

A regular meeting of the **FINANCE COMMITTEE** was held tonight, Chairman Morton J. Simon, Jr., presiding. Members present were Commissioners Haywood, McKeown, and Swavola. Also present was ex-officio member Portner. Staff members present were Township Manager David G. Kraynik; Director of Fiscal Affairs Joseph Galdo; Assistant Township Manager Bryan Havir; Public Works Coordinator Michael Fleming; and Director of Engineering, Zoning & Inspections David Lynch. Also in attendance was Finance Officer Stephen Burns. A Public Attendance List is attached.

1. The Committee reviewed the Executive Financial Summary Report for the period ended September 30, 2011 and the five-year analysis of expenditures and revenue. It was noted that revenues and expenditures tracked about normal for the 3rd quarter of the year.

2. Mr. Simon questioned if the attached costs for the collection of Local Services Taxes was statutory in nature. Mr. Kraynik was unsure if it was but believed that the costs were uniform throughout the county since Berkheimer is the approved county collector of this tax. Mr. Swavola questioned the fees/costs since the tax is \$52.00 or \$1.00 a week. Mr. Burns said he receives a low volume of calls on this issue and usually refers any inquiry back to Berkheimer.

Upon motion of Mr. McKeown and approved by the Committee, it was unanimously recommended that the Board of Commissioners adopt a Resolution authorizing Berkheimer Associates to impose a schedule of collection costs as it relates to the collection of the Local Services Tax. See attached.

Upon motion of Mr. Haywood and approved by Committee, it was unanimously recommended that the Board of Commissioners adopt a Resolution authorizing the Finance Officer to be the liaison with Berkheimer Associates for the collection of Earned Income

Taxes (EIT). See attached.

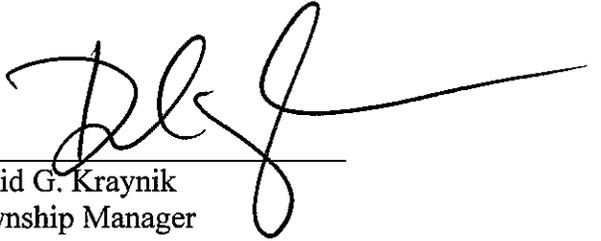
3. Mr. Kraynik spoke on the October 4, 2011 public budget workshop for 2012.

Although this is a preliminary budget all budget line items were reviewed in this five hour meeting. The initial budget gap of \$2.1 million has been reduced down \$370,000 leaving an outstanding gap of \$1.7 million. Some preliminary costs like insurance premiums and gasoline prices will become more solidified between now and budget adoption on December 22, 2011.

President Portner will give his 2012 budget address on November 2, 2011.

4. No old business.
5. No new business.
6. No comments from Citizen's Forum.

There being no further business, upon motion of Mr. Simon, and approved by the Committee, the meeting was adjourned.



David G. Kraynik
Township Manager

Per: Joseph Galdo, Jr.
Director of Fiscal Affairs

PUBLIC ATTENDANCE LIST

Finance Committee @ 7:30 PM
 Public Works Committee @ 7:45 PM
 Wednesday, October 12, 2011
 Curtis Hall
 Wyncote, PA 19095

NAME (Please Print)	AFFILIATION/COMPANY AND/OR ADDRESS	EMAIL ADDRESS AND/OR TELEPHONE NUMBER
Tom McHugh	127 Hewett Rd Wyncote	tom.mchugh@monitordata.com
Vanessa Galati	229 Bicklay Rd	vgalati@monitordata.com vgalati7@aol.com
J. Olauski	127 Webster Ave	joolauski@verizon.net
Dennis Mearcum	32 BRADDALE AVE GENESIDE PA 19088	
Diane Williams		dcbornwilliams@msn.com
Laura Ahramijian	KSK 123 S. Broad Suite 2250 Philadelphia	lahramijian@kskl.com
Melanie Valleris	173 Fernbrook	Mel@thepeople.com
Dan Norris	236 Barclay Cir. CHRT.	
J. Weikman	1011 Serpentine Ln 19095	
A. HANKINSON	7865 MILL RD ELKINS PARK -	
DAVID COLE	321 GERARD AVE C.P.	
DARLENE MELTON	1829 CHEWOSA RD LAMBERT PA.	

**CHELTENHAM TOWNSHIP
RESOLUTION NO. ____-11**

A RESOLUTION OF THE CHELTENHAM TOWNSHIP BOARD OF COMMISSIONERS, MONTGOMERY COUNTY, PENNSYLVANIA, AUTHORIZES AND EMPOWERS ITS LOCAL TAX COLLECTOR, BERKHEIMER, TO IMPOSE AND RETAIN COSTS OF COLLECTION ON DELINQUENT LOCAL SERVICES TAXES.

WHEREAS, Cheltenham Township, Montgomery 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, Cheltenham Township, Montgomery County, has hired Berkheimer to collect said taxes levied by Cheltenham Township, Montgomery 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, Cheltenham Township, Montgomery 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. Cheltenham Township, Montgomery 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 local services 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 local services 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.

ADOPTED this 19th day of **October, 2011**.

**BOARD OF COMMISSIONERS
OF CHELTENHAM TOWNSHIP**

By: _____
President

Attest: _____
Township Manager and Secretary

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.

**CHELTENHAM TOWNSHIP
RESOLUTION NO. ____-11**

A RESOLUTION OF THE CHELLENHAM TOWNSHIP BOARD OF COMMISSIONERS, MONTGOMERY COUNTY, PENNSYLVANIA, APPOINTING THE TOWNSHIP'S FINANCE OFFICER TO SERVE AS LIAISON BETWEEN THE TOWNSHIP AND BERKHEIMER, THE DULY APPOINTED COLLECTOR OF EARNED INCOME TAX FOR THE TOWNSHIP, FOR THE EXPRESS PURPOSE OF SHARING CONFIDENTIAL TAX INFORMATION WITH THE TOWNSHIP 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 Cheltenham Township, Montgomery 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, Cheltenham Township, Montgomery County, has entered into a contractual agreement with Berkheimer of Bangor, Pennsylvania, whereby and whereunder Cheltenham Township 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 ordinances and resolutions, 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 Cheltenham Township 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 the Board of Commissioners of Cheltenham Township, Montgomery County, hereby appoints the Township's Finance Officer as its authorized representative to make requests upon and receive any and all tax information and records from Berkheimer, relative to the collection of taxes for Cheltenham Township, as desired and deemed necessary by Cheltenham Township, to be used for official purposes only; and

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 Township, upon request, to the Township Finance Officer as the authorized contact representative for it.

The Board of Commissioners of Cheltenham Township, Montgomery 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 this 19th day of **October, 2011**.

**BOARD OF COMMISSIONERS
OF CHELTENHAM TOWNSHIP**

By: _____
President

Attest: _____
Township Manager and Secretary