



## Oley Valley Business Association

P.O. Box 25

Oley, PA 19547-0025

[www.oleyvalleybiz.org](http://www.oleyvalleybiz.org)

### *President's Message*

#### **Happy Valentine's Day Everyone!!!!**

I hope that every member is having a profitable month.

Have each of us remembered to refer at least one member and their services to someone new this month? All of us could use additional sales staff and the members of the Oley Valley Business Association could be just what is needed to help us get that extra sale this month. Please keep other members in your thoughts as we go about our daily work.

I want to thank all of you who have volunteered for the telephone committee. Please get in touch with everyone on your list on Thursday (02/24) or Friday (02/25) reminding them of the meeting on Monday, February 28<sup>th</sup> at Noon. The venue will be the Historic Pleasantville Inn. We will have a speaker for the meeting and we would like to have as many members as possible attend.

Please review the proposal that was made during our January Meeting to form and staff a Board of Directors for our organization. In order to accomplish this, a change in our by-laws would need to be made. It is our goal to review the proposal, discuss the proposal and obtain input, and vote on the proposal at our meeting on the 28<sup>th</sup>. By each member reading the proposal in advance, we should be able to discuss and vote upon these changes at the meeting.

I hope to see everyone on the 28<sup>th</sup>. Have a great February.

Bill Griffith

### *February Meeting*

The next meeting will be held on **Monday, February 28, 2005, at 12 Noon**, at the **Historic Pleasantville Inn**. No speaker had been confirmed as of this meeting.

## *Treasurer's Report*

## *Oley Valley Business Association*

### Treasurer's Report

Beginning Balance		3,588.88
Interest		1.10
Dues (42)		1,470.00
Scholarship Donations		<u>355.00</u>
SubTotal		\$5,414.98
Expenses:		
Post Office Box 25		24.00
Peripheral Systems #9983		<u>58.97</u>
Total		82.97
Ending Balance	01/31/05	<u>\$5,332.01</u>

#### New Members:

Eye for Design – Kimberly S. Morris

Oley Legion Diner Inc. – Don Hartman

*Respectfully Submitted,  
Minerva S. Hoppes, Treasurer*

### ***A note from our Webmaster:***

If your business has a website, and we aren't linking to it from our Membership Directory - please contact me at [webmaster@oleyvalleybiz.org](mailto:webmaster@oleyvalleybiz.org). Provide your company name and website address.

If you told us or indicated on your membership application that you would be willing to receive newsletter notifications by email, but haven't received any - you need to sign up for our email list. We can not do that for you, due to SPAM concerns. To sign up, go to our Home page at [www.oleyvalleybiz.org](http://www.oleyvalleybiz.org) and add your name and email address in the box titled "OVBA Member Mailing List Signup" under the Calendar. If you signed up before, but still aren't receiving emails from the Association, contact me at [webmaster@oleyvalleybiz.org](mailto:webmaster@oleyvalleybiz.org). The email address may have been entered incorrectly.

Thank you!

**January 31, 2005**

*Call to Order*

The January meeting of the Oley Valley Business Association was held at the Oley Legion Diner. The meeting was called to order at 7:15 AM by President Bill Griffith, and was followed by the Pledge of Allegiance.

Bill then asked the members to pull out their business cards and pass them around the table, and asked that each person take 1 or more of the cards to encourage referrals to fellow members.

*Minutes &  
Treasurer's Report*

A motion to accept the December minutes was made by Mike Moore and seconded by Scot Williams. The motion carried.

A motion to accept the Treasurer's report was made by Tom Mitchell and seconded by Kevin Bieber. The motion carried.

*Attendance*

The total attendance for the meeting was 16 members, and our Guest Speaker.

*Program*

Ralph Richard from the Oley Valley School District presented information about Act 72 (Homestead/Farmstead Exclusion), and provided an informative handout for the members present at the meeting. Some highlights:

- Act 72 creates a statewide property tax reduction program.
- Districts that choose to participate in the program will receive a share of new state revenue, which will be generated by expanded gaming.
- District participation is not mandatory, nor is it automatic.
- In order to qualify for a share of state money for property tax relief, districts that choose to participate in the program must adopt a resolution to levy a 0.1% earned income tax by May 30, 2005.
- A district's share of state gaming money will be combined with revenue from its new local income tax to create a separate fund. This new fund will replace some of the property taxes currently paid by homeowners by offsetting district revenue lost from implementing the homestead/farmstead exclusion.
- Districts must ask voters if they would like to further reduce their property taxes by further increasing the local EIT or levying a personal income tax (PIT). This "front-end" referenda may take place in November of 2005 or November of 2007.
- To accommodate the potential referenda, school district budgets must be developed much earlier in the fiscal year.

Property owners must submit the Homestead Exclusion application to the county assessors office by March 1, 2005. Mr. Richard encouraged everyone to complete those forms.

Mr. Richard's handout provides more details concerning this program, including the calculation for determining the amount of the exclusion.

He also announced that there would be a public session on February 27, 2005, at 7:00 PM at the Oley Valley Middle School. There may be more than one public session before the final decision is made.

### *Old Business*

Kevin Bieber provided information on upcoming programs for our meetings. He suggested that members visit the website and/or read the newsletter to find out as speakers/programs are confirmed.

Bill Griffith passed out a several-page printout of the website member directory, and asked members to pull the page that had their business listed. He then asked that they call the other members listed on their page prior to the next meeting, to remind them about the meeting and encourage attendance. This formed an ad-hoc "phone committee" that was mentioned at the last meeting.

### *New Business*

#### *Berks County Chamber of Commerce*

Mike McCarthy reported that the Chamber is holding the second annual Marketing & Sales Summit on February 2, 2005, at the Sheraton Reading Hotel.

He also reported that "BizTech 2005" would be held on Wednesday, March 2, 2005, at the Sheraton Reading Hotel, starting with a Technology Forecast Breakfast at 7:30 AM. Break-out sessions involve various technology solutions for businesses, and exhibitors would be available from 7:15 AM – 12:00 Noon. Register by going to the web site at: [www.berkschamber.org](http://www.berkschamber.org).

#### *Oley Valley Business Association Board of Directors Proposal*

Tom Mitchell handed out a proposal originated by Stu Kern for an amendment to the OVBA bylaws, to create a five-member board of directors. This proposal will be included in the newsletter. The proposal will be out for 30 days, and voted on next month, and if approved, 2 members will be asked to fill the remaining 2 openings.

Doug Kramer suggested a change to the proposal to decrease the term of the immediate-past-president board member to 2 years, in keeping with the maximum term for Presidents of the Association. Please contact Tom Mitchell or Jay Roberts with any comments, which are encouraged.

#### *Oley Valley Business Association Contact Cards*

Bill Griffith handed out envelopes with 10 OVBA contact cards, printed courtesy of Heffner Printing. Bill encouraged members to hand out these cards, to get the Association's website address out in the public eye – and encourage new members to join. Please contact Bill if you would like some of these cards.

The next meeting will be held on Monday, February 28, 2005, at 12 Noon, at the Historic Pleasantville Inn. No speaker had been confirmed as of this meeting.

*Adjournment*

The meeting was adjourned at 8:15 AM.

*Respectfully submitted,  
Sharon Morrow, Secretary*

*Humor from  
Tom Mitchell*

Potato story: Girl Potato and Boy Potato had eyes for each other, and finally they got married, and had a little sweet potato, which they called 'Yam.'

Of course, they wanted the best for Yam. When it was time, they told her about the facts of life. They warned her about going out and getting half-baked, so she wouldn't get accidentally mashed, and get a bad name for herself like 'Hot Potato,' and end up with a bunch of Tater Tots.

Yam said not to worry, no Spud would get her into the sack and make a rotten potato out of her! But on the other hand she wouldn't stay home and become a Couch Potato either. She would get plenty of exercise so as not to be skinny like her Shoestring cousins.

When she went off to Europe, Mr. and Mrs. Potato told Yam to watch out for the hard-boiled guys from Ireland. And the greasy guys from France called the French Fries. And when she went out west, to watch out for the Indians so she wouldn't get scalloped.

Yam said she would stay on the straight and narrow and wouldn't associate with those high class Yukon Golds, or the ones from the other side of the tracks who advertise their trade on all the trucks that say, 'Frito Lay.'

Mr. and Mrs. Potato sent Yam to Idaho P.U. (that's Potato University) so that when she graduated she'd really be in the Chips. But in spite of all they did for her, one-day Yam came home and announced she was going to marry Tom Brokaw.

Tom Brokaw!

Mr. and Mrs. Potato were very upset. They told Yam she couldn't possibly marry Tom Brokaw because he's

just.....

Are you ready for this?

Are you sure?.....

OK! Here it is! .....

..... A RETIRED COMMON TATER

# The Philadelphia Inquirer

Posted on Mon, Jan. 31, 2005

## Schools will reject Pa.'s Act 72

By Bob Martin

When Gov. Rendell signed the Homeowner Tax Relief Act into law in July, he pronounced it "the most sweeping tax-reform program in Pennsylvania in a generation." His models projected that homeowners in Southeastern Pennsylvania would get from \$175 to \$600 in annual property-tax credits.

Yet when the May 30 deadline arrives for opting into Act 72, as the law is called, I predict that more than half the region's school districts will decline, depriving their homeowners of the tax benefits.

Why? Because they care less for their taxpayers than their little fiefdoms? Because they're wastrels who fear the oversight that the law would impose on them in the form of referendums on budget increases that exceed inflation?

No. School boards will reject Act 72 because it is flawed legislation that puts too many ingredients into the pot, leaves too much to chance and is nearly impossible to understand, explain or implement. All of this trumps its noble goal of reducing the odious property tax, the chief source of public education funding in the state.

"It's not a master plan. It's more of a Rube Goldberg contraption that's now morphed itself into a solution to a problem," said Kirk Soxman, a resident of the Wallingford-Swarthmore School District and Act 72 critic.

An apt description. Follow this scenario, if you can: By May 30, every school district in Pennsylvania (except Philadelphia's, which is exempt) can opt into Act 72 by passing a resolution. The resolution would require either a 0.1 percent earned-income tax on residents or a referendum on whether a portion of the property tax should be replaced by an income tax. The referendum, however, is not on whether to opt into Act 72; even if voters reject the ballot question, the school district already has opted in.

Further, school boards will have but one chance to decide - by May 30, even though they won't know how much property-tax relief their homeowners will get for two years, when the slot-machine revenue, the main source for the property-tax credits, will have accumulated.

By getting on board by May, school districts commit themselves to voter referendums on future budgets that exceed the inflationary index. The law sets exemptions on some spending, but each must be approved by a local judge or the State Department of Education. Would you sign a contract now, obligating yourself to such restrictions, without knowing the financial impact until two years later?

The get-in-now rule means that even if voters reject anti-Act 72 incumbents in this year's primary, any new school board would be prohibited from opting in later on. Conversely, if a board opts in, it can opt out only after at least four years and only by referendum. And what voter would willingly part with \$175 to \$600 in tax credits that have been rolling in for four years?

Whatever the confusion here, it's no match for the complexities and unintended consequences of the back-end referendums on budgets. By opting in, school boards subject themselves to a level of voter control that no other government - state, county or municipal - must follow in Pennsylvania. Boards would have to draw up annual budgets months before knowing their state-aid allocation. Their borrowing ability for school construction would be significantly curbed, and their bond ratings could fall as a result. To protect themselves against year-to-year increases that exceed the inflationary index, they would almost certainly budget the maximum allowable under the cap. Further, before Act 72 took effect, they would budget as high as possible, just to set an ample baseline from which increases could be made.

Before long, the homeowner's annual tax credit would be offset by the cumulative annual increases in property taxes. And renters in the school district would get no financial benefit while still having to pay the earned income tax of at least 0.1 percent.

Finally, what about school funding equity, that issue on which Pennsylvania perennially ranks low nationally? Under Act 72, the spending gap between poor and wealthy districts would grow because the lesser districts would be hemmed in by their lower starting budgets.

True property-tax reform will come only when the state agrees to pay for a basic level of programs in every district and assumes a larger share of public education funding, even if that means increasing the personal income tax.

Meanwhile, don't be surprised to see school boards rejecting Act 72, and taxpayers throwing fits because they misunderstand the law. It's nearly impossible not to.

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