



OFFICE OF THE CONTROLLER

***Buck Township Collection  
Final Audit  
for the  
2021 Tax Collection Period  
Deborah Picard  
Tax Collector  
January 13, 2023***

**Walter L. Griffith, Jr.**  
**Luzerne County Controller**

**Fieldwork Performed by:**  
**Melissa Jones**

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## **INTRODUCTION:**

The real estate property tax is the largest source of revenue funding in Luzerne County. Tax Collection occurs by an independently elected tax collector, the Treasurer's Office, or an appointed tax-collecting officer for each municipality. The rate of taxation for Luzerne County (County) is called the "millage". In 2021, the tax millage was 6.1696. Elected or appointed tax collectors are responsible for collecting real estate taxes for the County and municipalities. School district taxes are billed separately. The tax collector is required to submit a Department of Community and Economic Development (DCED) tax collection report and all county monies to the treasurer by the tenth of the month following collection.

**Discount period** - Tax payments within two months of the date of the sent bill receive a 2% discount.

**Face period** – Taxes paid and received by collector after the first two months and before the 120<sup>th</sup> day pay at face value

**Penalty period** -payments received by the tax collector after the 120<sup>th</sup> day are assessed a 10% penalty.

**Tax Claim** - If the taxpayer does not pay his real estate taxes by December 31, the taxes become delinquent and the tax collector may no longer accept payment from the taxpayer. When settlement of tax records is completed by January 10<sup>th</sup> of the subsequent year, the tax collector submits unpaid tax parcels to Elite Revenue Solutions who oversees the Tax Claim Bureau.

Municipal tax collectors are elected to serve a four-year term and are responsible for collecting various taxes that vary by municipality (per capita, street lights, fire hydrants, County, municipal, school real estate, etc.). The tax collector must have been a resident of the municipality for at least one year prior to the election and must continue to reside there throughout his term. Tax collectors must provide a bond (insurance) to secure the taxing districts against any losses of tax funds. The three taxing authorities allocate the cost of the bond equally.

## **OBJECTIVE:**

The objective of the tax collector audit is to identify and evaluate tax collection policies and procedures. To obtain limited assurance on the amounts submitted to the Treasurer by the tax collector. To identify areas of improvement and make recommendations.

The Luzerne County Controller's Office is authorized by the Home Rule Charter of Luzerne County (Charter) Section 3.08 to conduct fiscal, performance, management, contract, grant, compliance, and/or related audits of any County division, department, bureau, office, agency, authority, board, commission, elective office, the Judiciary, Office of Court Administration, or other administrative unit. This review is an internal function, authorized by the Charter. The Controller will also follow up on any audit recommendations, to the extent practical, in order to determine if they have been considered and/or implemented. Luzerne County Controllers Office Auditors report

directly to the elected Controller. The audit staff is organizationally independent to conduct and report on the audit.

**SCOPE:**

Buck Township 2021 tax receipts. A sample of selected transactions occurring January 1, 2021 through December 31, 2021 were tested.

In order to accomplish the objectives, the Controller's Office obtained the following from the tax collector:

- Copies of paid taxpayer real estate tax receipts
- Copies of monthly deposit tickets
- All *original* bank statements (including 2022 statements, where 2021 checks have cleared)
- RBA reports, including Returns reports, Collections reports, and Exoneration reports
- Real Estate Tax Duplicate book
- Copy of surety bond Copy of "Appointment of Deputy Tax Collector" form

*Additional Information and Description of terms:*

**RBA** – "Robert K. Bailey and Associates", the software system used by tax collectors and the County to record and process taxpayer payments

**Returns report** – the list of properties containing bill number, names, addresses, and amount of taxes not paid; these properties were sent to Elite Revenue Solutions (also known as Tax Claim) for non- or under-payment

**Collections report** – the list of all properties, including bill number, names and amount paid by taxpayer

**Exoneration report** – the list of properties that received an abatement, or a reduction, in the amount owed

**Real Estate Tax Duplicate book** – a bound detailed listing of all properties for which the tax collector collects monies

**New World Systems** – the accounting software system used by the county to record assets, liabilities, receipts and disbursements.

## **PROCEDURES:**

Dual testing consists of sampling tax receipts for accuracy, timeliness and proper receipt to the County and testing policies and procedures simultaneously. The internal controls are the responsibility of the tax collector and the County based on established policies and procedures. Because of the inherent limitations in sampling, the evidence provides limited assurance on the audit outcome and there is always a risk that fraud or misappropriation of assets can occur and go undetected.

The Buck Township tax collector's surety bond coverage was for \$333,454.00. For 2021, the County's portion for the bond expense to cover this tax collector was \$36.00, which was confirmed to be paid on 1/22/2021, per the County's accounting system, New World Systems (New World).

In 2021, Buck Township's total assessed value was \$43,022,600.00 with a total of 491 parcels. Luzerne County is comprised of 76 taxing districts.

- 1) Tax Collector's Report and DCED Report are submitted, signed and dated monthly with timely submittal to County of proceeds and accurate recording of taxpayer's payments in the duplicate.**

Description of procedures tested:

The tax collector keeps the Duplicate in a dedicated binder and when the property owner makes payment, the tax collector records the date and amount paid in the Duplicate book. Also, any pertinent information, including how payment was made (e.g., check, escrow account) is noted and circles the appropriate period and amount (rebate, face or penalty).

The tax collectors are required to submit monthly electronic reports, abatements, refunds and payment voucher to Luzerne County. Monthly summary reports to the County must be made on the DCED approved reports.

The Controller's Office compared the amounts shown in New World Systems (NWS or New World) (otherwise referred to as "receipts" received by the County) to the amounts shown on reports submitted (otherwise referred to as amounts "collected" by the tax collector). The Controller's Office verifies if the amounts are accurate and submitted timely.

**Findings – None noted**

**2) Verify accurate commissions were paid to tax collector**

Collection reports are compared to payment history in New World.

**Findings: None noted**

**3) Review amounts owed to Luzerne County for accuracy**

The Controller's Office creates an Excel spreadsheet unique to the details of each municipality. We then compare monthly totals taken from the RBA Collection reports and the funds disbursed to the County as reported in New World.

**Findings: None noted as monthly dollar amounts matched.**

**4) Review payments of taxpayer for period paid (discount, penalty, etc.)for accuracy**

The Controller's Office reviewed the original tax bills to confirm inclusion of tax collector's signature, date paid, and appropriate dollar amount which is circled in the Tax Duplicate book. Payment amounts are based on the payment period they fall within, either discount, face or penalty. Amounts receipted and deposited into the bank were reviewed to tax bills for discrepancies. The tax bill payments were compared to the Tax Duplicate book for accuracy.

**Findings: None noted**

**5) Verify the number of parcels sent to Elite Revenue Solutions**

The audit also included comparing the Real Estate Duplicate book to the Returns report. If all tax payments were processed correctly, those properties with unpaid taxes in the Duplicate book should match those properties shown on the County's Return Report and Elite Revenue Solutions tax claim report for 2021.

**Findings: None noted**

**OVERALL FINDINGS AND RECOMMENDATIONS:**

Tax collector keeps very accurate books with no discrepancies found

**RECOMMENDATIONS:**

None at this time, tax collector is very well detailed.

Buck Township Tax Collector Deborah Picard  
Statement of Cash Receipts and Disbursements For the period  
January 1, 2021 thru December 31, 2021

**Exhibit A**

Receipts by Tax Collector:

General	\$	246,530.97	
Total Receipts			<u>\$ 246,530.97</u>

Disbursements to county:

February	\$	0
March	\$	0
April	\$	46,003.80
May	\$	146,705.88
June	\$	33,220.88
July	\$	7,637.37
August	\$	0
Sept	\$	2,267.88
Oct	\$	1,671.73
Nov	\$	0
Dec	\$	2,635.92
Jan	\$	<u>6,387.51</u>

Total Disbursements			<u>\$ 246,530.97</u>
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Balance Due			<u>\$ -</u>
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Please Note:

**Luzerne County Home Rule Charter: Section 3.08 (C) 3**

***The audited entity shall respond in writing, specifying agreement with the audit findings and/or recommendations or the reasons for disagreement with the findings and/or recommendations, along with any timetable for implementing remedies. The response shall be provided to the Controller within 14 days after the audited entity's receipt of the draft audit. The Controller shall include the audited entity's response in his/her final audit report.***

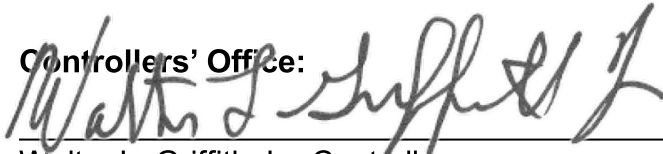
***If there is not a disagreement with the findings and/or recommendations then the audited entity shall electronically sign this document and return it to the Controller's Office prior to the deadline below.***

**Please respond to this audit as prescribed, by 5:00 pm, January 30, 2023.**



**Signature Page  
Buck Township Collection Final Audit  
Tax Year 2021**

**Controllers' Office:**

  
\_\_\_\_\_  
Walter L. Griffith Jr., Controller

Jan 19, 2023

Date

**Melissa Jones**

Jan 19, 2023

\_\_\_\_\_  
Melissa Jones, Internal Auditor

Date

**County Manager's Office:**

**Brian A Swetz**

Jan 17, 2023

\_\_\_\_\_  
Brian Swetz, Acting County Manager

Date

**Buck Township Supervisor:**

**BONNIE J WASILEWSKI**

Jan 19, 2023

\_\_\_\_\_  
Mr. Ernie Searfoss, Chairman

Date

**Representative for Tax Collector:**

**Deborah Picard**

Jan 18, 2023

\_\_\_\_\_  
Deb Picard  
Buck Township Tax Collector

Date

## Buck Township Tax Collection Final Audit Tax Year 2021

This report was initially distributed to the following:

Brian Swetz	Acting Luzerne County Manager
Ms. Kendra Radle	Luzerne County Council Chair
Deb Picard	Buck Township Tax Collector Mr.
Ernie Searfoss	Buck Township Chairman:

This report is a matter of public record and is available online at <http://www.luzernecounty.org>, found under Audit Reports on the Luzerne County Controller's section of the website. A hardcopy is also available at the Luzerne County Controller's Office. Media questions about the report may be directed to the Luzerne County Controller's Office at 20 North Pennsylvania Blvd., Suite 213, Wilkes Barre, PA 18701 or via email to [Controllers.Office@luzernecounty.org](mailto:Controllers.Office@luzernecounty.org).

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Deborah Picard (Jan 18, 2023 19:32 EST)

**Email:** bucktwptaxcollector@yahoo.com

**Signature:** *BONNIE J WASILEWSKI*  
BONNIE J WASILEWSKI (Jan 19, 2023 13:13 EST)

**Email:** bucktwp114@aol.com