

DECEMBER 27, 2005
WAYNESBORO, PA 17268
JOINT MEETING WITH THE WAYNESBORO
WAGE TAX BUREAU

Council President C. Harold Mumma called the meeting to order at 7:30 p.m. with the following in attendance:

Borough Council – C. Harold Mumma, John Cook, Charles McCammon, Richard George and Lorena Newcomer

Council-Elect – Craig Newcomer and Allen Porter

Wage Tax Bureau – Jeff Greenwood, Stanley Barkdoll, Paul Benchhoff, Joseph Middour, Marilyn Smith, Chris Devers and Caroline Dean (Mr. Mumma is the Borough's representative on the Tax Bureau)

Staff – Lloyd R. Hamberger, II, Borough Manager
Tim Misner, Tax Bureau Solicitor
Delmos Oldham, Tax Collector

Mr. Mumma explained the purpose of the meeting was to resolve the difference between the two boards' positions on the fee for collecting the EMST (Emergency and Municipal Services Tax). The Borough voted to pay the Tax Bureau 3%, and the Tax Bureau has voted to charge a 5% fee plus the cost of programming modifications.

The two boards explained to each other their reasons for selecting the respective percentages. Council's selection was based upon research of what other communities are paying. Shippensburg Borough pays 2.5% to their collector, whereas Chambersburg is paying 5%. The Tax Bureau selected 5% based upon the Chambersburg fee structure and additional factors including "market adjustment raises", anticipated extra work generated by the EMST and the anticipated large number of refunds.

Mr. Hamberger explained there could be in excess of 1200 refund requests. The tax is collected by the employer on a "first dollar" basis. The Borough has selected a \$12,000 minimum income; accordingly, the tax is refundable to individuals with less than a \$12,000 gross income. They must file a refund form and a check needs to be cut for that individual.

There were discussions regarding the organizational relationship of Mr. Oldham and the Wage Tax Bureau and how the compensation is paid. Mr. Oldham explained his costs include phone, rent, spousal health coverage, among others. He is paid a salary of approximately \$30,000 to collect the wage tax and receives 3% of the OPT tax collections. He also receives a delinquent tax collection fee for collecting past due wage taxes.

Mr. Oldham presented an "Outline of EMST Collections" sheet – a copy of which is attached hereto.

After additional discussion, Joe Middour suggested the boards split the difference. He motioned to accept 4% to collect the EMST, with the stipulation the Borough pay for computer programming costs. Marilyn Smith seconded. The vote went as follows: Yes – Smith, Dean, Middour and Mumma; No – Benchhoff, Devers, Greenwood and Barkdoll. Not having a majority, the motion failed.

Stanley Barkdoll motioned to charge the 5% collection fee. The vote was as follows: Yes – Middour, Smith, Benshoff, Greenwood and Barkdoll; No – Dean, Mumma and Devers. The motion passed.

After additional discussion, Mr. McCammon motioned for the Borough to accept the 5%. The motion did not get a second. Mr. George noted he did not second the motion, as the matter should be presented to the new Council. The Manager will place the matter on the agenda for the January 3rd Council meeting.

Having concluded the joint portion of the meeting, the Tax Bureau exited.

Councilwoman Newcomer noted she wished to clarify the motion establishing the Maintenance Foreman/Assistant Maintenance Superintendent position at the last Council meeting. She intended to also include in the motion that Mike Benshoff be appointed to the position. Mrs. Newcomer motioned to make the appointment. John Cook seconded, and the motion passed unanimously.

The matter of the tax collection fee for the per capita tax was discussed. Council voted to pay 3% or 15 cents a bill. Other communities pay 4.5% or 23 cents a bill. The matter was deferred to the new Council and will be on the agenda for January 3rd.

The meeting adjourned at 8:27 p.m.

Respectfully Submitted,

Lloyd R. Hamberger, II
Borough Manager