

**VILLAGE OF NEW LEBANON
MONTGOMERY COUNTY, OHIO**

**RESOLUTION NO: 2025-06
BY
MAYOR DAVID NICKERSON**

A RESOLUTION AUTHORIZING THE ACTING VILLAGE MANAGER TO EXECUTE A CONTRACT WITH THE REGIONAL INCOME TAX AGENCY (“RITA”), A REGIONAL COUNCIL OF GOVERNMENTS, FOR THE PURPOSE OF ADMINISTRATION AND COLLECTION OF MUNICIPAL INCOME TAX FOR THE VILLAGE OF NEW LEBANON, OHIO.

WHEREAS, a Regional Council of Governments, named the Regional Income Tax Agency (“RITA”) was created pursuant to Chapter 167 of the Ohio Revised Code to foster cooperation between municipalities; and

WHEREAS, the creation of the Regional Council of Governments was primarily to establish a central collection facility for the purpose of administering the Income Tax Laws of the various participating member communities; and

WHEREAS, the Village Manager has conducted an assessment of the Village’s and determined that a service contract with RITA would be in the best interest of the Village and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE VILLAGE OF NEW LEBANON, MONTGOMERY COUNTY, OHIO, AS FOLLOWS:

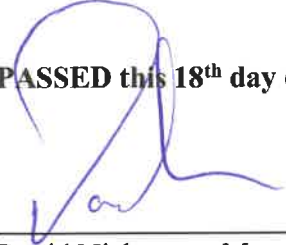
SECTION I That Acting Village Manager be, and hereby is, authorized to enter into a contract with the Regional Income Tax Agency, a Regional Council of Governments, for the administration and collection of the Village’s income tax.

SECTION II It is hereby found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Council, and that any and all deliberations of this Council and any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including, but not limited to Section 121.22 of the Ohio Revised Code.

SECTION III That this Resolution shall take effect immediately upon adoption.

**NEW LEBANON, OHIO
RECORD COPY
DO NOT REMOVE FROM FILE**

PASSED this 18th day of February, 2025.

 2/18/25

David Nickerson, Mayor

Attest:

 2/18/25

Robert Anderson II Date:
Acting Clerk of Council

**AGREEMENT FOR PARTICIPATION IN
A REGIONAL COUNCIL OF GOVERNMENTS**

This Agreement is made and entered into by and between certain municipal corporations in Cuyahoga County, Ohio, and other Ohio counties, who have become parties to this Agreement by causing either this Agreement or an identical copy of it to be signed by an officer duly authorized by the legislative authority of such municipal corporation.

WITNESSETH

The parties to this Agreement, wishing to participate in a Regional Council of Governments pursuant to Chapter 167 of the Ohio Revised Code, consisting of the municipal corporations who are parties to this Agreement, agree as follows:

I. NAME

The name of the Regional Council is "Regional Council of Governments."

II. PURPOSE

The purpose of the Council established is to foster cooperation between municipalities through sharing of facilities for their common benefit. This includes the establishment of a central collection facility for the purpose of administering the income tax laws of the various municipal corporations who are parties hereto and for the purpose of collecting income taxes on behalf of each such municipal corporation, doing all things allowed by law to accomplish such purpose.

III. ADMINISTRATIVE AUTHORITY

The Council is established and administered in the following manner:

A. Each municipal corporation which is a party to this Agreement has one (1) representative to a Council of Governments, who shall be appointed by the Chief Executive with the approval of City Council. Each municipal corporation shall similarly designate an alternate who may act in place of the representative in his absence.

B. Each member of the Council shall be entitled to one (1) vote on each item under consideration. Voting shall be done by members or alternates personally present and no proxy or absentia voting shall be allowed.

C. The Council shall elect a President, Secretary and Treasurer and such other officers as the Council may desire. All officers shall hold office for a term of one (1) year or until a successor is elected and qualified. Officers shall serve without compensation. The Council shall have the authority to adopt its own rules and by-laws to govern its proceedings.

IV. MUNICIPAL TAX COLLECTION AGENCY

The Council has established a "Municipal Tax Collection Agency" for the collection of municipal income tax revenues on behalf of the member municipalities.

A. The Agency hereby established shall be administered by a Board of Trustees composed of nine (9) persons, at least six (6) of whom shall be officers or employees of participating municipalities. Effective July 1, 1973, these nine (9) persons shall be divided into three groups of three persons each who shall serve overlapping terms. Three members shall be elected for a term of one (1) year, three members elected for a term of two (2) years, and three members elected for a term of three (3) years, beginning July 1, 1973. Thereafter as the terms of each group expire, three Trustees shall be elected for succeeding terms of three (3) years each. A majority of the Trustees shall constitute a quorum and affirmative action may be taken only by a majority of all the members elected to the Board of Trustees. The Trustees shall select annually one of its members to serve as Chairman, one to serve as Vice-Chairman, one to serve as Secretary, and one to serve as Treasurer. Trustees shall serve without compensation.

The Board shall establish its own by-laws which shall include the following:

1. Provision for regular and special meetings.
2. Provision for minutes of all Board meetings to be mailed to all Council representatives and to the Advisory Committee.

B. The members of the Board of Trustees shall be elected in the following manner. Each Municipal member of the Council of Governments may nominate an individual to serve on the Board. Such individual need not necessarily be a representative to the Council or an employee of the municipality which nominates him. The nominees will then be voted on by the Council with each representative having one vote for each vacancy on the Board. The number of nominees receiving the highest votes corresponding to the number of vacancies on the Board shall be deemed to have been elected to the Board by the Council, provided, however, that they receive at least thirty percent (30%) of the votes of those present and voting and subject to the provisions of Paragraph A herein above. If any one or more of the members so-elected does not receive thirty percent (30%), this election shall be void and a run-off election shall be held.

C. Any Trustee may be removed from office by the affirmative vote of two-thirds (2/3) of all the members of the Council at any regular or special meeting. In the event of the removal or resignation of any Trustee from office, the Council shall proceed immediately to elect his successor for the balance of his term.

D. The Board of Trustees shall be authorized to administer and enforce the income tax laws of each of the participating municipal corporations, party to this agreement, as its agent as set forth in the various ordinances. Each municipal corporation, however, retains its right to administer and enforce its own income tax laws coincidentally with the Board.

E. Said Board shall employ an Administrator and such assistants as it deems necessary to fulfill these obligations and the Board may delegate such of its duties, responsibilities and authority as it deems advisable to the Administrator. In addition to the duties and responsibilities required by the various Ordinances, the Board of Trustees, through its Administrator, shall be responsible for, but not limited to the following functions as hereinafter defined:

1. Compiling and furnishing taxpayer lists, which shall be revised, corrected, and re-issued annually.
2. Tax Forms shall be designed, provided, distributed and processed.
3. Billing of taxpayers, except accounts which are delinquent for a period of more than one (1) year shall also be forwarded to the participating government, which has jurisdiction of the subject matter for further action. Upon a request from such participating government, any extraordinary costs incurred by it in collecting delinquent accounts may be charged against the distribution of each participating government which benefits from said collection.
4. Examining and auditing income tax returns and records.
5. Notifying taxpayers of payments due and delinquencies.
6. Disbursing income tax collection to the various participants, as hereinafter provided.
7. Assembling a data processing bank of tax information and tax records. In this connection, the Board of Trustees is authorized to acquire the necessary equipment, by lease or purchase, and to engage the necessary personnel to assemble and maintain this data, and to charge the costs thereof in accordance with sound accounting principles and practices. Said costs shall be prorated to the participating governments in the manner hereinafter set forth in the allocation of costs. The Board of Trustees may also prorate to all the participants over a period of years the costs of major expenditures.

V. RESPONSIBILITIES OF THE PARTICIPANTS

A. Each of the participants in the Regional Council agrees to cooperate insofar as it is practicable to do so with the Board of Trustees or its employees in the following matters:

1. The adoption of compatible income tax provisions and rules and regulations for collection.
2. The granting of full faith and credit to the provisions of the other participants' ordinances and the implementation of such provisions where possible.
3. Furnishing of information or assistance which may be necessary to the successful operation of the Municipal Tax Collection Agency, including the requiring of wage withholding by employers within its jurisdiction for employees living within the jurisdiction of some other participating community.
4. The interchange of tax information and records necessary to the allocation of costs of the Agency or enforcement of its rules and regulations.
5. Sponsoring legal action necessary and desirable for the enforcement of the individual tax ordinances, including legal action necessitated due to audit procedures.

VI. ALLOCATION OF COSTS

A. Each participant to this Agreement agrees to share the costs of establishing this Regional Council of Governments and the Municipal Tax Collection Agency by contributing to the Agency that amount of money which bears the same proportion to the cost of such establishment as the 1970 Income Tax Revenues of the participating community bears to the 1970 Income Tax Revenues of all participating communities. At the initial meeting of the Council of municipal representatives, the Council shall determine the estimated cost of such establishment and each participating municipality agrees to forthwith contribute its share. In the event that such estimate is inadequate, each participating community agrees to take further action to supplement its contribution. Any funds not required shall be returned to the participating community or credited against its future costs of collection.

B. Any municipality which subsequently chooses to join the Council of Governments and to participate in the Municipal Tax Collection Agency shall be required to pay its proportionate share of the costs of establishment computed on the same basis used to compute the shares paid by the original members, as determined by the Board of Trustees, into the general operating fund of the Agency.

C After deduction of direct charges made to municipalities which request special information or extraordinary service, the remaining actual costs of tax collection shall be shared by the participants in the Agency according to the following formula:

1. The total cost of the Tax Collection Agency shall be multiplied by a factor consisting of the number of transactions processed for such participants as the same relates to the total number of transactions processed by said Agency.

2. Total cost of the Agency shall be multiplied by a factor consisting of the participant's percentage share of the total receipts collected by the Agency.

3. Add step 1 and step 2.

4. The sum of steps 1 and 2 (step 3) shall be divided by two and the figure so derived shall represent the participant's total cost.

This formula may be exemplified by the following equations:

Step 1.

$$\text{Total Cost} \times \frac{\text{No. of Participant's Transactions}}{\text{Total Number of Transactions}} = \$ \underline{\hspace{2cm}}$$

Step 2.

$$\text{Total Cost} \times \frac{\text{Participant's Total Receipts}}{\text{Total Agency Receipt}} = \$ \underline{\hspace{2cm}}$$

Step 3.

$$\text{Add Step 1 and 2.} = \$ \underline{\hspace{2cm}}$$

Step 4.

$$\text{Divide Step 3 by 2. Participant's Cost} = \$ \underline{\hspace{2cm}}$$

5. The term "Transaction" as used in the above formula includes any activity related to the processing, auditing and handling of forms or communications, the same to be weighted by an experience factor.

VII. DISTRIBUTION OF MONEY

A. The Board of Trustees shall keep all monies collected hereunder in the manner provided by law in a segregated and separate bank account. They shall keep records showing the amount of all income tax monies received by them together with all increments, additions and investment interest thereto. The Board of Trustees shall as far as practicable invest all monies received by them and the interest thereby received shall apply to reduce the total cost of operation of the Agency without regard to any allocation of such interest in participating municipalities.

B. On or before the tenth business day after the end of each month, the Board of Trustees shall settle with the participants for all monies collected by said Board on the participants' behalf, so far as this money can be identified and allocated to the proper participants together with any adjustments thereof. In the event that the monies collected by the Board of Trustees cannot be identified and therefore allocated, said Board shall distribute to the participant said monies with the next immediate monthly payment, after identification and allocation can be made. The Board of Trustees shall retain five percent (5%) of any tax monies to be distributed to the participant to apply toward each participant's respective share of the cost of the operation of the Municipal Tax Collection Agency. The Board of Trustees shall have the authority to amend or adjust the withholding percentage to reflect any changes in the cost of the administration of the Agency as revealed by the annual audit. Disbursements shall be made to all participants at the same time and at the same percentage.

C. At the end of the year, if the cumulative amount withheld from each monthly distribution of any participant shall exceed such participant's share of the annual cost of the operation of the Agency such excess shall be refunded to the respective participant. However, if the cumulative amount held from each distribution for any participant shall be less than such participant's share of the annual cost of the operation of the Agency, such deficiency shall be assessed against the respective participant. The distribution of tax monies to any participant shall be adjusted to reflect any such overpayment or deficiency.

VIII. ANNUAL AUDIT

The Board of Trustees shall cause an annual audit to be made of the operations of the Municipal Tax Collection Agency by an independent Certified Public Accounting firm of their choice for the purposes of verifying the correctness of all accounting procedures employed, all distributions of funds made, allocation of all costs and all reports submitted to the participants. The expenses of such audit shall be part of costs of the administration of the Municipal Tax Collection Agency. Copies of the audit in its entirety shall be furnished to all participants.

IX. BOARD OF REVIEW DECISIONS

A. It shall be the prerogative of the Board of Review of each of the parties hereto to make rulings and to decide appeals from all questions arising in their respective jurisdictions. Copies of all said rulings and opinions shall be filed with the Board of Trustees of the Agency.

B. The parties agree to the extent practicable to consider any prior decision on file with the Board of Trustees on similar questions rendered by the Board of Review of any party. Furthermore, the Board of Trustees shall have the right to request a re-hearing before any Board of Review that renders a decision which they deem incompatible with the operation of the Municipal Tax Collection Agency.

X. ADVISORY COMMITTEE

An Advisory Committee shall be established for the purpose of consulting and advising the Board of Trustees on problems of mutual interest to the participants. Such Advisory Committee shall consist of the respective tax administrators of the participants. Said Committee shall meet at least once a month in the office of the Agency or at any such time as a majority of the members of such Committee shall designate.

XI. CANCELLATION OF THE AGREEMENT

A. Any participant may withdraw from this Agreement for the operation of a Municipal Tax Collection Agency provided, however, that any such withdrawal shall be effective only on December 31st of any given year, and shall be preceded by written notice of withdrawal delivered to the Board of Trustees by registered mail or by personal service not later than July 1, prior to the effective date of such withdrawal. In the event that any participant should repeal its income tax ordinance, the obligations of this Agreement relative to auditing and distribution of funds shall continue in effect until final settlement has been made for all monies collected for the participant, prior to the effective date of such repeal.

B. In the event of the withdrawal for any reason by any participant, such information and records which have been created shall be returned by the Board of Trustees to the respective participant or alternate agency, if so directed, within a reasonable time after settlement has been made. All other rights, titles or interests of the participant to any of the property of the Agency arising out of this Agreement or otherwise, shall be deemed to be forfeited by such withdrawing participant.

C. This Agency may be dissolved by a majority of the parties hereto and in such an event, the Board of Trustees shall liquidate all of the assets of the Agency, pay all outstanding debts and distribute the remaining funds to the participants in the proportion that they share the total cost of the Agency as provided in Article VI.

XII. ADDITIONAL MEMBERS OF THE COUNCIL

In the event any municipality files an application to become a member of this Council of Governments, agreeing to abide by all of the terms and conditions set forth in this Agreement, and such application is approved by members of the Board of Trustees at any regular or special meeting, thereafter, such municipality shall be entitled to representation in the same manner hereinbefore provided for other municipalities.

(Adopted at the Regional Council of Governments Meeting of June 21, 2006/July 18, 2006 as reported at the Regional Income Tax Agency Board of Trustees Meeting July 20, 2006. Effective immediately).

XIII. ADDITIONAL ACTIVITIES

In the event that the Regional Council of Governments shall determine at any time to undertake cooperative activities other than the collection of municipal income taxes, no municipal corporation party to this Agreement shall be required to participate in the administration or cost of such activity without its prior consent. This section may be amended only through unanimous consent of the legislative bodies of all member municipal corporations.

XIV. AMENDMENTS

Except as provided in Article XIII above, this Agreement may be amended by majority vote of all members of the Regional Council of Governments at any regular or special meeting, provided copies of such proposed amendments are mailed to all members not less than thirty (30) days prior to such meeting.

XV. SEVERABILITY

In the event any part or portion of this Agreement shall be found to be contrary to law and thereby held to be null and void, all other provisions of the Agreement shall remain in full force and effect, and shall not be otherwise affected by any such ruling, finding or decision.

XVI. FACILITIES

Pursuant to R.C. 167.04, the Regional Council of Governments adopted the following by-law and amendment.

- A. This Regional Council of Governments is authorized, by and through its governing Board, the 9-member Board of Trustees, to purchase, lease, or construct, or otherwise provide for, facilities to house the operation of the Regional Income Tax Agency as authorized by R.C. 167.05. Any such action requires the affirmative vote of not less than 2/3 of the members elected to the Board.
- B. This by-law adopted April 8, 1997 and effective immediately.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on the date indicated by signing this Agreement or identical copies of same.

Village/City of _____

Authorized by Ordinance No. _____

Effective Date of Ordinance _____

By _____
Name Title

By _____
Name Title

Date _____

Effective Date of Collection

ACCEPTED

R.C.O.G. President

Date _____

Resolution #2008-5

A Resolution Reaffirming the Practices and Policies of the Board of Trustees With Respect to Settlement With Participants and Retainer Percentage

Whereas, Section VII.B. of the Agreement to Participate in a Regional Council of Governments (hereinafter, the "RCOG Agreement") provides that on or before the tenth business day after the end of each month, the Board of Trustees shall settle with the participants for all monies collected by said Board on the participants' behalf, so far as this money can be identified and allocated to the proper participants together with any adjustments thereof; and

Whereas, the Board of Trustees currently meets its settlement obligations under Section VII.B. of the RCOG Agreement by providing two distributions to the participants on or before the tenth business day of each month, unless a participant has requested in writing to receive only one distribution per month; and

Whereas, Section VII.B. of the RCOG Agreement further provides that the Board of Trustees shall retain five percent (5%) of any tax monies to be distributed to the participants, to apply to the participants' respective costs, and grants to the Board of Trustees the authority to amend or adjust the withholding percentage to reflect any changes in the cost of the administration of the Agency; and

Whereas, effective December 17, 1998, the Board of Trustees approved and adopted Policy #ADM-5BD providing for the reduction of the retainer percentage from 5% to 3% for then current members as well as future members, subject to the authority granted to the Board under the RCOG Agreement to make further adjustments to the retainer, and excepting those members whose retainer percentage was demonstrated to be below 3% as of the effective date of Policy #ADM-5BD; and

Whereas, effective December 18, 2003, the Board of Trustees approved and adopted Resolution #2003-6 establishing a procedure for increasing the retainer percentage of a member municipality at the request of any such member municipality; and

Whereas, the Board of Trustees desires to reaffirm its current practice of providing two distributions to participants on or before the tenth business day of each month and to reaffirm its current policy for withholding a retainer percentage, as set out in Policy #ADM-5BD and Resolution #2003-6, with such reaffirmations being subject to the Board of Trustees' on going authority under the applicable sections of the RCOG Agreement, and subject to the right of the Council of Governments to amend the applicable sections of the RCOG Agreement.

Now therefore, be it resolved by the Board of Trustees of the Regional Income Tax Agency that:

- Section 1. The Board of Trustees reaffirms, and shall continue, the practice of meeting its settlement obligations to the participants under the RCOG Agreement by providing two distributions to the participants on or before the tenth business day of each month, or at the same frequency as such participants are receiving distributions as of the date of this resolution.
- Section 2. The Board of Trustees reaffirms, and shall continue, the policies set forth in Policy #ADM-5BD, and Resolution #2003-6, setting the retainer percentage of 3% as stated therein, subject to the on going authority of the Board of Trustees under the applicable sections of the RCOG Agreement.
- Section 3. Nothing herein shall limit the authority of the Board of Trustees under the RCOG Agreement, or as the governing body of the RCOG, to amend such policies and practices in the future.
- Section 4. Nothing herein shall limit the authority of the participants to amend the applicable sections of the RCOG Agreement as provided in Section XIV of the RCOG Agreement.
- Section 5. This resolution shall take effect immediately.

Date Passed: November 20, 2008



Timothy Pope
Chairman of the Board of Trustees



Rick Carbone
Executive Director