

ACT 72 - What Will it Mean to Our District? What Will it Mean to Taxpayers?

Many laws and regulations are passed every year that touch upon our lives. **What makes ACT 72 so important?** The quick answer to this should be enough to get you interested – the law was designed to save you money in property taxes. The long answer, while complicated, is equally important to understand.

ACT 72 is the “other” side of the Slots Law that was passed in early July and will forever change the way that districts conduct the “business” of running a school. Many choices lie before us as we look into Act 72 and all of its implications. The first decision to be made is whether to opt in (accept gambling revenue) or opt out (not accept gambling revenue).

Is opting out an option? As they often say, “sometimes it’s easier to do nothing.”

FALL 2004

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MISSION STATEMENT

The Penn Manor School District shall strive for academic and personal excellence by fostering a democratic environment which motivates students, teachers, administrators, and parents to work collaboratively to improve the instructional program.

The problem with this option is that once a district opts out, they will never be able to collect state gaming revenues to offer property tax reduction. The law was written with a one-time entrance with no provision for second guessing. While many districts are philosophically opposed to the tie between gambling revenue and school district funding, it will be a tough political decision to vote against property tax reduction for homeowners.

Opting in to ACT 72 requires school districts to make a “qualifying local contribution” to become eligible to receive gaming allocations. In order to opt in, the district would need to adopt a resolution increasing the Earned Income Tax by 0.1%. (An individual with \$40,000 in taxable income would pay an additional \$40.) The total revenue raised by this tax increase would be used to offset total property taxes. In this manner, ACT 72 creates a “tax shift” from property tax to an earned income tax. In addition to the revenue raised by this new income tax, the districts would be eligible to share in the pool of money raised through the taxation of gaming in Pennsylvania.

By opting for ACT 72, a school district subjects itself to all the applicable benefits and restrictions. The benefits actually lie with those residents who can take advantage of reduced property taxes by qualifying for a homestead/farmstead exclusion since the district funds remain unchanged (Only the sources shift). The other benefit to taxpayers is the initiation of referendum for tax increases in certain circumstances. The prospect of referendum can significantly affect the growth and future of tax increases.

What does this mean to you, the taxpayer? On October 18th, applications were mailed to every residential property in the state that would allow you to claim

homestead/farmstead exclusion on your property tax. It is imperative that you, the homeowner, complete the application and return it to be eligible for any potential property tax reductions that may result from the gambling revenue. A second mailing will be sent in late December to those who did not respond to the first request. The deadline for submission is March 1st, 2005.

When will you see a reduction in your tax bill? It is important to note that even though you qualify for the exclusion, it may be a few years until the program generates enough gambling revenue to allow for reduced property taxes. Until the state has \$900,000,000 in slot tax revenue, no monies will be available to school districts. The point here is for you to sign up now so that when the money comes in, you will be eligible to share in the benefits.

How much money will you save? It’s too early to tell but preliminary figures from the state suggest savings of approximately \$150 per homestead in the Penn Manor School District. It is important to note that the actual savings will be unknown for some time and may fluctuate from year to year.

The restrictions that the district will face as a result of ACT 72 are formidable. In addition to shifting from a stable revenue source (Property based) to a fluctuating revenue source (Income based), the timeline created by the adoption of ACT 72 will fundamentally change the way budgets have been created and adopted for decades. In order to face the possibility of referendum, districts will need to work backwards from filing dates and election deadlines. The result of this will be to construct a budget based on early estimates of costs and basis of revenue.

Superintendent's Message: From the Desk of Mr. Donald Stewart

The Act 72 Era Begins!



During the summer of 2004 in the late hours of the legislative session leading up to the July 4 recess, the Pennsylvania legislators passed two very

significant pieces of legislation. Governor Rendell signed them both into law.

One of those new laws received much public attention. The controversial "slots law" means that Pennsylvania will now become home to more slot machines than any other state in the union, excluding Nevada. The introduction of slot machines into the state of Pennsylvania remains a much talked about transition.

At the same time as the slots law was grabbing all the headlines, the second piece of legislation passed in that late night session prior to the

July 4 recess was quietly making progress. That Legislation is **Act 72, the Homeowner Tax Relief Act** and the first step in the Act 72 process was taken on October 8, 2004.

Act 72, the Homeowner Tax Relief Act is companion legislation to the slots law. When \$900,000,000 in revenue from taxes on slots is available, the State will begin channeling that money to Pennsylvania school districts using a formula that combines many elements. The first step of Act 72 landed in your mailbox shortly after an October 18, 2004 deadline. That first step is the **Lancaster County Application for Homestead/ Farmstead Exemption**. (Every homeowner should have received this application in a mailing from the County Tax Office. There is more information about this application form in another "Above and Beyond" article entitled "Act 72: What Will It Mean To Our District?")

It is important that every Penn Manor property owner give attention to issues of taxation and school funding. Act 72 is a complicated law and there are many elements related to it. Act 72 will in some ways change forever the way that schools are funded.

If you wish to benefit from the possible reductions in your property taxes, it is vital that you complete the application that was mailed to you and that you return it to the County Tax Office.

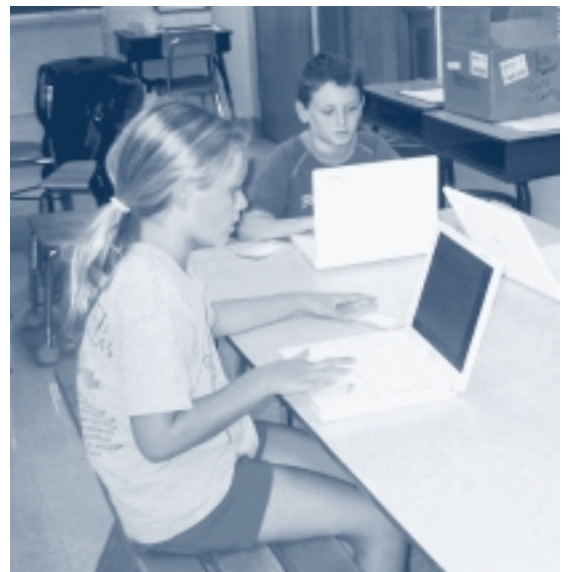
In the months and years ahead we will all be watching closely as the additions of gambling revenues and changes in the ways schools fund their programs affect Penn Manor and all of our citizens. We will strive to insure that our taxpayers are informed, that our schools and programs continue to offer excellent opportunities and that our community's children have every chance to be successful.

Inclement Weather Reminder

The announcement of school delays or closing will be reported on the following local radio and television stations when possible before 6:00 a.m.:

WDAC - 94.5 FM
WROZ - 101.3 FM
WARM - 103 FM
WIOV - 105 FM
WLAN - 1390 AM/97 FM
WSBA - 910 AM
WQXA - 105.7 FM
WJTL - 90.3 FM
WRKZ - 107 FM
WGAL - TV Channel 8
WLYH - TV Channel 15
WHTM - TV Channel 27
WITF - TV Channel 33
WPMT - TV Fox 43

When weather conditions develop during the day causing an early closing, high school and middle school students will generally be dismissed first followed by elementary students. Unanticipated weather conditions or other factors may require alterations in the procedures as described above. Parents of elementary students should have an emergency plan prepared in case of early dismissal.



Classrooms across the district are using Moodle, a free software program that allows teachers to post resources, assignments, create self-scoring quizzes, host chat rooms and grade journal entries. Currently 1/3 of Penn Manor teachers have created Moodle sites for their students.

Building and Grounds Update

ACT 72

(Continued from page 1)

For example, we will need to have our "preliminary" budget complete one month before the governor offers his annual budget address.

As history has shown, the earlier the projection comes out, the less reliable the figures become.

Given all the possible ramifications and changes that will result from this legislation, we in the business office are gearing up to meet the challenges. Through attendance at workshops and consultation with peers in the county, we will face these hurdles to the best of our ability. Obviously, an informed electorate is essential and we encourage everyone to learn about this fundamental shift in school business. As a service we have created a link from the main page of our website, www.pennmanor.net, to post information and updates concerning ACT 72. We will also be addressing issues in upcoming school board meetings and encourage you to attend and become a part of the process.

Glossary of ACT 72 Terminology

Qualifying Local Contribution –

The contribution a district must make to become eligible to receive gaming allocations. This contribution (0.1%) can be made by adopting one of several tax options. Once made, it subjects the district to all ACT 72 provisions requiring back-end referendum and early adoption of preliminary budgets.

Homestead Exclusion – The exclusion from taxation of a portion of assessed value of an individual's primary residence.

Farmstead Exclusion – The same exclusion applies to assessed value of buildings and structures used in commercial agricultural production on a farm.

If you have specific questions, you may contact your local congressman or the Penn Manor School District Business Office at 872-9500 ext 2237.

- Christopher Johnston
Administrative Assistant for Business

The end of the school year is the culmination of a year of hard work where children move on, seniors start a new chapter in life and the faculty reflects on another year of successful efforts. For the men and women who make up the custodial, maintenance and grounds staff the last day of school is the first day in the preparation for the new school year.

Although the Penn Manor School District has no major renovation or building projects scheduled for the foreseeable future, there are always maintenance projects to be done to keep our buildings safe and well-maintained.

In addition to the normal summer cleaning schedule, the district has initiated a program of enhancing the care and maintenance of the floors in our schools. This summer was the first year of a four year program to strip and remove the years of built-up finish on the floors. This is a difficult and time-consuming task especially with the established work load already in place. Through the efforts of the staff we exceeded our goal in the number of rooms completed during the first year of the program.

The building and grounds department was busy this summer. Here is a sampling of their accomplishments:

- Stripped and refinished 113 hard surface floors including rooms and corridors
- Completed the summer cleaning tasks in all 10 buildings
- Performed 841 maintenance tasks
- Painted areas in each school
- Constructed a new office in the High School
- Prepared the athletic fields for fall sports and community recreation
- Started a program of pruning the shrubs and trees and edging and mulching the landscape beds
- Started a preventative maintenance program on the boilers and mechanical equipment
- Painted parking lots at four schools
- Performed roof repairs at 7 schools
- Purchased more efficient custodial equipment to improve the level of care and service
- Tested 23 new custodial products with a goal of achieving a higher level of performance and maximize efficiency

Contracted Improvements included:

- Removed the asbestos floor tile and installed new floor tile and carpet in Marticville MS
- Repaired the leaking stairwell roofs at Marticville MS
- Installed two new hot water heaters in the high school
- Installed a new roof on Martic Elementary
- Repaired the driveway at Comet Field
- Paved portions of the driveway at Conestoga
- Repaired a water main break at Marticville MS
- Installed a new underground irrigation system at Comet Field

If you have the opportunity, please thank those custodial, maintenance and grounds staff that contribute so much to Penn Manor's teaching/learning environment. Their role is vital for the success, health and welfare of all the district's students, faculty and community members who work and visit the district's facilities.

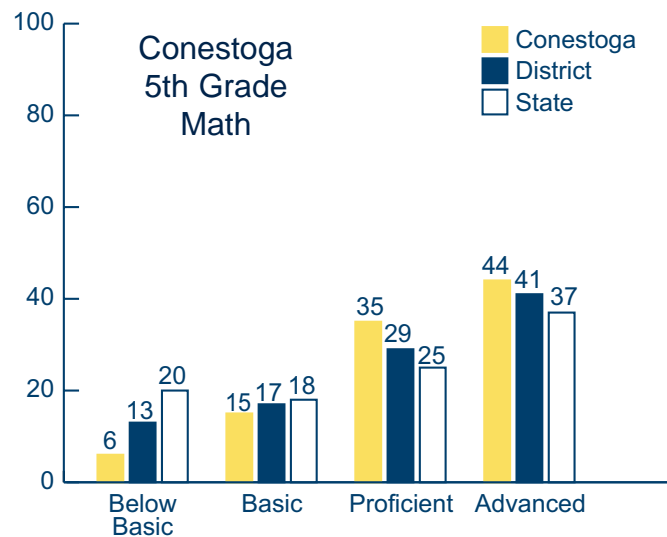
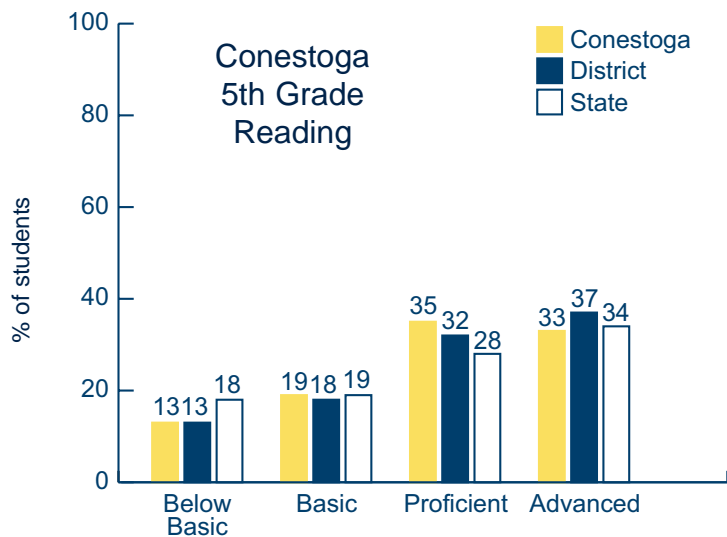
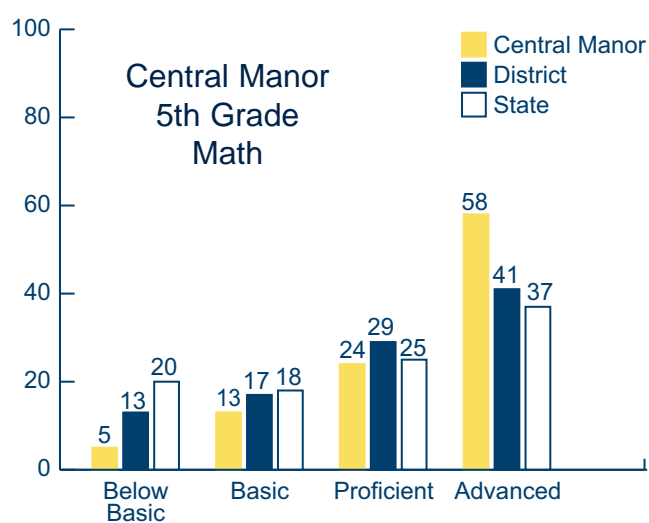
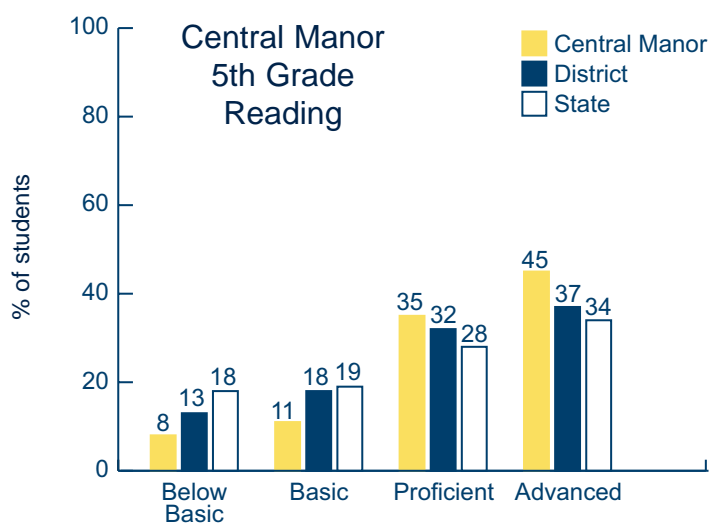
- Denny Coleman
Director of Building & Grounds

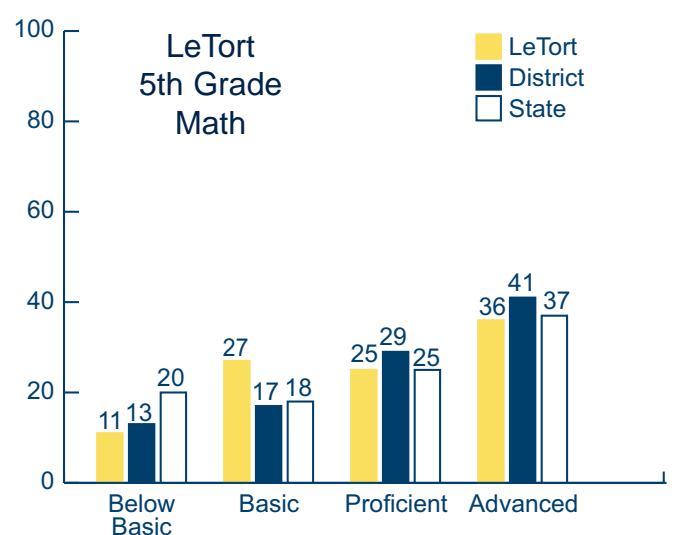
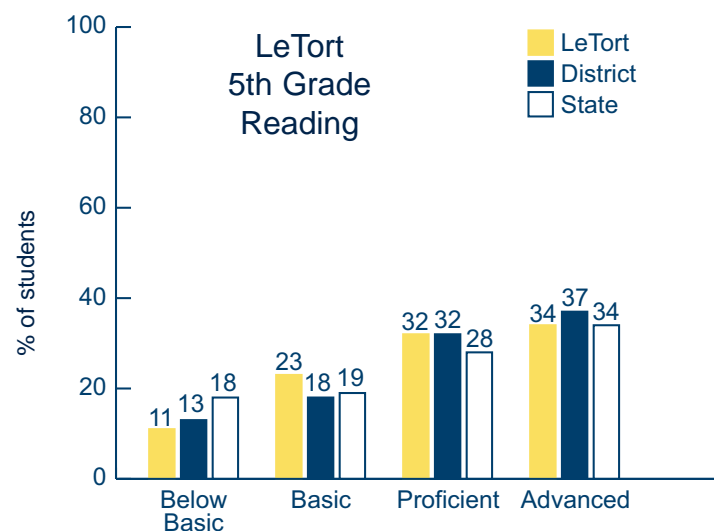
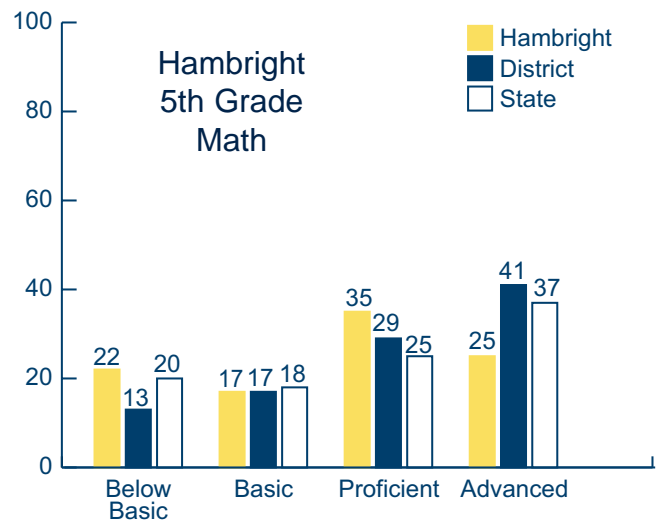
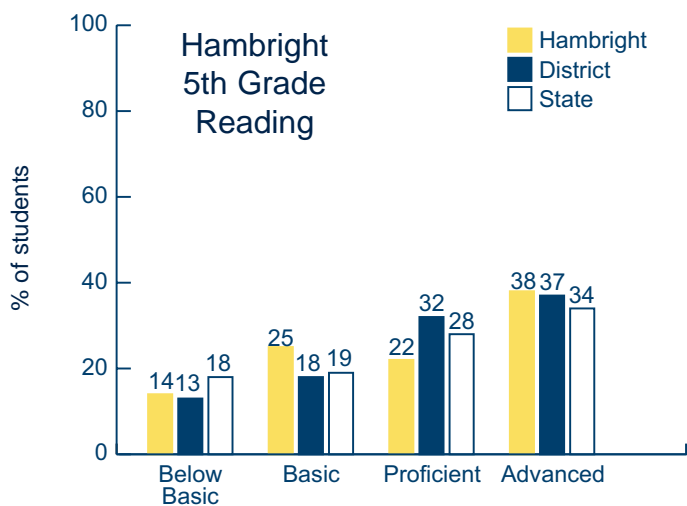
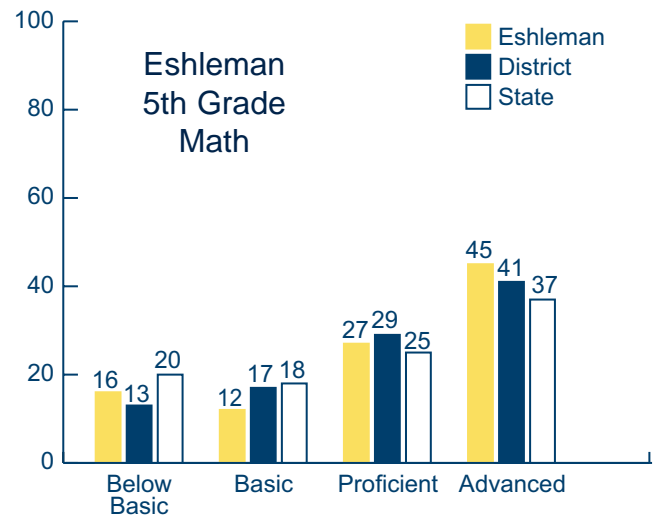
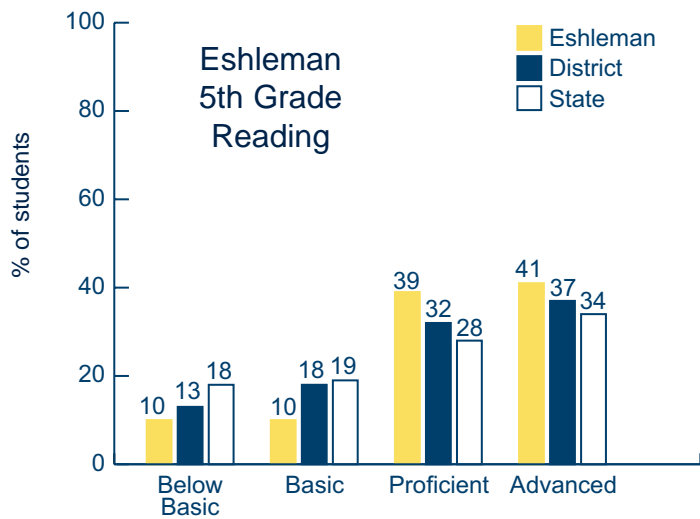
Penn Manor School District Report Card

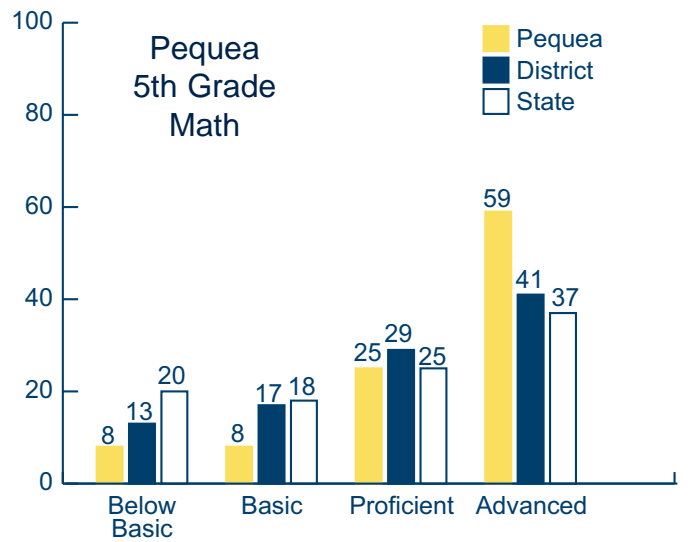
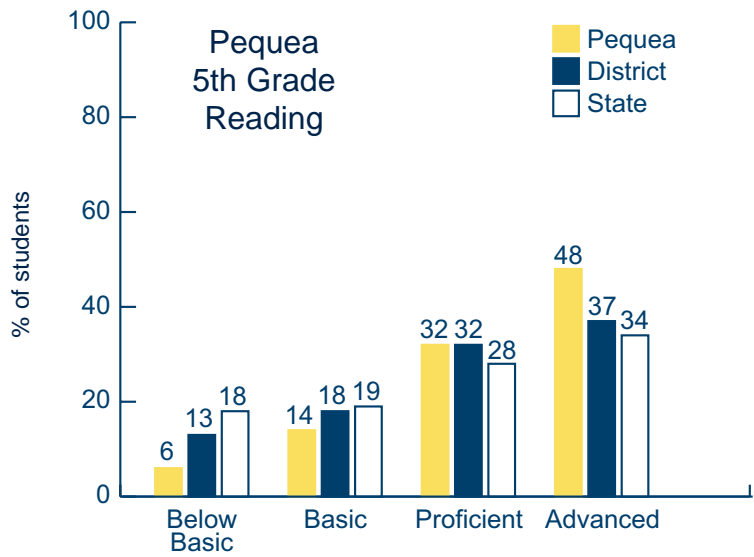
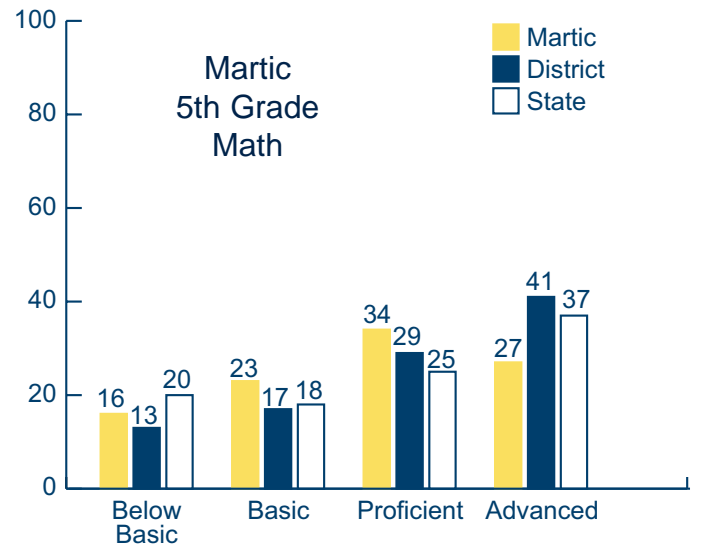
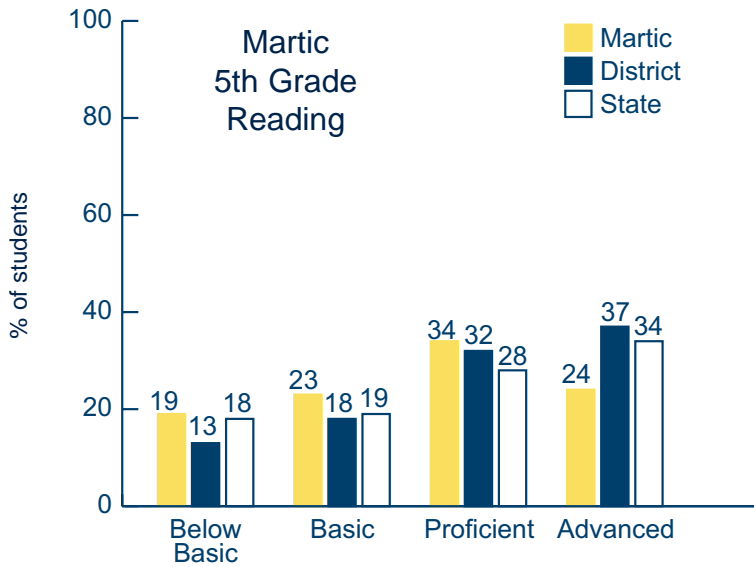
(in compliance with the Federal *No Child Left Behind Act*)

2004 PSSA Reading/Math Scores by School

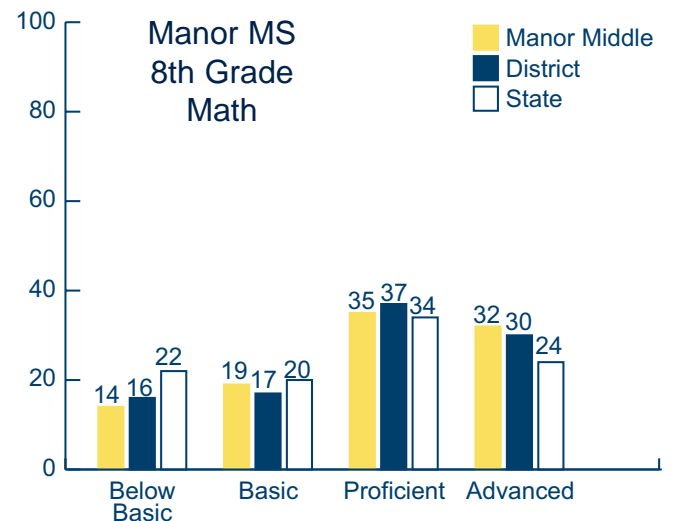
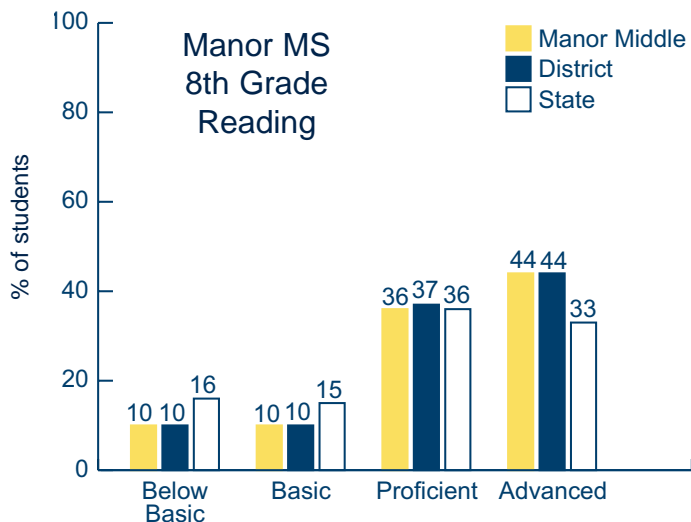
The following graphs show 5th Grade PSSA results for reading and math. The percentage of students at each achievement level as well as a district and state comparison are represented. All seven of Penn Manor's elementary schools met the Pennsylvania Department of Education's requirements for AYP (Adequate Yearly Progress) for Academic Performance, Test Participation, and Attendance.

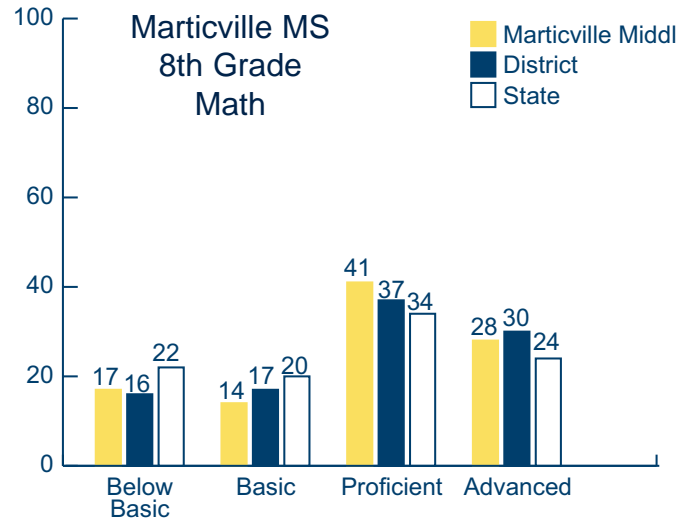
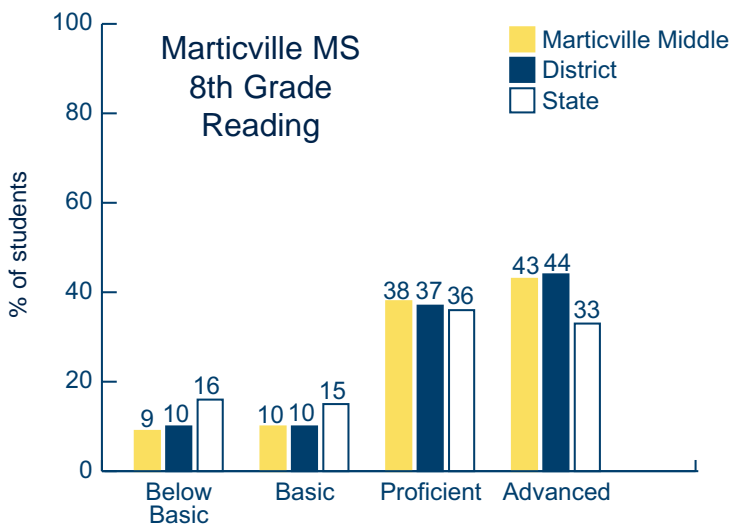






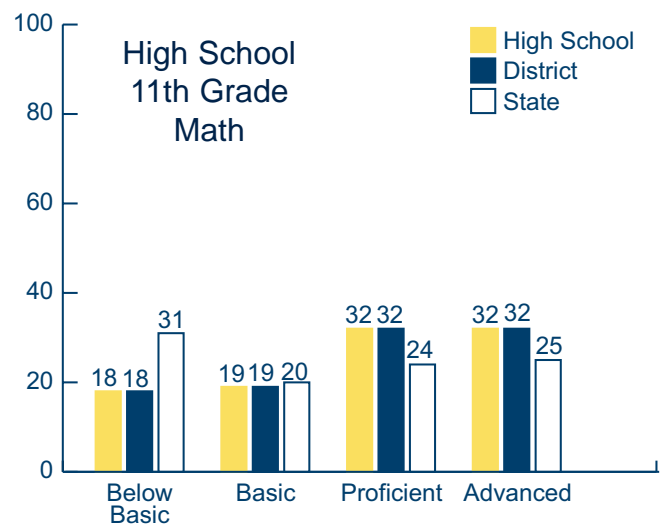
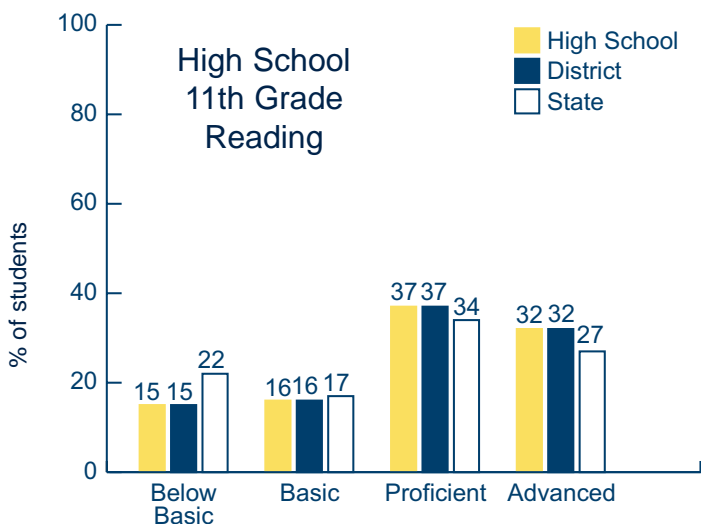
The following graphs show 8th Grade PSSA results for reading and math. The percentage of students at each achievement level as well as a district and state comparison are represented. Both of Penn Manor's middle schools met the Pennsylvania Department of Education's requirements for AYP (Adequate Yearly Progress) for Academic Performance, Test Participation, and Attendance.





The following graphs show 11th Grade PSSA results for reading and math. The percentage of students at each achievement level as well as a state comparison is represented. Penn Manor High School met 15 of 17 AYP (Adequate Yearly Progress) targets including graduation rate, test participation, and 5 of 7 academic performance targets. Penn Manor High School learning support students were one of two subgroups that were measured separately with the number of students in the subgroup numbering 40 or more. These learning support students did not score at mandated state levels in reading or math for the second consecutive year. This resulted in the high school being placed in *Improvement 1* status and the district receiving a *District Improvement* designation. Penn Manor is required to prepare and submit to the Pennsylvania Department of Education a School Improvement Plan to address how the district will meet the needs of this subgroup by November 30.

At the present time, the district is looking at a number of ideas to improve the scores of our high school learning support students as well as all district students. Curriculum writing, use of PSSA practice prompts, classroom observations, and professional development for teachers are just some of the components of the district's improvement plan. At the high school specifically, plans are being developed for test prep sessions, PSSA simulations and cross grade level collaboration on curriculum and assessment.



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Fall 2004



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Community Survey Return

In late June, 600 district residents were randomly selected and mailed a community survey. The Penn Manor School District was hoping to hear the opinions of community members on issues such as challenges that the Penn Manor School District faces, positive areas or programs in the district, and improvements or initiatives that Penn Manor should consider.

If you received a survey and have not returned it, please take a moment to fill out the survey and return it to:

PMSD Community Survey
P.O. Box 1001
Millersville, PA 17551

Thank you for your cooperation!

Penn Manor Pipeline

Upcoming Events or Dates of Interest

Monday, November 1	Committee of the Whole Meeting 4 p.m.
Wednesday, November 3	End of 1st Marking Period
Friday, November 5	Elementary In-Service (no school for grades K-6)
Monday, November 8	Committee of the Whole Meeting 7 p.m. School Board Meeting 8:15 p.m.
November 10, 11, 12	District Early Dismissals
November 18, 19, 20	High School Fall Play 7:30 p.m.
Monday, November 22	Committee of the Whole Meeting 7 p.m.
Thursday, November 25 to	Monday, November 29 - Thanksgiving Vacation
Monday, December 6	Committee of the Whole Meeting 7 p.m. School Board Meeting 8:15 p.m.
Wednesday, December 8	Elementary String Holiday Concert at PMHS 7 p.m.
Thursday, December 16	Combined Middle School Holiday Concert at PMHS Auditorium 7:30 p.m.
Wednesday, December 22	PMHS Winter Concert 7:30 p.m.
Friday, December 24 to Friday, December 31	- Winter Holiday
Monday, January 3	Committee of the Whole 7 p.m.
Saturday, January 8 to Saturday, January 15	- Pennsylvania Farm Show
Monday, January 10	Committee of the Whole 7 p.m. School Board Meeting 8:15 p.m. Financial Aid Night @ PMHS Auditorium 7 p.m.
Monday, January 17	No School
Thursday, January 20	End of 2nd Marking Period
Friday, January 21	Secondary In-Service (no school for grades 7-12) This day will float with the end of the marking period in case of snow days
Monday, January 31	Committee of the Whole 7 p.m.