----- Original Message -----
From: pmcnamara@hab-inc.com <pmcnamara@hab-inc.com>
To: Jack Hurst
Sent: Thu Sep 09 13:18:41 2010
Subject: Schuylkill

Mr Hurst,

Following up on our phone call today, I am providing an estimate of postage expense, as well as the key areas of concern in regard to the contract. I have also attached the red-line contract markups that we submitted with our RFP response. We are confident that we will be able to come to agreement on these items with relative ease. Most of the items, beyond the areas listed below, are minor and we have been able to successfully negotiate acceptable terms with other TCCs.

We can currently estimate postage as a percentage of collections. We typically estimate 0.07-0.10%. This amount can be influenced by a number of factors including income per taxable, e-file adoption rates, initial compliance and postal rates.

1. Provision of Audited Financial statements -- We are able provide a published annual audited balance sheet. Additionally, we are open to allowing the TCC's Executive Committee access to view the income statement at our location or another agreeable location. We are not able to provide or publish copies to be retained by the committee. Our concern is that this confidential information will become part of the public record.

2. Segregation of funds from other TCC Funds/Interest Earnings – Berkheimer does not comingle tax funds with our corporate operating funds at any point. However, our standard collection methodology requires that all incoming tax funds be deposited into a single account as part of the identification process. Further segregation is highly duplicative and eliminates the economy of scale upon which our above pricing is contingent. We propose disbursing all indentified funds, belonging to the individual political subdivision(s), a minimum of twice weekly. Additionally, the minimal interest that is earned would be retained by Berkheimer to offset bank fees.

3. Indemnifications and Reporting requirements – We are willing to work on language that will reasonably meet both parties' requirements.

1. Professional Liability Insurance – To date we have not found this to be a product reasonably offered by Insurance Companies to tax collection entities.

Please call me with any question or concerns. We are more than willing to work with the Committee to come up with terms that will ensure our appointment as the collector for Schuylkill County

Thanks.

-Patti

----- Original Message -----
From: Robert J. Villella <bobv@centaxgroup.com>
To: Jack Hurst
Cc: 'Michael Hill' <mhill@centaxgroup.com>; 'Jay Molluso' <jmolluso@centaxgroup.com>
Sent: Fri Sep 10 12:07:32 2010
Subject: RE: Postage Costs

Jack I was out of the office this morning and I just received the estimated postage costs that CENTAX will absorb if appointed to serve as tax Officer.
The calculation premised upon the individual and Employer, as well as the Final Returns will be equal to $63,695.00.

I trust this is of assistance to you. Also, please note that CENTAX will agree to the 120 day termination clause; however I trust you will communicate that it is our opinion that such clause should reflect the TCC's identification of the problem and a reasonable time established for curative measures to be deployed. Again, we will agree to the clause but our objection should be noted.

Additionally, CENTAX will agree to maintain our rate to December 31st, 2011.

Again, I trust this is of assistance to you and if there are further questions please feel free to contact me at the number listed below or my cell at 412-760-9183.

Thank you.

Bob Villella

Robert J. Villella, President
Central Tax Bureau of Pa., Inc.
20 Emerson Lane, Suite 905
Bridgeville, PA. 15017
Phone: 412-221-1701
Fax: 412-221-2434
Email: bobv@centaxgroup.com

-----Original Message-----
From: Jack Hurst [mailto:jhurst@bmsd.org]
Sent: Thursday, September 09, 2010 5:57 PM
To: bobv@centaxgroup.com
Subject: Re: Postage Costs

Hi Bob,

Not a problem. I would appreciate a reply by mid morning since we need to get the information out to our members as soon as possible.