



Chatham Borough 2024 Budget

BUDGET INTRODUCTION - APRIL 8, 2024



Guiding Principles of the Budget

Focus

- Focus on long term fiscal health and stability of the Borough

Maintain

- Maintain AAA bond rating

Provide

- Provide exceptional municipal services

Protect

- Protect essential infrastructure

Minimize

- Minimize tax burden on residents

Plan

- Plan for the future



Fund Structure

Current Fund

- Total budget with library: \$17,179,693
- General government operations + sewer
- Cost includes uncollected taxes including for schools, county
- Funded by: Property taxes, permits and fees, rent, sewer fees

Water Utility

- Total budget: \$1,951,650
- Water system
- Funded by: Water bill

Solid Waste Utility

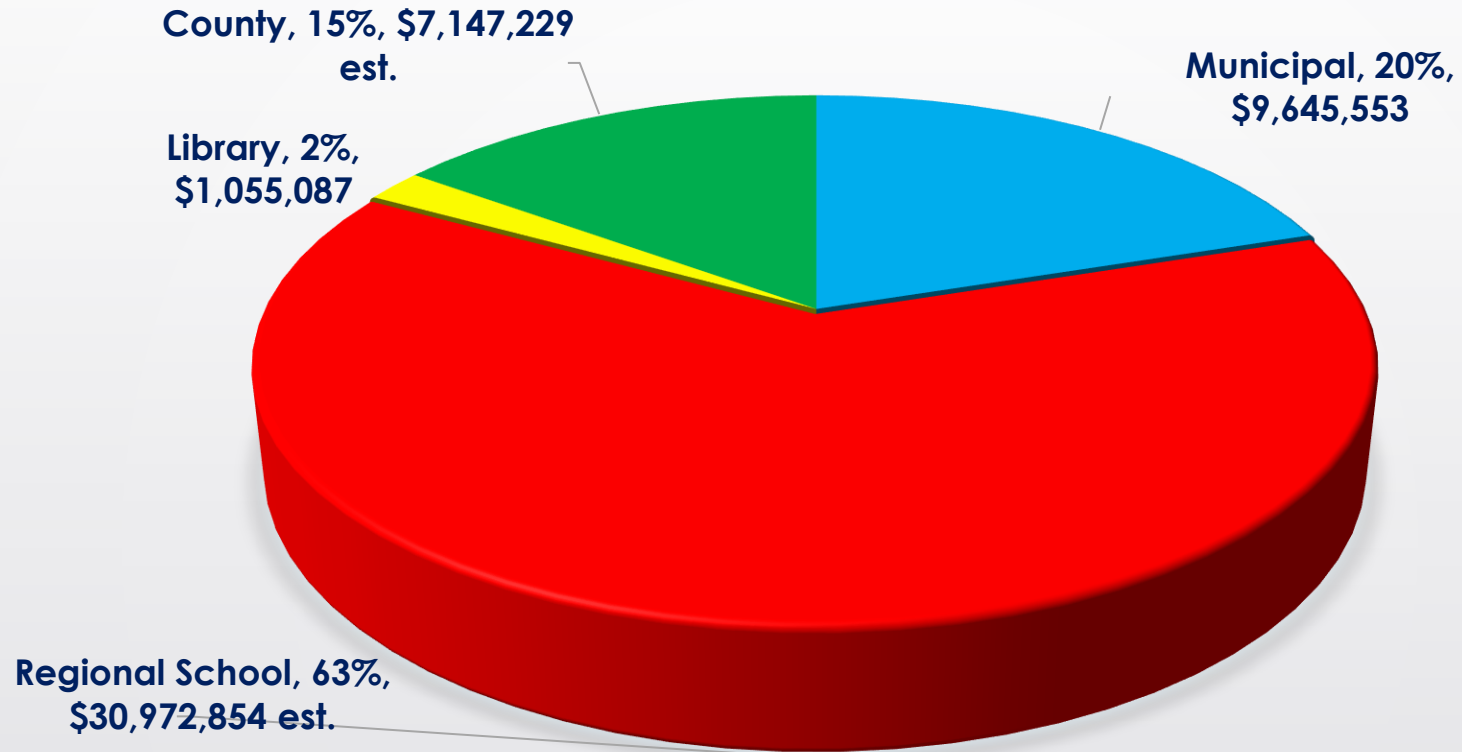
- Total budget: \$1,333,954
- Garbage collection, recycling, mulch site, bulk waste
- Funded by: Solid waste bill



Budget Process



- | | | |
|---|---------------------------------------------------------------------|-------------------------------------|
| ✓ | Department Head Budget Consultations | January-February 2024 |
| ✓ | Budget Hearings and Finance Committee Review/Deliberations | February - March 2024 |
| ✓ | Budget Introduction & Presentation
(Start of the Formal Process) | April 8, 2024 |
| | Publication of the Budget
(Daily Record & Chatham Courier) | At least 10 days prior to adoptions |
| | Public Hearing on the Budget | May 13, 2024 |
| | Budget Adoption | After the Public Hearing |

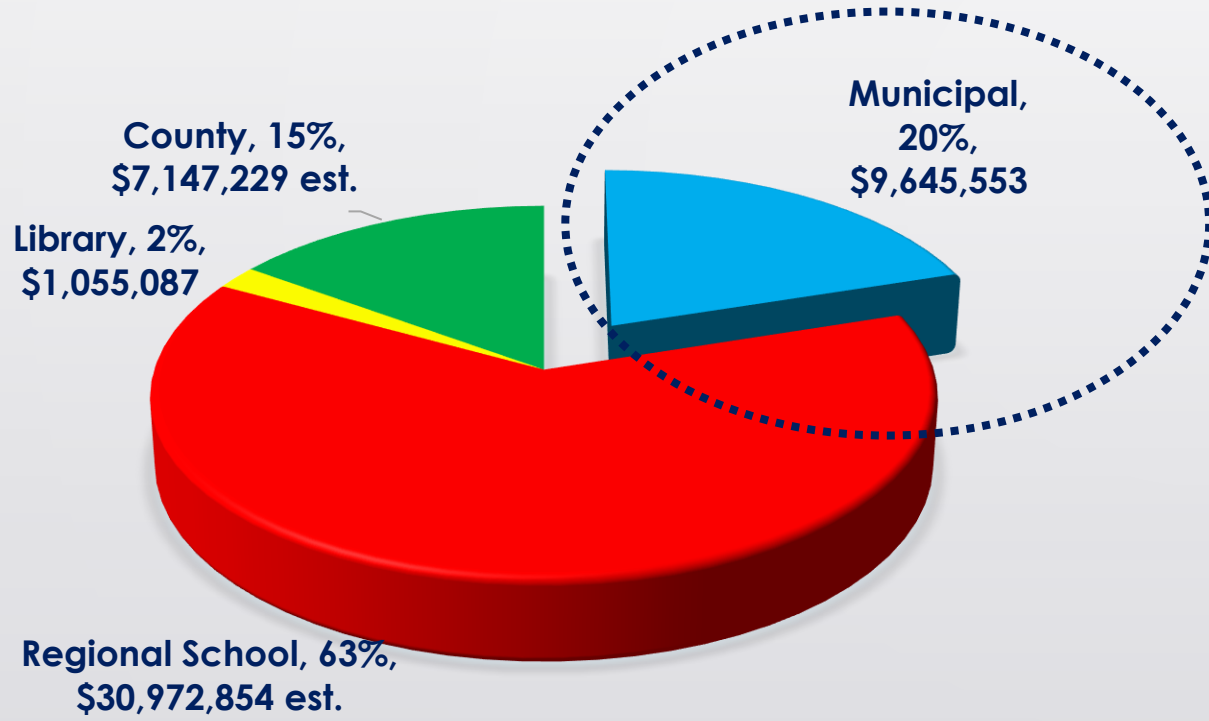


Chatham Property Tax Allocation

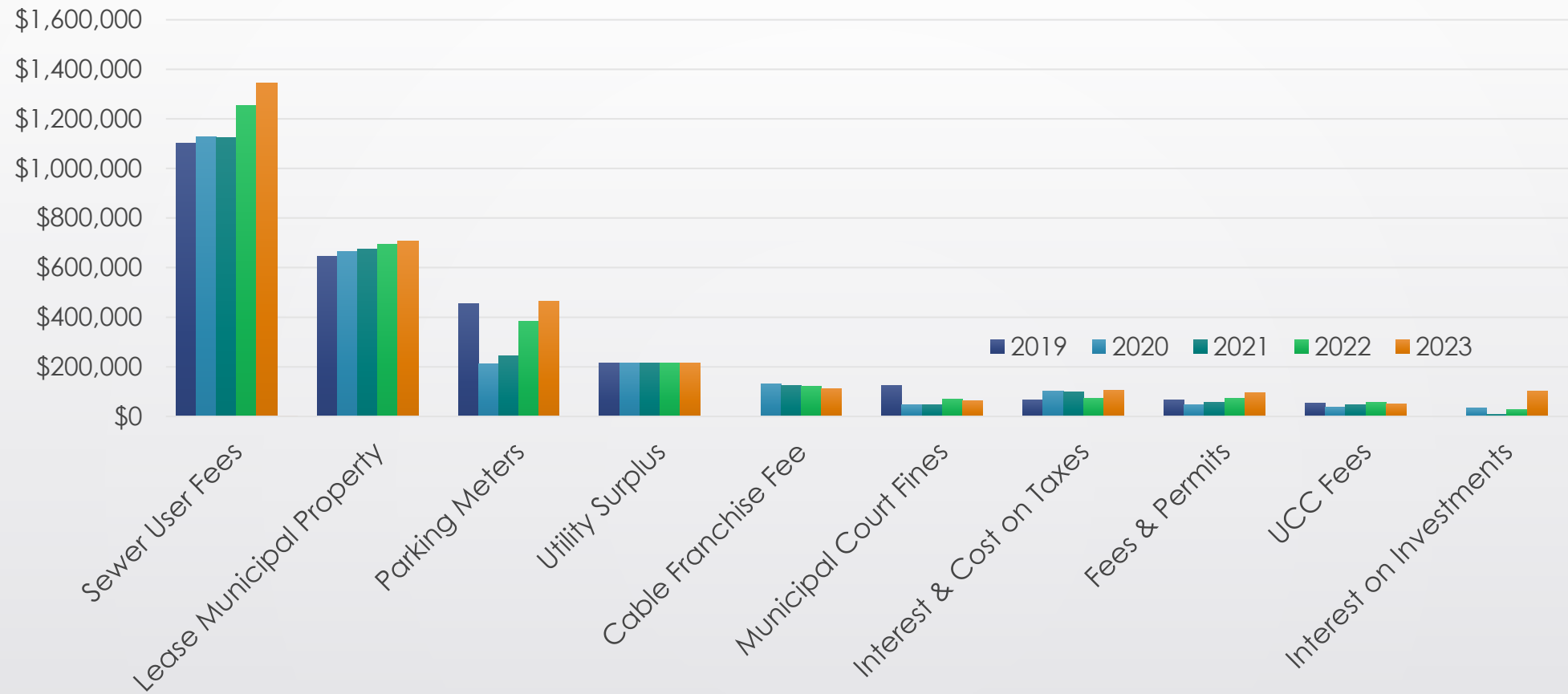
Chatham Property Tax Allocation



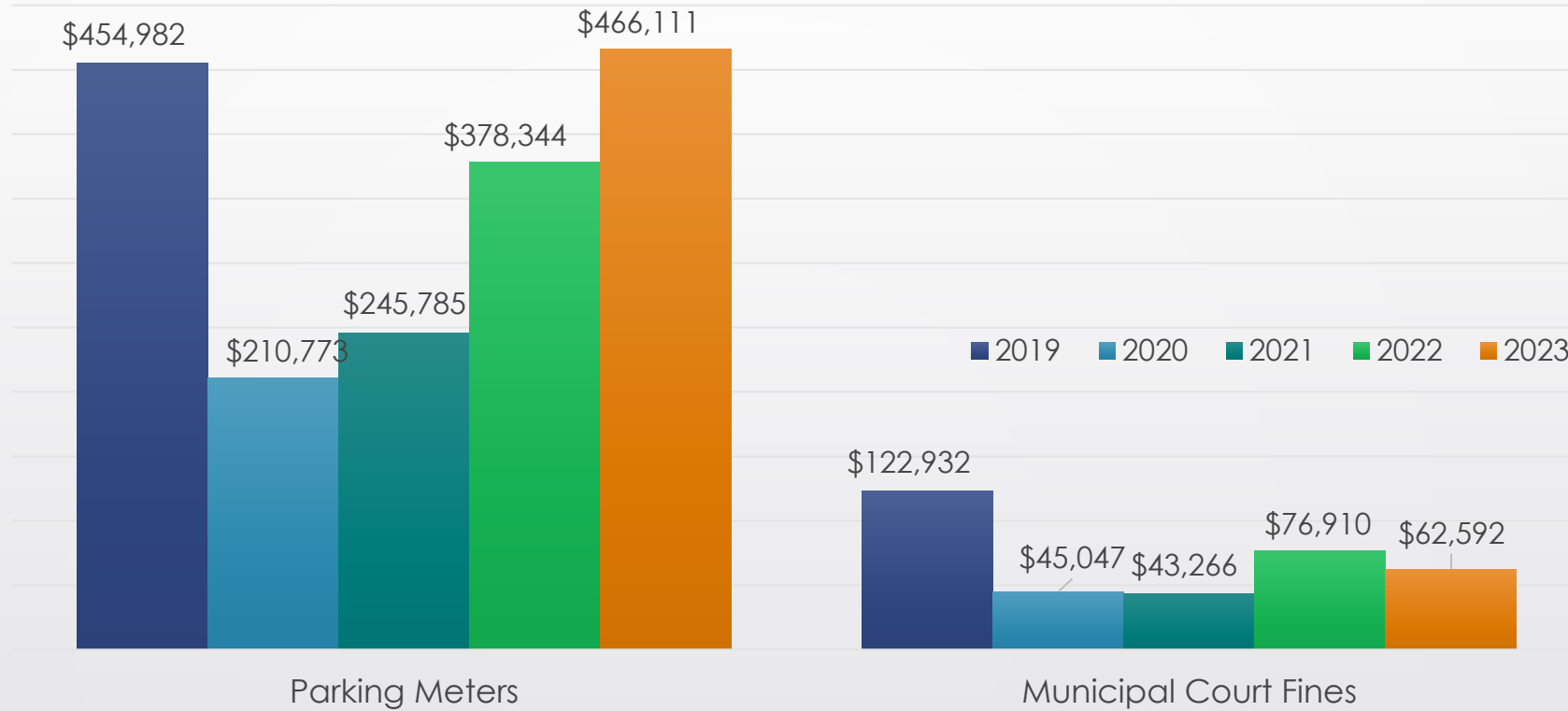
An average home valued at \$900,000 will receive property tax bill of approximately \$14,201. The municipal portion of this tax bill will be is \$2,804. For this amount, the residents of that home will receive the following services & programs (non all-inclusive):



- Road Maintenance and Repair
- Yard Waste & Fall Leaf Pick up
- Sidewalk Maintenance and Repair
- Recreational Fields & Facilities
- Park Maintenance
- Policing Services & Crossing Guards
- Fire Department & Fire Safety
- Administration / Elections/ Records
- Construction/ Planning/ Zoning
- Senior Citizen Services
- Health Department
- Fire Hydrants & Street Lights
- Snow Plowing Services
- Emergency Services
- Storm Water Systems



NON-TAX REALIZED REVENUES



PARKING & MUNICIPAL COURT REVENUE 5-YEAR HISTORY



5 YEAR REVENUE COMPARISON:

REVENUES:	2019	2020	2021	2022	2023	5 Year Change	5 Year % Change
Sewer User Fees	\$1,101,275	\$1,128,063	\$1,125,226	\$1,254,822	\$1,344,469	\$243,194	22%
Lease Municipal Property	\$646,643	\$665,791	\$675,807	\$694,015	\$706,164	\$59,521	9%
Parking Meters	\$454,982	\$210,773	\$245,785	\$381,806	\$466,111	\$11,129	2%
Utility Surplus	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$0	0%
Cable Franchise Fee	\$0	\$132,809	\$124,462	\$119,915	\$113,055	\$113,055	-
Municipal Court Fines	\$122,932	\$45,047	\$46,266	\$70,156	\$62,592	(\$60,340)	-49%
Interest & Cost on Taxes	\$67,278	\$103,024	\$98,625	\$74,837	\$104,607	\$37,329	55%
Fees & Permits	\$65,460	\$47,139	\$56,790	\$72,377	\$95,401	\$29,941	46%
UCC Fees	\$52,554	\$36,986	\$45,915	\$57,157	\$50,707	(\$1,847)	-4%
Interest on Investments	\$0	\$33,555	\$9,017	\$29,358	\$101,893	\$101,893	-



Revenues:	2023	2024	\$\$ Change	% Change
Fund Balance	\$2,375,000	\$2,375,000	\$0	0%
Fees & Permits	\$125,073	\$125,073	\$0	0%
Municipal Court	\$70,000	\$60,000	-\$10,000	-14%
Interest on Taxes	\$69,000	\$69,000	\$0	0%
Parking	\$335,000	\$435,000	\$100,000	30%
Interest on Investments	\$15,000	\$45,000	\$30,000	200%
Sewer Fees	\$1,345,000	\$1,340,000	-\$5,000	0%
State Aid	\$605,760	\$638,328	\$32,568	5%
Lease Municipal Property	\$645,000	\$645,000	\$0	0%
Cable Franchise Fees	\$113,000	\$103,000	-\$10,000	-9%
Other Special Items	\$327,847	\$274,025	-\$53,822	-16%
Receipts for Delinquent Taxes	\$400,000	\$225,000	-\$175,000	-44%
Library Tax	\$958,862	\$1,055,087	\$96,225	10%
Amount to Be Raised by Taxes	\$9,418,662	\$9,645,553	\$226,891	2%
TOTAL REVENUES (Exc. Grants)	\$16,805,227	\$17,035,066	\$229,891	1%

Current Fund – BUDGETED Revenues
Excluding Grants

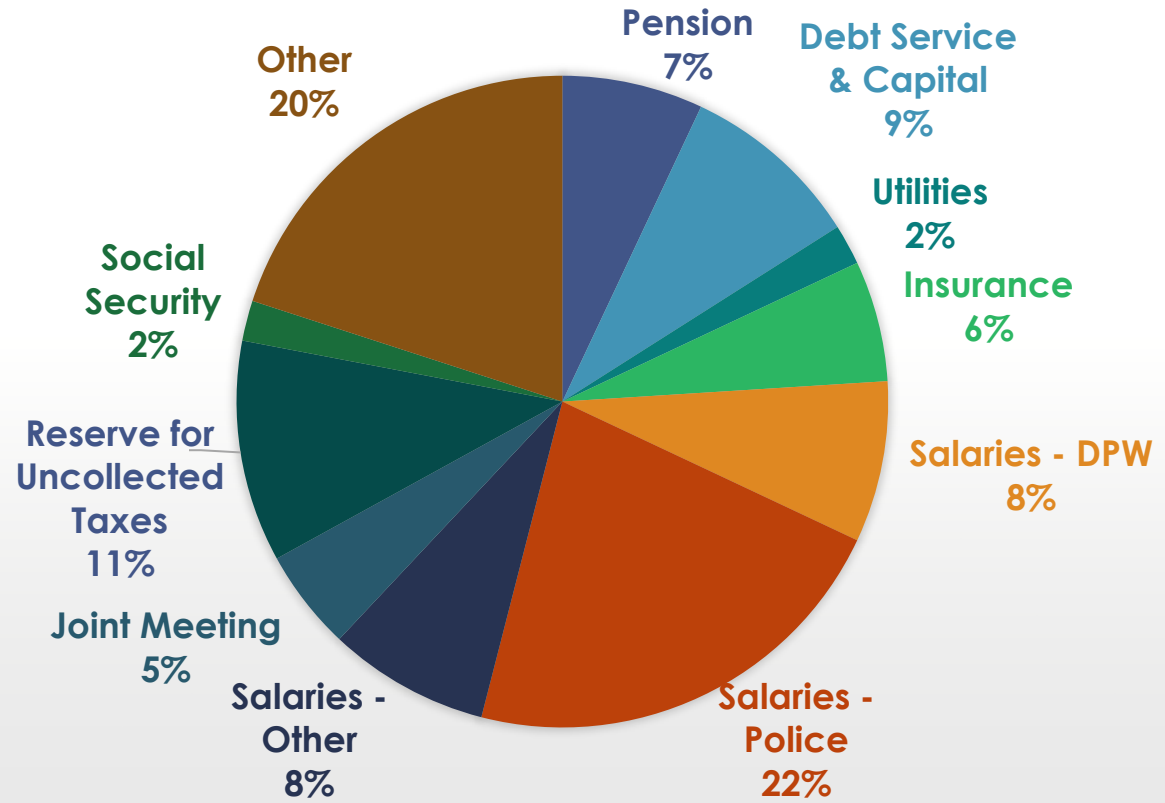


Appropriations:	2023	2024	\$\$ Change	% Change
Salaries	\$6,042,900	\$6,346,870	\$303,970	5%
Insurance (Group Health, WC & Liability)	\$1,008,431	\$1,083,021	\$74,590	7%
Utilities	\$343,100	\$343,100	\$0	0%
Debts Service & Capital Contributions	\$1,896,195	\$1,616,600	-\$293,595	-15%
Reserve for Uncollected Taxes (RUT)	\$1,810,000	\$1,810,000	\$0	0%
Pension	\$1,190,887	\$1,258,264	\$67,377	6%
Social Security	\$250,000	\$261,000	\$11,000	4%
Joint Meeting Expenses	\$865,000	\$890,950	\$25,950	3%
All Other Expenses	\$3,292,941	\$3,435,912	\$142,970	4%
TOTAL Appropriations	\$16,719,428	\$17,031,317	\$311,888	2%

Current Fund – BUDGETED Expenditures
Excluding Grants



Expenditures as a % of budget





Government Operations Expenditures –
Salary & Wages + Operating Expenses



Tax Rate Calculation –

	2024	2023	\$\$ Change	Increase
Ratables	\$3,093,599,800	\$3,103,569,950	-\$9,970,150	-.32%
<u>MUNICIPAL</u>				
Muni Tax Levy	\$9,645,662	\$9,418,662	\$226,891	2.4%
Muni Tax Rate	\$.312	\$.303	\$.009	2.7%
<u>OPEN SPACE</u>				
OS Tax Levy	\$0	\$96,210	\$96,210	-100%
OS Tax Rate	\$0	\$.003	-\$0.003	-100%
<u>COMBINED</u>				
Tax Rate	\$.312	\$.306	\$.006	1.7%



	2023		2024		%%%	\$\$\$
	\$\$ Amount	Rates	\$\$ Amount	Rates	Change	Difference
Assessed Value	\$ 100,000		\$ 100,000			
Local Tax	303.48	\$0.303	311.79	\$0.312	2.74%	8.31
Local Tax - Open Space	3.10	\$0.003	-	\$0.000	-100.00%	-3.10
Regional	978.41	\$0.978	1,001.19	\$1.001	2.33%	22.78
Library Tax	30.90	\$0.031	34.11	\$0.034	10.39%	3.21
County Tax	237.25	\$0.237	242.77	\$0.243	2.33%	5.52
Overall Approximate Tax	1,553.13	\$1.553	1,589.86	\$1.590	2.365%	36.73

Local Component of Tax Bill	306.58	\$0.306	311.79	\$0.312	5.21	\$\$ Increase
					1.700%	%% Increase
					0.006	Cent Increase

Tax Rate Calculation



POLICE CAPITAL	\$\$
Stationary License Plate Reader	\$36,000
2 Evolis Solar Speed Signs	\$9,000
Building Security Improvements	\$6,000
Pursuit Stop Sticks	\$3,800
TOTAL	\$54,800



FIRE CAPITAL	\$\$
Fire Hose	\$23,000
Fire Pager	\$2,600
Knox Box Upgrade	\$5,000
Turnout Gear	\$24,000
Tablets	\$14,000
Rescue Fire Truck	\$1,200,000
TOTAL	\$1,268,600



PUBLIC WORKS CAPITAL	\$\$
Road Repairs & Micro surfacing	\$130,000
Stormwater Improvements	\$25,000
Leaf Boxes	\$15,000
Street Sweeper	\$320,000
Refabrication – Salt Spreaders	\$20,000
TOTAL	\$510,000



BUILDINGS & GROUNDS CAPITAL	\$\$
Paint Exterior Borough Hall	\$27,000
General Improvements	\$50,000
TOTAL	\$77,000



VEHICLE MAINTENANCE CAPITAL	\$\$
Air Tools	\$3,500
Wheel Balancer Machine	\$20,000
TOTAL	\$23,500



PARKS & RECREATION CAPITAL	\$\$
Park Improvements	\$75,000
TOTAL	\$75,000

SEWER CAPITAL	\$\$
SS Mason Dump Body	\$27,000
Upgrade Scada System	\$12,000
TOTAL	\$39,000



ENGINEERING CAPITAL	\$\$
Road Resurfacing	\$250,000
Curbs & Sidewalks	\$100,000
Drainage Improvements	\$100,000
Section 20 Costs	\$65,000
TOTAL	\$515,000



OTHER CAPITAL ITEMS	\$\$
Senior Center Renovation	\$20,000
EV Charging Stations – Fast Chargers	\$35,000
TOTAL	\$55,000



ALL GENERAL FUND CAPITAL	\$\$
Police	\$54,800
Fire	\$1,268,600
Public Works	\$510,000
Buildings & Grounds	\$77,000
Vehicle Maintenance	\$23,500
Sewer	\$39,000
Parks & Recreation	\$75,000
Engineering	\$515,000
Add-ons	\$55,000
TOTAL GENERAL FUND	\$2,647,900



2024 WATER UTILITY BUDGET

REVENUES:	2023	2024	\$ Change	% Change
Fund Balance	\$138,500	\$127,150	-\$11,350	-8%
Rents	\$1,764,005	\$1,824,500	\$60,495	3%
TOTAL	\$1,902,505	\$1,961,650	\$59,145	3%

EXPENSES:	2023	2024	\$ Change	% Change
Salary & Wages	\$675,000	\$688,500	\$13,500	2%
Operating Expenses	\$616,680	\$640,500	\$23,820	4%
Capital Improvements	\$106,325	\$105,000	-\$1,325	-1%
Statutory Expenditures	\$182,000	\$183,500	\$1,500	1%
Debt Service	\$322,500	\$344,150	\$21,650	6%
TOTAL	\$1,902,505	\$1,961,650	\$59,145	3%



2024 WATER UTILITY CAPITAL



Water Utility	\$\$
Water Distribution System Repair & Maintenance	\$35,000
Fire Hydrants & Valves	\$80,000
New Garage Doors	\$34,000
Water Meters w/ Transmitters	\$65,000
Line Tracer / Metal Detector	\$5,200
Scada	\$12,000
Lead Line Service Replacements	\$500,000
Section 20 Costs	\$100,000
TOTAL WATER UTILITY	\$831,000



2024 SOLID WASTE UTILITY BUDGET

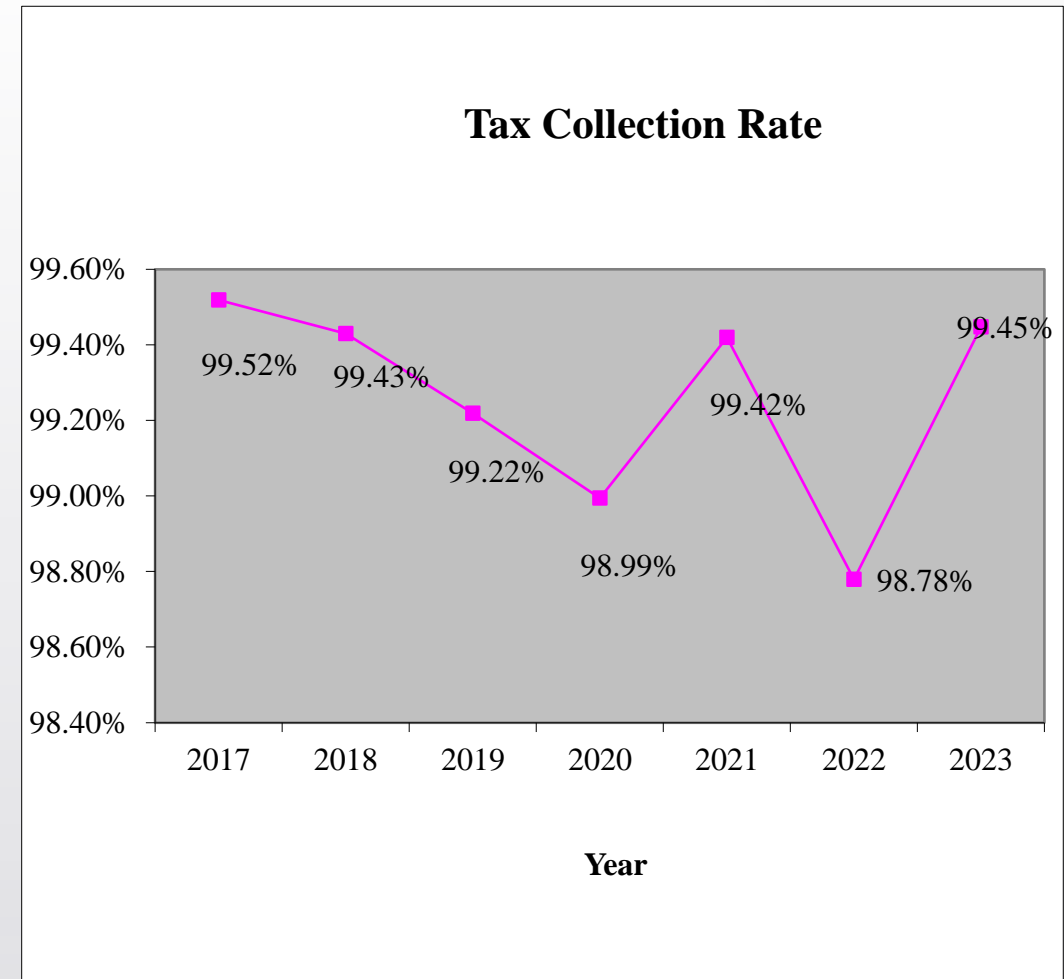
REVENUES:	<u>2023</u>	<u>2024</u>
Fund Balance	\$100,000	\$150,000
Rents	\$981,380	\$1,183,954
TOTAL REVENUES	\$1,081,380	\$1,333,954
EXPENSES	<u>2023</u>	<u>2024</u>
Solid Waste Expenses	\$582,000	\$759,000
Recycling Expenses	\$251,925	\$332,000
Salary & Wages	\$120,870	\$123,287
Other Operating Expenses	\$49,793	\$55,399
Capital Improvement Fund	\$53,000	\$40,000
Statutory Expenses	\$23,792	\$24,268
TOTAL EXPENSES	\$1,081,380	\$1,333,954



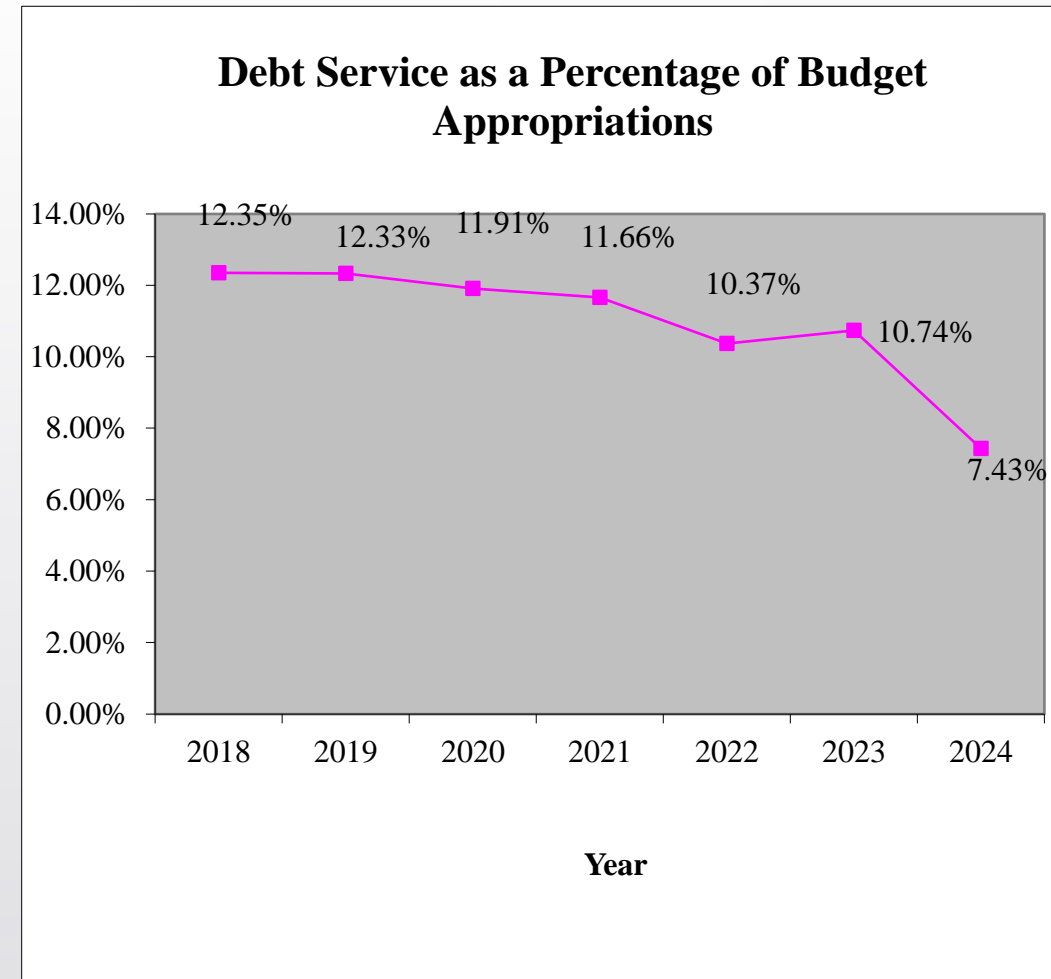
2024 Solid
Waste Utility
Capital

Solid Waste Utility		\$\$
Front End Loader		\$40,000
TOTAL SOLID WASTE UTILITY		\$40,000

- Goal to maintain 99% tax collection rate
- 2022 tax collection rate dropped to below 99% which directly effected the Borough's ability to regenerate fund balance
- 2023 Tax Collection Rate back up to 99%



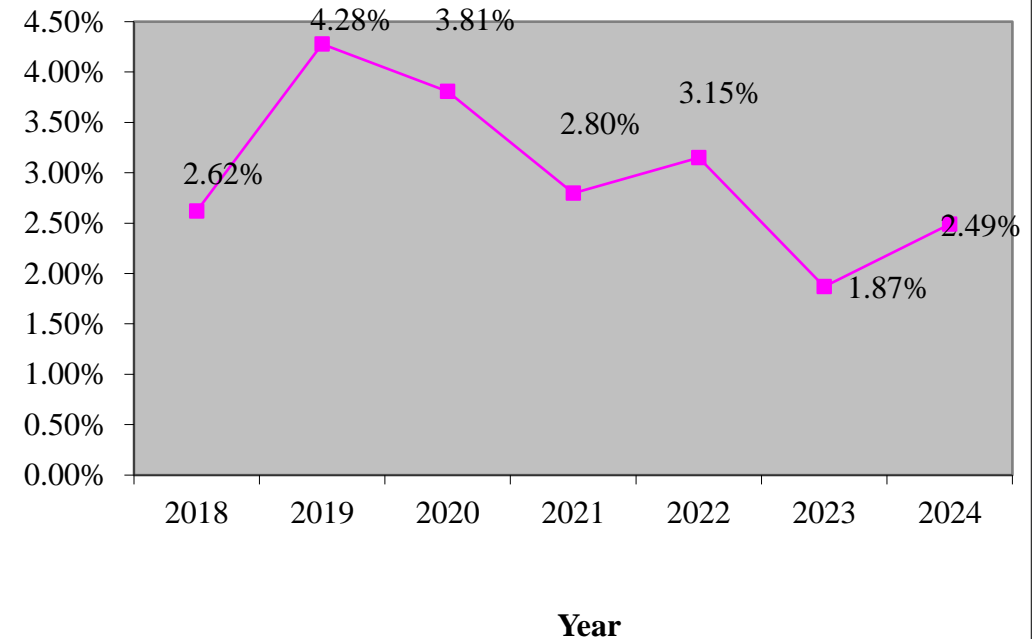
- As bond obligations mature, move towards aggressively paying down short-term notes and building up capital improvement fund.
- Move to pay cash for capital items with a useful life less than 10 years.
- Goal to reduce debt service payments to 10% or less of Budget Appropriations (by 2024)



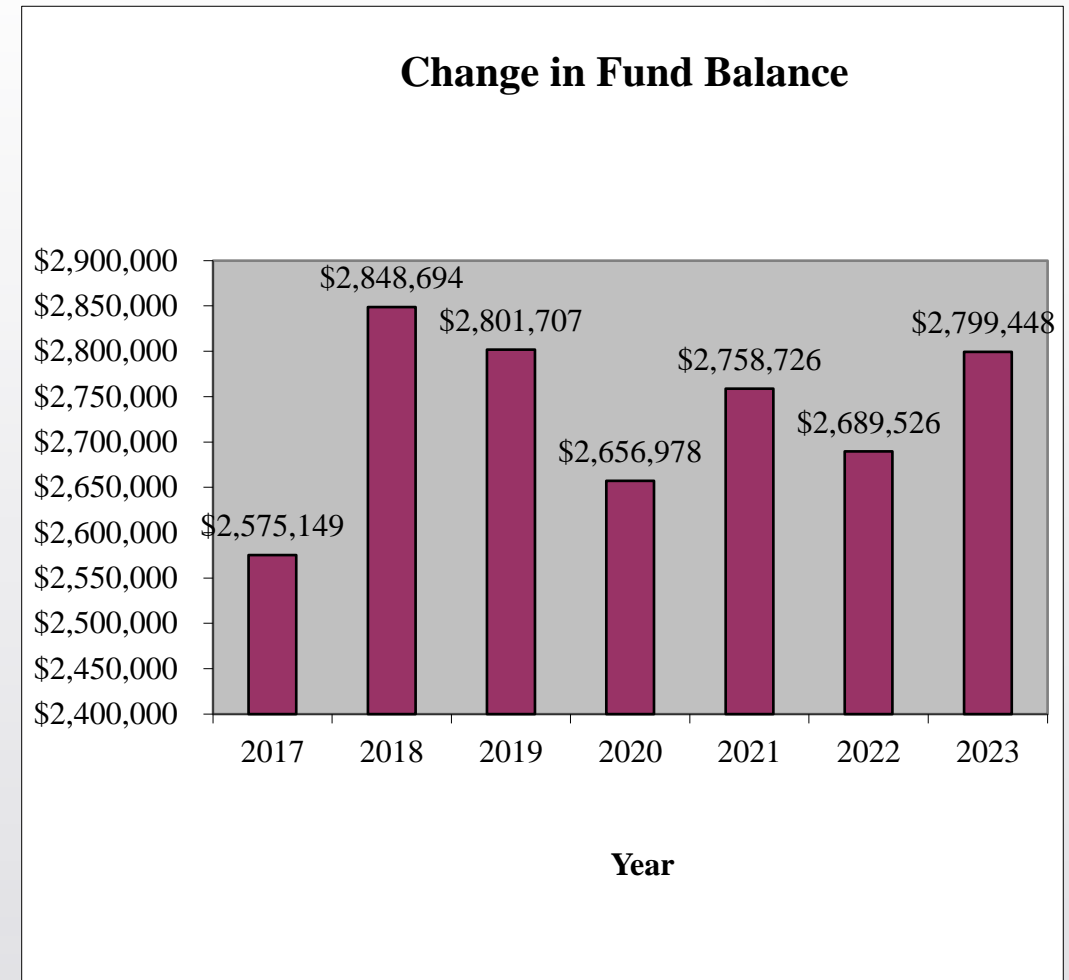


- Measures the fund balance not utilized in budget.
- Unreserved fund balance assists in dealing with unexpected issues and cash flow deficiencies
- 2023 Unreserved Fund Balance - \$314,526
- 2024 Unreserved Fund Balance - \$424,448
- 10%+ exceptional = \$1.6M
- Goal – 8% = \$1.3M

Unreserved Fund Balance as a % of Budget



- Fund Balance utilized to stabilize the tax impact
- Goal to grow Fund Balance to \$3.5M to increase the unreserved fund balance (\$2.2M to support budget + \$1.3M as unreserved)





Long Term Budgetary Goals

- Finalize 10-year Long Term Financial Plan
 - Including use of PILOT funds.
- Complete and Publish detailed 5-Year Capital Improvement Plan