

# POTTSTOWN CITIZENS FOR Responsible GOVERNMENT

## Pottstown now 7th of 500 districts in taxes

Each year, the state Department of Education calculates what it calls "local tax effort" in "equalized mills" designed to allow comparisons of how much each school district is charging in taxes.

Last week, the department released the figures for the 2009-2010 school year, the latest available. Pottstown now has the seventh highest taxes in Pennsylvania.

In other words, Pottstown charges more in taxes than 98 percent of the school districts in the state.

For years, we've been talking about the need for economic development in Pottstown. But we will never attract businesses and middle class residents to our town if our taxes are among the highest in the commonwealth.

We must find ways to make better use of our existing resources and streamline our educational process.

The statewide taxation figures were released as part of Gov. Corbett's proposed budget for 2011-2012. If the budget is adopted by the legislature as submitted, Pottstown will receive about \$3.1 million less in state aid than it did last year.

The preliminary budget adopted by the school board in February calls for a tax increase of 5.5 percent (Valerie Harris, Nat White and I voted no). Even if taxes are in-

creased, we will still need to cut the budget by nearly \$2 million.

Meanwhile, the school district is hemorrhaging tens of thousands of dollars monthly for a very expensive health plan granted to the teachers by a previous board in 2006. As long as Pottstown teachers work without a new contract, the board is legally required to pay for the plan, no matter how much costs escalate.

One cost we know will skyrocket is pension payments. Last year, the district paid 5 percent of its payroll to the state pension fund. District payments will steadily increase to 21 percent of payroll in four years and top out at 27 percent in 2020. Pottstown will be paying millions of dollars more annually for pensions than it does now, with nothing to show for it.

That's why it is astonishing the school board plans at its meeting Thursday night to give itself the authority to borrow up to \$50.9 million for school construction without a referendum.

We don't need it, and we couldn't possibly afford to pay it back. I hope my fellow board members will reconsider and vote **no**.

*Thomas Hylton is a member of the Pottstown School Board. However, the thoughts expressed are his alone and not the board's.*



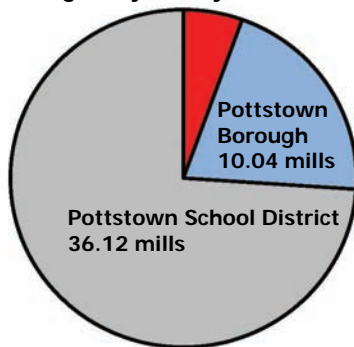
Commentary by  
Thomas Hylton

### Summary

- According to the most recent calculations of the state Department of Education, Pottstown now has the 7th highest taxes in Pennsylvania.
- Yet the school board intends to vote this week to authorize itself to borrow up to \$50.9 million for school construction without a referendum. We don't need it and can't afford it.

### 2011 Pottstown Real Estate Taxes

Montgomery County 2.69 mills



*The Pottstown School district collects 75 percent of the real estate taxes in Pottstown*

Estimated local tax effort for 2009-2010 school year as calculated by Pennsylvania Department of Education

School District	State rank of 500 school districts
Pottstown	7
Pottsgrove	16
Daniel Boone	63
Perkiomen Valley	70
Norristown Area	74
Owen J. Roberts	132
Spring-Ford	198
Upper Perkiomen	234
Boyertown Area	265