

Minutes of the Schuylkill Tax Collection Committee Meeting September 13, 2010

The Schuylkill Tax Collection Committee (STCC) held a meeting on Monday, September 13, 2010, in Courtroom 1 of the Schuylkill County Courthouse, 401 North Second Street, Pottsville, PA 17901.

Jack Hurst, Chairman, called the meeting to order at 6:08 p.m., followed by the Pledge of Allegiance to the Flag. It was verified that a quorum was present.

Officers Present: Jack Hurst (Chairman), Steve Pellman (Co-Chairman), Gail Stehr (Secretary), Patricia Reazor (Treasurer)

Others Present: Paul Datte (Solicitor), Jim Bush (Berkheimer), Amanda Brozana (Republican Herald), Senator Dave Argall

Members Present:

Blue Mountain SD	Cressona Boro	Deer Lake Boro	East Brunswick Twp.
New Ringgold Boro	North Manheim Twp.	West Brunswick Twp.	Mahanoy Area SD
Delano Twp.	Gilberton Boro	Mahanoy City Boro	Mahanoy Twp.
Minersville Area SD	Branch Twp.	Cass Twp.	Foster Twp.
North Schuylkill SD	Butler Twp.	Conyngham Twp.	Frackville Boro
Ringtown Boro	Pine Grove Area SD	Frailey Twp.	Pine Grove Boro
Pine Grove Twp.	Tremont Boro	Washington Twp.	Pottsville Area SD
Mechanicsville Boro	Mt. Carbon Boro	Norwegian Twp.	Port Carbon Boro
Pottsville City	East Norwegian Twp.	New Castle Twp.	St. Clair Boro
Schuylkill Haven Area SD	Port Clinton Boro	Schuylkill Haven Boro	South Manheim Twp.
Shenandoah Boro	West Mahanoy Twp.	Tamaqua Area SD	Schuylkill Twp.
Tamaqua Boro	Tri-Valley SD	Barry Twp.	Eldred Twp.
Hegins Twp.	Hubley Twp.	Upper Mahantongo Twp.	

Members Absent:

Auburn Boro	Orwigsburg Boro	Wayne Twp.	Rush Twp.
Ryan Twp.	Minersville Boro	Reilly Twp.	Ashland Boro
Girardville Boro	Gordon Boro	Union Twp.	Tremont Twp.
Palo Alto Boro	Saint Clair Area SD	Blythe Twp.	Middleport Boro
New Philadelphia Boro	Landingville Boro	Shenandoah Valley SD	Rush Twp.
Walker Twp.	West Penn Twp.		

I. Comments from Senator Dave Argall

Senator Dave Argall thanked the TCC for all the work they are doing regarding Act 32. The goal of the bill was to have one tax collector for the entire county. With the current system, there are a lot of taxes not being collected. He and Representative Knowles would like for the TCC committee to let them know at the end of the process if the Act 32 bill worked. They would like

to know if the law is living up to its original goal, which is to collect taxes at a lower rate and get those that were escaping the law.

II. Approval of Minutes from August 24, 2010

Leo Schwartz (Pottsville City) made the motion, which was seconded by Larry Padora (New Ringgold Boro), to approve the minutes from August 24, 2010. The motion passed by a unanimous vote.

III. Treasurer's Report

Julian Milewski (Ringtown Boro) made the motion, which was seconded by Linda Tarlecki (Conyngham Twp.), to accept the Treasurer's Report. The motion passed unanimously. (Copy of Treasurer's Report on file.)

IV. New Business

A. Discussion on Appointment of Tax Collector

Solicitor Datte stated that Leo Schwartz and Jack Hurst (Blue Mountain SD) would speak about the substance of the tax collector proposals, but he would first like to speak about the procedures.

Berkheimer and CENTAX both meet the requirements of Section 507 (a). By September 15, the TCC needs to adopt a tax resolution, and he has prepared one that could be adopted tonight. The committee could approve a Tax Collector agreement as is, with provisions. If they do not meet their obligations, the TCC could terminate the agreement with 120 days notice. His concern with CENTAX is if they can meet all the technical abilities. The TCC can terminate an agreement mid term. The TCC recognizes their objections, and a second resolution could be adopted with them to fill in the blanks and to add the 120 day notice agreement. Berkheimer still references a number of changes in their agreement. They did accept the 120 day notice request, but their agreement does not include postage. A change would also need to be made regarding the co-mingling of funds. Additionally, one policy would need to be revised as it does not agree with the TC agreement. They could be approved tonight, but it would need to be noted there would be changes. The problem is there is a September 15 deadline to approve a Tax Collector. There could be implications if the TCC does not appoint a Tax Collector tonight or if they would appoint Berkheimer and they were not properly appointed. The county would then appoint a Tax Collector from two names given to them by the TCC. Solicitor Datte felt it was important for him to lay out all this information to the committee before they go to vote.

Larry Padora questioned if CENTAX agreed to everything in the RFP, to which Solicitor Datte responded yes. Mr. Padora stated he is then comfortable with appointing CENTAX. Tom Oblas (Mahanoy City Boro) questioned if the committee goes with Berkheimer and all the details do not get hammered out, can the committee then go with CENTAX, to which that response was yes. Mr. Oblas stated the RFP committee was not thanked for all the work they did, but he would like to thank them now. Jack Hurst responded that it is in the minutes that he thanked the RFP committee personally.

Leo Schwartz stated that Berkheimer would charge a 1.49% collection rate and the cost of postage would be an additional expense. CENTAX would charge a 1.35% collection rate and they would keep the interest (FYI-Berkheimer would also keep the interest). They would pay the postage and they also agreed to everything else in the Agreement. Both companies agreed to pay the cost of an office, which would be located within five miles of Pottsville, which is considered the center of the county. Solicitor Datte reminded the committee that they should not look at the postage cost as their main deciding reason on whom to vote for; but it can factor into their decision.

Wendell Gainer (Washington Twp.) asked if the RFP committee is to make a recommendation again for the Tax Collector. Jack Hurst replied the RFP committee made a recommendation last time and will not need to make another recommendation.

Leo Schwartz made the motion, which was seconded by Larry Padora, to adopt the resolution that Solicitor Datte wrote and to approve CENTAX as the name being inserted in the blank. Larry Padora commented that CENTAX did everything that was requested of them. He continued on that when the committee voted on a law firm, they did not need the expertise and appointed the lower quote, which saved money. The committee now needs to do that by appointing CENTAX. Berkheimer was given the opportunity to comply with their agreement, which they did not do. Pat O'Boyle (Frackville Boro) responded that after four years of watching borough meetings, he discovered that costs have escalated by accepting the lower bidder; it is a short term effect. Solicitor Datte reminded the committee they do not need to accept the low bidder, but they are in a pickle due to time constraint. Leo Schwartz agreed there can be a concern regarding the low bidder, but as a member of the RFP committee, he did not solely make the motion to appoint CENTAX only for that reason. He spoke with all three companies that submitted proposals and he feels all are capable of the job. Berkheimer could be appointed and the committee could have the same type of problems as appointing CENTAX. Wendell Gainer said he sees RFPs everyday, and Solicitor Datte has looked at the proposals from all three companies. Mr. Gainer feels Berkheimer wants the Schuylkill TCC to amend to their changes.

By a favor of hands, except for one no, it was moved to close the debate and to vote on the Tax Collector.

B. Appointment of Tax Collector

A Motion was made by Leo Schwartz, seconded by Larry Padora, and approved by weighted roll call vote of Yes 35 (81.33%), No 15 (18.67), to adopt Schuylkill County Tax Collection Committee Resolution No. 1 of 2010, being **A RESOLUTION APPOINTING THE TAX OFFICER AND TAX COLLECTOR FOR THE SCHUYLKILL TAX COLLECTION DISTRICT; PROVIDING FOR CERTAIN REPEALERS AND VALIDITY; AND ESTABLISHING THE EFFECTIVE DATE;** as follows:

WHEREAS, pursuant to Section 507 (a) of The Local Tax Enabling Act (the "Act"), the Schuylkill County Tax Collection Committee (the "Committee") is obligated to appoint a tax officer for the Schuylkill Tax Collection District under the Act.

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. Appointment of Tax Officer/Collector. The Schuylkill County Tax Collection Committee hereby appoints Central Tax Bureau of Pennsylvania, Inc. (“Collector”) as the tax officer and tax collector for the Schuylkill Tax Collection District for the collection and administration of (i) all income tax imposed by school districts and municipalities included in the Schuylkill Tax Collection District (“Taxing Authorities”) on Schuylkill Tax Collection District residents or on nonresidents working within the Schuylkill Tax Collection District, and (ii) all local services tax imposed on individuals working within those Taxing Authorities that have elected to have Collector collect local services tax, commencing January 1, 2012, pursuant to a written agreement between said Collector and the Schuylkill County Tax Collection Committee, said Agreement to be approved by further resolution of the Schuylkill County Tax Collection Committee.

Section 2. Repealer. All Resolutions, or parts of Resolutions, insofar as they are inconsistent herewith, shall be and the same are hereby repealed.

Section 3. Validity. If any section or part of a section of this Resolution shall be declared invalid, such invalidity shall not affect the remaining parts or sections of this Resolution. It is hereby declared to be the legislative intent that this Resolution would have been enacted as if such invalid section, or portion thereof, had not been included therein.

Section 4. Effective Date. This Resolution shall take effect immediately upon adoption.

C. 120 Day Notice Agreement

A Motion was made by Leo Schwartz, seconded by Larry Padora, and approved by weighted voice vote with all but three (3) delegates voting Yes, to adopt Schuylkill County Tax Collection Committee Resolution No. 2 of 2010, being **A RESOLUTION APPROVING THE TAX COLLECTOR AGREEMENT BETWEEN THE SCHUYLKILL COUNTY TAX COLLECTION COMMITTEE AND CENTRAL TAX BUREAU OF PENNSYLVANIA, INC.; PROVIDING FOR CERTAIN REPEALERS AND VALIDITY; AND ESTABLISHING THE EFFECTIVE DATE;** as follows:

WHEREAS, pursuant to Section 507 (a) of The Local Tax Enabling Act (the “Act”), the Schuylkill County Tax Collection Committee (the “Committee”) has appointed Central Tax Bureau of Pennsylvania, Inc. (the “Collector”) as the tax officer and tax collector for the Schuylkill Tax Collection District pursuant to Committee Resolution No. 1 of 2010; and

WHEREAS, pursuant to Section 507 (d) of the Act and Committee Resolution No. 1 of 2010, the Committee is required to enter into a written agreement with the Collector.

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. Approval of Tax Collector Agreement. The Committee hereby approves a Tax Collector Agreement with the Collector for the collection and administration of (i) all income tax imposed by school districts and municipalities included in the Schuylkill Tax Collection District (“Taxing Authorities”) on Schuylkill Tax Collection District residents or on nonresidents working within the Schuylkill Tax Collection District, and (ii) all local services tax imposed on individuals working within those Taxing Authorities that have elected to have Collector collect local services tax, commencing January 1,

2012, in the form attached to the Committee's Request for Proposals issued in relation to such services with the insertion of the approved terms and conditions of the Collector's proposal for such services and the unilateral termination provision as agreed, with such form of Tax Collector Agreement to be acceptable to the Chairman and Solicitor of the Committee.

Section 2. Repealer. All Resolutions, or parts of Resolutions, insofar as they are inconsistent herewith, shall be and the same are hereby repealed.

Section 3. Validity. If any section or part of a section of this Resolution shall be declared invalid, such invalidity shall not affect the remaining parts or sections of this Resolution. It is hereby declared to be the legislative intent that this Resolution would have been enacted as if such invalid section, or portion thereof, had not been included therein.

Section 4. Effective Date. This Resolution shall take effect immediately upon adoption

D. Signing of Contract

Julian Milewski made a motion to authorize Jack Hurst to sign the contract when it is approved by the solicitor. Larry Padora seconded the motion which passed by a unanimous vote.

E. Comments from Jim Bush

On behalf of Berkheimer, Jim Bush thanked the committee for their time involved in appointing a Tax Collector and wishes them the best with CENTAX.

F. Approval of Invoices

Tom Oblas made the motion, which was seconded by Ann Pascavage (Delano Twp.) to approve the invoice for Solicitor Datte as presented to the Committee. The motion passed unanimously. (Copy of invoice on file.)

V. Old Business – None

IV. Delegate/Public Comment

A. Appointment of Transition Committee

Leo Schwartz asked if a transition committee of maybe three people could be appointed to work with CENTAX. If anyone is interested in being on this committee, they are to let Jack Hurst know prior to the next meeting.

B. Thank You from Larry Padora

Mr. Padora thanked everyone for all their work in appointing a Tax Collector.

C. Request to Receive Unapproved Minutes

Wendell Gainer asked if it would be possible to get a copy out of the unapproved minutes next week, to which it was noted that it would be done.

VII. Next Meeting

It was decided to change the next meeting from Monday, October 11, 2010, to Tuesday, October 12, 2010, since October 11 is a holiday.

VI. Adjournment

Leo Schwartz made the motion, which was seconded by Linda Tarlecki, to adjourn the meeting at 7:00 p.m. The motion passed unanimously.

Gail Stehr, TCC Secretary