

ANTHONY M. DeLUCA, MEMBER

115 IRVIS OFFICE BUILDING
P.O. BOX 202032
HARRISBURG, PENNSYLVANIA 17120-2032
PHONE: (717) 783-1011
FAX: (717) 772-9937

7205 SALTSBURG ROAD
PITTSBURGH, PENNSYLVANIA 15235
PHONE: (412) 793-2448
FAX: (412) 793-7495



House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

INSURANCE, CHAIRMAN
DEMOCRATIC POLICY
LEGISLATIVE BUDGET & FINANCE COMMITTEE

PA HIGHER EDUCATIONAL FACILITIES AUTHORITY
PA STATE PUBLIC SCHOOL BUILDING AUTHORITY
PENNVEST BOARD

ARTHRITIS & OSTEOPOROSIS CAUCUS
AUTISM CAUCUS
CANCER CAUCUS
CHILDREN'S CAUCUS
COAL CAUCUS
EARLY CHILDHOOD EDUCATION CAUCUS
FIREFIGHTERS' & EMERGENCY SERVICES,
CHAIRMAN EMERITUS
LUPUS CAUCUS
SPORTSMEN'S CAUCUS
STEEL CAUCUS

Jan. 31, 2019

Pedro A. Rivera, Secretary
Pennsylvania Department of Education
333 Market Street
Harrisburg, PA 17126

Dear Secretary Rivera,

Penn Hills School District recently presented their 2019-20 preliminary budget, and it is not a pretty picture.

The district projects a nearly \$11 million shortfall for the upcoming year and is approximately \$172 million in debt. The debt service alone is at 12 percent of total expenditures, with payments for 2019-20 estimated at nearly \$12 million.

Shockingly, during the years 2016-17 and 2017-18, the district spent nearly \$6 million over budget each year.

The district will seek to increase property taxes, again, by nearly 1.92 mils to 30.5818, a rate amongst the highest in Allegheny County.

But in order to do this, the state Department of Education must approve their waiver application to tax above the index. This exception request is a bypassing of the referendum process put in place to safeguard residents in Act 1.

I am asking you to deny this request and require the school district to reduce the tax-rate increase to no more than the index, or require it to submit a referendum question for voter approval in the next election.

The Act 1 index was deliberately put in statute to limit excessive tax increases, and it should be allowed to serve its purpose as designed. Any extraordinary increase should be required to pass a

referendum, allowing the people paying the tax to make the decision. This is the fairest way, and allowing continued exceptions to the process is an insult and injury to residents.

We cannot continue to allow the district to skirt the referendum requirement.

I appreciate the state helping the district, formerly by maintaining a financial watch status, and now by putting it into a full-blown financial recovery status; but this issue is front and center to the residents of the district and needs to be addressed immediately.

The taxpayers cannot afford to have taxes raised year after year.

Penn Hills is the second-largest municipality in Allegheny County and is a diverse, but aging, bedroom community. Unfortunately, the previous poor judgement and actions of the Penn Hills School District Board of Directors and key administrators continue to jeopardize this good town.

If this trend of over-taxation continues, no one will move into the community, which will erode the school district finances even further.

I am asking the Department of Education to consider all these things and reject another waiver allowance for Penn Hills schools. Thank you for your attention in this matter.

Sincerely,

A handwritten signature in blue ink that reads "Tony DeLuca". The signature is written in a cursive style with a large initial "T".

Tony DeLuca
State Representative
32nd Legislative District

wj