

The Board of Commissioners met on June 25, 2009 in the Township Building, 3400 Brookside Road, Macungie, PA 18062. Chairman Kline called the meeting to order at 7:01 p.m.

Pledge to the Flag

Roll Call-Commissioners Keller Kline, Douglas Brown, William Spaide and Julianna Timmcke were present. Commissioner Deana Zosky was absent. Township Manager, Bruce Fosselman, was present.

The only item on the agenda was discussion on the earned income tax collection system for the Township of Lower Macungie. Manager Fosselman reported to the Commissioners that Kathy O' Brien, the Township's Earned Income Tax Collector, is retiring September 25, 2009 and that the Board has a major decision to make regarding her replacement. Fosselman stated that the options that the Township had were to replace Ms. O'Brien, or to outsource the Earned Income Tax collection. In either case the Township, along with the every municipality and school district within Lehigh County, will be choosing one earned income tax officer to collect the earned income tax as of January 1, 2012(as per Pennsylvania State Act 32).

Manager Fosselman introduced Tom Kratzenberg, of the Keystone Collections Group, to explain what their firm could do for Lower Macungie Township regarding earned income tax collections. Keystone Collections Group manages municipal and school district tax administration. As it relates to the earned income tax collection, Keystone, as of January 1, 2009 is now the earned income tax collector for the City of Allentown and in 2008 became the Earned Income Tax Collector for Lebanon County. Mr. Kratzenberg stated that Keystone has over 20 years of expertise in earned income tax services with the following services: 1. Payments and tax returns are electronically imaged on high speed scanner; 2. Notices to taxpayers are processed in house; 3. Keystone is a privately held company with on-site legal support; 4. Keystone monitors all probate claims and bankruptcy filings at the County Courts so that the earned income tax claims are processed; 5. Keystone is very aggressive on delinquent accounts; and 6. Keystone uses a geo code system to make sure that all residents are paying their local earned income taxes.

Mr. Kratzenberg stated that the fee for Keystone Services would be a flat 1 ½ % of total collections.

The Board of Commissioners thanked Mr. Kratzenberg for his presentation and requested that Manager Fosselman file a report on the earned income tax issue at the July 2, 2009 BOC meeting.

Chairman Kline stated that the BOC would be conducting a brief executive session at this time to discuss the proposed Planning/Community Development Director position and that no decisions or official action is needed. Meeting adjourned at 8:15PM.

Bruce E. Fosselman
Township Manager