



# Approved 2023 Borough Budget Info

- On Monday, November 7, 2022, the Borough Manager presented the proposed budget at a special public meeting.
  - On Monday, November 14, 2022, Town Council received public comments on the proposed budget.
  - On Monday, December 12, 2022, Town Council approved the budget and local tax ordinance.
  - State law requires Council to approve a fully balanced budget and tax ordinance by December 31 of each year.
- The entire proposed 2023 Budget is available at [www.chambersburgpa.gov](http://www.chambersburgpa.gov), click on Transparency.

### All Funds Budget

\$134,698,549 which represents a 3.8% increase in budget size compared to 2022 (\$5 million), due to higher operating costs associated with inflation and the supply chain shortages.

### General Fund Budget

\$19,517,700, a 8.9% increase due to approved wages, health insurance, pension costs for Police Officers and Firefighters keeping pace with inflation.

### Available Taxes

The Borough receives no sales tax, liquor taxes, business taxes, or any other local tax; they are not options under State law. Township residents pay no taxes to the Borough other than the Local Services Tax, \$1 per week, if they work inside the Borough.

### Police Station Project

The Police Station Renovation Project causes a temporary increase in spending.

### Southgate Shopping Center

Using a Federal grant, in 2022, the Chambersburg Area Municipal Authority (CAMA) purchased the shopping center. Currently, they are the owners and store rents cover the daily costs. The plan is for Town Council and CAMA to offer sections of the shopping center for resale beginning in 2023. Keystone Health has already agreed to be the first to buy land for a new neighborhood health care facility. Most of the land will be resold to private third-party developers to build new community improvements. Town Council does not want CAMA to own the shopping center long-term. Just long enough to find good new uses. Sales to be approved by Council and the CAMA Board. Some land will be retained for parks and utilities. Project has no impact on local taxes.

**Chambersburg is the only town in Pennsylvania to have an electric, gas, water, sewer, sanitation, and storm sewer utility. These utilities are never funded by local tax money.**

**This budget includes a 1 mil tax increase to help pay for the Police Station project.**

**This budget includes a 1 mil tax increase to help pay for the operations of the Police Department.**

**This budget includes a ½ mil tax decrease for the Recreation Bond Tax.**

**The net real estate tax increase to property owners inside the Borough is a 1.5 mil increase.**

**Real Estate Taxes** – the Borough of Chambersburg collects four types of property taxes from landowners inside the Borough. Each year the annual MIL rate is set by Council:

**Police Tax 2023 – A 1 mil increase to fund only the operation of the Chambersburg Police Department.**

First annual rate increase since 2018; 100% of this tax goes to support the Police Department.

2015	2016	2017	2018	2019	2020	2021	2022	2023	
21	23	23	24	24	24	24	24	25	mil
Avg. Single-Family House in the Borough									Per Year
Police Tax									\$438

**Fire/Ambulance Tax 2023 – No change**

There is no change in the Fire Tax; State law requires a split of this tax with 2.5 mil for apparatus & 0.5 for firefighting. The Fire Department collects other fees including inspection fees and the Ambulance Fee.

	2015	2016	2017	2018	2019	2020	2021	2022	2023	
Fire	2.5	2.5	2.5	3	3	3	3	3	3	mil
EMS	0	0	0	0.5	0.5	0	0	0	0	mil
Avg. Single-Family House in the Borough									Per Year	
Fire Tax									\$53	

**Recreation Bond Tax 2023 – A ½ mil decrease in this tax, which goes to pay off the Recreation Bond only.**

Started in 2016, this tax pays down this specific bond only and does not pay for any of the operations of the Recreation Department. This is the bond that built various Rec. Department facilities. This bond was refinanced by Council in the beginning of 2022 to a lower interest rate; therefore less tax is needed.

2015	2016	2017	2018	2019	2020	2021	2022	2023	
0	0	0	3	3	3	3	3	2.5	mil
Avg. Single-Family House in the Borough									Per Year
Recreation Bond Tax									\$48

**Police Station Bond Tax 2023 – A 1 mil increase in this tax, which goes to pay off the Police Station Bond.**

Started in 2022, this tax pays down this specific bond only and does not pay for any of the operations of the Police Department. This is the bond that is paying for this project. The forecasted tax rate was lowered from original expectations because the Borough received generous grant assistance and a lower interest rate on debt.

2015	2016	2017	2018	2019	2020	2021	2022	2023	
0	0	0	0	0	0	0	1	2	mil
Avg. Single-Family House in the Borough									Per Year
Police Station Bond Tax									\$35

**The average single-family home in the Borough will pay \$574 per year (\$25.50 more than 2022) in real estate taxes to the Borough. Half will pay less. This is what the average single-family home inside the Borough actually pays per year before discount. Commercial properties may pay more. Assessed value is not fair market value. Township properties pay no taxes to the Borough. Visit the Franklin County Tax Assessment Office to**

**learn your property's assessed value at 272 N. Second Street, Chambersburg, 17201 or click**

**<https://gis.franklincountypa.gov/taxparcelviewer/> to check your home's assessed value.**

**If your property is inside the Borough, click on your lot on the map. Divide the number by 1,000 and then multiply that by 32.5, for 32.5 total mils of Borough Tax.**



**Chambersburg Borough Utility Customers Have The Lowest Rates in Pennsylvania And That Will Not Change in 2023**

**SOME RATES WILL GO UP**  
The average Borough utility customer pays less for utilities than most customers outside the Borough.

In fact, those residential customers with Borough gas and electric will save over \$1,000 per year in utility expenses, when compared to average gas and electric customers throughout the State of Pennsylvania.

Borough gas, water, sewer, electric, and sanitation rates are much lower than other municipal and private sector utilities.

The Electric and Gas departments make an annual Payment in Lieu of Taxes to support the Police and Fire departments.

**Chambersburg has the lowest:**

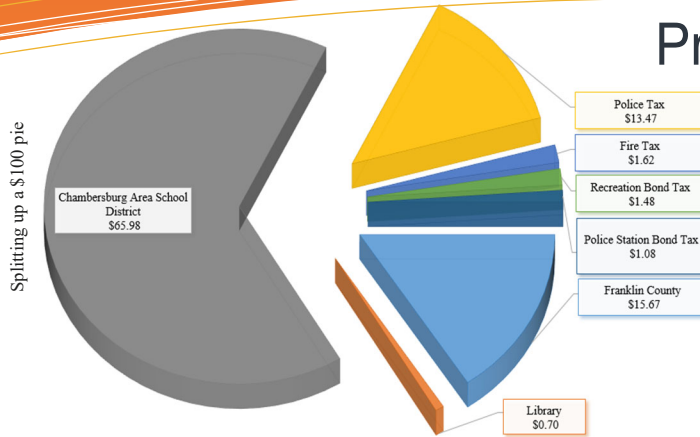
Residential rates for, electric service in the State, water service in the area, sanitation compared to most, natural gas in the State.

**Largest Public Utility System in State**

Chambersburg is the largest public power system in Pennsylvania, and the only community with both municipal electric and natural gas.

**Borough Budget Has No Impact on Townships**

Township residents pay no taxes to the Borough unless they work inside the Borough limits and then only \$1 per week. School taxes and County taxes are not decided by the Borough.



**Property Tax Burden**

Only 18¢ of every \$1 paid in real estate taxes will go to the Borough of Chambersburg. The balance, 82¢, will go to support the school district, the county, and the library system. In fact, 66¢ of every dollar goes to the Chambersburg Area School District. They send their own tax bill.

Taxing Authority	Mil Rate	Annual Avg. Home	Percentage
Franklin County (2022)	29.10 mil	\$509.57	15.67%
Library System (2022)	1.30 mil	\$22.76	0.70%
Chambersburg Area School District (2022)	122.4974 mil	\$2,145.07	65.98%
<b>Borough Taxes (Borough Properties)</b>			
Police Tax (2023)	25.0 mil	\$437.78	13.47%
Fire Tax (2023)	3.0 mil	\$52.53	1.62%
Recreation Bond Tax (2023)	2.5 mil	\$43.78	1.48%
Police Station Bond Tax (2023)	2.0 mil	\$35.02	1.08%
<b>Total</b>	<b>185.6474 mil</b>	<b>\$3,246.51</b>	<b>100%</b>

Average burden on a single-family type home inside the Borough of Chambersburg based on assessed value as decided by County

**Utility Rates 2023**

- No change to rate for Borough natural gas delivery rate since 2013. (Average Home Pays \$804 per year)
- The Borough electric rate will go up 2% & remain lowest in Penn. (Average Home Pays \$102.90 per month)
- No change to the Borough sanitary sewer rate, same since 2012 (Average Home Pays \$29.50 per month)
- First sanitation rate increase in 2 years & one of the lowest rates. (Average Home Pays \$25.00 per month)
- Small change to the Borough water rate. Increase of 5¢ per unit. (In 2022, average family bill based upon consumption: \$17.85 per month) (In 2023, average family bill based upon consumption: \$21.35 per month)

Chambersburg has the lowest monthly utility bill in the State of Pennsylvania.

**No changes to the Storm Sewer Pollution Control Fee DISCOUNT FOR COMMERCIAL, INDUSTRIAL, CHURCH, & INSTITUTIONAL PROPERTY OWNERS EXTENDED FOR ANOTHER YEAR January 2023**

Beginning in 2022, all non-single-family-residential properties in the Borough (business, multifamily, industrial, commercial, church, or institution properties) began paying the fee based upon the impervious area of their lot. Called an ERU, each non-single-family tax lot has been measured against the "equivalent residential unit", and then is invoiced a multiple of ERUs at the per ERU rate. Town Council agreed that every non-single-family home customer will **receive a 30% discount** for 2023 as they did in 2022. **Future discounts will require improvements.**

**Overall, the Pollution Control Fee will not change in 2023.** It will remain **\$5 per month per ERU**. One ERU per single-family home. Call the Storm Sewer System Manager, Andy Stottlemeyer, at 717-251-2434 to learn about your property's ERU value today and what you can do to control storm water runoff.

**Ambulance Fee**

In 2020, Town Council introduced an Ambulance Fee on all water customer invoices, which will be increased in 2023. This Ambulance Fee helps defray the costs of the ambulance service being ready-to-serve. Each year, Federal rules require ambulance companies to write-off invoices for Medicaid & Medicare patients. In 2021, the Borough wrote-off over \$1.7 million in billing.

Ambulance companies are in crisis as a result of low revenue and no volunteers. This is not a tax, as under State law taxes can only be assessed on the value of real estate. Approximately 40% of property owners are exempt from property taxes. Also, it is not the Ambulance Club. *The Ambulance Club is a voluntary donation program mailed separately.*

**In 2023, the fee will increase from \$7.50 per month to \$9.50 per month per water service account.**