

Sanilac County Road Commission
December 13, 2017

A regular meeting of the Board of County Road Commissioners of Sanilac County, Michigan was called to order at 8:30 A.M. by Chairman Donald Rickett, Jr., at the Road Commission Office in Sandusky, Michigan, with Commissioner Donald Rickett, Jr., Commissioner Ronald Gerstenberger and Commissioner Randy Horst being present.

Guests: Steve Kovac, Sanilac County News.

The Pledge of Allegiance was led by Chairman Donald Rickett, Jr.

At 8:30 A.M., a Public Hearing was held to receive comments on the following proposed 2018 Budget:

<u>Account Description</u>	<u>Activity/Acct #</u>	<u>Proposed Amount</u>
REVENUES		
Taxes (Co. Road Millage)	#401 000	3,150,000
Licenses & Permits:		
Permits	#450 001	34,000
Lot Splits	#450 005	600
Federal Grants Roads	#510 xxx	457,820
Federal Grant Critical Bridge	#510 005	-
State Grant Critical Bridge - Primary	#547 001	-
State Grant Critical Bridge - Local	#547 002	755,250
State D Funds	#551 xxx	126,726
State Local Bridge Program	#556 xxx	-
State General Fund Grant	#548 100	-
Michigan Transportation Fund:		
Engineering	#546 001	10,000
Primary	#546 002	3,670,100
Local	#546 003	3,745,000
Urban	#546 005	74,900
Contributions from Local Units:		
City Contributions	#583 001	-
Township Contribution	#583 004	2,140,000
Village Contributions	#583 005	2,600
State Maintenance	#627 000	962,841
State Non Maintenance	#628 000	100,000
Salvage	#643 000	4,000
Misc Sales	#647 000	27,500
Interest	#665 000	700
Interest - Road Millage Fund	#665 001	3,800

-1582-
Sanilac County Road Commission
December 13, 2017

Rent	#667 000	-
Instal Purchases/Lease Proceeds		-
Trade In Allowance	#688 000	63,000
Gain (Loss) on Equip Disposals	#693 001	-
Gain (Loss) on Bldg/Land	#693 002	-
Total Revenue		\$15,328,837
EXPENDITURES		
Primary Road Construction	459	4,157,035
Primary Bridge Construction	460	-
Primary Road Maintenance	467	1,140,000
Primary Bridge Maintenance	468	5,000
Primary Winter Maintenance	472	800,000
Local Road Construction	489	-
Local Bridge Construction	490	902,000
Local Road Maintenance	497	2,700,000
Local Bridge Maintenance	498	6,500
Local Winter Maintenance	502	610,000
State Routine Maintenance	517	962,841
State Non-Maintenance	518	100,000
Equipment- Direct	510	1,640,000
Equipment-Indirect	511	890,000
Equipment-Operating	512	500,000
Equipment Rental Credit	669 000	(3,000,000)
Administrative Expense	515	681,000
Distrib Expense respreads	513	1,010,000
Distrib Expense respreads - non labor	514	(910,000)
Handling	646 000	(1,500)
Overhead	629 000	(97,000)
Capital Outlay	900	1,376,000
Depreciation/Depletion	690 976	(924,567)
Debt Payment	991	97,772
Interest Expense	995	4,900
Twp Contract Const/Maintenance	505	2,904,000
Total Expenses		\$15,553,981
Difference: Revenue less Expenses		(225,144)
Beginning Fund Balance 12/31/16		\$ 5,382,860
2018 Projected Budget Shortfall		(225,144.00)
Ending Fund Balance 12/31/18		\$ 5,157,716

Sanilac County Road Commission
December 13, 2017

Motion by Commissioner Gerstenberger, seconded by Commissioner Horst, to approve the Proposed 2018 Budget. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Motion by Commissioner Horst, seconded by Commissioner Gerstenberger, to approved the agenda as presented. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Motion by Commissioner Gerstenberger, seconded by Commissioner Rickett, to approve the minutes of the November 29, 2017 regular meeting as printed. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Bills in the amount of \$466,010.26 covered by vouchers #1488 covering accounts payable check #49857 through #49938, and payroll voucher #1487 in the amount of \$123,863.41 were presented for approval. Motion by Commissioner Horst, seconded by Commissioner Gerstenberger, to approve the vouchers as presented. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Reports on Operations were given by the Finance Director, Shop Foreman, Assistant Engineer-Manager and Engineer-Manager.

Dale Stolicker, Assistant Engineer, notified the board that he and Brad Sharbowski, have been looking at Wheel Ramps to use when changing truck blades. Motion by Commissioner Gerstenberger, seconded by Commissioner Rickett, to authorize the purchase of a set of Wheel Ramps for changing truck blades. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Terri Taylor, Finance Director, presented for board approval, an amendment to the Road Commission's Capital Asset Determination Policy as it pertains to computer equipment. Due to computer equipment becoming obsolete so quickly, it is recommended that it no longer is included within this policy. The amended Capital Asset Determination policy will read as follows:

SUBJECT: CAPITAL ASSET DETERMINATION

Capital Assets—Equipment items and furnishings with a purchase price greater than \$2,000.00 AND a useful life greater than one(1) year, and ALL EQUIPMENT ITEMS (regardless of purchase price or useful life) that have a Schedule C code and rate.

Depreciation—The allocation of the cost of a capital asset over its estimated economic life.

Capital Asset Control, No. 900 - 949—The Capital Asset Control is not a fund because it does not account for available financial resources or governmental obligations. The Capital Asset Control may include a variety of capital assets such as land, land improvements, buildings, equipment, vehicles and infrastructure assets.

Sanilac County Road Commission
December 13, 2017

It is the policy of the Sanilac County Road Commission to follow generally accepted governmental accounting practices. Governmental GAAP for Michigan County Road Commissions requires that certain types of purchases be capitalized and depreciated, rather than expensed at the time of purchase. It is the purpose of this policy to set the parameters to define when purchases should be expensed and when they should be capitalized and depreciated and to define the necessary record keeping requirements.

All depreciable assets must be entered in the Fixed Asset Log or current computer system Capital Asset Program and the Capital Asset Control. Depreciation expense must be calculated manually or through the monthly program in the current computer system for Schedule C assets and recorded in the operating accounts. Motion by Commissioner Horst, seconded by Commissioner Gerstenberger, to approve the Road Commissions Amended Capital Asset Determination policy. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Terri Taylor, Finance Director, notified the board that per PA 152, each year the Road Commission is required to designate the 80/20 or Hardcap Funding for health insurance. Motion by Commissioner Rickett, seconded by Commissioner Gerstenberger, to approve the 80/20 option for health insurance for the year 2018. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Robb Falls, Engineer-Manager, presented the board a price quote from Precision Computer Solutions, Inc., for the purchase of a Dell Inspiron Pro HD Laptop for the Construction Inspector at a cost of \$859.05. Motion by Commissioner Gerstenberger, seconded by Commissioner Horst to approve the purchase of a Dell Inspiron Pro HD Laptop for the Construction Inspector at a cost of \$859.05 from Precision Computer Solutions, Inc. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

Robb Falls, Engineer-Manager, presented for board approval a price quote from C&Z Specialist Inc., for painting two Cat IT14G Wheel Loaders at a cost of \$3800.00 each. Motion by Commissioner Horst, seconded by Commissioner Gerstenberger, to approve C&Z Specialist Inc., to paint two Cat IT14G Wheel Loaders at a cost of \$3800.00 each. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

The following township agreements were presented for board approval:

- a. Custer – CMP Replacement on Snover Rd e/o Stringer Rd.
- b. Minden Township – Ditch Slope Reconstruction on Charleston Rd w/o Parisville Rd.

Motion by Commissioner Rickett, seconded by Commissioner Horst, to approve the agreements as presented. Yeas: Rickett, Gerstenberger, and Horst. Nays: None. Motion carried.

-1585-

Sanilac County Road Commission
December 13, 2017

Being no further business, the meeting was adjourned at 9:08 A.M.

Don Rickett, Jr.
Chairman

Suzanne Shagena
Board Secretary