

Chambersburg Borough Proposed 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 will hold a public hearing on the proposed budget and received comments.
 On Monday, December 11, 2017, the proposed budget and local tax ordinance will be adopted 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)

<p>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 expenditures A Budget is authorization for revenues & expenditures A budget must be balanced and approved by 12/31</p>	<p>Chambersburg has the most complex budget in Pennsylvania because of the utility departments. In 2015, Chambersburg had the 12th largest budget in Pennsylvania (\$) and was the largest borough budget. Chambersburg's budget is nothing like any other Borough.</p>
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Chambersburg is the only town in Pennsylvania to have an electric, gas, water, sewer, and storm sewer utility

Now, the new Chambersburg Aquatic Center, scheduled to open in 2018, will be run like a utility (like a business)

<p>Utility Rates 2017</p> <ul style="list-style-type: none"> No change to the electric rate since 2014 (when it decreased) (Avg. Residential \$100.90 per month) No change to the natural gas rate since 2013 (Avg. Residential \$804 per year) No change to the sanitary sewer rate since 2012 (Avg. Residential \$29.50 per month) No change to the sanitation rate since 2016 (Residential \$21.75 per month) No change to the Storm Sewer Fee since 2017 (Avg. Residential \$4 per month) <p>Chambersburg has the lowest composite utility bill in Penn.</p>	<p>First Water Rate Increase Since 2001 – 1 Cent</p> <p>Beginning in 2018, the Borough's water rate will go up by 1 cent per billing unit.</p> <p>The average single family home in the Borough uses approximately 185 gallons of water per day.</p> <p>2017 rate: 12¢ per unit – 2018 rate: 13¢ per unit</p> <p>Average single family residential water bill</p> <p>2017: \$15.00 per month – 2018: \$15.75 per month</p> <p>On average, a 75¢ per month per household increase</p>
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In November 2016, Council approved the Recreation Bond and a 3 mil tax to pay for only that debt service starting in 2018

<p>Recreation Bond Tax 2018</p> <p>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 \$7.1 million Aquatic Center and other playground and park improvements. This tax does not pay for any of the operation of the Recreation Department. It is collected only for this purpose.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> </tr> <tr> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>3.0</td> </tr> </table> <table border="1" style="margin-left: auto; margin-right: auto; text-align: center;"> <tr> <th>Avg. Single Family House in the Borough</th> <th>Per Year</th> <th>Per Day</th> </tr> <tr> <td>Recreation Bond Tax</td> <td>\$51.15</td> <td>14¢</td> </tr> </table> <p style="text-align: center; font-size: small;">Commercial and industrial property owners pay more tax Government, educational, nonprofit and township property owners pay none</p>	2014	2015	2016	2017	2018	-	-	-	-	3.0	Avg. Single Family House in the Borough	Per Year	Per Day	Recreation Bond Tax	\$51.15	14¢
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The Borough's real estate tax pays only for Police, Fire, & Ambulance; no other department, operation or employee

<p>Fire/Ambulance Tax 2018</p> <p>This budget has an increase in the Fire Tax 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</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th></th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> </tr> <tr> <td>Fire</td> <td>2.5</td> <td>2.5</td> <td>2.5</td> <td>2.5</td> <td>3.0</td> </tr> <tr> <td>EMS</td> <td>-</td> <td>-</td> <td>-</td> <td>-</td> <td>0.5</td> </tr> </table> <table border="1" style="margin-left: auto; margin-right: auto; text-align: center;"> <tr> <th>Avg. Single Family House in the Borough</th> <th>Per Year</th> <th>Per Day</th> </tr> <tr> <td>Fire/Ambulance Tax</td> <td>\$59.68</td> <td>16¢</td> </tr> </table> <p style="text-align: center; font-size: small;">Commercial and industrial property owners pay more tax Government, educational, nonprofit and township property owners pay none</p>		2014	2015	2016	2017	2018	Fire	2.5	2.5	2.5	2.5	3.0	EMS	-	-	-	-	0.5	Avg. Single Family House in the Borough	Per Year	Per Day	Fire/Ambulance Tax	\$59.68	16¢	<p>Police Tax 2018</p> <p>This budget has an increase in the Police Tax In 2018, it will go from 23 mil to 24 mil 100% of this tax goes to support the Police Department</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <tr> <th></th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> </tr> <tr> <td>Police</td> <td>21</td> <td>21</td> <td>23</td> <td>23</td> <td>24</td> </tr> </table> <table border="1" style="margin-left: auto; margin-right: auto; text-align: center;"> <tr> <th>Avg. Single Family House in the Borough</th> <th>Per Year</th> <th>Per Day</th> </tr> <tr> <td>Police Tax</td> <td>\$409.23</td> <td>\$1.12</td> </tr> </table> <p style="text-align: center; font-size: small;">Commercial and industrial property owners pay more tax Government, educational, nonprofit and township property owners pay none</p>		2014	2015	2016	2017	2018	Police	21	21	23	23	24	Avg. Single Family House in the Borough	Per Year	Per Day	Police Tax	\$409.23	\$1.12
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The Borough receives no sales taxes, liquor taxes, business taxes, or other local taxes and they are not an option under State law. Township residents pay no taxes to the Borough other than the Local Services Tax if they work inside the Borough.

Types of Taxes Allowed for Boroughs under State Law	
Real estate taxes – various limits based upon use <i>Chambersburg has no recreation tax, no street tax, no utility tax</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	

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 21%. Only non-exempt Borough property owners pay Borough taxes.

There are no alternatives offered to these tax increases, which have 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.

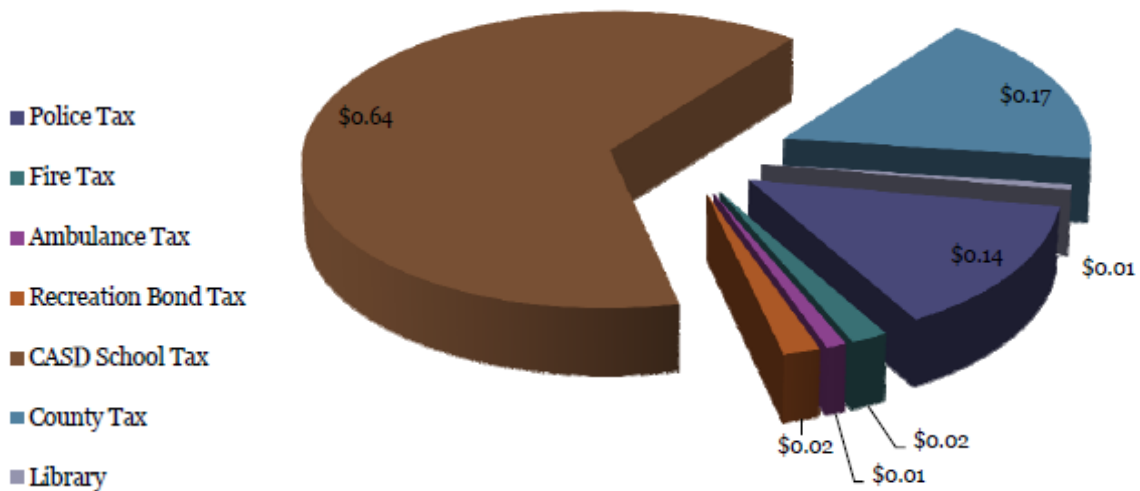
The proposed 2018 Budget includes capital projects, street paving, and completion of the Aquatic Center and the City Hall Addition.

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



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 CASD School District, the County, and the Library. In fact, 64¢ of every dollar goes to the Chambersburg Area School District.