

APPROVED

Mifflin County Tax Collection Committee (MCTCC)

June 9, 2016 at 5:30 P.M.

Granville Township Administrative Building

Delegates Present:

Linda Marks, Armagh Township
Holli Barger, Secretary- MCSD Alt 1, Armagh Township Alt 1
Teresa King, Brown Township
Jyl Hayes, Burnham Borough Alt 1
Kelly Shutes, Derry Township
Lisa Swisher, Treasurer- Granville Township
Robert Long, Vice Chairman- Lewistown Borough
Pam Liddle, Lewistown Borough Alt 1
Barbara Stiver, McVeytown Alt 1
Autumn Fiscus, Chairman- Mifflin County School District
Sherry Miller, Oliver Township
Michelle Shirey, Union Township

Quorum Present? Yes

Others Present:

Jeffrey Snook, Solicitor
Keith Booher, Miffco Tax Service, Inc.
Betty Henry, Miffco Tax Service, Inc.
Debbie LeGuen, Miffco Tax Service, Inc.
Crystal Hagans, Miffco Tax Service, Inc.
Frank Berrier, Lewistown Borough

Proceedings:

Meeting called to order at 5:32 P.M. by Chairman, Autumn Fiscus

APPROVAL OF MINUTES:

The minutes of the May 4, 2016 Mifflin County Tax Collection Committee meeting were approved with a correction to the spelling of Lewistown on page 2.

PUBLIC COMMENT: None

AMENDMENT OF TAX COLLECTION AGREEMENT:

Motion is made by Teresa King and seconded by Lisa Swisher to accept and authorize execution of the Third Amendment to the Tax Collection Agreement as submitted to the TCC. Vote was taken by roll call. Motion passes with 10-0 roll call vote:

YES VOTES:

Linda Marks
Teresa King
Jyl Hayes
Kelly Shutes

Lisa Swisher
Robert Long
Barbara Stive
Autumn Fiscus

Sherry Miller
Michelle Shirey

NO VOTES: NONE

AUDIT DEFICIENCIES:

A lengthy discussion occurred regarding what was audited, what the request for proposals stated back in 2012 and what work was done by the previous auditor, Ritchey Cox. Jeff Snook states that he has email correspondence between himself, former Chairman Sean Daubert and the prior auditor Lori Callenberger (of Ritchey Cox), which suggested agreed-upon procedures be used for non-EIT (other LTEA) taxes, clearly showing that the taxes in question had been discussed. Mr. Snook also highlights several areas of the 2012 request for proposals that indicate that the proposal clearly disclosed that there were other taxes collected by Miffco Tax Service, Inc. in addition to EIT. Despite this information, it's clear that both Ritchey Cox and YOBCO only audited the collection of EIT taxes. Robert Long states that we are entitled to the audit we paid for. Autumn Fiscus notes that she spoke with Dan Bradley of YOBCO and he stated that his understanding was that he was to audit EIT only. A number of options were presented to the TCC to engage YOBCO to audit the non-EIT taxes at the TCC's expense, all died for lack of motions.

Motion is made by Robert Long to send a letter to YOBCO demanding that they audit the non-EIT (other LTEA) taxes collected by Miffco Tax Service, Inc. for no additional fee and issue the appropriate reports for 2013, 2014 and 2015. Lisa Swisher seconds the motion and motion carries unanimously. Letter will be drafted by Knepp and Snook and signed and sent by Autumn Fiscus on behalf of the TCC.

Motion is made by Robert Long to obtain a quote from YOBCO to expand the scope of the audit to include procedures regarding compliance with the tax collection agreement and the joint tax collection agreements. Michelle Shirey seconds the motion. Motion carries unanimously

Motion is made by Teresa King to accept Miffco's voluntary refund of commissions on delinquent individual EIT collections, plus interest, as settlement in full for any overcharge of commission on delinquent EIT for the period January 1, 2012 through April 30, 2016. Kelly Shutes seconds the motion. Motion passes with a 10-0 roll call vote.

YES VOTES:

Linda Marks
Teresa King
Jyl Hayes
Kelly Shutes

Lisa Swisher
Robert Long
Barbara Stive
Autumn Fiscus

Sherry Miller
Michelle Shirey

NO VOTES: NONE

PENALTY AND INTEREST OVERCHARGES:

Motion is made by Robert Long to require Miffco Tax Service, Inc. to advertise in the local paper once per week for not less than 6 weeks and on their website from the earliest possible date through April 30, 2017, an option for taxpayers who feel they may have been overcharged penalty and/or interest in the period of January 1, 2012-April 30, 2016, to fill out a claim form provided by Miffco to have their account reviewed for accuracy. Refunds will be issued to any taxpayer who has overpaid. Motion dies for lack of second.

Miffco states that they are reviewing all accounts and issuing refunds to any taxpayer who has overpaid penalty and/or interest during that time period, without the taxpayer having to file a claim for refund. Keith Booher asks for guidance on the interpretation of the law and wants to know if the cap is 15%/year or 15% in the aggregate.

UPDATES, FORMS AND POLICIES:

Robert Long reviews options for abatement of penalty and interest policy. Miffco states that they will bring an updated fee schedule to the next meeting. Robert Long presents a draft of an unidentified funds policy, Miffco will review and bring back to next meeting. Changes to the Taxpayer Bill of Rights are posted on the Miffco website.

Motion is made by Kelly Shutes to drop the TCC requirement that Miffco send out a Taxpayer Bill of Rights with all correspondence to taxpayers. Motion is seconded by Teresa King; Motion carries unanimously.

Motion is made by Robert Long to strike electronic filing requirements from the amended Tax Collection Agreement and to add a provision for a fill-in form option in addition to the PDF from currently available. Lisa Swisher seconds the motion, motion carries unanimously.

Motion is made by Teresa King to require Miffco to obtain a software upgrade that allows for the backdating of entries in order to make reporting more accurate and assign all payments to the proper accounting period. Kelly Shutes seconds the motion; Motion carries unanimously.

Motion is made by Robert Long to amend the Tax Collection Agreement to state that all overpayments of tax liability that exceed \$1,000 must be reviewed and approved by the Vice Chairman of the TCC prior to distribution. Lisa Swisher seconds the motion. Motion carries unanimously.

Motion is made by Robert Long to purchase templates from the law firm Kegel, Kelin, Almy & Grimm LLP (KKAG) for Rules and Regulations for EIT and LST collection at a total cost of \$1,500 plus anticipated legal fees estimated at \$300. Linda Marks seconds the motion. Roll Call vote is taken. Motion passes 7-3 with Brown, Burnham and Union casting the dissenting votes.

YES VOTES:

Teresa King
Kelly Shutes
Lisa Swisher

Robert Long
Barbara Stiver
Autumn Fiscus

Sherry Miller

NO VOTES: NONE

Motion is made by Michelle Shirey to form a sub-committee to review the Tax Collection Agreement with the intent to revise it at a voting meeting. Robert Long seconds the motion; Motion carries unanimously.

Motion is made by Robert Long to approve the following members nominated to serve on the sub-committee:

- Robert Long (to serve as sub-committee Chairman)
- Kelly Shutes
- Lisa Swisher
- Autumn Fiscus

Sherry Miller seconds the motion; Motion carries unanimously.

TREASURER'S REPORT:

Lisa Swisher distributes a draft of an updated budget due to the need for amendments to the Tax Collection Agreement. Budget will be voted on at July meeting. Balance as of 5/23/16 is \$13,634.38. Michelle Shirey makes a motion to accept the Treasurer's report as submitted. Teresa King seconds the motion; Motion carries unanimously.

ADJOURNMENT:

Motion to adjourn is made by Lisa Swisher. Robert Long makes the second; Motion carries unanimously. Meeting adjourns at 7:27 p.m.

Minutes respectfully submitted by Holli Barger