

ARTHUR ALAN WOLK

vs.

THE SCHOOL DISTRICT OF LOWER MERION

NO. 2016-01839

CIVIL COVER SHEET

State Rule 205.5 requires this form be attached to any document commencing an action in the Montgomery County Court of Common Pleas. The information provided herein is used solely as an aid in tracking cases in the court system. This form does not supplement or replace the filing and service of pleadings or other papers as required by law or rules of court.

Name of Plaintiff/Appellant's Attorney: ARTHUR A WOLK, Esq., ID: 2091

Self-Represented (Pro Se) Litigant

Class Action Suit Yes No

MDJ Appeal Yes No

Money Damages Requested

Commencement of Action:

Amount in Controversy:

Complaint

More than \$50,000

Case Type and Code

Miscellaneous:

Other

Other: CLASS ACTION

THE WOLK LAW FIRM
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THIS IS A MAJOR JURY MATTER

ARTHUR ALAN WOLK
1400 Rose Glen Road
Gladwyne, Pennsylvania 19035

Plaintiff
For himself and All School Taxpayers to
The School District of Lower Merion,

v.

THE SCHOOL DISTRICT OF LOWER MERION
300 East Montgomery Avenue
Ardmore, Pennsylvania 19003

Defendant.

: MONTGOMERY COUNTY
: COURT OF COMMON PLEAS
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: NO.
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: JURY TRIAL DEMANDED
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NOTICE TO DEFEND

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you, and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the plaintiff. You may lose money or property or other rights important to you.

YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER OR CANNOT AFFORD ONE, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW TO FIND OUT WHERE YOU CAN GET LEGAL HELP.

LAWYER REFERENCE SERVICE
Montgomery Bar Association
100 West Airy Street (Rear)
Norristown, PA 19404
Telephone: (610) 279-9660, Ext. 201

AVISO

Le han demandado a usted en la corte. Si usted quiere, usted tiene veinte (20) dias de plazo al partir de la fecha de la demanda y la notificacion. Hace falta asentar una comparencia escrita o en persona o con un abogado y entregar la corte en forma escrita sus defensas o sus objeciones a las demandas en contra de su persona. Sea avisado que si usted no se defiende, la corte tomara medidas y puede continuar la demanda en contra suyas in previo aviso o notificacion. Ademas, la corte puede decidir a favor del demandante y requiere que usted cumpla con todas las provisiones de esta demanda. Usted puede perder dinero o sus propiedades u otros derechos importantes para usted.

LLEVE ESTA DEMANDA A UN ABOGADO IMMEDIATMENT. SI NO TIENE ABOGADO O SI NO TIENE EL DINERO SUFICIENTE DE PAGAR TAL SERVICIO, VAYA EN PERSONA O LLAME POR TELEFONO A LA OFICINA CUYA DIRECCION SE ENCUENTRA ESCRITA ABAJO PARA AVERIGUAR DONDE SE PUEDE CONSEGUIR ASISTAENCIA LEGAL.

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CIVIL CLASS ACTION

THE PARTIES

1. Plaintiff, Arthur Alan Wolk, is an individual, a citizen and resident of Lower Merion Township, Montgomery County, Pennsylvania and the owner, since 1988, of 1400 Rose Glen Road, Gladwyne, Pennsylvania, 19035.

2. Defendant, The School District of Lower Merion (“the District”), is a body politique organized and existing under the laws of the Commonwealth of Pennsylvania, with its principal place of business at 300 East Montgomery Avenue, Ardmore, Pennsylvania, 19003.

3. Plaintiff, an attorney in good standing with the Supreme Court of Pennsylvania, brings this action in his own name because, after inquiry, other concerned citizens of Lower Merion are fearful that if named plaintiffs, there will be retaliation against their children who are still students in the District.

CLASS ACTION AVERMENTS

4. The Plaintiffs are present and past citizens and residents of the Township of Lower Merion who pay school taxes to the District now or who have done so in the past seven years.

5. The Plaintiff brings this lawsuit in behalf of the unnamed Plaintiffs, numbering about 10,000 households and commercial property owners.

6. It would be too cumbersome and numerous to name each and every taxpayer, but the identity of each is well-known to the District as it issues tax bills to each, which are sent through the mails, and receives tax payments from each directly to its Treasurer.

7. There is no difficulty whatsoever identifying each member of the Class.

8. Each member of the Class is similarly situated in that each is affected similarly by an increase in tax rates, as these rates are applied uniformly upon the members of the Class.

9. Damages as to each taxpayer are easily determined by reference to the increased taxes imposed on each taxpayer over the seven years of known misrepresentations of the need or justification for tax increases.

10. The facts that give rise to this action are identical as to each taxpayer.

11. The named Plaintiff is a member of the Class, having been a Lower Merion resident and taxpayer for 28 years.

12. Plaintiff is the founder of The Wolk Law Firm, and has been a member of the Bar of the Supreme Court of Pennsylvania for nearly fifty years.

13. The Wolk Law Firm maintains an active litigation practice throughout the Country, and is fully willing and capable to shoulder the administrative and financial burden of class action litigation.

BACKGROUND OF THIS LAWSUIT

14. The District has the power to tax pursuant to the Public School Act of 1949, *et. seq.* (“the Act”).

15. That power is specifically limited under the Act and requires school districts to be “thorough and efficient”.

16. Following the Act’s enactment school districts, including “the District”, greatly exceeded their authority and common sense by proliferate spending and tax increases such that the Pennsylvania Legislature became so alarmed it enacted three critical restrictions on school district spending and taxation.

17. One such enactment, known as Act 1 of 2006, specifically limits annual tax increases by school districts to an inflation index and four possible exceptions allowing increases beyond the index. The current maximum increase is 2.4%.

18. Any increase in school taxes beyond the index requires an application to the State Board of Education and justification for such increases, which the Board approves routinely, and as to the District, without exception, demand for justification, audit or proof of need.

19. No tax increase can be enacted by any school district if its surplus is more than 8% of its proposed budget in any one year.

20. In fact, school districts, including the District, regularly and customarily, as a subterfuge to get around the intended restrictions in tax increase amounts, claim that the excess increases in taxes over the index are needed due to the demands of special education and pension contributions when, in fact, they are not.

21. The special education and pension increases are still subject to the 8% surplus rule.

22. The second restriction placed upon school districts was Act 43 of 2003 limiting the size of the fund balance (savings account) a school district can accumulate via excess taxation.

23. The third restriction placed on school districts was Act 34, known as the Taj Mahal School Act, which was enacted to prevent the erection of public school buildings that were so expensive, so beyond the reasonable needs of school districts, and so beyond rational spending that curbs were necessary to avoid increasingly huge tax increases and increasing dangerous debt levels to support such monuments to District Board of Directors to whom these gigantic and costly edifices were frequently dedicated, hence the term Taj Mahal.

24. School Districts were required under Act 34 to first justify the expenditures to the State Board of Education and then take such projects before the voters for approval.

25. In the event, however, that school districts could show that they could afford a down payment of 20% of the projected cost, they were no longer required to have a referendum for such school construction and could rely instead upon the Commonwealth to rubber stamp virtually any project of any size, regardless of how much it violated the letter and spirit of Act 34.

26. Concomitant with the obligations under Act 1 and Act 34 was the continuing obligation of school districts to “budget”.

27. Budget means to prepare an estimate of financial factors including, but not limited to, revenues, expenditures, tax rates and fund balance to provide a thorough and efficient education to the District’s students. By law both a preliminary and final budget must be prepared and publicized ahead of time so taxpayers have a chance to comment before the vote of the School Board. Any budget must be a realistic estimate of expenses and revenues, otherwise it is misleading to the public, the citizens, the taxpayers. Thus, if inaccurate it undermines the very

process to which the taxpayers are entitled in order to determine whether or not to object to the budget as presented, make suggestions for alternatives, and receive due process in our representative Democracy.

28. An integral part of that process is the requirement of public hearings so the taxpaying public has the opportunity to be heard in favor or opposition to, and to have a constructive dialogue with the District, and for the District to comply with the reasonable demands of the taxpayers.

29. Public school education means basic adherence to the minimum requirements established and imposed upon school districts by the State Board of Education.

30. Public education is not courses, programs, activities, free laptop computers and curriculums that are neither mandated nor normally part of a public education standard, and are normally provided only by private institutions at larger expense to individual patrons who prefer to afford their children education and opportunities that are neither required, nor offered, nor appropriate for public education paid for by the taxpayers.

31. The District is required under the law to commit no misfeasance, nonfeasance or self-dealing.

THE CONTINUOUS UNBROKEN AND ARROGANT REFUSALS OF THE DISTRICT TO COMPLY WITH THE LAW

32. For the past seven years, and now for 2016-17, the District has prepared a budget.

33. In each of those years, the District has claimed that due to an excess of expenses over anticipated revenues, tax increases in varying amounts were an absolute necessity.

34. Each year, the District went before the State Board of Education to request exemptions from the limitations in Act 1, and each year, based upon the representations made by the District, it was granted exemptions from the statutory limitations.

35. In each of the five fiscal years where audited financial results are available (2010-2015), the District presented a false and misleading budget to the taxpayers of Lower Merion. In each of the years the District proposed and did raise taxes to the Act 1 index and beyond, but still estimated there would be a deficit of \$8,000,000 each year. Each year the public was led to believe that even with the large tax increase, the District would have to use their “savings account” to balance the budget.

36. In each of the fiscal years in question, instead there were surpluses totaling at least \$40,000,000.

37. In contrast, the actual results for those same years reflect a multi-million dollar surplus averaging over \$6,000,000. Thus, the District could have balanced the budget with either no tax increase or a lesser tax increase. The difference between the budgeted deficit and the actual surplus each year is significant, systematic and cannot be explained by unforeseeable events. Because of such surpluses, the District now has in the bank over \$55,000,000, while at the same time it proposes to request a tax increase of 4.43 % for 2016-2017.

38. The basis for the requested exemption by the District is special education and pension costs (PSERS), the very same false excuse previously used by the District.

39. In truth and in fact, the District has no special education cost in excess of that which can easily be accommodated with the personnel and facilities now in existence. In addition, the pension contribution increases are already accounted for without any tax increase required since the Commonwealth contributes 50% of the pension obligation, demonstrating that the tax increases and requests for Act exceptions was unnecessary and falsely submitted.

40. In truth and in fact, the District is refinancing its debt at a savings of \$6,000,000, and the surplus from taxes at the existing rate will far exceed any purported and falsely claimed deficit.

41. There is no remedy for the taxpayers to contest the proposed increase for the following reasons:

a. The District does not permit taxpayer dialogue, thus the taxpayer is powerless to influence the outcome of District decisions.

b. The District limits taxpayer comments during public hearings to three minutes, regardless of the number of attendees or the number who wish to speak, which renders the taxpayer commentaries meaningless and incomplete.

c. The process put in place by the District for public meetings is designed to thwart public comment by unduly restricting the process.

d. The District makes no change, regardless of the number of opposing views by taxpayers.

e. The District restricts the flow of information the taxpayers need to make a decision whether to oppose or support District action.

f. Much of the District decisions are made in secret, and the District pays only lip service to the requirement for public hearings.

g. Public hearings conducted by the District afford no detail or support for District decisions, and are designed to thwart the dissemination of either public information or the receipt of public views with regard to any matter, including taxation, in violation of the public's right to know and the taxpayers' rights to due process.

h. Subcommittees of the District are equally unamenable to public input, and completely disregard the requirement and purpose of public hearings required to afford taxpayers due process.

i. The submissions to the State Board of Education are done in secret, conducted in secret and decided in secret, with the public submissions being only enough to give the appearance of due process and compliance with statutory requirements when, in truth and in fact, there is neither input nor dialogue accepted or considered from the public.

j. The District refuses to answer questions posed by taxpayers at public hearings.

42. There is no remedy under State law for the taxpayers to address their concerns with the State Board of Education for the following reasons:

a. The State Board of Education has conspired with the District and other school districts to circumvent and subvert the plain meaning and intent of the Public School Act of 1949 as amended by Acts 1 and 34.

b. The State Board of Education does no investigation, holds no hearings, makes no independent determinations of the merits or accuracy of submissions by the District, but approves them virtually without scrutiny.

c. The State Board of Education has put in place a system of appeals, which are not designed to permit an appeal by taxpayers and are designed instead in concert with the District to thwart appeals, deny due process, hinder and delay review for the sole purpose of aiding and abetting the violations of the statutes that were supposed to limit the ability of districts to abuse taxpayers, acts which the State Board of Education vehemently opposed.

d. In the past, efforts to seek some independent scrutiny of the conduct of the District by the State Department of Education has been repeatedly stonewalled, and any effort to investigate taxpayer complaints were dismissed, all with an aim to shield the District from taxpayer scrutiny.

e. Virtually everything that the State Department of Education does with the District is in concert to hide the truth about the existence of tax deficits, the realities of tax surpluses, and the need of the District to manage its finances in an efficient manner through budgeting.

43. Pennsylvania law allows the Commonwealth to take over a school district that has proven to be financially irresponsible and unable to meet the needs of the school communities.

44. The District has demonstrated repeatedly that it is unable or unwilling to budget, makes false and misleading calculations of deficits, inaccurate and deliberately understated revenues to be efficient in the administration of its finances, such that it is irresponsible and unable to meet its obligations without huge and repeated tax increases.

45. In spite of \$55,000,000 in surpluses in the bank and \$45,000,000 in surpluses over the past seven years, the District refuses to either return the money falsely ill-begotten or to credit taxpayers for these surpluses, even though its surpluses exceed an 8% of budget limit imposed by statute.

46. Plaintiff can expect no assistance from the State Board of Education because it is aligned with the District and treats taxpayer complaints with contempt.

THE CONTINUOUS AND UNBROKEN FAILURE TO ABIDE BY STATE CURRICULUM REQUIREMENTS FOR PUBLIC SCHOOL CONTENT

47. The District spends \$31,000 per student for public education.

48. The sum spent is higher than its nearest neighbor, Radnor School District, by \$4,500 per student, and higher by far than any other school district in the State or nation.

49. The District spends more per student than most private schools in the Township of Lower Merion, and there are many.

50. In spite of the exorbitant expenditures, the students of the District score on par with districts spending about half.

51. In fact, the District pays only \$24,000 per student to charter schools, whose obligation to provide a quality public education for their students is the same mandate as that of the District.

52. The reasons for the expenditures per student that exceed those of private schools are:

a. The systematic and continuous failure to afford basic public school education in favor of an impermissible expansion into the arena of education reserved for private school education.

b. The insistence of the District to hire nearly one for one teacher to increase in student population, with a teacher-student ratio of one teacher for ten students, unheard of in public education and only rarely achieved in private schools.

c. The insistence of the District to hire twice the number of highly paid administrators than recommended by law at an increased annual expense of millions of dollars.

d. The insistence of the District on paying outside contractors exorbitant sums for services, without competitive bid.

e. The insistence of the District to hire more psychologists and nurses than any other district in the State to perform services that should be performed by parents and private practitioners.

f. The insistence of the District to provide free laptops to students in the most affluent Township in the State, let alone the Country.

g. The insistence of the District to continue academic programs that have as few as three participants at a cost of hundreds of thousands of dollars.

h. The consistent and systematic collaboration with the teachers' union and State Board of Education to mislead the community as to the cost of new labor contracts by hiding the actual compensation increases in deliberate misrepresentations. For example:

i. The District claimed that its new teachers' contract provided for a compensation increase of only .5 % annually. That was false, it is 7%.

ii. The District complained that its cost of pension contributions went from 7% to over 20% annually, neglecting to report the actual budgetary significance that 50% was reimbursed by the State.

i. The annual compensation of District teachers, and therefore administrators, is the highest in the State, and likely the nation, demonstrating a complete failure to budget, negotiate fair teacher and administrator contracts, and a complete disregard of the financial impact such dereliction of duty has on the taxpayers of Lower Merion.

THE SYSTEMATIC AND CONTINUOUS FAILURE TO ABIDE BY AND INSTEAD TO SUBVERT THE TAJ MAJAL SCHOOL ACT 34

53. The District decided to renovate the Lower Merion High School and the nearby Harriton High School ("Harriton").

54. The proposed costs for such renovations were so high as to constitute the largest public school expenditures in the State or even the nation's history.

55. While holding public hearings on the subjects, where the majority of those in attendance opposed the huge expenditures, exceeding \$238,000,000, the District embarked on a plan to deny the taxpayers of Lower Merion the right to a referendum to refuse what would saddle them with debt and higher taxes.

56. The public hearings were another sham, with each protestant limited to three minutes and no dialogue permitted.

57. The not-to-exceed cost of Harriton was to be \$98,000,000.

58. The actual authorized cost of Harriton was more than \$103,000,000, nearly twice the amount of the previously largest public school expenditure of \$69,000,000 in a nearby district.

59. But in order to subvert the taxpayers' absolute right to a referendum and their absolute right to have a voice in the scope of the renovations, the District systematically refused to consider cost saving proposals and excluded taxpayers from the process to avoid a referendum, which would then have been required.

60. Both projects, which were designed to be built together, however could not be built without another subterfuge, and that was redistricting.

61. Because both schools would now hold at least 1,600 students and there were not that many students to fill the schools, the District redistricted and told the State that it needed 2,500 student capacity to meet demand, when the District knew at all times it was never going to put 2,500 students in each school and never anticipated that many attendees.

62. Worse, the District redistricted with overlapping high school districts such that students who used to walk to Lower Merion High School, now had to be bused all the way past Lower Merion to Harriton, lest Harriton be determined to be excessive to the District's needs.

63. The District then made Harriton so large that the storage of school buses on the property was no longer possible and the District instead had to rent space elsewhere, resulting in millions of dollars in additional costs for drivers, buses and land rent.

64. In order to avoid the requirement of a referendum, the District engaged in yet another subterfuge by:

a. Claiming operating cost deficits to justify unnecessary tax increases when the real purpose was not what was reported to the public or the State, but instead was a deliberate effort to build a surplus so it could put a large down payment on the unprecedented cost of renovations.

b. The effect of the misrepresentations to the taxpayers of Lower Merion and the State Board of Education was to justify an exemption from the Taj Mahal statute by making it appear, albeit falsely, that the District could afford the absurdly large schools, needed the space due to redistricting and enrollment growth, while the District never intended to pay for the renovations of the schools without huge increases in taxes, which were never disclosed.

c. In effect by false representation, misleading public releases, doctoring of the figures, cooking the books and outright lying to public authorities, the District denied the taxpayers of Lower Merion their right to vote against the projects for which they are now in debt almost a quarter billion dollars.

THE DISTRICT HAS DEMONSTRATED IT IS UNWILLING TO COMPLY WITH THE LAW, UNWILLING TO ABIDE BY THE DUE PROCESS REQUIREMENTS OF THE CONSTITUTION OF THE COMMONWEALTH OF PENNSYLVANIA, UNWILLING TO COMPLY WITH THE SUNSHINE LAW, UNWILLING TO BE EFFICIENT IN ITS MANAGEMENT OF THE SCHOOLS, UNWILLING TO BUDGET, AND BLATANT, ARROGANT AND INDIFFERENCE TO THE REQUIREMENTS OF CIVIL AND CRIMINAL LAWS

65. The District embarked on a campaign to give laptop computers to students in schools, regardless of their wherewithal or even existence of computers in the homes of the students.

66. This curious decision, in light of the affluence of the community, went unnoticed by the taxpayers.

67. Unbeknownst to the taxpayers of Lower Merion and to the student recipients of the laptops and their families, the District was unlawfully stalking the students and their families by surreptitiously and without permission taking some 66,000 snapshots through the built-in cameras of the laptops.

68. The conduct of the District in authorizing, paying for, allowing, permitting and promoting such voyeurism was a violation of the students' and taxpayers' rights to privacy guaranteed by Pennsylvania law, and a crime.

69. A student accidentally discovered the perverted conduct by the District and its esteemed and highly paid educators and reported it, which resulted in the payment of \$600,000 in damages by the District and hideous national publicity, but not a single firing or criminal prosecution of the perpetrators.

70. The perpetrators of this invasion of privacy and, to the extent these minors were unclothed or otherwise, was the commission of District sanctioned child pornography that was allowed, permitted and unpunished by the District.

71. This conduct by the District is out of control and emblematic of a good reason to appoint a trustee to oversee its finances, a trustee to change the culture and climate of illegal conduct, and a trustee to punish the voyeurs who found it acceptable to violate the Constitutional Rights of students and taxpayers and the Pennsylvania criminal laws.

72. The District is incapable of simple arithmetic in its budget calculations, which appears deliberate, and a trustee who can count should be appointed to add and subtract for the District.

73. The law allows for the Court of Common Pleas to suspend from participation the Directors of a school district who cannot or will not perform their duties in accordance with the law, and this remedy is more than justified in this instance.

74. Each year the District is required to submit a form that attests that its unassigned fund balances are 8% or less of its budget, or it is unable legally to raise taxes.

75. Each year the District published such a form pursuant to Act 48, which was false because it attested that the unassigned fund balance was not in excess of 8%, when it was double that.

76. The District simply played the game of Hide the Peanut by moving the excess funds to another account, which it claimed was assigned, but it was assigned to nothing; thus, by this fraudulent non-disclosure the District was able to raise taxes repeatedly in violation of the law.

COUNT I

FRAUD AND DECEIT

77. Plaintiff incorporates by reference Paragraphs 1 through 76 as though set forth at length.

78. The District is liable to the Plaintiff for fraud.

79. The fraud of the District consisted of the following:

a. Representing for seven consecutive years or more that the District suffered a deficit in its budget when it knew, should have known, and had to have known that such a deficit was a fiction, a misrepresentation, and designed solely to cause the State Board of Education to grant a tax increase in excess of the statutory limit.

b. Representing for seven consecutive years or more that the District was to experience a deficit in its budget when it knew, should have known, and had to have known that there would be and there was no deficit, and that revenues would easily exceed the claimed expenses.

c. Exaggerating the expenses for seven consecutive years when it knew, should have known, and had to have known that they were not the reasonably anticipatable expenses, that they were a fiction, all designed to influence the action or inaction of the taxpayers of Lower Merion, and to purposefully prevent them from knowing the truth so they could protect their legal rights.

d. Falsely representing to the State Board of Education the need and justification for tax increases, which the District knew, should have known and had to know were false.

e. Falsely and deceitfully hiding the impact and importance of repeated surpluses, instead of deficits, such that without superior knowledge of how to find such information the taxpayers were powerless to learn that both they and the Commonwealth of Pennsylvania had been duped, and that the tax increases were completely unnecessary.

f. Falsely and deceitfully conspiring with the State Board of Education to avoid the protections purposefully afforded taxpayers by Act 1 in order to subvert the meaning of that statute, and strip the taxpayers of the protections from taxing abuse.

g. Falsely representing the need for hideously and illegally expensive renovations to Lower Merion High School and Harriton High School in such a manner as to deprive the taxpayers of their absolute right to a referendum on the construction, all for the purpose and as a result of the realization that the taxpayers would not approve such extravagance.

h. Falsely representing to the taxpayers and the State Board of Education the need for redistricting when the District knew, should have known, and had to have known that such redistricting was a sham, was designed to hide its denial of due process to the taxpayers, and was designed to deprive the taxpayers their right to a referendum guaranteed by Act 34.

i. Falsely and deceitfully claiming budget shortfalls when there were none, all to the end of stockpiling funds to avoid a referendum guaranteed by Act 34.

j. Knowing that there was a legal requirement for public hearings, and thus a dialogue with taxpayers, and purposefully denying taxpayers their right to be heard and to have a dialogue, all to avoid public record of taxpayer discontent.

k. Holding public hearings as a subterfuge for due process, when all decisions relating to budget and referendums were decided behind closed doors to avoid public scrutiny, in violation of the Sunshine Law.

1. Willfully and deliberately violating Act 1 and Act 34 by deceitfully hiding from the public the necessary information to enforce their legal rights.

80. As a direct result of the fraud, deceit and misrepresentations of the District, taxes have increased some 53% in Lower Merion over a ten year period, and improperly assessed and collected taxes of \$55,000,000, which remain unlawfully in District custody.

81. Plaintiff demands that the District be ordered to disgorge the illegally collected taxes and repay them to the taxpayers of Lower Merion, or credit them against future years' taxes until exhausted.

WHEREFORE, Plaintiff demands judgment against the Defendant in the amount of \$55,000,000, plus interest and costs of suit, and such other relief as this Court deems warranted under the circumstances.

COUNT II

MISAPPROPRIATION OF FUNDS

82. Plaintiff incorporates by reference paragraphs 1 through 81 as though set forth at length.

83. The District is liable to the Plaintiff for misappropriation of funds.

84. Each time the District misrepresented deficits, understated revenues, and reiterated this false information to the State, it, as a result, obtained authority under false pretense to collect money from the Plaintiff solely by that fraud.

85. The District obtained \$55,000,000 from the taxpayers of Lower Merion due to fraud.

86. Then, after procuring the money fraudulently, the District secreted it in different accounts so the public could not follow it.

87. The collection of taxes by false pretenses was misappropriation of the taxpayers' money.

WHEREFORE, Plaintiff demands judgment against the Defendant in the amount of \$55,000,000, plus interest and costs of suit.

COUNT III

THEFT

88. Plaintiff incorporates by reference paragraphs 1 through 87 as though set forth at length.

89. The retention of the ill-begotten tax funds is a theft of the plaintiff's property.

WHEREFORE, Plaintiff demands judgment against the Defendant in the amount of \$55,000,000, plus costs of suit.

COUNT IV

MALFEASANCE AND MISFEASANCE

90. Plaintiff incorporates by reference paragraphs 1 through 89 as though set forth at length.

91. The District has committed malfeasance and misfeasance in office, and thus it has forfeited its right to manage and operate the School District.

92. The misfeasance outlined above demonstrates utter disregard for the rights of the taxpayers of Lower Merion.

93. The failure to abide by basic due process demonstrates a complete lack of qualifications to teach students respect for due process, the interrelationship of citizens and their Government in a representative democracy, and an abhorrence for abiding by the Rule of Law.

94. The District has ignored the mandate and function of the public hearing.

95. The District has ignored the requirement to take into consideration the views of the public in its decision making.

96. The District has lied to the taxpayer and the State about its need for taxes.

97. The District has subverted the plain language of Act 1 and Act 34.

98. The District has arrogantly refused to engage in budgeting.

99. The District has refused to manage and control the costs of renovations.

100. The District has refused to control profligate spending.

101. The District has refused to disclose the real purpose of its tax increases.

102. The District has misled the public and State authorities.

103. The District has refused to control bloated administrative costs.

104. The District has refused to curb the growth in teacher numbers and costs.

105. The District has refused to curb the expansion of curriculum into the purview of private school education.

106. The District has refused to require those Directors with children in the system to abstain from voting on expenditures that for them provide a private school education at public expense.

107. The demonstration of incompetence, arrogance, and deliberate fraud on the taxpayers of Lower Merion by its School Board Directors no longer justifies the continuation of the Directors in the position of authority.

WHEREFORE Plaintiff demands the suspension of the authority of the District Board members to act for the District and the appointment of a trustee to undertake their responsibilities, with explicit direction to get spending under control and in compliance with the law, and such other relief this Court deems appropriate under the circumstances, together with costs of suit.

COUNT V

EQUITABLE RELIEF REQUESTED

108. Plaintiff incorporates by reference paragraphs 1 through 107 as though set forth at length.

109. Plaintiff has no adequate remedy at law because the only complete relief can come from orders of this Court beyond an award of money.

110. The District and the bloated administration it has appointed are totally out of control, disregarding State mandates, State statutes, Constitutional guarantees and the very civics they insist be taught in the Lower Merion schools.

111. The procedures put into place to ignore public comment, refuse dialogue, and decision making in secret demonstrates that the very core of the process the District has in place is rotten and corrupt.

112. There is no system in place for the public to regain control of the District, nor any process by which taxpayers can challenge the heavy handed conduct of the District.

113. The State procedures for appeal have been designed to thwart taxpayer participation in the process, such that there is no effective means by which taxpayers can challenge the conduct of the District except through this litigation.

114. This deliberately constructed maze of dead ends has been concocted by the District and the State to prevent effective taxpayer oversight and to continuously violate the law ineffectively challenged because of the lack of due process.

115. This procedural morass and lack of transparency renders the civil rights of the taxpayer unavailable.

116. The only remedy that would be effective is a Court supervised change in the procedures followed by the District once new directors are qualified and sworn.

117. The Court supervised procedural changes must include, but not be limited to, the following:

a. Open and transparent public meetings with a reasonable period for two-way discussions with the community-at-large on all financial issues.

b. Open and transparent public meetings and dialogue for discussion with the community-at-large of curriculum issues.

c. Serious and effective cost reduction measures to include a return to basic public school education.

d. Serious and effective cost reduction measures that bring the number of teachers in line with public school education.

e. Serious and effective measures to bring projected renovation costs in line with neighboring communities and rational public spending.

f. Serious and effective control over teacher salaries and benefits to bring them in line with other neighboring school districts.

g. Serious and effective budgeting to avoid inevitable annual tax increases.

h. A tax moratorium for a period of not less than five years.

i. A public referendum on all tax increases.

j. A public referendum on construction projects in excess of \$1,000,000.

k. Serious and effective consideration given to public comment and recommendations.

l. A cessation of false and misleading statements made to the community, its taxpayers, and the State.

m. A termination of all District employees who participated in or knew about the voyeurism and potential child porn activities of the District.

n. Appointment of a Court monitor to ensure compliance with Court Orders.

118. The District will no doubt attempt to influence the taxpayers not to become a member of the Class through messages sent home through students in the schools.

119. These messages no doubt will decry the burden put on the cash strapped District by having to defend itself.

120. Such messages will be a further illegal expenditure of public funds to hide and obfuscate the issues brought before this Court.

121. This Court is requested to order the District not to send messages to the homes and parents of the students or other Lower Merion taxpayers on the subject of this litigation or, in the alternative, requiring the District to permit the Plaintiff an equal space in such message to counter the message sent by the District.

122. The averments of this lawsuit demonstrate a willful and deliberate intention to deprive taxpayers of information, their rights and abuse that has brought financial pain to many of them.

123. No doubt the District will attempt to make the taxpayers pay exorbitant legal fees to defend its actions, when such actions are the completely unlawful and unprivileged conduct of the School Board of Directors themselves, who claim to be educators and thus know better.

124. Since many of the District Directors have children in the system and thus have personally benefitted financially from their votes, from which they should have abstained, these Directors should contribute personally to the District's legal fees.

125. Since the conduct of the Board members is unconstitutional and a deprivation of taxpayers' civil rights, it is urged upon the Court to order that no part of the defense may be the obligation of the taxpayers.


WHEREFORE, Plaintiff prays for orders to bring the District into compliance with the laws of the Commonwealth of Pennsylvania, as requested in Paragraphs 117 (a) through (n) and Paragraphs 120 and 124, and such other relief as this Court may deem appropriate.

THE WOLK LAW FIRM

By: /s/ Arthur Alan Wolk
Arthur Alan Wolk, Esquire (02091)
Attorney for Pro Se

VERIFICATION

Arthur Alan Wolk states that he is the Plaintiff in this action and verifies that the statements made in the foregoing Complaint are true and correct to the best of his knowledge, information and belief. The undersigned understands that the statements therein are made subject to the penalties of 18 Pa. C.S. Section 4904 relating to unsworn falsification to authorities.



Arthur Alan Wolk

Date: 1/29/16