

MILLHEIM BOROUGH COUNCIL
225 EAST MAIN STREET
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MILLHEIM, PA 16854
(CENTRE COUNTY)
PHONE (814)-349-5350 FAX (814)-349-5733
BUDGET MEETING
October 29, 2025

Katie Blume called the meeting to order at 7:00 PM with the pledge of allegiance. Council members in attendance: Robert Zeigler, Cecilia Gallup and Beth Cottrell. Also in attendance Cim Besecker, Borough Treasurer. Absent Nicklaus Engle, Mayor Steve Myers, Denise Immel, Borough Secretary and Solicitor John Miller.

Citizens Input – none

New Action Items

Invoices:

A motion was made by Robert Zeigler to pay invoice #129109 in the amount of \$4,400.00 to Buchart Horn for professional services rendered on raw water main replacement thru 09/27/2025, seconded by Beth Cottrell. Motion passed.

Water Account 2026 budget:

Because this budget is affected by salaries it was noted that the salary increases would need to be addressed before the proposed budgets for water, sewer and general could be approved. Several scenarios were presented. All 2026 budgets are based on a 5% COLA.

The proposed 2026 water budget was reviewed. A truck purchase was approved 2 years ago and is still showing in capital purchases, half was from water and half was from sewer. Katie Blume to discuss the delay in purchase with Mr. Kerstetter.

Mr. Kerstetter has verbally mentioned the purchase of a generator to be used during power outages at the water plant, as no estimates were received this item cannot be placed in the 2026 budget. The ability to rent a generator as needed is still an option. Grant options will also be pursued.

Robert Zeigler reminded council that the solar array at the sewer plant will be up for purchase in 2027. Purchase price \$260,000 to \$270,000. This would eliminate paying the middle man but will require maintenance contract. Expense could be divided between accounts and should be addressed in future budgets.

It has been brought to councils attention that a local business is interested in tying into our water supply or assisting in running lines so fire hydrants may be installed closer to the place of business. Tying this business in would increase water income and give other residents and businesses the opportunity to connect as well. If council would decide to move forward legalities would need to be addressed, are we able to supply water outside of the borough and discussions would need to be held with Penn Township.

A motion was made by Robert Zeigler to approve the proposed water budget to be presented to council, seconded by Beth Cottrell. Motion passed.

Sewer Account 2026 Budget:

Because this budget is affected by salaries it was noted that the salary increases would need to be addressed before the proposed budgets for water, sewer and general could be approved. Several scenarios were presented. All budgets are run on a 5% COLA.

A truck purchase was approved 2 years ago and is still showing in capital purchases, half was from water and half was from sewer. Katie Blume to discuss the delay in purchase with Mr. Kerstetter.

No new purchase request have been received

Robert Zeigler mentioned the West Penn credit of \$6,636.65 which will be used to help defray the electric bill at the plant for the remainder of the year and part of 2026.

A motion was made by Beth Cottrell to approve the proposed sewer budget to be presented to council, seconded by Robert Zeigler. Motion passed.

Liquid Fuels Account 2026 budget:

Two requests, with estimates, have been received from our maintenance crew. As the existing skid steer was damaged during the Race Aly project and now has limited use they would like the ability to have it replaced along with the tooth bucket. They are also requesting the replacement of the brushes used for street sweeping be replaced. Both of the requests fall under the liquid fuels program. Total expenditure for the requests approximately \$53,251.06.

Two options were discussed. One – taking all expenses from the liquid fuels account and the second splitting the costs 50- 50 between general and liquid fuels.

A reminder was given that the Borough has grant applications out for various road improvements that will require matching funds from the liquid fuels account. A motion was made by Robert Zeigler to approve the second option for liquid fuels budget which would split the purchase between liquid fuels and general, to be presented to council, seconded by Beth Cottrell. Motion passed.

Fire Tax Account 2026 budget:

A motion was made by Beth Cottrell to approve the proposed fire tax budget to be presented to council, seconded by Robert Zeigler. Motion passed.

General Account 2026 budget:

Two options were presented for the general budget, one with all costs of skid steer, bucket and brushes being paid from general account and the second with only half being paid and balance from liquid fuels. As council has already approved the liquid fuels proposed budget with these half of the purchase the second option for general will be presented to council.

Cecilia Gallup questioned the balance in the capital expenditure ledger, this is carry over for the approved chipper that was requested for 2025. Robert Zeigler would like the maintenance crew to get updated estimates as there is to be a recycling grant available late 2025 or early 2026 that could be used to purchase or help purchase the chipper.

Katie Blume discussed extra funds in the Race Aly account, because this was not contracted out we avoided paying prevailing wages on the project, she feels it appropriate that we compensate our road crew appropriately. A motion was made by Cecilia Gallup to award an additional 60 hours pay to each full time maintenance employee, Robert amended the motion to add 2 additional day of PTO for the year 2025, seconded by Beth Cottrell. Motion passed. This still leaves additional funds. Cecilia Gallup made a motion to establish a separate account for Park and Rec and use the balance of funds as the initial deposit, also to add a line item in the 2026 general budget for Park and Rec, seconded by Robert Zeigler. Motion passed. Cim Besecker will take appropriate steps to establish account with Central Penn.

An Employee Wellness line item has been established for 2026, Katie Blume requested that \$100.00 be moved from the capital purchase line item to the employee wellness account.

As Penns Valley Emergency Medical Services is now requesting the municipality's contribution be .5 mill of the current tax assessment it is recommended to increase Penns Valley EMS to \$8,000.00 by moving \$500.00 from small tools and maintenance to EMS.

A motion was made by Robert Zeigler to approve a 5% COLA to all employees, seconded by Cecilia Gallup. Motion passed.

A motion was made by Robert Zeigler to approve the second option of the proposed general budget, with above changes, to be presented to council, seconded by Beth Cottrell. Motion passed.

No budget meeting needed for November 30, 2025.

A motion was made by Cecilia Gallup to adjourn, seconded by Robert Zeigler. Motion passed. Meeting adjourned at 8:30 PM.

Cim Besecker, Borough Treasurer

