

***Meeting Minutes
Lehigh Tax Collection Committee
Thursday, August 7, 2025, 8:30 A.M.***

I. Roll Call/Quorum determination

A meeting was held on Thursday, August 7, 2025, at 8:30 am at the South Whitehall Municipal Building. The purpose of the meeting was to continue the process of compliance with Commonwealth of Pennsylvania Act 32.

Officers in Attendance were:

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| <i>Shane Pepe</i> | <i>Chairperson</i> |
| <i>Jack Meyers</i> | <i>Secretary</i> |
| <i>Michael Gaul, Esq.</i> | <i>Solicitor</i> |
| <i>Chris DeFrain</i> | <i>Executive Director</i> |

The meeting was called to order at 8:33 am. DeFrain took the roll call vote for the delegates. There were a requisite number of delegates from both the School Districts (6/9) and Municipalities (16/25) in attendance for the meeting. Those in attendance represented 81.27% of the weighted vote. Therefore, a quorum was met for the purposes of conducting the meeting and voting on agenda items including major decisions. Attendees were as follows:

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|------------------|---------------------------------|--------------------|----------------------------------|
| <i>Nemeth</i> | <i>Alburtis Borough</i> | <i>Marlatt</i> | <i>Washington Township</i> |
| <i>Zumas</i> | <i>City of Allentown</i> | <i>Meyers</i> | <i>Whitehall Township</i> |
| <i>Paashaus</i> | <i>Coopersburg Borough</i> | <i>Walck</i> | <i>Allentown School District</i> |
| <i>Pepe</i> | <i>Emmaus Borough</i> | <i>Saul</i> | <i>East Penn School District</i> |
| <i>Wehr</i> | <i>Hanover Township</i> | <i>Kenyon</i> | <i>Northern Lehigh SD</i> |
| <i>Fabian</i> | <i>Heidelberg Township</i> | <i>Steigerwalt</i> | <i>Northwestern Lehigh SD</i> |
| <i>Beitel</i> | <i>Lower Macungie Township</i> | <i>Pepe</i> | <i>Southern Lehigh SD</i> |
| <i>Stryker</i> | <i>Lower Milford Township</i> | <i>Malay</i> | <i>Whitehall-Coplay SD</i> |
| <i>White</i> | <i>Lynn Township</i> | | |
| <i>Brown</i> | <i>Macungie Borough</i> | | |
| <i>O'Neill</i> | <i>North Whitehall Township</i> | | |
| <i>Petrucchi</i> | <i>South Whitehall Township</i> | | |
| <i>Souls</i> | <i>Upper Macungie Township</i> | | |
| <i>Pepe</i> | <i>Upper Saucon Township</i> | | |

II. Re-organization of the Board

Election of Officers

Shane Pepe was nominated for Chairperson by Wehr, which was seconded by Saul. There were no further nominations, comments, or questions. Pepe was elected Chairperson unanimously.

Bruce Beitel was nominated for Vice Chairperson by L. Pepe, which was seconded by Saul. The position was previously occupied by Cathy Bonaskiewich who has retired. There were no further nominations, comments, or questions. Beitel was elected Vice Chairperson unanimously.

Jack Meyers was nominated for Secretary by Wehr, which was seconded by L. Pepe. There were no further nominations, comments, or questions. Meyers was elected Secretary unanimously.

Robert Saul was nominated for Treasurer by Malay, which was seconded by L. Pepe. Bruce Kollar, who retired, previously occupied the position. There were no further nominations, comments or questions. Saul was elected Treasurer unanimously.

The Committee was required to appoint members and alternates for the Tax Appeals Board. L. Pepe moved to appoint Michael Malay, Seth O'Neill, and Melissa Wehr as members, and Stephen Nemeth and Thomas Petrucci as first and second alternates, respectively. The motion was seconded by Meyers. All were appointed unanimously.

III. Public Comment regarding agenda items

There were no members of the public present for comment.

IV. Approval of Meeting Minutes

A motion was made (L. Pepe) and seconded (Wehr) that the November 21, 2024, meeting minutes be approved as presented. The motion was approved unanimously.

V. Approval of Treasurer's Report

DeFrain provided the Treasurer's Report for the period ending June 30, 2025. Included among these were the Statement of Assets, including two Certificates of Deposit with Embassy Bank, and Checking and Savings account balances. A Statement of Revenues and Expenses and a Check List were also provided. The ending balance is \$44,767.67. DeFrain noted that with new officers being appointed, bank documents will need to be executed by the appropriate officers. He added that the Executive Director will have access to the bank accounts; but shall not be a signer on the accounts. Meyers moved, seconded by Wehr that the Treasurer's Report be accepted as presented. The motion passed unanimously.

VI. Approval of Invoices for Payment

Invoices were presented for payment as noted in DeFrain's report. Payments identified were to Penn Prime (insurance), Chris DeFrain Consulting (Executive Director services), Maillie LLP (2022 audit), and King Spry Herman Freund & Faul (legal services). A

motion was made by Wehr and seconded by Meyers to approve the invoices for payment as presented. The motion was approved unanimously.

VII. Tax Officer's Report

Sean Sanderson reported that collections for the LTCC were up, and a clear indication of trends was evolving. Earned Income Tax was up 4% of the prior year. Local Services Taxes and Business Privilege Taxes were up 52% and 144% respectively. Any delegates or PSDs can request projections and estimates by contacting Berkheimer.

During the peak collections period, 4/14-15/2025 the average hold time was 3 minutes and 15 seconds. Berkheimer has relaunched their website. They can also assist in performing tax collection services. As well, they offer duplication and scanning of records. An estimated 15,000 delinquencies existed as compared to the State-wide collection reports by the Department of Revenue. Atty. Gaul indicated that the Act 32 Audit was not received, and that Berkheimer should work with the Secretary to obtain the same. DeFrain and Sanderson discussed the portal and the monthly Tax Officer's report. The SOC audit was received and stated no exceptions.

VIII. Old Business

There was no Old Business to discuss.

IX. New Business

Resolution (2025-1) Approving First Amended and Restated Bylaws of the LTCC –

Atty. Gaul reported that a clean and red-lined copy of the Resolution and attached amended Bylaws was provided to the delegates. A supermajority vote is required for adoption. Recounting the changes, he noted that virtual meetings are permitted if the Governor or other lawful authority prohibits or discourages in-person meetings due to an emergency. L. Pepe moved, seconded by Nemeth, that the Resolution be adopted as presented. A roll call vote was taken. The Resolution was adopted unanimously. Atty. Gaul indicated that the Resolution shall be executed and circulated to the delegates.

Resolution (2025-2) Approving First Amended and Restated Rules and Regulations Governing Practice and Procedures Before the Tax Appeals Board of the LTCC –

Atty. Gaul reported that a clean and red-lined copy of the Resolution and attached amended Tax Appeal Board Rules and Regulations was provided to the delegates. Atty. Gaul reviewed the substance of the amendments. The Tax Appeal Board members' terms would be set at one year, consistent with the Bylaws. In accordance with prior discussion, the address for filing the appeal petition and the ability to file appeals via e-mail were included in the appeal petition form.

In response to a question, Atty. Gaul stated that his understanding was that the Tax Officer's re-assessment notices should contain information regarding the availability of an appeal and

that the notice should comply with the requirements of the Local Taxpayer Bill of Rights. He offered to review the current form notice that the Tax Officer is using. Mr. Sanderson confirmed that Berkheimer would review their notices for updating and compliance with the Local Taxpayer Bill of Rights, and provide the same to Atty. Gaul. Atty. Gaul also stated that the Tax Officer should be using the TCC's approved Tax Appeal petition form in processing appeals, instead of one that the Tax Officer may have created itself. After general discussion, L. Pepe moved, seconded by Wehr that the Resolution be adopted. A roll call vote was taken. The Resolution was adopted unanimously. Atty. Gaul indicated that the Resolution shall be executed and circulated to the delegates.

Approval of the 2024 Weighted Averages Voting – DeFrain explained the process for the weighted averages voting, and the DCED reporting which is the basis for the calculations. A motion was made by L. Pepe and seconded by Wehr, 2024 Weighted Average Voting calculation, as presented. The motion was approved unanimously.

Resolution (2025-3) Approving a First Addendum to the Tax Officer Agreement (Lowering the PSD Fee and Extending the Agreement's Term and Confirming the Appointment of the Tax Officer (Berkheimer) through the Amended Term of the Tax Officer Agreement – DeFrain explained the details of the revised agreement. In February 2025, the collection rate for Montgomery County was adjusted. As the LTCC Agreement with the Tax Officer allows, the LTCC rate would be lowered from 1.20% to 1.03%. This Resolution would also extend the term of the Agreement from December 31, 2029, to December 31, 2033. This would also confirm Berkheimer as the Tax Officer for this period. L. Pepe moved, seconded by Nemeth to adopt the Resolution. A roll call vote was taken. The Resolution was adopted unanimously. Atty. Gaul indicated that the Resolution shall be executed and circulated to the delegates.

Approval of the 2025 Budget – DeFrain explained that in so far as the meeting for April was postponed, due to lack of a quorum, it was necessary to adopt the 2025 Budget today. He indicated that he worked with outgoing Treasurer, Bruce Koller, on the budget. There have been no appeals this year, and expenses are in line with the proposed budget. Malay moved, seconded by Nemeth that the 2025 Budget be adopted as presented. A roll call vote was taken. The 2025 Budget was adopted unanimously.

Approval of the new Auditor – DeFrain detailed the results for the Request for Proposals for auditing services for 2023 through 2026. He distributed the results of the RFP from the three auditing firms who quoted the work. DeFrain thanked those delegates who provided references to him. As indicated in the tabulation, Campbell, Rappold & Yurasits provided the most cost-effective response to the RFP, at a total price of \$8,150.00. L. Pepe moved, seconded by Wehr that the proposal be awarded to Campbell, Rappold & Yurasits. A roll call vote was taken. The approval of the auditor was adopted unanimously.

Discussion on Release of RFP for Legal Services – DeFrain stated that the current RFP for legal services expires at the end of the 2025 year. He questioned whether the delegates would seek to appoint a committee to manage this or whether to have the executive board perform the task. The executive board will prepare the RFP with Saul coordinating. Since the Committee meets infrequently, consideration would be given to extending the contract term to three or four years.

X. Executive Director's Report

DeFrain reported that the LTCC website is up to date. The 2022 Audit has been added and the change in officers noted.

He encouraged delegates to forward their Statement of Financial Interest, as required under Commonwealth Statute. He has struggled to obtain this information, especially from alternate delegates.

DeFrain stated that verification of delegates is an ongoing issue. PSDs are required to appoint their representatives to the TCC. The TCC bylaws require the PSD officials' responsibility to provide an accurate response for their delegate and alternate(s).

DeFrain detailed the financial health of the LTCC, which will be explored in greater detail at the Committee's November meeting. For now, he estimates that we have sufficient fiscal resources to carry the Committee for the next 18 months. He opined that a new assessment would be needed in early 2026.

Lastly, he recommended establishing additional dates for meetings in 2026. They would serve as placeholders in the event issues would arise to necessitate these meetings. The dates would then be advertised at the beginning of 2026.

XI. Next Meeting

The next regularly scheduled meeting is on Thursday, November 20, 2025, at the South Whitehall Municipal Building at 8:30 am.

XII. Public Comment

There was no public comment.

XIII. Adjournment

The date for the next regular meeting is November 20, 2025. There being no further business to discuss, a motion was made (Wehr) and seconded (Nemeth) to adjourn the August 7, 2025, meeting at 9:34 am.

Respectfully submitted,

Jack D. Meyers
Secretary