

# PALISADES SCHOOL DISTRICT

39 Thomas Free Drive, Kinnersville, PA 18930 ■ Bucks County ♦ www.palisadesd.org ♦ 610 847 5131

February 13, 2012

Dear House Finance Committee:

I am here today as the Business Administrator and spokesperson for Palisades School District. I am asking the House Finance Committee to SUPPORT House Bill 1877 and Senate Bill 1207.

## Talking points:

- Palisades currently uses the services of Portnoff Law Associates, LTD to collect delinquent real estate taxes. Since 2006, Portnoff has collected and remitted to the district \$5,601,159 in delinquent taxes.
  - A 5% county commission fee would have resulted in \$280,058 to be remitted by Palisades to Bucks County Tax Claim Bureau, (\$5,601,159 \* .05 = \$280,058).
    - Additionally, Bucks County Tax Claim Bureau would not have provided any services to receive this commission.
    - Whereas, Palisades would have \$280,058 less to support programs and services.
- Palisades has received collections in weekly allotments (**timelier payments**) since 2006.
  - **Portnoff:** When collections reach one-thousand dollars (\$1,000), funds are transferred weekly.
  - **BC Tax Claim Bureau:** Payments from the Bucks County Tax Claim Bureau are remitted monthly.
    - Cash flow and interest income is reduced under monthly distributions.

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39 Thomas Free Drive, Kintnersville, PA 18930 • Bucks County • www.palisadesd.org • 610.847.5131

- Palisades has accelerated their collections since 2006.
  - a **Portnoff:** Mails delinquent notices to taxpayer using a timelier schedule.  
As support:
    - The Sunday's **Intelligencer** (Exhibit A) reported on February 17, 2008 that the BC Tax Claim Bureau would mail liens on Thursday (February 21, 2008).
    - On 2/28/2008, Palisades had already received collections of \$147,837.
      - Payments were received:
        - o \$49,841.84 on 2/6/2008
        - o \$26,159.82 on 2/14/2008
        - o \$35,844.33 on 2/20/2008
        - o \$35,991.42 on 2/28/2008 (seven days after County's anticipated mailing)
  - o **BC Tax Claim Bureau:** Cash flow and interest income is reduced using the County's schedule.

On behalf of the Palisades School District, thank you for the opportunity to present here today. Your continued support to fund public education is greatly appreciated. With your support, Pennsylvania schools are able to offer quality programs and services. Please SUPPORT House Bill 1877 and Senate Rill 1207.

Sincerely,



Jill Ruch  
Palisades School District  
Business Administrator

IT'S THE LITTLE THINGS  
They can mean a lot  
for savvy 2007 tax filers. E 1



THE BIG CHILL  
Canadiens send the Flyers  
to their sixth straight loss. C 1

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song, dance and gu

# The Intelligencer

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Serving communities in Bucks and Montgomery counties

## Tax liens rise in Bucks

The county will notify 10,000 homeowners this week of liens imposed for back taxes. A county tax official estimates that in 8 out of 10 cases, the mortgage company's at fault.

By RILEY YATES  
PHILADELPHIA INTELLENCER

One later this week, Marguerite Genesio's office will be flooded with calls from angry homeowners. She doesn't blame many of them.

Of the roughly 10,000 liens the Bucks County Tax Claim Bureau places each year for failure to pay property taxes, Genesio, who will be sending out this year's lien notifications on Thursday, estimates 80 percent are the result of snafus by mortgage companies — and not delinquent taxpayers.

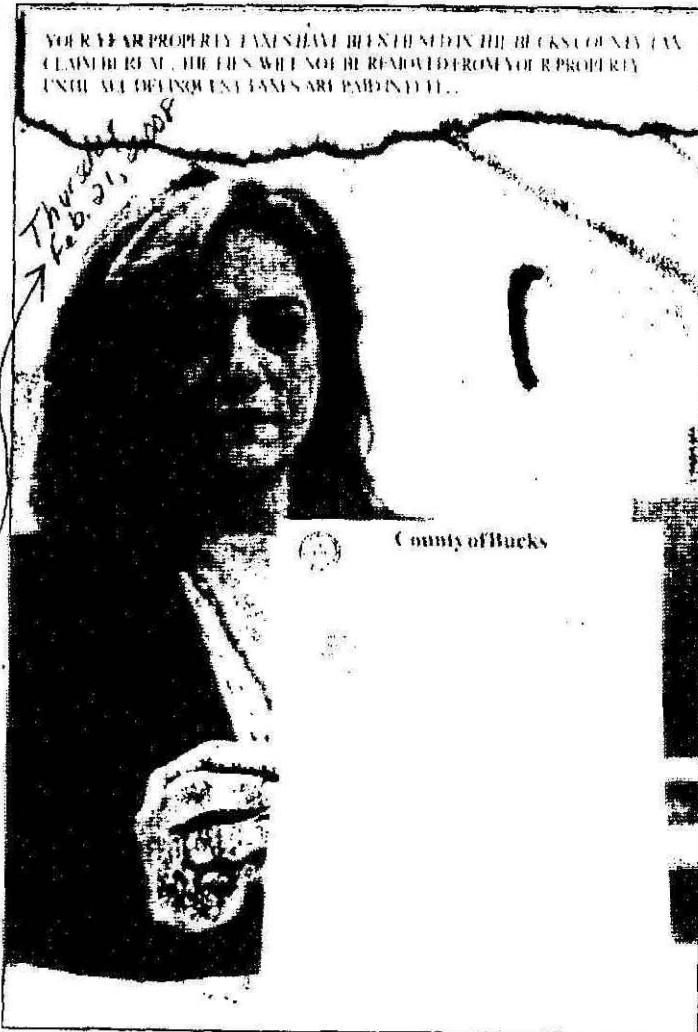
**Bucks tax liens**  
Number of liens 9,378  
Paid for 2007 10,157  
Delinquent 9,814

problem that Genesio, the bureau's acting director, said appears to be on the rise, as the lending industry has struggled with financial crisis and fly-by-night companies that lacked the foundation of their more established counterparts.

"It seems to be increasing year by year," said Genesio. "There's more mortgage companies dropping the ball."

"We get hundreds of calls from irate citizens. These are law-abiding taxpayers," Genesio added. "They all call screaming because they don't know it hasn't been paid."

Many homebuyers elect to pay their taxes through their mortgage companies. The lender estimates the year's levies and ratchets up the owner's monthly bills placing the extra money in escrow to cover the eventual dues. Not all tax collectors say banks are a headache for them, however. Some said they have more troubles with confused or financially strapped taxpayers than they do with lenders.



Margarita Genesio, acting director of the Bucks County Tax Claim Bureau, displays a lien notification scheduled to be sent out on Thursday. "There's more mortgage companies dropping the ball," she said.

... mortgage industry, which has been plagued by risky loan practices, has led to bankruptcies and buy-outs that Genesio and several other local collectors say is causing required tax payments to get dropped in the shuffle.

"The banks were not good this year. I had trouble with the banks paying people's escrow," said Patricia Siwert, who collects for ...

what they used to be."

In total, the number of liens in Bucks County increased 9.5 percent from 2006 to 2007. The amount owed by delinquent properties rose 18.1 percent. Similar data was still being compiled by Montgomery County.

Several tax collectors said the jumps are not unusual given increases in taxes and the number

they may be indicators of the slumping economy. Some painted a different view of the mortgage industry.

"I did not have those kinds of issues," said Diane Telly, the tax collector for Hilltown. "It seemed like the mortgage payments went through smoothly."

Denise Berna, who collects for Warwick, said she had marc

## Base plan under wrap

Those who have seen draft issued by a state consultant have been not to discuss until finalized.

By JACOB FINNOR  
PHILADELPHIA INTELLENCER

A state consultant has begun drafting a plan that will help determine the future of the former Willow Grove Naval Air Station in Horsham, Pa.

"From what I've seen it's an excellent plan," said state Rep. Rick Titone. "But he won't talk about what it will mean to anyone else. Everyone's been told to discuss it until a final version is shown to Gov. Ed Rendell."

"We were told by the state that this was a public document," said Horsham manager Mike McGee, who has seen the draft.

A lengthy tug of war has been going on since a federal panel recommended the closure of the base after a federal panel recommending it, but base supporters won't discuss the military's agreement to lease at least 1,300-acre base to Pennsylvania's military installation.

No one knows how much land they can lease, but it's a crucial question for planners. A local board — known as the land reuse authority — will only get suggestions about how to use the land if it's not get.

Two and a half years after the unannounced base closure, the land reuse authority has so far only gotten 7 acres according to Chairman Bill White. "I'm quite disappointed that we don't have the opportunity to oversee the development of the property; it does make up 10 percent of the township," Whiteside said.

The difficulty, in part, is that no one knows exactly what a "joint interagency" will be. The combination of military and emergency response is unique in the country, according to manager Don Carmine.

The state has hired planning firm Robert Kimball & Associates of Berks County, for a six-month, \$2 million job to study what's involved. Among the h

# Liens

Continued from Page A 1

problems with people who mistakenly believed they had escrowed money, but had not actually done so.

And in Montgomery County, Franconia Tax Collector Gerald DeLong said he's seen more sheriff's sales in the past — an indicator of homebuyers unable to juggle their monthly bills.

"The mortgage companies seem to be keeping up with payments," DeLong said. "It seems to be more people having troubles with their mortgages."

Greg Soto, the collector for Wrightstown, said he had struggles with lenders early last year. One even sent him a check that bounced.

But Sow said the problems appear to have been solved,

*"We get hundreds of calls from irate citizens. These are law-abiding taxpayers. They all call screaming' because they don't know it hasn't been paid."*

**Marguerite Geneslo,  
acting director of the  
Bucks County Tax Claim  
Bureau**

likely through bankruptcies, under which owed taxes are placed first in line for payment.

Lenders say problems with late escrows are not endemic to the industry and are being worked out through the shoring up of major loan companies.

President Bowersox of the Pennsylvania Association of Mortgage Brokers, there is financial incentive for lenders to pay tax bills quickly, in order to reap the 2 percent discount for an early payment.

Delays can occur when one mortgage

company buys out the accounts of another as bill become due, Bowersox said.

He noted the bankruptcies last year of lenders First Magnus, American Home Mortgage and Aegis Mortgage Corp.

"Most of that has occurred and is behind us. It's stabilized now," Bowersox said. "It very well could be that we're seeing some of the remnants of that."

He said mortgage companies also don't like getting calls from frustrated homeowners hit with liens.

"That does bring the wrath of God down upon everybody, believe me," Bowersox said. "Lenders start hearing from attorneys."

Ellie Yates can be reached at (215) 348-3133 or ryates@phillyburbs.com.

# 2006 vs. 2007 tax liens

	2007 Liens	% change	Amount owed	% change
Bedminster	124	29.2%	\$554,672	57.9%
Bridgeport	29		\$21,049	6.0%
Buckingham	249	5.1%	\$1,362,480	14.8%
Chesnut	46	21.1%	\$174,735	-0.5%
Doylestown	98	-8.4%	\$372,847	-11.9%
Doylestown Twp	185	15.6%	\$679,216	35.2%
Dublin	18	-5.3%	\$70,315	-4.0%
East Rockhill	17	21.4%	\$17,039	43.8%
East Rockhill	81	12.5%	\$272,729	15.8%
Hancock	78	23.8%	\$174,073	5.4%
Hilltown	149	25.2%	\$692,970	41.8%
Lynd	5	-44.4%	\$14,368	-48.3%
Milford	176	15.8%	\$625,258	59.2%
New Britain	71	18.3%	\$228,403	88.7%
New Britain Twp	93	-9.7%	\$487,498	14.8%
New Hope	38	26.7%	\$151,527	71.0%
New Hope	64	8.5%	\$45,967	12.1%
Parkside	76	40.7%	\$204,672	52.9%
Quakertown	227	4.6%	\$698,353	1.1%
Quakertown	123	13.9%	\$382,086	19.8%
Richland	477	-2.1%	\$694,026	3.2%
Richlandtown	18	-5.3%	\$58,707	-2.3%
Riegelsville	21	-25.0%	\$72,510	-9.9%
Sellersville	32	3.2%	\$86,596	11.3%
Silverdale	20	100.0%	\$52,169	104.8%
Solebury	133	20.9%	\$691,479	50.1%
Springfield	90	3.4%	\$71,027	-1.2%
Telford	11	22.2%	\$22,436	15.9%
Tinicum	69	-19.8%	\$68,659	-20.6%
Trumbauersville	18	0.0%	\$53,136	-8.3%
Warmminster	200	11.7%	\$671,352	18.9%
Warrington	178	-24.8%	\$977,313	-18.7%
Warwick	96	29.7%	\$609,560	71.2%
West Rockhill	66	8.2%	\$203,578	7.2%

# Disc

Continued from Page A 1

Players aim to land discs in an above-ground metal basket in as few throws as possible.

Though it may not be a household name, there are several other disc golf courses in the area and possibly one more on the way. Milford

recently voted last month to let its park board start planning a disc golf course for Unami Crack Park. Philadelphia's Fairmount Park has a disc golf course; so does Nockamixon State Park, where parts of the Disc Golf World Championships were held in 2005.

The game itself is not what bothered Montgomery Township resident John Blasko

in an area that shouldn't be disturbed by a constant stream of people, kicking dirt into streams and disturbing the nature.

"It's not right to have things set that way," Blasko said. "If you're going to build a course, build it right. Build it properly."

Tontoni's idea of disc golf came from this fall's township newsletter, where an

when someone missed their shot. The chains on the baskets make noise. Trees were cut down to make room for the course.

Tontoni and some other people walk through the park almost every day, she said.

"We enjoy the serenity and the wildlife we encounter there," and suddenly the trees were being mowed down, she said.