



**Testimony of  
The Pennsylvania School Boards Association  
Presented by  
Andrew Smarkanic**

**Before the Pennsylvania Senate Finance Committee  
May 7, 2008, Harrisburg, Pennsylvania**

Thank you for the opportunity to testify before the Senate Finance Committee. I am Andrew Smarkanic, Assistant Superintendent for Business Affairs at Blue Mountain School District. PSBA and my school district oppose Senate Bills 1247 and 1258.

My district is located in Schuylkill County and it encompasses 125 square miles. It and 10 of the 12 school districts in that county challenge property values via the property assessment appeals process. The Blue Mountain School District assessment appeal process corrects the differences between the assessed values and the fair market values, ensures equity of taxation, and benefits elderly taxpayers and those taxpayers on fixed incomes.

Appealing property assessments has been mislabeled by many as spot assessment. Under the provisions of the law, spot assessments are not allowed. However, appeal of property values by a school district or municipality is allowable under the current law. Schuylkill County school districts have only taken advantage of this provision in the past 4 years.

Our process begins in late June early July with a review of properties that have transferred ownership over the previous 12 months. Each of the Schuylkill County school districts has different thresholds for making a determination on which properties they will appeal. To the best of my knowledge those thresholds range from \$250 to \$500 of additional tax revenue generated from the appeal process. Arrangements are made to have the property deeds researched and the necessary documents are prepared and submitted to the County Assessment Office. The Assessment Office will file the appeals, schedule the appeals with the County Board of Appeals, and send out the necessary notices to all parties of the hearings.

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The district presents their evidence to the Board of Appeals. This is usually in the form of the property deed. Testimony by a certified appraiser, when necessary and testimony from the taxpayer if he is present may also be presented at this time. The Board of Appeals will then rule on the evidence. The district or the taxpayer does have the opportunity to appeal that decision to the Court of Common Pleas.

Since 2005, according to the Schuylkill County Assessment Records, Schuylkill County Schools have appealed 3,133 properties. The school districts generated \$630,135 new dollars for the County of Schuylkill; \$388,832 new dollars for the municipalities of Schuylkill County; \$1,794,780 new dollars for the School Districts of Schuylkill County; and have increased the Schuylkill Counties market value by \$52,598,954. This means less state revenue because of the increased market value for the districts.

The Blue Mountain School District has generated \$356,450 new dollars for our schools. That amounts to .81 mills of tax dollars for the school district. I will argue that is a savings for our long-term district residents, the elderly, and those individuals living on fixed incomes. The revenues generated did not subject the property owners mentioned above to additional tax increases necessary to cover increased program cost. These are much need revenues generated to cover increased cost of special education, the increased burden of transportation costs and the rising cost of fuel and energy. These revenues fill a void. The revenues are necessary because of an inadequate funding system for public education. These revenues are necessary to cover the ever increasing mandates of special education.

School districts have been asked to do more for our children and, on average, have been given less financial support from the state. I have been in education for 30 years and a School Business Official for 21 of those years. My background is different than most, because I began my career as a teacher. I have certifications to be a principal and superintendent. My financial decisions are based on what impact they will have on kids and

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not solely on what impact the dollar will have on that decision. I have seen and lived through all of the mandates both state and federal and have presented 21 budgets to numerous school boards over those years. Through the years, I somehow balanced the budgets and found money to fund the programs after the funds were no longer available from the state. Not to utilize every available resource to garner additional funds would be fiscally irresponsible.

Finally, I would mention that Schuylkill County conducted its most recent reassessment in 1996 and there are no plans for a countywide assessment at this time. In fact, our majority commissioners admitted publicly that reassessment is not on their docket. This is mirrored in many counties across the Commonwealth. Pennsylvania's failure to prescribe a cycle of reassessing property perpetuates nonuniformity of assessment and taxation. It is injurious to local governments and school districts that struggle to do more for less. I would urge you to not move forward with these bills. Thank you for your consideration of my concerns. I would be happy to answer your questions.