

Dear Fellow Kennett Township Democrat,

Earlier this year, the Kennett Township Board of Supervisors (BOS) voted 2-1 to strip Kennett Fire Company of its Emergency Medical Services (EMS) territory in Kennett Township as of March 1, 2021, turning it over to Longwood Fire Company. Not content with that, on Thursday, April 15, our BOS again voted 2-1 to rush through another sweeping change that dismantles Kennett Fire Company's EMS completely, and also places our entire Fire and Rescue Service firmly under the sole control of Longwood Fire Company.

Taken together, these two actions effectively upended a very successful decades-long arrangement in which the two companies shared KT's EMS and Fire/Rescue responsibilities as peers. Instead, all Emergency Services in KT will now be controlled by a Township-sanctioned monopoly, with all that implies. And that monopoly effectively extends to the residents of Kennett Square as well, who are already understandably furious that they had little say in this matter.

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Rush to Judgement

If you haven't heard much about these changes before, don't feel too bad. The April 15 meeting was announced barely 24 hours in advance with only a Township email and a single innocuous notice on the Township website referencing "a special meeting to discuss Fire & Rescue Territory". At that meeting, Supervisor Scudder Stevens, a long-time advocate of improving Emergency Services, condemned this rush to dismantle Kennett Fire Company before casting his dissenting vote:

So, what is this rush to judgment? Fires are being successfully addressed in a timely manner. The depth of regional resources adequately covers the needs of the Township. Kennett Fire won't vote on accepting the Commission proposal for nearly a month. Nothing changes until May, at the earliest. And yet this Board is, like lemmings, driven to hold a special meeting, tonight, to act on this proposal.

Nobody disputes that our Fire and EMS system has been long overdue for some significant restructuring, just like many other such systems across Pennsylvania and the country. But why did the Board's two other Supervisors rush through this 'deal' with inadequate research, no written plan, no formal budget, little public scrutiny, and in the middle of a pandemic?

Questionable Ethics

At the April 15 meeting, Longwood's Chief freely acknowledged that reaching this 'deal' had required substantial support from Kennett Township Manager Eden Ratliff and Supervisors Richard Leff and Whitney Hoffman. Ratliff, Hoffman, and Leff clearly favored Longwood from the start. They took every opportunity to attack Kennett Fire's performance, while ignoring Longwood's far more serious financial problems (see below). As Supervisor Stevens described it at the April 15 BOS meeting:

[T]he one thing Kennett Township did not do during this past year is to sit down with Kennett Fire and EMS administration and offer to address their shortcomings in a transactional and incremental way. What this Township did, instead, was to define those shortcomings and then, in a systematic and intentional way, set out to dismantle and destroy, first Kennett EMS, and then Kennett Fire. The Township has bulldozed and bullied its way to this evening.

Ratliff publicly admitted that he, his wife, and his brother have become members of the Longwood Fire Company Just how biased are Ratliff, Leff, and Hoffman? At the April 15 meeting, Ratliff publicly admitted that he, his wife, and his brother have become members of the Longwood Fire Company organization, something that Leff and Hoffman were already well aware of. This is a clear conflict of interest for both Ratliff and Longwood. At a bare minimum, this should have been publicly announced prior to Ratliff taking any role in negotiating such a 'deal'. Nonetheless, Hoffman and Leff have continued to uncritically support Ratliff and Longwood, turning a blind eye to such ethical conflicts, even in the face of regular objections from Supervisor Stevens.

Follow the Money

But this 'deal' creates an even bigger problem with far more serious consequences for Kennett Township taxpayers and residents. To be blunt, Longwood has some of the highest costs for Fire and EMS in Chester County, and its Chief takes in a base salary of \$104,506 for a job nearly all other chiefs in similar jurisdictions perform as a volunteer. Longwood also has a well-established reputation for buying the most expensive equipment, needed or not, and then quietly passing the bill along to the taxpayers if possible.

As a result, Longwood's 990s show losses of \$192K for 2018 and \$430K for 2019, the last two years for which these figures are available - very high compared to its local peers. A review of Kennett Fire's and Longwood Fire's most recent annual IRS Form 990 (the publicly available financial report for non-profits) reveals that:

Longwood's 990s show losses of \$192K for 2018 and \$403K for 2019

- Longwood's operating losses (adjusted for size) are 50% greater than Kennett's
- Longwood's general overhead (<u>not</u> including the Chief's salary) is almost <u>ten times</u> greater than Kennett's
- Longwood lists 'Other Expenses' of \$500K, compared to Kennett's \$42K

It should therefore come as no surprise that Longwood's requests for more money have far outstripped the requests of its regional peers, even adjusting for size. The resulting funding increases have been falling disproportionately on Kennett Township and Kennett Square taxpayers, even before the recent changes. For example, in 2021, Kennett Township's share rose 25% (from \$469,957 to \$591,521) and Kennett Square's 40% (from \$254,631 to \$353,260), while the share of each of the other four municipalities rose 5% or less. Most of those increases go directly to Longwood.

But before the recent 'deal', Longwood's ability to pass on their high costs to taxpayers was still constrained by the 'inconvenient truth' that **Kennett Fire Company was able to provide most of the same services for much less**. The recent 'deal' effectively eliminates that competition, **handing Longwood a financial lifeline at the taxpayer's expense**. That **virtually guarantees future costs will go up**, and service coverage will go down. This is already happening as part of the 'deal' that Leff and Hoffman have approved, including:

- An additional \$191,350 from our taxpayers to implement the March 1 changes,
- An additional \$328,820 annually to implement the April 15 changes

And that's in addition to the fact that Longwood already charges \$270 more for Basic Life Support (BLS) than Kennett Fire did, and has reduced our overall EMS coverage hours by 25%.

Despite all these financial red flags, the recent 'deal' imposes no cost-containment requirements on Longwood, and no assessment of Longwood's long-term financial and operational sustainability was ever conducted. This is simply irresponsible and smacks of the lack of financial supervision that made possible Lisa Moore's infamous \$3.2M embezzlement.

As a result of its new virtual monopoly, Longwood's leverage to demand additional taxpayer cash infusions, increased fees and reduced services is now enormous. Perhaps Longwood will ultimately join the swelling ranks of monopoly Emergency Services providers across the country that are jacking up rates and taxes and then selling themselves to private equity firms, who then increase them even more.

I have two decades of public sector management experience in essential human service organizations, including a stint running a crisis treatment program, and, like you, I love our first responders! But I also know the difference between a 'deal' and a 'steal.' We need to move our Township government beyond unethical power plays and back-room 'deals' that leave the taxpayers holding the bag, and instead implement responsible oversight and realistic planning.

I have two decades of public sector management experience

That's why I'm running against Whitney Hoffman in the upcoming May 18 Democratic primary, to give you a clear choice. Your vote can make a big difference - thanks for your support.

Peter Doehring

