



March 9, 2020

Hon. Tim McGinley
Council Chair
Luzerne County Council
200 N River Street
Wilkes-Barre, PA 18711
Tim.McGinley@luzernecounty.org

Dear Councilman McGinley:

We believe that a new year brings new opportunities. Along with entering 2020 under a new management structure, we are pleased to inform you that we are also embracing this moment to move forward with our successful company as *Elite Revenue Solutions LLC "Elite Revenue"*.

While the name is different to reflect all of our unique services, you can expect nothing less than the high-quality, consistent performance we have provided Luzerne County for the last 11 years, which has resulted in \$370 million in tax collections. This outstanding record has been made possible by deploying our exclusive software to track and communicate with taxpayers, offer various online payment options, provide satellite payment centers and utilize our in-house counsel and top customer service in the industry. Most importantly, we will continue to operate under the utmost ethical standards, as it is a core value for our organization and all of our employees.

Our new name is the result of listening to our dedicated staff and seeking their input for suggestions that best represent our quality of work. Our employees become part of the municipalities we serve and they work closely with our government partners. We believe this unique quality, our dependable performance and successful track record make us an *elite* company.

We look forward to continuing our partnership with Luzerne County and providing essential collection services. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean Shamany", enclosed within a hand-drawn oval.

Sean Shamany
Managing Partner

cc: Honorable Members of Luzerne County Council



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Elite Revenue Solutions LLC (formerly Northeast Revenue Service, LLC)

About

We are Pennsylvania's premier tax collection specialist. Using a unique "Hybrid Model" and proprietary software, we produce the highest collection rates in the market today. During a time when local government budget crises are increasingly common, the more than 150 taxing districts Northeast Revenue Service has serviced are financially stronger as a result.

We are the only firm in Pennsylvania with experience operating all aspects of large-scale public collection operations (County Tax Claim Bureaus). Through our many years in the industry, the firm has learned a lot about how difficult debt collections can be, which is why we make intentional efforts to help everyone involved – governments, their employees and taxpayers alike.

Changing the Collection Climate in Luzerne

Since taking the lead on collections for Luzerne County a decade ago, our company has made it a priority to treat all taxpayers equally by enforcing the Real Estate Tax Sale Law (RETSL) unilaterally, eliminating any opportunity for special arrangements. As a result of taking a hard stance on collection efforts, the overall collection rate for county taxes is up to 94 percent, marking a significant increase from the 83 percent rate the county achieved prior to Northeast Revenue Service. We have also increased the municipal collection average from 79% to 93% and the average school collection rate from 84% to 95%.

Additionally, the increase in collections has been the result of many other initiatives we established for Luzerne County:

- Created a more efficient system for residents to make payments on delinquent taxes that does not require making a trip to the courthouse, including online payments through our website using credit cards and e-checks, in-person payments at our part-time office located in Hazleton and accepting payments at five Landmark Community Bank branches throughout the county;
- Provided a system that mails monthly reminder letters at no cost to the county and not allowing for any lapse in time between the communication sent by the tax claim bureau;
- Created and maintained www.luzernecountytaxclaim.com to keep taxpayers updated, as well as created a searchable database that allows residents to have access to updated balances on delinquent property taxes. The payments are updated daily, which has been a tremendous resource for taxpayers, attorneys, closing agents, etc.

The action steps listed above, as well as many others, are a direct result of having six of our employees working every day in the Luzerne County Courthouse and one employee in the Hazleton office. We employ a full-time and part-time title specialist to assist in searches related to judicial sales and distributions of tax sale proceeds. In addition, we established a toll free 800 number which is staffed by four additional employees in our call center. This option has

provided easier access for taxpayers to speak with a payment clerk during normal business hours Monday through Friday

Commitment to Ongoing Success

Along with absorbing costs associated with monthly mailings, our company acts as an agent for Luzerne County Tax claim and conducts all tax sales both Upset and Judicial yearly in accordance with Real Estate Tax Sale Law (RETSL). This alleviates costs for the county, as we pay any up-front costs associated with these sales, including advertising, sheriff services, constable postings, filing charges, mailings and title searches.

We provide in-house legal counsel to assist staff along with bankruptcy attorneys so that we absorb all legal fees – at no cost to the county. As an example of the savings we provide Luzerne County, our services saved the county \$594,000 in 2019, which included:

- \$150,000 – Sheriff services
 - \$116,000 – Constable postings
 - \$125,000 – Prothonotary fees
 - \$65,000 – Attorney costs
 - \$75,000 – Advertising costs
 - \$63,000 – Printing costs
- \$594,000 – Total Savings (excluding wages and benefits)**

We also monitor taxpayers who enter into agreements under RETSL and any arrangements that are defaulted are automatically sent to a special Upset Sale in the spring of each year. This helps taxing bodies recover money faster and it does not allow defaulted taxpayers additional time until the annual Upset Sale.

By monitoring bankruptcy properties on a regular basis, we are assuring that properties are returned to tax sale status upon the discharge of a bankruptcy. Prior to our services, many properties were coded as bankrupt but there was no follow-up to verify if the bankruptcy was still active.

In addition, we have created hardship policies and assisted the county in adopting these policies to help alleviate that tax burden on elderly individuals.

Industry Innovators for Luzerne

In 2016, we started collecting delinquent taxes under a hybrid collection model, which combines RETSL with the Municipal Claim Tax Law Act. By combining the use of both laws, it places the cost of collection back to the delinquent taxpayer and allows us to potentially file paper liens in the Prothonotary Office. As such, the county and select municipalities and school districts receive 100 percent of our collections and the cost of collections (5%) is added to delinquent taxpayers as a cost.

We offered this type of collection utilizing both state laws to all school districts, municipalities and of course the county. The county opted in the collection method and by using both laws the county realized an additional \$1.2 million in collections/proceeds from 2016 through the end of 2018.

Some municipalities and school districts opted in to the hybrid model but not all. Those municipalities that opted in realized \$391,000 while the school districts that opted in realized \$1.9 million. A list of those municipalities and school districts is found on our website www.luzernecountytaxclaim.com.