

From Town Council to the Citizens of Chambersburg Borough:

UNELECTED, BIASED ARBITRATOR IMPOSES TAX INCREASE ON BOROUGH OF CHAMBERSBURG RESIDENTS

Today is a sad day for the taxpayers of the Borough of Chambersburg. An unelected arbitrator named Richard Kasher, an individual with absolutely no ties to the Borough of Chambersburg, has issued a mandate which will result in Chambersburg Town Council being forced to impose a substantial tax increase on its citizens. This decision is a result of a law called Act 111; a law which is increasingly devastating communities across the Commonwealth.

Mr. Kasher is a direct example of a broken system. Pennsylvania State Law requires that the Borough negotiate in good faith with our paid firefighters' union to determine their salaries and benefits. However, the firefighters have no such requirement to act in good faith, and when the parties inevitably cannot agree, a so-called "impartial" arbitrator is allowed to impose a contractual settlement upon both the Union and the community. This is true for all cities, townships, and boroughs that employ fire fighters or police officers.

As in so many cases, the so called "impartial" arbitrator - Mr. Kasher - is selected through a broken system that favors the union and where only a pro-union decision, regardless of the factual information, will insure he gets selected again.

Perhaps the mandate imposed on Chambersburg is a result of poor timing. Perhaps it was Chambersburg's turn to get a pro-union decision; regardless, Richard Kasher has irresponsibly issued a decision wildly and unreasonably in favor of Chambersburg's extremely already well paid firefighters. As a result, Mr. Kasher's decision will likely necessitate significantly higher taxes or fees for Chambersburg citizens; and Chambersburg has no recourse. This broken system is destroying municipalities across Pennsylvania and removing what should be exclusively local decisions from its citizens and their elected officials.

Chambersburg Borough was forced to spend tens of thousands of dollars to compile and present financial information to arbitrators to rebut the proposition that the value of the Borough's utility accounts could be used to pay for firefighters; talk about bad public policy. No Council would willingly take such an irresponsible financial position but cities and towns across the State are being forced to raise taxes or make irresponsible decisions to pay for these Act 111 arbitration decisions.

It is time that common sense changes be made to Act 111 to prevent future Richard Kasher type decisions:

- Act 111 hearings are held in secret, where the public and the press do not get an opportunity to see the data or hear the outrageous claims
- Act 111 decisions are not required to have any basis in fact and the arbitrators can impose any settlement upon the community they desire

- The Act 111 arbitrators must be selected in a fairer way, through a coin flip, and the costs of arbitration must be shared by municipality and the union

It is too late for Chambersburg. The Richard Kasher decision has given our firefighters a 13% increase in wages and prevented Town Council from lowering benefits, changing schedules, or laying off firefighters to save money. He does not know our town and he ignored our finances, our dependence on the generosity of volunteer firefighters, or any logic. In fact, in the decision, Mr. Kasher clearly stated “While the Board may consider questions of external law, the Board does not have to...” This broken state law called Act 111, must be reformed now!

Chambersburg Town Council will soon release a fiscal plan to address the recent Act 111 Arbitration decision issued by Richard Kasher. For more information contact William McLaughlin, President of Town Council, and former President of the Pennsylvania Municipal League, at Chambersburg Borough at (717) 261-3245.

Chambersburg supports the Coalition for Sustainable Communities efforts to fix Act 111 - www.coalitionforsustainablecommunities.com

Sincerely,

Chambersburg Town Council

Approved on September 9, 2013

Please note that currently 100% of the real estate collected from Chambersburg Borough property owners goes to pay for the Chambersburg Police Department. No real estate tax is used for any other purpose. The current Borough rate is 20 mil. The real estate tax is the only tax that State law allows Town Council to adjust on an annual basis. In total, only 14¢ of every \$1 paid in real estate taxes by Chambersburg property owners goes to the Borough Police; the balance goes to the school district, Franklin County and the library. Government buildings, schools, churches, charities, and Township property owners pay no Borough police tax.