

Community Members,

*Please note property 3 & 4 were swapped and an error in the spelling of Barto and Berks have been corrected from the original email.

There has been much discussion about the actual effect on taxes to support the construction of a new middle school for our children.

When the [Frequently Asked Questions document \(FAQ\)](#) was created, the district projected a total 8.62% tax increase over four years. With our successful attainment of a favorable interest rate in the first borrowing, **that figure has already decreased**. We are hopeful, as we move through this process, that we can find further ways to diminish the effect on property owners.

While we acknowledge that this increase only includes construction costs, the district is bound by the Act 1 index and **cannot raise taxes above the rate established annually by the Pennsylvania Department of Education**. There are two exceptions that districts may apply for with regard to the Act 1 index: PSERS (retirement) and special education. Construction is not an exception for the Act 1 index; we cannot exceed the Act 1 index because of the costs related to construction. Our goal continues to be to come in under the Act 1 limit. We are working to find ways to come in even further below it.

To show you how the tax increase is calculated, we chose properties throughout the district that illustrate it over a four-year period.

Property 1:

A property on Washington Street, East Greenville

	Net	Current	2017-18	2018-19	2019-20	2020-2021	Total	
	Assessment	Taxes	Taxes	Taxes	Taxes	Taxes		
East Greenville	133,467	\$3,747.76	\$3,840.52	\$3,969.26	\$4,027.90	\$4,070.82		
			\$92.76	\$128.74	\$58.64	\$42.92	\$323.06	8.62%

Property 2:

A property on Pottstown Avenue, Pennsburg

	Net	Current	2017-18	2018-19	2019-20	2020-2021	Total	
	Assessment	Taxes	Taxes	Taxes	Taxes	Taxes		
Pennsburg	82,297	\$2,310.90	\$2,368.10	\$2,447.48	\$2,483.64	\$2,510.11		
			\$57.20	\$79.38	\$36.16	\$26.46	\$199.20	8.62%

Property 3:

A property on Old Company Road, Barto, Hereford Township

	Net	Current	2017-18	2018-19	2019-20	2020-2021	Total	
	Assessment	Taxes	Taxes	Taxes	Taxes	Taxes		
Hereford								
	127,840	\$3,589.75	\$3,678.60	\$3,801.91	\$3,858.08	\$3,899.19		
			\$88.85	\$123.31	\$56.17	\$41.11	\$309.44	8.62%

Property 4:

A property on Neuman Road, Pennsburg

	Net Assessment	Current Taxes	2017-18 Taxes	2018-19 Taxes	2019-20 Taxes	2020-2021 Taxes	Total	
Upper Hanover	196,767	\$5,525.22	\$5,661.98	\$5,851.77	\$5,938.23	\$6,001.51		
			\$136.76	\$189.79	\$86.46	\$63.27	\$476.28	8.62%

To use this formula on your property to calculate the tax, click on this [link](#), click the down arrow or open in google drive, and insert the net assessment on your tax bill on the Excel spreadsheet. Here is an illustration of your tax bill that highlights where to find your net assessment.

UPPER PERKIOMEN REAL ESTATE TAX BILL (sample)

2016 UPPER PERKIOMEN SCHOOL DISTRICT REAL ESTATE TAX (sample)

XXXXXXXX TAX COLLECTOR
 XXXXXX PO BOX XXX
 XXXXXXX, PA
 PHONE: XXX-XXX-XXXX

Date: XX/XX/2016 Parcel Number: XXXXXXXXXXXXX
 Mr. XXXX XXXX
 XXXXXXX RD
 XXXXXXX, PA

Property Address:
 XXXX. XXXX RD

ORIGINAL ASSESSMENT.....XXX,XXX
 HOMESTEAD EXCLUSION.....XX,XXX
 FARMSTEAD EXCLUSION.....X,XXX

NET ASSESSMENT.....XXX,XXX ←

REAL ESTATE ASSESSMENT.
 XXXXXXXX.XXXXXXXXXX.

MULTIPLIED BY % OF MKT VALUE.
 XX%.

MILLAGE / TAX RATE
 0.0XXXXXXXX

TAX AMOUNT
 \$ X,XXX.XX

USE YOUR **TAX AMOUNT** TO FIND YOUR TAX INCREASE FOR NEXT 4 YEARS

At the school board meeting last night, the STEB ratio was explained by our solicitor, Ken Roos. (The STEB ratio is used because our district spans two counties, Montgomery and Berks) If you would like to view the presentation to learn more about it, please [click here](#).

In the end, building a new middle school is long overdue. We simply cannot continue educating our children properly in an outdated, inefficient facility that has its share of problems for middle level learners. If we don't address this problem now, we will only have more expensive ones to deal with in the future.