

Mercer County Tax Collection Committee

Bylaws

Proposals for Change 03/07/2010

The following are proposals for the modifying the Bylaws Version 6 as established at the February TCC meeting. There are three proposals – all dealing with voting. While the majority of this is due to recommendations by the Solicitor to address Quorum and Supermajority issues, there is a fresh option being presented as Option 1 to the General Voting.

Proposal 1 – Voting

Voting is the most contentious issue facing the TCC. Unfortunately, the DCED put the taxing authorities into a difficult situation – seemingly wanting to involve everyone by including them in the TCC but establishing a voting process that provides little incentive for the majority of the taxing authorities to participate. The DCED established a microcosm of the House of Representatives – where voting power is established by population (and revenue) to provide a greater vote to the population centers. However, no counterbalance exists in the form of the Senate – where individual taxing authorities have an equal vote – to provide a check from abuse of the minority by the majority. This is an important check and balance in providing legislative protection and representation – whether it is for Alaska senators at the national level to counterbalance influences from New York, California, etc., or whether it is at the state level for senators of rural counties such as Mercer to counterbalance influences from Allegheny and Philadelphia counties.

The DCED weighted vote process creates an environment where, with 55 members, each taxing authority represents 1.8% of the total – but some taxing authorities receive as little as 0.19% of the vote (Deer Creek Township) where others receive 15.98% of the vote (Hermitage City). When combined with the Hermitage School District, the Hermitage area represents 22.54% of the total vote. In fact, 8 taxing authorities represent the majority of the vote – although they only represent 14.5% of the membership. From the point-of-view of the smaller municipalities, the fear is that their needs, concerns, and voice will be totally lost in the weighted vote process and that the proportional effects on their budget are felt just as strongly regardless of the relative dollar amounts. From the point-of-view of the “big 8”, the feeling is that they should control the process as they are providing the majority of the funding on a pure dollar value basis.

Compounding the voting process issues, the current “weighted vote for everything” has some important practical drawbacks – one being that every vote, regardless of nature, must be done on a roll-call basis if it is not a unanimous decision so that the actual vote value can be calculated. The roll-call votes must also be recorded in the minutes for each vote.

Voting Option 1 – Bicameral Voting

One of the best possible solutions to the issues outlined above is the creation of a House / Senate bicameral process to provide the necessary checks and balances to prevent anything being implemented over the will of the majority of the members – or over the will of the majority of the weighted vote. Using a positive rephrasing, the voting process would make sure that:

- 1) The majority of the members approved and
- 2) The majority of the weighted vote approved.

Any motion not passing both criteria would ostensibly be either flawed in nature or was not properly presented to the members in order to reach consensus. The refuted issue would then be withdrawn and readdressed at a future point in time (even later in the same meeting). The actual process is described as:

Section 3 – General Voting

All actions taken by the Board shall be by majority vote of those delegates present, provided that a quorum is present at the time of voting. Each delegate shall have the sum voting power for each taxing authority that the delegate represents. When a vote is taken, the chair will ask for a hand count (or ballot) vote for those in favor, those opposed, and those abstaining. Delegates with multiple representations must stand or otherwise identify themselves individually as to their total vote.

If the affirmative vote receives a majority of the delegate votes, then the chair will ask for any veto of the decision. Each delegate entering a veto vote shall be given a weighted vote pursuant to DCED’s formula with 50% weight allocated according to population, and 50% weight allocated according to income tax revenue for each taxing authority the delegate represents. If the sum of the weighted veto vote represents a majority of the weighted vote of the delegates present, then the motion is deemed vetoed and is not passed.

Pros:

- Every taxing authority, regardless of its calculated weighted vote, has an equal “headcount” vote in the main consideration of each issue.
- Every issue must receive the majority (by headcount) vote of the delegates present.
- Every issue, regardless of the headcount vote outcome, must also receive the majority of the weighted vote of the delegates present.
- Voting is streamlined for the majority of the normal procedural items (approval of minutes, etc.) unless a veto count is requested.

Cons:

- The heavily weighted taxing authorities lose the ability to push through motions that are only supported by a minority of the members.

Voting Option 2 – Resubmission of the Tiered Voting with Specific Conditions

This proposal resubmits the wording from Version 5B for Section 3 – General Voting with specific enumerated conditions for using a Headcount Vote.

Section 3 – General Voting

All actions taken by the Board shall be by majority vote of those delegates present, provided that a quorum is present at the time of voting. Each delegate shall have the sum voting power for each taxing authority that the delegate represents.

Headcount Vote

Headcount vote (where each taxing authority receives an equally weighted vote of “1”) is to be used for the specific non-expense procedural items of:

- 1) Election of officers
- 2) Approval of minutes
- 3) Appointment of solicitor
- 4) Appointment of auditor
- 5) Establishing meeting times and locations

Weighted Vote

Weighted vote is to be used for all voting not otherwise specifically designated as a headcount vote. Each delegate’s vote will be weighted as determined pursuant to DCED’s formula with 50% weight allocated according to population, and 50% weight allocated according to income tax revenue. A majority of the DCED formulated weighted vote will constitute a quorum. For purposes of calculating quorum, a delegate representing more than one taxing authority shall represent an amount in correlation to the number of taxing authorities the delegate represents.

Proposal 2 – Vote Required for Certain Decisions

While the majority of this is from Version 5B, note that the supermajority is two-thirds of the weighted vote instead of the original two-thirds of the delegates present. Also, item 6 was added.

Section 4 – Vote Required for Certain Decisions

Notwithstanding any other provisions of these bylaws, action taken by the Board on the following issues or matters shall be by roll call vote and shall require the affirmative vote of a two-thirds (2/3) supermajority of the weighted vote of the delegates present:

- 1) Amendment of these bylaws
- 2) Approval to merge or take joint section with one or more other TCCs to form a multi-county TCC
- 3) Approval to purchase or sell real estate
- 4) Appointment of additional officers
- 5) Approval to incur expense in excess of \$20,000 that is not already authorized in the budget
- 6) Hiring and firing employment decisions with the TCC.

Proposal 3 – Quorum

There are two options presented – the first uses the bicameral approach of requiring the majority of the school districts and the municipalities to be present. The second option uses the wording from Version 5B with emphasis on weighted vote rather than delegate count.

Quorum Option 1 – Bicameral Representation Present

Section 5 – Quorum

Quorum shall be established by representation of more than fifty percent (>50%) of the school districts and more than fifty percent (>50%) of the municipalities. For purposes of calculating quorum, a delegate representing more than one taxing authority shall represent an amount in correlation to the number of taxing authorities the delegate represents. If a delegate represents at least one school district and at least one municipality, then the delegate is counted correspondingly in both the school district and municipality counts.

Quorum Option 2 – Weighted Vote Present

Section 5 – Quorum

Quorum shall be established by the presence of a majority of the weighted vote of the delegates of the TCC. For purposes of calculating quorum, a delegate representing more than one taxing authority shall represent an amount in correlation to the sum of the weighted vote for the taxing authorities the delegate represents.