


MEMORANDUM

**TO: DR. GUY A. ROSSI, ASSISTANT SUPERINTENDENT
EUGENE MARRICINI, BUSINESS MANAGER
PLUM BOROUGH SCHOOL DISTRICT**

FROM: ANTHONY GIGLIO, ESQUIRE 
LEE V. PRICE, ESQUIRE

DATE: JUNE 6, 2016

**SUBJECT: STATUS OF ENFORCEMENT OF DELINQUENT REAL ESTATE
TAX COLLECTIONS – SHERIFF SALES PROGRAM**

As you may recall, in May we discussed with the District the possibility of implementing a Sheriff Sales Program ("Program") for those properties within the District with substantial real estate tax delinquencies and which would be viable candidates for successful sale at a public sheriff sale auction. We provided a draft Act 20 Resolution, along with a chart detailing those properties which may be candidates for sheriff sale.

Following those discussions, it is our understanding that District administration planned on meeting with representatives of the Borough to discuss a cost-sharing plan for fees and costs associated with the Program. Although the Act 20 Resolution authorizes the District to impose reasonable attorneys' fees and administration fees upon delinquent taxpayers, those fees, along with costs of sale, must be paid by the taxing body when the sheriff sale process is initiated. Once the property is sold at the sheriff sale, both fees and costs are collected at sale and are then reimbursed to the taxing body. The District discussed proposing to the Borough that it pay a pro rata portion of the up-front fees and costs of sale because it will ultimately reap the benefits of taxes realized by all taxing bodies from a successful sale. Keep in mind that the total outstanding tax liability due all taxing bodies on the property must be bid at the sheriff sale by the successful bidder.

We are in the process of completing a draft Cooperation Agreement to be considered by the District and the Borough for sharing in these reasonable attorneys' fees and sheriff sale costs. Under the agreement, the District and Borough would each pay a portion of the fees and costs at the outset, but would then be reimbursed when collected from the buyer at sale. It is our understanding that this proposed cost-sharing plan would be discussed at the June intergovernmental meeting with the Borough.

Similarly, before we can begin to initiate the District's Program, the District will need to adopt the Act 20 Resolution already provided. We recommend that this matter be placed on the June voting agenda with the District for final School Board approval. Once the Act 20 Resolution is approved by the District, and the cost-sharing issue is addressed and resolved with the Borough, we can then proceed to implement the Program for those candidates specifically identified by the District from the information already provided.

If you have any questions concerning this matter, please do not hesitate to contact us.

AG/dmv