

**CENTENNIAL SCHOOL DISTRICT  
Warminster, Pennsylvania**

**MINUTES OF SPECIAL BOARD MEETING  
HELD FEBRUARY 8, 2007**

**CALL TO ORDER/ROLL CALL**

A Special Meeting of the Centennial School Board was held on February 8, 2007, in the Klinger Middle School Auditorium. The meeting was called to order by Mrs. Mueller at approximately 7:30 p.m. The following people registered their attendance:

Board Members:

Marie Brzezinski  
Joseph Faust  
Betty Huf  
Joan Jankowsky  
Patricia Jones  
Jane Schrader Lynch  
Michael Monaghan  
Cynthia Mueller  
Harve Strouse

CEA/Teachers:

None

Administration:

David Blatt  
Dr. Michael Masko  
Timothy Vail

Public:

Rose Gold  
Andrew Pollock  
Jay Alker  
Al Hertenberger  
Thomas Hezel  
Ralph Badmann  
Bill Taggart  
Robert Franz  
Bill Leingang  
Harry Kearney  
Jonas Green  
Albert Wiley  
Joseph Donnelly  
Penny Bristow  
Edward McCool  
Peggy Hazer  
Arthur Krysko  
George Bittner  
Benita Larmer

**PLEDGE OF ALLEGIANCE**

Mrs. Mueller led the group in the Pledge of Allegiance.

**ANNOUNCEMENTS**

None.

**ACCEPT RECOMMENDATION OF CENTENNIAL TAX STUDY COMMISSION**

*A motion was made by Mr. Strouse and seconded by Mrs. Jankowsky to resolve that the Centennial School Board hereby accepts the recommendation of the Local Tax Study Commission made at the Board's meeting of December 12, 2006 that the Board place on the May 15, 2007 ballot for the approval of voters a 1.2% Net Profits/Personal Income Tax. The revenue generated from this tax shall be used primarily to fund homestead/farmstead exclusions for qualified homestead/farmstead property.*

*A roll call vote was taken as follows:*

<i>Mrs. Brzezinski</i>	<i>No</i>
<i>Mr. Faust</i>	<i>Yes</i>
<i>Mrs. Huf</i>	<i>No</i>
<i>Mrs. Jankowsky</i>	<i>Yes</i>
<i>Mrs. Jones</i>	<i>Yes</i>
<i>Mrs. Lynch</i>	<i>No</i>
<i>Mr. Monaghan</i>	<i>Yes</i>
<i>Mr. Strouse</i>	<i>Yes</i>
<i>Mrs. Mueller</i>	<i>Yes</i>

*The motion passed 6-3.*

Mrs. Lynch stated that she was most proud to cast a no vote against the recommendation. She indicated that on December 12<sup>th</sup>, the Tax Study Commission had 63 residents that came to speak out but their voices were not heard. On November 15<sup>th</sup>, the Tax Study Commission had 500 residents who came out to speak against the proposed income tax but their voices were not heard. She cited various articles, letters and editorials that had appeared in the various newspapers against the personal income tax. She urged Harrisburg to cut their spending and their budget. She indicated that the people do not want a personal income tax and pointed out that our school district is the only one in Bucks County to have one. She felt this was a “tragedy of justice to all of us with white hair.”

Mrs. Huf stated that she agreed with what Mrs. Lynch had said and indicated that she did not support the personal income tax. She was still smarting a little from the huge increase we had last year, although she realized that was a little different. However, she felt that school districts could not keep reaching into the community's pockets to take care of programs and expenses that we do not have the money for. Therefore, she could not support any kind of increase at this time.

Mrs. Jones agreed with the Tax Commission that the PIT is the least detrimental to our community. She indicated that she would be voting for the PIT because she felt it was the best

option to reduce the property tax. She urged the community to get out and vote if they did not agree with this. They needed to make their voices heard at the polls.

Mrs. Mueller explained that this was courtesy of our legislators and Governor and was all about them getting re-elected by telling you that we would have property tax reform. But what they forgot to tell us was that we would be paying for it. Act 1 has nothing to do with the operation of the School District or our budget. It is not property tax reform – it is a tax shift. The School District does not benefit from this. Voting no is the only way we can show our displeasure for Act 1, forcing legislators to go back and work on real property tax reform.

### **PUBLIC HEARING ON REFERENDUM BALLOT QUESTION**

Rose Gold of 66 Villa Drive, Warminster, stated that they were very distressed and offended that the Board has even considered putting this tax into effect since they could have done nothing about it. The Board has said they are trying to do what is best for the community but they don't feel that way. All of the people have shown the way they feel. They have voted the Board into office and they will vote them out. The community will do all they can to vote against this referendum.

Andrew Pollock of 22121 Ann's Choice Way, Warminster, agreed with Mrs. Mueller that Act 1 is a very poor piece of legislation but he felt that the Board was making it worse by promoting the PIT rather than the EIT. The PIT hurts senior citizens. The idea of Act 1 was to help senior citizens. He indicated that there would be a large contingent of senior citizens out in May to vote this down and there is no way the PIT would pass. He indicated that they would remember those who voted for the PIT and they would vote against them when the time came for re-election.

Jay Alker of 22302 Ann's Choice Way, Warminster, pointed out that senior citizens are a large tax base and a large voting block. He did not agree with going for the PIT. He felt that we should do nothing and that that would be the biggest slap in the face we could give our legislators.

Al Hertenberger of 307 Maple Avenue, Southampton, stated that he felt this was a bad decision and that he was not happy with what was going on. He was not in favor of any of the taxes. He strongly urged community members to call the Governor and representatives.

Thomas Hezel of 55 Primrose Drive, Warminster, congratulated the District and the Business Office for being in the black for last year and for being within 1% of the budget. He pointed out that Act 1 was touted by short-sighted legislators as being revenue-neutral for School Districts but he felt that was incorrect since the money received via property taxes could be used to collect an additional revenue stream of interest. Act 1 would shift a portion of the revenue to income taxes which are collected later in the fiscal year; therefore, the amount of revenue gained from interest over the fiscal year would decrease, leaving the school district less likely to remain in the black at the end of the year.

Ralph Badmann of 238 Street Road, Southampton, addressed the Board on behalf of the residents of Southampton Estates, indicating that they vigorously objected to the proposed PIT

tax. He stated that since they were not residential or agricultural property owners, they were being asked to subsidize the property tax relief of \$575 per property. They have saved for their retirement so that they could afford retirement. The PIT would impact the value of their resources required to live as they do. They have paid their taxes for all the years before retirement. Now property owners should pay taxes to support the services they want from their school district and not ask seniors who are no longer working to do so. He quoted figures indicating how much the retirement communities had paid in taxes over the past year. He respectfully asked the Board to reject the PIT in favor of the EIT. Mr. Badmann also asked the Board to take into consideration a bill that Governor Rendell had proposed to increase sales taxes to further property tax relief.

Bill Taggert of 238 Street Road, Southampton, stated that he was in complete agreement with Mr. Badmann. Also, he noted that it appeared that the Board was not in complete agreement that the PIT was the way to go. He implored each and every member of the Board to reconsider their decision on this matter. Finally, he pointed out that this matter would appear on the ballot in May and indicated that the Board should be prepared for defeat.

Robert Franz of 12415 Ann's Choice Way, Warminster, spoke on behalf of senior citizens on a fixed income. He indicated that he had paid property taxes for years and that he had tried to plan ahead by saving and investing for his retirement years. He indicated that the tax forgiveness in this plan was so small that it did little to help the senior citizens. He felt that seniors were being put at risk by this proposal and that he was sorry to see it.

Bill Leingang of 12301 Ann's Choice Way, Warminster, stated that he had been a taxpayer in Bucks County for over 50 years and he couldn't remember a single year that there wasn't major confrontation with the School Board about the budget, taxes, etc. He felt it was time for someone to figure out how to end the confrontation. He felt that all the school districts in the state should have some power over the legislature when the parents and taxpayers are in there voting against this.

Harry Kearney of 12522 Ann's Choice Way, Warminster, indicated that he agreed with all of the prior issues regarding the PIT. He stated that he and his wife have been residents of Warminster Township for 45 years and never objected to paying taxes. They live in Ann's Choice because they saved and made good investments – now the Board wants to tax this too. He felt it was very unfair.

Mrs. Mueller pointed out that his anger should be directed towards the legislators. It is not the School Board who brought this legislation.

Jonas Green of 238 Street Road, Apt. C-114, Southampton, stated that he believed that taxing people who are on a fixed income, even with inflation at a low rate, means that they have less and less chance to have a decent living. This proposal cuts down on their ability to have a nice retirement. In addition, he questioned how long it would be before Social Security and retirement plans are taxed.

Albert Wiley of 13509 Ann's Choice Way, Warminster, stated that you cannot rely on portfolio income because many things affect it. He questioned what would happen if this income does not come in and there is a shortfall. He stated that he was against this and would exercise every effort he could to make sure that this was voted down.

Joseph Donnelly of 434 New Road, Southampton, stated that he felt the Board had abdicated its responsibility to the citizens of the District because time and time again it has reiterated that it has nothing to do with the PIT. They keep saying that it is the state. He felt that the School Board, and the rest of the School Boards, should be challenging the state. This should not be on a referendum. He mentioned the "whopping" tax increase of a few months ago, and the tax increase of three mills that appeared in the preliminary budget, on top of the PIT.

Mrs. Mueller stated that Mr. Donnelly's comments are what helped the polarization of our community, one against the other. The Board is forced by law to put a question on the ballot. The only way to vote this down is for voters to come to the polls in droves to vote this down and send a message to the legislators. It has nothing to do with the budget.

Penny Bristow of 78 Newtown Road, Warminster, stated that she felt the state had offered a false choice, which has the best chance of failure. It costs money to educate our children and someone has to pay. Whether we have the EIT or PIT doesn't matter – her taxes would go up either way. If education in the District goes down, who is going to move here and send their children to our schools? She hoped that everyone would come out and vote to defeat the PIT. She felt that was the best chance for equity – to leave things as they are.

Edward McCool of 238 Street Road, Apt. D-224, Southampton, asked for some clarification as to the amount of tax. He also felt that the property tax relief act was unconstitutional. Mrs. Mueller responded that that was why she felt it was a bad piece of legislation. Mr. McCool felt that more information should be distributed to the voters so that they would know what they were voting on. Mrs. Mueller pointed out that there is information in the School District newsletter, which every taxpayer receives.

Peggy Hazer of 1220 Stuart Road, Southampton, stated that she was concerned about having the PIT enacted and hoped that everyone would get out to vote against it in May.

Arthur Krysko of 731 Buttercup Drive, Warminster, stated that he was totally confused about why the Board wanted everyone to vote against something that they had the power to put on the initiative. He felt that the Board was the closest contact we have to the legislature and we need them to be the buffer. He pointed out that he was paying 67% more in real estate taxes than he was paying 10 years ago.

George Bittner of 364 Patton Drive, Warminster, stated that senior citizens have portfolios and receive dividends. All of this is going to be taxed, besides everything else. Nothing is going to relieve us of property taxes. He questioned how much more they could give. He felt it was going too far.

Benita Larmer of 786 Boxwood Drive, Warminster, asked if there would be a penalty if the Board did not put one of these options on the ballot. Mrs. Mueller responded that by law, one of these options must appear on the ballot.

Ms. Larmer pointed out that everyone is on a fixed budget of some kind and that the PIT affects everyone. The reason the PIT is more favored is because we are supposed to be brought together as a team to vote no. The EIT would probably pass. We will all benefit from being on the same team. It will either cost us all or not cost any of us.

### **RESOLUTION TO APPROVE THE INCOME TAX REFERENDUM BALLOT QUESTION**

*A motion was made by Mr. Faust and seconded by Mrs. Jones to resolve that the Centennial School Board:*

1. *The school district shall place a referendum question on the May 15, 2007 primary election ballot. The referendum question shall be in substantially the following form, with additions or changes (other than the tax rate) as determined by the school board President and election officials prior to the election:*

***Do you favor converting the school district's current Earned Income Tax to a Personal Income Tax at 1.20%? The revenue generated from the Personal Income Tax will be used to reduce taxes on qualified residential property by approximately \$402 and to replace the revenue from the school district's current Earned Income Tax. The current Earned Income Tax rate is 0.50%.***

2. *The school district administration, in consultation with the school board, shall prepare and present to election officials a non-legal interpretative statement that shall accompany the referendum question in accordance with the Pennsylvania Election Code.*
3. *School district officials shall take any and all action necessary or appropriate to carry out the intent of this resolution.*
4. *Should a majority of electors voting on the May 15, 2007 referendum question vote in the affirmative, the school district shall take action to assess and levy the tax beginning on July 1, 2007. This tax shall be self-executing and shall continue in force on a fiscal year basis without annual reenactment except in a year in which the rate of the tax is changed or the tax is repealed.*

Mrs. Huf stated that she would be voting against this.

Mrs. Brzezinski stated that she would not vote for this. She pointed out that there were fewer children in the District than in previous years but that we still have the same amount of teachers and a lot of Administration. She felt that some of these issues should be addressed. She also pointed out that we have too many schools. She felt that at least one school should be closed. Mrs. Brzezinski felt that we have a wonderful School District and wonderful Administration but

we have to bite the bullet and clean house. There is no reason we should be enacting any taxes here today. We should be thinking about making things smaller and less expensive.

Mrs. Lynch stated that the only possible thing people on the Board could do was to put this on a referendum. She voted against this PIT but she wanted everyone to go out on election day and “beat it to death” so she would vote to have it put on the ballot in order to have it defeated.

Mrs. Jankowsky stated that this was nothing more than a tax shift. In order to send the legislature the appropriate message that they need to do better work than they have, voters need to turn down whatever is on the ballot. She indicated that she would be supporting the PIT for two reasons: (1) because the Tax Study Commission came to the conclusion that the PIT was the fairest tax possible when you take into account the tax forgiveness portion of the state law; and (2) because it will generate enough voters to come out and vote it down.

*A roll call vote was taken as follows:*

<i>Mrs. Brzezinski</i>	<i>No</i>
<i>Mr. Faust</i>	<i>Yes</i>
<i>Mrs. Huf</i>	<i>No</i>
<i>Mrs. Jankowsky</i>	<i>Yes</i>
<i>Mrs. Jones</i>	<i>Yes</i>
<i>Mrs. Lynch</i>	<i>Yes</i>
<i>Mr. Monaghan</i>	<i>Yes</i>
<i>Mr. Strouse</i>	<i>Yes</i>
<i>Mrs. Mueller</i>	<i>Yes</i>

*The motion passed 7-2.*

## **ADJOURNMENT**

*A motion was made by Mr. Faust and seconded by Mrs. Jankowsky to adjourn the meeting. The motion passed 9-0. The meeting was adjourned.*

Respectfully submitted,

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Vickie A. Detwiler  
Board Secretary  
[Transcribed from tapes of meeting]