



NOTICE

The Board of Education of the General McLane School District, Erie County, Pennsylvania, at its meeting on February 10, 2021, established the compensation, billing and collection procedures (collectively “The Provisions”) for duly elected Tax Collectors of the School District. The Provisions shall be effective during the four-year term commencing January 1, 2022 for elected municipal Tax Collectors of Franklin, McKean and Washington Townships and Edinboro and McKean Boroughs, Erie County, Pennsylvania.

The complete resolution is included on the following pages.



**RESOLUTION OF THE
GENERAL McLANE SCHOOL DISTRICT
BOARD OF EDUCATION**

RESOLUTION OF THE BOARD OF EDUCATION OF THE GENERAL McLANE SCHOOL DISTRICT ENACTED FEBRUARY 10, 2021, ESTABLISHING COMPENSATION, BILLING AND COLLECTION PROCEDURES FOR THE MUNICIPAL TAX COLLECTORS OF FRANKLIN, McKEAN, AND WASHINGTON TOWNSHIPS AND EDINBORO AND McKEAN BOROUGHS, ERIE COUNTY PENNSYLVANIA, FOR THE COLLECTION OF SCHOOL REAL ESTATE TAXES.

WHEREAS, the General McLane School District Board of Education desires to establish the compensation of elected tax collectors (“Tax Collector(s)”) effective for their terms commencing January 1, 2022, pursuant to Pa. Cons. Stat. Ann. title 72, Section 5511.36a; and

WHEREAS, the offices of Tax Collector for Franklin, McKean, and Washington Townships and Edinboro and McKean Boroughs, Erie County, Pennsylvania, are included in the municipal election of November 9, 2021, at which time eligible persons shall be elected to those offices for a four-year term commencing January 1, 2022; and

WHEREAS, Section 36.1 of the Local Tax Collection Law, Pa.Cons.Stat.Ann. tit. 72, Section 5511.36a, provides:

When any taxing district or taxing authorities propose to either raise or reduce the compensation or salary for the office of an elected tax collector, such action shall be by ordinance or resolution, finally passed or adopted prior to the fifteenth day of February of the year of the municipal election.

and

WHEREAS, the offices of Tax Collector for Franklin, McKean, and Washington Townships and Edinboro and McKean Boroughs, Erie County, Pennsylvania, as they pertain to the collection of school real estate taxes during the four-year term commencing January 1, 2022, shall be subject to the following enumerated procedures, terms and conditions, and the compensation therefor shall be computed on a per tax bill basis as set forth in this Resolution.

NOW, THEREFORE, it is hereby RESOLVED by the General McLane School District Board of Education as follows:

A. **Compensation**

It is hereby resolved that the compensation to be paid by the General McLane School District (“School District”) to the municipal Tax Collectors of Franklin, McKean, and Washington Townships and Edinboro and McKean Boroughs, Erie County, Pennsylvania, as it pertains to the collection of School District real estate taxes, during the four-year term commencing January 1, 2022, shall be based upon the monies actually received and transmitted to the School District by the individual tax collector:

1. Commission for Number of Parcels Received and Transmitted:

1 to 200 (inclusive)	\$12.00 per parcel
201 to 600	\$7.00 per parcel
Over 600	\$3.00 per parcel

2. After the tax collector has collected 91.27% of the taxes payable, he or she will be eligible for a bonus which will be calculated as 4.0% of tax collections over 91.27% of the taxes payable. Exhibit A contains an example of the bonus calculation.

B. **Procedures, Terms and Conditions**

Compensation will be paid to the Tax Collector as described in Section A of this Resolution hereinabove, and as set forth in this section, provided he or she has complied with the following procedures, terms and conditions:

1. The School District will provide tax bills, duplicates and envelopes and reimbursement for first class postage to the Tax Collector. The Tax Collector shall promptly mail the stuffed envelopes, preferably organized for pre-sorted rate first class postage. The compensation of the Tax Collector shall be deemed to have been earned upon either collection and remittance or settlement as described herein.

2. The Tax Collector must make daily deposits of all taxes collected for the School District in a bank account maintained by the Tax Collector and approved by the School District.

3. Immediately upon receipt of payment, the Tax Collector shall stamp the receipt of the taxpayer and the receipt for the School District with the date on which the tax was paid to the Tax Collector.

4. The Tax Collector shall, at any time he or she is holding \$25,000.00 or more (except during the discount period \$100,000 or more), for the benefit of the School District, but in no event less frequently than the tenth day of each month, submit a true statement, in writing in the format prescribed by the Pennsylvania Department of Community and Economic Development (“DCED”) to the Director of Business and Operations of the School District for all taxes collected for the School District during the previous month or period, along with a list of

the parcels collected, the face amount collected from each, along with the discounts granted or penalties applied, if any, and the total amount of taxes received, discounts granted, and penalties applied. The Tax Collector shall submit with each such statement all monies collected as taxes on behalf of the School District during the previous month or period.

5. The Tax Collector shall make a complete settlement of all taxes for each year with the proper authority of the County of Erie as designated by the School District within the time period provided by law; however, no such settlement, nor the return of delinquent taxes included therein, shall be made prior to the date of settlement established by the County of Erie in the year following the assessment of said taxes by the School District.

6. The School District shall pay the Tax Collector according to the payment methodology set forth under Section A of this Resolution on the next available payroll date following the Tax Collector's collection and remittance of the taxes to which the compensation relates, or the final settlement for delinquent taxes transferred to the County of Erie as set forth in paragraph 5 above, and satisfactory completion of Tax Collector duties as provided for herein.

7. The Tax Collector shall process interim tax bills in the same manner, and according to the same terms and conditions set forth herein for annual School District tax bills and shall be compensated at \$12.00 per parcel, and on the same terms, as annual School District tax bills except Section A (2) does not apply.

8. The Tax Collector shall receive no additional compensation, if School District taxes are paid by the taxpayer on an installment basis or if the Homestead/Farmstead exemption results in a zero liability tax bill.

9. The Tax Collector shall receive no compensation on delinquent taxes collected by the County of Erie.

10. The Tax Collector shall comply with all reasonable requirements, procedures, policies, and resolutions adopted by the School District for the collection of School District taxes.

11. The Tax Collector shall comply with all applicable statutes and regulations regarding continuing education. Costs associated with the continuing education program will be the responsibility of the Tax Collector.

12. The Tax Collector shall provide fidelity and performance bonds acceptable to the School District as specified in state law.

C. **Compensation in the Event of a Vacancy**

1. If a municipal governing body must appoint a successor for a Tax Collector who is unable or unwilling to finish his/her term in office, the School District will compensate the original elected Tax Collector and the appointed successor(s) as follows:

- a. The School District will pay the per-parcel Commissions described in section A., 1., above, as if a single individual collected all the parcels. The rate paid to an appointed successor for the first parcel he/she collects will be the same rate that was paid to his/her predecessor for the last parcel collected.

Example:

The original elected Tax Collector collects and remits the taxes for 400 parcels before he and his spouse move to another state for his spouse's job. He is paid \$12.00 each for parcels 1 through 200 and \$7.00 each for parcels 201 through 400. The successor will be paid \$7.00 each for parcels 401 through 600 and \$3.00 for all parcels collected over 600.

- b. If the original elected Tax Collector and the successor(s) combined have collected at least 91.27% of the taxes payable, the bonus described in section A., 2., above, will be prorated and paid to the original elected Tax Collector and the successor(s) based on the number of calendar days each individual served during the "Tax Season". For purposes of this calculation, the Tax Season starts on the day the school tax bills and duplicates are received by the Tax Collector and ends on the following January 15th or the date the School District receives the final settlement if earlier than January 15th.

This Resolution was duly adopted and enacted by the General McLane School District Board of Education on February 10, 2020.

Exhibit A

**General McLane School District
Example of Bonus Calculation for Real Estate Tax Collectors**

Real Estate Tax Settlement Form			
Section I, Line 7	Adjusted Duplicate		\$ 1,000,000
	Bonus Threshold (Percentage of Adjusted Duplicate)	91.27%	<u>\$ 912,700</u>
Section II, Line 1	Face Collections during Discount Period		\$ 600,000
Section II, Line 5	Face Collections - No Discount or Penalty		\$ 250,000
Section II, Line 7	Face Collections during Penalty Period		\$ 100,000
	Total Face Collections Excluding Discounts and Penalties		<u>\$ 950,000</u>
	Bonus Threshold (from above)		<u>\$ (912,700)</u>
	Excess Collections Over Bonus Threshold		<u>\$ 37,300</u>
	Bonus Payable to Tax Collector	4.000%	<u>\$ 1,492.00</u>