



Borough of Chambersburg

A full-service municipality in Franklin County celebrating over 65 years of consumer owned natural gas service over 120 years of community electric and a regional wastewater, water, storm sewer and municipal solid waste utility

FOR IMMEDIATE RELEASE

Chambersburg Town Council President Allen Coffman Visits Shippensburg and Waynesboro Borough Councils

January 18, 2024 – FOR IMMEDIATE RELEASE

Chambersburg, Franklin County – In a follow-up to the authorization to send a letter to the Franklin County Commissioners, which was approved by the Chambersburg Town Council on Monday, January 8, 2024, two more Franklin County boroughs have endorsed the request for the County to update their aging tax rolls after more than sixty years.

On Tuesday, January 16, 2024, the Shippensburg Borough Council heard a presentation from Chambersburg's Council President Allen B. Coffman. In that presentation, President Coffman made the point that, "the request to update the County-wide assessment is not about raising taxes, but about fairness." He went on to say, "Each Borough Council already has the right and responsibility to raise taxes, if necessary. What we seek is that each real estate property owner pays no-more-than, nor less-than, their fair share of the property tax burden."

The Shippensburg Borough Council gave their verbal endorsement to the Chambersburg effort.

Shippensburg Borough Manager Kevin Plasterer stated, "On behalf of Borough Council and Mayor Coy, we are in full support of requesting Franklin County to update the aging County-wide tax rolls. Council members and Mayor Coy feel that by updating the Franklin County tax rolls, this would be a fair assessment for all property owners."

On Wednesday, January 17, 2024, the Waynesboro Borough Council pledged their support to the effort and will be sending the County Commissioners a similar letter to the one endorsed by the Chambersburg Town Council earlier this month.

Waynesboro Borough Manager Jason Stains added, "Municipalities are tasked with providing essential services for the health, welfare, and safety of their residents. Boroughs, for example, are landlocked with little opportunity to expand. Meanwhile, the population continues to grow and calls for essential services' increase. Franklin County's antiquated assessment forces municipalities to consider if they can afford to continue to provide the essential services demanded by residents. Waynesboro welcomes open dialogue between the county and municipalities on a new countywide assessment."

This now establishes a coalition of three boroughs in Franklin County urging the County Commissioners to update the tax rolls, left out of date since 1962. The last County-wide reassessment was done in 1961. In comparison, Cumberland County, Adams County, and Perry County were all updated in 2011.

Since 1962, Franklin County has not undertaken a comprehensive reassessment of real estate valuation for tax purposes. This is the longest period of time of any of Pennsylvania's 67 counties. Despite annual efforts to keep the tax rolls up to date, without a county-wide reassessment, the assessed value of real estate (the values used to determine a fair and equitable distribution of property taxes for all municipalities, school districts, and the county-itself) has become wildly inaccurate. This is demonstrated by regular and consistent successful challenges to assessed value by real estate holders.

County Commissioners of both political parties have ignored this issue for decades. A solution is needed now as the problem worsens as each year passes and the millage limit looms ever closer. While there is an impact on the ability to raise taxes, more importantly, the out-of-date assessment system impacts the balanced distribution of the real estate tax burden between property owners. No one supports an unfair taxation system.

The following information was provided by Indiana County, who went through this same issue about ten years ago:

“Myth: A countywide reassessment means that my taxes are going to increase. NOT NECESSARILY. Based on a typical countywide reassessment, about one-third of the tax base will see a decrease in their tax bills, one-third will stay the same, and one-third will pay more. A change to an individual’s property taxes depends on whether the increase in the 1968 value to a January 1, 2015 market value (*the benchmark used by Indiana County*) is more or less than the average increase experienced in the taxing district. Many people mistakenly think that if their Fair Market Value increases, then their tax bill will increase by the same proportion. This will not happen because all taxing districts are required, by state law, to lower their tax millage by the same ratio that the tax base increased. Example: If the county's tax base were to quadruple, then the county's millage rate would be lowered to one-fourth.

Myth: The countywide reassessment will provide new revenue for taxing bodies. NOT TRUE. Pennsylvania state law requires that after the tax base has been equalized and brought to current market value, the millage must be reduced in order to collect the same revenue as collected in the previous year. After the equalized millage is set, and if the taxing body needs to collect additional revenue, they may do so; however, they are limited (by law) to the amount of additional total revenue that may be collected from taxpayers in the year following the countywide reassessment. The statutory limit for counties, townships, and boroughs is 10%. The statutory limit for school districts is set by the Pennsylvania Department of Education and is limited to the index. That index is generally about 2%.”

Source:

[https://go.boarddocs.com/pa/bocpa/Board.nsf/files/CZ7LEX55876D/\\$file/UNDERSTANDING_REASSESSMENT_INDIANA_COUNTY.pdf](https://go.boarddocs.com/pa/bocpa/Board.nsf/files/CZ7LEX55876D/$file/UNDERSTANDING_REASSESSMENT_INDIANA_COUNTY.pdf)

Those claiming this effort is about raising taxes, are not familiar with the law.

Finally, the impact of these out-of-date assessments is a direct threat to financing police, fire, and EMS services throughout Franklin County. Some communities are close to running out of available taxation resources as a result of this antiquated tax system and cannot fairly and adequately fund these life-saving municipal services that are the core function that municipalities are to provide.

If you have any questions about this initiative, please contact Jamia Wright, Borough Secretary, Borough of Chambersburg, at (717) 251-2437 or, boroughsecretariesoffice@chambersburgpa.gov and she can help you make contact with Allen Coffman or your elected representatives.

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About Chambersburg:

Chambersburg is a unique community. Chambersburg supplies more services than any other municipality in the Commonwealth of Pennsylvania. In addition to typical town functions, Chambersburg is Pennsylvania’s only municipality providing electric and gas to residents and businesses. Chambersburg is 1 of 35 Boroughs to operate a municipal non-profit electric utility. Chambersburg is the largest municipal electric utility in the State, twice as large as the second largest, Ephrata, Lancaster County; and, the only one to operate multiple generation stations. Chambersburg is 1 of 2 municipalities in PA to operate a natural gas utility. The other is Philadelphia, which does not operate an electric utility. Nationally, Chambersburg is 1 of 2,000 communities to have its own electric system and 1 of 1,000 communities to have a natural gas system but 1 of only about 60 to operate both. Chambersburg manages a regional water system, a regional sanitary sewer system (not through an independent Authority), and a new storm sewer utility; one of the first storm sewer utilities to form under the new Federal mandate to regulate stormwater. Chambersburg has a famous Aquatic Center as well. Chambersburg, the County Seat of Franklin County, currently has 22,172 residents (2022) and over 11,000 utility customers.