

2015 Budget Handout

For the Regular Meeting of Town Council on December 8, 2014

On November 3, 2014, the Manager presented his proposed 2015 budget, Council adopted the 2015 "Preliminary Budget" and staff was authorized to publicize the budget. On November 10, 2014, Council approved advertisement of the proposed Real Estate Tax Rate Ordinance. Tonight, staff seeks approval of both the budget and the tax ordinance.

At this point, there is no opportunity to change the advertised budget or tax ordinance without scheduling a special meeting in late December as both must be adopted by December 31, per State law.

For your information:

The advertised budget includes no tax increase.

All real estate taxes prior to 2014 were used exclusively to support the Police Department. No real estate taxes were used for any other purpose.

Beginning in 2014, a portion of real estate taxes was also used to support equipment and vehicles for the Emergency Services Department. No portion of real estate taxes will be used for any other purpose other than the Police Department or to support equipment and vehicles for the Emergency Services Department.

Not to pay for streets, or parks, or utilities, or any other employees of the Borough; such as the Borough Manager or anything else.

This budget includes no Police Tax increase, keeping the rate at 21 mil

This budget includes no Fire Tax increase, keeping the rate at 2.5 mil

Staff is proposing a budget that includes the following highlights:

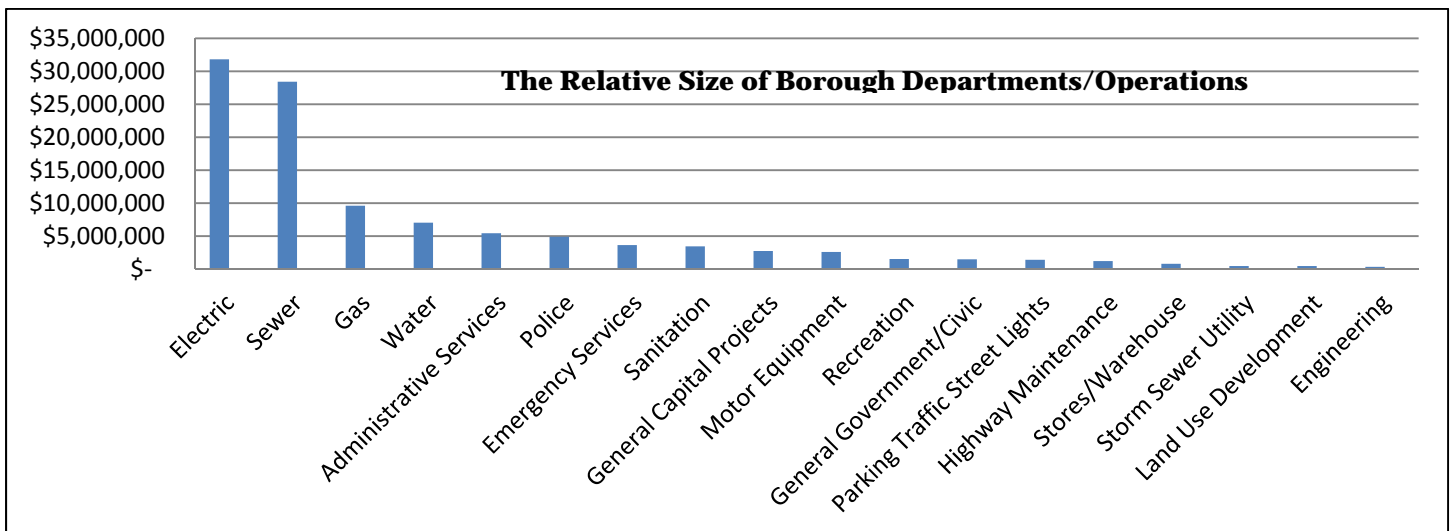
- No change to the electric rate (Avg. Residential \$100.90 per month)
- No change to the gas rate (Avg. Residential \$804 per year)
- No change to the water rate (Avg. Residential \$15 per month)
- No change to the sewer rate (Avg. Residential \$29.50 per month)
- No change to the trash rate (Residential \$14 per month)
- A new \$3 per month per sanitary sewer customer service fee for pollution control, to insure compliance with State and Federal laws for storm water management and to keep the creeks and waterways clean.

Chambersburg would still have the lowest composite utility rates in Pennsylvania.

The Borough of Chambersburg is proposed to have a \$125,972,803 all funds budget for 2015

This represents a 4.7% decrease from the \$132,242,916 all funds budget for 2014

The Borough has grown revenue by 3% and reduced spending by 4.7% for 2015



The advertised budget, as originally presented, includes only a 21 mil Police Tax.

Police Tax Rate	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Mil	17	20	20	20	20	20	20	20	21	21

This budget includes no Police Tax increase, keeping the rate at 21 mil; plus the Fire Tax of 2.5 mil.

The average single family house inside the Borough paid \$346.84 in 2014 in Police Tax plus an additional \$41.29 for the new Fire Tax to support the Emergency Services Department motorized equipment fleet. The total taxes paid by the average single family house inside the Borough were \$388.13 in 2014.

With no increase in the Police Tax or Fire Tax mil rates, in 2015 that total will decrease slightly to \$383.20 due to a slight decrease in the average assessed value.

Average Single Family House Inside The Borough	2013	2014	2015
Police Tax (to the General Fund)	\$336.20	\$346.84	\$342.44
Fire Tax (to the Motor Equipment Fund)	\$0	\$41.29	\$40.77
Total (per year)	\$336.20	\$388.13	\$383.20

No government buildings, schools, charities or township property owners pay any Police or Fire Tax on their property – commercial property owners may pay more. Also, for many folks, 100% of this cost is deductible on your Federal Income Taxes, returned to you in your tax refund every year.



Single Family House
\$383.20 per year*



Schools
No tax



Non-profits
No tax

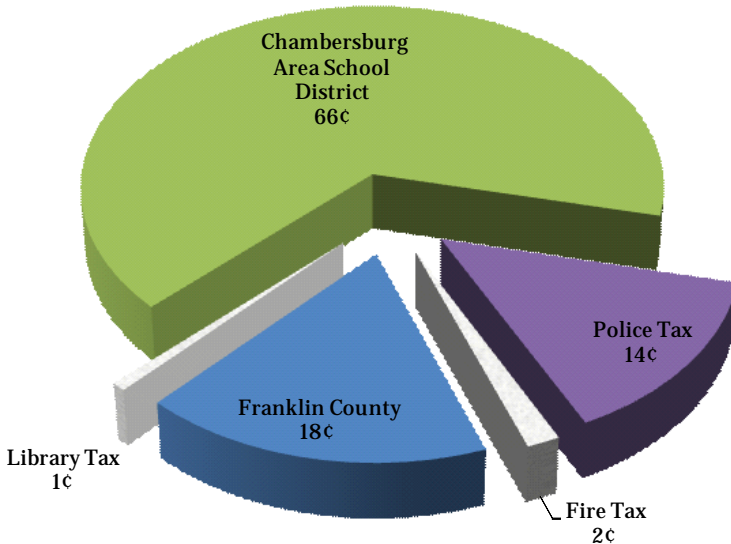


Government
No tax



Commercial/Industrial
More

*Based upon a median assessed value of single family residential property inside the Borough



The Police and Fire Tax represent only 16c of every \$1 in property taxes

The other state mandated taxes are set by law and are not changed year-to-year. They include the Local Services Tax, which is a \$1 per week tax on workers inside the Borough; the Earned Income and Wage Tax, which is a set tax on wages earned by those who live inside the Borough; and the Deed Transfer Tax, which is a set tax when property inside the Borough is sold or transferred. Together, along with fees and fines, these categories make up the only revenues of the Borough. The Borough cannot raise any other type of tax (i.e. no hotel tax, sales tax, liquor tax or business tax). The Borough cannot collect police and fire taxes as a fee on persons (called per capita taxes).

The advertised budget as well as the tax and revenue **Frequently Asked Questions** were fully posted at www.chambersburgpa.gov under Documents.