



Proposed 2021 Borough Budget Info

- On Tuesday, November 2, 2020, the Borough Manager presented the proposed budget at a special public meeting.
- On Monday, November 9 & November 23, Town Council to hold public hearings on the proposed budget and will receive comments.
- On Monday, December 14, 2020, Town Council is scheduled to approve the budget and local tax ordinance.

Chambersburg is the only town in Pennsylvania to have an electric, gas, water, sewer, sanitation, and storm sewer utility.

No tax increase in 2021. In 12 of the last 15 budget years, the Borough of Chambersburg has not raised local Borough taxes.

Real Estate Taxes – the Borough of Chambersburg collects three types of property taxes from landowners inside the Borough:

Police Tax 2021 – No change

There is no proposed change in the Police Tax; 100% of this tax goes to support the Police Department.

2015	2016	2017	2018	2019	2020	2021	mil
21	23	23	24	24	24	24	
Avg. Single-Family House in the Borough							Per Year
Police Tax							\$416.02

Fire/Ambulance Tax 2021 – No change

There is no proposed change in the Fire Tax; State Law requires a split of this tax with 2.5 mil for apparatus & 0.5 for firefighting.

	2015	2016	2017	2018	2019	2020	2021	mil
Fire	2.5	2.5	2.5	3	3	3	3	
EMS	0	0	0	0.5	0.5	0	0	mil
Avg. Single-Family House in the Borough								Per Year
Fire Tax								\$52

Recreation Bond Tax 2020 – No change

Approved in 2016, earmarked to pay off the bond only, this tax does not pay for any of the operations of the Recreation Department, but to pay off specifically a bond to build various community assets.

2015	2016	2017	2018	2019	2020	2021	mil
0	0	0	3	3	3	3	
Avg. Single-Family House in the Borough							Per Year
Recreation Bond Tax							\$52

The average single-family home in the Borough pays \$520 in real estate taxes to the Borough. Half pay less.

The assessed value of the average house changes every year. Generally, your assessed value stays the same. The assessed value of your home is set by Franklin County. Also, government, educational, nonprofit, and township property owners pay no real estate taxes to the Borough.

Visit the Franklin County Tax Assessment Office to learn your property's assessed value at 2 N. Main Street, Chambersburg, 17201.

ALL FUNDS BUDGET

\$97,290,280, which represents a 14.5% overall decrease in budget size compared to 2020 (\$113,856,095).

GENERAL FUND BUDGET

\$16,376,676 (1.8% increase)
(General Fund is the account with Police, Fire, Recreation, & Highway).

AVAILABLE TAXES

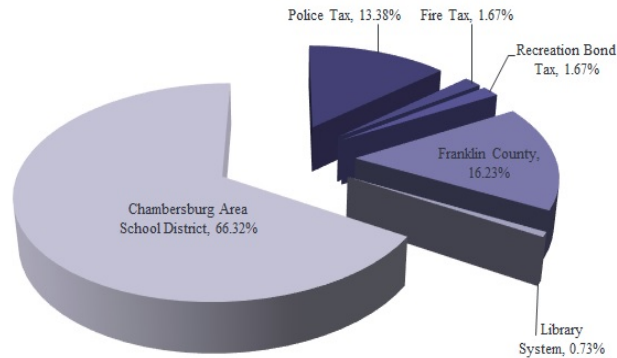
The Borough receives no sales tax, liquor taxes, business taxes, or any other local tax and they are not an option under State Law. Township residents pay no taxes to the Borough other than the Local Services Tax if they work inside the Borough.

STATE-SET TAXES

- Deed Transfer Tax is ½ of 1% (Set at maximum since 1987)
- Earned Income Tax is ½ of 1% (Set at maximum since 1965)
- Local Services Tax is \$52 per worker in the Borough per year (Set at maximum since 2007)
- Amusement Tax or Vending Machine Tax (Not used in Chambersburg)



Property Tax Burden



Only 17¢ of every \$1 paid in real estate taxes will go to the Borough of Chambersburg. The balance, 83¢ 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.

Franklin County (2020)	29.10 mil	\$504.43	16.23%
Library System (2020)	1.30 mil	\$22.53	0.73%
Chambersburg Area School District (2020)	118.9296 mil	\$2,061.56	66.32%
Police Tax (2021)	24.0 mil	\$416.02	13.38%
Fire Tax (2021)	3.0 mil	\$52.00	1.67%
Recreation Bond Tax (2021)	3.0 mil	\$52.00	1.67%
Total	179.3296 mil	\$3,108.54	100%

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

LOWEST UTILITY RATES

In summary, despite minor annual adjustments, 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.

Also, Electric & Gas departments make a Payment in Lieu of Taxes to support police & fire.

ESSENTIAL WORKERS

Town Council would like to take a moment to thank all Borough employees. In what was a difficult year for everyone, our employees, who are also our friends and neighbors, stepped up and kept the Borough offices, police, fire, EMS, and utilities operating during some challenging times.

In 2021, most employees have volunteered to give up annual cost of living increases to help balance the 2021 budget.

Utility Rates 2021

- No change to the Borough natural gas rate, same since 2013 (Average Home Pays \$804 per year)
- No change to the Borough electric rate, since drop in 2020 (Average Home Pays \$98.90 per month)
- No change to the Borough sanitary sewer rate, same since 2012 (Average Home Pays \$29.50 per month)
- No change to the Borough water rate, same since January 2020 (Average family bill based upon consumption pays: \$17.25 per month)
- No change to the sanitation rate, same since January 2020 (Average Home Pays \$20.81 per month)

Changes Coming Soon to the Storm Water Pollution Control Fee

Beginning in 2022, every non-single-family-residential property (business, multifamily, industrial, commercial, or institution) will pay the fee based upon their actual impervious area on their lot. Called an ERU, each non-residential parcel will be measured against the "equivalent residential unit", and then invoiced a multiple of ERUs based on actual impervious surfaces at the per ERU rate. This plan requires the approval of the Town Council. More discussion to occur before final fees are set and a new calculation method is determined. However, as an interim step, the current flat per sanitary sewer connection fee will rise from \$4 per month per sewer connection to \$5 per month per sewer connection beginning in January 2021. The new calculation methodology, ERUs based on actual impervious surfaces, is now to be delayed until 2022.

Call the Storm Sewer System Manager, Andy Stottlemyer, at (717) 251-2434 to learn about your property's ERU value.

Ambulance Fee

In 2020, Town Council introduced an Ambulance Fee on all water customer invoices. That practice will continue in 2021.

This Ambulance Fee helps defray the costs of the ambulance service being ready-to-serve. It 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 paying taxes. Further, it is not the Ambulance Club. The Ambulance Club is a voluntary donation program.

This budget contemplates a minor adjustment to the Ambulance Fee from \$7 in 2020 to \$7.50 per month in 2021.