

MINUTES  
EMMET COUNTY ROAD COMMISSION  
HARBOR SPRINGS, MICHIGAN

The Emmet County Board of Road Commissioners met in regular session at the office in Harbor Springs on December 28, 2018. The Chairman, Frank Zulski, called the meeting to order at 8:00 a.m.

Commissioners Present: Frank Zulski-Chairman, Leroy Sumner-Vice Chairman, Larry Williams-Member

Staff Present:

Brian Gutowski - Engineer-Manager

John Gray – South End Foremen

James Godzik - Permit-CADD Technician

Robert Genson - Equipment Superintendent

Lisa Kleeman - Finance Director/Clerk of the Board

Guests Present:

Bill Dohm - Little Traverse Township

Tom Miller - Trailsend Bay Property Association

Larry Flynn – Trailsend Bay Property Association

Gordon Kruskie – Readmond Township

Toni Drier – Emmet County Commissioner

Cindy Baiardi – West Traverse Township

Dennis Keiser – Bear Creek Township

Jim Kargol      Pat Sumner

MINUTES: It was moved by Leroy Sumner, seconded by Larry Williams, to approve the open meeting minutes of December 14, 2018.

Ayes: Zulski, Williams, Sumner

Nays: None

Motion carried

ACCOUNTS PAYABLE: The List of Accounts Payable, Voucher No. 1857, checks numbering 45081 through 45125, in the amount of \$231,334.94, was presented for approval. It was moved by Larry Williams, seconded by Leroy Sumner, to approve accounts payable for payment of the same.

Ayes: Zulski, Williams, Sumner

Nays: None

Motion carried

PAYROLL: Voucher No. 1852 for Payroll No. 26, checks numbering 53987 through 54044, for regular payroll in the amount of \$90,946.31, was presented for approval. It was moved by Leroy Sumner, seconded by Larry Williams, to approve payroll for payment of the same.

Ayes: Zulski, Williams, Sumner

Nays: None

Motion carried

UNFINISHED BUSINESS:

- a. Wilderness Park Drive – Engineer-Manager Gutowski gave an update regarding the DNR and DEQ pertaining to easements and permitting.

PUBLIC COMMENT: None

APPOINTMENTS:

- a. 8:15 a.m.: Public Hearing - Proposed 2019 Act 51 Budget. It was moved by Larry Williams, seconded by Leroy Sumner, to begin the public hearing.

Ayes: Zuluski, Williams, Sumner

Nays: None

Motion carried

The public hearing was advertised in the Petoskey News Review. Lisa Kleeman, Finance Director, presented the recommended 2019 Budget highlighting significant variances from the previous year's budget. After comments and questions, it was moved by Larry Williams, seconded by Leroy Sumner, to end the public hearing.

Ayes: Zuluski, Williams, Sumner

Nays: None

Motion carried

NEW BUSINESS:

- a. The 2018 Act 51 Budget Amendment #1 was presented for adoption. It was moved by Leroy Sumner, seconded by Larry Williams, to adopt Amendment #1 for 2018. This item is included in the minutes. Gutowski reviewed equipment purchases during 2018.

Roll Call Vote:

Commissioner Zuluski – Aye

Commissioner Sumner – Aye

Commissioner Williams – Aye

Motion carried

- b. Gutowski presented the Final 2018 Working Budget. He explained the difference between the Working Budget and the Act 51 Budget. He then presented several pages of detail regarding specific budgeted revenue and expenditures items listing reasons for any variances. This item is included in the minutes.

- c. Gutowski presented the Proposed 2019 Working Budget with end of year cash balance projection. This item is included in the minutes.
- d. The recommended 2019 Act 51 Budget was presented for adoption and the General Appropriations Act was read. It was moved by Leroy Sumner, seconded by Larry Williams, to adopt the budget for 2019 and the General Appropriations Act in accordance with the provisions of Public Act 2 of 1968. Both items are to be included in the minutes.

Ayes: Williams, Sumner, Zulski

Nays: None

Motion carried

- e. Gutowski presented a list of the Proposed 2019 Equipment Purchases.

CORRESPONDENCE: None

ENGINEER-MANAGER'S REPORT: Gutowski reported the following:

- Township presentations are in development for the January meetings
- Wilderness Park Drive project continues by working with the DNR and DEQ
- Next Board Meeting will be Monday, January 14, 2019
- Appreciation was expressed for the support of the Board, staff, townships, and our friends on Wilderness Park Drive.

SUPERVISOR'S REPORT: None

PERMIT/CAD REPORT: Godzik reported working on the Wilderness Park Drive 2019 Federal Aid project with most right-of-way issues taken care of except for one.

EQUIPMENT SUPERINTENDENT'S REPORT: Genson reported working on year-end inventory.

COMMISSIONERS' REPORT: Commissioner Sumner thanked the employees for a good year. Commissioner Zulski thanked the audience for support on Senate Bill 396 but the issue isn't over. Zulski asked for a thank you note to go to the six Representatives on the House Transportation Committee that voted against the bill. He also thanked the crew and the public.

ROAD FOREMAN'S REPORT: Gray stated the break in weather allowed for less material to be used and everything is ready to perform anti-icing.

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Minutes of 12/28/18

Board of Emmet County Road Commissioners

FINANCE DIRECTOR REPORT: None

PUBLIC COMMENT:

- a. Dennis Keiser, Bear Creek Township Supervisor, inquired on a logging operation on Fletcher Road and asked if they were permitted. He was updated on the fact that logging operations no longer need permits for driveways and therefore road damage and safety issues cannot be addressed unless someone notifies the road commission that an operation is occurring.

With no further business, Commissioner Zuluski adjourned the meeting at 9:11 a.m.



\_\_\_\_\_  
Lisa Kleeman, Finance Director-Clerk of the Board



\_\_\_\_\_  
Date

**EMMET COUNTY ROAD COMMISSION**

**2018 BUDGET - PROPOSED AMENDMENT #1**

	2016 ACTUAL	2017 ACTUAL	2018 ORIGINAL BUDGET	2018 PROPOSED AMENDMENT #1	2018 BUDGET DIFFERENCES	
<b>REVENUE:</b>						
Licenses Permits	\$ 39,470	\$ 43,855	\$ 42,000	\$ 47,775	\$ 5,775	1
<b>Federal Sources:</b>						
Surface Transportation Program	302,109	120,778	543,000	117,496	(425,504)	2
Other	-	-	-	-	-	
<b>Total Federal Sources</b>	\$ 302,109	\$ 120,778	\$ 543,000	\$ 117,496	\$ (425,504)	
<b>State Sources:</b>						
MI Transportation Funds:						
Engineering	10,000	10,000	10,000	10,000	-	3
Allocation (Primary & Local)	3,782,049	4,956,300	5,184,000	5,334,400	150,400	3
Snow Removal	146,487	148,366	148,400	193,540	45,140	3
Urban (Primary & Local)	155,676	205,021	216,000	220,300	4,300	3
<b>State Grants:</b>						
Bridge	75,066	1,313	-	-	-	
State D	2,766	-	134,819	21,644	(113,175)	2
Forest Funds	66,636	41,626	143,700	222,383	78,683	4
Other	301,833	-	-	755,861	755,861	5
<b>Total State Sources</b>	\$ 4,540,513	\$ 5,362,626	\$ 5,836,919	\$ 6,758,128	\$ 921,208	
<b>Contributions:</b>						
Local Units (Twps & Villages)	3,175,498	2,967,425	2,365,150	1,896,097	(469,053)	6
<b>Total Local Contributions</b>	\$ 3,175,498	\$ 2,967,425	\$ 2,365,150	\$ 1,896,097	\$ (469,053)	
<b>Charges for Services:</b>						
Trunkline Maintenance	1,102,856	1,198,640	1,075,000	878,111	(196,889)	7
Trunkline Non-Maintenance	136,522	39,240	39,623	197,590	157,967	8
Salvage Sales	873	8,445	4,000	10,500	6,500	9
<b>Total Charges for Services</b>	\$ 1,240,251	\$ 1,246,325	\$ 1,118,623	\$ 1,086,201	\$ (32,422)	
<b>Other Revenue:</b>						
Interest & Rentals	3,227	2,211	2,000	22,000	20,000	10
Gain on Equipment & Disposal	112,204	(20,995)	-	55,814	55,814	11
Contributions from Private Sources	380,888	1,544,704	2,041,520	2,100,486	58,966	12
Other (Local Revenue, Sales, Etc.)	-	3,817	15,000	4,000	(11,000)	13
<b>Total Other Revenue</b>	\$ 496,319	\$ 1,529,737	\$ 2,058,520	\$ 2,182,299	\$ 123,779	
<b>Other Financing Sources:</b>						
Loan/Note Proceeds	938,815	2,681,186	1,409,992	1,152,697	(257,295)	14
<b>Total Other Financing Sources</b>	\$ 938,815	\$ 2,681,186	\$ 1,409,992	\$ 1,152,697	\$ (257,295)	
<b>TOTAL REVENUE</b>	\$ 10,732,975	\$ 13,951,932	\$ 13,374,204	\$ 13,240,693	\$ (133,511)	

EXPENDITURES:	2018				
	2016 ACTUAL	2017 ACTUAL	ORIGINAL BUDGET	2018 PROPOSED AMENDMENT #1	2018 BUDGET DIFFERENCES
<b>Primary Roads:</b>					
Heavy Maintenance	\$ 631,698	\$ 2,542,131	\$ 2,001,891	\$ 2,033,043	\$ 31,152 15
Structures	1,446,631	-	894,343	1,049,191	154,848 16
Maintenance	1,701,726	1,616,531	1,426,384	1,686,184	259,799 17
<b>Total Primary Roads</b>	<b>\$ 3,780,055</b>	<b>\$ 4,158,662</b>	<b>\$ 4,322,619</b>	<b>\$ 4,768,418</b>	<b>\$ 445,800</b>
<b>Local Roads:</b>					
Heavy Maintenance	2,864,266	2,795,124	1,976,076	2,084,540	108,464 18
Structures	-	-	566,953	817,313	250,360 19
Maintenance	1,864,454	1,712,017	1,637,603	2,059,452	421,849 20
<b>Total Local Roads</b>	<b>\$ 4,728,720</b>	<b>\$ 4,507,141</b>	<b>\$ 4,180,632</b>	<b>\$ 4,961,305</b>	<b>\$ 780,674</b>
<b>State Trunkline:</b>					
Maintenance	1,066,859	1,145,057	1,180,110	1,015,000	(165,110) 21
Non-Maintenance	136,522	39,240	39,623	197,590	157,967 22
<b>Total State Trunkline</b>	<b>\$ 1,203,381</b>	<b>\$ 1,184,297</b>	<b>\$ 1,219,733</b>	<b>\$ 1,212,590</b>	<b>\$ (7,143)</b>
Equipment Expenses-Net	(291,012)	(179,194)	5,838	81,047	75,209 23
Distributive Expense		-	-	-	- 24
Capital Outlay - Net	679,622	2,350,011	1,767,252	1,014,363	(752,890) 25
Administrative - Net	391,105	464,387	560,766	563,867	3,101 26
Other	44,378	11,000	-	-	- 27
<b>Debt Service:</b>					
Principal	409,173	620,462	617,807	480,182	(137,625) 28
Interest	13,554	120,203	102,430	95,936	(6,493) 29
<b>TOTAL EXPENSES</b>	<b>\$ 10,958,976</b>	<b>\$ 13,236,969</b>	<b>\$ 12,777,076</b>	<b>\$ 13,177,708</b>	<b>\$ 400,632</b>
<b>Net Gain or Loss</b>	<b>\$ (226,001)</b>	<b>\$ 714,963</b>	<b>\$ 597,128</b>	<b>\$ 62,985</b>	<b>\$ (534,143)</b>
<b>Beginning Fund Balance</b>	<b>1,231,299</b>	<b>1,005,298</b>	<b>1,720,261</b>	<b>1,720,261</b>	<b>-</b>
<b>Net Gain or (Loss)</b>	<b>(226,001)</b>	<b>714,963</b>	<b>597,128</b>	<b>62,985</b>	<b>(534,143)</b>
<b>CLOSING FUND BALANCE</b>	<b>\$ 1,005,298</b>	<b>\$ 1,720,261</b>	<b>\$ 2,317,389</b>	<b>\$ 1,783,246</b>	<b>\$ (534,143)</b>

**2018 PRELIMINARY ROAD COMMISSION WORKING BUDGET**

<u>EXPECTED REVENUES:</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>
MTF	\$ 5,222,000	\$ 6,319,597.98	121.0
MTF Snow Funds	148,400	193,539.64	130.4
MTF Professional Engineer	10,000	10,000.00	100.0
MDOT	1,280,000	1,256,597.73	98.2
Township Contribution	3,100,000	2,153,326.79	69.5
Levering Bond	475,700	475,700.00	100.0
Forest Funds	63,700	63,699.54	100.0
Tribal Contribution	1,110,000	977,799.00	88.1
Interest / Permits / Other	950,000	1,132,534.30	119.2
<b>Sub-Total</b>	<b>\$ 12,359,800</b>	<b>\$ 12,258,794.98</b>	<b>101.8</b>
<u>EXPECTED OPERATIONAL EXPENSES:</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>	
Office / Administrative (See p.2&6)	\$ 364,500	\$ 374,804.67	102.9
Equipment & Buildings (See p.3)	794,000	822,282.07	103.4
Road Maintenance / Construction (See p.4)	3,676,300	4,458,984.72	121.3
Township Expenses (See p.5)	2,561,000	1,784,703.56	69.7
BIA Project Cost (See p.7)	1,053,000	1,200,954.24	114.1
Fringe Item Costs (See p. 8)	1,806,200	1,878,970.87	104.0
Old Bond Payment	0	0.00	
Levering Bond Payment	267,100	266,587.50	99.8
Bond Expense	475,700	475,700.00	100.0
Equipment Loan	298,000	174,533.17	58.6
County Loan	0	0.00	
State Infrastructure Loan	131,013	131,012.75	100.0
Utilities (Telephone, electrical, etc...)	118,000	110,072.43	93.3
Insurance Coverage (liability)	165,000	159,568.30	96.7
<b>Sub-Total</b>	<b>\$ 11,709,813</b>	<b>\$ 11,838,114.28</b>	<b>101.1</b>
Estimated Net Gain or (Loss)	+ \$ 649,987	+ \$ 420,680.70	
	(before purchases)	(before purchases)	
<b>2018 End of Year Reserves:</b>	<b>Budgeted: \$ 318,291</b>	<b>ACTUAL = \$ 570,369.58</b>	
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Auditor Recommended Minimum Cash Balance		\$ 600,000	
Preferred Minimum Cash Balance		\$ 1,100,000	

2018 OFFICE AND ADMINISTRATIVE BUDGET

		<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>
<u>PERSONNEL:</u>	3 Commissioners	\$ 20,000	\$ 18,398.58	92.0
	1 Engineer-Manager	93,500	93,128.84	99.6
	3 Office Staff	158,000	165,731.97	104.9
	Fringes		See page 8	
	<b>SUB - TOTAL</b>	<b>\$ 271,500</b>	<b>\$ 277,259.39</b>	<b>102.1</b>
 <u>OFFICE / ADMINISTRATIVE EXPENSES</u>				
	Attorney's Fees	\$ 5,000	\$ 7,332.16	146.6
	Office Supplies (Postage, telephone, paper, pens, computer, janitorial..)	22,000	37,571.82	170.8
	Compliance Costs	11,000	8,995.95	81.8
	Advertisement Costs (news. & public.)	25,000	25,533.92	102.1
	Travel	30,000	18,211.43	60.9
	<b>SUB - TOTAL</b>	<b>\$ 93,000</b>	<b>\$ 97,645.28</b>	<b>105.0</b>
<b>TOTAL OFFICE / ADMINSTRATIVE</b>		<b>\$ 364,500</b>	<b>\$ 374,904.67</b>	<b>102.9</b>



2018 EQUIPMENT AND BUILDING MAINTENANCE BUDGET

	<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>
<u>PERSONNEL:</u>			
1 Superintendent	\$ 66,800	\$ 67,148.38	100.5
4 Mechanics	183,000	174,845.24	95.5
Overtime (700 hours)	22,200	23,491.97	105.8
1 Building Maintenance	41,400	40,901.98	98.8
Overtime (120)	3,500	2,970.76	84.9
Fringes		See Page 8	
<b>SUB - TOTAL</b>	<b>\$ 316,900</b>	<b>\$ 309,358.33</b>	<b>97.6</b>
<u>EQUIPMENT MATERIALS:</u>			
Inventory Parts Used	\$ 100,000	\$ 140,606.61	140.6
Direct Charged Parts	205,000	195,525.86	95.4
Oils	18,000	12,172.08	67.6
Unallocated (nuts, bolts, grease, lubes, wire ends, tape, aerosols, etc...)	55,000	57,392.02	104.3
Miscellaneous (welding, small tools, shop equipment repair)	15,000	18,424.15	122.8
Tires	25,000	26,837.25	107.3
Capital Expenses	8,000	5,744.99	71.8
<b>SUB - TOTAL</b>	<b>\$ 426,000</b>	<b>\$ 456,702.96</b>	<b>107.2</b>
<u>BUILDING MATERIALS:</u>			
Maintenance	\$ 20,000	\$ 30,807.69	154.0
Safety	26,000	21,392.53	82.3
Janitorial	6,000	4,020.56	67.0
<b>SUB - TOTAL</b>	<b>\$ 52,000</b>	<b>\$ 56,220.78</b>	<b>108.1</b>
<b>EQUIPMENT AND BUILDING MATERIALS</b>	<b>\$ 478,000</b>	<b>\$ 512,923.74</b>	<b>107.3</b>
<b>TOTAL EQUIPMENT AND BUILDING MAINTENANCE</b>	<b>\$ 794,900</b>	<b>\$ 822,282.07</b>	<b>103.4</b>

2018 IN-HOUSE ROAD MAINTENANCE AND CONSTRUCTION

		<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>	
<u>PERSONNEL:</u>	1	Project Manager	\$ 67,500	\$ 66,773.38	98.9
	1	Permit Technician	54,000	53,972.12	99.9
	2	Foreman	152,000	176,460.64	116.1
	8	Heavy Equip. Op.	351,300	353,209.28	100.5
	1	Sign Man	42,500	42,768.36	100.6
	17	Truck Drivers (actual 20)	755,000	777,249.38	102.9
		Overtime (200 hours avg.)	155,000	184,192.25	118.8
		Fringes		See Page 8	
<b>SUB - TOTAL</b>			<b>\$ 1,577,300</b>	<b>\$ 1,654,625.41</b>	<b>104.9</b>
 <u>ROAD MATERIALS:</u>					
		County Salt	\$ 248,000	\$ 250,148.55	100.9
		Ice Control Sand	5,000	35,940.29	718.8
		Salt Pre-Treatment	50,000	42,098.00	84.2
		Cold Patch (CP-1 & CP-7)	70,000	44,552.28	63.6
		Asphalt Emulsion & Crack Seal	60,000	102,995.50	171.7
		Sealcoat / Durapatch Chips	5,000	0.00	0.0
		Asphalt Wedge	350,000	820,902.35	234.5
		Lane Line Painting	15,000	0.00	0.0
		Diesel Fuel	240,000	270,255.46	112.6
		Unleaded Gas	50,000	51,063.52	102.1
		Culverts	12,000	14,772.39	123.1
		Signs	14,000	10,053.13	71.8
		Dust Control	5,000	2,520.00	50.4
		Miscellaneous (Guardrail, Fed-aid, seed, hay, etc...)	975,000	1,159,058.14	118.9
<b>SUB - TOTAL</b>			<b>\$ 2,099,000</b>	<b>\$ 2,804,359.31</b>	<b>133.6</b>
<b>TOTAL ROAD MAINTENANCE</b>			<b>\$ 3,676,300</b>	<b>\$ 4,458,984.72</b>	<b>121.3</b>

2018 TOWNSHIP EXPENSES

<u>ROAD MATERIALS:</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>
Asphalt Emulsion	\$ - 0 -	\$ 0.00	0.0
Sealcoat Chips	- 0 -	0.00	0.0
Crack Seal	- 0 -	0.00	0.0
Cold Patch	- 0 -	0.00	0.0
Asphalt	1,600,000	1,236,988.67	77.3
Gravel	450,000	234,677.44	52.2
Topsoil, Seed, Mulch	90,000	51,027.00	56.7
Culverts	40,000	27,121.00	67.8
Guardrail	20,000	0.00	0.0
Other (geotextile, etc...)	22,000	15,588.44	70.9
Earth Excavation	200,000	77,535.75	38.8
Concrete Curb	15,000	21,242.20	141.6
Traffic Control	50,000	54,415.06	108.8
Dust Control	74,000	66,108.00	89.3
<b>SUB - TOTAL</b>	<b>\$ 2,561,000</b>	<b>\$ 1,784,703.56</b>	<b>69.7</b>

2018 OFFICE / ADMINISTRATIVE COSTS WORKSHEETOFFICE SUPPLIES WORKSHEET

	<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>
Postage & Shipping	\$ 1,300	\$ 860.00	66.2
Paper, pencils, pens, etc...	3,200	4,314.24	134.8
Janitorial Expense	1,400	1,384.15	98.9
Computer Expense	8,700	16,387.10	188.4
Equipment Maintenance	2,800	1,295.97	46.3
Printing Costs	1,600	1,378.37	86.1
Engineering Supplies	3,000	11,951.99	398.4
<b>SUB - TOTAL</b>	<b>\$ 22,000</b>	<b>\$ 37,571.82</b>	<b>170.8</b>

COMPLIANCE COSTS WORKSHEET

COBRA	\$ 600	\$ 497.95	83.0
Auditor Charges	10,400	8,498.00	81.7
<b>SUB - TOTAL</b>	<b>\$ 11,000</b>	<b>\$ 8,995.95</b>	<b>81.8</b>

ADVERTISEMENT COSTS WORKSHEET

Newspapers, magazines	\$ 8,500	\$ 9,968.58	117.3
Dues, fees, publications	16,500	15,565.34	94.3
<b>SUB - TOTAL</b>	<b>\$ 25,000</b>	<b>\$ 25,533.92</b>	<b>102.1</b>

TRAVEL COSTS WORKSHEET

Commissioners Travel	\$ 4,000	\$ 4,425.14	110.6
Employee Travel & Training	26,000	13,846.29	53.3
<b>SUB - TOTAL</b>	<b>\$ 30,000</b>	<b>\$ 18,271.43</b>	<b>60.9</b>

2018 BUREAU OF INDIAN AFFAIRS PROJECTS

PROJECTS SCHEDULED: Pleasantview Road (\$660,000)  
 Middle Road Bridge over Greenbriar (\$450,000)

TOTAL SCHEDULED VALUE = \$1,110,000.00

<u>ROAD MATERIALS</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>
Asphalt	\$ 450,000	\$ 563,627.45	125.3
Gravel	100,000	185,429.51	185.4
Earth Excavation	40,000	64,062.68	160.2
Sand Fill	8,000	995.35	12.4
Concrete Curb	8,000	0.00	0.0
Traffic Signal	0	0.00	0.0
Clear and Grub	5,000	0.00	0.0
Culvert / Storm Sewer	5,000	0.00	0.0
Topsoil, Seed, Mulch	8,000	1,504.16	18.8
Traffic Control	20,000	17,295.96	86.5
Bridge Material	350,000	312,029.33	89.1
Guardrail	30,000	23,910.00	79.7
Dust Control	4,000	0.00	0.0
Engineering Services	25,000	32,099.80	128.4
<b>SUB -- TOTAL =</b>	<b>\$ 1,053,000</b>	<b>\$ 1,200,954.24</b>	<b>114.1</b>

2018 FRINGE BENEFIT BREAKDOWN

<u>FRINGE ITEM</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>	<u>%</u>
MERS Defined Benefit	\$ 752,000	\$ 812,519.02	108.0
MERS Defined Contribution	148,000	161,794.25	109.3
Health Insurance	600,000	634,487.22	105.7
FICA	165,000	172,964.60	104.8
Workers Compensation	85,000	93,022.72	109.4
Life Insurance	4,200	4,183.06	99.6
Unemployment	4,000	0.00	0.0
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<b>SUB - TOTAL</b>	<b>\$ 1,806,200</b>	<b>\$ 1,878,970.87</b>	<b>104.0</b>

**2019 PRELIMINARY ROAD COMMISSION WORKING BUDGET**

<u>EXPECTED REVENUES:</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>
MTF	\$ 6,490,500	\$ 6,319,597.98
MTF Snow Funds	193,500	193,539.64
MTF Professional Engineer	10,000	10,000.00
MDOT	1,280,000	1,256,597.73
Township Contribution	2,800,000	2,153,326.79
Forest Funds	63,700	63,699.96
Tribal Contribution	1,400,000	977,799.00
Interest / Permits / Other	850,000	1,132,534.30
<hr/>		
<b>Sub-Total</b>	<b>\$ 13,087,700</b>	<b>\$ 12,258,794.98</b>
<u>EXPECTED OPERATIONAL EXPENSES:</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>
Office / Administrative (See p.2&6)	\$ 392,600	\$ 374,804.67
Equipment & Buildings (See p.3)	858,800	822,282.07
Road Maintenance / Construction (See p.4)	3,982,400	4,458,984.72
Township Expenses (See p.5)	2,721,000	1,784,703.56
BIA Project Cost (See p.7)	1,290,000	1,200,954.24
Fringe Item Costs (See p. 8)	2,016,500	1,878,970.8
Levering Bond Payment	269,200	266,587.50
Equipment Loan	298,000	174,533.17
State Infrastructure Loan	131,013	131,012.75
Utilities (Telephone, electrical, etc...)	118,000	110,072.43
Insurance Coverage (liability)	165,000	159,568.30
<hr/>		
<b>Sub-Total</b>	<b>\$ 12,242,513</b>	<b>\$ 11,831,317.22</b>
Estimated Net Gain or (Loss)	+ \$ 845,187	+ \$ 427,477.76
	(before purchases)	(before purchases)
<b>2019 End of Year Reserves: Budgeted:</b>	<b>\$ 570,369.58</b>	<b>(before expenses)</b>
<hr/>		
Auditor Recommended Minimum Cash Balance		\$ 600,000
Preferred Minimum Cash Balance		\$ 800,000
<hr/>		

**2019 OFFICE AND ADMINISTRATIVE BUDGET**

	<u>BUDGET</u>	<u>2018 ACTUAL</u>
<u>PERSONNEL:</u>		
3 Commissioners	\$ 20,000	\$ 18,398.58
1 Engineer-Manager	99,800	93,128.84
3 Office Staff	180,000	165,731.97
Fringes	See page 8	
<hr/>		
<b>SUB - TOTAL</b>	<b>\$ 299,800</b>	<b>\$ 277,259.39</b>
<u>OFFICE / ADMINISTRATIVE EXPENSES</u>		
Attorney's Fees	\$ 6,000	\$ 7,332.16
Office Supplies (Postage, telephone, paper, pens, computer, janitorial.)	25,200	37,571.82
Compliance Costs	10,600	8,995.95
Advertisement Costs (news. & public.)	26,000	25,533.92
Travel	25,000	18,211.43
<hr/>		
<b>SUB - TOTAL</b>	<b>\$ 92,800</b>	<b>\$ 97,645.28</b>
<b>TOTAL OFFICE / ADMINSTRATIVE</b>	<b>\$ 392,600</b>	<b>\$ 335,748.08</b>



**2019 EQUIPMENT AND BUILDING MAINTENANCE BUDGET**

	<u>BUDGET</u>	<u>2018 ACTUAL</u>
<b><u>PERSONNEL:</u></b>		
1 Superintendent	\$ 71,900	\$ 67,148.38
4 Mechanics	187,300	174,845.24
Overtime (700 hours)	25,200	23,491.97
1 Building Maintenance	43,900	40,901.98
Overtime (120)	3,500	2,970.76
Fringes	See Page 8	
<hr/>		
<b>SUB – TOTAL</b>	<b>\$ 331,800</b>	<b>\$ 297,189.10</b>
<b><u>EQUIPMENT MATERIALS:</u></b>		
Inventory Parts Used	\$ 130,000	\$ 140,606.61
Direct Charged Parts	210,000	195,525.86
Oils	18,000	12,172.08
Unallocated (nuts, bolts, grease, lubes, wire ends, tape, aerosols, etc...)	60,000	57,392.02
Miscellaneous (welding, small tools, shop equipment repair)	20,000	18,424.15
Tires	25,000	26,837.25
Capital Expenses	8,000	5,744.99
<hr/>		
<b>SUB – TOTAL</b>	<b>\$ 471,000</b>	<b>\$ 456,702.96</b>
<b><u>BUILDING MATERIALS:</u></b>		
Maintenance	\$ 22,000	\$ 30,807.69
Safety	24,000	21,392.53
Janitorial	10,000	4,020.56
<hr/>		
<b>SUB – TOTAL</b>	<b>\$ 56,000</b>	<b>\$ 56,220.78</b>
<b>EQUIPMENT AND BUILDING MATERIALS</b>	<b>\$ 527,000</b>	<b>\$ 512,923.74</b>
<b>TOTAL EQUIPMENT AND BUILDING MAINTENANCE</b>	<b>\$ 858,800</b>	<b>\$ 822,282.07</b>

**2019 IN-HOUSE ROAD MAINTENANCE AND CONSTRUCTION**

		<u>BUDGET</u>	<u>2018 ACTUAL</u>
<u>PERSONNEL:</u>	1		
	Project Manager	\$ 71,500	\$ 66,773.38
	1		
	Permit Technician	59,500	53,972.12
	2		
	Foreman	145,000	176,460.64
	8		
	Heavy Equip. Op.	385,000	353,209.28
	1		
	Sign Man	45,800	42,768.36
	20		
	Truck Drivers	873,600	777,249.38
	Overtime (200 hours avg.)	180,000	184,192.25
	Fringes		
			See Page 8
<hr/>			
	<b>SUB - TOTAL</b>	<b>\$ 1,760,400</b>	<b>\$ 1,654,625.41</b>
<u>ROAD MATERIALS:</u>			
	County Salt	\$ 270,000	\$ 250,148.55
	Ice Control Sand	15,000	35,940.29
	Salt Pre-Treatment	50,000	42,098.00
	Cold Patch (CP-1 & CP-7)	65,000	44,552.28
	Asphalt Emulsion & Crack Seal	70,000	102,995.50
	Sealcoat / Durapatch Chips	750,000	0.00
	Asphalt Wedge	100,000	820,902.35
	Lane Line Painting	25,000	0.00
	Diesel Fuel	285,000	270,255.46
	Unleaded Gas	60,000	51,063.52
	Culverts	15,000	14,772.39
	Signs	14,000	10,053.13
	Dust Control	3,000	2,520.00
	Miscellaneous (Guardrail, Fed-aid, seed, hay, etc...)	500,000	1,159,058.14
<hr/>			
	<b>SUB - TOTAL</b>	<b>\$ 2,222,000</b>	<b>\$ 2,804,359.31</b>
	<b>TOTAL ROAD MAINTENANCE</b>	<b>\$ 3,982,400</b>	<b>\$ 4,458,984.72</b>

**2019 TOWNSHIP EXPENSES**

<u>ROAD MATERIALS:</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>
Asphalt Emulsion	\$ 100,000	\$ 0.00
Sealcoat Chips	60,000	0.00
Crack Seal	- 0 -	0.00
Cold Patch	- 0 -	0.00
Asphalt	1,600,000	1,236,988.67
Gravel	450,000	234,667.44
Topsoil, Seed, Mulch	90,000	51,027.00
Culverts	40,000	27,121.00
Guardrail	20,000	0.00
Other (geotextile, etc...)	22,000	15,588.44
Earth Excavation	200,000	77,535.75
Concrete Curb	15,000	21,242.20
Traffic Control	50,000	54,415.06
Dust Control	74,000	66,108.00
<hr/>		
<b>SUB -- TOTAL</b>	<b>\$ 2,721,000</b>	<b>\$ 1,784,703.56</b>

**2019 OFFICE / ADMINISTRATIVE COSTS WORKSHEET****OFFICE SUPPLIES WORKSHEET**

	<u>BUDGET</u>	<u>2018 ACTUAL</u>
Postage & Shipping	\$ 1,300	\$ 860.00
Paper, pencils, pens, etc...	4,500	4,314.24
Janitorial Expense	1,500	1,384.15
Computer Expense	20,000	16,387.10
Equipment Maintenance	2,800	1,295.97
Printing Costs	1,600	1,378.37
Engineering Supplies	5,000	11,951.99
<b>SUB - TOTAL</b>	<b>\$ 36,700</b>	<b>\$ 37,571.82</b>

**COMPLIANCE COSTS WORKSHEET**

COBRA	\$ 600	\$ 497.95
Auditor Charges	10,000	8,498.00
<b>SUB - TOTAL</b>	<b>\$ 10,600</b>	<b>\$ 10,312.70</b>

**ADVERTISEMENT COSTS WORKSHEET**

Newspapers, magazines	\$ 10,000	\$ 9,968.58
Dues, fees, publications	16,000	15,565.34
<b>SUB - TOTAL</b>	<b>\$ 26,000</b>	<b>\$ 22,235.55</b>

**TRAVEL COSTS WORKSHEET**

Commissioners Travel	\$ 5,000	\$ 4,425.14
Employee Travel & Training	20,000	13,846.29
<b>SUB - TOTAL</b>	<b>\$ 25,000</b>	<b>\$ 18,371.43</b>

**2019 BUREAU OF INDIAN AFFAIRS PROJECTS**

PROJECTS SCHEDULED: Pleasantview Road (\$530,000)  
State Road (\$760,000)

TOTAL SCHEDULED VALUE = \$1,290,000.00

<u>ROAD MATERIALS</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>
Asphalt	\$ 1,100,000	\$ 563,627.45
Gravel	50,000	185,429.51
Earth Excavation	75,000	64,062.68
Sand Fill	0	995.35
Concrete Curb	10,000	0.00
Traffic Signal	0	0.00
Clear and Grub	0	0.00
Culvert / Storm Sewer	0	0.00
Topsoil, Seed, Mulch	0	1,504.16
Traffic Control	35,000	17,295.96
Bridge Material	0	312,029.33
Guardrail	0	23,910.00
Dust Control	0	0.00
<u>Engineering Services</u>	<u>20,000</u>	<u>32,099.80</u>
<b>SUB -- TOTAL =</b>	<b>\$ 1,290,000</b>	<b>\$ 1,200,954.24</b>

2019 FRINGE BENEFIT BREAKDOWN

<u>FRINGE ITEM</u>	<u>BUDGET</u>	<u>2018 ACTUAL</u>
MERS Defined Benefit	\$ 925,000	\$ 812,519.02
MERS Defined Contribution	170,000	161,794.25
Health Insurance	660,000	634,487.22
FICA	165,000	172,964.60
Workers Compensation	90,000	93,022.00
Life Insurance	4,500	4,183.06
Unemployment	2,000	0.00
<hr/>		
<b>SUB -- TOTAL</b>	<b>\$ 2,016,500</b>	<b>\$ 1,878,970.87</b>

EMMET COUNTY ROAD COMMISSION

2019 BUDGET - PROPOSED ORIGINAL

	2016 ACTUAL	2017 ACTUAL	2018 BUDGET AMEND. #1	2019 PROPOSED ORIGINAL	BUDGET DIFFERENCES
<b>REVENUE:</b>					
Licenses Permits	\$ 39,470	\$ 43,855	\$ 47,775	\$ 48,000	\$ 225 1
<b>Federal Sources:</b>					
Surface Transportation Program	302,109	120,778	117,496	1,253,418	1,135,922 2
Other	-	-	-	357,400	357,400 3
<b>Total Federal Sources</b>	<b>\$ 302,109</b>	<b>\$ 120,778</b>	<b>\$ 117,496</b>	<b>\$ 1,610,818</b>	<b>\$ 1,493,322</b>
<b>State Sources:</b>					
MI Transportation Funds:					
Engineering	10,000	10,000	10,000	10,000	- 4
Allocation (Primary & Local)	3,782,049	4,956,300	5,334,400	6,226,974	892,574 4
Snow Removal	146,487	148,366	193,540	196,172	2,632 4
Urban (Primary & Local)	155,676	205,021	220,300	256,854	36,554 4
<b>State Grants:</b>					
Bridge	75,066	1,313	-	-	-
State D	2,766	-	21,644	281,009	259,365 2
Forest Funds	66,636	41,626	222,383	54,646	(167,737) 5
Other	301,833	-	755,861	268,000	(487,861) 6
<b>Total State Sources</b>	<b>\$ 4,540,513</b>	<b>\$ 5,362,626</b>	<b>\$ 6,758,128</b>	<b>\$ 7,293,655</b>	<b>\$ 535,527</b>
<b>Contributions:</b>					
Local Units (Twps & Villages)	3,175,498	2,967,425	1,896,097	2,957,846	1,061,749 7
<b>Total Local Contributions</b>	<b>\$ 3,175,498</b>	<b>\$ 2,967,425</b>	<b>\$ 1,896,097</b>	<b>\$ 2,957,846</b>	<b>\$ 1,061,749</b>
<b>Charges for Services:</b>					
Trunkline Maintenance	1,102,856	1,198,640	878,111	935,000	56,889 8
Trunkline Non-Maintenance	136,522	39,240	197,590	42,500	(155,090) 9
Salvage Sales	873	8,445	10,500	5,000	(5,500) 10
<b>Total Charges for Services</b>	<b>\$ 1,240,251</b>	<b>\$ 1,246,325</b>	<b>\$ 1,086,201</b>	<b>\$ 982,500</b>	<b>\$ (103,701)</b>
<b>Other Revenue:</b>					
Interest & Rentals	3,227	2,211	22,000	5,500	(16,500) 11
Gain on Equipment & Disposal	112,204	(20,995)	55,814	-	(55,814) 12
Contributions from Private Sources	380,888	1,544,704	2,100,486	1,691,600	(408,886) 13
Other (Local Revenue, Sales, Etc.)	-	3,817	4,000	4,000	- 14
<b>Total Other Revenue</b>	<b>\$ 496,319</b>	<b>\$ 1,529,737</b>	<b>\$ 2,182,299</b>	<b>\$ 1,701,100</b>	<b>\$ (481,199)</b>
<b>Other Financing Sources:</b>					
Loan/Note Proceeds	938,815	2,681,186	1,152,697	-	(1,152,697) 15
<b>Total Other Financing Sources</b>	<b>\$ 938,815</b>	<b>\$ 2,681,186</b>	<b>\$ 1,152,697</b>	<b>\$ -</b>	<b>\$ (1,152,697)</b>
<b>TOTAL REVENUE</b>	<b>\$ 10,732,975</b>	<b>\$ 13,951,932</b>	<b>\$ 13,240,693</b>	<b>\$ 14,593,919</b>	<b>\$ 1,353,226</b>

	2016 ACTUAL	2017 ACTUAL	2018 BUDGET AMEND. #1	2019 PROPOSED ORIGINAL	BUDGET DIFFERENCES
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**XPENDITURES:**

**Primary Roads:**

Heavy Maintenance	\$ 631,698	\$ 2,542,131	\$ 1,898,329	\$ 4,323,335	\$ 2,425,005 16
Structures	1,446,631	-	919,527	563,287	(356,241) 17
Maintenance	1,701,726	1,616,531	1,255,535	1,295,495	39,960 18
<b>Total Primary Roads</b>	<b>\$ 3,780,055</b>	<b>\$ 4,158,662</b>	<b>\$ 4,073,391</b>	<b>\$ 6,182,116</b>	<b>\$ 2,108,725</b>

**Local Roads:**

Heavy Maintenance	2,864,266	2,795,124	1,942,172	2,772,395	830,222 19
Structures	-	-	763,583	-	(763,583) 20
Maintenance	1,864,454	1,712,017	1,566,707	1,619,981	53,274 21
<b>Total Local Roads</b>	<b>\$ 4,728,720</b>	<b>\$ 4,507,141</b>	<b>\$ 4,272,463</b>	<b>\$ 4,392,376</b>	<b>\$ 119,913</b>

**State Trunkline:**

Maintenance	1,066,859	1,145,057	1,015,000	985,000	(30,000) 22
Non-Maintenance	136,522	39,240	197,590	42,500	(155,090) 23
<b>Total State Trunkline</b>	<b>\$ 1,203,381</b>	<b>\$ 1,184,297</b>	<b>\$ 1,212,590</b>	<b>\$ 1,027,500</b>	<b>\$ (185,090)</b>

**Equipment Expenses-Net**

	(291,012)	(179,194)	(267,790)	(248,974)	18,816 24
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**Distributive Expense**

	-	-	2,017,977	2,287,136	269,159 25
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**Capital Outlay - Net**

	679,622	2,350,011	1,013,896	671,500	(342,396) 26
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**Administrative - Net**

	391,105	464,387	279,063	309,177	30,114 27
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**Other**

	44,378	11,000	-	-	- 28
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**Debt Service:**

Principal	409,173	620,462	480,182	607,385	127,203 29
Interest	13,554	120,203	95,936	92,550	(3,386) 30

**TOTAL EXPENSES**

	<b>\$ 10,958,976</b>	<b>\$ 13,236,969</b>	<b>\$ 13,177,708</b>	<b>\$ 15,320,766</b>	<b>\$ 2,143,058</b>
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**Net Gain or Loss**

	\$ (226,001)	\$ 714,963	\$ 62,985	\$ (726,847)	\$ (789,832)
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**Beginning Fund Balance**

	1,231,299	1,005,298	1,720,261	1,783,246	-
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**Net Gain or (Loss)**

	(226,001)	714,963	62,985	(726,847)	(789,832)
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**CLOSING FUND BALANCE**

	<b>\$ 1,005,298</b>	<b>\$ 1,720,261</b>	<b>\$ 1,783,246</b>	<b>\$ 1,056,399</b>	<b>\$ (726,847)</b>
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# EMMET COUNTY ROAD COMMISSION

## GENERAL APPROPRIATIONS ACT

Moved by Leroy Sumner, supported by Larry Williams, that the 2019 Emmet County Road Commission Fund General Appropriations Act be approved unanimously as follows:

### REVENUE:

STATE FUNDS	\$	6,690,000
FEDERAL D		-
FEDERAL STP		1,253,418
OTHER STATE/FEDERAL SPECIAL FUNDING		268,000
STATE D		281,009
SAFETY		357,400
STATE FOR E (FOREST FUNDS)		54,646
STATE TRUNK LINE		935,000
STATE NON TRUNKLINE		42,500
TOWNSHIP CONTRIBUTIONS		2,957,846
OTHER CONTRIBUTIONS		1,691,600
SALVAGE		5,000
INTEREST		5,500
GAIN OR LOSS		-
PERMIT FEES		48,000
LOAN/BOND PROCEEDS		-
ROYALTIES		4,000
SALE OF TIMBER		-
STATE BRIDGE PROGRAM		-
OTHER		-
		<hr/>
TOTAL REVENUE	\$	<u>14,593,919</u>

### EXPENDITURES:

PRIMARY CONSTRUCTION	\$	4,520,469
PRIMARY MAINTENANCE		1,820,808
LOCAL CONSTRUCTION		2,993,713
LOCAL MAINTENANCE		2,182,927
STATE TRUNK LINE MAINTENANCE		985,000
STATE TRUNKLINE NON-MAINTENANCE		42,500
DIRECT OPERATING EXPENSE		1,207,156
INDIRECT OPERATING EXPENSE		722,539
EQUIPMENT EXPENSE - OPERATING		320,000
EQUIPMENT RENTAL		(2,100,000)
DISTRIBUTIVE EXPENSE		-
ADMINISTRATIVE EXPENSE		734,136
ADMINISTRATIVE CREDITS		(108,049)
ENGINEERING EXPENSE		-
CAPITAL OUTLAY		1,200,000
CAPITAL OUTLAY CREDITS		(528,500)
GAIN ON TRADE IN		-
INTEREST AND PRINCIPAL		699,935
OTHER PROJECTS		0
PRIMARY BRIDGES		628,133
LOCAL BRIDGES		-
		<hr/>
TOTAL EXPENDITURES	\$	<u>15,320,766</u>
		<hr/>
BUDGETED NET REVENUE/EXPENDITURES	\$	(726,847.36)

**GENERAL APPROPRIATIONS ACT (Continued)**

ESTIMATED FUND BALANCE 09/30/2018	\$	1,783,246.21
INCREASE/(DECREASE) TO FUND BALANCE		<u>(726,847)</u>
PROJECTED FUND BALANCE 09/30/2019	\$	<u>1,056,399</u>

For the purpose of administering the General Appropriations Act in accordance with the provisions of Public Act 2 of 1968, as amended, the following provisions are included:

1. Brian A. Gutowski, Engineer-Manager, is designated Chief Administrative Officer and Fiscal Officer.
2. The Chief Administrative Officer is authorized to transfer up to 25% of a line-item amount approved in the General Appropriations Act to another line-item without prior approval, but subject to approval of the Board of County Road Commissioners at their next regular Board Meeting.
3. The expenditure amount approved in this General Appropriations Act for Distributive Expense shall be allocated to the various other expenditure line-items in the proportion as the allocation of actual Distributive Expense monthly or at year end.

MOTION APPROVED by roll call vote, 3 ayes, 0 nays.