

NORTHAMPTON COUNTY TAX COLLECTION COMMITTEE

BYLAWS

Table of Contents

ARTICLE I.	Governing Body – TCC of Delegates	1
ARTICLE II.	Officers and Agents	4
ARTICLE III.	TCC Committees	6
ARTICLE IV.	Rules Concerning Required Notices/Meeting Participation/ Meeting Place/Manner of Voting.....	6
ARTICLE V.	Finances and Contracts	8
ARTICLE VI.	Adding Taxing Authorities to TCC.....	9
ARTICLE VII.	Tax Appeal Board.....	9
ARTICLE VIII.	Bylaw Amendments.....	10

Background

The Northampton County Tax Collection Committee (“TCC”) 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 TCC 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 Northampton County Tax Collection District (“TCD”).

The following school districts and municipalities are within the TCD: the School Districts (8) of Bangor Area, Bethlehem Area, Easton Area, Nazareth Area, Northampton Area, Pen Argyl Area, Saucon Valley, and Wilson Area; the Cities (2) of Easton and Bethlehem; the Boroughs (19) of Bangor, East Bangor, Portland, Roseto, Fountain Hill, Freemansburg, Riegelsville, Nazareth, Stockertown, Tatamy, Bath, Chapman, Northampton, Pen Argyl, Wind Gap, Hellertown, Glendon, West Easton, and Wilson; and the Townships (17) of Upper Mt. Bethel, Washington, Bethlehem, Hanover, Forks, Lower Mt. Bethel, Palmer, Bushkill, Lower Nazareth, Upper Nazareth, Allen, East Allen, Lehigh, Moore, Plainfield, Lower Saucon, and Williams. These school districts and 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 “TCC.” 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 TCC shall consist of voting delegates appointed by these taxing authorities. Delegates may but need not be residents of the taxing authority they represent. A single individual may simultaneously serve as a delegate for multiple taxing authorities. If a single individual serves as delegate for more than one taxing authority, the individual may cast separate votes as delegate for each taxing authority and may vote in the same manner or in a different manner for each taxing authority. 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 TCC Delegates/Alternates:

(1) Initial Delegate Appointment: Prior to September 15, 2009, each taxing authority within the TCD that imposed an income tax prior to July 1, 2009 appointed one primary voting and two alternate voting delegates to the TCC in accordance with Act 32. 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 TCC 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 TCC. If a taxing authority that does not impose an income tax prior to July 1, 2009 appoints a nonvoting delegate to the TCC, 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 TCC.

(2) Ongoing Delegate Appointment: Each school district shall at its annual organization meeting (held during the first week of December that includes a Monday)

appoint its TCC delegates. Each municipality shall also appoint TCC delegates before the end of the first week of January that includes a Monday.

b. Delegate Term of Office: The delegates appointed in 2009 shall serve 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 delegates 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 delegates appointed to the TCC 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. TCC Meetings: The TCC will hold quarterly or more frequent meetings on dates and at times established by the TCC, or by the Chairperson in the absence of TCC action. Special meetings will be called by the Secretary upon request received from any officer or any 5 delegates. Established regular meeting dates and times may be changed by the Chairperson. One of the regular meetings will be designated as the annual organization meeting as set forth in Article II, Section 3.

Section 3. Quorum: A quorum shall consist of the presence of a majority (24) of all primary voting delegates (or an alternate present in place of the primary voting delegate).

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

Section 5. Vote Weight/Votes Required for Action on Matters Other than Major Decisions: Except as otherwise provided in these bylaws, all action taken by the TCC shall be by the affirmative vote of a majority of all delegate votes present. In counting delegate votes, the vote of each delegate will be weighted. The weighted calculation of each delegate's vote is pursuant to 53 P.S. § 6924.505(c) (3). Pursuant to such section, the TCC shall re-weight each taxing authority delegate's vote on July 1, 2010, on July 1 every year thereafter, and at any time when the taxing authority structure to the TCC changes as set forth in Article VI. Re-weighting will be based on the following formula: (1) 50% of the weight for each delegate vote will be allocated according to the proportional population of each taxing authority in proportion to the total population of the TCD, as determined by the most recent Federal decennial census data; and (2) 50% of the weight for each delegate vote will be allocated in direct proportion to the income tax revenues collected within each taxing authority based on each taxing authority's most recent annual financial report submitted to DCED or the Pennsylvania Department of Education.

Section 6. TCC General Powers and Duties:

Except as otherwise provided in these bylaws, all powers of the TCC shall be exercised by or under authority of the TCC, and the business and affairs of the TCC shall be managed under direction of the TCC.

The TCC may delegate authority for actions to committees, officers, and others. However, without regard to any prior delegation of authority:

a. The TCC 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 TCC meeting, the Treasurer will present to the TCC for approval a Treasurer's Report of all activity since the last TCC meeting including: (1) revenues and expenditures since the last meeting; (2) revenues and expenditures to date in the current fiscal year; and (3) a list of invoices to be approved for payment.

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

d. The TCC 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 TCC action reversing the prior decision.

Section 7. Major Decisions – TCC Powers Retained and Not Delegated: The TCC shall not delegate authority to act on, and only the TCC 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 TCC.

e. Appointment or removal of TCC officers to constitute its Executive Board.

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 purchase or sell real estate.
- i. Approval of any real estate lease to the extent the lease requires payments not provided for in a budget approved by the TCC.
- j. Appointment of the tax collector and approval or termination of the tax collection agreement with the collector.
- k. Any other issue or matter as to which the TCC 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 on the following **Major Decisions** shall be by roll call vote and shall require the affirmative vote of a 2/3 majority of all weighted delegate votes of the entire TCC: (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; and (3) approval to purchase or sell real estate.

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

ARTICLE II. Officers and Agents

Section 1. Officers: The TCC will have the following officers (and who shall be referred to as the “Executive Board”): (1) Chairperson; (2) Vice-Chairperson; (3) Secretary; (4) Assistant Secretary; (5) Treasurer; and (6) Open Records Officer, and such other officers or assistant officers as elected by the TCC. The Chairperson and Vice-Chairperson shall each be a primary voting delegate. Other officers may but need not be delegates. Different offices may be held by the same person if determined appropriate by the TCC.

Section 2. First TCC Meeting/Initial Organization/Initial Officer Election/Term of Appointment: The County Executive of the County or his designee, shall in 2009 convene the first meeting of the TCC. At the meeting, the TCC 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.

Section 3. Annual TCC Organization Meeting/Officer Election/Other Appointments: Beginning in 2010, the TCC will designate one of the regular TCC meetings as the annual organization meeting. This meeting will generally be held in January. At the annual organization meeting, the TCC shall elect officers to constitute its Executive Board. 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 TCC 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, 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, and take other action as necessary or appropriate.

Section 4. 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 5. Removal of Officers, Agents, and Tax Appeal Board Members: Any officer, agent, or Tax Appeal Board member may be removed by the TCC 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 6. Chairperson: The Chairperson shall be a TCC primary voting delegate. The Chairperson shall preside at TCC meetings. Except as otherwise determined by the TCC, the Chairperson shall set TCC meeting agendas, conduct TCC meetings, and perform other duties as determined by the TCC.

Section 7. Vice-Chairperson: The Vice-Chairperson shall be a TCC primary voting delegate. The Vice-Chairperson shall perform duties as determined by the TCC. In the absence or unavailability of the Chairperson, the Vice-Chairperson shall perform the duties of the Chairperson.

Section 8. Secretary: The Secretary may but need not be a TCC 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 TCC meeting minutes and all TCC records, provide all public notices required under the Pennsylvania Sunshine Act, 65 Pa.C.S.A. § 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 these bylaws or applicable law, and shall perform other duties as determined by the TCC.

Section 9. Assistant Secretary: The Assistant Secretary may but need not be a TCC delegate. The Assistant Secretary shall perform duties as determined by the TCC. In the absence or unavailability of the Secretary, the Assistant Secretary shall perform the duties of the Secretary.

Section 10. Treasurer: The Treasurer shall be responsible for oversight of TCC finances, and shall endeavor to ensure that the TCC has adequate information concerning TCC finances, and shall perform other duties designated by the TCC.

Section 11. Open Records Officer: Each 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 12. Solicitor: Each TCC shall appoint a Solicitor, who shall serve until a successor is appointed, or earlier death, resignation, or removal. The Solicitor shall attend all TCC meetings and serve as the legal advisor to the TCC.

ARTICLE III. TCC Committees

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

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

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

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

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

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

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

Section 1. Required Meeting Notices:

a. The Secretary shall give notice to all voting and nonvoting delegates and officers of all meetings of the TCC. The Secretary shall give such notice at least 5 calendar days in advance of any regular or special TCC meeting. If a delegate is unable to be present at a TCC meeting, it is the responsibility of the delegate to advise the taxing authority's alternate delegates. The Secretary shall give notice to all committee members of all meetings of committees of the TCC. The Secretary 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.

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, or other courier service with charges prepaid, to the person's postal address supplied by the person to the TCC for the purpose of notice. Notice given in this manner shall be deemed given to the person when deposited in the U.S. mail or with a courier service 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 TCC 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 is left on a recording at a telephone number supplied by the person to the TCC 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, or other courier service with charges prepaid, to the taxing authority postal address either supplied to the TCC 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 hand delivered or deposited in the U.S. mail or with a courier service 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 TCC by such 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, or other courier service with charges prepaid, to DCED's official address. Notice may also be given to DCED in any other manner established by DCED.

Section 5. Meeting Place: A public meeting shall always be convened at a specific geographic location with at least a majority of delegates present, in order to allow for public participation in the meeting.

Section 6. Manner of Voting: These bylaws provide for weighted voting by TCC delegates pursuant to 53 P.S. § 6924.505(c) (3). Voting at any public meeting of a TCC committee may be done by voice vote, roll call, or any other means determined appropriate by the Chairperson. TCC 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: The TCC, its Board members, employees, and officers shall be bonded and covered by insurance in amounts and with such coverages as determined by the TCC.

Section 3. Budget: The proposed annual budget of the TCC for the next fiscal year shall be prepared by the Chairperson (or other designee) and distributed to delegates at least 10 days prior to the TCC meeting at which the budget is expected to be presented for adoption. A special meeting may be called for advance discussion of the proposed budget. The budget will generally be presented for adoption at a regular TCC meeting held in November. However, the budget may be presented for adoption at an earlier or later meeting.

Section 4. TCC Operating Expense Allocation and Payment: The expenses of operating the TCC shall be shared among and paid by all political subdivisions within the TCC that are represented by voting delegates on the TCC, and shall be weighted in direct proportion to income tax revenues collected in each participating political subdivision based on the political subdivision's most recent annual audit report required under this section. The budget will be funded by payments due on dates established by the TCC as part of the budget or through action independent of the budget. Promptly after TCC adoption of the budget, the Treasurer shall notify each political subdivision of its required 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 TCC and documented in a tax collection agreement with an appointed tax collector or otherwise as appropriate. The TCC is authorized to take legal action, to the fullest extent of the law, against any political subdivision that fails to comply with the provisions of this section.

Section 5. TCC Ratification of Expenditures: At each regular TCC meeting, the Treasurer will present to the TCC for ratification all TCC expenditures paid or incurred during the calendar year quarter preceding the month in which the meeting is held.

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

Section 7. Financial Reports: Promptly after completion or receipt and within any deadlines established by applicable law, the Secretary 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 must be signed by the Chairperson, Vice-Chairperson, or any other person authorized by resolution of the TCC, and attested to by the Secretary.

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 will be entitled to participate on the TCC as a voting delegate in accordance with these bylaws.

ARTICLE VII. 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.

Section 2. Tax Appeal Board Members: The Tax Appeal Board shall be comprised of three (3) regular members and two (2) alternate members appointed by the TCC. 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 TCC 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 collector. The TCC 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 or the Tax Appeal Board in consultation with the Solicitor.

ARTICLE VIII. 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 TCC 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 TCC 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 TCC meeting. Approval of a bylaw amendment by the delegates shall require the affirmative vote of a 2/3 majority of all weighted delegate votes of the entire TCC.

APPROVED this 10th day of December 2009 at a meeting of the Board of Delegates.

Stephen Wiencek, Chairman

Attest:

Wally Schlegel, Secretary