

Alcona County Road Commission December 28, 2022, Board Meeting Minutes

A regular meeting of the Board of County Road Commissioners of Alcona County was called to order by Chairman Ted Somers at 3:00pm on Wednesday, December 28, 2022, at 301 N Lake Street Lincoln, Michigan. Chairman Somers opened the meeting with the Pledge of Allegiance. Present: Chairman Ted Somers, Vice Chairman Harry Harvey, Member Al Scully, Managing Director Jesse Campbell, Superintendent Mike Escareno, Clerk Renee Lavergne and Board Clerk Lori Grush. No guests were present.

AGENDA ADOPTION

Moved by Commissioner Harvey, Scully to accept the December 28, 2022, meeting agenda as presented. Motion carries

PUBLIC COMMENT

None

SUPERINTENDENTS REPORT

Superintendent Escareno began with sharing that -they've been able to finish some ditching on Mt. Maria and Harbor View before the snow came. Then they've been on snow and the trees. Essentially, we're in pretty good shape considering our surrounding counties after the storm. We had a full crew out. Tomorrow it's supposed to be 46 degrees and rain. We'll see what that brings.

Commissioner Somers asked about two broken trees on F41 on private property and liability if a vehicle leaves the roadway and strikes the downed trees. Discussion ensued.

APPROVAL OF MINUTES

Moved by Commissioner Scully, Harvey to approve the minutes of the December 14, 2022, as presented. Motion carries

FINANCIAL REPORTS & OPEN ACCOUNTS

Moved by Commissioner Harvey, Scully approve payment of open accounts from December 28, 2022, in the amount of \$46,137.37

Roll call vote: Scully - yes, Harvey -yes, Somers – yes Motion carries

CORRESPONDENCE

None

BUSINESS

2022 Budget Amendments

**Alcona County Road Commission
Budget vs Actual
12 Months Ended 12/31/22**

Revenue	2022 Budget	100 % of 2022 Budget	Amended Budget	2022 Proposed Budget Amend	Percentage of Budget Used
County Wide Millage	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Licenses and Permits	\$15,658.00	\$15,658.00	\$19,907.00	\$4,249.00	127.14%
FEDERAL SOURCES					
Local Bridge Funds		\$0.00	\$0.00	\$0.00	0.00%
STP	\$477,000.00	\$477,000.00	\$553,055.05	\$76,055.05	115.94%

Federal Urban Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
DNR Waterway Grant	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Fed Huron Pines/Safety Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
STATE SOURCES					
Engineering	\$10,000.00	\$10,000.00	\$10,000.00	\$0.00	100.00%
Snow Removal Funds	\$34,017.29	\$34,017.29	\$38,575.57	\$4,558.28	113.40%
MTF Primary	\$2,747,407.09	\$2,747,407.09	\$2,842,648.82	\$95,241.73	103.47%
MTF Local	\$1,846,914.77	\$1,846,914.77	\$1,859,297.92	\$12,383.15	100.67%
Add'l State/Winter Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Other State Funds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
EDF FUNDS- State "D" Funds	\$54,896.00	\$54,896.00	\$77,308.55	\$22,412.55	140.83%
Forest Funds	\$100,000.00	\$100,000.00	\$100,000.00	\$0.00	100.00%
State Local Bridge Funds	\$1,312,461.00	\$1,312,461.00	\$995,740.38	-\$316,720.62	75.87%
CONTRIBUTIONS FROM LOCAL UNITS					
Township Contributions	\$1,766,683.00	\$1,766,683.00	\$1,187,481.34	-\$579,201.66	67.22%
City Contributions	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Other Contributions	\$1,147.08	\$1,147.08	\$3,148.61	\$2,001.53	274.49%
CHARGES FOR SERVICES					
State Trunkline Maintenance	\$547,331.74	\$547,331.74	\$621,144.53	\$73,812.79	113.49%
State Non-Maintenance	\$39,628.38	\$39,628.38	\$234,018.00	\$194,389.62	590.53%
Salvage Sales/Misc Revenue	\$1,325.65	\$1,325.65	\$2,197.08	\$871.43	165.74%
Interest Earned/Dividends	\$18,266.67	\$18,266.67	\$21,964.29	\$3,697.62	120.24%
Insurance Proceeds	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Inst Purchases/Leases	\$231.97	\$231.97	\$0.00	-\$231.97	0.00%
Gain (Loss) Equip Sale	\$0.00	\$0.00	\$34,173.44	\$34,173.44	0.00%
TOTAL REVENUE	\$8,972,968.64	\$8,972,968.64	\$8,600,660.58	-\$372,308.06	95.85%

	2022 Budget	100% of 2022 Budget	Amended Budget	2022 Proposed Budget Amend	Percentage of Budget Used
Expenditures					
PRIMARY ROAD					
Structural Improvements	\$4,047,051.00	\$4,047,051.00	\$4,422,948.93	-\$375,897.93	109.29%
Routine Maintenance	\$436,186.70	\$436,186.70	\$693,253.51	-\$257,066.81	158.94%
Wedging and Chipping	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Winter Maintenance	\$333,021.69	\$333,021.69	\$416,568.09	-\$83,546.40	125.09%
Traffic Control	\$31,045.63	\$31,045.63	\$48,425.51	-\$17,379.88	155.98%
LOCAL ROAD					
Structural Improvements	\$1,433,022.00	\$1,433,022.00	\$1,067,734.42	\$365,287.58	74.51%
Routine Maintenance	\$962,987.45	\$962,987.45	\$1,252,904.62	-\$289,917.17	130.11%
Bridge Maintenance	\$0.00	\$0.00	\$0.00	\$0.00	100.00%
Wedging and Chipping	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Winter Maintenance	\$313,172.27	\$313,172.27	\$368,487.83	-\$55,315.56	117.66%
Traffic Control	\$22,430.88	\$22,430.88	\$32,485.72	-\$10,054.84	144.83%
State Trunkline Maintenance	\$547,331.74	\$547,331.74	\$690,349.58	-\$143,017.84	126.13%
State Non-Maintenance	\$39,628.36	\$39,628.36	\$234,018.00	-\$194,389.64	590.53%
EQUIPMENT EXP - NET					
Direct	\$1,186,418.81	\$1,186,418.81	\$1,020,996.16	\$165,422.65	86.06%
Indirect	\$343,538.89	\$343,538.89	\$409,764.54	-\$66,225.65	119.28%
Operating	\$206,148.64	\$206,148.64	\$348,460.50	-\$142,311.86	169.03%
Less Equipment Rental CR.	-\$1,417,681.13	-\$1,417,681.13	-\$1,330,459.74	-\$87,221.39	93.85%
Administrative Expense Net	\$336,896.08	\$336,896.08	\$392,278.30	-\$55,382.22	116.44%
Interest Expense	\$27,837.13	\$27,837.13	\$28,061.03	-\$223.90	100.80%
Long Term Debt Payments	\$35,330.87	\$35,330.87	\$35,633.37	-\$302.50	100.86%
Capital Outlay	\$906,000.00	\$906,000.00	\$499,755.70	\$406,244.30	55.16%
Less Depreciation	-\$918,320.90	-\$918,320.90	-\$684,094.21	-\$234,226.69	74.49%
Other	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
TOTAL EXPENDITURES	\$8,872,046.11	\$8,872,046.11	\$9,947,571.86	-\$1,075,525.75	112.12%
Excess Revenue	\$100,922.53	\$100,922.53	-\$1,346,911.28	-\$1,447,833.81	
Beginning Fund Balance	\$6,928,103.00	\$6,928,103.00	\$6,928,103.00	\$0.00	
Ending Fund Balance	\$7,029,025.53	\$7,029,025.53	\$5,581,191.72	-\$1,447,833.81	

Moved by Commissioner Scully, Harvey to approve the Alcona County Road Commission budget amendments for 2022 as presented:

Roll call vote: Scully - yes, Harvey -yes, Somers – yes

Motion carries

2023 Budget Resolution

**Alcona County Road Commission
Proposed Preliminary Budget Summary
For Year Ending December 31, 2023
(For Informational Purposes Only)**

REVENUE	2020 Actual Revenue	2021 Actual Revenue	2023 Tenative Budget	
County Wide Millage	\$0.00	\$0.00	\$0.00	
Licenses/Permits	\$17,630.00	\$21,995.00	\$19,812.50	
Federal Category STP	\$971,852.67	\$325,973.25	\$750,734.00	(A)
Federal Urban Funds	\$0.00	\$0.00	\$375,000.00	(A)
Federal Huron Pines/Safety	\$29,210.40	\$40,089.60	\$0.00	(B)
Engineering	\$6,930.00	\$10,000.00	\$10,000.00	
Snow Removal Funds	\$34,017.29	\$35,746.28	\$35,746.28	
Primary MTF	\$2,348,262.72	\$2,656,242.35	\$2,801,962.07	
Primary Urban MTF	\$81,577.82	\$91,111.34	\$96,109.65	
Local MTF	\$1,606,525.72	\$1,788,667.01	\$1,886,792.12	
Local Urban MTF	\$26,908.36	\$30,052.93	\$31,701.61	
Additional State MTF	\$0.00	\$0.00	\$0.00	
Federal Bridge Funds	\$0.00	\$0.00	\$0.00	
EDF FUNDS				
Rural Primary - Category D	\$176,727.31	\$52,579.36	\$91,970.00	(C)
Forest Category "E"	\$50,000.00	\$253,683.78	\$100,000.00	
State Local Bridge Funds	\$0.00	\$0.00	\$0.00	(E)
Other State Funds	\$0.00	\$0.00	\$0.00	
Township Contributions	\$566,257.19	\$1,109,060.04	\$1,565,246.00	(D)
Other Contributions	\$977.00	\$7,185.54	\$4,081.27	
CHARGE FOR SERVICES				
State Trunkline Maint.	\$581,376.27	\$635,412.86	\$608,394.57	
State Non-Maint.	\$47,486.42	\$289,791.44	\$168,638.93	
Salvage Sales	\$1,931.30	\$2,074.50	\$2,002.90	
Insurance proceeds	\$0.00	\$0.00	\$0.00	
Interest	\$17,991.30	\$18,825.21	\$18,408.26	
Sundry Refunds	\$0.00	\$0.00	\$0.00	
Other	\$340.00	\$2,649.99	\$1,495.00	
Sale of Gravel	\$0.00	\$0.00	\$0.00	
Gain (Loss) on Land & Equip	\$14,972.93	(\$5,053.52)	\$0.00	
Lease Purchase Proceeds	\$0.00	\$0.00	\$0.00	
TOTAL REVENUE	\$6,580,974.70	\$7,366,086.96	\$8,568,095.16	

**Alcona County Road Commission
Proposed Preliminary Budget Summary
For Year Ending December 31, 2023
(For Informational Purposes Only)**

EXPENDITURES	2020 Actual Expenditures	2021 Actual Expenditures	2023 Tentative Budget	
Primary Road				
Heavy Maintenance	\$2,473,118.97	\$2,636,071.63	\$3,142,861.00	(K)
Heavy Maintenance - Structures	\$44,774.99	\$116,731.48	\$84,790.90	
Heavy Maintenance - Safety	\$0.00	\$0.00	\$0.00	(K)
Routine Maintenance	\$399,234.09	\$449,834.18	\$511,760.84	
Wedging and Chipping	\$0.00	\$0.00	\$0.00	(F)
Winter Maintenance	\$286,299.20	\$253,257.30	\$283,267.16	
Traffic Control	\$28,745.17	\$41,197.55	\$36,719.93	
Local Road				
Heavy Maintenance	\$344,954.86	\$976,486.04	\$1,633,406.00	(G)
Heavy Maintenance - Structures	\$271.68	\$4,545.55	\$2,529.05	
Heavy Maintenance - Safety	\$0.00	\$0.00	\$0.00	
Routine Maintenance	\$978,389.25	\$763,671.74	\$914,582.02	
Wedging and Chipping	\$0.00	\$0.00	\$0.00	(H)
Winter Maintenance	\$247,893.64	\$232,384.47	\$252,146.01	
Traffic Control	\$16,922.24	\$18,715.76	\$18,709.95	
State Trunkline Maintenance	\$553,294.30	\$624,715.86	\$608,394.57	
State Non-Maintenance	\$47,486.39	\$289,791.44	\$168,638.92	
Equipment Expense - Net				
Direct	\$1,114,712.68	\$1,158,223.36	\$1,193,291.42	
Indirect	\$330,244.12	\$352,766.36	\$358,580.50	
Operating	\$157,423.67	\$226,038.68	\$201,317.73	
Less Equipment Rental Credits	(\$1,389,430.12)	(\$1,505,898.85)	(\$1,520,047.71)	
Other	\$0.00	\$0.00	\$0.00	
Administrative Expense - Net	\$329,472.55	\$326,374.41	\$344,319.65	
Interest Expense	\$31,791.75	\$29,873.08	\$25,676.66	
Long Term Debt Princ Payments	\$31,376.25	\$33,294.92	\$37,491.34	
Capital Outlay	\$1,046,373.54	\$934,081.84	\$937,300.00	(I)
Less Depreciation/Retirements	(\$890,029.79)	(\$894,307.21)	(\$892,168.50)	
TOTAL EXPENDITURES	\$6,183,319.43	\$7,067,849.59	\$8,343,567.44	
Excess Revenue (Expenditures)	\$397,655.27	\$298,237.37	\$224,527.72	
Beginning Fund Balance	\$6,232,210.36	\$6,629,865.63	\$7,029,025.53	
Ending Fund Balance	\$6,629,865.63	\$6,928,103.00	\$7,253,553.25	

Moved by Commissioner Harvey, Scully to adopt the 2023 (next year) budget as presented:
Roll call vote: Scully - yes, Harvey - yes, Somers – yes Motion carries

***Board of Alcona County Road Commissioners
2023-01 Budget Resolution***

WHEREAS, this resolution shall be both the general appropriations resolution and the budget adoption resolution of the Alcona County Road Commission for the year ended December 31, 2023. This resolution adopts proposed revenues and expenditures as presented in the accompanying budget document. Total revenues are adopted as \$8,568,095.16, expenditures as \$8,343,567.44 with a proposed fund balance at December 31, 2023 of \$7,253,553.25 and;

WHEREAS, no Alcona County Road Commission member or employee of the commission shall expend any funds or obligate any expenditures except pursuant to appropriations authorized by the budget document. Changes in amounts appropriated by the Commission shall require approval of the Commission, and;

WHEREAS, Renee K. LaVergne, Account Clerk, is hereby charged with the general supervision of the execution of the budget adopted by the Commission, now, therefore:

BE IT RESOLVED that the Account Clerk be allowed to adjust the budget after December 31, 2023 to modify the various revenue and expenditure accounts which cannot be accurately projected prior to year-end, and;

BE IT FURTHER RESOLVED that this resolution is to take effect immediately.

Moved by Commissioner Harvey, Scully to adopt the Alcona County Road Commission Resolution 2023-01 as presented and read:

Roll call vote: Scully - yes, Harvey - yes, Somers – yes Motion Carries

Engineering Service Proposal for Office Addition

Manager Campbell explained the quote and what the goals of the addition are including septic improvements and office space. The commissioners and Campbell discussed different scenarios.

Moved by Commissioner Scully, Harvey to accept the proposal from Russo Engineering for expansion of the office addition pending the health department inspection.

Roll call vote: Scully - yes, Harvey - yes, Somers – yes Motion Carries

Employee Assistance Program 2023 Contract Renewal

Moved by Commissioner Harvey, Scully to accept the contract with Catholic Humas Services for the Employee Assistance Program Renewal for \$500.00.

Roll call vote: Scully - yes, Harvey - yes, Somers – yes Motion Carries

MANAGING DIRECTORS REPORT

Manager Campbell stated that F41 and Cedar Lake are still set for January 6th Bid letting .

Hayes Street in Curtis Township is not maintainable. We've been driving in on a 15-foot walkway easement. That is how the properties are accessed. . Landowners cut a tree and someone else has put a gate up. Campbell will be meeting with the Township. Attorneys' recommendation is if Township wants to improve the road, they can. If the township chooses not to improve, then he recommends we abandon the road. There is one full time resident now another next year The road runs parallel to Neville and there is an 8 foot drop off and lots of trees. We'd have to survey before doing anything. Campbell stated that he would keep the board updated.

Harrisville Township is ready to meet on their roads. Conversation continued on several roads in Harrisville Township that need improvements.

Commissioner Harvey asked about the private drive off of Cedar Street. Campbell stated he has been subpoenaed for January 9th court date. Campbell said there is another case he will probably be subpoenaed for regarding Hubbard Lake Road.

Scully asked about the commissioners raise and benefits compared to those at the county. Discussion followed.

COMMISSIONER COMMENTS

None

PUBLIC COMMENT

None

ADJOURN

Meeting adjourned at the call of the Chair at 3:51pm until the next regular meeting which will be held on January 11, 2023, at 3:00pm

Theodore Somers, Chairman

Lori Grush, Administrative Assistant