



# 2008 BUDGET

AS RECOMMENDED BY THE MANAGER

---

October 15, 2007

**Jamia L. Wright**  
**Assistant Borough Secretary**

# **TABLE OF CONTENTS**



## **BOROUGH OF CHAMBERSBURG**

### **2008 BUDGET**

#### **INTRODUCTION**

#### **GENERAL FUND**

#### **ENTERPRISE FUND**

#### **INTERNAL SERVICE FUNDS**

#### **CONCLUSION**

#### **RECOMMENDED 2008 BUDGET**

#### **CHARTS – BUDGET YEAR**

#### **CHARTS – PRIOR YEARS**

***IN MEMORIAM***



***THE LATE MAYOR JOHN A. REDDING, JR.  
OUTSTANDING PUBLIC SERVANT***

**OFFICE OF THE MANAGER  
BOROUGH OF CHAMBERSBURG  
100 SOUTH SECOND STREET  
CHAMBERSBURG PA 17201**

October 15, 2007

*"We believe in the vitality of Downtown Chambersburg."*

*Larry Lahr's statement to Town Council*

*September 24, 2007.*

To the Mayor and Town Council of the Borough of Chambersburg:

I am pleased to submit for your review and consideration the 2008 Budget for the Borough of Chambersburg. In accordance with the Code of the Borough of Chambersburg, Chapter 50, the Borough Manager is responsible for preparing and submitting to Town Council a budget for the next fiscal year with an explanatory budget message. I think the budget document clearly sets forth the challenges which this governing body and our community face as well as an appropriate fiscal plan to meet those challenges. Moreover, I will continue to discuss the challenges that we face over the next several years as we are rapidly approaching the end of this decade.



Mayor marching for WIN

The year 2007 has been one of accomplishment, but also one of great loss. On May 21, 2007 Mayor John A. Redding, Jr. died of complications resulting from heart bypass surgery. As Lois Redding, John's wife of fifty-five (55) years, indicated, "he loved being Mayor and he loved this town." As Mayor of Chambersburg Mr. Redding exhibited the same leadership which he had shown as a Councilman for the Fourth Ward for almost twelve years. He kept the Borough in a fiscally sound position for four (4) years as Town Council's Chairman of the Finance Committee. He also provided Council and the staff with invaluable advice on personnel matters. The community owes a debt of gratitude to Mr. John A. Redding, Jr., servant of God and servant to mankind.

The accomplishments in 2007 have been numerous. In order to enhance the quality of life for the residents, Town Council adopted a brake retarder prohibition as an amendment to the noise ordinance. With the intent of continuing to stimulate the revitalization of the

sound position for four (4) years as



New footbridge over the Conococheague Creek



downtown, Town Council adopted a resolution renewing the Local Economic Revitalization Assistance Act (LERTA) program in conjunction with Franklin County and the Chambersburg Area School District. Council refinanced portions of the 2002-2003 Electric Bond Issues which resulted in the savings of approximately \$400,000 for the Electric Department in 2007. Council allocated \$262,610 in Community Development Block Grant monies to bring about community improvements such as significant enhancements to the Mike Waters Memorial Park which are planned for 2008. Council provided specific direction for the Fire Department by deciding not to become an ALS provider and by ordaining the Department which allowed for more career personnel, career supervision and certain requirements for departmental membership for volunteers. Council was the recipient of a State Home Grant of \$350,000 and County monies of \$40,000 which will allow for a more extensive housing rehabilitation program.



## Chambersburg

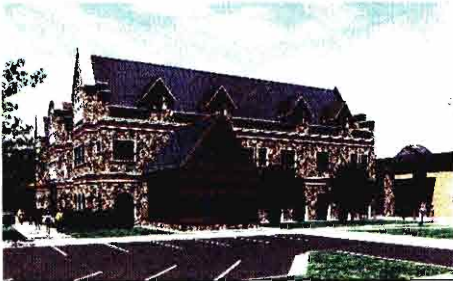
Elm Street Logo

While “green space” development continued in the periphery of the community, Town Council and the Borough’s Planning and Zoning Commission turned their attention toward the core of the community. With the assistance of the consulting firm Johnson, Mirmiran, and Thompson (JMT) along with Downtown Chambersburg, Inc. (DCI) and BOPIC, the Elm Street Plan was developed and approved by Town Council. This plan focuses on the redevelopment of the residential neighborhoods adjacent to the downtown area. Town Council also approved an application to the PA Department of Economic and Community Development in the amount of \$30,000 for a fourth Façade Improvement Program for the buildings in the downtown. In addition to the renewal of the LERTA Program, other organizations such as the Chambersburg Area Development Corporation (CADC) and the DCI developed loan programs to stimulate development in Downtown Chambersburg. CADC’s program provides assistance for new construction or the acquisition and renovation of existing commercial buildings while DCI’s program provides “working capital” to small business owners to improve retail and business service activity in the downtown. It is expected that Town Council will supplement the DCI loan program in 2008 with \$26,000 that the Borough currently has on hand as a result of CADC continuing to repay a \$250,000 loan (from the Borough funded by the State) known as the Anchor Building Grant Program. Additionally, the Borough will contribute significantly to the revitalization of the downtown with the completion this year of the \$5.75 million project known as the “Village on Falling Spring”, a project which has been over a decade in the making. Moreover, significant private sector redevelopment is occurring adjacent to the “Village” project. Lawrence and Barbara Lahr (TBL Enterprises) have begun the transformation of the west side of North Main



TBL Enterprises on N. Main Street

Street with a significant investment in several buildings along with a proposed Pub which would encourage pedestrian traffic in the downtown area. Recently the architectural firm of Noelker and Hull Associates, located in downtown Chambersburg, celebrated its 50<sup>th</sup> anniversary.



Wilson Complex for Science, Mathematics and Technology

In addition to the downtown development noted above, Town Council has approved and supported a number of projects which will add to the quality of life in the community. The Chambersburg Area School District (CASD) is currently constructing a new \$18 million elementary school in the west end of town and will soon begin construction of a new \$74 million high school in the east end of town. Moreover, Wilson College will soon be breaking ground on its new \$25 million complex for Science, Mathematics and Technology adjacent to the Paul Swain Haven Science Center on the Wilson College campus.

Recently, U.S. News and World Report named Wilson a “Top Tier” college in its 2008 America’s Best Colleges edition. Additionally, Town Council will soon be reviewing plans for a new \$120 million six level bed tower addition at the Hospital’s Seventh Street campus. Given this kind of development along with the significant residential development which continues to occur, the future of this community remains very bright. This position is supported by the fact that Chambersburg (Franklin County) has been one of the fastest growing micropolitan areas in the nation. In the March/April 2007 edition of “Where to Retire”, Chambersburg was one of the featured communities in an article entitled Blue Ridge Retirement Havens. Moreover, Franklin County continues to have one of the lowest unemployment rates in the State.

The budget presentation will provide an explanation of each major appropriation and some revenue categories of the general fund as well as a brief summary of each of the enterprise funds and the internal service funds. There are a number of fiscal impacts that are spread throughout the 2008 budget. **First**, with regard to personnel allocations (see the chart in Section No.7), the total number of authorized positions is scheduled to be 202 positions. This number reflects the addition of two (2) new positions in the Electric Department (Engineer/Assistant to the Superintendent and Assistant Power Supply Supervisor) as well as two (2) temporary positions (one (1) in the Electric Department and one (1) the Fire Department). **Second**, the budget includes a 3% pay increase for AFSCME and Non Bargaining Personnel as well as a 4% pay increase for Police Officers and Firefighters. However, it must be noted that the Borough is currently negotiating with the AFSCME Local 246 and the IAFF Local 1813 for new contracts. **Third**, we expect a 10% increase in our health care costs resulting in a premium in excess of \$2.8 million in 2008 (without any changes in benefits). While we must budget the premium indicated above, we do anticipate refunds as a result of our health care pooling arrangement with the Capital Region Insurance Trust (CRIT) and the Pennsylvania Municipal Health Insurance Cooperative (PMHIC). **Fourth**, for the eleventh straight year we are budgeting for State Aid to cover much of the 2008

municipal financial obligation for the Borough's pensions. Even with the State Aid, the Borough's pension contributions will be excess of \$250,000. However, absent the State Aid, the Borough's contribution would be in excess of \$1,000,000 for its pension funds. **Fifth**, for the eleventh straight year there are no universal transfers to the Self-Insurance (including unemployment compensation) and Workers' Compensation Funds. However, due to extraordinary losses in certain departments, there are targeted transfers to the Workers' Compensation Fund from the Electric, Fire, Police, Recreation and Ambulance Departments in 2008.

In spite of the inflationary pressures noted above, **the General Fund does not contain a real estate tax rate increase for 2008**. Last year I anticipated being in a position to recommend a 3 mill tax rate increase to cover the costs of an additional police officer as well as the debt service on the bond issue for the construction of a new Police Station and renovations to Borough Hall. That will not be necessary as Council added the additional police officer in 2007 (total of three (3) new officers instead of two). Moreover, Council authorized a further review of the space limitations at Borough Hall/Police Headquarters by engaging Noelker and Hull Associates to conduct a feasibility study which would look at not only Borough Hall but the Borough property adjacent to and in the vicinity of Borough Hall. Beyond the



Borough Hall 1920s

General Fund we are expecting no rate increases in any of the Enterprise Funds with the exception of the Electric rates. As the Electric Superintendent noted in his presentation to Town Council last month, electric rates would be up about 20% by the end of 2008. Since the increases would likely come in two stages, the average increase in the electric bills in 2008 would be about 15% over the 2007 billings. This increase in electric costs to Borough customers is the expected result of a new wholesale power supply contract since the Borough's current five (5) contract with Detroit Edison Energy Trading (DTEET) expires at the end of 2007. While there is not a real estate tax increase recommended for 2008, this should not be the expectation for 2009 or 2010. At this time I am still anticipating the addition of at least two (2) police officers and three (3) firefighters. Moreover, we face the extraordinary expenses of the expansion of Borough Hall/Police Headquarters as well as the enhancements to Municipal Pool.

It should be noted that while the total budget is \$116,400,691, the 2008 net budget (net appropriations) is \$63,126,270 as compared to \$58,769,925 in 2007, \$59,738,400 in 2006, \$55,678,200 in 2005, \$48,182,350 in 2004, 57,384,485 in 2003, \$40,306,975 in 2002, 36,710,975 in 2001, \$38,072,775 in 2000, \$40,681,845 in 1999 and \$45,019,371 in 1998.

Respectfully,

*Eric W. Oyer,*

Eric W. Oyer, Borough Manager

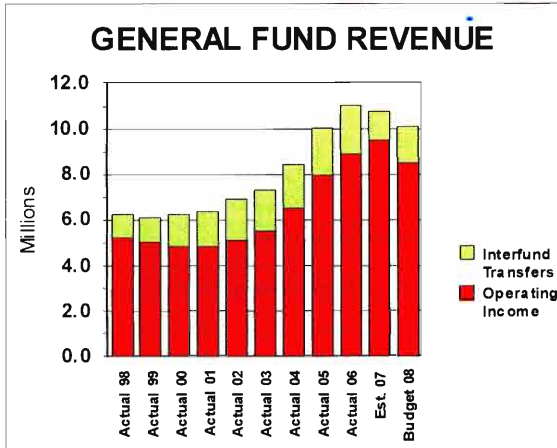


Noelker & Hull Associates  
along the Falling Spring



# GENERAL FUND

## REVENUES



In the June 2007 News and Views of the PA Economy League, the League’s Executive Director, Steven Stetler, said, “The cycle of fiscal decline is exasperated by the fact that municipal governments do not have the tools required to break it. Current limitations on the manner in which municipalities can increase revenues and on the amounts that they can raise has tied the hands of municipal leaders. Our local governments need the state to take action to relieve these restrictions.” In the same month in which the PA Economy League released this newsletter, the PA State

Legislature sent to the Governor its amendments to the Emergency and Municipal Services Tax (EMST). With the Governor’s signature, PA municipalities were authorized to enact a Local Services Tax (LST) as opposed to the EMST. The LST provides for an upfront \$12,000 earned income exemption and the withholding of tax by employers based on payroll periods. The 2008 budget will reflect a loss of about half of the revenue which the Borough had been receiving from the EMST as a result of the LST. However, in spite of this significant revenue loss, we are budgeting General Fund revenues for 2008 to be up a little over 3% as compared to 2007. Even with the increase in the General Fund revenues, we have a deficit budget of \$1,361,370 (the equivalent of 7.8 mills of real estate tax) since we are budgeting 2008 appropriations of \$11,478,270 with expected revenues (including transfers) to be \$10,116,900. The shortfall will be met with unallocated cash reserves from the prior year in order to have a balanced budget as required by State law. The projected cash balance at the end of 2008 is \$1,305,855 which is 11.5% of the 2008 General Fund appropriations. This cash position is consistent with Council’s policy of maintaining an unreserved, undesignated fund balance of not less than 5% of that year’s total appropriations.



Restoration Project  
in downtown

Below are two (2) tables which provide information on the Borough’s real estate tax and resulting revenue since 1990. This is important since real estate tax revenues represent approximately 40% of the General Fund operating income in 2008. Thus, this makes the real estate tax the major source of revenue to meet rising expenses in the future.



**Table**  
**REAL ESTATE TAX MILLAGE HISTORY**

YEAR	BOROUGH	COUNTY*	SCHOOL	TOTAL
1990	30.5	14.0	83.0	127.5
1991	30.5	15.5	92.5	138.5
1992	30.5	15.5	97.5	143.5
1993	30.5	15.5	104.5	150.5
1994	30.5	17.0	113.0	160.5
1995	30.5	18.0	116.0	164.5
1996	30.5	18.0	116.0	164.5
1997	30.5	23.0	120.5	174.0
1998	30.5	23.0	123.5	177.0
1999	30.5	23.0	127.5	181.0
2000	30.5 (12.2)**	25.75 (10.3)**	129.5 (51.8)**	185.75 (74.3)**
2001	12.2	10.3	54.3	76.8
2002	12.2	14.75	56.79	83.74
2003	12.2	14.75	58.33	85.28
2004	17.00	16.75	62.53	96.28
2005	17.00	20.75	67.00	104.75
2006	17.00	21.75	70.68	109.43
2007	20.00 ***	21.75	76.91	118.66
2008	20.00	---	---	----

\*Includes library support of 0.6 mills

\*\*Rates after change from 40% to 100% Pre-Determined Ratio (PDR)

\*\*\*Borough represents **16.9%** of the total millage in 2007

**Table**  
**REAL ESTATE TAX REVENUE HISTORY**

YEAR	TAXABLE ASSESSMENT	TOTAL REVENUE	REVENUE % GROWTH	% CPI-U	ALL CONSTRUCTION VALUE
1990	\$ 49,183,600	\$1,456,589	8.0	6.1	\$43,833,244
1991	51,621,500	1,493,141	2.5	3.1	10,588,060
1992	53,986,660	1,580,447	5.8	2.9	31,996,459
1993	54,841,270	1,607,951	1.9	2.7	19,404,709
1994	55,256,660	1,613,600	0.2	2.7	22,145,058
1995	55,766,400	1,626,116	0.8	2.5	13,564,465
1996	56,904,460	1,661,128	2.2	3.3	23,119,181
1997	57,514,670	1,667,494	0.4	1.7	20,333,317
1998	57,565,860	1,696,045	1.7	1.6	18,818,237
1999	58,351,860	1,705,895	0.6	2.7	25,073,925
2000	58,964,040	1,734,260	1.7	3.4	22,802,726
2001	152,687,000(1)	1,811,866	4.5	1.6	15,306,064
2002	154,920,000	1,810,580	-0.1	2.4	18,889,459
2003	156,461,167	1,851,523	2.3	1.9	18,787,722

2004	156,803,930	2,547,855	37.6(4)	3.3	27,170,565
2005	160,597,210	2,668,300	4.7	3.4	40,520,230
2006	164,173,580	2,728,998	2.3	2.5	55,624,220
2007	171,357,700 (2)	3,272,000 (e)	22.9 (e) (5)	2.7 (e)	41,029,000 (9/07)
2008	175,059,095 (3)	3,400,000 (b)	1.7 (b)	2.5 (e)	-----

- (1) This reflects the taxable assessment based on 100% PDR. Through January, 2004 the taxable assessment is subject to further adjustment due to interim and supplemental taxes as well as the results of assessment appeals.
- (2) Borough Tax Duplicate (3-1-07).
- (3) Adjusted Borough Duplicate (7-31-07).
- (4) Revenue growth includes 4.8 mills tax rate increase
- (5) Revenue growth includes 3.0 mills tax rate increase

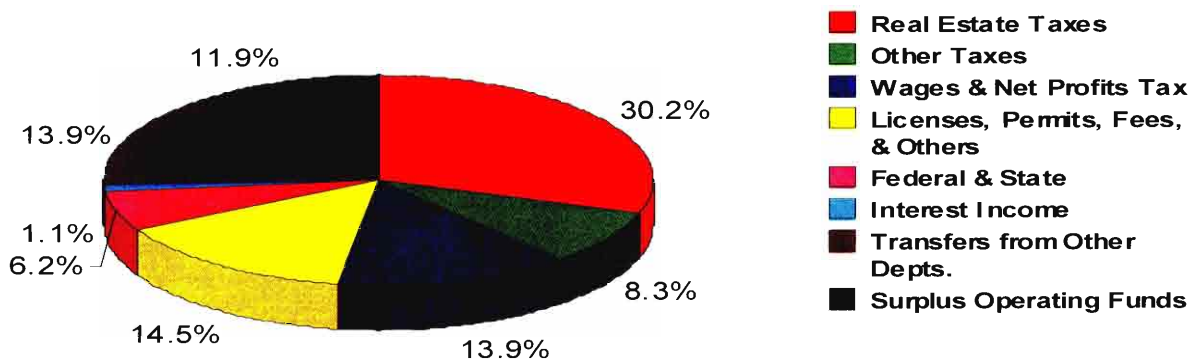


Chambersburg Crossings and other commercial development on the Gabler Tract

While the real estate tax remains a major source of revenue for the General Fund, its growth (in spite of significant construction in the Borough) is limited by successful assessment appeals, tax-exempt properties and the county's common level ratio (which reflects assessment values indicative of 1961 real estate market values). Moreover, the above Table reflects unprecedented growth in the Borough over the past few years. However, now is not the time to be overly optimistic about revenues or fail to use discretion in terms of expenditures. While the Borough is fiscally sound, this is not the case with many other older communities. Twenty years ago the state legislature passed Act 47, the Municipalities Financial Recovery Act. Today, there are eighteen (18) municipalities (mostly cities and Boroughs) with Act 47 distress determinations. Additionally, there are twenty-four (24) municipalities participating in an "early intervention" state program with the hope of avoiding the Act 47 stigma. The City of York is one of those municipalities. York Mayor John Brenner indicates that the cost of

public safety in the city's general fund budget has risen from 56% to 67% since 2002. He questions how the city will continue to pay for services in the future without hefty tax increases on the region's poorest residents – York City dwellers. Mayor Brenner recently stated: "I think we have a crisis in local government. It's not a York problem, it's a Pennsylvania problem." We need to join Mayor Brenner and the Pennsylvania League of Cities and Municipalities in calling on the State legislature to give municipalities additional revenue options which will be crucial to their fiscal survival.

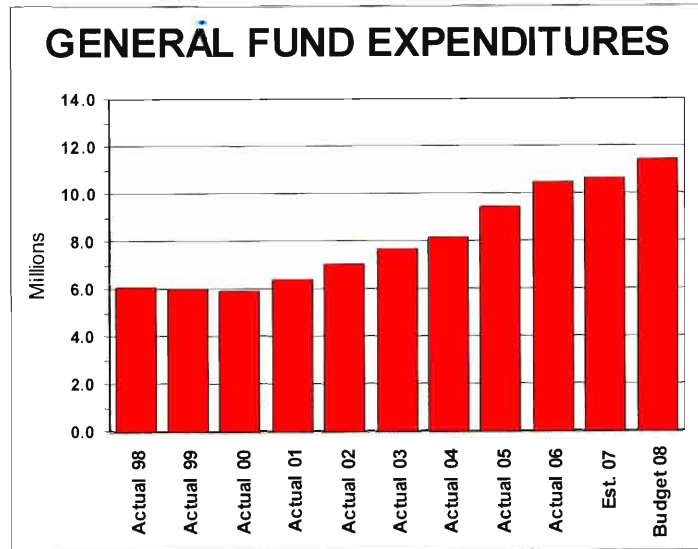
## BOROUGH OF CHAMBERSBURG GENERAL FUND REVENUES 2008





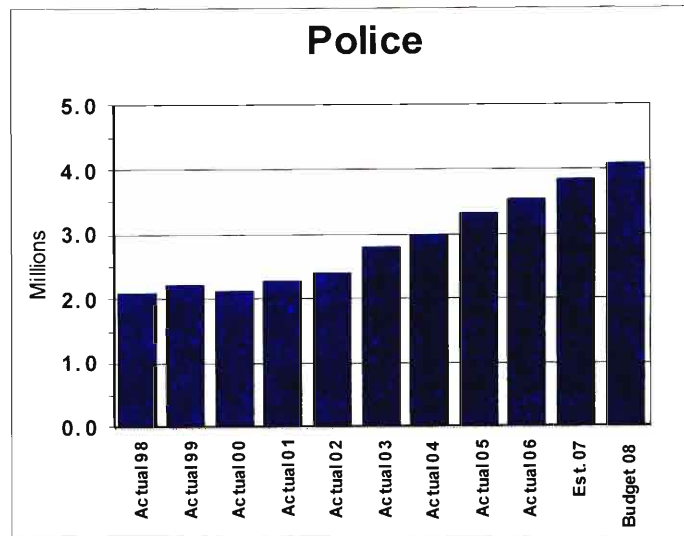
# GENERAL FUND

## APPROPRIATIONS



## POLICE DEPARTMENT

The Police Department has the largest appropriation in the General Fund with a 2008 budget of \$4,101,175, an increase of 2.2% over the 2007 budget. The department's budget represents 35.7% of the 2008 General Fund appropriations. The budgetary increase is reflected primarily in payroll (\$2,252,075) and health insurance (\$546,850). It should be noted that in 2008 the contributions to the Police Pension Fund will represent 45.2% of the total required Borough contributions to its pension funds. In fact, personnel (payroll and related) costs represent 88.8% of the department's budget. It also should be noted that the department's budget for 2008 does not provide for any additional sworn full-time officers. This is consistent with the recommended hiring plan set forth in the Chambersburg Borough Police Department Study Report by Municipal Resources of PA (September 2006). The recommendation in that report was to develop a four year hiring plan beginning in 2007 that would increase the full-time sworn personnel in the department from 31 to 36 by 2010. The plan set forth was as follows: 2007 – 2 officers; 2008 – 1 officer; 2009 – 1 officer; and 2010 – 1 officer. At the request of the Police Chief, Council accelerated that hiring plan in 2007 by hiring three (3) additional officers with the intent of adding two (2) more officers in the 2009-2010 time frame. I intend to recommend that Council hire both



additional officers in 2009. It is anticipated that in 2008 the average cost of a police officer will be approximately \$94,500.

Since the late 1990's the Local Law Enforcement Block Grants (LLEBG) primarily have supported the department's capital budget. With the Borough's match (approximately 10% of the local project monies), the department has had significant monies available for new programs, personnel and equipment. A summary of those available funds is as follows:

<u>LLEBG/Borough</u>	<u>Federal Grant</u>	<u>Local Match</u>	<u>Total</u>
97/98	\$83,470	\$9,265	\$92,735
98/99	85,375	9,486	94,861
99/00	83,085	9,232	92,317
00/01	77,421	8,602	86,023
01/02	83,457	9,273	92,730
02/03	44,444	4,938	49,382
03/04	34,011	3,779	37,790
04/05	16,050	1,783	17,833
05/06	17,500	N/A	17,500
06/07	10,474	N/A	10,474
07/08	16,222	N/A	16,222
<b>Total</b>	<b>\$551,509</b>	<b>\$56,358</b>	<b>\$607,867</b>



Patrol Officer Bietsch with new Dodge Charger cruiser

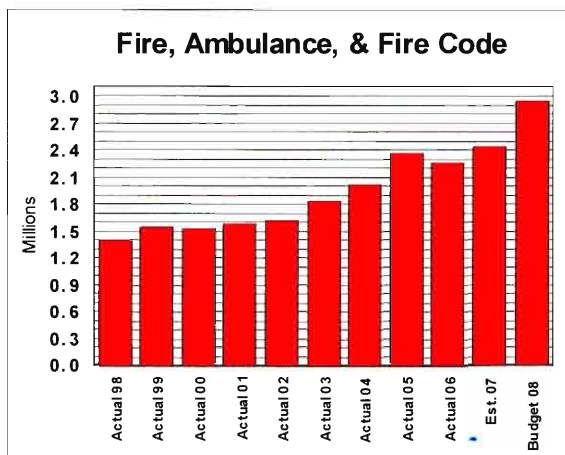
The above numbers clearly reflect the benefit of the Block Grant Program to the Police Department, the General Fund and the community. Additionally, the department has been fortunate to obtain other federal and state grants which have provided for improvements such as a new wireless communications system that enables the laptop computers in police cruisers to communicate with the Borough's computer system at Borough Hall as well as a new custom-built police tactical team vehicle and a special van for transporting tactical team equipment and members. Since grant money was not available, the department budgeted \$162,500 over the last two (2) years for the purchase of new radio equipment in conjunction with the new County

system. In 2008 the department is budgeting \$25,000 in capital monies to be used for in-car video systems.

In 2008 the department will continue its drug enforcement efforts. It will continue to assist the Franklin County Drug Task Force with its heroine initiative activities as well as

again contribute \$5,525 towards three (3) county detectives for drug prosecution. The Department's Crime Impact Team (five (5) officers) also will continue to focus on illegal drug activity in the Borough. The department will also continue to work cooperatively with the CASD to provide a police presence at Chambersburg Area Senior High School, J. Frank Faust Junior High School and the Chambersburg Area Middle School on a daily basis. The CASD pays for the services of three (3) officers as well as the rental of three (3) cruisers to maintain a police presence in those schools. In addition to the CASD, the Borough also provides special police assistance to the Franklin County Housing Authority and the Chambersburg Mall.

## **FIRE, AMBULANCE (EMS) AND THE FIRE CODE DEPARTMENTS**



These combined departments under the direction of the Emergency Services Chief (ESC) have the second largest 2008 appropriations category in the General Fund. The combined 2008 budget for these three departments is \$2,942,795, an increase of 6.4% as compared to the 2007 budget. The departments' budgets represent 25.6% of the General Fund appropriations. Much like the Police, these departments' costs are driven by payroll (\$1,348,405), pension (\$131,073) and health insurance (\$276,950). The personnel (payroll and related) costs for these

departments represent 68.3% of their budgets. It is anticipated that in 2008 the average cost of a career firefighter will be approximately \$75,200.

2007 has been a watershed year for the Fire Department. Anticipating the hiring of a new Emergency Services Chief, Council provided specific direction for the department by deciding not to become an ALS provider and by ordaining the department which allowed for more career personnel, career supervision and certain requirements for departmental membership for volunteers. Currently, Council is in the process of bringing the compliment of career personnel up to 21 firefighter/EMTs. The 2008 budget contemplates an additional career position on a temporary basis due to one of the career firefighters/EMTs being called to active military duty for much of 2008. The staff is in the process of implementing the standards for departmental volunteers. At the present time there are 25 volunteers who have been certified as departmental members (Friendships – 7, Juniors – 7, Goodwills – 9, CVs – 2). Moreover, career personnel (and an engine) which had been deployed to the Franklin Street Station for many years have now been redeployed to the McKinley Street Station in an effort to provide more effective fire suppression for the community. In addition to the personnel changes, there have been significant improvements to the fire stations in 2007. At Headquarters Fire Station there were roof repairs, office changes and the modernization of the kitchen. At the McKinley Street Station roofs were replaced and interior improvements made to accommodate the redeployment of career personnel. It is anticipated that the



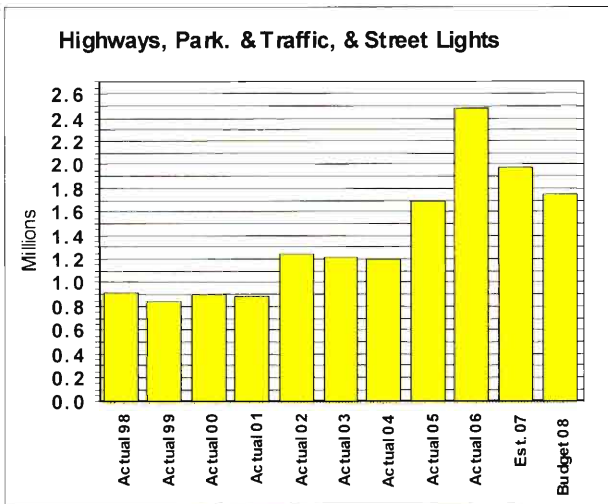
department will become more effective in its mission in 2008 with the arrival of a new Emergency Services Chief as well as the promotion of career firefighters to the supervisory positions of Captain and Lieutenant.

The Fire Department will transfer \$75,000 to the General Capital Reserve to assist with the resurfacing of the bay floor and roof improvements at Headquarters Fire Station as well as apron resurfacing at the McKinley Street Station. The Ambulance Department has budgeted \$40,000 for two (2) auto pulse devices (non invasive CPR pumps) and specialized stretcher for the ambulance. The department is looking for grants to fund these requests. Just like the Police Department, grants have been very valuable to the Fire Department. In 2006 the department was able to piggyback on the Police wireless communications upgrade which allows for communications between the laptops in the fire and ambulance emergency vehicles and the Borough's main computer system. In 2007 the department upgraded all of its portable and mobile radio units to be compatible with the County's new UHF digital system with grant money. The department also received grant money to replace all of its AED units. It should be noted that the departments will transfer \$25,000 to Workers Compensation Fund to support losses in the past year. It should also be noted that the Ambulance Department is expected in 2008 to generate \$670,000 in revenue representing approximately 7.9% of the General Fund operating income.



New roofs installed on the McKinley Street Fire Station

**HIGHWAY, TRAFFIC AND STREET LIGHTING DEPARTMENTS**



These departments deal with the traveling public with a combined 2008 budget of \$1,747,950, an increase of 31.5% as compared to the 2007 budget. These combined budgets represent the third largest appropriation category in the 2008 General Fund. These departments represent 15.2% of the 2008 General Fund budget. The increase in these departments is attributed primarily to the increase in programmed appropriations for the overlay of streets and a stormwater project in 2008. This large appropriation for street improvements is appropriate in light of the

community survey results received as part of the Borough's Comprehensive Plan Update process. The street condition and maintenance category received one of the higher levels of dissatisfaction. That being the case, it is anticipated that future budgets

will contain significant appropriations for street and alley improvements. However, it should be noted that there has been a significant investment since 2002 in streets and alleys. In addition to the over \$1 million contained in the 2007 and 2008 budgets, the Borough has invested \$3,225,171 in street and alley improvements between 2002 and 2006. Additionally, with Federal and State grant monies, the Borough was able to construct the new portion of Norland Avenue at a cost of \$2,462,522. Thus, looking at the time frame from 2002-2008, the Borough will have invested as much as \$6.75 million in improving its street and alley system. Given this investment, it is important to note the following for the record.

**TABLE**  
**PUBLIC WORKS PROJECTS**  
**2002 ACCOMPLISHMENTS**

**A. RECONSTRUCTION OF STREETS**

East Washington Street  
 (Second Street to Third Street)

**B. OVERLAY OF STREETS**

Progress Road

Eisenhower Drive

Broad Street

North Seventh Street

South Fourth Street  
 (Catherine Street to Washington Street)

South Sixth Street  
 (Lincoln Way to Catherine Street)

North Street  
 (Broad Street to the terminus)

**C. OVERLAY OF ALLEYS**

Delaware Court  
 (Pennsylvania Avenue to Norland Avenue)

Rutherford Court  
 (Fourth Street to Seventh Street)



North 7<sup>th</sup> Street

Smith Alley  
(Harrison Avenue to Second Street)

Riddle Court  
(Vine Street to Commerce Street)

Cambridge Court  
(Hudson to Ohio Avenues)

Morrow Place  
(Alley north of College Avenue parallel to Edgar and  
Wilson Avenues)

Jaguar Court  
(1<sup>st</sup> alley north of McKinley Street between Brumbaugh  
and Stouffer Avenues)

Meridan Court  
(Alley parallel to Park and Ramsey Avenues between  
Scotland and Wilson Avenues)

Dupont Court  
(Alley parallel to 6<sup>th</sup> and 7<sup>th</sup> Streets from Montgomery  
Alley to East King Street)



Grant Street Bridge

D. **BRIDGES**

Grant Street (replace deck)

E. **STORMWATER DRAINAGE**

Martin Avenue (at Hood Street)

**PUBLIC WORKS PROJECTS**

**2003 ACCOMPLISHMENTS**

A. **OVERLAY OF STREETS**

Coldbrook Avenue  
(McKinley Street to Wayne Avenue)

Hood Street  
(Lincoln Way to Commerce Street)

Orchard Drive  
(Long Lane to Stanley Avenue)



Grandview Avenue  
(Franklin Street to King Street)

Long Lane

B. **OVERLAY OF ALLEYS**

Taylor, Pine and Pierce Courts

Taft & Filmore Courts

Goshen Court

Monroe Court

Calvert Court

Rosemont Court

Ruthrauff Court

Prescott Court

Swan Court

McKinley Court



Grandview Avenue

C. **STORMWATER DRAINAGE**

Brandon Drive/Stanley Avenue upgrade

High Street upgrade

D. **RECONSTRUCTION**

Orchard Drive Rail Crossing

In 2003 West Catherine Street from Main Street to Redwood Street was overlaid with Community Development Block Grant monies.

## PUBLIC WORKS PROJECTS

### 2004 ACCOMPLISHMENTS

#### A. OVERLAY OF STREETS

Hollywell Avenue (also construct shoulder)  
(Industrial Drive to Borough line)

King/Glen Streets  
(Area around fountain)

Rustic Hill/Westgate/Brookwood Drives

Summers Street  
(Stouffer to Brumbaugh Avenues)

Elder Street  
(Seaton Court to Proposed Rife Street –  
base only)



Hollywell Avenue

#### B. OVERLAY OF ALLEYS

Ludwig Avenue  
(Third to Washington Streets)

Burkhart Avenue including Sumac Court  
(Franklin Street to Lincoln Way West)

Shireman Court  
(Queen Street to Lincoln Way East)

Buckeye Court  
(Liberty Street to Rutherford Court)

Coyote Court  
(Buckeye Court to Elm Avenue)

Clippinger Alley  
(Second Street to Harrison Avenue)

Central Avenue  
(Lincoln Way East to Washington Street)

Ludwig Avenue  
(Second Street to Central Avenue)



Burkhart Avenue

Stanley Court  
(Liberty to Catherine Streets)

Bison Court  
(Elder Street to Commerce Avenue)

Duke Alley  
(Elder Street to Commerce Avenue)

Etna Court  
(Duncan Avenue to King Street)

Pine Court  
(Cleveland Avenue to Tyler Court)

Rutherford Court  
(Eighth Street to Coldbrook Avenue)

Pomeroy Court  
(Franklin to Federal Streets)

Cemetery Alley  
(Franklin to Hood Streets)

Polk Court  
(Ludwig Avenue to Queen Street)

Allison/Arthur/Alpine Courts  
(entire lengths)



Duke Alley



Ludwig Avenue

C. **STORMWATER DRAINAGE**  
Ohio to Roland Avenues

In 2004 the Borough reconstructed the Wayne Avenue/Derbyshire Avenue intersection in a cooperative project with PennDOT.

**PUBLIC WORKS PROJECTS**

**2005 ACCOMPLISHMENTS**

A. **RECONSTRUCTION OF STREETS**  
Roland Avenue (design)

B. **OVERLAY OF STREETS**  
East Catherine Street  
(6<sup>th</sup> to Coldbrook)



Franklin Street  
(Lincoln Way to Loudon Street)

South Street  
(Main Street to Hollywell Avenue)

Grant Street  
(Kennedy Street to Fifth Avenue)

King Street  
(Main Street to Second Street)

Fifth Avenue  
(Grant Street to Rotz Lumber)

South Seventh Street  
(Wayne Avenue to terminus)

Hamilton Road



East King Street

- C. **OVERLAY OF ALLEYS**  
Harrison Avenue  
(Queen Street to Waters Playground)

Ludwig Avenue  
(Second Street to Third Street)

Tyler Court  
(McKinley Street to Lortz Avenue)



Additional lane on Orchard Drive at Wayne Avenue

- D. **STORMWATER DRAINAGE**  
East Washington Street  
(East Point to Seventh Street)

## **PUBLIC WORKS PROJECTS**

### **2006 ACCOMPLISHMENTS**

- A. **CONSTRUCTION OF STREETS**  
Roland Avenue (to be completed in 2007)

- B. **RECONSTRUCTION OF STREETS**  
Mill Road (to be completed in 2007)

C. **OVERLAY OF STREETS**

Wolf Avenue

Third Street (King Street to terminus)

Mt. Moriah Street

Edglea Drive

Elm Avenue

Washington Street (Sixth Street to Coldbrook Avenue)

King Street (Hood Street to Main Street)

Kennedy Street

Water Street (Queen Street to South Street)

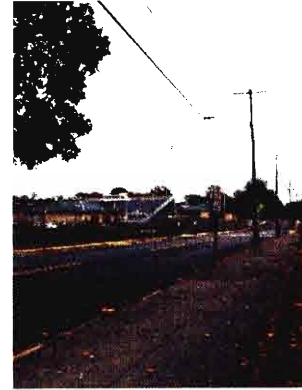
Grant Street (Kennedy Street to Second Street)

Norland Avenue (Scotland Avenue to highline)

McKinley Street (Fourth Street to Sixth Street)

Orchard Drive (Main Street to Wayne Avenue)

Stouffer Avenue



McKinley Street at the new Trojan Stadium

In 2006 the Borough used Community Development Block Grant monies for the reconstruction/overlay of Oak Street and the overlay of Burkhart and Conner Avenues. Additionally, the Borough worked with CSXT and PennDOT to have the at-grade railroad tracks on South Main Street removed.

**PUBLIC WORKS PROJECTS**

**2007 ACCOMPLISHMENTS**

A. **OVERLAY OF STREETS**

Central Avenue  
(Smith Avenue to McKinley Street)

Norland Avenue  
(Scotland Avenue to Edgar Avenue)



Norland Avenue

Stanley Avenue  
(Blanchard Avenue to Borough line)

West Queen Street

West Washington Street  
(Main Street to Water Street)

Memorial Drive  
(Stouffer Avenue to Park entrance)



Stanley Avenue

**B. OVERLAYS OF ALLEYS**

Burkhart Avenue  
(Second Street to Harrison Avenue)

Heather Court  
(Rutherford Court to Wolf Avenue)

Wood Alley  
(Queen Street to Lincoln Way East)

Zentmeyer Alley



West Queen Street

**PUBLIC WORKS PROJECTS – 2008**

**A. OVERLAY OF STREETS**

Cleveland Avenue	\$75,000
Cedar Street (Catherine Street to South Street)	\$20,000
Fairground Avenue	\$30,000
Hazel Street	\$25,000
Laurel Avenue	\$25,000
McKinley Street (Second to Fourth and Sixth to Coldbrook)	\$80,000
Mentzer Avenue	\$25,000
North Fourth Street	\$50,000
Poplar Avenue	\$10,000

East King Street (Fourth Street to Seventh Street)	\$92,000
Fifth Avenue (Montgomery Avenue to Queen Street)	\$65,000
Grandview Avenue (King Street to Lincoln Way West)	\$26,000
High Street (Franklin Street to Borough line)	\$88,000
Sixth Street (McKinley Street to Bender Avenue)	\$42,000

**B. STORMWATER DRAINAGE**

Leidig Drive (Rosewood Court to Orchard Drive)	\$55,000
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**Total for 2008 projects      \$708,000**

**PUBLIC WORKS PROJECTS – 2009**

**RECONSTRUCTION OF STREETS**

Brumbaugh Avenue	<b>\$1,000,000</b>
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**NOTE:** Recently, PennDOT officials indicated that they did not expect applications for infrastructure improvements under the Safe Routes to School Grant Program to be available until the fall of 2008. If Town Council desires to continue to seek grant monies to assist the Brumbaugh Avenue property owners in the construction of curbs and sidewalks, the reconstruction of Brumbaugh Avenue should probably be moved to 2010. If the result of that decision is to move to 2010 projects to 2009, Town Council's Curb and Sidewalk Compliance Committee will need to accelerate its policy review and provide the staff with direction.

**PUBLIC WORKS PROJECTS – 2010**

**A. RECONSTRUCTION OF STREETS**

Ohio Avenue (Edgar Avenue to Route 11)	\$65,000
Hudson Avenue (Alexander Avenue to Edgar Avenue)	\$120,000
Horst Avenue (Alexander Avenue to Edgar Avenue)	\$90,000

**B. OVERLAY OF STREETS**

East King Street (Hospital eastward to terminus)	\$50,000
Nelson Street (Hospital eastward to terminus)	\$50,000
Duncan Avenue (Hospital to terminus)	\$50,000
Spring Lane	\$20,000
Carlton Avenue (Scotland Avenue to Alexander Avenue)	\$30,000
Edgar Avenue (Hudson Avenue to Roland Avenue)	\$70,000
North Coldbrook Avenue	\$50,000
Elder Street (Hood Street to terminus)	\$60,000

**C. STORMWATER DRAINAGE**

Progress Drive (to Hollywell Avenue)	\$900,000
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**Total for 2010 Projects      \$1,555,000**

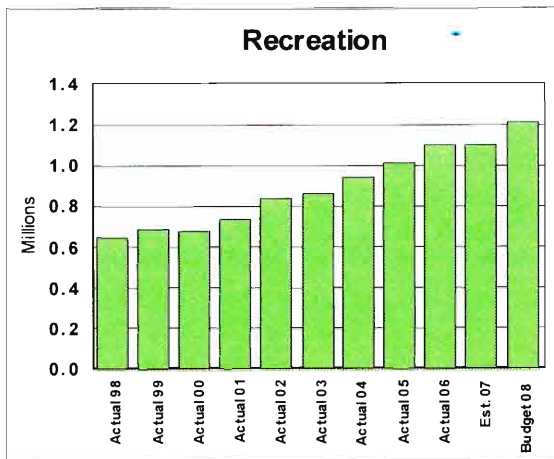


It should be noted that the 2008 Traffic Operating budget includes a \$60,000 transfer to the General Fund Capital Reserve (traffic section) for traffic signal construction and replacement. This transfer will assist in generating the necessary capital for the signalization of Edgar and Norland Avenues, a signalization project which Council has committed to in its permit application to PennDOT. While good planning provided for the installation of traffic signals at five (5) intersections in 2007 at no cost to the Borough tax payers, we are beginning to see an increase in the budget for the operation and maintenance of traffic signals, a long term obligation of the Borough. In 2008 we expect to complete the replacement of 22 mast light poles in the downtown as the result of a matching Hometown Streets grant. A transfer of \$50,000 from the street lighting operating budget to the General Capital Reserve (street lighting section) will support this street lighting project.

New Light Poles  
for Downtown in 2008



## RECREATION DEPARTMENT



The Recreation Department, the fourth largest General Fund appropriation category, has a 2008 budget of \$1,212,750, an increase of 11.4% over the 2007 budget. This increase is due primarily to increased maintenance costs resulting from the new recreation areas as well as increased operating costs at the Recreation Center and the Municipal Pool. The department represents 10.6% of the 2008 General Fund budget. The personnel (payroll and related) costs represent 56.8% of this department's budget. The department will transfer \$10,000

to the Workers' Compensation fund to cover losses over the past year. The department will continue its \$6,000 transfer to support the Chambersburg Area Council of the Arts and their summer programs at the Memorial Park. The department will also transfer \$64,000 to the General Capital Reserve (Recreation) to support the following improvements in 2008: air conditioning in the new gym, a skate park on North Fourth Street and a manlift for maintenance in the Recreation Center gyms. While not part of this budget, in 2008 the Recreation Department faces a number of major decisions. Last month Town Council entered into an agreement with the CASD which will result in the Borough receiving \$700,000 from the CASD for specified traffic control improvements in conjunction with the expansion of the Chambersburg Area Senior High School and unspecified recreational improvements. Given the costs estimates on the traffic control improvements, it is anticipated that the Recreation Department may have as much as \$350,000 for recreational improvements. It is my recommendation that Council specify that those monies be used to upgrade the Memorial Park tennis courts as well as carry out the Phase One improvements to Henninger Field. Two (2) years ago the Clay Henninger family contributed \$41,000 to the Borough to replace the scoreboard at Henninger Field as well as provide for upgraded lighting on the field.



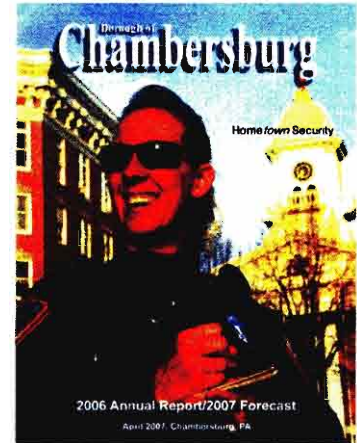
Mike Waters Memorial Park  
Master Plan

The scoreboard was replaced and monies were used to purchase the lights which have yet to be installed. Thus, I am recommending that we carry out the Phase One improvements to Henninger Field which will result in the installation of the new lights, replacement of the outfield fence with a warning track and significant improvements to the playing surface as well as ADA bathrooms. The other decisions also will involve significant investments by the Borough. There are a host of decisions to be made with

regard to the following: Mike Waters Memorial Park, the Municipal Pool, three (3) new parks and the Conococheague Creek study.

### **GENERAL ADMINISTRATIVE DEPARTMENT**

The General Administrative Department has the fifth largest appropriation for the 2008 General Fund. This department represents 7% of the General Fund budget. The department's budget for 2008 is \$808,450, a 2.6% increase over the 2007 budget. The Administrative Services (Finance) Department represents just about 45% of this department's budget. The General Administrative Department contains the overhead of all the General Fund departments as well as salaries for elected officials and tax collection expenses. It is from this department that we finance special services such as our annual report to the community. This department continues a very modest transfer to the General Capital Reserve (General Administrative section) to be used for physical improvements to the second floor of Borough Hall as well as the replacement of office equipment.



2006 Annual Report cover

### **PLANNING, ZONING AND CODES DEPARTMENTS**



Walking School Bus for Steven's School Children

The combined 2008 budget of the Planning, Zoning and Property Maintenance Departments is \$460,700, an increase of 11.4% as compared to the 2007 budget. These departments represent 4% of the 2008 General Fund budget. The significant increase in appropriations for these departments is due primarily to the Stouffer case which presently involves appeals before the Zoning Hearing Board with regard to the Borough's Environmental Overlay District in its Zoning Ordinance. The expected legal fees from that case result in the 2008 Zoning budget increasing over 50% as compared to the 2007 budget. The full-time position of Community

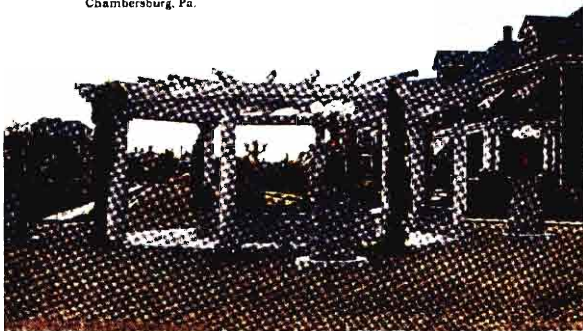
Development Specialist has enabled these departments to be more effective in their mission. The position has given the departments the ability to administer almost \$400,000 in housing rehabilitation monies as well as provide some additional assistance in Property Maintenance Code Enforcement. The staff is currently looking at USDA Rural Development monies which would provide low interest loans for housing repair and rehabilitation. The staff has also been actively involved in community projects such as the Walking School Bus Project to enhance the safety of the Stevens School children. The Property Maintenance Code Officials continue to carry out a very effective

rental property inspection as well address innumerable complaints regarding conditions of properties throughout the Borough.

**MISCELLANEOUS DEPARTMENTS**

Fountain at "Glen Square"

Fountain "Glen Square" Grand View, Chambersburg, Pa.

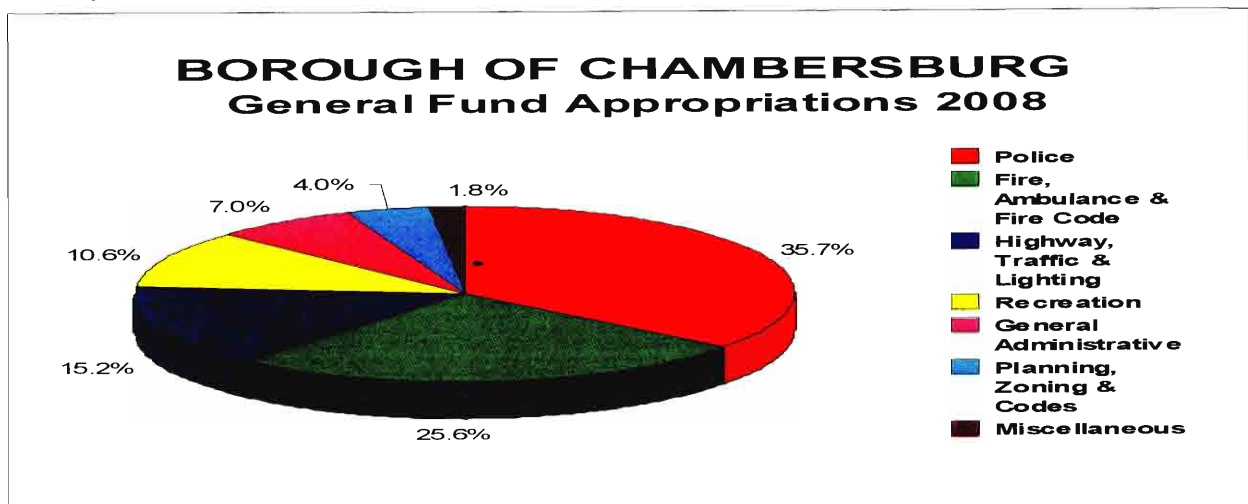


Yesterday



Today

The combined budget for these departments in 2008 is \$104,450, an increase of 6.1% as compared to the 2007 budget. These departments represent less than 1% of the 2008 General Fund budget. The maintenance of landscaped areas (which represents over 50% of this budget) is increased for 2008 in anticipation of additional maintenance expenses resulting from the new Chambers Fort Park. While not a part of the Miscellaneous Departments, it is appropriate to mention a special interfund transfer for 2008. In fact, there will be two (2) interfund transfers relative to this proposed project. Interfund transfers of \$100,000 from the General Fund and \$50,000 from the Electric Operating Fund to the General Capital Reserve (Community Development section) will be used for the restoration and conservation of the Glen Street fountain and the historic lights on Glen Street. In 2005 A.R.T. Research Enterprises, Inc. of Lancaster, PA provided a proposal regarding the preservation of these historic facilities. At that time their preservation estimate was \$112,000. Having been unsuccessful in obtaining grants, I am recommending that this important preservation project be funded and undertaken in 2008. We intend to use \$50,000 that we will receive from the Wilson College conduit bond issue to finance this project.



**BOROUGH OF CHAMBERSBURG**  
General Fund Budget Summary

FOR 2008

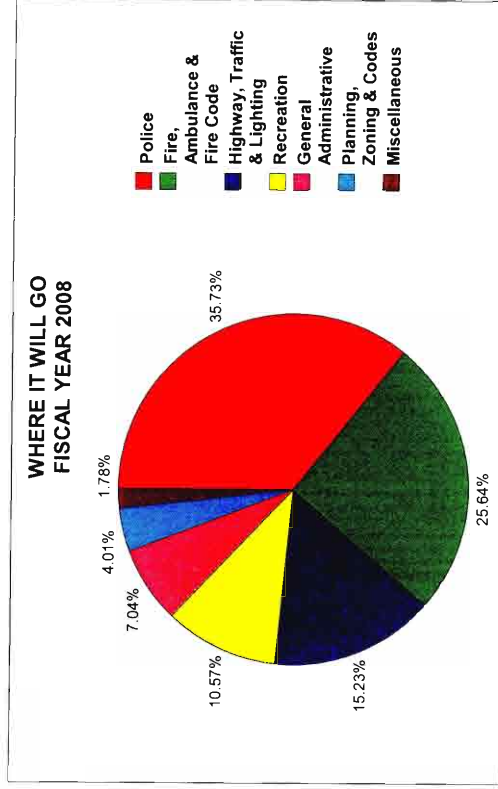
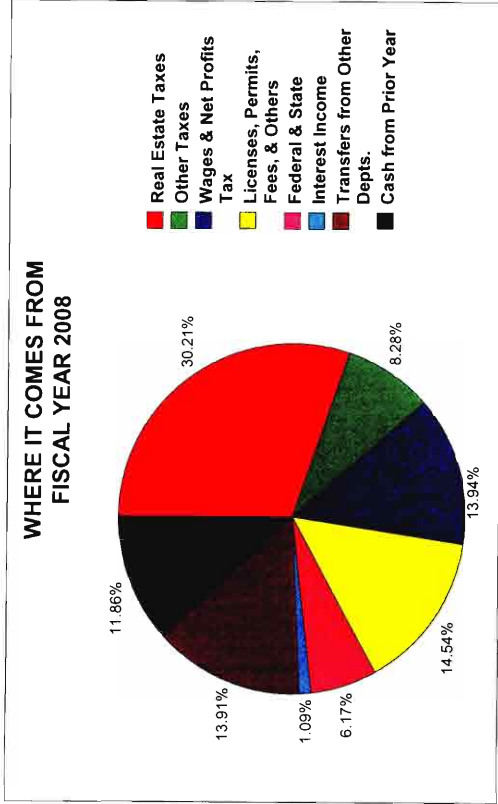
REVENUES	PERCENT	APPROPRIATIONS	PERCENT
Real Estate Taxes	30.21%	Police	4,101,175
Other Taxes	8.28%	Fire, Ambulance & Fire Code	2,942,795
Wages & Net Profits Tax	13.94%	Highway, Traffic & Lighting	1,747,950
Licenses, Permits, Fees, & Others	14.54%	Recreation	1,212,750
Federal & State	6.17%	General Administrative	808,450
Interest Income	1.09%	Planning, Zoning & Codes	460,700
Transfers from Other Depts.	13.91%	Miscellaneous	204,450
Cash from Prior Year	11.86%		

TOTAL REVENUES

-----  
11,478,270 100.00%  
=====

TOTAL APPROPRIATIONS

-----  
11,478,270 100.00%  
=====





## ENTERPRISE FUNDS



Utilities Service Center on S. Franklin St.

The Borough has six Enterprise Funds (Electric, Gas, Water, Sewer, Sanitation and Parking). These funds are supported by revenues generated from charges to the users for services rendered. The funds are not supported by tax dollars or transfers from other funds. The established charges (rates) which determine the revenues for these funds can be adjusted at anytime throughout the year. As noted previously, **we do not anticipate rate increases in any of our enterprise funds with the exception of the electric rates.** It is anticipated that the electric rates will increase as much as 20% by the end of 2008 resulting from a new wholesale power supply contract with DTEET which will become effective

January 1, 2008. The Electric Department and its consultant, Downes Associates, Inc., have spent an inordinate amount of time analyzing Requests for Proposals (RFPs) as well negotiating with the more favorable proposers for a new wholesale power supply contract. In addition to those efforts, the Electric Department has made significant efforts to mitigate the wholesale power supply costs to our customers by investing in generation, etc. These efforts reflect the following comments that Alan Richardson, APPA President and CEO, made in June 2007 at the APPA National Conference: "Public power's singular focus on its customers allowed an otherwise diverse group of utilities to succeed during a decade of upheaval. But public power's singular focus on serving its customers gives us a commonality of purpose. We exist for this purpose, and this purpose alone. That focus is why we have succeeded in the past and why we will continue to succeed in the future."

It should be noted that this is the mindset in which the Borough operates all of its utilities, not just its Electric Department. While our electric rates are competitive (squeezed by the rate caps imposed by the state on investor-owned utilities), our Gas, Water, Sewer and Sanitation rates are among the lowest in the State. As I have repeatedly said, the average Borough residential customer pays less for water, sewer and sanitation on a monthly basis than the Comcast Cable customer with basic service. In 2007 the average Borough residential customer will pay approximately \$44 per month for water, sewer and sanitation services while that same customer receiving the Comcast basic cable service will pay about \$57.08 per month (beginning November 5, 2007) for that service. In a recent report to Town Council, the Gas Superintendent indicated that the Borough's natural gas rates are the lowest in the state. He cited a number of reasons for this situation. He emphasized the fact that the gas utility (like the other Borough utilities) is a consumer owned utility. Thus, the mission is to provide safe, reliable, low cost gas to our customers as opposed to making a profit for shareholders. He also emphasized the synergy of the Borough utilities resulting from the use of



shared resources. Instead of duplicating costs, the Borough utilities share the costs of meter reading, billing, collecting and accounting, an administrative office building and a services center. The utilities also benefit from coordinated planning as well as cooperative efforts in the field. Just recently we received a note from a relatively new resident who lives on Stonegate Circle North. She indicated that "I love living in the Borough close to everything and the utilities are within my budget". It is the economies of scale reached by operating four utilities along with the customer focus that makes the Borough utilities "affordable". Moreover, affordability is also the result of good policy decisions by Town Council. Historically, Council has had utility policies of termination of service for non-payment as well as liening benefited properties for unpaid utility bills. Recently, the consulting firm of Booz Allen Hamilton advised the City of New York to shut off service to single family houses and place liens on multi-family buildings and commercial properties when the owners have not paid their bills. This policy change would aid the city in collecting some \$430 million in overdue water accounts a year old. It is these policies that enable the Borough to collect 99.97% of its utility billings; thus, the cost of utility services is more affordable for all customers.

## **ELECTRIC**



The expanded Cree Electric Substation on Walker Road

The mission of the Electric Department is as follows: "The Chambersburg Electric Department will provide to our customers viable energy products and services that are safe, reliable and competitively

priced. The Electric Department will produce economic and other benefits for the Borough, its citizens, its employees and its customers while operating in a professional and courteous manner within a structure of local accountability and local control." The Chambersburg Electric Department is the largest municipal electric utility in Pennsylvania. Chambersburg's energy consumption is more than double the second largest municipal electric in the state. Of the 35 municipal electric systems in Pennsylvania, Chambersburg is the only one with generation capabilities. Chambersburg's ability to generate up to 30 MW has been a significant factor in mitigating the cost of deregulated wholesale power. While we expect that our wholesale power supply costs will nearly double beginning with a new power supply contract in January 2008, we anticipate that we will be able to reduce the cost of that power to our customers through the use of generation and other mitigation tools. At this time we expect that our electric customers will see about a 20% increase in their costs by the end of 2008. Moreover, the department had hoped to reduce the impact of the increase in the wholesale power to the Borough by having accumulated cash reserves. However, the cash reserves had to be used to help mitigate the almost \$4.9 million more in

charges by PJM for electric transmission resulting from congestion at a substation in West Virginia.

While 2007 has been dominated by negotiations for a new wholesale power supply contract and the PJM congestion issue, much work in the field has occurred in terms of expanding and upgrading the distribution system including the expansion of the Cree Substation off of Walker Road. Moreover, the department was responsible for the oversight of the installation of new traffic signals at five (5) intersections in the Borough. Additionally, in anticipation of the retirement of the Electric Superintendent at the end of 2008, the department hired a second Assistant Electric Superintendent who will focus primarily in the electric supply area while the present Superintendent will focus on distribution matters. The second Assistant Superintendent position will be a temporary position until the Superintendent retires. However, in 2008 the department intends to add two (2) new positions. The first position would be an Engineer/Assistant to the Superintendent to provide the day to day specialized technical support (Electrical Engineer) as well as develop a background in the entire system. The second position would be an Assistant Power Supply Supervisor who would aid the present Supervisor in the increased PJM monitoring requirements and duties associated with the power plants and their possible expansions. The department will not only look at the possibility of expanding the Orchard Park Generating Station, it will also continue to evaluate the use of renewable energy (landfill gas and methane gas) as other sources of fuel for generating or as an actual part of the generated supply. In 2008 the department will contribute \$800,000 to the General Fund. That contribution represents 3.2% of the 2008 projected revenue from the sale of electricity. Additionally, the department will make a one-time contribution of \$50,000 to the General Capital Reserve (Community Development) to support the preservation of the historic street lights on Glen Street. In 2008 the department will undertake the replacement of all the mast street lights in the downtown as well as do the planning for the signalization of the Norland and Edgar Avenues intersection. Moreover, the department will undertake an extensive capital program in 2008 as reflected on the table below.

**Table**  
**2008 ELECTRIC CAPITAL\***

Install gate and rebuild vehicle bridge over stream at power plant	\$ 310,000
Install switches, transformers and underground cable in new developments	\$ 383,000
Partially expand Commerce Street substation	\$ 150,000
Start implementation of remote meter reading project	\$ 50,000
Construct alternate feeds to Hospital from Cree and Commerce Street substations	\$ 140,000

Purchase manlift for use at Orchard Park Generating Station	\$ 80,000
Improve transmission system protective relaying	\$ 50,000
Provide for improvements to distribution system (poles, service, etc.)	\$ 190,000
Begin work on feeder conversion to serve CASHS expansion at 12KV	\$ 100,000
Continue voltage conversion in Rustic Hill/Geyer Drive Area	\$ 85,000
Provide for improvements & enhancements to generation stations	\$ 70,000
Complete fiber installation to substations and activate for SCADA use	\$ 30,000
Purchase transformers for Kmart Plaza voltage conversion	\$ 70,000
Total	\$1,708,000

\*list does not include all capital work

**GAS**



Mayor Samuel Worley gives  
a hand to the Gas Crew -

The mission of the Gas Department is as follows: “The Chambersburg Gas Department will provide our customers with prompt, professional service; a reliable and safe system with reasonable and stable rates. We exist to generate benefits for the community we serve.” To that end, the department continues to be successful by providing a safe natural gas utility, gas rates significantly lower than the local private gas systems, service that is second to none and contributions to the General Fund to offset Borough property taxes. Though the department has not had a rate increase since January, 1995, it has had to pass on the Borough’s higher wholesale gas costs over the last few

years. As we approach this winter, the department projects that the Borough’s residential heat customers will pay about 5% less than last winter. Since the Borough has the lowest gas rates in the state, we know that the Borough’s residential gas

customers will pay less than natural gas customers of investor-owned utilities in the region. However, it appears that the extremely high natural high gas commodity costs as well as continued price volatility will continue in the gas industry for the foreseeable future. We expect that to be the situation as the Federal government wrestles with a number of key industry issues such as safety rules, pipeline rates, market transparencies and climate change legislation. Climate change legislation will definitively have an adverse impact on wholesale natural gas costs unless Congress opens a number of environmentally protected areas for gas supply drilling. In an October 3, 2007 Bloomberg Report, the gas industry was reported as stating that U.S. natural gas prices will be 38% higher than current forecasts by 2030 under proposed legislation to reduce greenhouse gas emissions. "Unless policy makers adopt policies that encourage ample, environmentally responsible production of the natural gas we need to meet climate change goals and keep us globally competitive, future generations of American businesses and families will pay a hefty price," according to Dave Parker, president of the American Gas Association.

In 2007 the department replaced over ¾ of a mile of gas mains (to stay ahead of the public works program) as well as rebuilt the Wayne Avenue and Orchard Drive regulator stations. In 2008 it plans to replace 1-½ miles of gas mains as well as extending the 45 psi main at the intersection of Franklin and King Streets to the new Gordy Elementary School on Miller Street. The department has taken a number of actions, such as doing capital work in-house, implementing cost saving measures and increasing sales to the Electric Department, which have enabled the department to control costs, avoid gas rate increases and remain debt free. The department will contribute \$350,000 to the General Fund in 2008. That contribution represents 3.7% of the expected revenues from the sale of gas in 2008. Highlights of the department's planned 2008 capital program are shown on the table below.

**Table**  
**2008 GAS CAPITAL\***

Cleveland Ave. (McKinley to Garfield)	\$ 25,000
Cedar St. (Catherine to South)	\$ 10,000
Fairground Ave. (McKinley to Derbyshire)	\$ 10,000
Hazel St. (Wolf to Philadelphia)	\$ 20,000
McKinley St. (Cleveland to 4th)	\$ 30,000
N. Fourth St. (LWE to King)	\$ 15,000
E. King St. (4th to 7th)	\$100,000
Fifth Ave. (LWE to Montgomery)	\$ 70,000

Grandview Ave. (King to Ermine)	\$ 10,000
High St. (Franklin to Garber and Glen to Chopin)	\$ 10,000
Gordy School gas main extension**	\$ 76,000
Miscellaneous new gas services	\$ 15,000
Total	\$391,000

\* list does not include all capital work; \*\*\$74,000 to be paid by the CASD

## WATER



Long Pine Run Reservoir

The mission of the Water Department is as follows: “The Chambersburg Water Department will provide its customers with the best quality of water possible at a reasonable price. The department does this by protecting the watershed, treating the water using the best available technology and delivering the water through a gravity-fed transmission and distribution system at adequate pressure and volume.” Chambersburg is known for its excellent water quality and supply. The supply originates from an 18.5 square mile watershed in the Michaux State Forest and is stored in the Long Pine Run Reservoir containing up to 1.8 billion gallons of water.

In the 2007 Water Quality Report, the Borough’s Water Treatment Plant Supervisor wrote about supply as follows. “A recent article in the Public Opinion reported that there has not been a comprehensive county water supply study done in 40 years. Lack of planning has resulted in water shortages throughout the county. A photograph of a “half empty” Long Pine Reservoir was used to illustrate this point. Although it is true that Long Pine Reservoir had receded to its lowest level since construction during the 2001-02 drought, there was still a 180 day supply remaining at that time. Reservoirs are not designed to remain full at all times. They are built to store water and to maintain an uninterrupted supply during dry periods. Long Pine Reservoir is an example of proper planning. It was built at a substantial cost and not without controversy. Today we are reaping the benefits of that project. We have an adequate supply of water for many years to come and the cost to provide it is among the lowest in the county.”

With regard to quality, the report notes that the water that Chambersburg produces greatly exceeds all U.S. Environmental Protection Agency (EPA) and PA Department of



Environmental Resources (DEP) standards. However, the Water Treatment Plant Supervisor recently noted his concerns about and efforts to rectify the coloring of the water (following heavy rains) because the Birch Run Reservoir no longer exists to act as a clarifier. Whenever that situation occurs, the operation of the Water Plant is discontinued. At that time the water to the community is provided from the nine (9) million gallons of water storage which the Borough's water system contains. In terms of average daily flows, those nine (9) million gallons of storage could last in excess of two (2) days. However, if we find ourselves in the situation where we cannot bring clarity to the treated water in that time frame, the Borough would be forced to issue a boil water advisory. Moreover, in accordance with the PA Department of Environmental Protection (DEP) regulations, we will soon begin issuing boil water advisories in connection with water main repairs and replacements.



Clarifier at the Water Treatment Plant

In 2007 the Water Department continued to invest in its system. The "pipe crew" made a significant number of repairs on the distribution system. The department (by contract) cleaned and lined the 1911 transmission main east of town. The department also painted the clarifiers at the Water Treatment Plant. It continued its meter replacement program as well as began the painting of fire hydrants. In 2008 the department will continue its capital program as set forth in the table below. The department will contribute \$72,000 to the General Fund in 2008.

**Table  
2008 WATER CAPITAL\***

Design of Weirs and Towers Modifications at Long Pine Reservoir	\$ 135,000
Design, bid and construct Mill Road water main	\$ 120,000
Install Keystone Avenue meters	\$ 20,000
Design and construct equipment storage facility (1/2 of \$150,000)	\$ 75,000
Design and install new Water Plant controls	\$1,755,000
Repair Water Plant filter walls	\$ 100,000
Purchase Slope Mower for Long Pine Run Dam	\$ 32,000
Improvements ahead of the street overlay projects	\$ _____
Total	\$2,237,000

\* list does not include all capital work

## SEWER



Public sewer to be extended  
westward on Mill Road

The mission of the Sewer Department is as follows: "The Chambersburg Sewer Department will provide residences, businesses and industries with sanitary sewer service at the lowest possible costs. The wastewater shall be collected and treated to meet or exceed state permit requirements for the protection of the public health and the environment." The Borough owns and operates a state of the art wastewater treatment plant (WWTP) to provide service to not only the Borough of Chambersburg but also the Townships of Guilford, Greene and Hamilton. This regional treatment facility has been a symbol of intermunicipal cooperation for almost 40 years. The plant can treat up to 6.8 mgd average daily flow and up to 17 mgd peak flow. With the rapid

development in the area and the need for compliance with DEP's proposed Chesapeake Bay Tributary Strategy, the Borough and the Township authorities have undertaken Act 537 Sewage Facilities planning to prepare for the expansion of plant capacity as well as the implementation of nutrient removal technologies. However, in August 2007 DEP responded to the Borough's 2006 Chapter 94 (Sewage) Report and the Borough's Non-Compliance Discharge Reports for the Wastewater Treatment Plant since 2003. The response indicated that the Borough must comply with Section 94.21 (Existing Overload) of Chapter 94 which prohibited any new connections to the Borough (and Townships) sewer systems until the Borough submitted a corrective action plan satisfactory to DEP. In the analysis of the Borough's reporting to DEP, it was determined that there was no actual or projected hydraulic overload. Thus, the Borough is currently working to address DEP's concerns with the intent of having the prohibition on new connections to the Borough and Townships sewage facilities removed by the end of October, 2007. It is expected that the satisfactory operation of the Wastewater Treatment Plant as well as efforts to reduce infiltration and inflow into the collection systems will be paramount until an expanded WWTP can be completed. We expect to begin the design of an expanded WWTP in 2008. In 2007, through the combined efforts of DELM Developers and the Borough, public sewer was made available to a number of properties on Mill Road for the first time since their annexation 40 years ago. In 2008 public sewer will be extended to additional properties along Mill Road as well as properties on South Main Street north of Mill Road with the assistance of a Federal grant. The department's 2008 capital program appears in the following table.

**Table**  
**2008 SEWER CAPITAL\***

Bid and construct Mill Road sewer	\$100,000
Bid and construct South Main Street sewer	\$100,000
Construct Mill Road/South Main Street sewer laterals	\$ 30,000
Complete Act 537 Sewage Facilities Study for Wastewater Treatment Plant Expansion and Nitrogen and Phosphorus Removal	\$110,000
Conduct sewer smoke testing (Downtown area)	\$ 10,000
Install and conduct sewer metering	\$324,000
Design and construct equipment storage facility (1/2 of \$150,000)	\$ 75,000
Improvements ahead of street overlay projects	\$ _____
Total	\$749,000

\*list does not include all capital work

**SANITATION**



Sanitation Crew

The mission of the Sanitation Department is to keep the Borough sanitary and clean. It does so in accordance with the Pennsylvania Solid Waste Act (97) and the Pennsylvania Recycling Act (101). The Sanitation Department (and the Parking Department) are different from the other enterprise funds in that they are not capital intensive. In carrying out its mission, the department collects municipal solid waste from residential properties weekly and recycles on a monthly basis. For the first time in 30 years the department began collecting solid waste by containers from

Front Row – Dustin Humelsine, Ed Klotz  
 2<sup>nd</sup> Row – Arnold Barbour (Supervisor), Terry Holtry, John Bard, Tony Burkentine  
 3<sup>rd</sup> Row – Mark Holtry, Clarence Trump, Bill Stanley, Ben Holtry, Dick West

commercial and industrial establishments in 2007. The department also collects solid waste from downtown public containers (including the Rail Trail) as well as provides for leaf collection and composting, bulky item collection and disposal and Christmas tree collection and chipping. The department collects and disposes of almost 13,000 tons of refuse (excluding commercial containers), 300 tons of bulky items and about 600 tons of recyclables annually. The department also performs the task of sweeping streets and alleys as well as doing weed control and hand mowing in the public rights-of-way. Since our landfill disposal rate of \$39.50 per ton (for 2007) will not increase in 2008, we will be able to avoid a rate increase again in 2008. Our present residential rate of \$11.50 per month is significantly lower than the sanitation rates paid by the residents in surrounding municipalities. In 2007, as part of its comprehensive planning process, the Borough conducted a community survey to get opinions from the citizens as to their satisfaction with the services being provided by the Borough. Garbage collection and recycling pickup had the highest responses for services with which respondents were **very satisfied**. Congratulations and thanks for a job well done to the employees of the Sanitation Department who are pictured above.

## PARKING

The Parking Department is responsible for the operation, maintenance and improvements of the metered parking facilities in the downtown area. At this time these facilities have almost 1,100 meters. The Downtown Parking Committee provides recommendations to Town Council with regard to primarily the metered parking facilities in the downtown. In 2008, the Committee is planning to complete the replacement of the old mechanical meters with electronic meters in order to reduce meter maintenance cost as well as reduce customer complaints. The Committee is also



New Rosedale Parking Lot under construction

interested in developing additional parking to the rear of Borough Hall following the completion by Noelker and Hull of the feasibility study to expand Borough Hall. In 2007, the Committee recommended an agreement with the Patriot Federal Credit Union which would allow the Credit Union to place an ATM on the Loudon Street Lot. This endeavor will result in additional revenues for the Parking Department as well as improvements to the Loudon Street Lot. In 2008 the Borough intends to sell its property at the corner of West Queen Street and Black Avenue with half of the proceeds from that sale going to the Parking Fund. Downtown parking will also be improved in 2008 with the completion of the Village on Falling Spring project which will bring approximately 56 parking spaces back to the parking lot known as the Rosedale Lot.





Residential construction continues in the South End



Borough's new recreation area in Nicholson Square



## INTERNAL SERVICE FUNDS

The Borough has six Internal Service Funds which are designed to provide specific services to the General and Enterprise Funds. These service funds are as follows: Stores, Motor Equipment, Engineering, Self Insurance, Workers' Compensation and Administrative Services. Since these Internal Service Funds exist solely for the purpose of providing services for other funds and derive their revenue from charges for services rendered, I will provide only a limited review of these funds.

### ADMINISTRATIVE SERVICES



IT Tech Shawn Chilcote checks phone equipment in Borough Hall

Administrative Services is the largest of the Internal Service Funds in terms of both personnel and appropriations. Administrative Services is synonymous with the Finance Department. The Finance Department is responsible for the complete financial, utility meter reading and parking meter operations of the Borough as well as the operation and maintenance of Borough Hall. The proposed 2008 budget is \$2,115,350, an increase of 2.5% over the 2007 budget. With the emphasis of the Borough's auditor (Smith Elliott Kearns and Co.) on information technology (IT), an additional technician position was added to the Finance Department's IT section in 2007. That additional position has enabled the Department to not only do IT crisis management better but also to plan

for improvements. The department plans to continue to streamline its accounting operation as well as become more effective in the billing and collection areas through greater mechanization. The IT personnel will also focus on the security of the IT function as well as submit six-month reports to the Borough Manager on their objectives and accomplishments. In 2006 the Borough received for the second time a Certificate of Achievement in Excellence in Financial Reporting from GFOA based on the Borough's Comprehensive Annual Financial Report (CAFR). The department submitted a CAFR in 2007 with the expectation of receiving that same recognition. The CAFR and the Certificate of Achievement take on additional importance when the Borough is seeking ratings for bond issues. In 2007 the Finance Department played an important role in refinancing portions of two (2) earlier Electric bond issues which resulted in savings of approximately \$400,000 for the Electric Department in 2007. The department will begin to focus on disaster recovery planning to insure the ongoing fiscal operation of the Borough in the mist of and following disasters.

## **MOTOR EQUIPMENT**

In terms of appropriations, the Motor Equipment Department is the second largest Internal Service Fund. The department currently manages a rolling stock of almost 120 vehicles. The department purchases and maintains the motorized vehicles for all departments. In turn, the other departments pay the Motor Equipment Department rental rates which are designed to cover operation, maintenance and depreciation. The department's appropriation in 2008 is \$1,395,650. The vehicle upkeep and purchases of new equipment account for over three-quarters of this department's budget. The department's 2008 vehicle purchase/replacement schedule is reflected in the table which follows. The department will contribute \$50,000 to the General Fund in 2008.

**Table**  
**2007 MOTOR EQUIPMENT CAPITAL**

### **Police**

Replace Vehicle #395 being a 2003 Chevy Ext. Cab pickup with a new 2008 Chevy Ext. Cab pickup. Vehicle #395 will be sold at auction.	\$30,000
Replace Vehicle #475 being a 2004 Ford Expedition SUV with a new 2008 Ford Expedition SUV. Vehicle #475 will be sold at auction.	\$40,000
Replace Vehicle #386 being a 2003 Dodge Intrepid with a 2008 Dodge Charger. Vehicle #386 will be sold at auction.	\$30,000

### **Ambulance**

Replace Vehicle #1-8 being a 2000 Ford Type 1 with a new 2008 Type 1 Ambulance. (Originally scheduled in 2007)	\$145,000
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### **Gas**

Replace Vehicle #409 being a compact 1994 Chevy 4x4 pickup truck with a new compact 2008 4x4 pickup truck. Vehicle #409 will be transferred to Stores.	\$20,000
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### **Electric**

Replace Vehicle #14 being a compact 2000 Dodge 4x4 pickup truck with a new 2008 1-ton Ford Ext. Cap Utility Body Truck.	\$40,000
Purchase a hydraulically powered mini line construction vehicle.	\$102,000

### **Finance**

Replace Vehicle #935 being a compact 1999 Ford Ranger pickup with a new compact 2008 4x4 pickup truck. Vehicle #935 will be	\$18,000
---	----------

sold at auction. (Originally scheduled in 2007)

### **Recreation**

Replace Vehicle #34 being a 1990 John Deere Tractor & Mower with a new 2008 John Deere Tractor & Mower.	\$28,000
Purchase one (1) Rahn Groomer w/ 3-point hitch mount, leveler bar broom, heavy-duty scarifier and spring tine scarifier.	\$2,600
Total	\$455,600

### **STORES**



Forklift operator Rob Wells moves materials for the Warehouse

The Stores Department (Warehouse) is responsible for the purchase, storage and disbursal of approximately \$1,000,000 worth of inventory. Approximately half of this inventory is turned over each year. While the 2008 Stores appropriations are \$902,450, about 80% of those operating expenses are the purchase of materials to replace the inventory which has been sold throughout the year to other departments. The Warehouse inventory is used to support the construction and maintenance functions of primarily the Borough utilities. The inventory kept at the Warehouse enables the Borough utility departments to respond rapidly to emergencies

as well as anticipate project needs without waiting for essential items to be delivered. The efficient purchasing procedures practiced by the Stores Department provide significant cost savings to the Borough. The Stores Department works closely with its user departments to manage inventory in the most cost effective manner. In 2008, the Stores Department will acquire a 1994 pickup truck from the Gas Department. The truck will be used to pick up materials for the warehouse as well as deliver materials from the warehouse to the job sites. This will make for a more effective Borough operation since we will not be using field personnel to pick up and deliver materials.

### **ENGINEERING**

The Engineering Department is responsible for furnishing civil engineering, surveying, drafting, utility location and GIS services to other departments. It maintains records and drawings of streets, utilities and properties owned by the Borough. The department designs and inspects the Borough's public works projects and provides for the inspection of curbs

Budget Photographer Brian Fogal operates transit while surveying



and sidewalks done by private contractors. The department is very much involved in the development of the implementation strategies relative to the Borough's policy with regard to sidewalks and curbs. The department continues to develop and maintain a Geographic Information System (GIS) for the Borough. The GIS Manager has obtained GISP (GIS Professional) certification. Today the department is maintaining and building on 222 layers of GIS information and 221 different GIS maps. This information represents a total of 50 gigabytes on the GIS server. The department has scanned over 25,000 documents. More significantly, the GIS information is now being accessed in the field through the use of laptop computers. Additionally, the GIS information is being shared with Franklin County Emergency Management in order for them to improve the 911-response system. In addition to the Department Head, the Engineering Department operates with four employees and the 2008 appropriation for the department is \$228,600. Many of the department's charges are made directly to the user departments. The location of utilities as well as the building and maintenance of the GIS information dominate the Department's workload. The Engineering Department will contribute \$25,000 to the General Fund in 2008.

## **SELF INSURANCE AND WORKERS' COMPENSATION**



HR (Dave Finch, Sherry Tarquino, Kris Baker)  
reviews Safety Program with Ron Pezon,  
Borough's newest employee

The Self Insurance and Workers' Compensation Funds exist for the purpose of funding risk which the Borough does not transfer to commercial insurance carriers or insurance pools. The Workers' Compensation Fund underwrites the risks to the Borough resulting from job-related injury or illness to its employees. A Specific Excess Workers' Compensation Policy with a million dollar limit and retention of \$350,000 limits the fund's exposure. The Borough's Workers' Compensation Self-Insurance Program is subject to State regulation and certified annually by the Pennsylvania Department of Labor and Industry, Bureau of Workers'

Compensation. We project the cash balance for the fund to be about \$618,590 by the end of 2008. That projected cash balance exceeds the State's required balance of \$539,068. The trust fund agreement requires the Borough to maintain a trust fund to provide for a source of funds for the payment of benefits. In order to maintain that balance as well as cover departmental losses, the Electric, Fire, Police, Recreation and Ambulance Departments will be making transfers to the Workers' Compensation Fund in 2008 totaling \$110,000. Though not regulated by the State, the Borough maintains another trust fund called the Self Insurance Fund which underwrites the risk to the Borough in the areas of general liability, errors and omissions and unemployment compensation. As the result of good experience which has contributed to the actuarial



soundness of the Self Insurance Fund, we had transferred \$250,000 per year since 2001 to support the General Fund operations. However, in 2006 we transferred only \$50,000 from the Self Insurance Fund to the operating General Fund. Moreover, we discontinued the transfers in 2007 and we are not budgeting transfers for 2008. Both the Self Insurance and Workers' Compensation Funds are subject to independent actuarial review on an annual basis to ensure their viability. Moreover, the Borough Safety Committee is actively involved in reducing risks. The Committee conducts inspections of Borough facilities and operations as well as reviews all losses with the ultimate objective of eliminating workplace hazardous conditions, accidents and injuries.



American Flag at Memorial Park



## CONCLUSION

The Chambersburg municipal operation is large, varied and complex. Of the 21 municipalities in Franklin County, Chambersburg is the largest, having about one-seventh of the County's total population. However, the Borough's revenues and expenditures represent about 60% of the total revenues and expenditures for the 21 Franklin County municipalities. Moreover, Chambersburg is the only community in Pennsylvania to own and operate four utilities. The size of the operation makes the budgeting process a major challenge. However, the budget process will only become more difficult because there are major expenditures that need to be addressed with the backdrop of a declining revenue base in the foreseeable future.

The 2008 budget contains the following programs which will have a very positive impact on the community:

- Continuing Investment in Public Safety
- Street and Stormwater Improvement Program
- Installation of a new Traffic Signal
- Replacement of Street Lights
- Improved Fire Code Inspection Program
- Systematic Inspection of Rental Properties
- Rehabilitation of Owner-Occupied Housing
- Numerous Electric Distribution System Improvements
- Major Gas Main and Service Replacements
- Major Water and Sewer System Improvements
- Parking Meter Replacement Program
- Motor Equipment Purchase/Replacement Program
- Geographic Information System Improvements



Roland Avenue - 2005



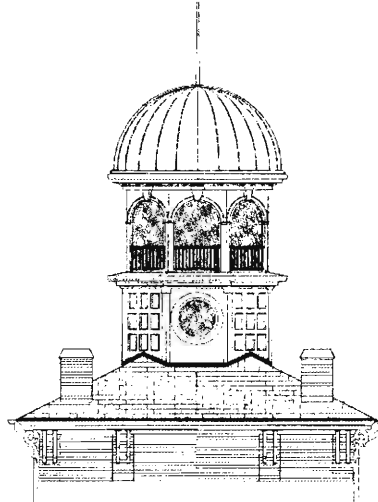
Roland Avenue - 2007

I encourage the Mayor and Town Council to review this 2008 Budget presentation carefully since it will serve as our financial, policy and operations guide to continue the Borough's tradition of sound fiscal management. Please keep in mind the following dates which you have set in order to meet our legal obligations with regard to the adoption of a budget:

Adoption of the preliminary budget and publication of the Notice of Public Inspection	October 22, 2007
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Adoption of the Final Budget and enactment of the Tax Ordinance	December 10, 2007
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I want to thank the Assistant Manager, the department heads and their staffs for their dedication and hard work throughout the year and their special efforts in the preparation of their budgets. I offer a special thanks to the Director of Finance (Cas Rzomp), the Budget Analyst/Financial Support Specialist (Janine Shoap), the Borough Secretary (Tannie Mickey), the Assistant Borough Secretary (Jamia Wright) and the Engineering Technician (Brian Fogal) for their significant efforts in the preparation of the Borough's 2008 Budget.



## **BOROUGH OF CHAMBERSBURG MISSION STATEMENT**

The Borough of Chambersburg is a municipal government in southcentral Pennsylvania committed to the well being of those people who live, work, play and travel in the community. We will strive to: 1) furnish such quality service as our citizens want and are willing to pay for; 2) manage our human, financial and physical resources in the most efficient and effective manner; 3) treat our employees, citizens and visitors with fairness, respect and equality; 4) protect persons, property and quality of life; 5) operate in accordance with the laws and constitutions of the Commonwealth of Pennsylvania and the United States of America; 6) make Chambersburg the model for Pennsylvania communities. (Adopted: April 22, 1992)

# COMMUNITY PROGRESS – 2007

## Downtown along the Falling Spring

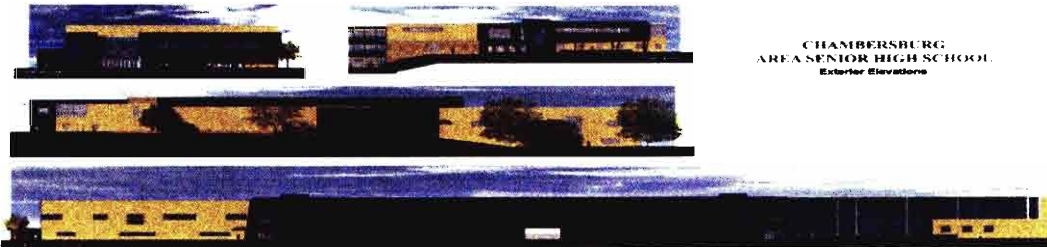


Yesterday



Today

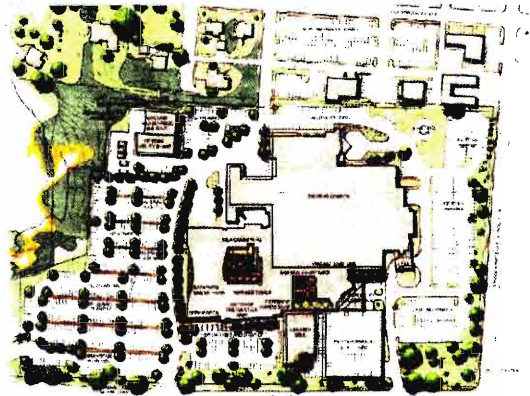
New Elementary School  
on Franklin Street



CHAMBERSBURG  
AREA SENIOR HIGH SCHOOL  
Exterior Elevations

The New CASHS

New Bed Tower at the  
Chambersburg Hospital



2008 Estimated Revenues						
Department/Fund	Interfund		Transfers		Total Cash 01-Jan-08	2007 Budget
	Operating Funds	Reserve Funds	Operating Funds	Reserve Funds		
	Receipts				2008 Budget	
General Operating Fund:						
Real Estate Taxes - Current Year	3,360,000				3,360,000	3,267,000
Real Estate Taxes - Prior Year	40,000				40,000	5,000
Special Purpose Tax - Prior Year					0	0
Emergency & Municipal Services Tax	550,000				550,000	900,000
Special Purpose Tax - Prior Years					0	0
Tax Liens	60,000				60,000	60,000
Deed Transfer Tax	400,000				400,000	300,000
E. I. & N. P. Tax (Wage)	1,600,000				1,600,000	1,425,000
Grant in Lieu of Taxes	8,000				8,000	8,000
Federal Receipts					0	0
State Inter-Governmental Transfers	708,000				708,000	679,500
Merchandising & Jobbing	100,000				100,000	100,000
State Sales Tax	2,500				2,500	2,500
Occupational Privilege Tax					0	0
Interest Income	125,000				125,000	82,000
Snow/Ice Removal Fines	1,000				1,000	0
Police Fines And Costs	100,000				100,000	100,000
Police Escorts					0	0
False Police & Fire Calls	15,000				15,000	15,000
Other Police Department Receipts	5,000				5,000	10,000
Property Maintenance Code Violation Fines	1,000				1,000	1,000
Recreation Department Receipts	300,000				300,000	270,000
Recreation Vending, Concession & Consignment	60,000				60,000	60,000
Property Maintenance Inspection Fees	90,000				90,000	75,000
Planning-Subdivision Review Charges	5,000				5,000	10,000
Fire Code Permits	5,000				5,000	4,000
Zoning Permits	2,000				2,000	2,000
Building Permits					0	0
Health Dept. - Licenses & Permits					0	0
Contributions for Ambulance Service	30,000				30,000	30,000
Ambulance Service Receipts	550,000				550,000	450,000
Ambulance Club Membership Fees	90,000				90,000	90,000
Residential Parking Permits	400				400	400
Airport Rentals					0	0
School Crossing Guards	30,000				30,000	25,000
Cable T. V. Franchise	250,000				250,000	250,000
Refunds	15,000				15,000	15,000
Property Rentals	5,000				5,000	5,000
Contributions from Private Sources	2,000				2,000	2,000
Miscellaneous	10,000				10,000	10,000
Sale of Property					0	100
<b>Total General Fund Receipts</b>	<b>8,519,900</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,519,900</b>	<b>8,253,500</b>

2008 Estimated Revenues

Department/Fund	Receipts	Interfund Transfers		Total Cash 01-Jan-08	2008 Budget	2007 Budget
		Operating Funds	Reserve Funds			
From - Other Funds					0	0
From - Electric Department		800,000			800,000	775,000
From - Water Department		72,000			72,000	72,000
From - Gas Department		350,000			350,000	335,000
From - Liquid Fuels Fund		300,000			300,000	300,000
From - General Capital Reserve					0	0
From - Engineering Department		25,000			25,000	25,000
From - Construction Department					0	0
From - Motor Equipment		50,000			50,000	50,000

Transfers:

From - Other Funds					0	0
From - Electric Department		800,000			800,000	775,000
From - Water Department		72,000			72,000	72,000
From - Gas Department		350,000			350,000	335,000
From - Liquid Fuels Fund		300,000			300,000	300,000
From - General Capital Reserve					0	0
From - Engineering Department		25,000			25,000	25,000
From - Construction Department					0	0
From - Motor Equipment		50,000			50,000	50,000

Total Transfers	0	1,597,000	0	0	1,597,000	1,557,000
Total Receipts and Transfers	8,519,900	1,597,000	0	0	10,116,900	9,810,500
Cash Balance - January 1				2,667,225	2,667,225	2,622,450
Total General Fund Receipts, Transfers and Cash Balances	8,519,900	1,597,000	0	2,667,225	12,784,125	12,432,950



BUROUGH OF CHAMBERSBURG

2008 Budget

2008 Budget Appropriations

Department/Fund	Operating Expenses	Capital Outlay	Interfund			Transfers			Total Estimated Expenditures	2008 Budget	2007 Budget
			Debt Service			Reserve	Other				
General Operating Fund:											
General Administrative	808,450					5,000		808,450	808,450	788,150	
Highway Department	1,240,600							1,240,600	1,240,600	863,300	
Fire Department	1,906,460					75,000	20,000	2,001,460	2,001,460	1,797,285	
Police Department	4,051,175					25,000	25,000	4,101,175	4,101,175	4,014,100	
Recreation Department	1,132,750					64,000	16,000	1,212,750	1,212,750	1,088,810	
Planning Department	103,700							103,700	103,700	108,550	
Zoning Department	107,800							107,800	107,800	71,000	
Building Code								0	0	0	
Property Maintenance Code	249,200							249,200	249,200	234,150	
Health Department								0	0	0	
Ambulance	768,205					40,000	5,000	813,205	813,205	846,000	
Parking & Traf. Control	223,400					60,000		283,400	283,400	240,250	
Street Lighting	173,950					50,000		223,950	223,950	219,300	
Fire Code	128,130							128,130	128,130	122,780	
Shade Tree Commission	10,000							10,000	10,000	10,000	
Emergency Management	10,000							10,000	10,000	10,000	
Fair Housing	1,000							1,000	1,000	1,000	
21st Century Partnership	4,000							4,000	4,000	4,000	
Miscellaneous	79,450							79,450	79,450	73,450	
Special Interfund Transfers						100,000		100,000	100,000	0	
								0	0	0	
								0	0	0	
								0	0	0	
								0	0	0	
								0	0	0	
								0	0	0	
<b>Total Expenditures</b>	<b>10,993,270</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>419,000</b>	<b>66,000</b>	<b>11,478,270</b>	<b>11,478,270</b>	<b>11,478,270</b>	<b>10,492,125</b>	
Cash Balance-December 31									<b>1,305,855</b>	<b>1,940,825</b>	
<b>General Fund Totals</b>	<b>10,993,270</b>	<b>0</b>	<b>0</b>	<b>419,000</b>	<b>66,000</b>	<b>11,478,270</b>	<b>12,784,125</b>	<b>12,784,125</b>	<b>12,784,125</b>	<b>12,432,950</b>	

2008 Estimated Revenues

Department/Fund	Receipts	Interfund Transfers		Total Cash 01-Jan-08	2008 Budget	2007 Budget
		Operating Funds	Reserve Funds			
<b>General Capital Reserve Fund</b>						
Income:						
Federal Grants	0				0	0
State Grants	0				0	0
Contributions in Aid of Construction	25,000				25,000	100,000
Citizens' Contributions	0				0	0
Other Receipts	14,600				14,600	14,600
Interest Income	150,000				150,000	123,200
<b>Total Income</b>	<b>189,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>189,600</b>	<b>237,800</b>
<b>Transfers</b>						
General & Administrative		51,000			51,000	45,000
Highway Department		0			0	0
Fire		75,000			75,000	50,000
Police		25,000			25,000	50,000
Recreation		64,000			64,000	30,000
Planning		0			0	0
Zoning		0			0	0
Building		0			0	0
Housing		0			0	0
Health		0			0	0
Ambulance		40,000			40,000	27,250
Parking & Traffic		60,000			60,000	30,000
Street Lighting		50,000			50,000	50,000
Airport		0			0	0
Fire Code		0			0	0
Community Development		0			0	0
Others		150,000			150,000	0
<b>Total Transfers</b>	<b>0</b>	<b>515,000</b>	<b>0</b>	<b>0</b>	<b>515,000</b>	<b>282,250</b>
<b>Total Income and Transfers</b>	<b>189,600</b>	<b>515,000</b>	<b>0</b>	<b>0</b>	<b>704,600</b>	<b>520,050</b>
Cash Balance				3,535,978	3,535,978	2,342,238
<b>Total General Capital Reserve Fund</b>	<b>189,600</b>	<b>515,000</b>	<b>0</b>	<b>3,535,978</b>	<b>4,240,578</b>	<b>2,862,288</b>

2008 Budget Appropriations

Department/Fund	Operating Expenses	Capital Outlay	Interfund		Transfers		Total Estimated Expenditures	Cash Balance 31-Dec-08	2008 Budget	2007 Budget	
			Debt Service	Other	Reserve	Other					
General Capital Reserve Fund:											
General & Administrative		70,000					70,000		70,000	35,000	
Highway Department		55,000			0	b	55,000		55,000	110,000	
Fire Department		75,000					75,000		75,000	80,000	
Police Department		25,000					25,000		25,000	50,000	
Recreation Department		64,000					64,000		64,000	30,000	
Planning Department		0					0		0	0	
Zoning Department		0					0		0	0	
Building Code		0					0		0	0	
Maintenance Code		0					0		0	0	
Health Department		0					0		0	0	
Ambulance		40,000					40,000		40,000	30,000	
Traffic		300,000					300,000		300,000	260,000	
Street Lighting		50,000					50,000		50,000	25,000	
Fire Code		0					0		0	2,000	
Airport		0					0		0	0	
Community Development		150,000					150,000		150,000	100,000	
Other Transfers		0			200	b	200		200	0	
<b>Total Expenditures</b>									<b>829,200</b>	<b>829,200</b>	<b>722,000</b>
<b>Cash Balance</b>									<b>3,411,378</b>	<b>3,411,378</b>	<b>2,140,288</b>
<b>Total General Capital Reserve Fund Exp. &amp; Cash Balance</b>									<b>4,240,578</b>	<b>4,240,578</b>	<b>2,862,288</b>

BOROUGH OF CHAMBERSBURG

2008 Budget

2007 Budget

2008 Estimated Revenues

Department/Fund	Interfund		Transfers		Total Cash 01-Jan-08	2008 Budget	2007 Budget
	Operating Receipts	Operating Funds	Reserve Funds				
General Borough - Debt Service							
Debt Service Fund No. 9		0			0	0	0
Bond & Coupon Account		0			0	0	0
=====							
General Borough - Debt Service Totals	0	0	0	0	0	0	0
=====							
Other General Fund:							
Special Revenue Fund	3,515,150	6,200			29,139	3,550,489	3,928,939
Liquid Fuels Tax	360,000				451,893	811,893	433,893
Surplus Operating Fund	500				2,457	2,957	2,957
=====							
Other General Fund	3,875,650	6,200	0		483,489	4,365,339	4,365,789
=====							
Total All General Funds	12,585,150	2,118,200	0		6,686,692	21,390,042	19,661,027
=====							
Trust and Agency Funds:							
Trust Funds & Utility Deposits	229,000				730,886	959,886	933,986
Citizens' Reward Fund	550				9,553	10,103	9,803
Payroll Fund	10,319,000				586,321	10,905,321	9,610,121
Barg. & Admin. Emp. Pension Fund	418,650				0	418,650	438,300
Firemen's Pension Fund	131,150				0	131,150	131,150
Police Officers' Pension Fund	453,050				0	453,050	454,650
Sister City Fund	1,100				21,289	22,389	21,239
Project H.E.A.T.	3,400				8,197	11,597	20,097
=====							
Total Trust & Agency Funds	11,555,900	0	0		1,356,246	12,912,146	11,619,346
=====							
Total General, Trust & Agency Funds	24,141,050	2,118,200	0		8,042,938	34,302,188	31,280,373
=====							

BOROUGH OF CHAMBERSBURG

2008 Budget

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2008 Budget Appropriations

Department/Fund	Interfund			Transfers		Total Estimated Expenditures	Cash Balance 31-Dec-08	2008 Budget	2007 Budget
	Operating Expenses	Capital Outlay	Debt Service	Reserve Other	a b				
General Borough - Debt Service									
Debt Service Fund No. 9	0					0	0	0	0
Bond & Coupon Account						0	0	0	0
<b>Total General Borough Debt Serv</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other General Fund:									
Special Revenue Fund	3,463,550	0	0	0	0	3,463,550	86,939	3,550,489	3,928,939
Liquid Fuels Tax	0		0	300,000	b	300,000	511,893	811,893	433,893
Surplus Operating Fund	500		0	0	b	500	2,457	2,957	2,957
<b>Total Other General Funds</b>	<b>3,464,050</b>	<b>0</b>	<b>0</b>	<b>300,000</b>		<b>3,764,050</b>	<b>601,289</b>	<b>4,365,339</b>	<b>4,365,789</b>
<b>Totals - All General Funds</b>	<b>14,457,320</b>	<b>829,000</b>	<b>0</b>	<b>785,200</b>		<b>16,071,520</b>	<b>5,318,522</b>	<b>21,390,042</b>	<b>19,661,027</b>
Trust and Agency Funds:									
Trust Funds & Utility Deposits	210,600					210,600	749,286	959,886	933,986
Citizens Reward Fund	450					450	9,653	10,103	9,803
Payroll Fund	9,714,300					9,714,300	1,191,021	10,905,321	9,610,121
Barg. & Admin. Emp. Pension Fd	418,650					418,650	0	418,650	438,300
Firemen's Pension Fund	131,150					131,150	0	131,150	131,150
Police Officers' Pension Fund	453,050					453,050	0	453,050	454,650
Sister City Fund	350					350	22,039	22,389	21,239
Project H.E.A.T.	3,500					3,500	8,097	11,597	20,097
<b>Total Trust &amp; Agency Funds</b>	<b>10,932,050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10,932,050</b>	<b>1,980,096</b>	<b>12,912,146</b>	<b>11,619,346</b>
<b>Total General, Trust &amp; Agency Funds</b>	<b>25,389,370</b>	<b>829,000</b>	<b>0</b>	<b>785,200</b>		<b>27,003,570</b>	<b>7,298,618</b>	<b>34,302,188</b>	<b>31,280,373</b>



BOROUGH OF CHAMBERSBURG

2008 Budget

2008 Estimated Revenues

Department/Fund	Interfund			Transfers		Total Cash 01-Jan-08	2008 Budget	2007 Budget
	Operating Receipts	Operating Funds	Reserve Funds	Reserve Funds				
Enterprise Operating Funds								
Electric Department	26,170,400				3,490,687	29,661,087	23,665,832	
Gas Department	9,821,350				423,917	10,245,267	12,228,867	
Water Department	3,060,750				3,148,801	6,209,551	5,526,651	
Sewer Department	3,542,650				1,133,172	4,675,822	4,747,322	
Sanitation Department	2,136,650				670,999	2,807,649	2,653,849	
Parking Department	163,750	0			56,396	220,146	210,596	
<b>Total Enterprise Operating Funds</b>	<b>44,895,550</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,923,972</b>	<b>53,819,522</b>	<b>49,033,117</b>	
Enterprise Capital Reserve Funds								
Electric Capital Reserve	40,000	2,250,000			2,440,514	4,730,514	4,093,514	
Gas Capital Reserve	102,000	400,000			581,980	1,083,980	994,980	
Water Capital Reserve	960,000	200,000			4,667,344	5,827,344	4,725,344	
Sewer Capital Reserve	885,000	200,000			1,526,524	2,611,524	2,345,624	
Sanitation Capital Reserve	18,000	0			344,523	362,523	349,473	
Parking Capital Reserve	6,500	0			162,390	168,890	160,390	
<b>Total Enterprise Capital Reserve Funds</b>	<b>2,011,500</b>	<b>3,050,000</b>	<b>0</b>	<b>0</b>	<b>9,723,275</b>	<b>14,784,775</b>	<b>12,669,325</b>	
Enterprise Debt Service Funds								
<b>Total Enterprise Debt Service Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total - All Enterprise Funds</b>	<b>46,907,050</b>	<b>3,050,000</b>	<b>0</b>	<b>0</b>	<b>18,647,247</b>	<b>68,604,297</b>	<b>61,702,442</b>	

2008 Budget Appropriations

Department/Fund	Operating Expenses	Capital Outlay	Interfund		Transfers		Total Estimated Expenditures	Cash Balance 31-Dec-08	2008 Budget	2007 Budget
			Debt Service		Reserve	Other				
Enterprise Operating Funds										
Electric Department	24,680,200				2,250,000 a		27,830,200	1,830,887	29,661,087	23,665,832
					900,000 b					
Gas Department	9,067,900				400,000 a		9,817,900	427,367	10,245,267	12,228,867
					350,000 b					
Water Department	2,536,000				200,000 a		2,808,000	3,401,551	6,209,551	5,526,651
					72,000 b					
Sewer Department	3,525,800				200,000 a		3,725,800	950,022	4,675,822	4,747,322
					b					
Sanitation Department	2,203,500				0 a		2,203,500	604,149	2,807,649	2,653,849
					b					
Parking Department	173,050				0 a		173,050	47,096	220,146	210,596
					b					
<b>Total Enterprise Operating Funds</b>	<b>42,186,450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,372,000</b>	<b>0</b>	<b>46,558,450</b>	<b>7,261,072</b>	<b>53,819,522</b>	<b>49,033,117</b>
Enterprise Capital Reserve Funds										
Electric Capital Reserve		1,933,000			0		1,933,000	2,797,514	4,730,514	4,093,514
Gas Capital Reserve		455,000			0		455,000	628,980	1,083,980	994,980
Water Capital Reserve		2,774,000			0		2,774,000	3,053,344	5,827,344	4,725,344
Sewer Capital Reserve		489,000			0		489,000	2,122,524	2,611,524	2,345,624
Sanitation Capital Reserve		3,000			0		3,000	359,523	362,523	349,473
Parking Capital Reserve		0			0		0	168,890	168,890	160,390
<b>Total Enterprise Capital Reserve Funds</b>	<b>0</b>	<b>5,654,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,654,000</b>	<b>9,130,775</b>	<b>14,784,775</b>	<b>12,669,325</b>
Enterprise Debt Service Funds										
Total Enterprise Debt Service Funds	0	0	0	0	0	0	0	0	0	0
<b>Total - All Enterprise Funds</b>	<b>42,186,450</b>	<b>5,654,000</b>	<b>0</b>	<b>4,372,000</b>	<b>0</b>	<b>0</b>	<b>52,212,450</b>	<b>16,391,847</b>	<b>68,604,297</b>	<b>61,702,442</b>

BOROUGH OF CHAMBERSBURG

10

2008 Budget

2008 Estimated Revenues

Department/Fund	Interfund		Transfers		Total Cash 01-Jan-08	2008 Budget	2007 Budget
	Receipts	Operating Funds	Reserve Funds				
Internal Service Funds:							
Stores	934,900				214,512	1,149,412	1,103,812
Motor Equipment	1,425,050				2,651,928	4,076,978	4,275,428
Engineering	147,250				155,576	302,826	319,176
Workers Compensation Fund	26,950	110,000			654,190	791,140	810,190
Administrative Services	2,115,350				0	2,115,350	2,063,250
Self-Insurance Fund	170,950				4,887,550	5,058,500	4,326,850

Total Internal Service Funds	4,820,450	110,000	0	0	8,563,756	13,494,206	12,898,706
Totals All Borough Funds	75,868,550	5,278,200	0	0	35,253,941	116,400,691	105,881,521

BOROUGH OF CHAMBERSBURG

2008 Budget

2008 Budget Appropriations

Department/Fund	Operating Expenses	Capital Outlay	Interfund		Transfers		Total Estimated Expenditures	Cash 31-Dec-08	2008 Budget	2007 Budget
			Debt Service	Reserve Other	a	b				
Internal Service Funds:										
Stores	902,450	0			0	902,450	246,962	1,149,412	1,103,812	
Motor Equipment	883,050	462,600			50,000 b	1,395,650	2,681,328	4,076,978	4,275,428	
Engineering	186,100	17,500			25,000 b	228,600	74,226	302,826	319,176	
Workers Compensation Fund	172,550					172,550	618,590	791,140	810,190	
Administrative Services	2,069,350				46,000 a	2,115,350	0	2,115,350	2,063,250	
Self Insurance Fund	5,000				0 b	5,000	5,053,500	5,058,500	4,326,850	

Total Internal Service Funds	4,218,500	480,100	0	121,000	4,819,600	8,674,606	13,494,206	12,898,706
Total - All Borough Funds	71,794,320	6,963,100	0	5,278,200	84,035,620	32,365,071	116,400,691	105,881,521

BOROUGH OF CHAMBERSBURG  
PERSONNEL ALLOCATIONS (REGULAR POSITIONS)

CATEGORY	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Administration	13	13	13	13	14	14	15	15	15	16	16	16	16	19*
Secretarial	9	9	9	10	10	10	11	11	11	11	11	11	11	11
Finance	24	24	24	24	24	25	26	26	24	24	25	25	25	25
Electric	15	15	16	16	16	16	16	16	16	17	19	19	19	19
Gas	14	14	13	13	13	13	13	13	14	14	14	14	14	14
Water/Sewer	22	22	22	22	22	22	23	23	23	25	26	26	26	26
Public Works	22	22	22	22	23	23	24	24	24	22	22	22	25	25
Fire/Ambulance	18	18	18	18	18	18	18	21	18	18	18	21	21	22*
Police	29	29	29	29	29	29	29	29	30	30	30	30	33	33
Recreation	4.5	4.5	4.5	3.5	4	4	4	4	4	4	4	4	4	4
Codes	3	3	3	3	3	3	4	5	5	4	3	3	4	4
Totals	173.5	173.5	173.5	173.5	176	177	183	187	184	185	188	191	198	202

\*one position in each of these categories is considered temporary.

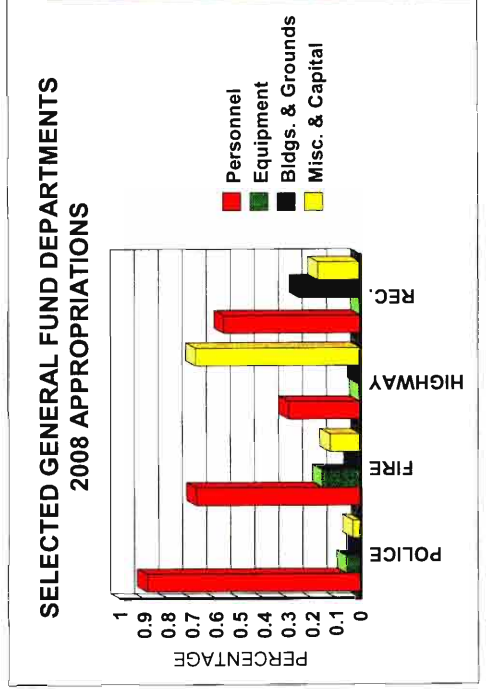
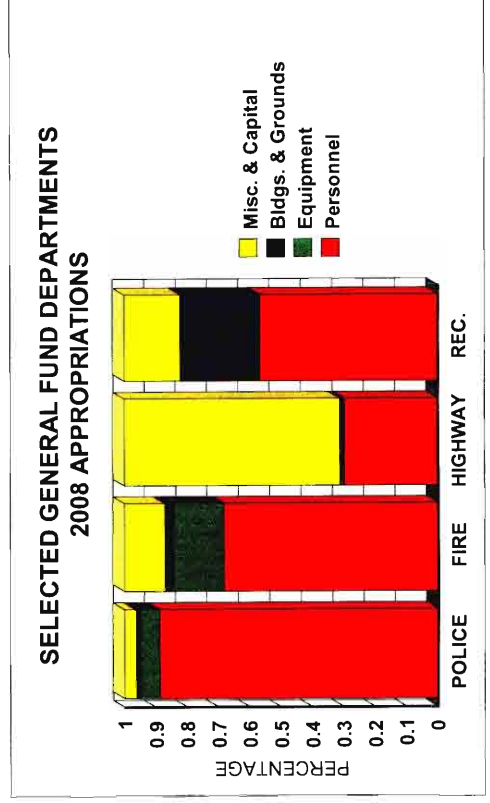
10/11/2007



## SELECTED GENERAL FUND DEPARTMENTS 2008 APPROPRIATIONS

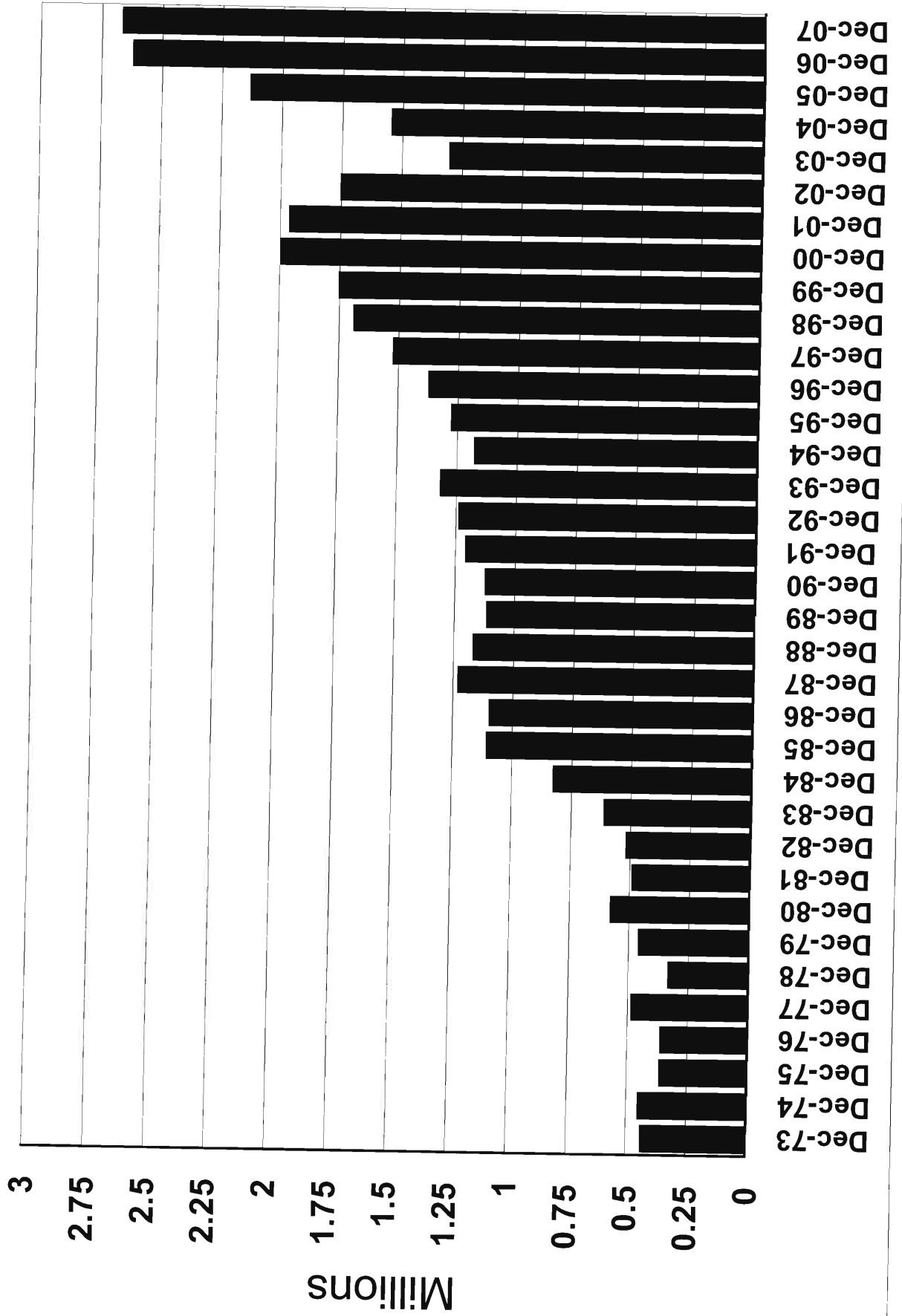
	POLICE	FIRE AMBULANCE & FIRE CODE	HIGHWAY TRAFFIC & ST. LIGHTING	REC.	TOTALS
Personnel	88.8%	68.3%	29.9%	56.8%	68.6%
Equipment	5.9%	15.9%	0.4%	0.1%	7.2%
Bldgs. & Grounds	1.8%	3.0%	1.1%	25.3%	4.9%
Misc. & Capital	3.5%	12.8%	68.6%	17.8%	19.4%
TOTALS	100.0%	100.0%	100.0%	100.0%	100.0%

	POLICE	FIRE AMBULANCE & FIRE CODE	HIGHWAY TRAFFIC & ST. LIGHTING	REC.	TOTALS
Personnel	3,640,675	2,010,980	522,500	689,000	6,863,155
Equipment	242,000	468,105	7,000	1,200	718,305
Bldgs. & Grounds	73,500	87,250	19,050	306,850	486,650
Misc. & Capital	145,000	376,460	1,199,400	215,700	1,936,560
TOTALS	4,101,175	2,942,795	1,747,950	1,212,750	10,004,670



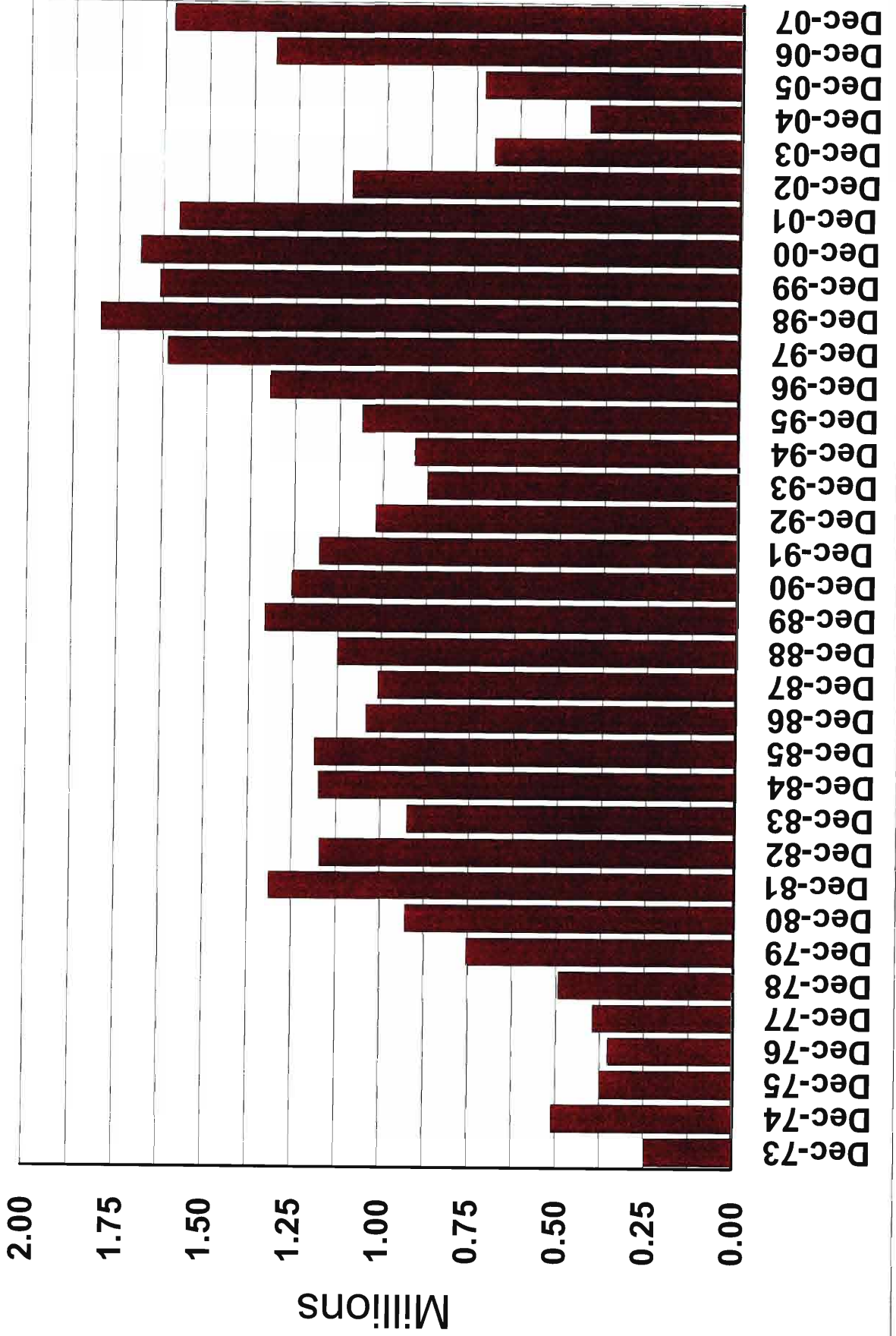
# BOROUGH OF CHAMBERSBURG

## General Fund Cash Balance

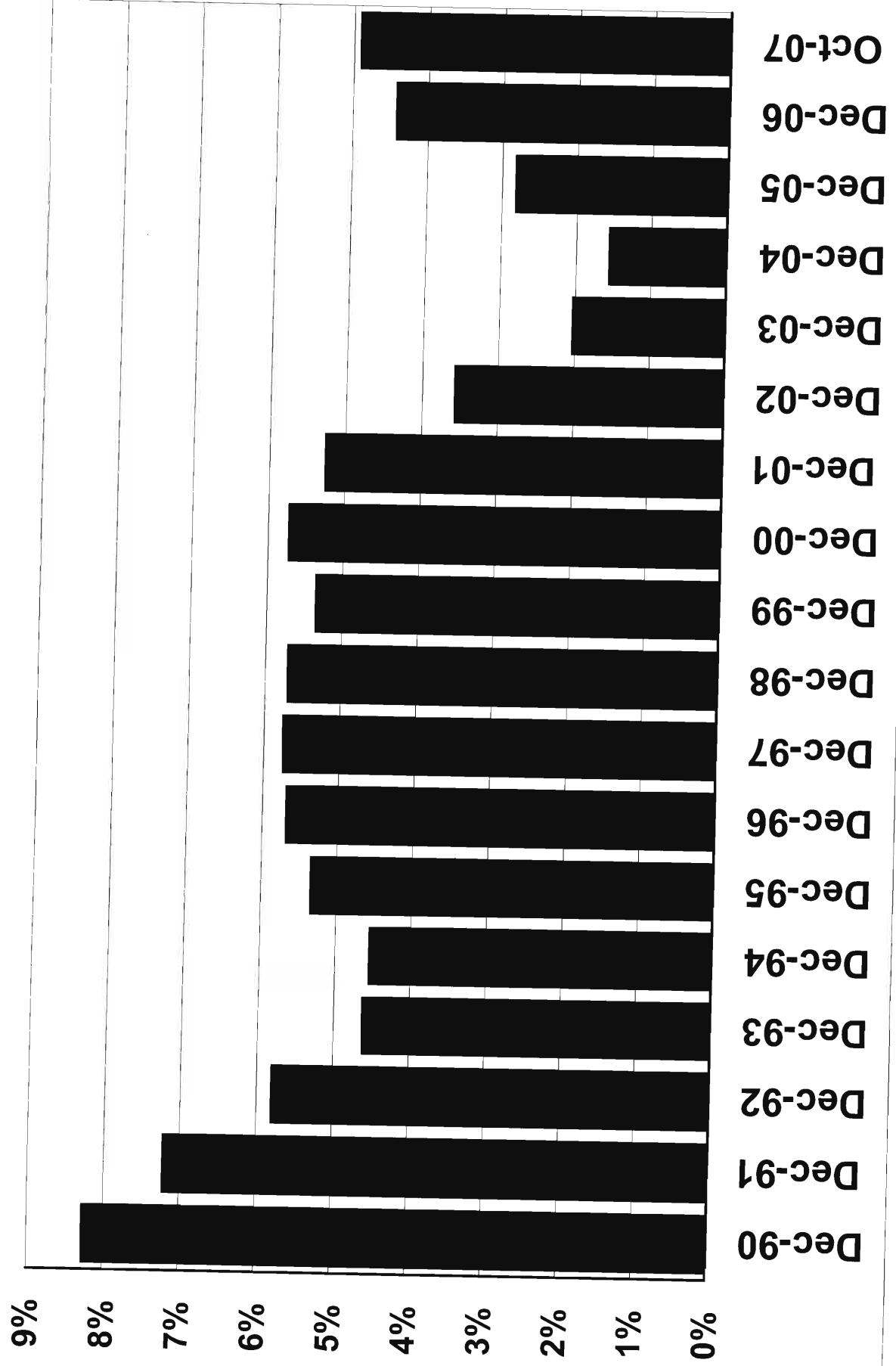


# BOROUGH OF CHAMBERSBURG

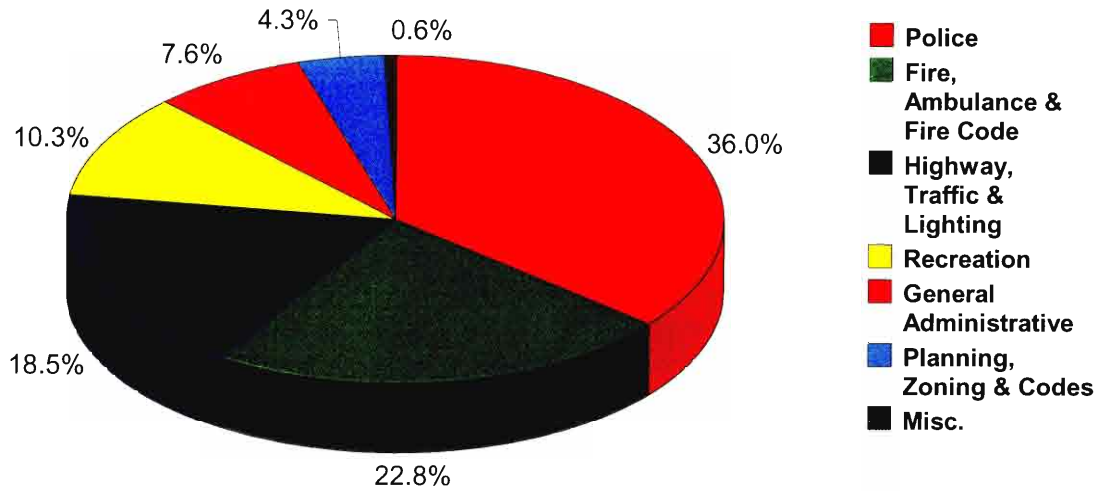
## Annual Interest Earned - All Funds



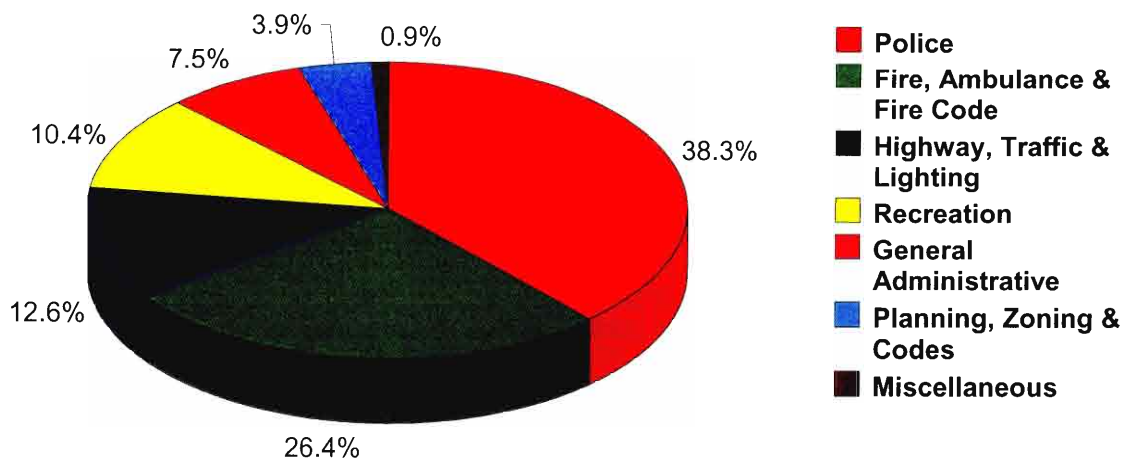
# BOROUGH OF CHAMBERSBURG COMPOSITE INTEREST RATES



## BOROUGH OF CHAMBERSBURG General Fund Estimated Expenditures 2007

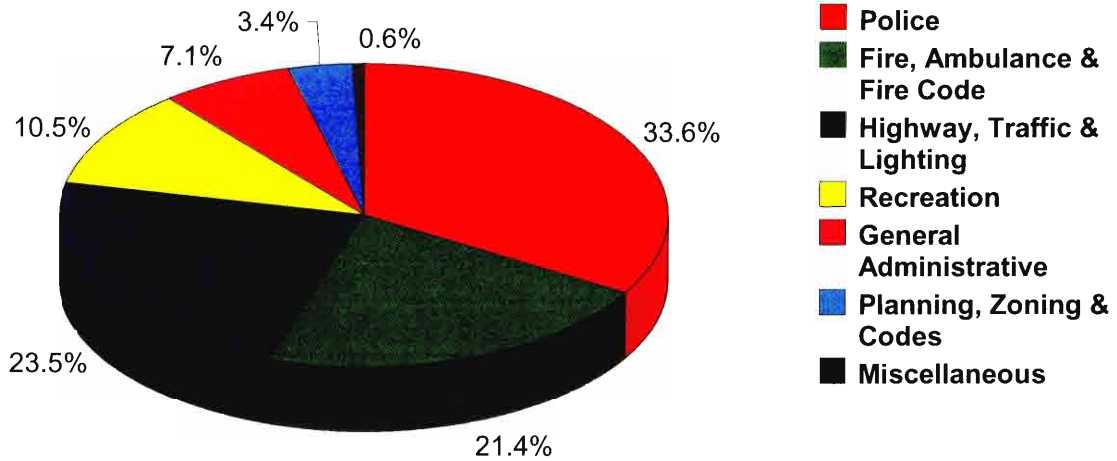


## BOROUGH OF CHAMBERSBURG General Fund Appropriations 2007

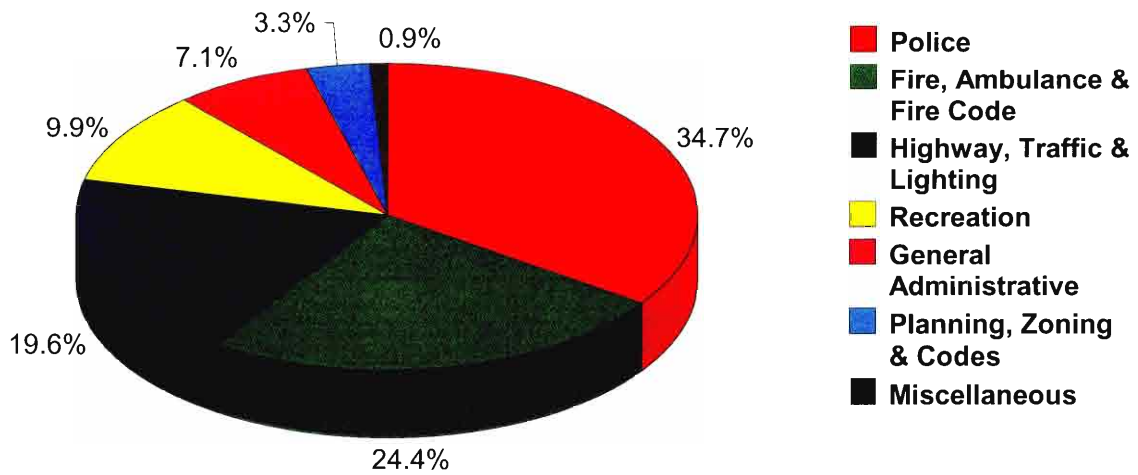




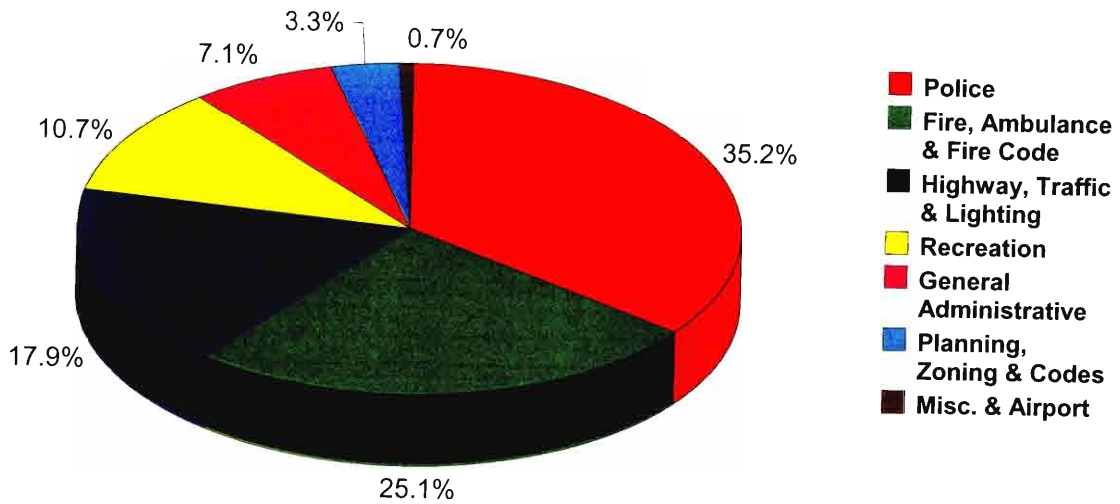
## BOROUGH OF CHAMBERSBURG General Fund Actual Expenditures 2006



## BOROUGH OF CHAMBERSBURG General Fund Appropriations 2006



## BOROUGH OF CHAMBERSBURG General Fund Actual Expenditures 2005



## BOROUGH OF CHAMBERSBURG General Fund Appropriations 2005

