Chatham Borough 2025 Budget

BUDGET INTRODUCTION - APRIL 28, 2025

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: $18,421,891
- General government operations + sewer
- Funded by: Property taxes, permits and fees, rent, sewer fees

Water Utility

- Total budget: $2,093,160
- Water system
- Funded by: Water bill

Solid Waste Utility

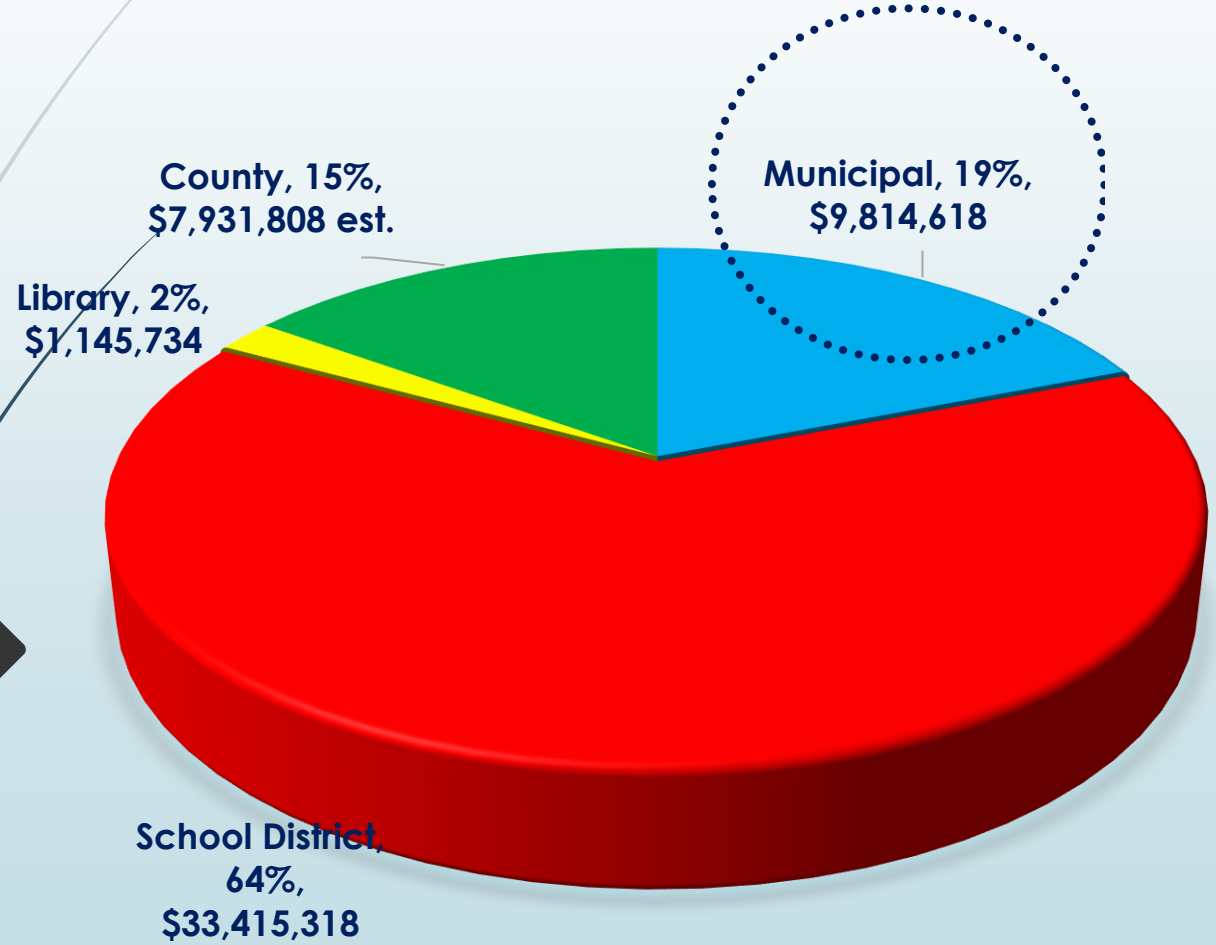
- Total budget: $1,419,635
- Garbage collection, recycling, mulch site, bulk waste
- Funded by: Solid waste bill

Budget Process

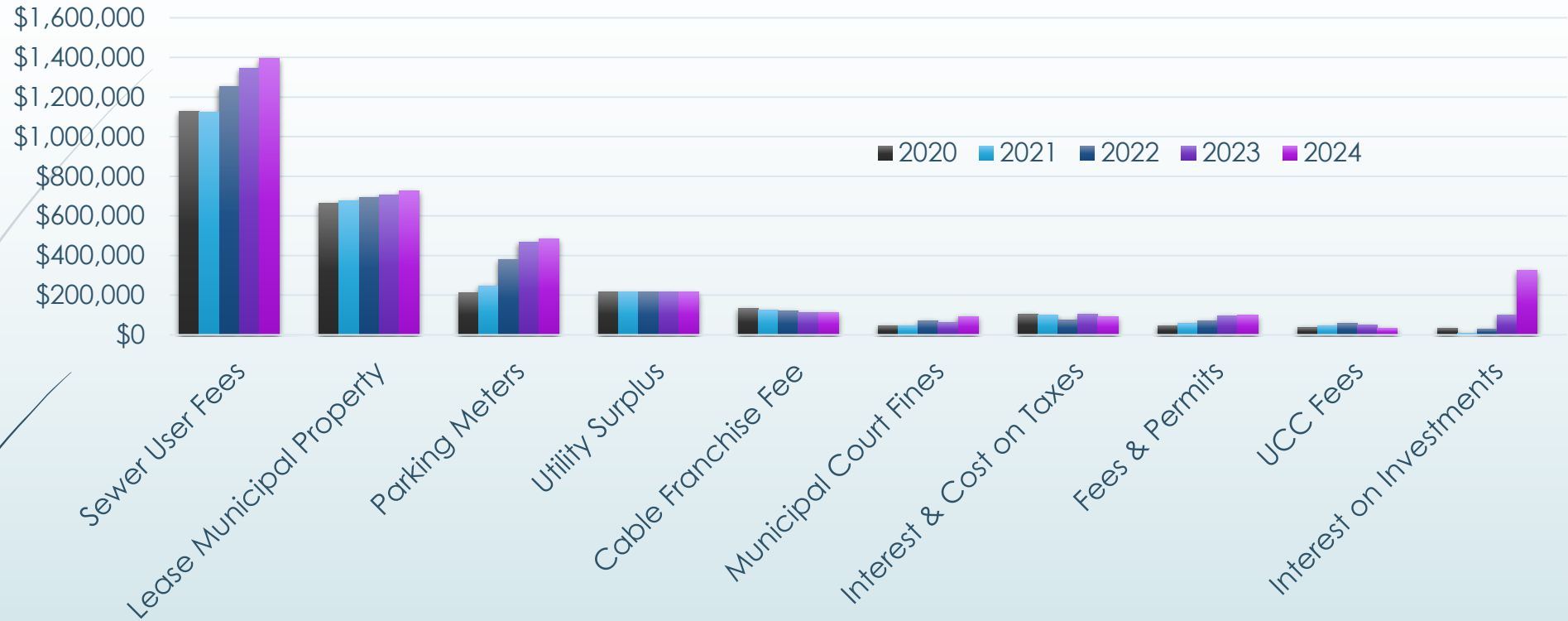
✓	Department Head Budget Consultations	January-February 2025
✓	Budget Hearings and Finance Committee Review/Deliberations	February – April 2025
✓	Budget Introduction & Presentation (Start of the Formal Process)	April 28, 2025
	Publication of the Budget (Daily Record & Chatham Courier)	At least 10 days prior to adoptions
	Public Hearing on the Budget	May 27, 2025
	Budget Adoption	After the Public Hearing

Chatham Property Tax Allocation

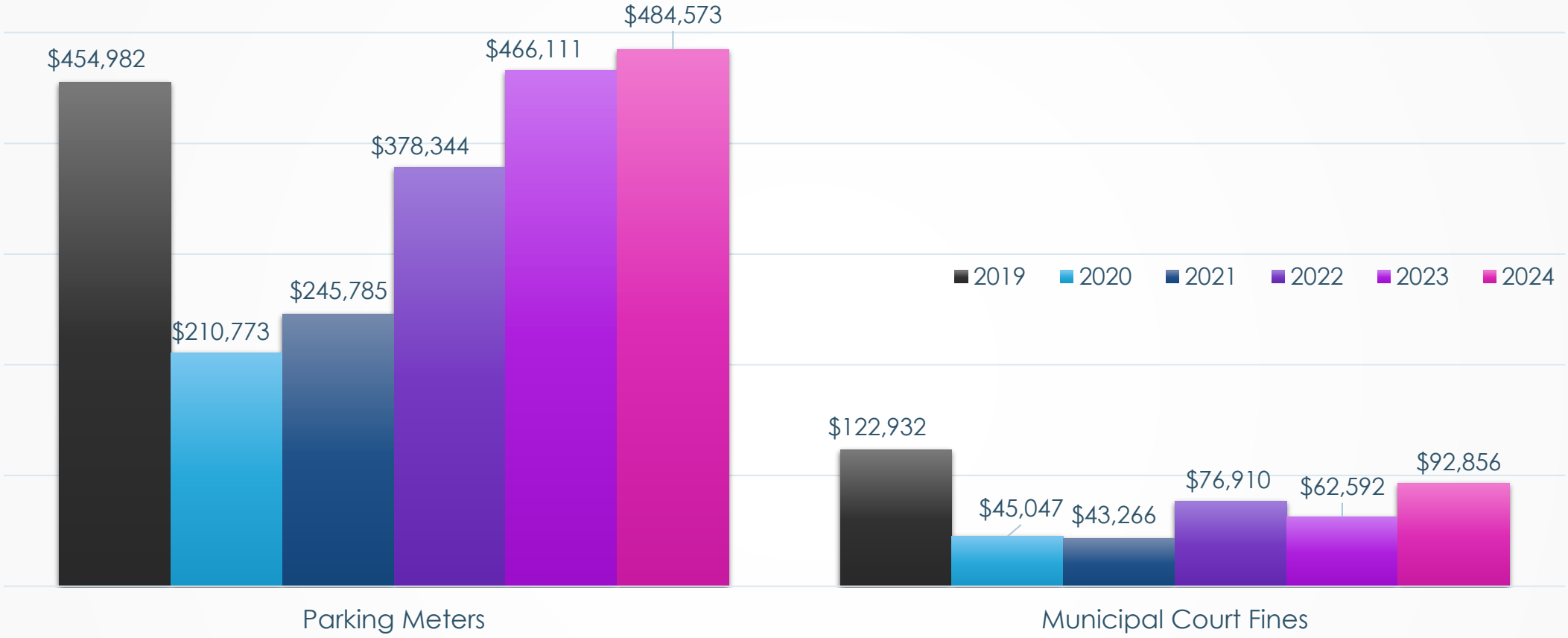
An average home valued at $900,000 will receive property tax bill of approximately $15,226. The municipal portion of this tax bill is $2,857. For this amount, the residents of that home will receive the following services & programs (list not all-inclusive):



- Road Maintenance and Repair
- Yard Waste & Fall Leaf Pick up
- Sidewalk Maintenance and Repair
- Recreational Fields & Facilities
- Park Maintenance
- Police 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 REALIZED REVENUE COMPARISON

REVENUES:	2020	2021	2022	2023	2024	5 Year Change	5 Year % Change
Sewer User Fees	$1,128,063	$1,125,226	$1,254,822	$1,344,469	$1,396,156	$268,093	24%
Lease Municipal Property	$665,791	$675,807	$694,015	$706,164	$724,951	$59,160	9%
Parking Meters	$210,773	$245,785	$381,806	$466,111	$484,573	$273,800	130%
Utility Surplus	$215,000	$215,000	$215,000	$215,000	$215,000	$0	0%
Cable Franchise Fee	$132,809	$124,462	$119,915	$113,055	$113,176	($19,633)	-15%
Municipal Court Fines	$45,047	$46,266	$70,156	$62,592	$92,856	$47,809	106%
Fees & Permits	$47,139	$56,790	$72,377	$95,401	$111,762	$64,623	137%
UCC Fees	$36,986	$45,915	$57,157	$50,707	$33,850	($3,136)	-8%
Interest on Investments	$33,555	$9,017	$29,358	$101,893	$325,854	$292,299	871%

Current Fund – BUDGETED Revenues (Excluding Grants)

Category	2024 Anticipated	2024 Realized	2025 Anticipated	$$ Change
Fund Balance	$2,375,000	$2,375,000	$2,480,000	$105,000
Fees & Permits	$67,073	$111,762	$67,073	$0
Court Fines	$60,000	$92,856	$60,000	$0
Parking Meters	$435,000	$484,573	$460,000	$25,000
Interest on Investments	$45,000	$325,854	$148,200	$103,200
Sewer Fees	$1,340,000	$1,396,156	$1,370,000	$30,000
State Aid	$638,328	$638,328	$578,985	($59,343)
UCC Fees	$46,000	$33,850	$32,000	($14,000)
Joint Recreation	$20,000	$20,000	$5,000	($15,000)
Farmers Market	$12,000	$5,688	$0	($12,000)
Utility Surplus	$215,000	$215,000	$180,000	($35,000)
Property Leases	$645,000	$724,951	$700,000	$55,000
Cable Franchise Fees	$103,000	$113,176	$110,000	$7,000
Reserves	$39,025	$39,025	$106,677	$67,652
PILOT	$0	$0	$841,000	$841,000
Delinquent Taxes & Interest	$294,000	$357,447	$294,000	$0
TOTALS	**$6,334,426**	**$6,933,666**	**$7,432,935**	**$1,098,509**

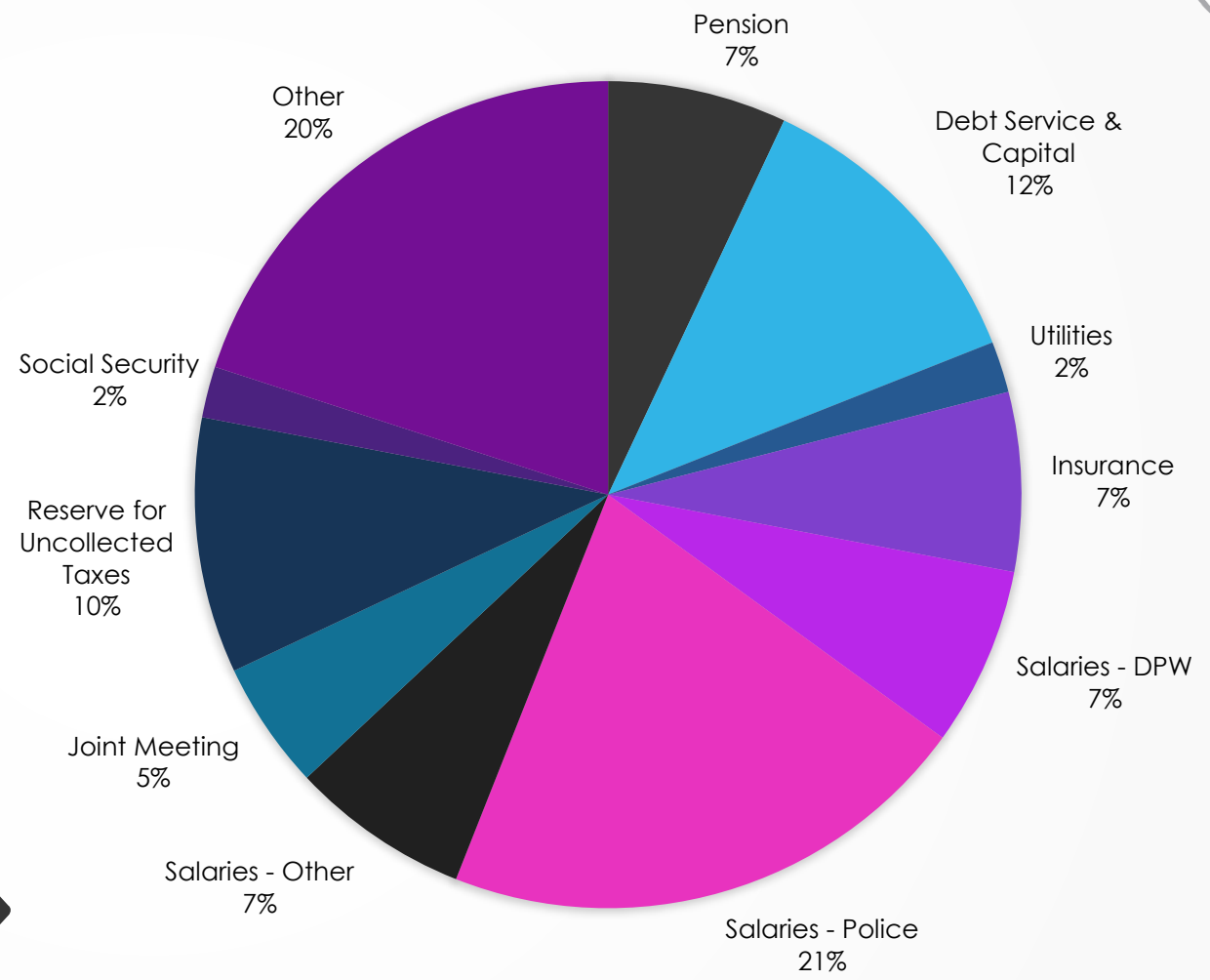
Current Fund Budgeted Expenditures (Excluding Grants)

Budget Categories	2024 Budget	2025 Budget	$$ Change in Budget
Statutory Expenditures	$1,519,264	$1,622,028	$102,764
Insurance	$1,083,021	$1,211,048	$128,027
Utilities	$343,100	$343,100	$0
Debt Service & Capital	$1,602,200	$2,149,900	$547,700
Police/Parking S&W	$3,724,475	$3,875,156	$150,681
DPW S&W	$1,309,100	$1,353,060	$43,960
All Other S&W	$1,313,295	$1,355,130	$41,835
All Other Expenses	$3,167,485	$3,422,837	$255,352
Library	$1,159,377	$1,247,128	$87,750
Reserve for Uncollected Taxes	$1,810,000	$1,810,000	$0
TOTAL BUDGET	**$17,031,317**	**$18,389,387**	**$1,358,070**

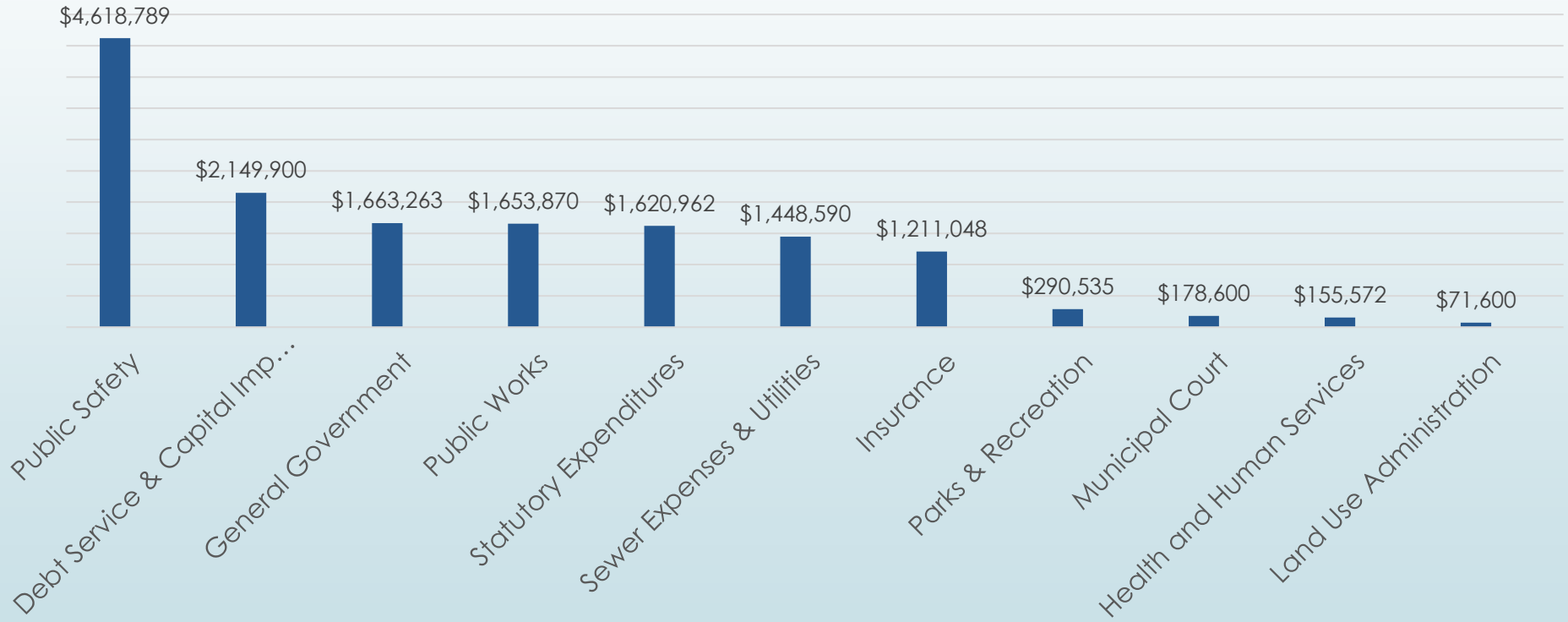
MAJOR BUDGET DRIVERS

- Pension: +$87,214
- Insurance: +$128,027
- Capital Financing: Fire Trucks - +$400,000 (PILOT offset)
- Debt Service – Interest: +$78,800 (PILOT offset)
- Legal & Engineering Services: +$40,000
- Joint Meeting: +$46,000 (Sewer Fees Offset)
- Aid to Library: +$87,750
- COVID Special Emergency: +$60,000 (PILOT Offset)
- Police Salary & Wages: +$150,000

Expenditures as a % of budget



Government Operations Expenditures – Salary & Wages + Operating Expenses



USE OF PILOT FUNDS

- Reserve for Fire Truck - $400,000
- Debt Service - $100,000
- SLEO - $51,000
- COVID Special Emergency - $120,000
- Stabilize Tax Rate - $170,000

- TOTAL: $841,000

*Hypothetical *
Tax Rate Calculation – NO PILOT

	2024	2025	$$ Change	Increase
Ratables	$3,092,109,300	$3,091,945,700	($163,600)	(.005%)
MUNICIPAL				
Muni Tax Levy	$9,645,553	$10,184,559	$539,006	5.6%
Muni Tax Rate	$.312	$.329	$.017	5.6%

- PILOT Offset not included as revenue: Debt Service, COVID Special Emergency, Stabilize Tax Rate

Tax Rate Calculation - ACTUAL

	2024	2025	$$ Change	Increase
Ratables	$3,092,109,300	$3,091,945,700	($163,600)	(.005%)
MUNICIPAL				
Muni Tax Levy	$9,645,553	$9,814,559	$169,006	1.75%
Muni Tax Rate	$.312	$.317	$.005	1.76%

Tax Rate Calculation

	2024		2025		%%%	$$$
	$$ Amount	Rates	$$ Amount	Rates	Change	Difference
Assessed Value	**$ 100,000**		**$ 100,000**			
Local Tax	$311.94	$0.312	$317.42	$0.317	1.76%	$5.48
School District	$1021.30	$1.021	$1080.72	$1.081	5.82%	$59.42
Library Tax	$34.12	$0.034	$37.06	$0.037	8.60%	$2.93
County Tax. Est.	$251.49	$0.251	$256.53	$0.257	2.01%	$5.04
Total Approximate Tax	$1,618.85	$1.619	$1,691.73	$1.692	4.502%	$72.88

POLICE CAPITAL	$$
Conducted Energy Devices	88,000
Body Worn Camera Replacements	38,000
New Batteries for Police Radios	4,000
AED & Equipment	6,400
Computer Equipment	10,600
First Aid Trauma Bags & Equipment	2,100
Lafayette Ave / Main Street Traffic Light Improvement	5,000
TOTAL	**$154,100**

FIRE CAPITAL	$$
Ladder Fire Truck Replacement	2,350,000
Turnout Gear	30,000
Motorola Pagers	2,700
TOTAL	**$2,382,700**

PUBLIC WORKS CAPITAL	$$
Vehicle Wash Station	145,000
ODM Leaf Vacuum	83,000
Groundmaster Mower	67,000
Road Maintenance - Repairs & Micro surfacing	130,000
Road Resurfacing	150,000
Curbs & Sidewalks	145,000
Drainage Improvements	100,000
Section 20 Costs	65,000
Stormwater Improvements	30,000
Utility Truck with Plow	72,000
TOTAL	**$987,000**

OTHER CAPITAL PROJECTS	$$$
Park Improvements (includes Garden Park Playground)	78,000
Sewer Capital (Castings, Sewer Equipment)	50,200
Buildings & Grounds General Improvements	75,000
TOTAL	**$203,200**

CURRENT FUND CAPITAL	$$
Police	154,100
Fire	2,382,700
Public Works	987,000
Other Capital (Sewer, Parks, Buildings & Grounds)	203,200
TOTAL	**$3,727,000**

2025 WATER UTILITY BUDGET

REVENUES:	2024	2025	$ Change	% Change
Fund Balance	$127,150	$116,375	($10,775)	-8%
Rents	$1,824,500	$1,976,785	$152,285	8%
TOTAL	**$1,951,650**	**$2,093,160**	**$141,510**	**6%**

EXPENSES:	2024	2025	$ Change	% Change
Salary & Wages	$688,500	$702,270	$13,770	2%
Operating Expenses	$640,500	$697,400	$56,900	9%
Capital Improvements	$105,000	$105,000	$0	0%
Statutory Expenditures	$183,500	$199,115	$15,615	9%
Debt Service	$344,150	$389.375	$38,850	12%
TOTAL	**$1,951,650**	**$2,093,160**	**$141,510**	**6%**

WATER UTILITY CAPITAL	$$
Water Distribution System Repair & Maintenance	35,000
Fire Hydrants & Valves	40,000
Water Meters w/ Transmitters	30,000
Water Plant Electrical Upgrade Phase 1	110,000
Meter Reading Upgrade Equipment	17,000
Lead Line Replacement - Homeowner Side	100,000
Recondition Well #3	81,000
Electric Vehicle – Ford Lightning Truck	67,000
TOTAL	**$480,000**

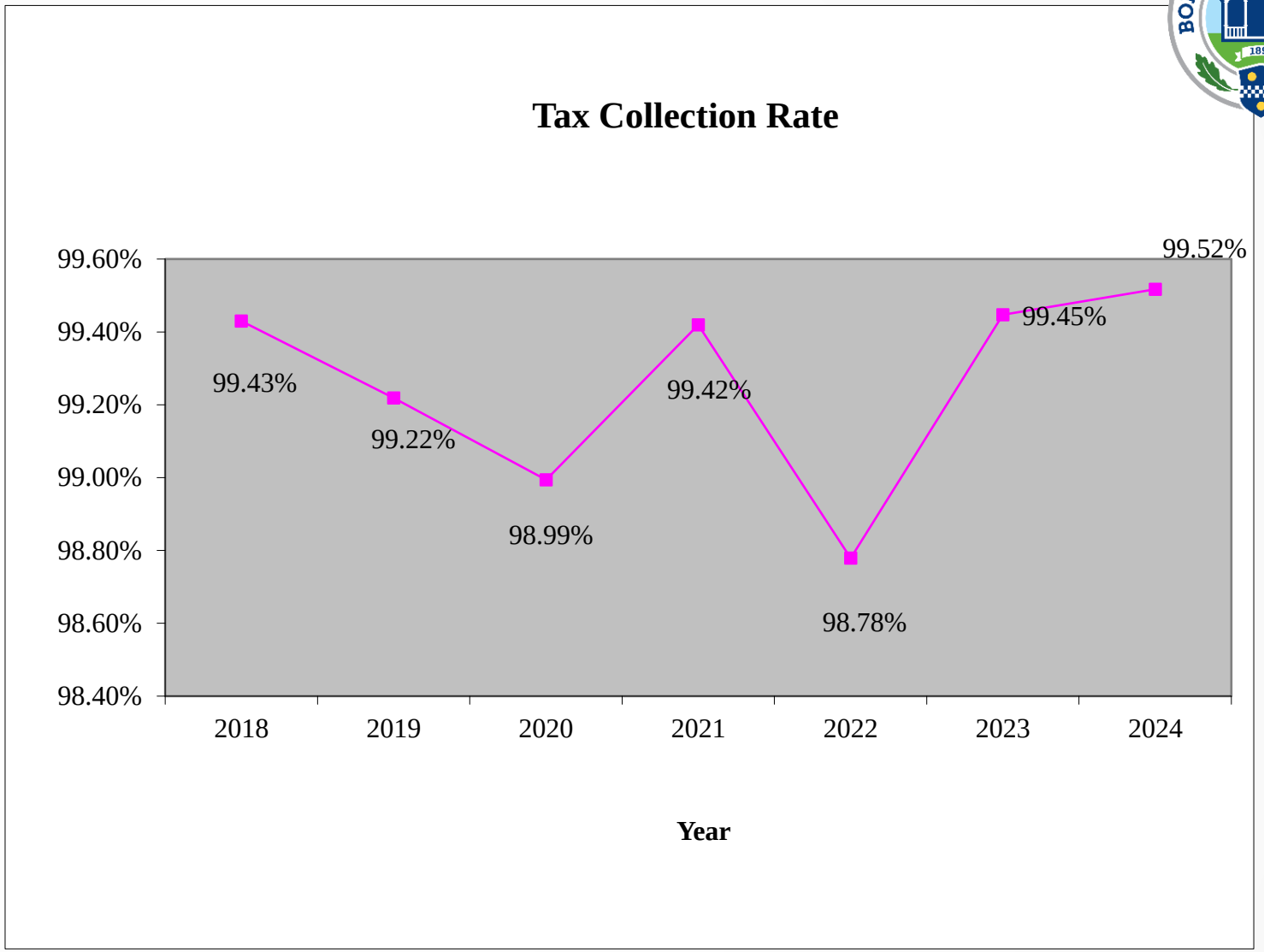
2025 SOLID WASTE UTILITY BUDGET

REVENUES:	2024	2025	$ Change	% Change
Fund Balance	$150,000	$142,725	($7,275)	-5%
Rents	$1,183,954	$1,276,910	$92,956	8%
TOTAL	**$1,333,954**	**$1,419,635**	**$85,681**	**6%**

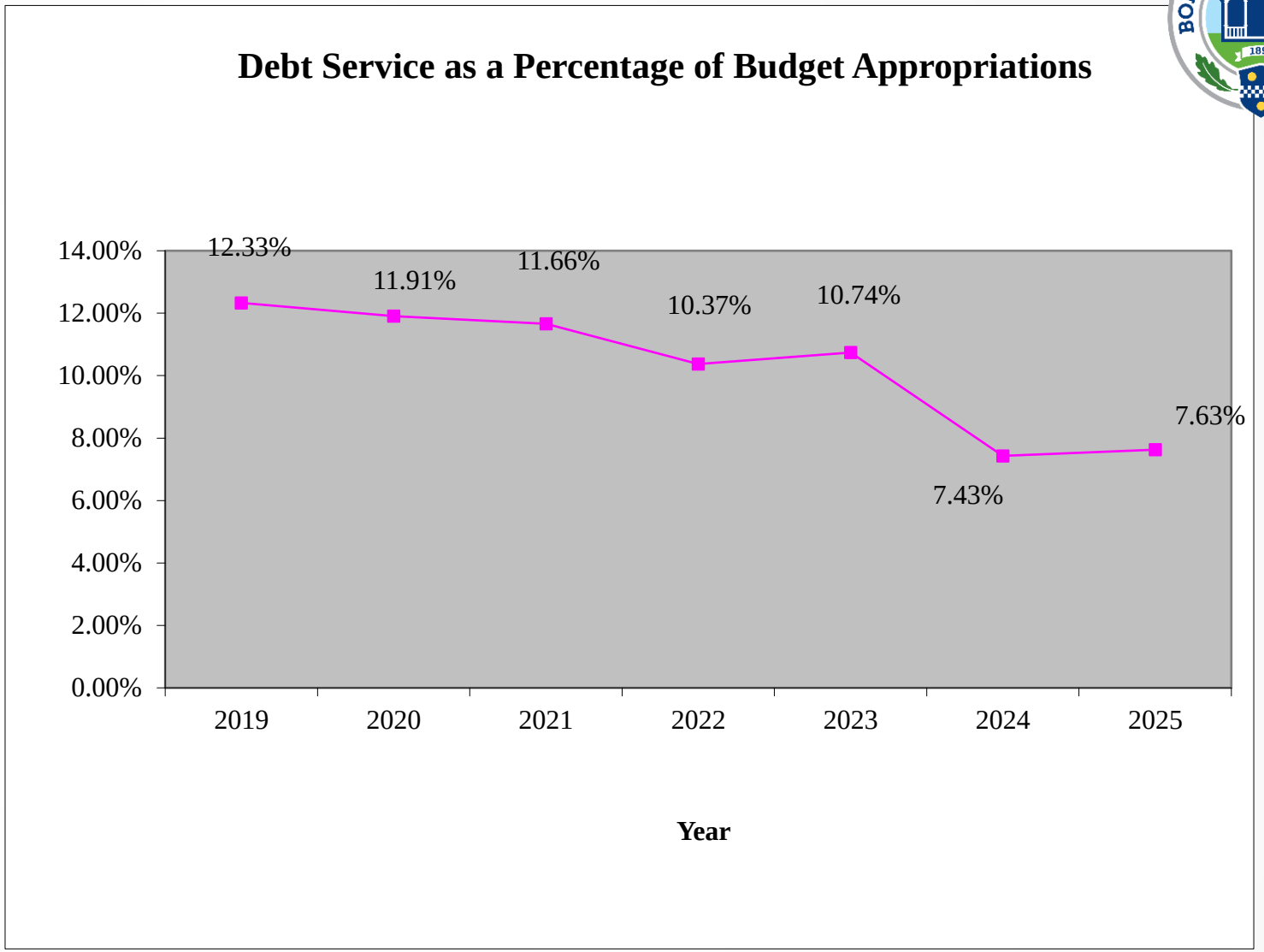
EXPENSES:	2024	2025	$ Change	% Change
Salary & Wages	$123,287	$126,610	$3,323	3%
Operating Expenses	$1,146,400	$1,192,546	$46,146	4%
Capital Improvements	$40,000	$40,000	$0	0%
Statutory Expenditures	$24,267	$24,754	$487	2%
Debt Service	$0	$35,725	$35,725	-
TOTAL	**$1,333,954**	**$1,419,635**	**$85,681**	**6%**

SOLID WASTE CAPITAL	$$
Shaker Box	150,000
Roll Off Dumpsters	14,000
TOTAL	**$164,000**

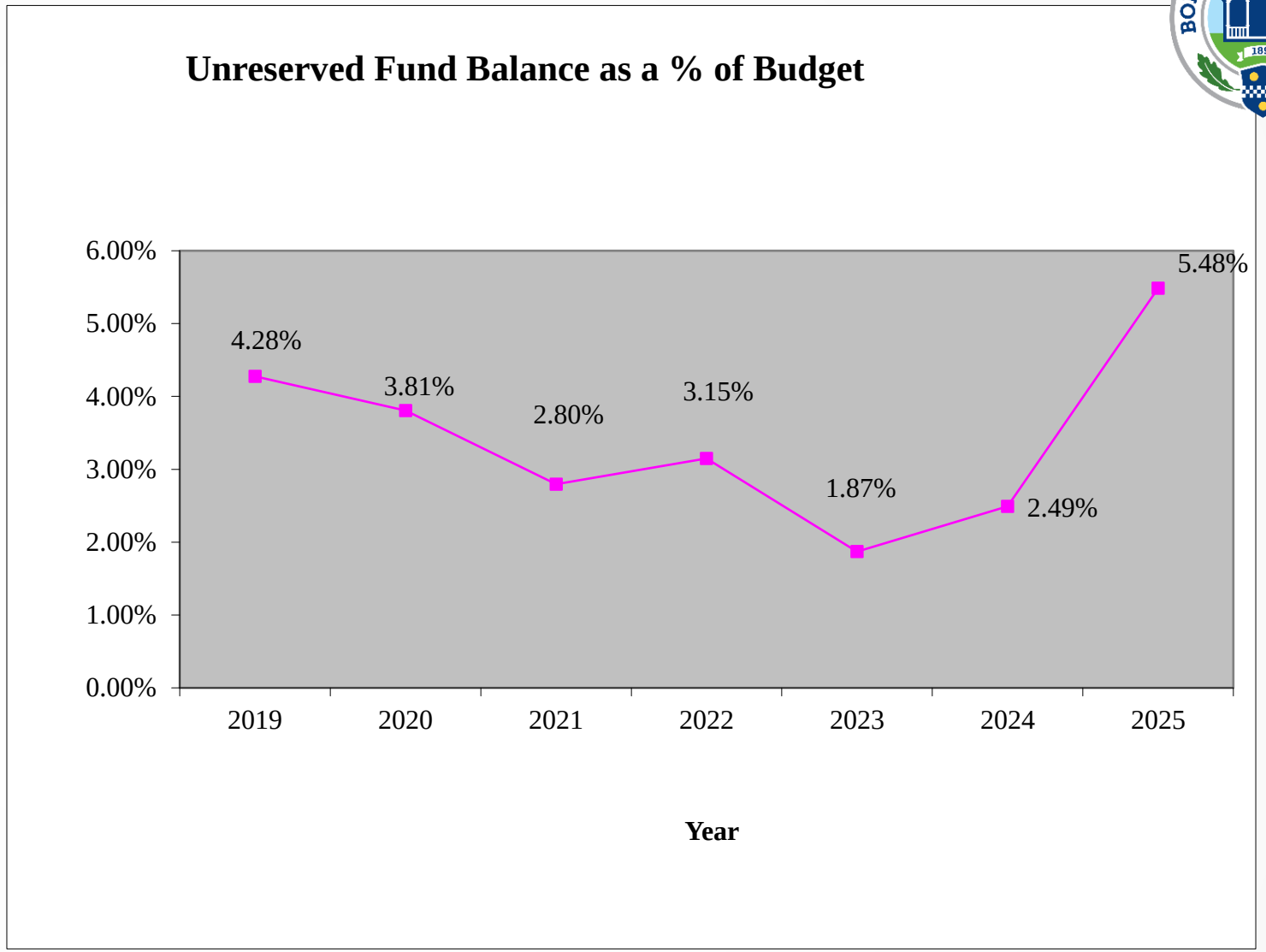
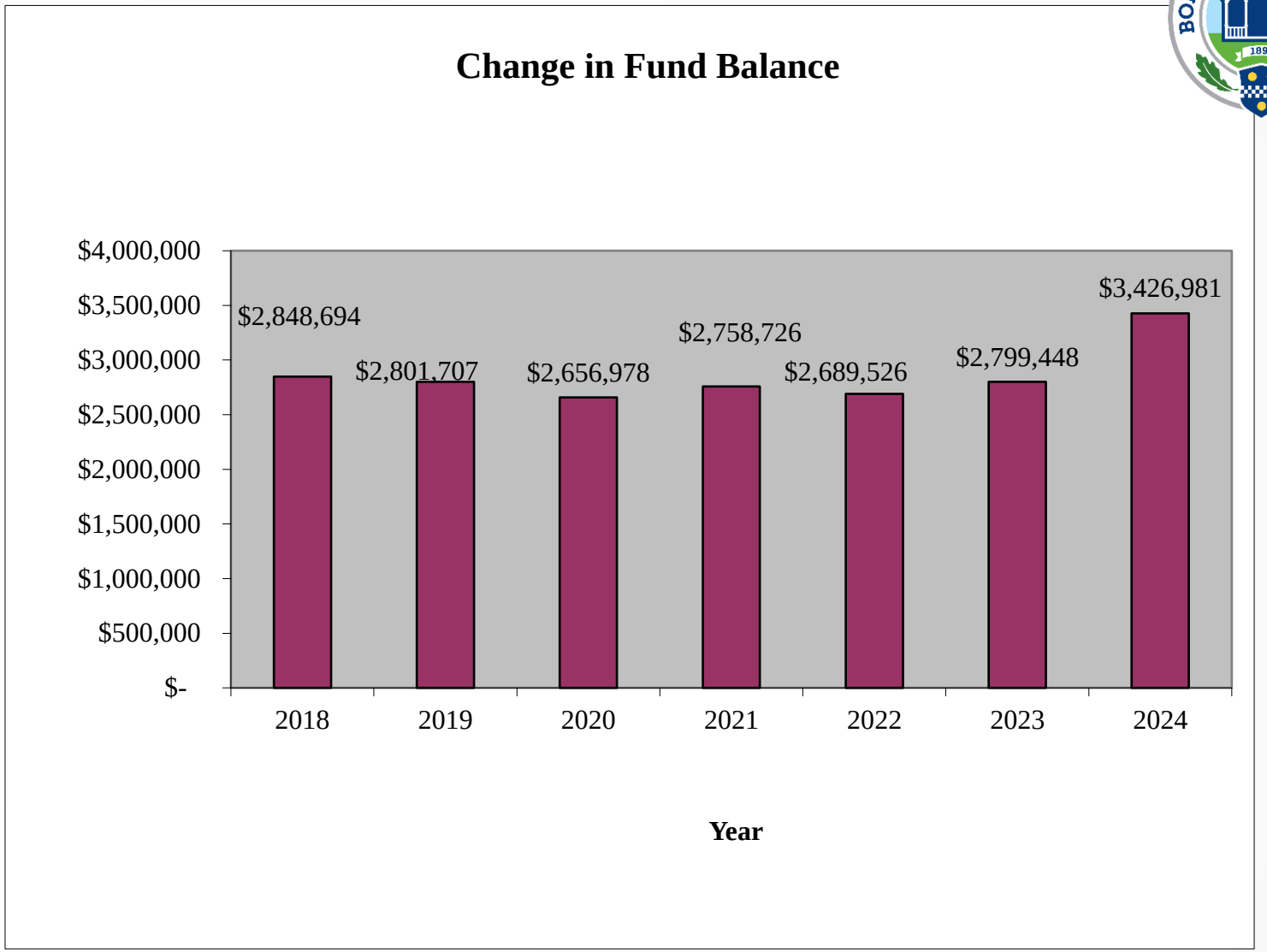
- Goal to maintain 99% tax collection rate
- 2022 tax collection rate dropped to below 99% which directly effected the Borough's ability to regenerate fund balance
- 2023 and 2024 Tax Collection Rate back up to over 99%



- 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



- 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 - $424,448
- 2024 Unreserved Fund Balance - $946,981
- 10%+ exceptional = $1.85M
- Goal – 8% = $1.475M



- Fund Balance utilized to stabilize the tax impact
- Goal to grow Fund Balance to $3.8M to increase the unreserved fund balance ($2.3M to support budget + $1.475M as unreserved)