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**BUDGET MEETING
October 26, 2009**

The first budget meeting of the Millheim Borough Council was called to order at 6:00 p.m. by President Linn Auman with the following persons in attendance: Linn Auman, Kay Brown, Marlene Corl, Alan Ilgen, Tom Strebel, Lauralee Snyder and Sharon Heckman

Absent: John R. Miller, III.

A meeting at the Country Cupboard on November 6, 2009 on Electrical Choices was discussed. Alan Ilgen explained he would be interested in attending this meeting because with the coming deregulation of electricity he thinks this meeting would be worthwhile. A motion to register Alan Ilgen for the meeting on November 6, 2009 at a cost of \$25 was made by Marlene Corl and seconded by Tom Strebel. Motion carried.

General Fund Budget for 2010 discussion:

Consensus of Council was to hold employee interviews every other year so there will be none held this year.

Borough paid health insurance for the employee will continue with a reimbursable \$2,000 deductible. If family members are added to an employee's policy, the additional cost of the policy and the deductible amount must be paid by the employee.

The Secretary left the meeting while salaries were discussed. After re-entering the meeting, Council explained that they were freezing wages this year due to the economy. The 2009 division of salaries will remain for 2010.

Roy Rupert - \$44,345.60/year with one-half paid from the sewer fund and one-half paid from the water fund.

Sharon Heckman - \$30,721.60/year with one-third paid from each fund (general, sewer and water).

Todd Wasson - \$33,113.60/year with one-third paid from each fund (general, sewer and water).

Lester Kerstetter, Jr. – will continue on a part-time as needed basis, as he requested, at \$10.00/hr.

Continuation of full-time employment for Glenn Ripka was discussed. Council agreed to continue this employment for 2010 with the understanding that the Penns Valley Code Enforcement Agency continues to reimburse Millheim Borough for all hours Mr. Ripka works on Agency business and the monthly cost of Mr. Ripka's health insurance policy. The 2010 hourly rate for Mr. Ripka will be \$13.52.

A change to the Per Capita Tax was discussed because the Penns Valley Area School District will no longer be collecting their \$5.00 portion of the tax. At this point, Penn and Potter Township are planning to add the School District's \$5.00 to the total Per Capita Tax collected by their municipalities. For this change to be cost effective, the \$10 Per Capita Tax billing should be mailed with the County Tax billing in July to avoid the cost of a separate mailing. The consensus of Council was to increase the Borough's share of Per Capita Tax to \$10 and to authorize the Solicitor to prepare and advertise the necessary ordinance.

The gym renovation for the library and new geothermal system for the building were discussed. For these projects to move forward the asbestos must be removed from the old boiler and the boiler must be removed. An upgrade to the electrical system may be necessary to accommodate these changes to the building. The Secretary was instructed to look into costs for this upgrade.

Telephone costs were discussed. The Secretary will look into possible savings if phone and DSL service is combined with the Code Enforcement Agency. Recommendations were to contact D & E Communication and look into cell phone service for the office rather than a land line and a Verizon card for internet service. Cell phone reimbursement for Lester Kerstetter was discussed since he is now only part-time as needed. A motion to reduce the monthly amount of reimbursement for Mr. Kerstetter's cell phone from \$40 to \$11 per month for Borough business effective immediately was made by Tom Strebel and seconded by Marlene Corl. Motion carried.

Currently the Borough pays one-half the costs for on-site sewerage inspections by the SEO and then completes a report for reimbursement of these costs. However, a letter was received stating that the reports filed in 2009 will be filled on a first-come first-serve basis when money becomes available. The Secretary was instructed to speak with Pam Winter, SEO Officer, to determine how to change this so the individual resident would pay for 100% of their inspection/permit costs.

Some future projects for 2010 at the Community Parking Lot behind Fountain Park were discussed as follows:

- matting in the center island may need to be replaced
- parking stall lines need to be painted

Service on the backhoe is needed and road patching projects could be done.

The Secretary requested permission to pay \$158.80 for the Election for Relief from Charges and Notice of Solvency Fee for the calendar year 2010. She explained that due to the reduction in hours for Lester Kerstetter if he signed up for unemployment the charges would come back to the Borough because we are a reimbursable employer and we would be charged dollar-for-dollar. Consensus of Council was not to pay this because Mr. Kerstetter requested his reduced hours and the Borough would have full-time work for him he wouldn't need to go on unemployment.

A total balanced General Fund Budget for 2010 was completed in the amount of \$207,570 by using a beginning cash balance of \$9,721 from the 2009 checking account.

Downtown Beautification Fund Budget for 2010:

The account continues to pull money from the certificate of deposit to pay for expenses. The consensus of Council was that in the spring some fund raisers would need to be done and donations would be requested. A total balanced Downtown Beautification Fund Budget for 2010 was completed in the amount of \$693.00 by using a beginning cash balance of \$191 and pulling \$502 from the certificate of deposit.

Fire Tax Fund Budget for 2010:

One mill of fire tax on the County supplied total assessed value of \$14,487,425 is equal to \$13,763 at a 95% collectability rate. Proposed revenue for 2010 is anticipated to be \$28,263 by using a beginning cash balance of \$14,500 with anticipated expenses of \$15,189.

Liquid Fuel Fund Budget for 2010:

The Secretary explained that Todd Wasson would like to have a Hot Mix Transporter Asphalt Hot Box so patching could be done more efficiently than with cold patch. Bradco Supply Co. provided a cost for this equipment of \$13,039. The Secretary has spoken to Haines, Miles and Penn Townships and all the other Penns Valley Municipalities will also be contacted about going in with the cost of this machine as a County Liquid Fuel Grant Application. Haines Township is not interested. Penn Township also suggested including the cost of a roller. The consensus of Council was to apply for the Asphalt Hot Box but a roller could be rented as needed. A total balanced Liquid Fuel Fund Budget for 2010 was completed in the amount of \$26,275 by using a beginning cash balance of \$5,000.

Alan Ilgen explained that at the last Neighborhood Crime Watch it was agreed that a group would walk the streets after Trick-or-Treat on Halloween from around 10:00 p.m. to midnight. Currently five people have volunteered. He also explained that concerns were raised about people not cleaning up after their dogs. The Secretary was instructed to check the ordinances to see if this is included.

A motion to adjourn the meeting at 9:35 p.m. was made by Alan Ilgen and seconded by Tom Strelbel. Motion carried.

Sharon A. Heckman, Secretary-Treasurer