

**Cherrytree Township Board of Supervisors
Special Meeting
October 20, 2023
5:00 p.m.**

A special meeting of the Cherrytree Township Board of Supervisors was held on Friday, October 20, 2023, 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

There was no "Public Comment".

New Business

2024 John Deere 670G – Interest Rate

Chrissie Kurelowech reported that the new 2024 John Deere 670G grader was recently delivered to the township. When the township agreed to purchase the new grader, in May of 2023, the annual payment (7-year lease) was supposed to be \$61,230.32. However, when the salesman from Five Star Equipment, Inc. recently presented the lease agreement to be signed, he said that the interest rate had gone down over the summer and that the new annual payment would be \$59,500.08. This is a savings of \$1,730.24 per year.

Prepare 2024 Budget

Chrissie Kurelowech presented spreadsheets outlining the income and expenses for 2022 and 2023. 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 2024.

The numbers budgeted for General Fund income remained the same for 2024 as they were for 2023, with the exception of three accounts. Account 310.20 (HA Berkheimer – EIT (Earned Income Tax)) was raised from \$130,000.00 in 2023 to \$135,000.00 in 2024. Also, account 355.05 (Pension (State Aid)) went from \$10,000.00 in 2023 to \$5,000.00 in 2024. The pension state aid and MMO (Minimum Municipal Obligation) have decreased in recent years because one of the full-time (Class A) road workers retired from PMRS (Pennsylvania Municipal Retirement System) and now is considered full-time (Class B), only working approximately 25 hours per week. Account 362.47 (Zoning Fees) increased from \$1,000.00 in 2023 to \$1,500.00 in 2024.

Even though the township has applied for \$50,000.00 in County Liquid Fuels Aid to be put towards paving an approximate 1-mile stretch of Old Route 8 (Breedtown Road to the city/county line), 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 \$234,162.50. If the application is approved as submitted, \$50,000.00 from the county will be used to pay for a portion of the paving and the township will be responsible for the balance.

As for Liquid Fuels income, it is estimated that the township will receive \$193,884.82 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 2024 is estimated to total \$475,600.00 and the Liquid Fuels income is estimated to total \$219,804.82. The estimated total income for 2024 is \$695,404.82.

Most budgeted amounts for General Fund expense accounts changed little or not at all between 2023 and 2024. The Supervisors increased account 405.34 (Advertising Printing) from \$1,200.00 in 2023 to \$1,500.00 in 2024 due to the fact that the township now advertises in The Derrick because The Titusville Herald closed its doors in late 2022. They also increased account 406.90 (General Government Miscellaneous) from \$3,000.00 in 2023 to \$3,500.00 in 2024. This account consists of many subaccounts, including clothing reimbursement, mileage reimbursement, dues and subscriptions, uniforms, meetings/conferences, and other miscellaneous items. The Supervisors budgeted zero dollars for account 408.00.05 (Engineering Services) because there are no projects that require engineering services planned for 2024. \$10,500.00 was budgeted in account 408.00.05 (Engineering Services) for 2023 because engineering services were planned for the Old Route 8 pipe replacement project. The Supervisors increased account 408.00 (General Government Professional Services) from \$500.00 in 2023 to \$2,000.00 in 2024 to cover bridge inspections, etc. The Supervisors discussed budgeting money for account 411.00.02 (Township VFD Contribution) and Jim Waugh noted that he could not make a decision on the contribution because he is a member of the VFD. Rob Kellogg and Dave Zdanko decided to budget zero dollars for account 411.00.02 (Township VFD Contribution), but said that they would consider making a contribution once 2024 is underway, depending upon the financial situation of the township. Account 430.12 (Road Payroll) increased from \$110,000.00 in 2023 to \$115,000.00 in 2024 and account 437.00 (Tools & Equipment Repair) also increased, from \$25,000.00 in 2023 to \$30,000.00 in 2024. The Supervisors budgeted \$100,000.00 for account 438.00.00 (Roads and Bridges Other), a decrease of \$10,000.00 from 2023. This account includes stone, dust suppressant, seal coating, etc. Account 481.00 (Payroll Tax (Employer Medicare/Social Security/Unemployment Compensation Group Trust)) increased from \$12,000.00 in 2023 to \$13,500.00 in 2024. The township will be required to pay \$7,075.00 in 2024 to the Pennsylvania Municipal Retirement System (PMRS) to meet the minimum municipal obligation (MMO) for the year, up from \$6,624.00 in 2023 (account 483.00 (Pension (Employer Portion))). Regarding health insurance premiums, Chrissie Kurelowech told the Supervisors that she had not received a renewal notice with 2024 rates from UPMC yet. The Supervisors budgeted \$50,000.00 for 2024, up \$5,000.00 from the amount that was budgeted for 2023, for account 487.00 (Other Group Insurance Benefits) in the General Fund to cover health insurance, life insurance, dental insurance, and disability insurance expenses.

As for Liquid Fuels expenses, the Supervisors budgeted \$58,000.00 for account 430.74.740 (Equipment Purchased) to put towards the John Deere 670G grader payment in 2024 (2nd of 7 payments). Chrissie Kurelowech explained that the township can only use 20% of its Liquid Fuels allocation to purchase new equipment. The unused portion carries over from year to year. Consequently, the township will not be able to pay for the new grader entirely with Liquid Fuels income. The Supervisors budgeted \$20,000.00 for

account 432.00 (Snow Removal) (salt and antiskid) and \$140,584.82 for account 439.00 (Highway Construction. & Rebuilding Projects). They plan to put the money in account 439.00 (Highway Construction & Rebuilding Projects) towards paving Old Route 8 in 2024. Chrissie Kurelowech noted that the township should be able to carry over about \$150,000.00 in Liquid Fuels money from 2023, which can also be put towards paving during 2024. As always, \$720.00 was budgeted for account 489.00 (Turnback Troy Township) to cover maintenance on part of Shriner Road and \$500.00 was budgeted for account 490.00 (Turnback Oakland Township) to cover maintenance on part of Tarr Road.

The General Fund expenses for 2024 are estimated to total \$475,575.00 and the Liquid Fuels expenses are estimated to total \$219,804.82. The estimated total of all expenses for 2024 is \$695,379.82.

Administrative Action

Adopt Proposed 2024 Budget

On a motion made by Jim Waugh, seconded by Rob Kellogg, and carried unanimously, the Supervisors voted to adopt the proposed 2024 budget. Anticipated income for 2024 is \$695,404.82 and anticipated expenditures total \$695,379.82. There will be no tax increase. Unless unforeseen expenses are discovered and amendments are necessary, the 2024 budget will be adopted at the regular monthly meeting scheduled for Monday, December 4, 2023, at 6:00 p.m. A copy of the proposed 2024 budget is available for inspection in the township office.

Halteman Subdivision – Planning Waiver and Non-Building Declaration

The Venango County Regional Planning Commission is in the process of subdividing a property owned by Caleb Halteman and has asked the township to approve and sign a Planning Waiver and Non-Building Declaration. By signing the waiver, the property owner agrees that no building that generates sewage will ever be erected on the property unless the township and the Pennsylvania Department of Environmental Protection (PA DEP) have approved sewage facilities planning. Additionally, if the township approves and signs the waiver, the township and its officials are responsible for identifying any violation of the waiver, submitting a Sewage Facilities Planning Module to PA DEP, soil testing, and other environmental assessments. After a brief discussion, the Supervisors decided that they would not approve the Planning Waiver and Non-Building Declaration for the Halteman subdivision. They felt that the waiver put too much responsibility and liability on the township and its officials. Since the Subdivision and Land Development Ordinance (SALDO) is a county ordinance and not a township ordinance, the Supervisors did not feel that the township and its officials should be asked to approve and sign the waiver in order for the subdivision to take place. Chrissie Kurelowech will notify the Venango County Regional Planning Commission.

The meeting adjourned at 6:10 p.m.

Respectfully Submitted,

Christine C. Kurelowech, Secretary-Treasurer