Pottstown: Tax well is dry

Last month, the Pottsgrove School Board signed an “early bird” contract with its teachers union that will add nearly $2 million to the district’s payroll over the next three years.

That may be fine for Pottsgrove, but the Pottstown School District doesn’t have that kind of money.

The Federation of Pottstown Teachers is entering negotiations with the Pottstown School Board for a new contract to replace the one that ends Aug. 31 of this year.

Of course, they are going to want pay increases, but Pottstown is flat broke.

The wealth of this community has fallen dramatically in recent years. The assessed value of our property is less than it was 20 years ago.

Not only are our residents poorer, the number of tax-example properties is skyrocketing. Just last month, Pottstown Council approved a plan by Creative Health Services for long-term residences on Robinson Street in the Tri County Business Campus. Creative Health paid $790,000 to buy the property that used to be Palladino Brothers Metal Fabricators.

How long will this property stay on the tax rolls?

Pottstown Council raised taxes 9.5 percent this year, on top of a 12 percent tax hike in 2018.

The Pottstown School District already has the sixth highest taxes of Pennsylvania’s 500 districts. Can we just keep raising taxes?

Commentary by Tom Hylton

School District wealth falls

Each year, the Pennsylvania Department of Education calculates the wealth of Pennsylvania’s 500 school districts, based on a combination of total market value and personal income.

In 2004-2005, Pottstown ranked almost exactly in the middle, with half the districts in the state wealthier and half poorer. Since then, Pottstown has dropped more than 100 places, with three-quarters of Pennsylvania districts now wealthier than we are.

<table>
<thead>
<tr>
<th>Year</th>
<th>Total assessed valuation</th>
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<tbody>
<tr>
<td>1998</td>
<td>$816,841,351</td>
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<tr>
<td>2018</td>
<td>$763,718,569</td>
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Pottstown’s tax base is lower than it was in 1998, the last time Montgomery County reassessed real estate.