

POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

Schools and financial reality

Last month, the National Penn Bank office at High and Franklin streets closed as part of the bank's \$1.8 billion acquisition by BB&T Bank of North Carolina.



Commentary by
Tom Hylton

The downtown branch was one of 28 branches closed as National Penn was absorbed into BB&T.

Nearly 250 National Penn employees in Boyertown and Allentown lost their jobs as part of the acquisition, which is expected to save BB&T \$65 million.

Employee layoffs are common in the business world as companies continually strive to cut costs and improve efficiency to increase profits.

This is terribly disruptive to people's lives, but it is an inevitable element of our capitalist economy.

Pottstown has lost thousands of jobs in recent decades as its bread and butter industries like Bethlehem Steel, Firestone, Doehler's and Mrs. Smith's have either closed or moved elsewhere.

A notable exception is local government, which is an island of stability for its employees in a rough and tumble world.

In fact, the Pottstown School District has gained employees in the last four decades even as its enrollment has dropped about 30 percent.

Costs per pupil have risen at triple the rate of inflation.

However, there is no way to measure whether our students are doing any better than they were 40 years ago.

This we do know. As the borough's tax base continues to decline, Pottstown property owners can no longer afford spending as usual.

The district has now gone two years without a tax in-

crease. We cannot raise taxes next year, either. We already have the 12th highest tax burden out of 500 districts in Pennsylvania. Raising taxes will simply incite even more homeowners and businesses to leave town.

Last week, the school board approved a three-year contract with the Federation of Pottstown Teachers that will cost taxpayers an extra \$1.4 million in the last year of the contract.

But that just covers our 235 teachers. There are more than 300 other employees who will also want raises. Health costs for all employees will surely increase as well.

With two-thirds of our budget going to salaries and benefits, the only way to avoid a tax increase will be decreasing our staff, either through attrition or layoffs.

It will also require sending fewer students to costly special schools. It will mean cutting back on excessive transportation costs.

This doesn't mean lowering the quality of education. It means doing things differently.

There is no other way.



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