

DAUPHIN COUNTY TAX COLLECTION COMMITTEE

SUMMARY MINUTES

November 15, 2023

- Roll Call – A quorum was established.
- Delegates Present: J. Seeds and W. Evans, Middle Paxton Township; D. Grbich, Dauphin Borough; S. Miller, Lower Paxton Township; J. Fosselman, Swatara Township; T. Houck, West Hanover Township; J. Lahr, Wayne Township and Halifax Area School District; G. Painter, Conewago Township; R. Cassel, South Hanover Township; K. Ferraro, Williams Valley School District; S. Canazaro, Middletown Borough; A. Jackson, Millersburg Borough; M. Stonbraker, Highspire Borough; J. Lovett, Susquehanna Township; B. Giampietro, Susquehanna Township School District; Kaye Thoma, representing Berrysburg Borough, Elizabethville Borough, Gratz Borough, Jefferson Township, Lykens Twp., Lykens Borough, Mifflin Township, Pillow Borough, Washington Township and Upper Dauphin School District; A. McConnell – Central Dauphin School District; M. Rizzo, Derry Township School District; M. Stokes, Harrisburg City School District; M. Shuler, Lower Dauphin School District; M. Carnes, Steelton-Highspire School District; D. Franklin, Middletown Area School District; K. Ferraro, Williams Valley School District

Solicitor: G. Beneventano

Keystone Collections: Joe Lazzaro, Esq.

- J. Seeds, Chairperson, called the meeting to order.
- There were no public comments.
- Summary Minutes from September 20, 2023 were presented for approval – A motion was made and seconded to approve the September 20, 2023 summary minutes --accepted and APPROVED.
- Financial report as of October 31, 2023 was presented for approval – A motion was made and seconded to approve the October 31, 2023 financial report --accepted and APPROVED.
- Chairperson Seeds reminded the delegates that, during the May TCC meeting, she had informed the delegates that Keystone has expressed its interest in extending the term of the current contract for EIT collections. The Chair further reminded the delegates that the term of the current contract will not expire until December 31, 2024 – over a year from now.
- Chairperson Seeds further reminded the delegates that she had used the September TCC meeting to explain to everyone, including Joe Lazzaro, how she, as chair, wished to proceed with Keystone. The Chair then repeated the four steps she wished to take, steps which the Chair had explained in detail during the September TCC meeting.

- First, Chairperson Seeds explained that she had intended tonight's meeting as an opportunity for the Executive Management Committee to present their thoughts on a new contract to the rest of you. That discussion was to be led by Marita Kelley, delegate from the City of Harrisburg. However, Kelley is not in attendance at tonight's meeting. Therefore, unless other members of the Executive Management Committee wish to offer their thoughts, that discussion will not take place tonight.
- Second, Chairperson Seeds explained that, between now and the end of the year, she intends to be in contact with those taxing authorities that continue to refrain from participating in the work of the TCC. The Chair explained that she wishes to make this extra effort because of the importance of a new contract.
- Third, Chairperson Seeds explained that, between now and the end of the year, the solicitor will be charged with the duty to begin drafting proposed contract changes. The chair stated that she will work directly with the solicitor on this matter.
- Fourth, Chairperson Seeds explained that the final terms and conditions of any new contract with Keystone will be sent to the TCC delegates (voting and alternate) well before any scheduled vote on a new contract. The Chair stated that she wants everyone to have a reasonable opportunity to review the new contract before any vote.
- Chairperson Seeds concluded her comments by stating that the TCC will vote tonight on the proposed budget for next year. She reminded the delegates that a draft budget and current balance sheet has been emailed to them in advance of the meeting. The Chair said that she again recommends using \$30,000.00 out of retained cash to cover committee expenses. The Chair stated that the TCC has enough money in the cash account to do this.
- Keystone's Joe Lazzaro began his report by saying: "2022 was the strongest year in Dauphin County's history in earned income tax generation. And we're solidly on a good track. Revenues are up this year by nearly 7 percent over this same point in time last year. As a recap, 2022 year-to-date figures on earned income tax at this point for October, though the October aggregate report, were \$120,551,880.30. That's an increase of about 7.7 million or about just under 7 percent."
- Lazzaro then turned to delinquent tax collections. He said: "In 2023, we've already at this point in the year, recovered over 4.46 million additional dollars over the earned income tax, current earned income tax that came in. Add to that the 3.9 million in 2022 totals 8.36 million. That number continues to grow. That's over the last 20 months."
- Lazzaro presented to Chairperson Seeds a hard copy of Keystone's current SOC audit. (Note: the entire report was emailed to the TCC well in advance of the meeting, and the specific control objectives were resent as part of the meeting materials.) Lazzaro emphasized that there are "no findings" and that Keystone is "pleased with the results."
- McConnell of Central Dauphin School District said that "Central Dauphin has been very pleased with the current contract and very pleased with [Keystone's] audit performance and very pleased with our collections." Shuler of Lower Dauphin School District said:

“I couldn’t be happier.” McConnel of Central Dauphin School District then called for a vote on extending the contract with Keystone for five years, from 2025 through 2029.

- The solicitor advised Chairperson Seeds that the TCC cannot legally vote tonight on Keystone’s contract. The published meeting agenda does not list the Keystone contract for official action. Voting on the contract tonight does not fit the few exceptions recognized by the Sunshine Law when an agency wishes to take official action on matters not listed on published agendas.
- McConnell of Central Dauphin asked for a special meeting. Chairperson Seeds said she will attempt to schedule one before the end of the year.
- A motion was made and seconded to approve the TCC’s proposed budget for FYE 12/31/2024. The motion was accepted and APPROVED, with McConnell of Central Dauphin voting against.
- A motion was made and seconded to approve the proposal of PennPRIME Trust for insurance coverage for a one-year term, from January 1, 2024 through January 1, 2025. The motion was accepted and APPROVED.
- Chairperson Seeds asked for comments on a proposed RFP for auditing services for FYE 12/31/2023. Shuler of Lower Dauphin School District said: “I’m fine if we would put this one off.” Shuler added: “I would be comfortable putting that off at least another year.” Franklin of Middletown Area School District concurred.
- Chairperson Seeds appointed Shuler of Lower Dauphin School District and Ferraro of Williams Valley School District to the Executive Management Committee Upon motion and vote, the two appointments were confirmed.
- Meeting adjourned at 7:28 P.M. (Note. No executive session was held after the meeting.)