

*Cheltenham Township, believing that public input is appropriate on any items coming before the Commissioners, will recognize any citizen wishing to address a specific item prior to the vote on that issue. In order to be recognized, please raise your hand.*

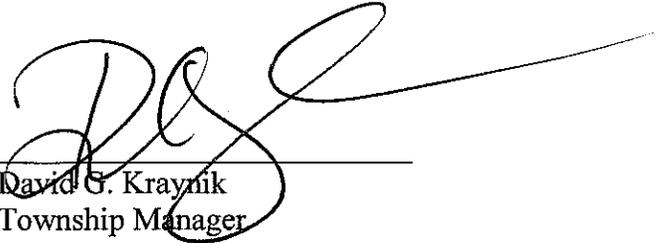
## **FINANCE COMMITTEE**

Morton J. Simon, Jr., Chairman  
Michael J. Swavola, Vice Chairman  
Kathy A. Hampton, Member  
Art Haywood, Member  
Charles D. McKeown, Member  
J. Andrew Sharkey, Member  
Harvey Portner, Ex-Officio, Board President

## **AGENDA**

Wednesday, October 12, 2011  
7:30 PM Curtis Hall

1. Review of the Executive Financial Summary Report for the period ended September 30, 2011. (Five-Year Analysis attached)
2. Consideration of the following Resolutions pertaining to the Township's participation in the Montgomery County Tax Collection Committee:
  - A. Resolution authorizing Berkheimer Associates to impose a schedule of collection costs as it relates to the Local Services Tax. See attached.
  - B. Resolution appointing the Finance Officer to be the liaison with Berkheimer Associates for the collection of earned income taxes. See attached.
3. Post 2012 Public Budget Workshop Discussion.
4. Old Business.
5. New Business.
6. Citizen's Forum.
7. Adjournment.

  
\_\_\_\_\_  
David G. Kraynik  
Township Manager

**FIVE YEAR ANALYSIS - AS OF SEPTEMBER 2011**

	2011	2010	2009	2008	2007
<b>Expenses</b>	76%	74%	71%	75%	74%
<b>Revenues</b>	89%	86%	84%	81%	87%
<b>EIT</b>	74%	73%	62%	63%	68%
<b>Group Health Ins.</b>	76%	71%	72%	75%	72%
<b>Real Estate</b>	96%	96%	97%	96%	96%

**SAMPLE DELINQUENT COST RESOLUTION**

RESOLUTION No. \_\_\_\_\_

**A RESOLUTION OF THE GOVERNING BOARD OF CLIENT, COUNTY, PENNSYLVANIA, AUTHORIZING AND EMPOWERING ITS LOCAL TAX COLLECTOR, BERKHEIMER, TO IMPOSE AND RETAIN COSTS OF COLLECTION ON DELINQUENT TAXES.**

**WHEREAS, CLIENT, COUNTY, by Resolution and/or Ordinance, has levied, assessed and provided for the collection of certain local taxes under and pursuant to the authority of the Act No. 511 of the 1965 General Assembly of the Commonwealth of Pennsylvania, enacted December 31, 1965, and effective January 1, 1966, as amended; and**

**WHEREAS, CLIENT, COUNTY, has hired Berkheimer to collect said taxes levied by the CLIENT, COUNTY, including taxes that are or may become delinquent; and**

**WHEREAS, pursuant to Act 192 of the 2003-2004 General Assembly of the Commonwealth of Pennsylvania, CLIENT, COUNTY, has the right to impose a cost of collection on taxes that become delinquent and/or that remain due and unpaid;**

**NOW, THEREFORE, BE IT RESOLVED that**

1. **CLIENT, COUNTY APPROVES AND ADOPTS the Cost of Collection Schedule attached hereto and made apart of this Resolution to be imposed by BERKHEIMER upon any taxpayer whose taxes are or become delinquent and/or remain due and unpaid.**
2. **BERKHEIMER is authorized to retain said costs of collection set forth in the attached schedule incurred in recovering delinquent taxes and assessed to the delinquent taxpayer as allowed by law.**
3. **Any resolution or part of this resolution conflicting with the provisions of this resolution be and the same are hereby repealed to the extent of such conflict.**

**ENACTED** into a RESOLUTION this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BY: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

ATTEST:

\_\_\_\_\_

## Schedule of Costs of Collection

### **Tax collection notices**

Individual Failure to file or accurately complete Tax form	\$25.00
Individual Failed payment fee	\$30.00
Employer Failure to file or accurately complete Tax Form	\$30.00
Employer Failed payment fee	\$35.00
State List discrepancy letter	\$20.00
Paid Before Service (interim billing fee)	\$10.00
Establishment of Payment plan (monthly)	\$ 5.00

### **Known Place of employment**

Notice before Wage attachment (certified)	\$20.00
Wage Attachment	\$20.00

### **Place of employment unknown**

Pre collection letter	\$20.00
Delinquent tax notice	\$16.00
Final Notice	\$12.00
Complaint Letter	\$25.00

### **Real Estate Taxes**

Pre collection letter	\$45.00
Delinquent tax notice	\$40.00
Final Notice	\$28.00
Lien Satisfaction Fee	\$30.00

### Legal Notices

Preparation for District Justice	\$50.00
Court Appearance	\$75.00
Constable Execution Appearance	\$125.00
Arbitration appeal or complaint preparation	\$100.00
Attend Arbitration Trial	\$200.00
Enter Default judgment	\$75.00
Issue Writ of Execution	\$100.00
Attend Sheriff Sale	\$125.00

### AUDIT OF EMPLOYERS HOLDING TAXES IN TRUST

<i>Tax Assessed</i>	<i>Cost</i>
\$40.00 - 100.00	\$31.25
\$101.00 - 500.00	\$62.50
\$501.00 - 1,000.00	\$125.00
\$1,001.00 - 5,000.00	\$312.50
Over \$5,000.00	\$1,000.00

**Trespass and Assumpsit Complaint:** Court cost is advanced by Berkheimer and billed on a monthly basis to the taxing body. This cost is recovered at the time judgment is issued in favor of the taxing body and is reimbursed to the taxing body when paid by the taxpayer. Please note: If Berkheimer is the current Earned Income Tax Administrator no court costs are advanced by the client. The court costs are paid by Berkheimer.

**Judgment Execution:** Cost for either lien filing fee or actual Sheriff Sale is advanced by Berkheimer and billed to the taxing body on a monthly basis. Once the cost is recovered from the taxpayer it is reimbursed to the taxing body. All mechanics in either case are handled by Berkheimer.

Notices, which are in most cases used mutually exclusive from one another, may be sent in any order depending on collection efforts required and associated charges are not listed in order of mailing or use. The cost for notices may be cumulative based upon the number and type of notices that Berkheimer must send to successfully collect the delinquency.

All Costs also pertain to electronic tax returns, payments etc.

Berkheimer retains the right to automatically escalate these fees by 3% (rounded to the nearest dollar) on a yearly basis.

**SAMPLE CONFIDENTIAL CONTACT RESOLUTION**

RESOLUTION

**A RESOLUTION OF THE GOVERNING BOARD OF CLIENT, COUNTY, PENNSYLVANIA, AUTHORIZING, EMPOWERING AND DIRECTING THE PROPER OFFICERS OF THE GOVERNING BOARD TO APPOINT A LIASON BETWEEN IT AND BERKHEIMER, THE DULY APPOINTED COLLECTOR OF EARNED INCOME TAX FOR THE DISTRICT, FOR THE EXPRESS PURPOSE OF SHARING CONFIDENTIAL TAX INFORMATION WITH THE DISTRICT FOR OFFICIAL PURPOSES.**

**WHEREAS, Act No. 511 of the 1965 General Assembly of the Commonwealth of Pennsylvania (53 P.S. §6901 et seq.), enacted December 31, 1965, and effective January 1, 1966, authorizes certain political subdivisions, including CLIENT, COUNTY, to provide for the creation of such bureaus or the appointment and compensation of such officers, clerks, collectors and other assistants and employees as may be deemed necessary for the assessment and collection of taxes imposed under the authority of that Act; and**

**WHEREAS, CLIENT, COUNTY, has entered into contractual agreement with BERKHEIMER of Bangor, Pennsylvania, whereby and whereunder CLIENT appointed Berkheimer to collect Earned Income Tax; and**

**WHEREAS, said Act 511 specifically mandates that any information gained by the appointed tax officer, his agents or by any other official or agent of the taxing district, as a result of any declarations, returns, investigations, hearings or verifications required or authorized by the taxing municipality's ordinance or resolution, be kept confidential, except for official purposes; and**

**WHEREAS, any person who divulges any information which is confidential under the provisions of any ordinance or resolution, upon conviction may be subject to fines and/or imprisonment, upon conviction, and dismissal from office or discharge from employment; and**

**WHEREAS, Berkheimer requires passage of a resolution by the governing body of CLIENT, COUNTY specifying that said confidential information is needed for official purposes and absolving Berkheimer from any liability in connection with the release of said confidential information;**

**NOW, THEREFORE, BE IT RESOLVED that:**

- 1. CLIENT, COUNTY hereby appoints \_\_\_\_\_ as its authorized  
Title \_\_\_\_\_ representative to make requests upon and receive any and all tax information and records from Berkheimer, relative to the collection of taxes for CLIENT, as desired and deemed necessary by CLIENT, to be used for official purposes only; and**
- 2. Berkheimer is hereby directed to provide and/or transmit any and all tax information and records, or any portion thereof, relating to the collection of taxes for the CLIENT, upon request, to \_\_\_\_\_ as the authorized contact representative for it.**
- 3. CLIENT, COUNTY hereby saves harmless, indemnifies and/or absolves Berkheimer from and against any and all liability in connection with the release of said confidential information.**

**RESOLVED, ENACTED AND ADOPTED at a meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.**

**BY:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ATTEST:**  
\_\_\_\_\_