

Adams County Association of Township Officials Spring Conference

William J. Chantelau, President
Stephanie Egger, Vice President

Helen Rex, Executive Secretary
Donna Dixon, Secretary
Robin Crushong, Treasurer

Minutes of the April 29, 2009 Meeting

The Adams County Association of Township Officials Spring Conference was held on Wednesday, April 29, 2009, at the Mt. Joy Township Municipal Building, 902 Hoffman Home Road, Gettysburg, PA, at 7:00 PM. President Bill Chantelau introduced the guest speakers: Lois Kashner, Director of the York-Adams Tax Bureau; Barbara Walter, Director of the Adams County Tax Assessment Office; Tim Barr, 21st Century Appraisals Appraisals, Inc. and Barbara Underwood, Cumberland Township and Adams County Council of Governments. Attendees were asked to bring a dessert and beverage was provided. Attached is a list of each Township represented.

Lois Kashner, Director of the York-Adams Tax Bureau (YATB) - Lois has been with the YATB for 28 years, was a member of the tax audit staff for 8 years, the Assistant Administrator for 14 years and the Administrator for the last 6 years. She is a member of the PA Earned Income Tax Collectors Association and is currently participating on the Act 32 Department of Community and Economic Development (DCED) Advisory Committee.

Lois spoke about Act 32 and YATB's preparation when the Act goes into effect. Four handouts were provided: (1) A training pamphlet and registration form to attend "Act 32 – Earned Income Tax Collection: Is Your School District or Municipality Ready?" Workshop being held on May 20, 2009 from 6:00 PM to 9:00 PM at the Holiday Inn Harrisburg West in Mechanicsburg; (2) Act 32 Countywide Tax Collection Timetable – Key Implementation Deadlines; (3) Weighted Vote Formula; and (4) FAQs: County-Wide Consolidated Earned Income Tax Collection.

Regarding the timetable, DCED has mandated these dates as the latest each step must be done. YATB is trying to accomplish Items 5, 6 and 7 by the end of June, prior to DCED's deadline dates in order that YATB is prepared for Act 32. Each municipality will be receiving actual monthly distributions instead of quarterly distributions. When this transition is completed, there will be a fee charged. The Finance Committee of YATB is presently discussing a reasonable fee and their suggestion will go before the Board to agree upon. YATB will be sending out a cover letter and a sample resolution to the municipalities in the beginning of May. General questions asked at YATB's Board meeting were:

- (1) Can anyone be appointed as a delegate to the Tax Collection Committee (TCC);
- (2) Can the same delegate represent more than one organization;
- (3) The first meeting held is a weighted vote;
- (4) After the first meeting, the voting formula may be written into the bylaws.
Presently, it's one member, one vote;
- (5) When a meeting is called, voting can be considered as a majority vote;
- (6) Two or more tax collection districts may elect the same officer; or
if two or more districts merge, there will be just one collector.

A weighted vote means basically those political subdivisions within the largest population that have the largest tax base have the largest vote. Bill Chantelau stated according to the table in the material handouts, it looks like the school districts will have more voting rights than the municipalities. The County will be holding a public meeting of taxing entities on June 2, 2009 at 7:00 PM at the Emergency Services Building, 230 Greenmyer Lane in Gettysburg to establish the TCC. Each municipality should elect their voting delegate and alternate so officers of the TCC

can be elected. Each municipal delegate must be reported publicly and must have their bylaws in place by 2010. Bill Chantelau asked Commissioner Weikert to forward the newspaper announcement regarding the June 2 meeting to him and he will forward it to all the municipalities. Bob Gordon commented that the County is not giving the municipalities enough of time to elect a delegate if the election must be done at a public meeting – some municipalities only meet once a month and not all municipalities will know what their weighted vote will be. Commissioner Weikert and Lois Kashner will try to get this information from DCED and distribute it to the municipalities by June 2. Someone from PSATS or the County Commissioners Association of PA (CCAP) will be present to explain the bylaws under Act 32. According to Act 32, the first meeting of the TCC will be a weighted vote and the second meeting will be an equal vote.

Regarding software, YATB must distribute the money on a monthly basis. The only way that can be achieved is for the employers to file quarterly online. In 2011, it will be mandatory for all employers to file online. YATB already has that in place and employers may also pay online. YATB is presently working on individual taxes and won't request individuals to file online until next tax session. YATB is presently distributing to other bureaus electronically. It will be the employer's responsibility to withhold at the proper rate.

Galen Smith asked Commissioner Weikert if the County would consider collecting the taxes because he would rather have the County collect than a private agency. Commissioner Weikert replied that this subject has been discussed and at the moment the County is not prepared to do that.

Barbara Walter, Director, Adams County Tax Assessment Office - Barbara is a lifelong resident of Adams County and has held the position of Chief Assessor since 1982. She is a past President of the Assessors Association of Pennsylvania, sits on a number of committees in the Association and is currently on the Board serving as Chairman of the Policy and Procedures Committee.

Barbara's presentation was regarding why the County does reassessments, which provides for uniformity among properties, so that all residents pay their fair share. The County formed a committee to come up with how they wanted to conduct a reassessment. The County then met with companies to conduct the reassessment and chose the 21st Century Appraisals and on December 24, 2008 signed an agreement with them. 21st Century Appraisals's office was set up at the Emergency Services Building. They will be doing quality checks and data collection for the County.

Tim Barr, Chief Technology Officer, IT Director, 21st Century Appraisals Appraisals - Tim has been working with local government for over 25 years and is a software designer and statistical analyst dealing with nearly all aspects of reassessments and related laws, regulations and international standards.

Tim gave an overview of the reassessment process so that the municipalities can address questions from the public. The reassessment process cannot be utilized until all the information has been inputted into the County records. The reason a reassessment is conducted is to ensure equity in the system. Tax fairness is determined by three things:

- (1) Assessments – must be uniform;
- (2) Basis – what is the basis of taxation; and
- (3) Cost Control – Tim encourages people to attend local government meetings and voice their opinions if they believe local government is spending too much.

The goal of the reassessment is to get an equal market value. Having an equal market value is achieved by the data collected – the data must be correct. 21st Century Appraisals is verifying all

of the existing properties and taking pictures; they have a Joint Management Council on how to handle certain properties. All the information is collected by a 'field lister' – they would like the media to refrain from using the word 'appraiser'. 21st Century Appraisals does not make appraisal judgments and each field lister must be certified by the PA State Board of Real Estate Appraisers as a Certified PA Evaluator (CPE). All the information that is collected must be entered into their system. 21st Century Appraisals also view digital photos and pictometry. Anyone can go to maps.live.com to see a picture of their house. When they are done collecting the information, the appraisers will be able to determine the value. They will be doing neighborhood delineation and what is most important is the location. For instance, even in one neighborhood, property doesn't sell the same. Builders and sellers set the value of the property. The appraisers will be using sales from this year, the beginning of next year and a couple years prior to make their assessments. In the end, they will know what the properties actually sold for and will study this for some time and give an appraisal date of January 1, 2010. Once the values are determined, sometime in the spring, no later than July 1, 2010, the County Tax Assessment Office will send this information to the residents indicating what the 1990 assessment was and what the properties' 2011-2012 tax assessments will be. Tim would be happy to meet with the municipalities prior to budget preparation.

Residents should review their reassessment to verify that their property is valued correctly. If a property value is too low, it should be corrected during the reassessment process. If too high, the property owner should contact 21st Century Appraisals to ask questions or request an informal review with one of their representatives. At an informal review, the property description is verified to make sure everything is correct. If the property owner disagrees on the value, they must file an appeal to meet with the Auxiliary Board. The burden of proof lies on the taxpayer who should secure the services of an appraiser.

Millage Rates – Property in 1990 was one-fourth the amount of what it is selling for now. The State Tax Equalization Board (STEB) is used to make that determination. If today's rate is used, municipalities cannot make any profit and there will be a 5% cap coming which must be built into the budget. The 5% cap will be on the municipality's levy of money, not the millage. New construction is an exclusion on the 5% cap. The only way to avoid the extremes is to do reassessments more often. With the aerial photography, the County can see what has changed. The most expense to this program is the fieldwork. Taxing bodies will see their tax rates increase from 1990 to 2010 one to four times as before. The previous millage can be used for preparing your budget. It's too early to figure out what your millage will be because it may go soft. Clean and Green, if signed up for by 2010, will also influence those reductions. Homestead exclusions can cause these numbers to change, too. The County must release data and distribute it to the municipalities between July and the November 15 statutory deadline. Municipalities must determine everything in their budgets except mills (assessment times mills equals money). Tim suggested not thinking about the millage until November 15. Tim takes the tax base from 2010, adds all the interims and then adds 5%. When municipalities finally adopt the millage rate in December, they are to have two votes: (1) Same amount of money as previous years; and (2) budget increase.

Attendees then asked Tim the following questions:

- (1) Which has the most impact, commercial or residential, on appeals? *Five residential to four commercial appeals;*
- (2) How will 21st Century Appraisals deal with unique properties? *It is determined by: (1) market approach; (2) income approach; and (3) cost approach – that is up to the appraisers. If a resident is unhappy with the determination, they may take it to the Appeals Board and if they are unsatisfied with the outcome, they may appeal to the Court of Common Pleas;*

- (3) Can the municipalities use the pamphlet as a guide? *Yes, they may. The pamphlet is located on the County's website, along with the doorknob hanger, which may be completed online. 21st Century Appraisals is more interested in like properties – overall square footage and if a garage or basement is finished – 21st Century Appraisals is not interested in extra items such as Corian countertops. Most of the property value is in the location;*
- (4) If the municipalities receive opposition, where should the inquiry be redirected – 21st Century Appraisals or to the County website? *First, inform the residents the reassessment will not go into effect until 2011 and they may also go into the County website to see what they are going to be reassessed; and*
- (5) What is a marketable and table value? *A table is valued for half; the marketable of four is when the old assessed value is compared with the new assessed value.*

There will be a video entitled “Understanding Reassessment” and the County will have copies available for the municipalities to borrow. Tim didn't know if the County will give each municipality a copy.

Presently, 21st Century Appraisals' field personnel are in Cumberland Township and when they have finished there, they will be working in Straban Township. Tim instructed everyone to request the field personnel to present IDs. Residents will be given a packet of information to complete which can be done by filling out the form on paper or online. Residents should be instructed to call 911 if a person wishes to come into their homes because there is no reason for them to do so.

Barbara Underwood, Cumberland Township and a member of the Adams County Council of Governments (COGs) – Barbara mentioned there have been two COG meetings and bylaws have been created and sent to their attorney for review and approval. Their next meeting is May 28, 2009, at 8:30 AM at the Gettysburg School District's Administrative Office on the Biglerville-Gettysburg Road in which they will be holding the election of officers. Barbara encouraged everyone to join with their neighbors to work together but still maintain their own identity.

Judy Chambers from the Penn State Extension, provided a handout regarding a “Transportation Roundtable: Emerging Trends for Adams County” to be held on May 28, 2009 from 1:30 PM to 4:30 PM at the Adams County Agricultural and Natural Resources Center. The Roundtable discussion will focus on what the impacts of changes and emerging trends in transportation modes within our region are and how they will affect Adams County.

Bill Chantelau mentioned five items:

- (1) If anyone has any agenda ideas for the Fall Convention, please see Alicia Birckhead;
- (2) Regarding legislative initiatives,
 - a. Bill McMaster, Chairman of the Association's Legislative Committee, and Bill Chantelau will be meeting with PA Senator Alloway on May 14, 2009. Bill McMaster has already met with Representative Moul regarding House Bill 606 which deals with recreation fees and the provision that these fees could only be used “within a development” and requested the wording be changed to “within a municipality”. They will be also meeting with PA Representative Tallman in the near future.
 - b. The Acting Secretary of DCED, George Cornelius, would like to do away with all the townships and boroughs and also have regional municipalities which would

involve merging counties. Bill Chantelau encouraged those present to write letters and visit the PSATS website under "Legislation" to read the statement Acting Secretary Cornelius made said at the PSATS Convention. Backing this regionalization is the PA Economy League, the State Planning Board and the development community;

- (3) It was announced by PSATS that PSATS has joined with other local government associations to call for an optional 1% sales tax to fund property tax relief. The County's governing body would vote on whether to implement the tax. This 1% sales tax increase would mean 7% tax in Adams County should the legislation pass and the County Commissioners enact the tax. The townships would receive 40% of the tax and Bill encouraged everyone to write to their legislators. The Association must be more active with the legislators. Another vehicle in which to reach the Legislature is the COG;
- (4) The Association is seeking a Chair for the Nominating Committee; and
- (5) What types of training activities do the members want to plan? The Association could provide classes since there is money in the treasury.

Stephanie Egger, Vice President of the Association, announced that Bill Chantelau was given the PSATS President's Leadership Award at last week's PSATS Convention.

Having no further business, the meeting was adjourned at 9:20 PM.

Respectfully submitted,



Donna R. Dixon, Secretary
Tyrone Township

ATTENDEES LIST
ADAMS COUNTY ASSOCIATION OF TOWNSHIP OFFICIALS
3RD MID-YEAR SESSION
April 29, 2009

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