cardboard. Newspapers are collected the first Friday. Brush and special pickups are on Thursdays. Fridays are for brush and road crew projects. Brush is collected all year. The borough has begun to make its own compost with an industrial chipper but has not identified a use.

Refuse is dumped at the Keystone Landfill and recycling is taken to the Lackawanna County Recycling Center, which has instituted a fee in response to volatility in the recycling market. The borough reportedly obtained quotes from the two local landfills for refuse services but did not undergo a formal bidding procedure.

The borough has reviewed the costs of salary, milage, diesel, wear and tear, and believes it is cheaper to continue inhouse collection. There are also concerns that outsourcing would not provide the same level of customer service. Meanwhile, the volume of refuse collections has increased with the addition of new development and could require another truck to meet demand.

The garbage fee was recently doubled by the borough from \$75 to \$150 a year as the cost of this service has grown larger than fees collected to support it. The garbage fee is on tax bills and collected by the tax collector.

Roads and Streets

The road crew performs pothole repair, winter maintenance and snow removal, and mowing.

Paving was completed in 2019-20 and 2022-23 in the five sections of the borough. Road conditions were assessed informally. The borough is in the process of determining priority paving needs and will seek funding through the grant writer to meet those needs. The borough also plans to use federal Community Development Block Grant funding for additional paving as possible in eligible areas.

Moosic is applying for a grant to improve a significant drainage issue on a stretch of Main Street by the railroad tracks. The project involves connecting a catch basin to the river and streetscape work in front of the borough building. The streetscape work will focus on improved curbs, sidewalks and crosswalks from the railroad tracks to the intersection of Main Street and Third. The borough also intends to seek future grants for Main Street improvements past the intersection to the bridge that connects Moosic and Old Forge at Lonesome Road.

Sewer and Stormwater Infrastructure

The borough owns its stormwater and sewer conveyance systems. The systems are totally separate. A sewer fee is collected for installation, maintenance and administration of the Moosic Borough sanitary sewer system and for installation, maintenance and administration of the Moosic borough stormwater system to the extent such work is necessary to protect the integrity of the sanitary sewer system. The nonresidential rate is \$150 per year plus a usage fee billed quarterly. Residents pay \$35 per year. The annual fee is collected by the borough tax collector, and the quarterly fees are collected by Berkheimer.

The road crew handles sewer backups and blockages in the conveyance system. Employee hours worked on the system are supposed to be paid from sewer fee revenue in the sewer account under the General Fund. The system used to identify those hours is rudimentary and not always accurate. Contractors are used for larger jobs. There is no street sweeper.

The borough is working to comply with MS4 regulations on two fronts. In order to achieve the required 10 percent sedimentation removal, the borough is working with two private landowners to construct retention basins. The borough is also interested in participating in the proposed eight-municipality Lackawanna County Stormwater Authority. There is a need for GIS mapping of both the storm and sewer systems.

There are numerous issues with the condition of borough dikes. Problems include significant vegetation that must be removed for approximately 1.5 miles, concrete channel areas that need to be replaced due to cracked and crumbling for approximately .5 miles, required dredging through most of the 1.5 miles stretch, and the need to locate, video, clean, and potentially repair or replace six to seven outfalls of the required 12.

The borough has received inquiries concerning purchase of the sewer conveyance system and is exploring that option through a Request for Proposals (RFP) process, which is a good first step. A sale would result in the borough receiving millions in one-time revenue. The borough should seek guidance from industry experts prior to the purchase to ensure that it is getting the most value out of the system and to protect borough interests.

Following the sale, the borough should consider the best possible uses for the money, again with the assistance of a professional advisor. Generally, as these are one-time funds, money from a sale should be used for capital improvements, debt reduction and similar uses rather than for paying annual operating costs like payroll, pension, and the like.

Facilities and Equipment

The public works facility is on River Street and is relatively good conditions. An expansion is needed for garage space to house equipment out of the weather, as well as an office and updated breakroom. The borough owns property needed for the expansion.

Public works has no IT other than cell phones and radios. Radios are outdated and have poor coverage. The health and safety manual is outdated.

The borough is seeking to replace its aging vehicle fleet through a state grant. Most of the borough’s dump/plow trucks are not currently in service. The borough is seeking three plow/dump trucks, one bucket truck, one utility vehicle and three police cruisers.

Public Works Department Expenditures

Like police, personnel expenditures in the following departments reflect increases to salary and wages that became effective January 2024 with the new collection bargaining agreement. Public works overtime also increased in 2024 following the loss of two employees.

Table 4.9 Public Works Departmental Expenditures, 2020 to 2024

Public Works	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	222,043	248,901	243,375	225,990	308,100	86,057	38.8
Social Security	13,767	15,432	15,089	14,011	19,102	5,336	38.8
Healthcare	193,703	232,471	241,055	263,244	272,728	79,025	40.8
Medicare	3,220	3,609	3,529	3,277	4,467	1,248	38.8
Employee Expenses	432,732	500,413	503,048	506,522	604,397	171,665	39.7
Supplies	25,804	20,508	19,714	23,323	32,191	6,387	24.8
Services	406	0	0	35	-5,701	-6,107	-1503.2
Vehicle	43,129	43,535	49,805	52,757	40,986	-2,143	-5.0
Repairs & Maintenance	722	3,056	9,879	1,552	4,356	3,634	503.3
Rentals	7,884	0	0	3,318	3,424	-4,460	-56.6
Street Lighting	28,102	295	324	628	234	-27,868	-99.2
Capital	33,479	780,044	341,726	620,070	103,525	70,046	209.2
Total Expenditures	572,258	1,347,851	924,497	1,208,205	783,412	211,155	36.9

Table 4.10 Projected Public Works Departmental Expenditures, 2025 to 2029

Public Works	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
						\$	%
Salary & Wages	267,602	204,445	209,556	214,795	220,165	-47,437	-17.7
FICA	20,472	15,640	16,031	16,432	16,843	-3,629	-17.7
Healthcare	278,771	322,353	338,471	355,394	373,164	94,393	33.9
Employee Expenses	566,845	542,438	564,058	586,621	610,171	43,326	7.6

Supplies	28,000	110,000	112,212	114,423	116,652	88,652	316.6
Vehicle	44,000	56,200	57,330	58,460	59,598	15,598	35.5
Repairs & Maintenance	8,000	8,000	8,000	8,000	8,000	0	0.0
Rentals	5,000	5,000	5,000	5,000	5,000	0	0.0
Street Lighting	0	1,800	1,800	1,800	1,800	1,800	0.0
Capital	159,000	77,500	77,500	77,500	77,500	-81,500	-51.3
Total Expenditures	810,845	800,938	825,900	851,803	878,721	67,876	8.4

Solid Waste Collection Expenditures

Solid waste expenditures include capital costs for a recycling truck in 2020 and a chipper in 2023 that were offset by recycling grants. Solid waste personnel expenditures are allocated by the borough based on activity.

Table 4.11 Solid Waste Expenditures, 2020 to 2024

Solid Waste Collection	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	271,688	231,827	256,282	309,011	381,613	109,925	40.5
Social Security	16,845	14,373	15,890	19,159	23,660	6,815	40.5
Medicare	3,939	3,361	3,716	4,481	5,533	1,594	40.5
Employee Expenses	292,472	249,562	275,888	332,650	410,806	118,335	40.5
Supplies	149,272	52,499	55,092	387,066	50,482	-98,790	-66.2
Disposal	125,776	140,646	114,227	155,106	135,306	9,530	7.6
Rentals	136	268	0	383	50	-86	-63.2
Total Expenditures	567,656	442,975	445,207	875,205	596,644	28,989	5.1

Table 4.12 Projected Solid Waste Expenditures, 2025 to 2029

Solid Waste Collection	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
Salary & Wages	331,962	564,550	578,664	593,130	607,959	275,997	83.1
FICA	25,395	43,188	44,268	45,374	46,509	21,114	83.1
Employee Expenses	357,357	607,738	622,932	638,505	654,467	297,110	83.1
Supplies	54,000	55,000	56,106	57,211	58,326	4,326	8.0
Disposal	166,000	135,708	135,708	135,708	135,708	-30,292	-18.2
Total Expenditures	577,357	798,446	814,746	831,424	848,501	271,144	47.0

Wastewater Expenditures

Like solid waste, wastewater personnel expenditures are allocated by the borough based on employee activity.

Table 4.13 Wastewater Expenditures, 2020 to 2024

Wastewater Collection	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	28,295	20,486	19,443	9,721	12,238	-16,057	-56.7
Social Security	1,754	1,270	1,205	603	759	-996	-56.7
Medicare	410	297	282	141	177	-233	-56.7
Employee Expenses	30,460	22,053	20,930	10,465	13,174	-17,286	-56.7
Supplies	37,640	202,344	235,025	41,516	139,687	102,047	271.1
Total Expenditures	68,100	224,397	255,955	51,981	152,861	84,761	124.5

Table 4.14 Projected Wastewater Expenditures, 2025 to 2029

Wastewater Collection	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
Salary & Wages	10,000	15,000	15,375	15,759	16,153	6,153	61.5
Social Security	765	1,148	1,176	1,206	1,236	471	61.5
Employee Expenses	10,765	16,148	16,551	16,965	17,389	6,624	61.5
Supplies	215,000	292,500	298,382	304,260	310,187	95,187	44.3
Total Expenditures	225,765	308,648	314,933	321,225	327,576	101,811	45.1

Parks Maintenance Expenditures

Like solid waste and wastewater, personnel expenditures for parks maintenance are allocated by the borough based on employee activity.

Table 4.15 Parks Maintenance Expenditures, 2020 to 2024

Culture/Recreation	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	Change 2020-2024	
Salary & Wages	14,571	11,035	12,385	4,595	2,123	-12,448	-85.4
Social Security	903	684	768	285	132	-772	-85.4
Medicare	211	160	180	67	31	-180	-85.4
Employee Expenses	15,685	11,879	13,333	4,947	2,285	-13,400	-85.4
Supplies	18,169	27,527	23,917	21,173	195,490	177,321	976.0
Total Expenditures	33,854	39,406	37,250	26,120	197,775	163,921	484.2

Table 4.16 Projected Parks Maintenance Expenditures, 2025 to 2029

Culture/Recreation	2025 Estimate	2026 Projection	2027 Projection	2028 Projection	2029 Projection	Change 2025-2029	
						\$	#
Salary & Wages	5,000	2,000	2,050	2,101	2,154	-2,846	-56.9
Social Security	383	153	157	161	165	-218	-56.9
Employee Expenses	5,383	2,153	2,207	2,262	2,319	-3,064	-56.9
Supplies	24,000	40,000	40,804	41,608	42,419	18,419	76.7

Total Expenditures	29,383	42,153	43,011	43,870	44,737	15,355	52.3
---------------------------	---------------	---------------	---------------	---------------	---------------	---------------	-------------

Recommendations

Obtain professional assistance to review and potentially implement a sewer system conveyance sale. The borough has issued a Request for Proposal concerning the sale of its sewer conveyance system following inquiries. A sale could reap millions of dollars for the borough. The borough should hire a professional to assist with the potential sale in order to obtain the highest possible price and protect the borough’s interests.

If a sale is completed, the borough will need to hire professional financial consultants to assist with the planning and use of the proceeds. Proceeds should be considered one-time funds best used for capital expenditures, debt reduction and long-term investments. Specific policies and procedures regarding the use of the money should be developed to guard against squandering the funds.

Review in-house recycling and refuse. The borough should continue to monitor the cost effectiveness of providing in-house recycling and refuse collection, and whether providing this service permits adequate resources for other public works tasks including:

- Street and sidewalk maintenance including pothole repairs.
- Replacement of street signs in compliance with current federal and state regulations.
- Storm drains maintenance, including regular cleaning of storm inlets and basins and other work that can be completed in-house to comply with the borough’s MS4 requirements.
- Street sweeping
- Park and dike maintenance, including grass cutting and repair of play equipment as needed.
- Building maintenance.

There are numerous alternatives for providing refuse removal services to residents. The borough could contract with a third-party hauler and have residents pay for the service directly or the borough could collect the fees and remit them to the contractor. Regardless of how it moves forward, the borough should annually review the rate of its garbage fee to ensure that it is appropriately capturing costs.

Review the breadth of refuse and recycling services. The borough offers extremely robust refuse and recycling services year round to its residents. The borough should ensure that it has sufficient capacity and resources to perform other public works related tasks that are necessary for the health, safety and welfare of residents.

Engage in expanded cross-training for public works. Cross training boosts flexibility and resilience by creating a workforce that can cover for absent employees, adapt to changes, and fill skill gaps. It also increases employee engagement and retention by providing new learning opportunities, career development, and more varied, interesting work. This ultimately leads to improved productivity, better morale, and enhanced collaboration across the team

Bid future landfill and recycling services. The current arrangement reportedly was not the result of a bidding process. Bidding for a service helps to ensure the best possible service at the lowest possible cost. In particular, the borough should reconsider its use of the Lackawanna County

Recycling Center and consider alternatives given increases in fees there. The nearby city of Scranton has saved money by switching its recycling provider.

Monitor sewer fee rates. The borough recently increased its commercial sewer rates. The borough should monitor the rates to ensure that they are adequate to meet needs. Consideration should be given to operating expenses like increases in fuel and labor costs, and for necessary infrastructure investment.

Comply with MS4 regulations as needed. The borough should continue its efforts to come into compliance with MS4 regulations, such as construction of retention basins, and undertake any studies as necessary to meet that goal. The borough should also look to other activities such as park features that can assist with stormwater management. The borough should join the Lackawanna County Stormwater Authority if and when it is organized.

Conduct a study and necessary remediation on borough infrastructure including dikes. The borough should seek grants and loans from state sources to remediate borough dikes or other infrastructure in disrepair (such as the Main Street catch basin). While obtaining grants is ideal, low-interest loans are also available through state sources like [PENNVEST](#) for infrastructure work. Communities in STMP receive priority points for PENNVEST funding. The borough could consider using its annual liquid fuels allocation to pay debt service for a loan.

The borough should also seek grants and loans through the state Department of Community and Economic Development, in addition to STMP, as needed and as appropriate to complete initiatives. [Programs from DCED can be reviewed by clicking here.](#)

Undergo GIS mapping of both stormwater and sewer conveyance systems. GIS mapping will assist with future repairs, maintenance and replacement of lines.

Conduct a cost allocation study to better determine actual employee hours worked for sewer and refuse fees. A cost allocation study ensures that funds collected for these services are properly used to support these services. It also provides a way for the borough to determine if fees are appropriate or should be raised. The borough should consider a tracking system module in the borough's updated software package to track employee hours.

Hardware, software and cameras for public works. The borough should consider obtaining new computer software and hardware for public works that would improve operations. This initiative includes the purchase of cameras for public works cabs and back of trucks.

Capital planning and budget. The borough should develop a capital plan and budget for public works to include, at a minimum, equipment and paving. The borough will also have to consider whether it needs to increase services given the extent of development, which could require additional equipment.

Conduct a borough-wide inventory to assess the most current and critical repair and replacement needs for equipment, buildings and infrastructure and establish a multi-year (at least five years) Capital Improvement Program (CIP).

To best address the borough's capital needs within the constraints of limited resources, the borough should set clear criteria for prioritizing and selecting capital investments that:

- Protect the health and safety of the public and employees.
- Advance the implementation of the borough's long-term goals and objectives.
- Invest in core infrastructure and equipment needs.
- Show the impact of capital investments on the operating budget.

The CIP process should precede the borough's normal budget process and be completed by September of each year so that CIP recommendations for the upcoming year are integrated into the operating budget. The annual CIP document should include, but not be limited to:

- A narrative that details CIP project priorities for the upcoming budget year.
- A description of the CIP development process that the manager and staff conducted during the year and how the CIP projects were selected.
- A summary of the CIP by project type and department.
- Individual descriptions of each project included in the CIP for the upcoming budget year. The description of each project should include the project's location, project summary, estimated cost, estimated completion date and the project's estimated operational cost and/or savings.
- Funding source(s) and/or capital borrowings.
- Impact of capital improvement financing on operating budget.

The creation of an annual CIP document will allow the borough to prioritize its capital projects within the framework of limited resources and in alignment with its goals and objectives. Additionally, it will give elected officials and the public an opportunity to comment on the projects.

Development of a sustainable CIP must begin with an assessment of existing capital assets. [PennDOT's Local Technical Assistance Program](#) can provide resources to assist with the assessment.

Seek shared services and cooperative purchasing arrangements with other municipalities. Consider reaching out to neighboring municipalities about shared services like plowing and street repair and/or shared purchases of specialized equipment like a street sweeper.

Economic and Community Development

Moosic has great opportunity for continued and expanded economic and community development in several sections of the borough. The first is Montage Mountain, which is the location of attractions like PNC Field, the 10,000-seat, county-owned baseball stadium; a Cinemark movie theater complex; the Shoppes at Montage Mountain shopping center; and numerous hotels, as well as office buildings, a Geisinger medical facility, significant high-end residential development with a golf course and more. There is also room for additional commercial and residential development on the mountain.

While not directly in Moosic, the Pavilion at Montage Mountain, an 18,000-capacity concert venue, is at the top of the mountain and only accessible through Moosic, as is Montage Mountain Resorts,

which includes skiing trails in the winter and a water park in the summer. The pavilion is owned by a county authority and leased by Live Nation. The resort is privately owned.

Next is Rocky Glenn, once home to an amusement park, now seen as a potential site for future development such as a solar farm or ATV park, though environmental remediation may be necessary depending on the use. Rocky Glen currently has manufacturing, warehouses and residential neighborhoods.

Third, there is the Birney Avenue commercial corridor with existing large scale retail businesses and a nearby residential section. The presence of problematic motels on Birney has deterred investment, but officials envision a future filled with restaurants, professional services, and retail. Finally, there is the Main Street neighborhood commercial section near the borough building.

Consultants hired by Lackawanna County, with a grant from the Appalachian Regional Commission, have completed a comprehensive economic development study of Montage Mountain, including recommendations for dealing with excessive traffic during major events, public transportation access, retail and office vacancy, and residential and tourism development.

Moosic borough is a partner with the county on this plan and supports the initiatives. However, borough officials are worried about the pace and type of development, such as continued empty space at the Shoppes at Montage and the location of lower end retailers in what was designed as a high end retail establishment, all of which negatively impacts the borough's tax base.

As discussed in the police section of this report, borough officials are concerned about public safety issues on the mountain that directly impact borough finances and services. Montage draws tens of thousands of visitors that stretch borough police thin as they are forced to manage sometimes chaotic events without adequate support, despite assistance from Lackawanna County sheriff deputies and Scranton police. Traffic issues from major events often spill over to the rest of the borough, compounding the problem.

For example, it is not uncommon for a baseball game to be scheduled the same day as a concert with both facilities located on a twisting, two-lane road that dead ends at the pavilion. Insufficient parking and traffic jams often cause drivers to simply abandon their vehicles and walk to the venue, which in the past has resulted in at least one death.

Public safety is further complicated by the recent opening of Geisinger psychiatric medical facilities on Montage that are soon to be expanded. The facility eliminated needed event parking and increased demand for police services. Geisinger is a non-profit organization but has previously given the borough a PILOT.

Meanwhile, borough officials are in discussions with Lackawanna County concerning the situation and the need to provide the borough with more financial support. County facilities are exempt from property taxes and, based on a legal review by the borough's solicitor, the amusement tax.

Main Street Matters³

For economic and community development strategies in other sections of the borough, Moosic should consider the state Department of Community and Economic Development's Main Street Matters program. Designations are available for both Main Street (downtowns and commercial districts) and Elm Street (residential areas and neighborhoods adjacent to downtowns or commercial districts).

The program provides targeted investment and development in a designated area for five years. Designation includes the identification of specific needs for investment and/or development and the design and/or implementation of a strategy to address those needs.

Benefits can include funding for operational support, including salary and benefits of the area administrator; priority consideration for various DCED programs; technical assistant and training; networking opportunities; and eligibility for consideration under the Neighborhood Assistance Program (NAP) and Neighborhood Assistance Program Enterprise Zone Tax Credit (NAP/EZP).

The Main Street designation requires preservation-based economic development, public engagement, and organizational sustainability, including a funding plan to hire a full-time professional manager for at least five years. Main Street is intended to:

- Preserve and strengthen existing retail, local government, and business centers of communities.
- Improve the quality of life in a community by making the traditional downtown area a more attractive place to live and work.
- Act as a catalyst for small business development thereby increasing employment and tax revenues in downtown locations.
- Assist local governments and small businesses in the development of relevant, state-of-the-art technology to provide cost-effective solutions for business and community development opportunities.
- Develop and maintain continuous contact with Main Street businesses regarding opportunities and solutions for impediments to business growth.
- Utilize a well-thought-out planning process, ensuring brick and mortar projects funded with public funds are making a meaningful difference in the downtown economy.
- Ensure the importance of reinvestment in traditional downtowns is considered in the overall economic development strategy at all levels of the private and public sectors.

The Elm Street designation encourages communities to integrate Main Street or downtown revitalization program with a neighborhood renewal strategy. The designated area must be in a residential neighborhood in existence since at least 1961, within a half mile of a commercial district, displaying signs of deterioration, and need revitalization. Elm Street also requires employment of a full-time professional manager for at least five years.

³ <https://dced.pa.gov/download/main-street-matters-designation-guidelines/?wpdmdl=124637>

Neighborhood Assistance Program⁴

Acquiring a Main Street designation, as noted previously, will make the borough eligible for the NAP tax credit program. NAP provides resources to assist low-income and distressed neighborhoods and communities, encourage positive health outcomes, and address the safety and welfare of their residents. Eligible neighborhood nonprofits with a 501(c)(3) designation can apply for tax credits based on pending contributions from for-profit companies.

Projects must fall under one of the following categories: affordable housing, community economic development, community services, community & civic engagement, crime prevention, education, job training, neighborhood assistance, neighborhood conservation, or transportation. A tax credit of up to 65% can be awarded to contributing businesses with a one-year commitment.

Parks and Recreation

Moosic has six parks located throughout the borough's four wards: Felter Field, Ken Smerdon Field, Kobesky Field, Maryann Nawrocki Park, Mercatilli Segila Park, and The Quinlin Sports Complex.

- **Felter Field:** Home of the Moosic Little League teams. It also contains playground equipment for young children.
- **Mercatilli Segila Park:** Features a new Children's Centennial Park. It contains walkways, a gazebo, pavilion with picnic tables, and benches.
- **Kobesky Field:** home of the Moosic Red Wings Girls Softball League. It contains a batting cage and playground equipment for young children.
- **Mary Ann Nawrocki Park.** Equipped with older playground equipment that requires replacement, a tennis court, a basketball court and Ken Smerdon Field.
- **The William T. Quinlin Complex.** A multi-purpose field containing playground equipment and a basketball court. It is the home field for the Riverside Soccer and Triboro Soccer League, the Moosic Raiders Football team, Moosic Borough Teener League, and Moosic Adult Softball team. If baseball field is repaired, the complex could be used by Riverside School District, Moosic Teener League and Moosic Adult Softball/Baseball Leagues.

Mercatilli Segila Park, the borough's main park where pavilions are available for rental, is considered to be in the best condition. The remaining facilities are all in need of some level of renovation, particularly the necessary removal of outdated playground equipment that can be a safety hazard. The borough has already discussed necessary upgrades to parks, and officials organized a 5K race in support of these activities that was very successful.

⁴ <https://dced.pa.gov/download/neighborhood-assistance-program-nap-guidelines/?wpdmdl=86209>

Recommendations

Develop a comprehensive plan and new zoning. The borough should complete a comprehensive plan and new zoning to broadly address future growth and development, including housing and commercial uses, as described previously.

Seek Payment In Lieu of Taxes (PILOT) from tax exempt entities. The borough received a contribution from Geisinger for its new public safety building. The borough should continue discussions with Geisinger to obtain an annual PILOT payment in support of public safety services. The borough should also continue discussions with Lackawanna County commissioners and the Lackawanna County Visitor's Bureau for payments in lieu of taxes to support public safety, potentially through the hotel tax since Moosic police perform traffic control to support tourist activities.

Review enforcement and collections of the amusement tax and mechanical devices tax. The borough enacted both taxes but has not collected either with the exception of one business. The borough should conduct additional legal review of the Local Tax Enabling Act that establishes the amusement tax, which is a tax on the privilege of engaging in an amusement that is levied on the patron as opposed to a tax on the operator of the facility.

The tax base for admissions at golf courses is 40 percent of green fees, which translates to an effective tax rate of 4 percent when the overall rate is 10 percent. The borough should review whether the Glenmaura National Golf Club charges green fees that would be subject to the tax.

Regarding Lackawanna County facilities, courts have held that the location of the amusement on public property does not exempt its patrons from another jurisdiction's tax⁵.

Enforcement of the mechanical devices tax is also tied to a lack of capacity in codes and zoning, which is also addressed in this report.

Maintain and establish partnerships. The borough is already partnering with Lackawanna County on the Montage Mountain economic development plan. The borough should continue economic and community development partnerships with the county, the Scranton Chamber of Commerce, the Moosic business community and related groups.

The borough also partners with numerous community organizations, including youth sports. The borough should maintain and enhance these partnerships as it seeks to upgrade recreation amenities. The borough should also consider working with the Riverside School District on these and other shared activities such as public works if not already doing so.

Partnerships pool resources, expertise, and capital, enabling municipalities to achieve shared goals more effectively than they could alone. Collaborations enhance innovation, create more jobs, improve infrastructure, and lead to more equitable and resilient communities.

Consider becoming a designated Main Street. The state's [Main Street Matters](#) (MSM) program is designed to support downtown cores and surrounding neighborhoods with tools to create healthy,

⁵ pages 59-60, DCED Taxation Manual, February 2019.

vibrant, and welcoming communities. Funding is available to support revitalization efforts in planning, business support, aesthetic improvements, and the increase of safety and security⁶.

Designation is an opportunity for targeted investment and development including the identification of specific needs for investment and/or development and the design and implementation of a strategy to address those needs⁷.

[Main Street Matters Guidelines](#)

[Main Street Matters Program Designations](#)

The [Pennsylvania Downtown Center](#) works closely with local communities on revitalization efforts in downtowns and in neighborhoods and has a close relationship with DCED. The web site padowntown.org has a large inventory of resources and information.

In terms of potential funding for revitalization projects, the borough should also consider funding sources such as DCED's [Multimodal Transportation Fund](#) and PennDOT's [Multimodal Program](#) and other state grant programs as appropriate.

Consider public art, a dog park, creation of walking trails along the remediated dikes and similar amenities to increase community interest and improve quality of life. Public art can positively impact tourism, property values, local identity and pride. Public art can range from permanent displays like murals to temporary exhibits that create a feeling of excitement and urgency. The borough has numerous examples of nearby communities with extensive public art including Pittston, Scranton and Carbondale. Similarly, dog parks and river trails foster social connections among residents, promote health and wellness, and provide amenities that can increase property values and attract new residents.

Continue and expand the calendar of community recreation and Main Street type events.

Events provide significant value to a community by creating economic growth, fostering a stronger social fabric, and building a distinct local identity. They draw residents and visitors together, boost business for local shops, and celebrate the town's unique character. Successful events create economic momentum and assist with revitalization. This initiative should be implemented along with recommendations regarding partnerships and becoming a designated Main Street municipality.

Consider the Neighborhood Assistance Program (NAP) and its offshoots. NAP is a tax credit program offered through the state Department of Economic and Community Development. The goals of NAP are to provide resources to assist low-income and distressed neighborhoods and communities, encourage positive health outcomes, and address the safety and welfare of their residents. Eligible applicants are neighborhood organizations that hold a ruling from the Internal Revenue Service as nonprofit, 501(c)(3) organizations. As a result, this recommendation is most likely tied to first establishing a Main Street program.

Seek assistance through the DCNR's Community Conservation Partnerships Program. Well-maintained parks and recreation facilities are the type of amenities that attract and keep residents

⁶ <https://dced.pa.gov/programs/main-street-matters/>

⁷ Ibid

and businesses, which increases property values and stabilizes the tax base. Parks attract tourism and visitors, which boosts local spending on hotels, restaurants, and shops. Parks encourage physical activity and provide spaces for mental health, contributing to a healthier and more productive population.

[Applications for the Community Conservation Partnership Program](#) are accepted annually from January through April.

While this is not an exhaustive list, eligible projects include⁸:

Community Recreation and Conservation Planning Funding: Planning projects “lay the groundwork” for future land acquisition, development, and/or management of parks, recreational facilities, critical habitat, open space, natural areas, greenways, and river/watershed corridors. Examples include:

Master site development plan

- Swimming pool complex feasibility study
- Indoor recreation facility feasibility study
- Comprehensive recreation, park and open space and greenway plan
- Rivers conservation plan
- Land conservation and stewardship plan
- Combination projects

Park Rehabilitation and Development Funding: These projects involve the rehabilitation and development of public parks, recreation facilities, greenways, and river conservation projects. Examples include:

- Park rehabilitation and development
- Small community development

Land Acquisition and Conservation Funding: These projects involve the purchase and/or donation of land for:

- Park and recreation areas
- Greenways
- Critical habitat areas
- Open space

⁸ <https://www.pa.gov/agencies/dcnr/programs-and-services/grants.html>

Chapter 5

Labor and Personnel

Introduction

Moosic Borough (“Moosic” or the “Borough”) has a guarded fiscal outlook. While the Borough’s economic demographics are more positive, particularly when compared with Lackawanna County, the Borough’s deficits in recent years advises that the Borough needs to exercise fiscal caution and seek to reduce costs and the growth of its necessary expenditures.

Like all municipalities in the Commonwealth, personnel costs account for a majority of the Borough’s total general fund expenditures. Further, the Borough’s personnel and labor costs have risen steadily since 2020, and based on the current collective bargaining agreements, that trajectory will be maintained in the near future. As a result, the area of personnel costs must be one of the Borough’s key areas of focus in the future.

The Moosic area has been fortunate to feature growth in a vibrant restaurant, retail, and entertainment landscape. Aided by its location near the I-81 and the northeast extension of the Pennsylvania Turnpike and just outside Scranton and not too far from Wilkes Barre, Moosic has been able to do what many former coal and textile manufacturing towns have been unable to do. The Borough has been able to capitalize on its location and other advantages, but it must continue to manage those assets proactively in order to continue to succeed.

The Borough’s revenues hopefully will increase with continued development and a county-wide real estate reassessment, but the Borough must take action to slow the rate of increase in the Borough’s personnel costs if the Borough is going to be able to use the growth in revenue to continue to make the Borough an attractive place to live and recreate in the future. A municipality’s fiscal condition can change for the worse over time, if not quickly; thus, an ounce of precaution and proactive fiscal management is always necessary to guarding the public purse.

Based on the foregoing imbalance between the Moosic’s rising labor and personnel costs and its revenues, it is clear not only that the Borough must employ increased practical oversight of its overall fiscal health, but that oversight must start with the Borough’s labor and personnel costs. Historical and demographic data for other municipalities in northeastern Pennsylvania and municipalities of a similar class, i.e., boroughs, reinforce such an approach and the need to be proactive.

Employee Compensation and Benefits Overview

The Borough’s employees consist of both unionized and non-union employees. The collective bargaining agreement (CBA) between the Borough and its police bargaining unit is represented by the Moosic Police Officers Association (“Association” or “Police Union”). That CBA provides the Association is the bargaining representative “for all full-time Police Officers employed by the Borough, excluding the Chief of Police,” the exclusion of whom shall be accomplished by the parties jointly submitting a unit clarification petition to the Pennsylvania Labor Relations Board.

The Borough's public works employees were recently represented by the Pennsylvania Social Services Union (PSSU) Local 68 of the Service Employees International Union (SEIU). The PSSU appears to have been certified as the bargaining representative for non-uniformed employees employed by the Borough, including laborers and drivers, but enthusiasm for that union appears to be on the wane. The Borough also employs a variety of non-represented administrative employees.

The most obvious area for the Borough to control its expenditures is to start and maintain a close focus is the cost that consumes more than 50 percent of its budget, personnel costs applicable to all employees, regardless of classification or tenure. This will include non-represented employees and represented employees, uniformed employees, and non-uniformed employees.

The most expensive costs and the most difficult to control in the future are legacy costs, such as pension and post-retirement healthcare costs.⁹ In this regard, it is concerning that the Borough agreed to provide post-retirement healthcare for its police officers in 2023. That decision was contrary to the general trend to eliminate such benefits. Even more concerning is that the Borough did so without a cost study, and such benefits over time can be expensive. This type of decision is contrary to the type of decisions the Borough must make in the future.

The Borough has established a fire department, which is composed of one volunteer fire company, Greenwood Hose Company No. 1. That department serves the Borough, and several surrounding communities. Moosic makes annual donations that have increased each year: 2025 = \$62,000 for general expenses and \$46,000 for paid drivers, but the drivers are not borough employees.

The fire chief is the Moosic Borough's paid and appointed Emergency Management Coordinator, who receives \$3,200 annually. In the near future, a new \$6.5 million Emergency Services Building will house the volunteer fire company and the Moosic Borough Police department. Once that facility is complete, the Borough will be responsible for all operational costs of the building (i.e., utilities, insurance, lawn care, snow removal, etc.) and the \$60,000 donation will end.

The Borough's cooperation with the Greenwood Hose Company does not appear to be problematic at present, but Moosic must proceed carefully in this area with the constant advice of fiscal and legal consultants in order to avoid asserting too much control over the hiring and management of the volunteers. This will avoid having the volunteers deemed to be employees of the Borough, as was the case in the *Emmaus Borough* decision. The current structure does not appear to be problematic but ongoing monitoring of that issue is advised.¹⁰

⁹ The changes recommended in this report will not be easy to achieve and it will cost money in order to have experienced legal counsel seek the recommended changes. The cost of not taking such actions will be much greater for the residents of the Borough than the cost of doing so. Further, the fact that this report emphasizes the need to reign in and control personnel costs is not a value judgment of any particular type of employee or employee group, i.e., uniformed, or non-uniformed, unionized or nonunionized. If the Borough wants to control its costs going forward, it has to focus on controlling its most significant cost factors and making difficult decisions regarding personnel costs.

¹⁰ In light of the difficulty in some locations getting volunteers for fire services, there is often pressure to create a paid fire department. This is a very costly option and one that will change the Borough's fiscal outlook for the negative. If that option is seriously considered, it should only be considered in the context of a regionalized service and with a focus on altering the manner in which paid fire services are traditionally provided so that they are more efficient and economical for the taxpayers, particularly in light of the low call statistics for structure fires and more serious fire calls.

While this section of the report will focus on labor and employment issues and costs for the entire Borough, the costliest department in the Borough is the police department. Unlike in other smaller municipalities with a less vibrant economy, it appears from a practical perspective that Moosic has few, if any, options with respect to eliminating its police department or reducing the department's hours.

It is recommended, however, that this issue be further studied in the context of regionalizing its public safety services. The Borough is located next to or in relatively close proximity to other municipal police departments, which would make regionalization feasible. While a regional department is still costly, the costs will be shared amount the member municipalities according to a formula detailed in the intergovernmental agreement, which is an issue that will require careful cost analysis if the Borough ever does regionalize.

The Borough might feel the regionalization is politically and practically untenable, but the issue should be fully explored through an expert analysis before making any such decision.¹¹ Regionalization often makes practical sense, but it requires cooperation among different local governments and organization and is a time-consuming process.

The same operational cost cutting concepts apply to the Borough's public works department. Since there is no public works entity that has Commonwealth wide jurisdiction akin to the PSP, the Borough cannot feasibly eliminate such services entirely. This means that examining the feasibility of a regionalized service appears to be the best option.

The Borough has ample equipment and a combination with other surrounding municipalities and sharing all of the costs could be an attractive alternative to having to fund and maintain its own department. The Borough should begin an analysis of this issue and enter into discussions and a feasibility study for a regionalized public works department.

The Borough has time to consider regionalization, but it should do so as part of its proactive approach to safeguarding its fiscal future. The Borough, however, should make this analysis a priority because a comprehensive and exhaustive analysis can be time consuming.

Pension Benefits

As noted elsewhere in this report, the Borough administers pension benefits in the form of a defined benefit pension plan for its police employees controlled by the Municipal Police Pension Fund Act ("Act 600") ("Police Pension Plan" or "PPP"), and a non-uniformed defined contribution plan ("CB Plan"). Both pension plans participate in the Pennsylvania Municipal Retirement System (PMRS), which is an agent multi-employer public employee retirement system that acts as a common investment and administrative agent for participating in municipal pension plans.

The Department of the Auditor General (DAG) does not audit the financial statements of the PMRS pension plans, but it does conduct bi-annual compliance audits on each of the borough's

¹¹ Before taking any steps noted above, the Borough must seek advice from labor counsel regarding any potential bargaining obligations. In light of the geographical and population of the Borough and all surrounding municipalities, regionalization is an option that should be considered for all of its current paid services.

pension plans.¹² Except for a minor administrative issue regarding incorrect data on a DAG form, AG-385, the DAG has found that the borough's pension plans are both managed in compliance with applicable laws.

To the extent the Borough provides a retirement planning vehicle for its employees, the defined contribution plan is the most fiscally responsible way to do so. That plan features required employee and borough contributions of three percent (3%) of compensation, as defined by the Plan. The CB Plan defines compensation broadly as W-2 compensation but has appropriate exclusions that will reduce the amount of the required borough contribution required. The only exception to this is including overtime as compensation under the CB Plan but for non-uniformed employees, including overtime is typically not an issue if effectively managed.

The borough has a defined benefit plan for non-uniformed employees, but that plan is closed to employees hired after December 31, 2011. The cost of the DC Plan is fiscally responsible and manageable for the Borough and appears to be professionally managed by the Borough with no audit finding from the Pennsylvania Department of the Auditor General ("DAG").

With three or more full time officers, the borough must provide a defined benefit plan consistent with the Municipal Police Pension Law, Act 600 (the "PPP"). The law not only requires that the borough maintains the PPP defined benefit Plan for its police, but it mandates certain mandatory benefits. The Borough has no option to provide those benefits, and it has done so.

Act 600, however, also provides for certain optional benefits which are permissible but not mandatory. The borough, however, provides its PPP through the PMRS. While the optional benefits provided in the plan are not the maximum allowed by Act 600, those benefits all appear to be authorized benefits under Act 600. The only exception is a disability benefit for non-service disabilities for which officers are eligible after 10 years of service. That benefit is awarded at 30% of the officer's final average salary but it is still not Act-600 compliant. Nevertheless, this is a plan offered through the PMRS and that benefit is not problematic under the PMRS structure.

As noted above, a review of the most recent DAG compliance audit reveals one audit finding, which resulted in the underpayment of state aid, but otherwise no findings. Previously, there was an issue which resulted from the Borough's decision in 2015 to provide an "early retirement agreement" to an officer. It is clear that agreement was ill-advised, but it was not the creation of the current Borough administration and would more than likely not occur today.

Several of the DAG's findings relating to that issue are technical violations and counter intuitive, but they are violations of applicable pension law, nonetheless. It is not the purpose of this report to debate the actual or practical DAG's findings in terms of any negative impact on the funding status or health of the PPP. However, the provision of that benefit, which should be ended in the near future because the recipient essentially "aged out" of the unauthorized portion of the benefit, is only discussed here to highlight the need for more careful analysis and management of the Borough's pension benefits.

¹² Both the PPP and the CB Plan are also subject to the provisions of the Municipal Pension Plan Funding and Recovery Act ("Act 205", 53 P.S. Section 895.101 et seq.

The funding status of the PPP has improved based upon the most recent actuarial valuation reports. The funding status has improved from the approximately 65% in 2013 to greater than 95% in 2023. It appears, however, that the funding ratio is based on an asset valuation method known as asset smoothing, which phases in investment gains and losses over a period of four (4) years. While an acceptable and legal practice, asset smoothing does not reflect the actual market value of assets.

The reports note that a valuation based on market value will reduce the funding ratio to 80%, which is still a vast improvement from 2013. The Borough's Minimum Municipal Obligation (MMO), which is the annually required payment to fund the pension plan, also has declined since 2020.

Notwithstanding the foregoing, it is imperative that the Borough remember that pension funding status is fluid based on a variety of financial factors, and the actuarial valuations make that same observation. It is also critical to be mindful that the Borough is the entity responsible for funding most of the pension benefits provided.

The borough has currently waived officer contributions to the PPP. This is lawful, but it is not a sound fiscal practice for the taxpayers. Even if the officer contribution of five percent (5%) of compensation were not waived, those contributions do not come close to funding the benefits paid out by the PPP when an officer retires. Due to the fluid nature of the funding status of pension funds, it is not a wise fiscal decision to waive contributions.

In addition, it is also emotionally charged and difficult to resume contributions, when necessary, at a later date. Participants view that decision as implementing a pay cut. While the law allows the reduction or waiver of contributions, it is a good management practice to always require contributions to reduce the burden on the taxpayers.

The funding status of the PPP not only can change, but it can and too often does change quickly, particularly in a small plan such as the borough's plan. Although the work-related disability provision is appropriately set at the statutory minimum, one such disability causing a payment from the pension plan will be very costly and it could significantly negatively impact the plan's funding level.

The Borough must make sure that it only provides the benefits that its taxpayers can afford. The PMRS allows exceptionally good retirement benefits to retired personnel at an early age and provides an excellent funding vehicle for pension plans. The Borough, however, should resist adding or increasing any optional benefits. The Borough should be careful in analyzing the cost of any new benefit, both in terms of its benefits to the Borough public safety function and the costs to the pension fund and additional labor costs (and lost savings) outside the pension plan.

For example, the bargaining unit might request that the Borough add the recently enacted Act 49 benefit to the pension plan which allows officer to buy up to five (5) years of previous part-time service in another municipality toward the Borough's pension plan. While that benefit has to be applied in conjunction with the military buyback provision, it can be a costly benefit.

Anecdotally speaking, municipalities have found that they pay at least two thirds of the cost of the benefit. The addition of the Act 49 benefit will be promoted as a low cost manner of enhancing recruitment. This justification is based on similar speculation and assumptions that are used to justify large wage and benefit increases. Unfortunately, there is no established data or verification of

the justification, and without such data, the justification is more akin to a rationalization for the benefit. Many municipalities that have provided large wage and benefit increases to promote recruitment and retention have not experienced the uptick in those areas that were anticipated. Before the Borough provides such increased remuneration, it should carefully research the justification to determine if it will actually have a positive impact on recruitment and retention. This applies to uniformed as well as non-uniformed positions alike.

The pension plans must be closely monitored, particularly in such a small plan. While the PPP is currently not distressed, the borough does not have the option of converting police to a defined contribution plan and the borough should be careful before it increases any pension benefit it might not be able to comfortably afford in the future. Part of that analysis will require the borough to consider the following proactive options in future bargaining:

- A. At a minimum, no new benefits should be added in the future unless it is clear that any such new benefit will not reduce the pension plan's funding percentage to below 90% on a market value basis. Such an approach will allow the Borough's finances and the taxpayers to benefit before further costs are added.
- B. Any new benefit that is added should have a sunset provision that causes the benefit to expire after several years, or if the plan reaches a certain funding level, e.g., 90%.
- C. Public employees who have the benefit of a defined benefit pension plan at the taxpayers' expense should always be paying up to the legal maximum for that benefit, and more if it can be negotiated. Even with such a contribution, the taxpayers will be paying the vast majority of any officer's pension, but employees should be required to pay as much as possible for their own retirement. Further, mandating a consistent contribution will avoid employee shock and resistance when the contributions are raised in the future. It will also provide a steady funding stream for the Plans. To do so, all contractual language should mandate at least *the legal maximum* pension contribution or higher if possible and permitted by law. Council can reserve the right to lower that contribution in its discretion, but the exercise of that discretion should be the rare exception, not the rule, and cannot be exercised in Moosic for the near future, if not longer.
- D. Under no circumstances, regardless of pension fund's funding status, should the Borough adopt a work-related disability benefit of more than that required by law, which is currently fifty percent (50%) of salary at the time of the disability.
- E. The pension plan should be reviewed before the next round of bargaining to determine what current benefits, if any, can be reduced or eliminated, particularly for current employees. The Borough should consult legal counsel regarding what existing benefits can be changed for current officer. This will be a tough fight, but there is existing law to support the alteration of such benefits.
- F. The Borough should not enter any future negotiations without close consultation with its pension actuary, pension administrator, and experienced labor counsel.

- G. The Borough should make sure that no lump sum payments or overtime are included in any pension calculation. If it is, the Borough has to find a way to eliminate such a calculation in the future for new hires.
- H. Any increase in pension benefits or method of paying existing benefits should be conditioned upon a clear and certain “sunset” provision so that the benefit will be discontinued for new recipients after a certain period of time and it will be evaluated and renegotiated. Improving the funding status of the pension plans and lowering the borough’s costs will take time, but such steps are necessary to make sure Borough does not suffer the same crippling pension crisis that other municipalities are experiencing.
- I. Even if the borough elects to do nothing with current police employee pension benefits, the borough should negotiate a new pension benefit structure for all newly hired sworn police employees limited to the minimum requirements of Act 600 and the maximum pension contributions. While the Borough is restricted in terms of the minimum benefits provided to uniformed employees, a new minimum benefit structure should be developed.¹³ As noted above, many of the optional benefits under Act 600 are expensive and such an approach would reduce the costs of the plan. It should be noted that the minimum benefits under Act 600 offer generous retirement benefits, even without the addition of any optional benefits. The new benefit structure for new hires clearly stated that pension benefit is based on base salary only and perhaps longevity, but it should not include all W-2 compensation, including overtime. It also should increase the average period for the superannuation pension benefit from 36 to 60 months. Consultation with labor counsel and the pension actuary in drafting such a plan is highly recommended.

Heart and Lung Benefits

One issue that can potentially increase pension costs is the mishandling of work-related injuries and benefits under the Heart and Lung Act (HLA) and Workers Compensation Law (WCL). Such benefits are often the precursor to disability benefits from the pension plan. Thus, it is critical to manage such cases carefully from the start by denying all claims that should be denied and monitoring any claims that are accepted.

The borough should also strive to remove any provision referring to the substantive HLA benefits from the collective bargaining agreement. Such a provision is not necessary or desirable because it converts all HLA claims into potential grievances.

At the same time, the borough should have a policy or even a CBA provision detailing how such claims are handled from the obligation for an officer to file a report before the end of his or her shift to the development of a swift hearing body, short of arbitration. Such claims may end up in arbitration, but the goal is to have such claims decided before a local agency hearing body so a decision can be made quickly, and which will be effective if the parties agree that such claims should ultimately be decided in arbitration (which will typically be much more time-consuming).

¹³ As noted above, the Borough has already taken such action with respect to its non-uniformed employees that same goal should be pursued as discussed above.

Such policies can also provide hearing procedures and timelines to ensure the prompt resolution of such claims, and to clarify that such procedures apply to all claims for benefits by an employee and to all claims by the borough to terminate such benefits.

In light of that fact, the following should be considered:

- A. Review how the borough is administering its disability leave requests. The borough should ensure that it using the most aggressive approach possible to insure that only truly disabled officers are receiving the borough's generous disability benefit. The borough recently utilized such practice that resulted in a careful review of an HLA claim which was properly denied. The borough must be mindful, as it was in that instance, that while the HLA and workers compensation are very similar, there are nuanced differences in eligibility rules that must be enforced because HLA claims can lead to a work related disability claim which will cost the borough and the pension plan well into the future.
- B. All current disability cases, including those receiving a benefit from the pension plan, should be carefully reviewed periodically. If the recipient is no longer disabled or other issues are discovered, appropriate action should be taken, which could include recalling the officer to work.
- C. The Borough must avoid increasing its disability benefit beyond the minimum required by law.
- D. Subject to the caveat noted in paragraph A above, all HLA claims should be administered in conjunction with the accompanying workers' compensation claim. The two laws do differ in terms of a covered injury. While that difference is often nuanced, it is especially important, as this Borough is well-aware, to understand the difference and to apply it correctly. Thus, while it is important to manage an HLA claim in conjunction with a workers compensation claim, and the two claims should be pursued simultaneously, if appropriate, the two claims must be analyzed and managed separately as well in close conjunction with the Borough's labor counsel.

Health Insurance

Health Benefits for Current Employees.

The Borough provides health insurance to its police and non-uniformed employees. This is a very high-cost area for the Borough, and the benefits provided are quite expensive. The Borough has to continue to monitor the market to ensure it is getting the best deal possible from its provider.

The Borough currently requires cost sharing but at a very low rate, particularly as compared to the overall premium cost. For example, the borough's police employees only contribute \$40.52 per pay for family coverage. Such cost sharing should be increased and converted to a percentage of premium or salary.

Cost sharing in general is the norm in today's workforce, and the Borough should be recognized for implementing cost sharing. There is debate over whether cost sharing based on a percentage of salary or premium is best. The latter can result in higher cost sharing, but the former can be

increased to provide similar revenue and theoretically provides employees with an incentive or “skin in the game” to allow benefit or plan changes to lower the cost sharing payments in terms of dollars. This report will not specify a preference, but it will note that the cost-sharing arrangement should be examined carefully and periodically to insure the most beneficial arrangement is in place for the taxpayers. In addition, the Borough should retain the right at all times to replace the current health plan if it becomes too expensive and another similar (not identical) plan becomes available. Such language will have to be negotiated with any bargaining unit.

Increasing deductibles, even gradually, has also led to lower healthcare costs. The Borough’s deductibles are low, and it is recommended that the Borough pursue this option. In fact, increasing deductibles and co-pays are the primary methods, if not the only methods, of reducing premium costs in today’s healthcare market, except for reducing covered procedures or reducing benefits.

Increasing the deductible will not only lower the premiums but also require the employees to fund the deductible or a substantial portion of it to help encourage behavior that will lower health care costs overall. The Borough can reimburse some of the deductible expenses, at least initially, expenses through an appropriate funding mechanism, for each employee, into which the Borough can contribute a portion of the deductible. However, the Borough should resist sharing the cost of any deductible or at the very least, phase out its funding of the deductible fairly quickly.¹⁴

The Borough also provides an option to receive an opt out payment in lieu of healthcare benefits. The opt out option is legal, but the Borough must ensure that the opt out saves money. Those employees who opt out of healthcare receive a 25 or 35 percent premium opt out payment, which is a large amount based upon current premium costs. That allows the Borough to save a portion of the premium cost when there is no need for an employee to receive health benefits.

Part of the cost analysis for the Borough is to make sure that it is administering its opt out payment in accordance with applicable law, including the FLSA. The borough also has to make sure that the opt out payment is not included in any pension calculation.

With the foregoing issues in mind, the Borough should continue to work with its healthcare broker or provider on an annual basis to find ways to provide the most cost-effective benefits. Some general options to control healthcare costs that the Borough should pursue include:

- a. Health, prescription, and vision plan changes/redesign.
- b. Increases in office visit co-pay amounts, prescription co-pay amounts.
- c. Mandatory generic drug requirements.
- d. Implementing a defined contribution approach to funding health benefits by the elimination reduction or capping the Borough contributions to any health plan or health plan reimbursement account or savings account.

¹⁴ If a partial reimbursement arrangement is created initially, to allow employees to adjust to the added cost sharing and cost containment culture, such an arrangement should under no circumstances be permanent. It should be gradually eliminated over the term of the CBA or shortly thereafter.

- e. Offering several plans, including one at low costs but others at a higher cost or a “buy up” option.
- f. Requiring increased cost sharing for the inclusion of spouses and dependents.
- g. Developing coordination with the availability of other coverage and enforcing such requirements. The CBA has language mandating the coordination of coverage, but better language should be negotiated.

Other Post-Retirement Benefits (OPEB)

The Borough started providing Post-Retirement Health Benefits (OPEB) to its police officers. This is a very costly benefit that must be funded by the Borough for years, and it is a drain of tax dollars for individuals who are no longer employed by the borough. The costs of this benefit add up over time and in many cases, eventually, providing OPEBs results in the municipality paying for two police departments or work forces, the active force, and the retired force, but the borough is only using the services of one group. Even though many departments provide OPEBs, the trend is to cut or eliminate such benefits wherever possible.

While the decision to provide OPEBs was counter to the trend and good fiscal planning, the Borough should be commended in that it provides benefits to the retiree only and only provides the same benefits enjoyed by active officers. This makes managing the benefit much easier. This will also apply to any cost sharing obligation but that is not referenced in the CBA.

The Borough also wisely does not provide spousal OPEB coverage and ends the benefits at age 65 or Medicare eligibility and only provides the benefit to officers who reach age 55 and provide 25 years of service. It is not available for officers receiving a disability benefit and it should not be expanded to do so. By doing so, the borough would accept an unknown but expensive commitment because an officer can become disabled with few years of service which would result in an exceedingly long term and costly commitment.

It also appears that the borough provides the OPEB benefit without a cost study to determine the exact costs of the OPEBs. The Borough should seek such a study from its actuary. The Borough should not agree to provide any such benefit without a cost study because, at the very least, doing so means that the Borough is providing a benefit without knowing its actual long-term cost.

The Borough does not have a trust to fund its OPEB obligations, and after it does its OPEB cost study, it should consider implementing such a funding mechanism. The study will reflect an unfunded accrued actuarial liability (UAAL) for OPEB benefits and that OPEB liability could be significant, particularly relative to the Borough’s budget and finances.

This report assumes that there is some degree of OPEB unfunded liability. While an OPEB UAAL does not need to be paid immediately, eventually it will cost the Borough. Such benefits will have to be paid, which is an expense the Borough does not appear to be able to afford, and which will take away from the ability to provide other services to the taxpayers.

The borough must monitor the cost of such benefits closely because they can be crippling for a small municipality and, at the very least, divert Borough funds away from providing essential public services, including development opportunities and public safety services. Further, the recent changes to the GASB standards in 2018 through the application of GASB 47, can be even more problematic for the Borough. Legacy costs, which include pension and post-retirement health benefits, are also the major reason many municipalities eventually find themselves facing significant fiscal challenges or are in financial distress.

The fiscally responsible approach for the Borough would be to take action to curtail the growth of the UAAL and to do so immediately. To do so, the Borough should seriously consider the following options, in addition to the options discussed later in this report:

- a. Elimination of post-retirement benefits for family members.
- b. Modification of post-retirement health care provisions to require coordination with other available benefits. This means that if the retired officers are eligible for health benefits from any other source, including not limited to another employer, not only must the retired officer take such benefits, but the Borough shall not have any obligation to provide secondary coverage and eliminate any funding provided to the retiree in such cases.
- c. Make sure that if the Borough does nothing else, it under no circumstances agrees to provide post-retirement health benefits for officers who do not reach age 50 and 25 years of employment, the superannuation date (i.e., those receiving a disability benefit).
- d. Continue to require those entitled to OPEB benefits to take the same benefits provided to future current officers as they change from time to time, including all cost sharing obligations.
- e. Increase cost sharing obligations for future retirees to a larger portion of the premium. Retirees receive no salary from the Borough and the OPEB contribution by the retiree, who is less than 60 years old, should not be stagnant and should provide an incentive for the retiree to agree to changes to control the benefit cost.

In light of the foregoing, the Borough also must resist any expansion of such benefits for any existing employee group. Likewise, it must resist any request to allow retiring employees in any group to “buy” OPEBs by using unused sick or other unused leave time. Such a proposal is a ruse; it hides the fact that the Borough, not the employee, will still be paying for the benefits.

As noted below, allowing the accrual of unused sick leave has its purpose, but employees should not be allowed to “buy back” or “cash out” any form of unused leave. Leave is intended to be paid time off which is part of the employee’s salary. Paying an employee cash for unused leave is nothing but a hidden pay increase or savings account all at the cost of the taxpayer.

General Labor Recommendations

The following discussion addresses many equally important concerns, such as wages and compensation issues, that the Borough must address. In doing so, the Borough must work closely with its finance experts, actuaries, solicitor, and labor counsel if it is going to be successful in obtaining the relief that is needed.

One issue that is referenced below is the language and some provisions in the police CBA are vague and unclear and address issues that are best left out of a CBA. As noted below, this issue should be a focus for the borough in future bargaining.

Wages and Other Cash Compensation

Health benefits and pension issues are discussed above. The Borough, however, has to also keep a focus on the wages and other compensation provided to employees. Wages should not be viewed in isolation. Any increase in wages directly impacts pension costs in the future as well as overtime and other tangential forms of compensation. Such costs also compound every year, particularly any form of compensation that is paid based on a percentage of base salary, such as shift differential for police officers.

It does not appear that the Borough's employee wages, standing alone, are unreasonable, but future wage growth must be controlled. It is likely the employee groups will insist on significant wage increases to catch up for wage growth and buying power lost during the inflation of 2021 and the inflation that is currently creeping back into the economic picture. While the borough has to remain competitive, such arguments must be viewed in light of past wage increases that exceeded inflation for many years and, most importantly, the current fiscal burden placed on the taxpayers and the impact increased taxes will have on the economic development and fiscal health of the borough.

One aspect of compensation that should be avoided is paying longevity or shift differential or any other tangential form of compensation. This is particularly true where such compensation is based upon a percentage of base salary. While longevity pay is certainly common and acceptable, it is not wise to base such compensation on a percentage of base wages. Annual general wage increases (GWI) are typically based on a percentage, but making other forms of cash compensation is problematic and causes wage compounding that is not planned or controlled. It is suggested that the Borough resist any such practice.

Another way the Borough can seek to control wages is by "drawing a line in the sand" with future new hires by seeking a new, expanded lower wage scale for all new employees, particularly uniformed employees. This new wage scale should consist of annual "step" increases over a five or six year period. The employee's salary should be subject to those step increases until the new employee reaches the maximum salary step. The step increases should not be based on a percentage of full salary; they should be set dollar amounts which the employee receives once a year. Only when the employee completes that last step should the employee receive a general wage increase.

The new hire step increases should not be subject to the GWI. If the new hire salary scale becomes dated, it can be adjusted, but that should not be done on an annual basis. While it is not possible to totally escape the salary creep that plagues all budgets, this new graduated step increase schedule will provide new employees with reasonable wage increases each year without escalating the salary at each step. This new salary structure is an essential element in the overall effort to control wage growth over time. By not applying the GWI to the new graduated wage structure until an officer reaches that maximum salary, the Borough will be able to control salaries at a reasonable level for a longer period of time while still providing wage increases through step increases.

In addition, the Borough should consider a new wage scale for all current and future employees in which salary is based upon the employee's training and certifications and not just seniority. Allowing all employees to progress in a lock step fashion fails to encourage or reward employees for obtaining skills that are of value to the taxpayers. This new scale will include annual increases but there will be different grade levels for employees based upon the employees' training and skills.

Longevity

Longevity adjustments are also problematic and often amount to nothing more than a hidden wage increase often ignored by the public. The longevity pay structure that the Borough has agreed upon with its police is curious and troubling. The increase is a full percent of pay, calculated annually, and is tied not to service but to the CBA. A one percent increase is provided to all non-probationary officers in three of the four years of the CBA term, regardless of years of service.

Such a structure has nothing to do with "longevity" or years of service as is typically the case and appears to be a hidden wage increase. There is no need for such "longevity pay," as longevity is typically part of the officer's base salary, but it is a practice many if not most municipalities follow. Unless the increase is based on an added certification or other added value that the employee brings to his or her service to the taxpayer, there is no need for such compensation.

Rewarding tenure is the purpose of the GWI. If the Borough maintains longevity pay it should consider two ideas. First, it should not base the payment on a percentage of salary. The rationale for longevity pay (or salary adjustment pay) is questionable enough without the compounding impact of it being based on a percentage.

If longevity pay is continued, the Borough should freeze longevity and convert the current longevity pay formula to a fixed dollar amount. The cap should also be a fixed dollar amount.

Overtime

The Borough appears to pay overtime for hours worked in excess of 40 in a week and eight (8) in a day. Paying overtime for working more than a certain number of hours in a day is not required for any group of employees, and the Borough should seek to change these provisions to pay overtime when required under applicable law.

Overtime should not be paid for hours worked in a day or in excess of a scheduled shift. Such a practice is particularly problematic if it is utilized for part time employees, and it defeats the benefit of using part time employees. It also is unnecessary from a legal perspective and from a contractual perspective and not a good management practice from a fiscal perspective. This practice is not advisable and is contrary to the purpose of utilizing part time officers.

The Borough should also make sure that it does not count any paid (or unpaid) time off as "time worked" for the purposes of calculating whether an employee reached the applicable hours worked threshold for the payment of overtime. The Borough is doing so, at least with respect to lunch breaks for its police, but the handbook clearly precludes such a practice for other employees. The Borough should make sure that time off also is not considered as time worked for meeting the applicable overtime hours threshold under the FLSA.

There are other options that that Borough can consider for controlling overtime, which include:

- Exploring the public safety personnel exception contained in the Fair Labor Standards Act. This will require an evaluation of the current schedule worked by police personnel and consultation with labor counsel.
- Overtime should explore bargaining and implementing overtime pay to public safety employees only after an officer works the threshold number of hours under section 407(k) of the Fair Labor Standards Act. Police can work 171 hours in a 28 day cycle before receiving overtime compensation. The Borough should seek to fully implement these partial exceptions.
- Eliminate premium pay for all employee groups to the extent possible. To ensure compliance with applicable law, the Borough should evaluate paying employees for the hours they spend in court (and only those hours). Such time will be added to the officer's weekly hours and paid accordingly. While it may be necessary as a practical matter to pay the overtime rate in emergency situations, in order to ensure that the Borough has enough personnel for the emergency, such premium pay should not be paid in non-emergency situations. In addition, if a guaranteed amount is paid for any task regardless of how much time is worked, such as for call-in pay, the Borough must ensure that only the time actually worked is counted as time worked for the purpose of calculating overtime.
- The borough pays a minimum number of hours to its police officers for court time in district court and the court of common pleas. While common, the borough should consider the suggestion noted above. In addition, the borough's guaranteed premium pay for such court appearances is high. Five hours of guaranteed pay for a court appearance and three hours for an appearance before a magistrate is high.
- The Borough provides compensatory time only for its police officers. Regardless of whether the Borough provides compensatory time to uniformed or non-uniformed employees, the same protocols to safeguard against excessive costs apply. The FLSA permits such time to be accrued to 480 hours for police (240 for non-public safety employees), but the Borough should not go near that cap. Compensatory time earned each year should be capped and the Borough should have the option (and practice) of paying out all compensatory time annually, which is the proper and best management practice.
- It is also important to maintain controls on compensatory time to ensure that such time is not carried forward from year-to-year and that compensatory time is not a municipality/taxpayer funded savings account for the employee. Compensatory time allows the Borough to avoid paying overtime when it is worked, but it also can increase overtime costs when compensatory time is used. Equally troubling is the fact that compensatory time actually increases overtime costs in that the accrued time

is paid out at the employee's rate of pay in the future, which will be at an increased rate due to pay raises. This taxpayer funded increase should be avoided.

- Each department should be allotted an overtime budget if it has the need for overtime. The police department and public works department will clearly need an overtime budget. The overtime budget in each department must be carefully monitored. Each department head should obtain prior approval for exceeding the allotted overtime budget. If such prior approval is not sought, the department head must be held responsible and explain the need for such an overrun. The overtime practices of each department should be reviewed. Overtime should be authorized and scheduled only when truly needed.

One final caution regarding overtime is that in addition to being cautious regarding employee classifications under the Fair Labor Standards Act (“FLSA”), the borough should periodically review its overtime methodology and calculations to ensure that overtime is being paid accurately. The FLSA requires that non-exempt employees be paid “at a rate not less than one and one-half times the regular rate at which [the employee] is employed” for all hours worked over forty (40) in a workweek. Many employers conflate an employee’s “regular rate” with the employee’s “base rate of pay,” but these terms have different meanings and might be different. The “regular rate” is a mathematical calculation, derived by dividing the compensation paid to an employee by the hours worked in that same workweek. “All remuneration” received by the employee is to be included in the calculation of the regular rate, subject to certain statutory exclusions.

In this regard, there are two principles that are important to remember. The first is that an employee’s regular rate may vary from week-to-week, depending on the pay received by the employee and the hours worked in that workweek. The second is that compensation is presumed to be includable in the regular rate, unless it can be shown that a statutory exclusion applies. This is particularly problematic with respect to any type of “bonus” or opt out payments or other forms of extra compensation paid to employees. The borough should periodically review how it is compensating employees and calculating the regular rate and discuss this topic with labor counsel to avoid liability under the FLSA.

Part-Time Employees

The Borough utilized part time employees, but the police CBA expressly excludes such employees from the recognition clause. The Borough has to make sure that part-time employees do not participate in the police pension plan or other pension plans, particularly if excluded by the language of the plan. In addition, the benefits to which they are entitled should be limited. Otherwise, the cost savings of part-time employees will not be realized.¹⁵

Eliminate Carry Over or Payout of Unused Time.

The Borough should eliminate the payout of any unused time off which is currently permitted under any CBA or practice. The handbook currently does not support such a practice, and it is

¹⁵ The Borough also should include a provision in the police CBA that confirms that part time officers hired in the future (or in the past) are not entitled to benefits under the CBA. This is an issue that could require further discussion.

recommended that the Borough maintain this policy because leave is intended to be paid time off. It is not intended to be extra pay or compensation. Incentives for not using leave time benefits the Borough to a limited degree but paying for leave time is not reasonable or fiscally responsible. Such a practice is a disguised savings plan for employees at the expense of the taxpayers.

The abuse or overuse of sick leave can and should be dealt with in other ways, ranging from rewards to incentive pay to discipline. The payout of unused leave time at the end of a year or at retirement merely creates an unfunded liability and a hidden increase in salary. To a limited extent, unused leave can be accumulated and capped in order to be used as a form of a short term disability policy if the employee contracts an extended illness, but it should not be a paid out at any time.

Layoff

The Borough has a no layoff clause in Article X of the police CBA. This is a poorly written provision, but the language does appear to prevent layoffs with respect to employees hired before 2002. The borough should seek to delete such a provision in the next round of bargaining in that the decision to lay off employees is a managerial prerogative. There are bargaining issues under the law related to any decision to regionalize or contract out services. However, the borough must make sure to not add restrictions in the CBA or elsewhere, and many such limitations are managerial rights that are not subject to mandatory bargaining.

The police CBA also contains a limitation on layoffs as long as the department employs part time officers “or should the Borough contract for services with any other agency including the Pennsylvania State Police” (PSP). This is problematic language because it will require the layoff of part time officers before any layoff of a full time officer. In addition, the reference to “a contract for services with the PSP” is troubling because the PSP has jurisdiction over the borough and if the borough were to ever eliminate its department, the PSP would take over patrol services. There would not be a “contract” with the PSP. There are other issues with this language, but it is problematic and should be eliminated.

Training and Education

Training should be provided to the extent necessary to make sure all employees are adequately trained. The police CBA has a provision that allows the Borough to fund an officer’s education. Such a provision is appropriate, but care must be taken to make sure the borough is not paying for college education and study that is not needed in the department.

Grievance Procedure

It is recommended that the grievance procedure in Article XXIX be clarified so that only the union can move a grievance to the next step of the grievance procedure and to state that a grievance that is not answered by the borough is deemed to be denied. More importantly, the provision that allows attorney fees to be awarded against the borough only if bad faith is found should be deleted. At the very least it should apply to both parties, but preferably it should be deleted.

Bill of Rights

The police CBA contains an officer's "Bill of Rights." This provision is unnecessary overall, and portions of the provision are not advisable from a risk management perspective. It should be eliminated in its entirety. Such provisions exist in other jurisdictions, but they are not advisable and there is no reason that a "bill of rights" should be in any CBA.

From a liability and civil rights perspective *ALL* complaints regarding the conduct of any employee, including any police officer, must be taken seriously and thoroughly investigated and evaluated, regardless of when reported or how the Borough discovers the complaint. This provision appears to change for police officers what should be a standard practice for all employees. There is no reason or justification to support such a provision. There is no justification for dismissing a complaint against a police officer or any employee based solely on the passage of time and the Borough would be putting itself at a liability risk by doing so.

The Borough cannot limit itself in such investigations. By not investigating complaints, whether written or oral or when reported, the Borough is only creating a potential argument in the future by a civil rights plaintiffs' attorney that the Borough had a policy or practice of some unlawful practice. Such a provision clearly is not in the best interests of the Borough. Much of the provision merely codifies existing law or otherwise limits the Borough in ways that is not appropriate. The entire "bill of rights" serves no purpose and should be eliminated in the next round of bargaining.

Establish an Overall Bargaining Strategy and Pattern

The Borough must develop a cost consistent containment strategy that applies to all employee groups. This strategy should reflect a consistent pattern of an overall fiscally responsible cost containment strategy. In its current fiscal state there should be no tolerance for the expansion of any benefit, especially in the areas of healthcare for current employees, OPEBs and pension funding obligations. This approach should be adopted with respect to non-bargaining unit employees as well.

In this regard, the police CBA is drafted in a manner and with language that is not favorable to the taxpayers and unnecessarily protective of the police employees. Certainly, all employees deserve to be protected, but the borough should begin to eliminate the problematic language in the police CBA that falls within the recommendations of this report. This would include eliminating the following:

- a. Bill of Rights;
- b. Attorney fees provision in the grievance procedure;
- c. The inability to use admissions by a bargaining unit member (because there is law that deals with this issue);
- d. The second sentence of the just cause provision because it is not comprehensible;
- e. The limitation on the borough's maintenance of personnel files in Article VII(G) of the police CBA because this is governed by Pennsylvania law and the language is too restrictive and creates an undesirable management practice;

- f. The requirements regarding shift staffing and certain patrols in Article VII(I) of the CBA because it eliminates management's decision regarding the level of service needed or desired;
- g. The limitation in Article IX (4) as stated above;
- h. Article XV (c) and (D) should be eliminated because a maintenance of standards clause potentially eliminates the borough's ability to change practices that are managerial rights and not limited by the express language of the CBA. The same is true with respect to the past practices provision. The latter provision can be used by management as well, but the clause does not define past practices, and the issue is already covered by applicable law;
- i. Article XXVII of the police CBA codifies the civil service provisions of the Borough Code. With few exceptions, such as detailing procedures or policies under some laws, such as the HLA, it is best to not include statutory rights in the CBA because doing so converts a claim under a statute into a potential grievance. As drafted, Article XXVII could apply to the hiring of part time officers but that is not the intent. It also shortens the probationary period under the civil service provisions of the Borough Code from 12 months to six (6) months. For a job as important as a police officer, a 12 month probationary period is much more desirable. It also should specify when the probationary period begins.

Short Term CBAs

Until the Borough is comfortable with its revenues and personnel costs, and until it has effective cost controls in place, new collective bargaining agreements should be kept to the shortest possible term. Further, benefits should be tied to conditions based upon the funding status, term, and costs of such benefits. Such a strategy will provide the Borough with flexibility to contain costs on an ongoing basis and achieve the mandated cost reductions and controls in order to achieve much needed flexibility and avoid a reduction in services.

Personnel Manual

While the Borough only has a limited number of employees, and employee manuals can be costly, the Borough should be commended on its comprehensive manual. The purpose of this report is not to provide a detailed review of the personnel manual, but the Borough should make sure that it updates its manual periodically and that all of the content of the manual applies to the Borough and its operations. Some forms in the manual appear to not apply but those forms are not harmful. One issue of note is that the handbook does contain a reference to the FMLA. While the language does incorporate and reference the law, the borough should be mindful that employees are only eligible for FMLA leave if the borough employs 50 or more employees.

Benefits Audit

The Borough should conduct a thorough benefits audit to determine the total level of benefits provided to each employee group and retirees, and to determine the actual cost of such benefits. The audit must also analyze the total cost of all compensation and benefits provided to each bargaining unit and look for other providers that can offer similar benefits in a less expensive manner or structure. Periodic eligibility audits should be conducted. The audit should also ensure that the Borough has coordination and carves outs for certain contingencies. If an employee can get comparable coverage elsewhere or his or her dependents can do so, the Borough should not be obligated to provide coverage. Having this option is useful, but its utility is limited if there is no effective periodic audit or enforcement procedure in place.¹⁶

Regionalization and Shared Services

For the reasons stated above, the current limitation on regionalization and shared services should be eliminated from the police CBA. Any applicable collective bargaining agreement from the new regionalized service must be carefully analyzed, however, to determine if it would reduce Borough personnel expenses. This option also includes the possibility of sharing equipment and personnel in some cases in the future. The latter option could implicate the Borough's obligation to bargain with its unionized personnel. This is particularly true with public safety services such as police and fire services, which are the very costly and, by their nature and presently organized and constituted, inefficient from a cost perspective when compared to other services.

Command Staff in Bargaining Unit

The police bargaining unit appears to have been voluntarily recognized by the Borough sometime in the past, but in doing so it has included all sworn full time officers in that bargaining unit. The recognition clause of the police CBA, however, contains an unusual reference to excluding the police chief through a unit clarification. The chief is excluded, and this should be maintained because the chief position is a management position and typically command staff, particularly the chief of police, are managerial positions and are not appropriately included in the bargaining unit, and such positions will not be included by the PLRB.

While in rare cases police chiefs can be included in a bargaining unit, it is not wise to do so and doing so can lead to very awkward and improper managerial issues. To determine whether a command position should be included in a bargaining unit, the PRLB reviews the facts and duties of the position and applies criteria established by the PLRB. Managerial duties include policy formulation; policy implementation; overall personnel administration; effectiveness in budget preparation; an effective role in the purchasing process; and independence in public.

The foregoing is just a brief summary of the factors that the PLRB considers. The PLRB will analyze each factor based on a factual record and the foregoing is not meant to be a legal opinion regarding whether the position of chief of police is appropriately included in the bargaining unit.

¹⁶ As noted above, the same ideas should be applied to post-retirement health care. Although legal obstacles may be raised by the applicable unions, creative ideas should be evaluated. At the very least, the Borough should pursue the elimination or significant reduction of such benefits, particularly for new hires, and consider requiring retirees to pay a meaningful contribution as a condition to receiving retiree healthcare. It is recommended that under no circumstances should this benefit be expanded for current employees.

The borough should carefully review whether the chief of police position is in the bargaining unit, and if it is, the Borough should develop a legal strategy and take appropriate action to remove that position from the bargaining unit by commencing a unit clarification proceeding before the PLRB.

Employee Contracts

On a related note, generally with the exception of Borough Manager, there is no legal authority for a municipality to have a contract for a term of employment with any employee. This applies to any employee (other than the manager), including management employees. Some municipalities are tempted to give a police chief a contract of employment because he or she is not in the bargaining unit. The Borough has not done so in this case, but doing so for a police chief or any employee is a mistake, and the Borough should carefully analyze any document that details terms and conditions of employment to ensure that it complies with applicable law. The borough should not enter into any contracts with any employees without consultation with labor counsel.

Chapter 6

Observations and Recommendations

Introduction

Moosic borough faces challenges ahead as it must address projected deficits; however, it does so from a position of strength given the potential in the borough for increased residential and commercial development, along with the borough's strong demographics with stable to growing population and wealth measurements at or above county and state levels. The borough also has a new leadership team both on council and in the administration that provides a fresh perspective and energy to overcome lingering weaknesses.

The Lackawanna County reassessment, the first since 1968, will increase the value of a mill, lower millage to provide room as needed for higher future service costs and more equitably spread the tax burden among property owners based on current market value.

The Pennsylvania Economy League has identified three primary concerns that the borough must address to ensure its long-term stability and growth.

The first and most pressing issue is financial sustainability. The borough's 2026 budget anticipates using a one-time infusion of \$500,000 from the borough's fund balance to avoid a deficit. As a result, annual deficits are likely to begin in 2027, culminating in a projected deficit of \$560,303 by 2029.

This trend is driven by a combination of stagnant or declining revenues and rising expenditures, particularly in personnel costs such as wages and healthcare.

To address this, the borough is encouraged to consider hiring a licensed financial advisor, explore the sale of its sewer conveyance system, and implement strategic revenue enhancements such as special purpose millage, increased real estate taxes, and a comprehensive capital improvement plan.

The second major concern is administrative modernization and internal controls, which are essential for improving transparency, efficiency, and risk management. The borough has made progress by hiring a new administrator and treasurer, but further steps are needed to strengthen financial oversight and prevent fraud.

Recommendations include transitioning from cash basis to modified accrual accounting, developing a formal Accounting Policies and Procedures Manual, and ensuring that all major policies are documented in writing. Additionally, the borough must upgrade its outdated technology infrastructure, digitize records, and provide targeted training for staff, particularly those new to the public sector. These efforts will help streamline operations and support data-driven decision-making.

The third concern involves infrastructure and public service management, which is critical to maintaining resident safety and supporting future development. The borough must evaluate the potential sale of its sewer system, ensure compliance with MS4 stormwater regulations, and assess the cost-effectiveness of its in-house refuse and recycling services.

A capital plan for public works is needed to address equipment and paving needs, and GIS mapping should be implemented to improve maintenance and planning for sewer and stormwater systems. The borough is also encouraged to explore shared services with neighboring municipalities to reduce costs and improve service delivery.

These infrastructure initiatives, if properly managed and funded, will enhance the borough’s resilience and capacity to meet community needs.

The Pennsylvania Economy League advises the borough to consider implementing the recommended initiatives as outlined in the remainder of this chapter. Recommendations and target dates for initiatives are generally categorized by immediate, short term (one to two years) and long term (two years or more). Budget impact refers to the General Fund unless otherwise noted. Please see individual chapters in this report for additional details regarding recommendations.

While various initiatives have already been highlighted, **PEL encourages the borough to seek Strategic Management Planning Program Phase II funding for any initiatives as appropriate.** Certain initiatives will require funding that might be obtained through STMP Phase II or other state grants and programs.

Financial

FIN 01	Implement plan initiatives
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved financial management

Implement plan initiatives that impact expenditure reductions or increase productivity. Throughout the plan, the borough should undertake those initiatives and recommendations as policy and operational priorities, particularly those that will have near term expenditure reductions or operational changes leading to enhanced efficiency.

FIN 02	Consider hiring a licensed financial advisor
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved financial management

The borough has taken on more debt than it anticipated when planning for the new public safety building. In addition, projections indicate that the borough will experience deficits from 2026 to 2029. Finally, the borough has a valuable asset, the sewer conveyance system, that could potentially be sold to assist with financial sustainability. The borough would benefit from a professional to assess debt, determine financial opportunities and risks, and develop a fiscal plan that aligns with borough goals and needs. The borough should use STMP Phase II funding for this activity as appropriate.

FIN 03	Raise sewer and garbage fees
Target Date	Immediate
Responsible Party	Borough Council
Budget Impact	Increased revenue

Fees for these services should be set so that the full cost for the service is captured in the fee. Current borough sewer and garbage fees do not adequately cover the borough’s expenditures for these services, particularly regarding personnel. As a result, tax revenue is used to fill in the gaps. While the borough has increased commercial sewer rates, it has not increased residential rates. Meanwhile, the borough raised the garbage fee in 2023, but the higher fee still does not cover all expenditures for the borough’s robust garbage collection. The borough should consider all costs associated with the services when setting the fees, including any administrative tasks. The borough could also consider hiring a consultant to conduct a cost allocation study for these services.

FIN 04	Consider the use of special purpose millage
Target Date	Immediate
Responsible Party	Borough Council and Borough Administrator
Budget Impact	Improved Fiscal Management

Using special purpose tax millage offers a municipality the benefit of collecting dedicated revenue for specific projects, services, or incentives. This approach provides a stable funding source and gives taxpayers a clear understanding of how their tax dollars are being used. Revenue collected from a special purpose millage is legally restricted for its stated purpose. This prevents money from being diverted for other general fund needs and provides a reliable income stream for a specific project, like the borough’s new public safety building. In particular, the borough could consider dedicated millage for debt service, street lighting and firehouse/municipal building.

FIN 05	Set and increase other fees and fines as appropriate
Target Date	Ongoing
Responsible Party	Borough Administrator
Budget Impact	Improved revenue

The borough imposes permits, licenses, fees and fines for various activities including building, zoning and code enforcement. As borough costs increase it is important to review and update fees related to the services provided to ensure there is a full cost recovery, otherwise general tax revenue must be used to offset the difference. Fees for new code enforcement activities should be set an appropriate level taking the above into account.

FIN 06	Budget health insurance costs and other benefits by department
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The borough currently budgets for health care in the general government department. The borough should budget health insurance by department to increase financial transparency and accountability, improve cost control, and aid in data-driven human resources and budget decisions. This method provides a more detailed picture of how resources are being allocated and utilized.

FIN 07	Increase real estate tax rate as necessary to ensure balanced budgets
Target Date	Immediate
Responsible Party	Borough Council and Borough Administrator
Budget Impact	Improved revenue

To the extent that revenues are insufficient to eliminate the borough’s projected annual budget deficits, the borough should increase the real estate tax millage to offset any remaining deficits. The cap for general purpose millage, which can be used for any expenditures, is 30 mills with an additional 5 mills available with court approval.

FIN 08	Seek Payment In Lieu of Taxes (PILOT) from tax exempt entities
Target Date	Immediate
Responsible Party	Borough Council
Budget Impact	Revenue

The borough received a contribution from Geisinger for its new public safety building. The borough should continue discussions with Geisinger to obtain an annual PILOT payment in support of public safety services. The borough should also continue discussions with Lackawanna County commissioners and the Lackawanna County Visitor’s Bureau for payments in lieu of taxes to support public safety, potentially through the hotel tax since Moosic police perform traffic control to support tourist activities.

FIN 09	Review enforcement and collections of the amusement tax and mechanical devices tax
Target Date	Immediate
Responsible Party	Borough Administrator and Borough Solicitor
Budget Impact	Revenue

The borough enacted both taxes but has not collected either with the exception of one business. The borough should conduct additional legal review of the Local Tax Enabling Act that establishes the amusement tax, which is a tax on the privilege of engaging in an amusement that is levied on the patron as opposed to a tax on the operator of the facility.

FIN 10	Develop a capital budget and plan
Target Date	Short term
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The borough has done well in funding certain capital purchases including recent building purchases and renovations, and the funding of police cars. The borough should expand that process to conduct a borough-wide inventory to assess the most current and critical repair and replacement needs for equipment, buildings and infrastructure and establish a multi-year (at least five years) Capital Improvement Program (CIP).

FIN 11	Establish a fund balance policy
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

Fund balance policies can help a municipality meet several stated goals including but not limited to meeting seasonal cash flow requirements and securing investment-grade credit ratings.

Fund balance policies typically identify appropriate minimum (and maximum) fund balance levels for a given fund, how the balance may be used (including limits on its use to balance a budget, or

assignment to fulfill local grant matches), how to replenish fund balance when used, and how excess fund balance can be allocated when available.

FIN 12	Consider Home Rule
Target Date	Long Term
Responsible Party	Borough Council
Budget Impact	STMP Phase II match

Consider the adoption of an ordinance to place the question of Home Rule and the formation of a Home Rule Study Commission on the ballot for action by the electorate.

FIN 13	Consider alternative revenues for streetlights
Target Date	Long Term
Responsible Party	Borough Administrator and Borough Council
Budget Impact	Potential revenue source

In addition to special purpose millage, the borough should consider whether an investment in solar panels could be used to offset streetlight costs. The borough should consider a feasibility study under STMP Phase II for this initiative.

Borough Council

BC 01	Formalize council committee roles and develop meeting schedule
Target Date	Immediate
Responsible Party	Borough Council
Budget Impact	N/A

Council committees meet on an informal, as needed basis. Council and the administrator should review the role and mission of committees in developing borough policy along with the borough administrator. To be effective, committee meetings should be held at least quarterly. The Safety Committee in particular should be reviewed in that an active committee can result in a 5 percent discount on workers compensation insurance.

BC 02	Eliminate paper council packets and purchase tablets
Target Date	Short Term
Responsible Party	Borough Council
Budget Impact	Reduce printing costs

The secretary currently spends time printing packets for council that run to dozens of pages and then hand delivering them to council members. At a minimum, council members should pick up their own packets rather than reducing the secretary’s capacity for his many other roles by delivering them. Ideally, the borough should purchase tablets for each council members so that packets can be delivered electronically. Tablets would also help council members keep all relevant information together without the need to store paper records.

BC 03	Increase technology in council chambers
Target Date	Short Term
Responsible Party	Borough Council
Budget Impact	Potential STMP match

Council chambers should be upgraded with hardware (monitor, projector) and software that permits virtual meetings, presentations, and similar needs. This will increase the efficiency of council meetings and make them more customer-friendly for residents. Technology would further help reduce the amount of paper used by the borough.

BC 04	Consider establishing a Council of Governments (COG) with neighboring municipalities
Target Date	Short Term
Responsible Party	Borough Manager
Budget Impact	Cost control

Under the state Intergovernmental Cooperation Law, if a municipality has the power to take an action or deliver a service under the provisions of its code or charter, it has the power to cooperate with another municipality in doing so. COGs are established to enable a group of municipalities to work together on programs of mutual interest. They can provide a forum for regional discussion on everything from sharing equipment to establishing Halloween hours.

COGs have numerous functions and programs depending on the needs of its members including joint purchasing, equipment sharing, shared recreation, joint code enforcement, regional economic development and emergency preparedness, and more.

Information on COGs, including steps to form one, is available from the DCED publication [Intergovernmental Cooperation Handbook](#). The [Pennsylvania Association of Councils of Government](#) (PACOG) is another resource for information on COGs.

Administration

ADMIN 01	Consider hiring a full-time codes and zoning officer
Target Date	Immediate
Responsible Party	Borough Council
Budget Impact	STMP match/expenditure/revenue

Given the size of the borough and the pace of development, the current part-time codes and zoning officer is unable to take a proactive approach to inspection and enforcement. This will become even more of a problem when the borough updates its codes and zoning. The borough should consider creating a full-time position supported by a STMP grant while retaining the part-time position.

ADMIN 02	Ensure that proper internal controls are in place.
Target Date	Immediate
Responsible Party	Borough Administrator and Treasurer
Budget Impact	Improved financial management

Borough council has taken significant steps to improve borough operations by hiring a new professional administrator and treasurer with significant private sector backgrounds in those fields. Council should take a proactive role to ensure that the administrator has in place proper policies and procedures, particularly financial internal controls, that guard against internal theft and fraud. Council is encouraged to follow practices and policies established by the [Government Finance Officers Association](#). The GFOA website has a wealth of information.

ADMIN 03	Develop an Accounting Policies and Procedures Manual
Target Date	Short Term
Responsible Party	Borough Administrator and Treasurer
Budget Impact	Improved financial management

The borough should consider drafting and adopting an Accounting Policies and Procedures Manual. Policies that should be considered include finance calendar, general cash receipts policy, credit card/fuel card policy, capitalization policy, balanced budget policy, fund balance policy, investment policy, debt management policy, and a contribution policy.

ADMIN 04	Consider move to modified accrual basis of accounting for governmental funds
Target Date	Short Term
Responsible Party	Borough Treasurer
Budget Impact	Improved financial management

The borough currently maintains its accounting records on the cash basis of accounting. As a result, certain assets and their related revenues as well as certain liabilities and their related expenses are not recorded in its financial statements, which can result in an unclear picture of the municipality's financial position. Cash basis differs from generally accepted accounting principles (GAAP) basis of accounting, which for governmental units is the modified accrual basis of accounting and for proprietary and fiduciary funds the full accrual basis of accounting.

ADMIN 05	Consider a more robust audit.
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved financial management

Historically, borough audits have only met the minimum state threshold in terms of reporting. The borough should consider a request for proposals to have a more comprehensive independent audit of borough finances, including tax collections, particularly given the issue with alleged theft by the prior borough administrator.

ADMIN 06	Prioritize training for the administrator and treasurer
Target Date	Immediate
Responsible Party	Borough Administrator and Treasurer
Budget Impact	Potential expenditure/improved financial management

All borough employees benefit from and should attend regular training. Both the administrator and treasurer have substantial experience but are new to the public sector. The Pennsylvania Municipal League provides the [PATH Pennsylvania Training Hub](#) through a contract with the State Department of Community and Economic Development. [The Pennsylvania State Association of Boroughs](#) also provides extensive training.

ADMIN 07	Ensure written policies and procedures
Target Date	Short Term
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The borough should ensure that all major borough policies and procedures are in writing, which promotes consistency, compliance and accountability. Written policies help mitigate risks associated with employee actions like misconduct, provide a stronger common work culture and ethical environment, reduce the potential for ambiguities resulting in errors, and provide a valuable resource to train new employees and provide ongoing guidance for existing employees.

ADMIN 08	Consider realigning duties to allow the DPW supervisor to provide direct oversight of public works
Target Date	Immediate
Responsible Party	Borough Administrator and secretary
Budget Impact	N/A

The position of secretary/DPW supervisor/RTK officer is an unusual alignment that was driven by current personnel and prior needs. The borough should consider changes to this role, including shifting the Right-to-Know responsibilities to the part-time administrative assistant due to the limited volume of requests. Other changes, such as greater support from the administrator and treasurer on answering telephones, and the introduction of more robust technology such as tablets to lessen the need to make copies, will also free up the secretary to provide direct oversight of the road commissioner and DPW activities in the field as originally envisioned. The borough should then review the effectiveness of the altered role and determine if additional changes are warranted, particularly if/when the position becomes vacant.

ADMIN 09	Increase collaboration between the tax collector and the administrator
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The tax collector can provide valuable knowledge to the borough administrator concerning enforcement of various fees and permits. The administrator should work with the tax collector on developing tools to extract the information needed, including through increased use of technology.

ADMIN 10	Monitor Grant Writer contract
Target Date	Short Term
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The borough recently engaged grant writing services from a consultant. The borough should continue to monitor the cost benefit ratio of these services to ensure that it remains beneficial.

ADMIN 11	Update technology across departments
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The borough lacks updated computer hardware and software is in a state of flux given the need to transition away from Freedom Systems software. The borough should continue to evaluate the gWorks proposal but also consider other options as it decides on a new operating system for use

across departments. The borough should consider using STMP Phase II funds for this activity and other needed IT upgrades.

ADMIN 12	Digitize records
Target Date	Long Term
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The borough should review and retain records based on standards from the state Historical and Museum Commission. [The manual is available by clicking here.](#) The borough should review costs associated with this activity and determine if it is appropriate to purchase specialized equipment for this task that could be used for other activity across departments, or if it should use a third-party contractor.

ADMIN 13	Job descriptions
Target Date	Ongoing as needed
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

Job descriptions should be reviewed and updated as necessary from time to time to ensure they continue to meet current needs.

Planning, Zoning, Codes

PLAN 01	Undergo Comprehensive Planning
Target Date	Short Term
Responsible Party	Borough Administrator
Budget Impact	STMP Match

The borough should undergo the comprehensive planning process either alone or, ideally, with one or more of its neighbors (Taylor and/or Old Forge) followed by an update to zoning.

PLAN 02	Update zoning
Target Date	Immediate as needed and in conjunction with comprehensive planning
Responsible Party	Borough Administrator
Budget Impact	STMP Match

The borough last updated zoning in 2003, which is woefully out of date. There are numerous uses that can and should be included in a zoning update both to protect against incompatible land uses and to encourage targeted economic development.

PLAN 03	Increase enforcement and review ordinances for quality of life, landlord registration, and disruptive tenants
Target Date	Short Term
Responsible Party	Borough Administrator
Budget Impact	Fee revenue

The borough should review its program as needed to ensure that it remains robust and meets the needs of the community. One area to consider is rental property inspections. The borough should charge appropriate fees to recoup costs associated with these activities.

PLAN 04	Consider and enforce a Vacant Property Ordinance
Target Date	Short Term
Responsible Party	Borough Administrator
Budget Impact	Fee revenue

Current Census estimates suggest that vacant housing units have increased. A rise in vacant housing indicates a potential for current public safety hazards and future property blight. The borough should consider a vacant property registration ordinance. A vacant property ordinance would allow the borough to proactively monitor the condition of vacant properties and preemptively address the burdens that problematic vacant properties place on local governments.

PLAN 05	Acquire and implement code enforcement software
Target Date	In conjunction with updating IT
Responsible Party	Borough Administrator
Budget Impact	STMP match

Code enforcement software with GIS mapping capabilities can improve code enforcement management and records retention while providing data back-up options. These software offerings can also help staff log data and pictures while in the field. The borough should consider soliciting product demonstrations from the market to ascertain the costs and benefits of a code enforcement software system.

Public Works

PW 01	Obtain professional assistance to review and potentially implement a sewer system conveyance sale
Target Date	Immediate in conjunction with FIN 02.
Responsible Party	Borough Administrator
Budget Impact	STMP Phase II match

The borough has issued a Request for Proposal concerning the sale of its sewer conveyance system following inquiries. A sale could reap millions of dollars for the borough. The borough should hire a professional to assist with the potential sale in order to obtain the highest possible price and protect the borough’s interests.

PW 02	Review in-house recycling and refuse
Target Date	Immediate and ongoing
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The borough offers extremely robust refuse and recycling services year round to its residents. The borough should ensure that it has sufficient capacity and resources to perform other public works related tasks that are necessary for the health, safety and welfare of residents.

The borough should continue to monitor the cost effectiveness of providing in-house recycling and refuse collection, and whether providing this service permits adequate resources for other public works tasks

PW 03	Engage in expanded cross-training for public works
Target Date	Immediate
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	N/A

Cross training boosts flexibility and resilience by creating a workforce that can cover for absent employees, adapt to changes, and fill skill gaps. It also increases employee engagement and retention by providing new learning opportunities, career development, and more varied, interesting work. This ultimately leads to improved productivity, better morale, and enhanced collaboration across the team.

PW 04	Bid future landfill and recycling services
Target Date	Immediate
Responsible Party	Borough Administrator
Budget Impact	Improved fiscal management

The current arrangement reportedly was not the result of a bidding process. Bidding for a service helps to ensure the best possible service at the lowest possible cost. In particular, the borough should reconsider its use of the Lackawanna County Recycling Center and consider alternatives given increases in fees there. The nearby city of Scranton has saved money by switching its recycling provider.

PW 05	Monitor sewer fee rates.
Target Date	See FIN 03
Responsible Party	Borough Administrator
Budget Impact	Revenue

The borough recently increased its commercial sewer rates. The borough should monitor the rates to ensure that they are adequate to meet needs. Consideration should be given to operating expenses like increases in fuel and labor costs, and for necessary infrastructure investment.

PW 06	Comply with MS4 regulations as needed
Target Date	Short Term and Ongoing
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	STMP match

The borough should continue its efforts to come into compliance with MS4 regulations, such as construction of retention basins, and undertake any studies as necessary to meet that goal. The borough should also look to other activities such as park features that can assist with stormwater management. The borough should join the Lackawanna County Stormwater Authority if and when it is organized.

PW 07	Conduct a study and necessary remediation on borough infrastructure including dikes
Target Date	Short Term
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	STMP Match

The borough should seek grants and loans from state sources to remediate borough dikes or other infrastructure in disrepair (such as the Main Street catch basin). While obtaining grants is ideal, low-interest loans are also available through state sources like [PENNVEST](#) for infrastructure work. Communities in STMP receive priority points for PENNVEST funding. The borough could consider using its annual liquid fuels allocation to pay debt service for a loan.

PW 08	Undergo GIS mapping of both stormwater and sewer conveyance systems
Target Date	Short Term
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	STMP match

GIS mapping will assist with future repairs, maintenance and replacement of lines.

PW 09	Conduct a cost allocation study to better determine actual employee hours worked for sewer and refuse fees.
Target Date	Short Term
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	STMP match

A cost allocation study ensures that funds collected for these services are properly used to support these services. It also provides a way for the borough to determine if fees are appropriate or should be raised. The borough should consider a tracking system module in the borough’s updated software package to track employee hours.

PW 10	Cameras, hardware and software for public works
Target Date	Immediate and in conjunction with ADMIN 11
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	STMP match

The borough should consider obtaining new computer software and hardware for public works that would improve operations. This initiative includes the purchase of cameras for public works cabs and back of trucks.

PW 11	Capital planning and budget
Target Date	Short Term
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	Expenditure

The borough should develop a capital plan and budget for public works to include, at a minimum, equipment and paving. The borough will also have to consider whether it needs to increase services given the extent of development, which could require additional equipment.

PW 12	Seek shared services and cooperative purchasing arrangements with other municipalities
Target Date	Short Term
Responsible Party	Borough Administrator and DPW Supervisor
Budget Impact	Expenditure reduction

Consider reaching out to neighboring municipalities about shared services like plowing and street repair and/or shared purchases of specialized equipment like a street sweeper.

Police Department

POLICE 01	Ensure that technology is updated in the police department
Target Date	Immediate in conjunction with ADMIN 11
Responsible Party	Borough Administrator and Police Chief
Budget Impact	STMP match

In particular, computers in police cars cannot be updated to Windows 11. Technology in the police department should be included in the borough's comprehensive IT review.

POLICE 02	Consider more specialized training for police
Target Date	Immediate (cross training) to Short Term
Responsible Party	Borough Administrator and Police Chief
Budget Impact	Expenditure

Training in the department is mostly limited to annual required updates, other than the K-9 unit. Police training is crucial for ensuring public safety and building trust between law enforcement and the communities they serve. Effective training and cross training equip officers with the knowledge, skills, and ethical framework to handle diverse situations, de-escalate conflicts, and minimize the use of force.

POLICE 03	Continue to monitor and assess police staffing issues
Target Date	Short Term
Responsible Party	Borough Administrator and Police Chief
Budget Impact	Expenditure

The borough faces challenges as the ability to recruit and maintain police officers has become increasingly difficult across the state. This is true of both part-time and full-time officers. Given the extent of development in the borough, it is important to have a department that is staffed appropriately to meet needs. The borough should undergo a state study of its police department by DCED to determine, among other things, the appropriate size for the department. These studies are at no cost to the borough.

POLICE 04	Consider expanding regional cooperation efforts potentially through contracting police services to a neighboring municipality or related options
Target Date	Long Term
Responsible Party	Borough Administrator and Police Chief
Budget Impact	Increased revenue

The borough could consider a study to determine if contracting services would have benefits in terms of service improvement and/or cost containment. Funds to explore options can be obtained through STMP Phase II or through the MAP.

POLICE 05	Review and update written policies and procedures as needed
Target Date	Short Term
Responsible Party	Borough Administrator and Police Chief
Budget Impact	N/A

Written policies and procedures are crucial for police departments to ensure officers act consistently, legally, and ethically, which builds public trust and protects both the public and the officers. These

guidelines provide a roadmap for daily operations, help officers make decisions in complex situations, and are vital for training, accountability, and managing liability for the department.

Fire

FIRE 01	Review funding for fire operations
Target Date	Immediate and Ongoing
Responsible Party	Borough Administrator and Borough Council
Budget Impact	Improved fiscal management and expenditure control

The borough recently opted to begin paying the Greenwood Fire Department to ensure that it is properly staffed with part-time drivers in the event of an emergency to ensure the health, safety and welfare of the population. The borough should monitor this arrangement for effectiveness and cost efficiency in terms of maintaining adequate services.

The borough could consider levying special purpose fire millage to assist in funding. However, the borough should not extend the terms of the part-time driver arrangement to pay for full-time firefighters unless and until considerable study is given to need and cost.

If the borough is contemplating full-time firefighters, it should also consider a regional department rather than a single borough department. DCED has multiple resources if the borough desires to study this issue include the Municipal Assistance Program (MAP).

FIRE 02	Conduct a legal review for a potential a fire fee
Target Date	Long Term
Responsible Party	Borough Solicitor
Budget Impact	Revenue

This initiative requires review by the borough solicitor prior to implementation. Currently, Title 8 (pertaining to boroughs and incorporated towns) permits boroughs to “ensure that fire [...] services are provided within the borough by the means and to the extent determined by the borough, including the appropriate financial and administrative assistance for these services” (Sec. 1202 (56)). It also permits borough officials to “prescribe reasonable fees for the services of the borough's officers and to enforce the payment of the fees” (Sec. 1202 (1)).

Economic and Community Development

ED 01	Develop a comprehensive plan and new zoning
Target Date	Short Term
Responsible Party	Borough Administrator
Budget Impact	STMP Match as needed

The borough should complete a comprehensive plan and new zoning to broadly address future growth and development, including housing and commercial uses, as described previously.

ED 02	Maintain and establish partnerships
Target Date	Immediate and ongoing
Responsible Party	Borough Administrator and Borough Council
Budget Impact	STMP Match as needed, expenditure control

The borough is already partnering with Lackawanna County on the Montage Mountain economic development plan. The borough should continue economic and community development partnerships with the county, the Scranton Chamber of Commerce, the Moosic business community and related groups.

The borough also partners with numerous community organizations, including youth sports. The borough should maintain and enhance these partnerships as it seeks to upgrade recreation amenities. The borough should also consider working with the Riverside School District on these and other shared activities such as public works if not already doing so.

ED 03	Consider becoming a designated Main Street
Target Date	Short Term
Responsible Party	Borough Administrator and Borough Council
Budget Impact	Expenditure

The state’s [Main Street Matters](#) (MSM) program is designed to support downtown cores and surrounding neighborhoods with tools to create healthy, vibrant, and welcoming communities. Funding is available to support revitalization efforts in planning, business support, aesthetic improvements, and the increase of safety and security

ED 04	Consider public art, a dog park, creation of walking trails along the remediated dikes and similar amenities to increase community interest and improve quality of life
Target Date	Long Term and/or in conjunction with Comprehensive Planning
Responsible Party	Borough Administrator and Borough Council
Budget Impact	Expenditure

Public art can positively impact tourism, property values, local identity and pride. Public art can range from permanent displays like murals to temporary exhibits that create a feeling of excitement and urgency. The borough has numerous examples of nearby communities with extensive public art including Pittston, Scranton and Carbondale. Similarly, dog parks and river trails foster social connections among residents, promote health and wellness, and provide amenities that can increase property values and attract new residents.

ED 05	Continue and expand the calendar of community recreation and Main Street type events
Target Date	Immediate
Responsible Party	Borough Council
Budget Impact	STMP Match as needed

Events provide significant value to a community by creating economic growth, fostering a stronger social fabric, and building a distinct local identity. They draw residents and visitors together, boost business for local shops, and celebrate the town's unique character. Successful events create economic momentum and assist with revitalization. This initiative should be implemented along with recommendations regarding partnerships and becoming a designated Main Street municipality

ED 06	Consider the Neighborhood Assistance Program (NAP) and its offshoots
Target Date	In conjunction with ED 05
Responsible Party	Borough Administrator

Budget Impact	Revenue
---------------	---------

NAP is a tax credit program offered through the state Department of Economic and Community Development. The goals of NAP are to provide resources to assist low-income and distressed neighborhoods and communities, encourage positive health outcomes, and address the safety and welfare of their residents. Eligible applicants are neighborhood organizations that hold a ruling from the Internal Revenue Service as nonprofit, 501(c)(3) organizations. As a result, this recommendation is most likely tied to first establishing a Main Street program.

ED 07	Seek assistance through the DCNR’s Community Conservation Partnerships Program
Target Date	Short Term
Responsible Party	Borough Administrator
Budget Impact	STMP Match

Well-maintained parks and recreation facilities are the type of amenities that attract and keep residents and businesses, which increases property values and stabilizes the tax base. Parks attract tourism and visitors, which boosts local spending on hotels, restaurants, and shops. Parks encourage physical activity and provide spaces for mental health, contributing to a healthier and more productive population.

Labor and Personnel

LABOR 01	Implement pension benefit recommendations
Target Date	Immediate
Responsible Party	Borough Council and Borough Administrator
Budget Impact	Expenditure reduction

The pension plans must be closely monitored, particularly in such a small plan. While the PPP is currently not distressed, the borough does not have the option of converting police to a defined contribution plan and the borough should be careful before it increases any pension benefit it might not be able to comfortably afford in the future.

LABOR 02	Implement heart and lung benefit recommendations
Target Date	Short Term
Responsible Party	Borough Council and Borough Administrator
Budget Impact	Expenditure reduction

One issue that can potentially increase pension costs is the mishandling of work-related injuries and benefits under the Heart and Lung Act (HLA) and Workers Compensation Law (WCL). Such benefits are often the precursor to disability benefits from the pension plan. Thus, it is critical to manage such cases carefully from the start by denying all claims that should be denied and monitoring any claims that are accepted.

LABOR 03	Implement health benefit recommendations for current employees
Target Date	Short Term or In Conjunction with Labor Negotiations
Responsible Party	Borough Administrator and Labor Attorney
Budget Impact	Expenditure reduction

The Borough should continue to work with its healthcare broker or provider on an annual basis to find ways to provide the most cost-effective benefits. Some general options to control healthcare costs that the Borough should pursue include:

2. Health, prescription, and vision plan changes/redesign.
3. Increases in office visit co-pay amounts, prescription co-pay amounts.
4. Mandatory generic drug requirements.
5. Implementing a defined contribution approach to funding health benefits by the elimination reduction or capping the Borough contributions to any health plan or health plan reimbursement account or savings account.
6. Offering several plans, including one at low costs but others at a higher cost or a “buy up” option.
7. Requiring increased cost sharing for the inclusion of spouses and dependents.
8. Developing coordination with the availability of other coverage and enforcing such requirements. The CBA has language mandating the coordination of coverage, but better language should be negotiated.

LABOR 04	Take action to curtail retiree health benefit costs
Target Date	Short Term or In Conjunction with Labor Negotiations
Responsible Party	Borough Administrator and Labor Attorney
Budget Impact	Expenditure reduction

The fiscally responsible approach for the Borough would be to take action to curtail the growth of the UAAL and to do so immediately. To do so, the Borough should seriously consider the following options, in addition to the options discussed later in this report:

- A. Elimination of post-retirement benefits for family members.
- B. Modification of post-retirement health care provisions to require coordination with other available benefits. This means that if the retired officers are eligible for health benefits from any other source, including not limited to another employer, not only must the retired officer take such benefits, but the Borough shall not have any obligation to provide secondary coverage and eliminate any funding provided to the retiree in such cases.
- C. Make sure that if the Borough does nothing else, it under no circumstances agrees to provide post-retirement health benefits for officers who do not reach age 50 and 25 years of employment, the superannuation date (i.e., those receiving a disability benefit).
- D. Continue to require those entitled to OPEB benefits to take the same benefits provided to future current officers as they change from time to time, including all cost sharing obligations.
- E. Increase cost sharing obligations for future retirees to a larger portion of the premium. Retirees receive no salary from the Borough and the OPEB contribution by the retiree, who is less than 60 years old, should not be stagnant and should provide an incentive for the retiree to agree to changes to control the benefit cost.

	Task	Responsible Party	Budget Impact	Target Date
Labor 05	Wages and Compensation	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 06	Longevity	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 07	Part-Time Employees	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 08	Unused Time	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 09	Employee Contracts	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 10	Training	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 11	Grievance Procedure	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 12	Employ Termination	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 13	Bill of Rights	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 14	Establish a bargaining strategy	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 15	Short Term CBAs	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 16	Personnel Manual	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 17	Benefits Audit	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 18	Regionalization and shared services	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations
Labor 19	Command staff in bargaining unit	Borough Administrator/Labor Attorney	Expenditure Control	Short Term or In Conjunction with Labor Negotiations

