

# POTTSTOWN CITIZENS FOR Responsible GOVERNMENT

## Pottstown school taxes to increase 5.7%

Pottstown school directors are expected to vote June 18 on a \$53.4 million budget that requires a 5.7 percent tax increase — the largest tax increase permitted by law without a public referendum.

Because of a decreasing tax base, the school district's business manager estimated that revenues from the real estate tax will decline in the coming school year.

But rather than cut any staff or programs, the school administration is making up for the loss of revenue by proposing to raise taxes. The proposed 1.87 mill tax increase is expected to generate nearly \$1.5 million in new revenue from local taxpayers.

This is likely to have the undesirable consequence of discouraging residents and businesses from moving to Pottstown, or even staying here, which will further decrease the tax base.

Then taxes would need to rise even further next year just to bring in the same amount of revenue as this year.

Instead of tightening its belt, the school administration is proposing more than \$500,000 in new spending.

The new budget assumes the school district will receive about \$585,000 more in state revenue than it received last year. The district also expects to receive \$1.9 million in federal stimulus money. This is based on Gov. Rendell's proposed budget

for education.

But the legislature has not yet decided how much money local school districts will receive. The state faces a \$3.2 billion deficit in its current budget, and the state Senate recently passed a budget that significantly reduces funds for education. The final budget will be negotiated with Gov. Rendell and is unlikely to be approved this month.

If the state and federal funding is lower than anticipated, the school district will have to make cuts later this summer.

Some Pottstown School Board members say they will not vote for such a large tax increase. Board member Rick Huss has suggested administrators should freeze

their salaries next year. Member Nat White has suggested the school board should specify a certain amount of money to be cut from the budget, as the Pottsgrove School Board has done, and direct the administration to recommend what programs and staff should be eliminated.

One thing is certain. Pottstown already has the fifteenth highest taxes of 500 Pennsylvania school districts. We can't afford to make it worse.

*Thomas Hylton, a Pulitzer Prize winner and 36-year resident of Pottstown, is Web site editor of Pottstown Citizens for Responsible Government.*



Commentary by  
Thomas Hylton

### Summary

- **The Pottstown School Board will likely vote June 18 to increase taxes 5.7%.**
- **Local taxpayers will pay \$1.5 million more in taxes this year than last year.**
- **Pottstown already has among the highest taxes in the state.**

Local tax effort in "equalized mills" as computed by the Pennsylvania Department of Education 2006-2007*				
School District	Equalized mills*	State rank of 500 school districts*	Tax effort compared to Pottstown	Percentage of low-income students*
Pottstown	32.1	15		50.4%
Pottsgrove	31.2	17	2.5% less	18.3%
Boyertown Area	19.5	260	39% less	8.6%
Owen J. Roberts	22.9	141	29% less	7.4%
Allentown	25.2	89	22% less	83.4%
Reading	26.1	74	19% less	73.5%

\* Source: Pennsylvania Department of Education for the most recent year available