

MIFFLIN COUNTY
TAX COLLECTION COMMITTEE
BYLAWS

Effective March 11, 2010

MIFFLIN COUNTY TAX COLLECTION COMMITTEE
BYLAWS

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MIFFLIN COUNTY TAX COLLECTION COMMITTEE

Bylaws

Background. The Mifflin County Tax Collection Committee (“MCTCC”) is a government entity created and organized under Act 32 of 2008, 53 P.S. § 6924.501 *et seq.*, which amended and restated the Local Tax Enabling Act (“LTEA”), 53 P.S. § 6901 *et seq.* Under Act 32, the MCTCC is required to appoint a tax collector to collect earned income and possibly other taxes on a county-wide basis, and to oversee tax collection within the Tax Collection District (“TCD”).

The following school district and municipalities are within the TCD:

1. The Mifflin County School District
2. Armagh Township
3. Bratton Township
4. Brown Township
5. The Borough of Burnham
6. Decatur Township
7. Derry Township
8. Granville Township
9. Juniata Terrace Borough
10. The Borough of Lewistown
11. McVeytown Borough
12. Menno Township
13. Oliver Township
14. Union Township

This school district and these municipalities are referred to herein as “Taxing Authorities.”

ARTICLE I. Governing Body – Board of Delegates

Section 1. Voting and Alternate Delegates: The Governing Body shall be called the “Board of Delegates,” and will be referred to herein as the “Board.” Taxing Authorities that impose an income tax shall appoint a primary voting delegate, a first alternate voting delegate, and a second alternate voting delegate. The Board shall consist of voting delegates appointed by these Taxing Authorities. Delegates may but need not be residents of the Taxing Authority they represent. In the absence of the primary voting delegate, the first alternate delegate will be considered the voting delegate. In the absence of both the primary voting delegate and the first alternate delegate, the second alternate delegate will be considered the voting delegate.

a. **Number and Appointment of Board Delegates/Alternates:**

(1) **Initial Delegate Appointment:** Pursuant to 53 P.S. § 6924.505(b)(1), each Taxing Authority within the TCD that imposed an income tax prior to July 1, 2009 has and will appoint one primary voting and one or more alternate voting delegates to the Tax Collection Committee who shall serve at the pleasure of the governing body of the appointing Taxing Authority. Each Taxing Authority within the TCC that imposes an income tax for the first time after June 30, 2009 shall appoint one primary voting and two alternate voting delegates to the Board in accordance with Act 32. Each Taxing Authority that does not impose an income tax prior to July 1, 2009 may appoint one nonvoting delegate and two alternate nonvoting delegates to the Board. If a Taxing Authority that does not impose an income tax prior to July 1, 2009 appoints a nonvoting delegate to the Board, and then after June 30, 2009 imposes an income tax, the previously appointed nonvoting delegate shall become the Taxing Authority’s voting delegate to the Board.

(2) **Ongoing Delegate Appointment:** Beginning in 2010, the Mifflin County School District shall at its annual organization meeting (held during the first week of December that includes a Monday) appoint its primary voting delegate and alternate delegate(s). Beginning in 2011, the Municipality Taxing Authorities shall appoint primary voting delegates and alternates at their annual reorganization meetings in January.

b. **Delegate Term of Office:** The primary voting delegates and alternates, if applicable, appointed in 2009 shall serve until a successor has been appointed, or earlier death, resignation, or removal of the delegate. Thereafter, each delegate shall be appointed for a term of one (1) year starting January 1 and until a successor has been appointed, or earlier death, resignation, or removal of the delegate. If there is a vacancy in the position of delegate representing any Taxing Authority, the Taxing Authority will promptly appoint a new delegate to fill the vacancy.

c. Delegate Removal: All primary voting delegates and alternate delegates, as applicable, serve at the pleasure of and may be removed at any time by the governing body of the Taxing Authority that appointed the delegate.

d. Delegate Qualifications: All primary voting delegates and alternate delegates, as applicable, appointed to the Board will be eighteen (18) years of age or over.

e. Tax Enactments and Other Information: Each Taxing Authority that imposes an income or other tax over which the TCC has assumed authority or appoints a nonvoting delegate shall promptly provide the TCC with all information and documents necessary for TCC operation and for tax collection as requested by and in a form satisfactory to the TCC, including certified copies of the Taxing Authority's tax enactments, the names and contact information of all appointed delegates, and all other information requested by the TCC.

Section 2. Board Meetings: The Board will hold quarterly or more frequent meetings on dates and at times established by the Board, or by the Chairperson in the absence of Board action. Special meetings will be called by the Secretary upon request received from any officer or any 5 primary voting delegates. Established regular meeting dates and times may be changed, from time to time, by the Board. One of the regular meetings will be designated as the annual organization meeting as set forth in Article II, Section 2.

Section 3. Quorum: A quorum shall consist of the presence of voting delegates holding a 2/3 super-majority of the sum of all taxing authority weighted votes (or an alternate present in place of the primary voting delegate).

Section 4. Meeting Conduct: All Board meetings will be conducted according to any policies or rules established by the Board, and in default of such rules by the current edition of Robert's Rules of Order Newly Revised.

Section 5. Vote Weight/Votes Required for Action on Matters Other than Major Decisions: All actions taken by the Board shall be by majority of the weighted vote of those delegates present, provided a quorum is present at the time of voting. The Pennsylvania Department of Community and Economic Development (DCED) has calculated the weight of each delegate's vote pursuant to 53 P.S. § 6924.505(c)(2) and 53 P.S. § 6924.505(c)(3) and has/will published the results in the Local Tax Register. Pursuant to 53 P.S. § 6924.505(c)(3), the TCC shall recalculate the weighting of the votes of the delegates on July 1, 2010, and on July 1 every year thereafter based on the formula specified in 53 P.S. § 6924.505(c)(2), accounting for redundant numbers of persons ^{FN-1}.

As to any delegate appointed to represent more than one Taxing Authority, the weight of such delegate's vote will be the sum of the weight assigned for each Taxing Authority delegate's vote.

FN-1. Note: for the population calculation you must account for redundant numbers of persons. Hence, you must multiply the fraction arrived at by .50 since MCSD would include all persons in the other political subdivisions and if you do not account for this the total population would be artificially inflated.

Section 6. Board General Powers and Duties:

The TCC, operating through its Board of Delegates, shall have such powers and duties as set forth in 53 P.S. § 6924.505, Tax Collection Committees. Except as otherwise provided in these bylaws, all powers of the TCC shall be exercised by or under authority of the Board, and the business and affairs of the TCC shall be managed under direction of the Board. The Board may delegate authority for actions to committees, officers, and others. However, without regard to any prior delegation of authority:

a. The Board shall receive and review information provided by the Secretary, Chairperson, and others in order to keep fully informed as to TCC business, operations, and other affairs.

b. At each regular Board meeting, the Secretary will present to the Board for ratification all TCC expenditures paid or incurred during the calendar year quarter preceding the month in which the meeting is held.

c. Although the Board in performing its duties will rely substantially on information from and decisions by the Secretary, Chairperson, and others, the Board shall have ultimate responsibility and authority with respect to TCC business, financial oversight, and other TCC affairs.

d. The Board will always have the right to direct TCC action on any matter by policy, resolution, directive, or other measure, including a direction that reverses prior action of any committee or officer. Any reversal of a prior action shall not negate any contract rights acquired by a third party pursuant to a contract properly approved before the Board action reversing the prior decision.

Section 7. Major Decisions – Board Powers Retained and Not Delegated:

The Board shall not delegate authority to act on, and only the Board shall have authority to act on, any Major Decision. Each of the following shall be considered a "Major Decision":

a. Approval of any amendment of these bylaws.

b. Approval to merge or take joint action with another TCC to form a multi-county TCC.

- c. Approval of the TCC annual budget.
- d. Approval to borrow money or otherwise incur debt not provided for in a budget approved by the Board.
- e. Appointment or removal of TCC officers.
- f. Appointment of the TCC Solicitor, an accounting firm to audit the TCC annual financial statements, the TCC insurance agent, Tax Appeal Board Members, and one or more banks or financial institutions to serve as the primary depository for the TCC or to otherwise accept TCC deposits or provide investments for the TCC.
- g. Approval to create a bureau to collect tax within the TCD, or to dissolve any such bureau.
- h. Approval to assume jurisdiction over any tax other than income tax.
- i. Approval to purchase or sell real estate.
- j. Approval of any real estate lease to the extent the lease requires payments not provided for in a budget approved by the Board.
- k. Appointment of the tax collector and approval or termination of the tax collection agreement with the collector.
- l. Any other issue or matter as to which the Board in the future adopts a resolution designating the issue or matter to be a Major Decision.

Section 8. Vote Required for Major Decisions:

a. **Supermajority Vote Required for Certain Major Decisions:** Notwithstanding any other provision of these bylaws, action taken by the Board on the following Major Decisions shall be by roll call vote and shall require the affirmative vote of a 2/3 super-majority of all delegate votes present, as weighted: (1) Approval of any amendment of these bylaws. (2) Approval to merge or take joint action with another TCC to form a multi-county TCC. (3) Approval to purchase or sell real estate.

b. **Vote Required for Other Major Decisions:** Action taken by the Board on all other Major Decisions will be by the affirmative vote of a majority of all delegate votes present, as weighted.

ARTICLE II. Officers, Agents, Employees

Section 1. Officers: The Board will have the following officers: (1) Chairperson; (2) Vice-Chairperson; (3) Secretary; (4) Treasurer; and such other officers or assistant officers as elected by the Board. The Chairperson and Vice-Chairperson shall each be a duly appointed voting delegate. Other officers may but need not be delegates. Different offices may be held by the same person if determined appropriate by the Board.

Section 2. Annual Board Organization Meeting/Officer Election/Other Appointments: Beginning in 2010, the Board will designate one of the regular Board meetings as the annual organization meeting. This meeting will generally be held in January. At the annual organization meeting, the Board shall elect officers. Within thirty (30) days after the election of any officer, the Secretary shall notify DCED of the name and address of each officer. At the annual organization meeting, the Board will also review the tax collector's performance, review TCC audited financial statements, appoint the TCC Solicitor, appoint an accounting firm to audit the TCC annual financial statements and the tax collection activities of the Tax Collector, appoint the TCC insurance agent, appoint Tax Appeal Board members, approve one or more banks or other financial institutions to serve as the primary depository for the TCC or otherwise to accept TCC deposits or provide investments for the TCC, all as applicable, and take other action as necessary or appropriate.

Section 3. Officer Term of Office: The officers elected in 2009 shall hold office until a successor has been elected, or earlier death, resignation, or removal of the officer. Thereafter, each officer shall hold office for a term of one (1) year starting January 1 and until a successor has been elected, or earlier death, resignation, or removal of the officer.

Section 4. Removal of Officers, Agents, and Tax Appeal Board Members: Any officer, agent, or Tax Appeal Board member may be removed by the Board at any time, with or without cause. The removal shall be without prejudice to the contract rights, if any, of any person so removed. Election or appointment of any officer shall not of itself create contract rights.

Section 5. Chairperson: The Chairperson shall be a TCC duly appointed voting delegate. The Chairperson shall preside at Board meetings. Except as otherwise determined by the Board, the Chairperson shall set Board meeting agendas, conduct Board meetings, and perform other duties as determined by the Board.

Section 6. Vice-Chairperson: The Vice-Chairperson shall be a TCC duly appointed voting delegate. The Vice-Chairperson shall perform duties as determined by

the Board. In the absence or unavailability of the Chairperson, the Vice-Chairperson shall perform the duties of the Chairperson.

Section 7. Secretary: The Secretary may but need not be a TCC voting delegate. The Secretary will notify DCED within thirty (30) days of adoption of these bylaws or any amendments of these bylaws. The Secretary shall maintain the Board meeting minutes and all TCC records, provide all public notices required under the Pennsylvania Sunshine Act: Open Meetings Law, 65 Pa.C.S. § 701 *et seq.*, provide all notices to delegates required by these bylaws, provide all notices to DCED required by these bylaws, provide all other notices required by applicable law, and shall perform other duties as determined by the Board.

Section 8. Treasurer: The Treasurer may but need not be a TCC voting delegate. The Treasurer shall have the care and custody of all operational monies belonging to the TCC, shall cause such monies to be deposited into such financial institutions and accounts as designated by the Board, and shall make a full report of TCC finances at each meeting of the Board, shall assist in the preparation of the budget, and shall endeavor to ensure that the Board has adequate information concerning TCC finances. The Treasurer shall perform other duties designated by the Board. The Board may require the Treasurer to have a bond in an appropriate amount as determined by the Board. The cost of the Treasurer's bond will be assumed by the TCC.

Section 9. Additional Officers: The TCC may appoint officers in addition to the Chairman, Vice Chairman, Secretary and Treasurer. Any additional officer may or may not be a voting delegate, shall not preside at meetings unless both the Chairman and Vice Chairman are absent or unavailable, and shall perform duties as designated by the Board.

Section 10. Open Records Officer: The TCC shall appoint an Open Records Officer who shall serve until a successor is appointed, or earlier death, resignation, or removal. The Open Records Officer shall ensure compliance with the Pennsylvania Right-to-Know Law, 65 P.S. § 67.101 *et seq.*, and shall consult with the Solicitor as necessary in doing so. The Open Records Officer shall receive all Right-to-Know Law requests submitted to the TCC, shall direct these requests to appropriate persons within the TCC, shall track the TCC's progress in responding to requests, and shall issue interim and final responses to requests.

Section 11. Solicitor: The TCC shall appoint a Solicitor who shall serve until a successor is appointed, or earlier death, resignation, or removal. The Solicitor shall attend Board meetings of the TCC as requested and serve as the legal advisor to the TCC.

Section 12. Tax Officer: The TCC shall appoint a Tax Officer in accordance with the provisions of 53 P.S. § 6924.507 for the assessment, collection and

administration of income taxes levied, imposed and collected in a fiscal year beginning on and after January 1, 2012. Prior to initiating any official duties, the Tax Officer shall give and acknowledge a bond to the TCC consistent the provisions of 53 P.S. § 6924.509(d) and any regulations or guidelines published by DCED.

ARTICLE III. Board Committees

Section 1. Board Committee Appointment: The Board may establish one or more committees to consist of one or more delegates appointed to the committee by the Board or the Chairperson.

Section 2. Board Committee Term: Each Board committee shall serve until earlier of completion of the business for which formed, or until dissolved by action of the Board.

Section 3. Board Committee Meetings: A Board committee shall meet on dates and at times established by the committee.

Section 4. Quorum: A quorum of a Board committee shall consist of the presence of a majority of all committee members.

Section 5. Votes Required for Action: All action taken by any Board committee shall be by a majority vote of all committee members present.

Section 6. Board Committee Powers and Duties: Subject to these bylaws, any committee appointed by the Board shall have and may exercise all powers and authority granted by resolution of the Board.

**ARTICLE IV. Rules Concerning Required Notices/
Meeting Participation/Meeting Place/Manner of Voting**

Section 1. Required Meeting Notices:

a. The TCC shall give notice to all voting and nonvoting delegates and officers of all meetings of the Board. The TCC shall give such notice at least 5 days in advance of any regular or special Board meeting. If a delegate is unable to be present at a Board meeting, it is the responsibility of the delegate to advise the Taxing Authority's alternate delegates. The TCC shall give notice to all committee members of all meetings of committees of the Board. The TCC shall give such notice at least 24 hours in advance of any regular or special committee meeting. Any person shall have the right to waive required notice.

b. A meeting notice shall at minimum specify the date, time, and address of the meeting.

c. For a public meeting, the Secretary shall also give public notice of the meeting in accordance with the Pennsylvania Sunshine Act: Open Meetings Law.

Section 2. Manner of Giving Notice to Delegates, Officers, or Committee Members: Any notice or document required to be given to a delegate, officer, or committee member shall be given to the person either by hand delivery, or by sending a copy thereof as follows:

a. Written notice may be given by first class or express mail, postage prepaid, to the person's postal address supplied by the person to the Board for the purpose of notice. Notice given in this manner shall be deemed given to the person when deposited in the U.S. mail for delivery to the person.

b. Alternatively, written notice may be given by facsimile transmission, e-mail, or other electronic communication to the person's facsimile number or address for e-mail or other communication supplied by the person to the Board for the purpose of notice. Notice given in this manner shall be deemed given to the person when sent.

c. Alternatively, notice of a meeting required to be given to a delegate, officer, or committee member may be given by telephone. Notice given in this manner shall be deemed to be given to the person when a telephone conversation occurs with the person, or when a voice mail message is left on a recording at a telephone number supplied by the person to the Board for the purpose of notice.

Section 3. Manner of Giving Notice to Taxing Authorities: Any notice or document required to be given directly to a Taxing Authority shall be given either by hand delivery, or by sending a copy thereof as follows:

a. Written notice may be given by first class or express mail, postage prepaid, to the Taxing Authority postal address either supplied to the Board by the Taxing Authority or appearing on the Taxing Authority website. Notice given in this manner shall be deemed given to the Taxing Authority when deposited in the U.S. mail for delivery to the Taxing Authority.

b. Alternatively, written notice may be given by facsimile transmission, e-mail, or other electronic communication to the Taxing Authority facsimile number or address for e-mail or other communication supplied to the Board by the Taxing Authority or appearing on the Taxing Authority website. Notice given in this manner shall be deemed given to the Taxing Authority when sent.

Section 4. Manner of Giving Notice to DCED: Any notice or document required to be given to DCED may be given by first class or express mail, postage prepaid, to DCED's official address. Notice may also be given to DCED in any other manner established by DCED.

Section 5. Meeting Participation by Conference Telephone or Electronic Technology: A delegate or committee member may participate in a meeting by means of conference telephone or other electronic technology by means of which all persons participating in the meeting can confirm participation and hear each other. Participation in a meeting in this manner shall constitute presence at the meeting. If a person participates in this manner, a log-on, log-off record shall be maintained by the Secretary and noted in the minutes of any such meeting.

Section 6. Meeting Place: Although multiple individuals may participate in a meeting by means of conference telephone or other electronic technology, a public meeting shall always be convened at a specific geographic location with at least one delegate or officer present, in order to allow for public participation in the meeting.

Section 7. Manner of Voting: These bylaws provide for weighted voting by Board delegates pursuant to 53 P.S. § 6924.505(c)(2) and 53 P.S. § 6924.505(c)(3). Any vote by the Board shall be by voice vote and may be conducted by roll call at the request of any delegate voting at that meeting. Except as otherwise stated in this section, voting at any public meeting of a Board committee may be done by voice vote, roll call, or any other means determined appropriate by the Chairperson. Board or committee member voting by mail or proxy is not permitted.

ARTICLE V. Finances and Contracts

Section 1. Fiscal Year: The TCC fiscal year will begin on January 1 and end on December 31.

Section 2. Bond: In addition to the bonds for the Tax Officer, Treasurer and others, the Board may require a bond in an appropriate amount set by the Board which cost shall be assumed by the Board for each person with signature authority on any of the accounts of the TCC.

Section 3. Budget: The proposed annual budget of the TCC for the next fiscal year shall be distributed by the Chairperson to the delegates and Taxing Authorities at least sixty (60) days prior to the Board meeting at which the budget is expected to be adopted. A budget for the forthcoming fiscal year shall be adopted by December 1 of each year. A copy of the budget shall be transmitted to each delegate, officer, committee member and Taxing Authority within ten (10) days of adoption.

Section 4. TCC Operating Expense Allocation and Payment: The expense of operating the TCC shall be shared among and paid by all Taxing Authorities within the TCD that are eligible for representation by voting delegates. Expenses will be paid by each Taxing Authority in direct proportion to income tax revenues collected within the Taxing Authority based on the Taxing Authority's most recent audited annual financial statements. The budget will be funded by quarterly payments made by each Taxing Authority, with payments due on dates established by the Board as part of the budget or through action independent of the budget. Promptly after Board adoption of the budget, the Secretary shall notify each Taxing Authority of its required quarterly payments. This section applies to the allocation of TCC operating expenses. It does not apply in any manner to the allocation of the cost of tax collection. Tax collection cost allocation will be decided by the Board and documented in a tax collection agreement with an appointed tax collector or otherwise as appropriate.

Section 5. Expenditures: At each regular Board meeting, the Treasurer will present to the Board for ratification all TCC expenditures paid or incurred since the immediately preceding regular Board meeting.

Section 6. Independent Auditor: The Board will appoint an independent certified public accountant or public accountant to audit the TCC annual financial statements and to perform other auditing, control, or finance or consulting tasks designated by the Board.

Section 7. Financial Reports: Promptly after completion or receipt and within any deadlines established by applicable law, the Treasurer shall provide to each delegate, alternate delegate, and Taxing Authority copies of monthly reports of tax distributions,

the TCC annual audited financial statements, and the tax collector annual audited financial statements.

Section 8. Contracts: After required approvals have been obtained in accordance with these bylaws, contracts may be signed by the Chairperson, or in the event of the Chairperson's absence or disability, the Vice-Chairperson, or any other person authorized by resolution of the Board. Contract signatures shall be attested to by the Secretary or the Treasurer.

ARTICLE VI. Adding Taxing Authorities to TCC

Section 1. Procedure: The governing body of each Taxing Authority that imposes an income tax for the first time after June 30, 2009 shall promptly provide the TCC with all information and documents necessary for TCC operation and for tax collection as requested by and in a form satisfactory to the TCC, including certified copies of the Taxing Authority's tax enactments, the names and contact information of all appointed delegates, and all other information requested by the TCC.

Section 2. Effective Date: Upon the TCC Secretary's receipt of the information and documents in Section 1, the Taxing Authority's delegate may elect to participate on the Board as a voting delegate in accordance with these bylaws.

ARTICLE VIII. Tax Appeal Board

Section 1. Tax Appeal Board Purpose: The Tax Appeal Board shall hear appeals of taxpayers, employers, Taxing Authorities, and other TCCs from determinations of the tax collector relating to the assessment, collection, refund, withholding, remittance, or distribution of taxes over which the TCC has jurisdiction and in accordance with 53 P.S. § 6924.505(j).

Section 2. Tax Appeal Board Members: The Tax Appeal Board shall be comprised of three (3) duly appointed primary voting delegate members and two (2) alternate duly appointed primary voting delegate members appointed by the TCC Board. A panel of three (3) members shall hear and decide each appeal. If a regular member is unavailable to participate in an appeal, one of the alternate members shall participate in place of the regular member. All Tax Appeal Board members shall be duly appointed TCC Board primary voting delegates.

Section 3. Tax Appeal Board Member Qualifications: No member of the Tax Appeal Board may be an employee, agent, or attorney of the Tax Officer. The TCC Board may prescribe other qualifications for Tax Appeal Board members in accordance with applicable law and in consultation with the Solicitor.

Section 4. Term of Office: The initial appointed Tax Appeal Board members shall serve until a successor has been appointed, or earlier death, resignation, or removal. Thereafter, each Tax Appeal Board member shall hold office for a term of one (1) year commencing January 1 and until a successor has been elected, or earlier death, resignation, or removal.

Section 5. Tax Appeal Board Procedures: Tax Appeal Board procedures will be developed by the TCC Board in consultation with the Solicitor.

ARTICLE VII. Bylaw Amendments

A copy of any proposed amendment to these bylaws shall be given to all delegates at least ten (10) days prior to the Board meeting at which it will be presented for adoption. Any such proposed amendment may be adopted in the form given to the delegates or with such clarifying or other amendments as the Board determines appropriate at the meeting at which the proposed amendment is presented for adoption. If the proposed amendment sets forth a restatement of the bylaws in their entirety, there shall be no limitation on the nature or content of clarifying or other amendments that may be made before final adoption. However, if the proposed amendment relates only to one or more particular sections of the bylaws and is not presented in the form of restatement of the bylaws in their entirety, the clarifying or other amendments made before final adoption shall not materially enlarge the purpose as set forth in the copy of the proposed amendment given to delegates prior to the Board meeting. Approval of a bylaw amendment by the delegates shall require the affirmative vote of a 2/3 supermajority of all delegate votes present, as weighted.