

Cherrytree Township Board of Supervisors
Special Meeting
October 14, 2022
5:00 p.m.

A special meeting of the Cherrytree Township Board of Supervisors was held on Friday, October 14, 2022, at 5:00 p.m., at the township building. In attendance were Jim Waugh, Dave Zdarko, and Rob Kellogg, Supervisors, and Christine Kurelowech, Secretary-Treasurer.

Call to Order

Jim Waugh called the meeting to order.

Pledge of Allegiance

Moment of Prayer

Jim Waugh led those in attendance in a moment of prayer.

Public Comment

Ron Stewart said that fencing was recently erected around a large property on Miller Farm Road and asked if the Supervisors knew the reason. Nobody in attendance knew anything about the fence.

New Business

Prepare 2023 Budget

Chrissie Kurelowech presented spreadsheets outlining the income and expenses for 2021 and 2022. The Board of Supervisors spent a great deal of time going through the spreadsheets, account by account, and budgeting an amount for each account for 2023.

The numbers budgeted for General Fund income remained the same for 2023 as they were for 2022, with the exception of two accounts. Account 310.10 (Recorder) was raised from \$12,000.00 in 2022 to \$15,000.00 in 2023 because the property values are rising. Also, account 392.53 (ARP Income) went from \$73,477.79 in 2022 to zero in 2023. The township has received its entire ARP (American Rescue Plan) allocation. In 2021, the ARP funds (\$73,477.79) were put towards Shreve Road Culvert #1 (0.90 mile south of Black Road - between Turkey Farm Road and Black Road) and in 2022 the ARP funds (\$73,942.43) were put towards Lamey Road Culvert #1 (0.20 mile west of State Route 8).

Even though the township has applied for \$25,000.00 in County Aid to be put towards the replacement of six culvert pipes on Old Route 8, no money was budgeted for account 354.01 (County Aid) because the township has not been notified yet as to whether the application has been accepted or rejected. The project is estimated to cost \$37,500.00. If the application is approved as submitted, \$25,000.00 from the county will be used to pay for a portion of the labor, pipes, gravel, and rip-rap. The township will pay \$3,000.00 towards labor, pipes, gravel, and rip-rap, \$2,000.00 for approximately 20 tons of cold patch, and \$7,500.00 to cover the engineering fees.

As for Liquid Fuels income, it is estimated that the township will receive \$193,255.38 in Liquid Fuels tax revenue. As always, the township will receive \$24,240.00 in turnback funds from the state for maintenance of Dempseytown-Gresham Road (within Cherrytree Township) and \$1,680.00 in turnback funds from Oil Creek Township, Crawford County, for maintenance of Dempseytown-Gresham Road (Oil Creek Township, Crawford County, near Route 27).

The General Fund income for 2023 is estimated to be \$475,100.00 and the Liquid Fuels income for 2023 is estimated to be \$219,175.28. The estimated total revenue for 2023 is \$694,275.38, which is significantly lower than 2022 revenue primarily due to the loss of ARP (American Rescue Plan) funds.

Most budgeted amounts for expense accounts changed little or not at all between 2022 and 2023. The Supervisors budgeted \$15,000.00 for account 409.36 (Utilities), which is \$3,000.00 higher than last year, due to inflation. They reduced the amount budgeted for account 430.12 (Road Payroll) by \$20,000.00 due to the fact that a full-time (Class A) road worker has partially retired and works reduced hours (approximately 25 hours per week), making him a full-time (Class B) employee and leaving only two full-time (Class A) road workers who work at least 40 hours per week. After discussing the need for a new roof on the township garage, the Supervisors budgeted \$20,000.00 in account 430.37 (Building Maintenance), up \$10,000.00 from last year. They increased the budgeted amount for account 430.74.232 (Diesel Fuel) from \$15,000.00 in 2022 to \$20,000.00 in 2023 due to rising fuel costs. The Supervisors have no plan at this time to purchase new equipment during 2023, so nothing was budgeted for account 430.74.740 (Equipment Purchased). For account 481.00 (Payroll Tax (Employer Med/SS/UC Group Trust)), the Supervisors budgeted \$12,000.00, down from \$16,000.00 in 2022, due to one road worker partially retiring. The township will only be required to pay \$6,624.00 in 2023 to the Pennsylvania Municipal Retirement System (PMRS) to meet the minimum municipal obligation (MMO) for the year, down from \$14,049.00 in 2022. In 2022, the township saw a significant reduction in insurance premiums by changing insurance carriers for workers compensation insurance and for the commercial package (property, general liability, cyber liability, automobile (both township and VFD), inland marine, crime, umbrella, and public official liability). Because of this, the Supervisors budgeted \$15,000.00 for account 484.00 (Workers Compensation) for 2023, down from \$20,000.00 in 2022, and they budgeted \$12,000.00 for account 486.00 (Insurance (Commercial Package)), down from \$15,000.00 in 2022. Regarding health insurance premiums, Chrissie Kurelowech told the Supervisors that she had not received a renewal notice with 2023 rates from UPMC yet. The Supervisors budgeted \$45,000.00, the same amount that was budgeted in 2022, for account 487.00 (Other Group Insurance Benefits) in the General Fund to cover health insurance expenses.

Possible road projects for 2023 were discussed. The Supervisors discussed the need to put a seal coat on South Perry Street. They also agreed that they would like to continue to purchase a large quantity of gravel to be tailgated on the roads in 2023, just as they did in 2020, 2021, and 2022. They feel that there are no roads in desperate need of new pavement at this time and, consequently, budgeted no money for account 439.00 (Highway Construction & Rebuilding Projects). They budgeted \$304,700.00, between the General Fund and Liquid Fuels, in account 438.00.00 (Roads & Bridges). The Supervisors also budgeted \$20,000.00 for account 432.00 (Snow Removal) in Liquid Fuels to cover the cost of winter maintenance (salt and anti-skid).

The General Fund expenses for 2023 are estimated to total \$476,824.00 and the Liquid Fuels expenses are estimated to total \$215,920.00. The estimated total of all expenses for 2023 is \$692,744.00.

Administrative Action

Adopt Proposed 2023 Budget

On a motion made by Dave Zdarko, seconded by Jim Waugh, and carried unanimously, the Supervisors voted to adopt the proposed 2023 budget. Anticipated

income for 2023 is \$\$694,275.38 and anticipated expenditures total \$692,744.00. There will be no tax increase. Unless unforeseen expenses are discovered and amendments are necessary, the 2023 budget will be adopted at the regular monthly meeting scheduled for Monday, December 5, 2022, at 6:00 p.m. A copy of the proposed 2023 budget is available for inspection in the township office.

The meeting adjourned at 5:43 p.m.

Respectfully Submitted,

Christine C. Kurelowech, Secretary-Treasurer