

**Ordinance Number 551**  
**Borough of Southmont, Cambria County, Pennsylvania**

**AN ORDINANCE OF THE BOROUGH OF SOUTHMONT, CAMBRIA COUNTY PROVIDING FOR THE FILING OF MUNICIPAL LIENS FOR UNPAID TAXES ASSESSMENTS AND CLAIMS, AND FURTHER AUTHORIZING THE IMPOSITION OF PENALTIES, RECOVERY OF COSTS, ASSESSMENT OF INTEREST AND ATTORNEYS' FEES IN CONNECTION WITH THE COLLECTION OF DELINQUENT ACCOUNTS.**

**Section 1 Legislative Intent.**

By Act 1 of 1996, the General Assembly amended the Municipal Claim and Tax Lien Law, Act of May 16, 1923, P.L. 207, No. 153, as amended, to specifically authorize inclusion of interest, penalty, charges, expenses and fees, including attorneys' fees incurred in the collection of delinquent accounts as part of a municipal lien. Act 1 requires that municipal entities adopt a schedule of expenses, costs, attorneys' fees and interest. Act 1 further requires that, prior to imposing attorneys' fees, the municipality must notify the owner of the property with the delinquent account by certified mail of the municipality's intent to recover these fees and the manner by which assessment of the fees may be avoided by payment of the delinquent account. It is the intention of Council in enacting this Part to comply with the requirements of Act 1 of 1996.

**Section 2 Definitions.**

Unless otherwise stated, the following words shall, for the purpose of this Part, have the meanings herein indicated:

**BOROUGH**- the Borough of Southmont, Cambria County, Pennsylvania.

**COUNCIL** - the governing body of the Borough.

**BOROUGH SOLICITOR** - the person or law firm appointed by Borough Council to serve as legal counsel to the Borough.

**DELINQUENT ACCOUNT** - any sums due and owing to the Borough which have not been paid within the time required by the Borough's ordinances, rules, regulations or policies including, but not limited to, charges for sewer service, water service, tap fees, taxes, trash and recyclable collection and disposal services, removal of nuisances or any other charge which may lawfully be imposed by the Borough and for which a municipal claim may be filed.

**HOURLY RATE** - the hourly fee charged by the Borough Solicitor to the Borough consistent with the ordinary and customary charges by the Borough Solicitor for similar services in the community, but in no event shall the hourly rate exceed the rate charged by the Borough Solicitor to the Borough when fees are not reimbursed by or otherwise imposed upon delinquent customers of the Borough.

**Section 3 Imposition of Attorneys' Fees for Collection of Delinquent Accounts.**

The Borough specifically authorizes the recovery of attorneys' fees incurred by the Borough in the collection of delinquent accounts from the person or persons who are responsible for the payment of such delinquent accounts. The Borough authorizes the Borough Manager, Borough Secretary or the Assistant Borough Secretary to take all actions required by applicable law to enable the Borough to recover attorneys' fees incurred from the persons responsible for this cost and to include such attorneys' fees in municipal claims. This authorization includes, but is not limited to, sending notification to such persons of the intention of the Borough to impose attorneys' fees incurred in collection efforts upon such persons.

**Section 4 Schedule of Attorneys' Fees for Services Related to Collection of Delinquent Accounts.**

The Borough shall impose attorneys' fees upon persons who have delinquent accounts in accordance with the following schedule of the minimum time required by the Borough Solicitor for the listed service times the hourly rate of the Borough Solicitor in effect at the time the Borough Solicitor performed the service on behalf of the Borough:

Service	Minimum hours) Time (tenth of
• Prepare collection warning letter, including review of Borough information.	0.4
• Obtain and review deed of property.	0.2
• Prepare certification of amount owing to Borough and transmit certification to Borough.	0.3
• Prepare municipal lien.	0.5
• File municipal lien.	0.2
• Forward copy of municipal lien to Borough.	0.2
• Prepare civil action complaint before magisterial district Judge for collection of amount.	0.7
• Prepare for and attend hearing before magisterial district judge concerning civil action to collect delinquent account.	2.5
• Prepare and file satisfaction of municipal lien.	0.2

**Section 5. Recovery of Additional Attorneys' Fees in Specific Circumstances.**

The services and minimum times expended by the Borough Solicitor for the services set forth in Section 4 of this Part are based upon the experience of the Borough Solicitor and upon standard collection practices. Should the person or persons responsible for payment of a delinquent account take action which will require the Borough Solicitor to perform additional or more time-consuming services than contemplated by Section 4, (i.e., such as Scire Facias proceedings or inquiries from the delinquent or their agents) it is the intention of the Borough to recover all of its attorneys' fees so incurred. A charge is hereby assessed in the amount of actual attorney's fees incurred. Such actions include, but are



not limited to, filing of counterclaims, challenging the legal power of the Borough to impose and collect the fee, rate, charge or other cost or similar actions.

### Section 6 Recovery of Costs

Filing fees, postage charges and other direct expenditures incurred in the collection of delinquent accounts shall be chargeable to the account.

### Section 7 Interest on Municipal lines.

All municipal liens filed with the Court of Common Pleas shall bear interest at a rate of 10% per annum, from the date of filing (53 P. S. § 7143).

### Section 8 Penalty On Unpaid Claims.

A penalty of 5% of the total amount of the claim shall be imposed on all amounts unpaid for more than 90 days after the amount is first assessed, (53 P.S. § 7203).


### Section 9 Applicability

The provisions of this Ordinance shall apply to all collection efforts and liens filed following adoption of this Ordinance. The provisions shall apply to all previously filed liens which have not been fully settled or discharged within 90 days of the adoption of this Ordinance.

Enacted and Ordained at a regular meeting of the Borough of Southmont Council held the 20<sup>th</sup> day of May, 2024 and shall take effect in five days following adoption.

**BOROUGH OF SOUTHMONT**

By: \_\_\_\_\_

  
Council President

ATTEST:

  
Secretary

(Seal)

