

TCC RFP COMMITTEE MEETING MINUTES

8/09/2010

In Attendance:

Lawrence J. Maiello
Peggy Gillespie
Dave Amatangelo
Dan Watson

John Berkheimer
John Dekemer
Shawn Perry
Patti McNamara
Dave Gordon – Legal Counsel

Not In Attendance:

Margaret Graham
Becky Maruca
George Safin
Jim Meyer
Jim Morrison
Joe Koluder

We had a very productive meeting with representatives from Berkheimer on August 9th. The purpose of the meeting was to discuss terms and conditions of our tentative agreement and to iron out some of the Tax Collectors Agreement (TCA) language. Some of the highlights from the meeting are the following:

Delinquent Tax Collection Commission to TCC

Berkheimer agreed to reduce the commission rate for delinquent tax collections to the TCC from 1.45% to 0%.

Interest Earnings

Berkheimer agreed that they would only retain interest amounts to cover the cost of their banking fees. If the interest were not significant enough to cover their fees, they would operate at a deficit. No charges would be passed onto the TCC. They confirmed that they are able to track all collections by PSD, but that interest would be reported on the full TCC account balance. They were agreeable to provide us with reports outlining interest earned over a 12-month period, as well as, showing all banking fees. If the interest exceeded the banking fees, they would distribute the additional interest to each of the PSD's based on an agreed to formula.

Notice/Process to Late/Delinquent Taxpayer

Berkheimer agreed to outline the process for notifying late/delinquent taxpayers of outstanding liabilities. They recognized the importance of making sure that

proper written communication occurred in advance of any fees or penalties being accessed. They agreed to put this process in writing and to make it part of the agreement.

Other TCA Discussions

Very detailed discussions occurred pertaining to language to be contained in the TCA. These conversations were very productive and positive. While not all of the discussion points are highlighted below, the following is just a short bullet point of some of the items that were reviewed in detail by the group.

- Postage costs being billed directly to the PSD
- Office location and staffing language during peak times
- Financial statement availability
- Billing methods – billing at gross with the option for net billing selection
- Cure period dealing with timeliness of distribution of reports and collections
- Initial transition policy – no fee to PSD
- 3rd party backup option – frequency of data transition
- Transition policy from Berkheimer – they will outline this procedure/process and will agree to have liquidated damages assessed if they fail to live up to them, should the TCC chose at a later date to go with another provider
- Depository and remittance language – they have tentatively agreed to 72 business hours with the exception of peak processing periods (April 15th), but no more than 14 days
- Reporting – agreed to provide a report to properly track delinquent collections