

# Chambersburg Borough Approved 2018 Budget

On Monday, November 6, 2017, the Borough Manager presented the proposed budget at a special public meeting.  
 On Monday, November 13, 2017, Town Council held a public hearing on the proposed budget and received comments.  
 On Monday, December 11, 2017, the proposed budget and local tax ordinance were approved by Town Council.  
 ALL FUNDS BUDGET: \$125,274,598, which represents a 3% smaller budget than 2017 (\$129,150,590)  
 GENERAL FUND BUDGET: \$14,950,500 (7% increase) (General Fund is the account with Police, Fire, Recreation, & Highway)

A Budget is not an accounting, which that is called the audit A Budget is a strategic plan for the following year A Budget is a spending plan for the fiscal year A Budget is authorization for revenues & expenditures A budget must be balanced and approved by 12/31	Chambersburg has the most complex budget in Pennsylvania because of the utility departments.  In 2015, Chambersburg had the 12 <sup>th</sup> largest budget in Pennsylvania (in \$) and was the largest borough budget. Chambersburg's budget is nothing like any other Borough.
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**Chambersburg is the only town in Pennsylvania to have an electric, gas, water, sewer, and storm sewer utility**  
**Scheduled to open in 2018, the Chambersburg Aquatic Center, will be run like a utility (like a business) in its own account**

<b>Utility Rates 2018</b> <ul style="list-style-type: none"> <li>No change to the electric rate since 2014 (when it decreased) (Avg. Residential \$100.90 per month)</li> <li>No change to the natural gas rate since 2013 (Avg. Residential \$804 per year)</li> <li>No change to the sanitary sewer rate since 2012 (Avg. Residential \$29.50 per month)</li> <li>No change to the sanitation rate since 2016 (Residential \$18.75 per month)</li> <li>No change to the Storm Sewer Fee since 2017 (Avg. Residential \$4 per month)</li> </ul> Chambersburg has the lowest composite utility bill in Penn.	<b>First Water Rate Increase Since 2001 – 1 Cent</b> Beginning in 2018, the Borough's water rate will go up by 1 cent per billing unit.  The average single family home in the Borough uses approximately 185 gallons of water per day. 2017 rate: 12¢ per unit – 2018 rate: 13¢ per unit Average single family residential water bill 2017: \$15.00 per month – 2018: \$15.75 per month On average, a 75¢ per month per household increase
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**The Borough's utility rates are so low that it helps keep the cost of living down for residents and businesses in the Borough**  
**In November 2016, Council approved the Recreation Bond and a 3 mil tax to pay for only that debt service starting in 2018**

<b>Recreation Bond Tax 2018</b> This is a new tax of the Borough. It was approved in 2016. It is earmarked ONLY to pay for the 2016 Recreation Bond. This bond is paying for the construction of the \$7.5 million Aquatic Center and other playground and park improvements in other parts of town. This tax doesn't pay for any operation of the Recreation Department or Aquatic Center. It's collected only for this purpose.											
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**The Borough's real estate tax pays only for Police, Fire, & Ambulance; no other department, operation or employee**

<b>Fire/Ambulance Tax 2018</b> This budget has the first increase in the Fire Tax since 2014 In 2018, it will go from 2.5 mil to 3 mil In 2018, a 0.5 mil ambulance tax will be added The total Fire/Ambulance Tax will be 3.5 mil in 2018 100% of this tax goes to support the Fire Department and EMS	<b>Police Tax 2018</b> This budget has the first increase in the Police Tax since 2016 In 2018, it will go from 23 mil to 24 mil 100% of this tax goes to support the Police Department																														
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The Borough receives no sales, hotel, liquor, or business taxes; no other local taxes and they're not an option under State law

Township residents pay no taxes to the Borough other than the Local Services Tax if they work in the Borough

Types of Taxes Allowed for Boroughs under State Law	
Real estate taxes – various limits based upon use <i>Chambersburg has no tax for streets, traffic or street lights</i> Deed Transfer Tax – ½ of 1% (Set at maximum since 1987) Earned Income Tax – ½ of 1% (Set at maximum since 1965)	Local Services Tax \$52 per worker per year (Set at maximum since 2007) Amusement Tax or Vending Machine Tax (Not Used in Chambersburg)

There are no other types of taxes allowed under State Law

The Borough cannot charge for police and fire services as a fee, like water or sewer. Only through the real estate tax

**Summary of Real Estate Taxes in 2018**

	2017	2018	2017	2018
Recreation Bond Tax	-	3 mil	\$0	\$51.15
Fire/Ambulance Tax	2.5 mil	3.5 mil	\$42.18	\$59.68
Police Tax	23 mil	24 mil	\$388.63	\$409.23

In summary, the average single family house will see taxes rise from \$430.18 per year to \$520.06 per year or an increase of approximately \$90 per year. Only non-exempt Borough property owners pay Borough taxes per State law.

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There were no alternatives offered to these tax increases, which had been previously discussed with Council.

The Recreation Bond Tax was approved by Council in 2016 to begin in 2018.

The Fire/Ambulance Tax increase was presented to Council with the most recent union agreement approval in May 2017.

The Police Tax increase was presented to Council with the adoption of the 2017 Budget a year ago.

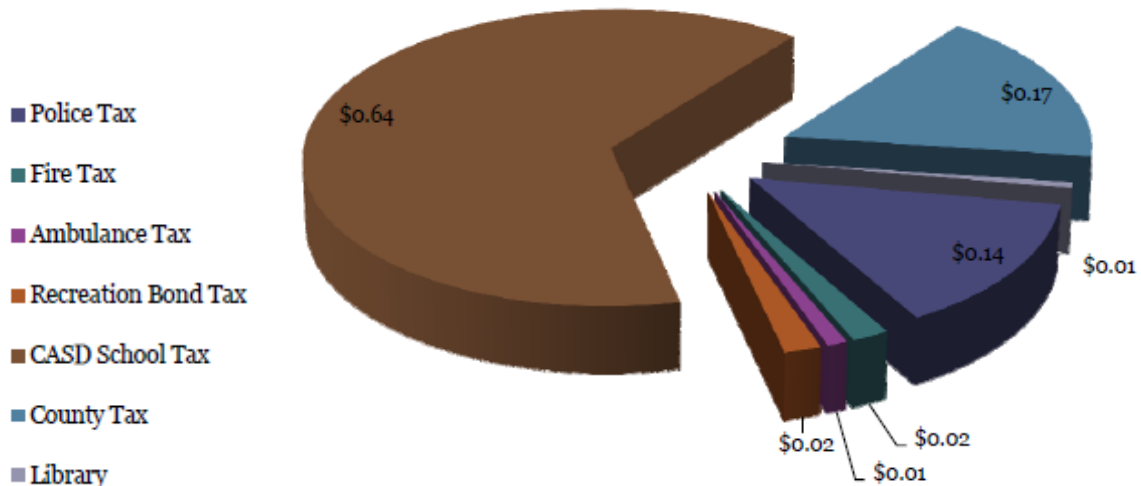
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The proposed 2018 Budget also includes projects like street paving and completion of the Aquatic Center and the City Hall Addition.

**The proposed 2018 Budget initiatives include:**

- Planning, Preservation, and Citizen Engagement
- A Safe, Clean, Green and Healthy Community
- Finishing Municipal Construction Projects Reshaping our Community

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Only 19¢ of every \$1 paid in real estate taxes will go to the Borough of Chambersburg. The balance, 81¢ will go to support the Chambersburg Area School District, Franklin County, and the Library. In fact, 64¢ of every dollar goes to the Chambersburg Area School District.