

September 8, 2008

Warren County School Board
Finance Committee
185 Hospital Drive
North Warren, PA 16365

Gentlemen:

In October 2006, Pleasant Township initiated a study of elected municipal tax collectors' pay from the three taxing bodies for which they collect real estate and per capita taxes. The study shows that most municipalities are paying more than the county and school district. This was presented to Warren County Council of Governments (COG) and a Tax Collectors' Compensation Committee of representatives from Warren County, Warren County School District, townships and boroughs was formed.

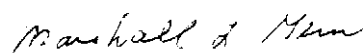
Warren County pays \$1.10 per item on the duplicate and pays the tax collector on a quarterly basis. Warren County School District (WCSD) pays \$1.05 per item collected on real estate, \$0.95 per item collected on one per capita, \$0.75 per item collected on the other per capita, and \$0.40 per item on exonerations and returns. They pay the tax collector monthly based on the tax collector's monthly report. Each municipality sets their own rate either on a percentage or per item basis.

A decision was made to focus on real estate taxes since not all municipalities have per capita taxes. Attached as Exhibit A is a chart comparing current payments to tax collectors assuming that all taxes are paid with a proposed payment of \$2.60 per item by the county and school district. Also attached are letters from several municipalities requesting WCSD to change their rate of compensation to \$2.60 per item. Exhibit B is a chart of rates that municipalities pay the tax collectors for collecting the municipalities' taxes. Exhibit C is a chart of seven municipalities' tax collectors' pay and taxes received. Exhibit D is a comparison of real estate tax collections and payment to tax collectors for three municipalities.

WCSD budget lists \$18,590,000 as property tax revenue from 19,990 parcels taxable by WCSD. Assuming 100% collection at a rate of \$1.05 per item, the cost for collection of taxes is \$20,990 or 0.1129% of the total amount collected. At \$2.60 per item, the cost would be \$51,974 or 0.2795% of the total amount collected.

The Warren County Tax Collectors' Compensation Committee hereby requests WCSD to change their rate of compensation to the municipal tax collectors to \$2.60 per item. Several municipalities have had a large turnover of tax collectors and find it difficult to get people to run for the office in part due to the low pay. It is incumbent on all three taxing bodies to pay their fair share of the tax collectors' compensation in order to recruit and retain competent tax collectors.

Very truly yours,



Marshall L. Gern
Warren County
Tax Collectors' Compensation Committee