

NEWS *from Middletown, Pa.*

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Rep. Payne praises Borough during visit to Council Meeting

State Rep. John Payne had words of praise Monday night for Middletown Borough Council when he stopped by Council's meeting to present the Borough with a flag that had flown over the state capital.

In his comments during the presentation, Payne congratulated the Borough on having found a way to resolve the issues caused by problems with an audit of a state grant which had been given to the Greater Middletown Economic Development Corporation (GMEDC).

"Job well done," said Payne. "Thanks to everybody, particularly (Borough Council President) Chris (McNamara) and Jack (Raudenbush) from GMEDC."

Delays in completing the audit were caused by the failure of past leaders of GMEDC to provide the Borough with needed records. The failure of past Borough administrations to put in place a system to make sure the records were provided in a timely manner after a similar problem with a 2010 audit of another GMEDC grant, also contributed.

The problems with the more recent audit had caused a hold to be placed on the release of state funds for projects in the Borough, including a \$250,000 grant Payne helps secure for the Middletown Volunteer Fire Department.

"It was more than just the \$250,000 for the fire department that was being held up," Payne said, noting that the hold also impacted more than \$1 million in other grants which have either been approved, or are under consideration, along with the Borough's share of state Liquid Fuels money.

The issue could also have impacted state funding for next year's planned resurfacing of Route 230 (Main Street) and plans to replace the Route 230 bridge over the Swatara Creek, said Payne.

Payne, and state Senator Mike Folmer, helped resolve the situation by facilitating a meeting between Borough and GMEDC after the Borough requested a state Attorney General's office investigation into the missing records..

"We really appreciate the help both Representative Payne and Senator Folmer provided in getting this matter resolved," said McNamara, following the Council meeting.

Like Payne, Borough officials have praised Raudenbush for his efforts in helping locate and provide the records after other GMEDC officials had failed to cooperate. With Raudenbush's help, the auditors were able to account for all but \$17,192 of the original \$135,000 grant to GMEDC.

The Borough will have to repay the state the \$17,192 -- \$3,245 which was spent outside the grant program's guidelines and \$13,947 which GMEDC could not produce receipts for. Later in Monday night's meeting, Borough Council voted to authorize the Council President to sign an agreement being drafted by the Borough's solicitor that will set up a payment schedule for GMEDC to repay the Borough for those funds.