



CENTENNIAL SCHOOL DISTRICT

Office of the Superintendent of Schools

433 Centennial Road, Warminster, PA 18974-5448
(215) 441-6000, Extension 11001 FAX: (215) 441-6101

David E. Baugh, Ed.D.

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Colleagues;

For months, school districts across Pennsylvania have been working to be compliant with the laws of the state that require us to have a budget that is balanced, fair and reasonable. A budget that supports and nourishes our most cherished commodity, our communities' children. For years, we have aimed to live within our means and provide a reasonable return on the investment taxpayers make when they trust the locally elected leaders that are known and responsible to the local voters. We have worked diligently to maintain cherished programs that are valuable to the community.

Today we are asking you to allow common and good sense to prevail. Districts across the commonwealth are in the thick of budget season. However, districts are already limited as to the amount we can increase property taxes. It is important to repeat over and over that neither townships nor counties have similar restrictions on their ability to raise property taxes and that the use of the term "property tax elimination" is more than a little misleading. Property taxes will remain in effect as they have since about 1830. Consequently, while not popular, they have provided a steady source of local funding for local initiatives. They are not going away and will continue to rise even if this bill passes. Townships and counties can still raise taxes without the checks on increases that school districts already have.

In Centennial School District, we work diligently to live within our means while addressing aging buildings, declining enrollment and the loss of two major military bases that were the source of many students and middle class jobs. Every year we are compliant within the guidelines of Act 1, while striving to maintain and improve current programming. We have, under the guidance of our Chief Financial Officer, used a multi-year projection model that is allowing us to prepare for the future instructionally while providing value to the local community. We are preparing our budgets with a five-year projection. We value all members of our community, not the just the children we serve, but the entire community.

To say that we are going to protect our senior citizens is indeed a noble and worthy goal. It is a goal that every person in this room supports and we whole heartedly encourage Harrisburg to do that very thing with simple legislation addressing that issue. The current proposal embodied in Senate Bill 76 raises so many questions that I encourage Harrisburg to answer these basic questions before voting Aye on SB 76 and all its ramifications for our valued institutions like locally elected and responsible school boards:

- Why doesn't Harrisburg pass legislation or even redirect lottery winnings to the protection of senior citizen housing when circumstances have become difficult for our senior citizens?

- Why doesn't Harrisburg pass legislation that guarantees access to affordable health care for our senior citizens?
- Why doesn't Harrisburg address the egregious charter school funding laws that would allow equitable funding for charter schools while returning hundreds of millions of dollars to local school district budgets?
- Why doesn't Harrisburg address the pension fund crisis which has diverted over 30% of our payroll budgets out of the classroom?
- How can Harrisburg guarantee a dollar for dollar replacement when it is currently ranked 46th in the nation for supporting local school districts?
- Won't taxes in fact be going up for the average tax payer instead of down and aren't we merely switching the sources of those revenues?
- Why should income and sales taxes paid by our residents subsidize the property holdings of out of state corporations?
- Have there been any states that have successfully switched from local property taxes to similar sorts of revenues?
- At the end of the day, isn't this a really complicated solution to a fairly simple problem?

In short, there are an incredible number of questions about the reasonableness of this proposal. We are gravely concerned that the cherished institutions of local schools and local control of those schools will be greatly diminished if this legislation passes. Please, on behalf of local schools, take a moment and think this through—Pennsylvania is at a point in its history where it truly needs visionary, long-term leadership and we are asking you to do the right thing for all Pennsylvanians.

Thank you,

A handwritten signature in blue ink, appearing to read "David E. Baugh". The signature is fluid and cursive, with a large initial "D" and "B".

David E. Baugh, Ed.D.
Superintendent of Schools