THE BOARD OF PUBLIC EDUCATION
OF THE SCHOOL DISTRICT OF PITTSBURGH, PENNSYLVANIA

MINUTES

Meeting of: January 18, 2012

Call of the Meeting: Continuation of January 9, 2012 Special Legislative Meeting

Members Present: Mark A. Brentley, Theresa Colaizzi, Jean Fink, Sherry Hazuda, William H. Isler, Floyd L. McCrea, Sharene Shealey (via phone), and Thomas H. Sumpter

Members Absent: Regina Holley

The following matters were received and acted upon.

Actions taken are recorded following the reports.
Continuation of January 9, 2012 Special Legislative Meeting on January 18, 2012

AGENDA

ROLL CALL

Committee on Business/Finance

1. 2012 Real Estate Millage [Roll Call]

2. 2012 Homestead Exemption [Roll Call]

ADJOURN

We are an equal rights and opportunity school district.
RESOLUTION
Real Property Tax Levies for Fiscal Year 2012

RESOLVED, That The Board of Public Education of the School District of Pittsburgh does hereby levy and assess for the fiscal year beginning on the first day of January, 2012, a school tax of two (2) mills on each dollar of the total assessment of all real property assessed and certified for taxation in this district, being at the rate of $0.20 on each One Hundred Dollars ($100.00) of assessed valuation of taxable real property, pursuant to the provisions of Act 14, approved March 10, 1949, P.L. 30.

RESOLVED, FURTHER, That in addition to the foregoing levy The Board of Public Education of the School District of Pittsburgh does hereby levy and assess for the fiscal year beginning on the first day of January, 2012, a school tax of .26 mills on each dollar of the total assessment of all real property assessed and certified for taxation in this district, being at the rate of $0.026 on each One Hundred Dollars ($100.00) of assessed valuation of taxable real property, for general public school purposes, pursuant to the provisions of Act 226, approved November 30, 1955, P.L. 793.

RESOLVED, FURTHER, That in addition to the foregoing levies The Board of Public Education of the School District of Pittsburgh does hereby levy and assess for the fiscal year beginning on the first day of January, 2012, a school tax of .13 mills on each dollar of the total assessment of all real property assessed and certified for taxation in this district, being at the rate of $0.013 on each One Hundred Dollars ($100.00) of assessed valuation of taxable real property, for general public school purposes, pursuant to the provisions of Act 386, approved July 12, 1957, P.L. 837.

RESOLVED, FURTHER, That in addition to the foregoing levies The Board of Public Education of the School District of Pittsburgh does hereby levy and assess for the fiscal year, beginning on the first day of January, 2012, a school tax of .34 mills on each dollar of the total assessment of all real property assessed and certified for taxation in this district, being at the rate of $.034 on each One Hundred Dollars ($100.00) of assessed valuation of taxable real property, for general public school purposes, pursuant to the provisions of Act 557, approved November 19, 1959, P.L. 1552.
RESOLVED, FURTHER, That in addition to the foregoing levies The Board of Public Education of the School District of Pittsburgh does hereby levy and assess for the fiscal year, beginning on the first day of January, 2012, a school tax of .17 mills on each dollar of the total assessment of all real property assessed and certified for taxation in this district, being at the rate of $0.017 on each One Hundred Dollars ($100.00) of assessed valuation of taxable real property, for general public school purposes, pursuant to the provisions of Act 321, approved October 21, 1965, P.L. 650.

RESOLVED, FURTHER, That in addition to the foregoing levies The Board of Public Education of the School District of Pittsburgh does hereby levy and assess for the fiscal year, beginning on the first day of January, 2012, a school tax of 1.02 mills on each dollar of the total assessment of all real property assessed and certified for taxation in this district, being at the rate of $0.102 on each One Hundred Dollars ($100.00) of assessed valuation of taxable real property, for general public school purposes, pursuant to the provisions of Act 340, approved November 26, 1968, P.L. 1098.

RESOLVED, FURTHER, That in addition to the foregoing levies The Board of Public Education of the School District of Pittsburgh does hereby levy and assess for the fiscal year, beginning on the first day of January, 2012, a school tax of 8.98 mills on each dollar of the total assessment of all real property assessed and certified for taxation in this district, being at the rate of $0.898 on each One Hundred Dollars ($100.00) of assessed valuation of taxable real property, for general public school purposes, pursuant to the provisions of paragraph (a) (3) of Section 652.1 of the Public School Code of 1949, as amended, (Act 1982-182).

All of said taxes have been ascertained, determined and fixed in accordance with law and applicable thereto, including, but not limited to Special Session Act 1 of 2006, 53 P.S. §6926.101, et seq.
A RESOLUTION OF THE BOARD OF PUBLIC EDUCATION OF THE
SCHOOL DISTRICT OF PITTSBURGH IMPLEMENTING THE ACT 1
HOMESTEAD AND FARMSTEAD EXCLUSION

WHEREAS, on May 1, 2011 the Department of Education informed the School District of Pittsburgh (“School district”) that its property tax reduction allocation under Act 1 is $15,577,517.31; and

WHEREAS, Act 1 requires the School District to use its allocation to calculate a Homestead and Farmstead exclusion and to adopt a resolution implementing the exclusion for 2012; and

WHEREAS, the School District has calculated a Homestead and Farmstead exclusion for the purpose of reducing School District property taxes.

NOW THEREFORE, BE IT RESOLVED, that the School District shall implement the Homestead and Farmstead exclusion for 2012 in the amount of $19,937.
TRANSCRIPT OF PROCEEDINGS

PITTSBURGH BOARD OF PUBLIC EDUCATION
SPECIAL LEGISLATIVE MEETING
WEDNESDAY, JANUARY 18, 2012
6:33 P.M.
ADMINISTRATION BUILDING
VOLUME II

BEFORE:

SHERRY HAZUDA, PRESIDENT
SHARENE SHEALEY, FIRST VICE PRESIDENT
THOMAS SUMPTER, SECOND VICE PRESIDENT
MARK BRENTLEY
THERESA COLAIZZI
JEAN FINK
WILLIAM ISLER
FLOYD McCREA

BOARD MEMBERS ABSENT:
REGINA HOLLEY

ALSO PRESENT:

DR. LINDA LANE
MR. PETER J. CAMARDA
DR. JERRI LIPPERT
MS. JODY SPOLAR
MR. DAVID MAY-STEIN
DR. JERRI LIPPERT

MR. IRA WEISS
MS. LISA FISCHETTI
MR. MARK CAMPBELL
DR. JEANNINE FRENCH
MS. CHRISTIANA OTUWA
MS. LINDA BAEHR

REPORTED BY: MELISSA L. FENSTER
PROFESSIONAL COURT REPORTER

COMPUTER-AIDED TRANSCRIPTION BY
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PITTSBURGH, PENNSYLVANIA
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ORIGINAL
P-R-O-C-E-E-D-I-N-G-S

MRS. HAZUDA: Good evening, ladies and gentlemen, and welcome to the continuation of the January 9, 2012 Pittsburgh Board of Public Education Special Legislative Meeting.

Before we begin this evening, I would like to ask everyone to please turn off all cell phones, pagers or put them on violate.

While you're doing that, I would like to take the opportunity to welcome the employees of PCTV who are recording us for the first time this evening. Welcome aboard.

(Applause.)

MRS. HAZUDA: Mr. Weiss, can we have a roll call vote please -- I mean, just a roll call? No vote yet.

MR. WEISS: Mr. Brentley.

MR. BRENTLEY: Here.

MR. WEISS: Mrs. Colaizzi.

MRS. COLAIZZI: Here.

MR. WEISS: Mrs. Fink.

MRS. FINK: Here.

MR. WEISS: Dr. Holley. Holley is absent.

Mr. Isler.

MR. ISLER: Present.
MR. WEISS: Mr. McCrea.
MR. McCREA: Here.
MR. WEISS: Ms. Shealey.
MS. SHEALEY: Here.
MR. WEISS: Mr. Sumpter.
MR. SUMPTER: Present.
MR. WEISS: Mrs. Hazuda.
MRS. HAZUDA: Here.
MR. WEISS: Eight members present.
MRS. HAZUDA: Thank you, Mr. Weiss.

The agenda for this evening's continuation of the January 9th's Special Legislative Meeting is the same as it was on January 9th. The agenda before you has two items that the Board must take action on this evening. The first one is the millage levy for 2012 and the second is the Homestead/Farmstead resolution.

Before we begin with the agenda for the Special Legislative Meeting, I would like to acknowledge that we have at the table with us this evening Attorney Paul Lalley with Campbell Durant Beatty Palombo & Miller. Attorney Lalley is representing the School District in the reassessment case that has been before Judge Wettick.

Attorney Lalley is here to provide us with
the most current information so that the Board is comfortable in taking action on the items before us this evening.

Attorney Lalley, please address the Board at this time.

MR. LALLEY: Thank you, Ma'am President.

As the Board is probably aware from the newspaper reports, Judge Wettick granted the motion that we filed and permitted -- is permitting the Board to use the pre-reassessment valuations for determining the millage rate. The Judge found that we have presented convincing reasons for him to delay implementation of the new assessments for one year.

Of course, that delay is not just going to be for the School District, but it's actually going to be for all the taxing entities in Allegheny County so that the appeals process can proceed, and then we'll have a better, more accurate valuation to have a tax levy occur in 2013 using new numbers.

So I believe the information that is being presented to the Board tonight is a resolution that essentially duplicates what you used in 2011, and including the millage rate that was used previously with no increase. Again, this is all -- you are permitted to do this in accordance with the Judge's
ruling on the motion.

There will be further proceedings in the case. There has to be some details worked out about people have received these 2012 notices. There's some question about whether they will be in formal appeals that the individuals will be able to take to have adjustments before they take formal appeals that hasn't been worked out yet. There will be a new deadline for people to file appeals on the new valuations and other aspects of implementing the Judge's ruling that still have to be ironed with the Judge or with the lawyers for all the parties.

At the last status conference, Judge Wettick indicated that he is asking other taxing entities to intervene in the case so that they can have a voice in the schedule that's ultimately going to be put together so that the School District isn't the only non-party entity in the case, which is true right now. The City is not formally a party to the case, nor is any other school district or taxing entity in Allegheny County.

Thank you.

MRS. HAZUDA: Thank you.

Are there any questions or comments on the information that Attorney Lalley has just shared with
the Board related to the two items before us this evening?

Mr. Brentley, we'll start with you.

MR. BRENTLEY: Yes, just a couple of quick questions. This is for Mr. Camarda, Dr. Lane or Attorney Lalley.

With accepting these numbers, do we as a District stand to lose any possible revenues at all for this year?

MR. CAMARDA: There's always an appeal process the taxpayers have even with this tax table. What this does is ensures that we're able to bill with the same file as it was for 2011, so I would have to answer that we would not lose revenue from this.

MR. BRENTLEY: Okay. So we have no projection -- I mean, just a friendly or projection on the loss, if any, and if so, Dr. Lane, that would not or could it translate into additional layoffs or program cuts at all to this District?

DR. LANE: As Mr. Camarda said, Mr. Brentley, certainly taxpayers, property owners still have the right to appeal even old assessments, you know, so if that appeal process would prevail, then possibly there would be some change; but as compared to what it would have been had we been using
the new ones, we believe it would be -- this is significantly better for the District because it was certain that there was going to be a large number of appeals of those new assessments, and it would have been very difficult for us to anticipate what the total final valuation would have looked like, which meant we would have run the risk of having significantly less revenue than we had budgeted for frankly.

MR. BRENTLEY: Okay. So we're in good shape?

DR. LANE: Better shape.

MR. BRENTLEY: Okay. And, finally, Mr. Lalley, you are the attorney representing the District on this issue? That is correct?

MR. LALLEY: That is correct.

MR. BRENTLEY: Okay. And this is your recommendation that we accept the item that's before us? To the best of your knowledge, this is best for the District?

MR. LALLEY: It certainly is.

MR. BRENTLEY: Thank you.

MS. SHEALEY: Mrs. Colaizzi.

MRS. COLAIZZI: Thank you.

Mr. Lalley, I wanted to thank you for the
way you represented the District on this issue. You
have done a wonderful job, and I certainly appreciate
all the hard work that you put into it. Thank you
very much.

MS. SHEALEY: Mrs. Fink.

MRS. FINK: Likewise, I'm sure that all
taxing entities, not just us, are very grateful that
the Judge was able to see the wisdom in the argument,
so we can proceed with being able to run the District
for the next year. Thank you.

MS. SHEALEY: Mr. Isler.

MR. ISLER: Thank you, Ms. Shealey.

I too want to thank Attorney Lalley. I
think you did a great job representing the District,
and in terms of helping everybody understand what the
issue was, I think you also did a very good job saying
we had to work within the Courts. That was the
directive you gave us when we sat together in this
earlier part of this meeting, that it was a Court
decision and that we should abide by the Judge's
decision. As we did then, that is your advice now,
which has obviously been good advice.

I also think that the people that stand to
thank you are all the citizens of the City of
Pittsburgh who know what their taxes are going to be
based on what has happened as opposed to what could
have happened, and I think that's very, very
important. And, also, I think it's important to note
that there is no tax increase for the residents of the
City of Pittsburgh in terms of the 2012 tax year for
the School District and the City of Pittsburgh because
of this, so I think that this is a win/win for
everybody.
And, again, my thanks to you and to
Mr. Camarda and his team that put it all together. I
think it is quite great.
And, again, Dr. Lane, you provided great
leadership during this time, and I want to thank you
also.
Thank you, Ms. Shealey or Mrs. Hazuda,
whoever is taking over right now.
MRS. HAZUDA: You're welcome, Mr. Isler.
Mr. McCrea.
MR. MCCREA: I want to echo my colleagues
in thanking you, but I also want to thank the Judge
for listening to us. I'm sure he felt our pain when
we explained to him -- like, myself, you know, my
vacation was very interesting last -- on the 9th.
But I also want to note that the Homestead
exemption is in this, and we fought long and hard to
get a Homestead exemption over the last ten years I've been on the Board, and that's one of my pride and joys, so I want to remind everybody.

And the 2.5 percent we give back to the City is from the wage tax, not the property tax, correct?

MR. WEISS: Correct.

MR. McCREA: Okay. Thank you.

MRS. HAZUDA: Always got to get that in there.

Ms. Shealey.

MS. SHEALEY: Thank you.

And I guess I would also like to echo everyone's comments regarding your representation of us, Attorney Lalley.

And for I think Mr. Camarda, can -- or whomever, will the tax bills go out on time and will the District receive its revenue with a delay? We would have generally voted this in December and we're about a month behind.

MR. CAMARDA: I spoke with the city school treasurer this afternoon, and we are delayed because of this action. We're not in the jeopardy we were when we first addressed the Judge in September because it was even a further delay that they were talking
about just getting the assessments announced and
provided to the public. We can weather the delay
without having to incur any costs or borrowing.

MS. SHEALEY: Thank you.

MRS. HAZUDA: Thank you.

Mr. Sumpter.

MR. SUMPTER: Thank you, Mrs. Hazuda.

Thank you, Dr. Lane.

Thank you, Mr. Lalley.

I'm still waiting to see the big headlines
of the public thanking the School District for taking
this action to help clear up the misinformation that
has been put out there and to just whoever is
responsible for getting it done, they should get the
accolades, but thanks again.

MRS. HAZUDA: My thanks as well.

If there are no further questions or
comments, I would like to just talk. The first
resolution before you this evening is to impose a
13.92 millage. It is the same as last year and the
same as many, many years before that, so there will be
no tax increase for the folks in Pittsburgh coming
from the School District this year as unfortunately
previously represented.

So with that, Mr. Weiss, can we have a roll
call vote at this time?

MR. WEISS: This is on the resolution as presented and that's before you.

Mr. Brentley.

MR. BRENTLEY: Yes.

MR. WEISS: Mrs. Colaizzi.

MRS. COLAIZZI: Yes.

MR. WEISS: Mrs. Fink.

MRS. FINK: Yes.

MR. WEISS: Mr. Isler.

MR. ISLER: Yes.

MR. WEISS: Mr. McCrea.

MR. McCREA: Yes.

MR. WEISS: Ms. Shealey.

MS. SHEALEY: Yes.

MR. WEISS: Mr. Sumpter.

MR. SUMPTER: Yes.

MR. WEISS: Mrs. Hazuda.

MRS. HAZUDA: Yes.

MR. WEISS: The resolution is approved eight in favor, none opposed.

MRS. HAZUDA: Thank you, Mr. Weiss.

I would like to now move to a roll call vote for the resolution to implement the Homestead and Farmstead exclusion for 2012 in the amount of $19,937.
Mr. Weiss can we have a roll call, please?

MR. WEISS: Mr. Brentley.

MR. BRENTLEY: Yes.

MR. WEISS: Mrs. Colaizzi.

MRS. COLAIZZI: Yes.

MR. WEISS: Mrs. Fink.

MRS. FINK: Yes.

MR. WEISS: Mr. Isler.

MR. ISLER: Yes.

MR. WEISS: Mr. McCrea.

MR. McCREA: Yes.

MR. WEISS: Ms. Shealey.

MS. SHEALEY: Yes.

MR. WEISS: Mr. Sumpter.

MR. SUMPTER: Yes.

MR. WEISS: Mrs. Hazuda.

MRS. HAZUDA: Yes.

MR. WEISS: That resolution is also approved eight in favor, none opposed. That completes the business of the meeting.

MRS. HAZUDA: Thank you, Mr. Weiss.

All items have been completed. Is there a motion to adjourn?

MR. ISLER: So moved.

MRS. FINK: Second.
MRS. HAZUDA: Isler and Fink.
All those in favor.
(Thereupon, there was a chorus of ayes.)
MRS. HAZUDA: Meeting adjourned.
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(Thereupon, at 6:45 p.m., the Special Legislative Meeting was concluded.)
I, Melissa L. Fenster, the undersigned, do hereby certify that the foregoing fourteen (14) pages are a true and correct transcript of my stenotypy notes taken of the Special Legislative Meeting held in the Pittsburgh Board of Public Education, Administration Building, on Wednesday, January 18, 2012.

Melissa L. Fenster, Court Reporter