



GENERAL APPROPRIATIONS ACT 2017 BUDGET

**Board of County Road Commissioners
County of Bay, Michigan**

*Richard S. Gromaski, Chairman
Edward L. Rivet, Vice Chairman
Michael G. Rivard, Commissioner
James C. Lillo, Engineer-Manager*

Adopted on: December 21, 2016



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MEMORANDUM

DATE: December 21, 2016

TO: Richard S. Gromaski, Chairman
Edward L. Rivet, Vice Chairman
Michael G. Rivard, Commissioner

FROM: James C. Lillo, Engineer-Manager

RE: 2017 General Operating Budget

Attached is the Proposed 2017 General Operating Budget for the Bay County Road Commission. The budget document is comprised of two main sections; General Appropriation and Supporting Data.

The General Appropriation section on pages B-1 through B-3 summarizes revenues by source and expenditures by function. We are asking for approval of the 2017 budget amounts at this time. The budget is submitted in this format to fulfill our obligations to the State of Michigan and the voting public under Public Budgeting Act 621 of 1978 as amended.

The Supporting Data, which includes fact sheets on page C-1 through C-7, is submitted as explanations and illustrations of selected items contained in the General Appropriation. Please contact me if you have any further questions or require any additional information.

Thank you.

SECTION B

GENERAL APPROPRIATION

Bay County Road Commission
General Operating Fund
2017
Budget Summary

	ACTUAL YEAR 12/31/2015	BUDGET CURRENT YEAR 12/31/2016	RECOMMENDED BUDGET 2017
REVENUES:			
MOTOR TRANSPORTATION FUND	\$ 7,934,495	\$ 7,984,172	\$ 10,107,217
STATE OTHER	64,033	172,620	1,022,067
STATE - ADDITIONAL REVENUE	969,055	622,491	-
FEDERAL AID	2,134,645	1,078,592	2,008,093
STATE TRUNKLINE SYSTEM	1,617,421	1,669,882	1,663,213
STATE AUDIT ADJUSTMENT	-	191,210	-
LOCAL SOURCES	2,105,451	2,075,000	2,075,000
INTEREST EARNED	(6,543)	51,067	53,000
PERMIT FEES	57,866	60,759	61,000
GAIN/LOSS ON EQUIP. DISPOSAL	5,000	35,708	20,000
SALVAGE SALES-ROAD	3,004	1,851	1,888
PROPERTY RENTALS-ROAD	22,182	6,638	6,638
REFUNDS AND REBATES	7,845	21,496	16,850
MISCELLANEOUS REVENUE	70,694	29,985	25,376
TOTAL REVENUES	<u>\$ 14,952,117</u>	<u>\$ 13,971,486</u>	<u>\$ 17,034,966</u>
EXPENDITURES:			
CONSTRUCTION	\$ 2,206,860	\$ 191,703	\$ -
HEAVY MAINTENANCE	3,438,830	2,246,811	7,841,902
STRUCTURES & BRIDGES	408,199	1,218,411	192,221
ROUTINE MAINTENANCE	3,397,219	5,759,518	3,767,320
TRAFFIC SERVICES	457,549	582,719	501,810
SNOW & ICE CONTROL	1,152,824	1,099,423	1,214,693
STATE TRUNKLINE SYSTEM	1,649,057	1,669,882	1,663,213
EQUIPMENT EXPENSE-NET	(51,612)	(266,457)	(231,298)
CAPITAL OUTLAY-NET ROAD	(152,632)	229,653	467,325
ADMINISTRATIVE	1,246,043	1,220,354	1,219,832
DEBT SERVICE	59,161	59,161	-
INTEREST/ A/R INVOICING	338,903	267,000	297,000
TOTAL EXPENDITURES	<u>\$ 14,150,401</u>	<u>\$ 14,278,178</u>	<u>\$ 16,934,018</u>
NET INCREASE (DECREASE)	\$ 801,716	\$ (306,692)	\$ 100,948
BEGINNING FUND BALANCE	4,801,743	5,603,459	5,296,767
ENDING FUND BALANCE	<u>\$ 5,603,459</u>	<u>\$ 5,296,767</u>	<u>\$ 5,397,715</u>

**Bay County Road Commission
Revenue Budget
2017**

REVENUES:	ACTUAL YEAR 12/31/2015	ESTIMATED CURRENT YEAR 12/31/2016	RECOMMENDED BUDGET 2017
FEDERAL SOURCES			
- Surface Transportation Program	\$ 2,074,726	\$ 100,603	\$ 1,417,545
- Other	59,919	969,082	-
- BCATS & MATS	-	8,907	590,548
STATE MTF FUNDS			
- Engineering	10,000	10,000	10,000
- Primary	4,892,238	4,901,366	6,253,281
- Local	1,922,406	1,946,448	2,425,822
- Urban	1,109,851	1,126,358	1,418,114
STATE OTHER			
- Other -Winter Funds	-	-	-
- State Additional	969,055	622,491	-
- Category D	64,033	-	554,567
- BCATS & MATS	-	-	-
- Safety, DEQ, MDOT, Other	-	172,620	467,500
LOCAL SOURCES			
- Townships, Villages, Cities	2,105,451	2,075,000	2,075,000
- Townships, Villages, Cities	-	-	-
STATE TRUNKLINE MAINTENANCE	1,615,371	1,464,577	1,661,138
STATE NON-MAINTENANCE	2,050	205,305	2,075
STATE AUDIT ADJUSTMENT	-	191,210	-
INTEREST EARNED	(6,543)	51,067	53,000
GAIN/LOSS ON EQUIPMENT DISPOSAL	5,000	35,708	20,000
PERMIT FEES	57,866	60,759	61,000
MISCELLANEOUS REVENUE:			-
- Property Rental/Royalty	22,182	6,638	6,638
- Salvage Sales	3,004	1,851	1,888
- Refunds and Rebates	7,845	21,496	16,850
- Other	37,663	-	-
TOTAL REVENUES	\$ 14,952,117	\$ 13,971,486	\$ 17,034,966

**Bay County Road Commission
Expenditure Budget
2017**

EXPENDITURES:	ACTUAL YEAR 12/31/2015	BUDGET CURRENT YEAR 12/31/2016	RECOMMENDED BUDGET 2017
CONSTRUCTION / CAPACITY IMPROVEMENTS			
- Primary	\$ 2,206,860	\$ 191,703	\$ -
- Local	-	-	-
HEAVY MAINTENANCE			
- Primary	1,832,692	1,163,950	6,931,897
- Local	1,606,138	1,082,861	910,005
STRUCTURES & BRIDGES			
- Primary	394,164	1,200,872	160,184
- Local	14,035	17,539	32,037
ROUTINE MAINTENANCE			
- Primary	1,242,701	2,803,292	1,638,050
- Local	2,154,518	2,956,226	2,129,270
TRAFFIC SERVICES			
- Primary	346,174	410,030	369,250
- Local	111,375	172,689	132,560
SNOW & ICE CONTROL			
- Primary	681,181	722,517	801,000
- Local	471,643	376,906	413,693
STATE TRUNKLINE MAINTENANCE	1,646,998	1,464,577	1,661,138
STATE NON-MAINTENANCE	2,059	205,305	2,075
EQUIPMENT EXPENSE-NET:			
- Direct	968,539	977,515	1,022,851
- Indirect	879,302	809,989	843,850
- Operating	279,165	245,000	247,450
- Less Equipment Rental	(2,178,618)	(2,298,961)	(2,345,449)
NET	(51,612)	(266,457)	(231,298)
CAPITAL OUTLAY-NET			
- Capital Outlay	377,370	680,445	961,000
- Less Equipment Retirements	-	-	-
- Less Depreciation Credit	(530,002)	(450,792)	(493,675)
NET	(152,632)	229,653	467,325
DEBT SERVICE	59,161	59,161	-
ADMINISTRATIVE - NET			
- Administrative	1,399,914	1,362,130	1,362,130
- Less Overhead State	(131,425)	(130,000)	(130,298)
- Less Purchase Discounts	(22,446)	(11,776)	(12,000)
NET	1,246,043	1,220,354	1,219,832
INTEREST/AR INVOICING	338,903	267,000	297,000
TOTAL EXPENDITURES	\$ 14,150,401	\$ 14,278,178	\$ 16,934,018

SECTION C

SUPPORT DATA

**Bay County Road Commission
General Operating Fund
2017**

Budget By Fund

<u>DESCRIPTION</u>	PRIMARY ROAD FUND	LOCAL ROAD FUND	ROAD COMM. FUND.	TOTAL
REVENUE:				
MICHIGAN TRANSPORTATION FUND	\$ 7,464,676	\$ 2,642,541	\$ -	\$ 10,107,217
STATE BCATS	-	-	-	-
STATE D	554,567	-	-	554,567
FEDERAL REVENUE	2,008,093	-	-	2,008,093
STATE OTHER	-	-	-	-
STATE OTHER- MDOT, DEQ, SAFETY	467,500	-	-	467,500
COUNTY RAISED REVENUE	-	2,075,000	-	2,075,000
STATE TRUNKLINE	-	-	1,663,213	1,663,213
INTEREST	-	-	53,000	53,000
GAIN ON DISPOSAL OF EQUIPMENT	-	-	20,000	20,000
MISCELLANEOUS REVENUE	15,500	29,532	41,344	86,376
TOTAL REVENUE	\$ 10,510,336	\$ 4,747,073	\$ 1,777,557	\$ 17,034,966
EXPENDITURES:				
CONSTRUCTION	\$ -	-	\$ -	\$ -
HEAVY MAINTENANCE	6,931,897	910,005	-	7,841,902
HEAVY MAINT. STRUCTURES	160,184	32,037	-	192,221
ROUTINE MAINTENANCE	2,808,300	2,675,523	-	5,483,823
ADMINISTRATIVE	731,899	487,933	-	1,219,832
STATE TRUNKLINE	-	-	1,663,213	1,663,213
EQUIPMENT ACCOUNT	(78,203)	(96,266)	(56,829)	(231,298)
TOTAL OPERATING EXPENDITURES	\$ 10,554,077	\$ 4,009,232	\$ 1,606,384	\$ 16,169,693
NON-OPERATING EXPENDITURES:	-	-	-	-
NET CAPITAL OUTLAY	-	-	467,325	467,325
INTEREST / ACCOUNTS RECEIVABLE	-	-	297,000	297,000
TOTAL EXPENDITURES	\$ 10,554,077	\$ 4,009,232	\$ 2,370,709	\$ 16,934,018
INCREASE (DECREASE) IN AVAILABLE OPERATING FUND	\$ (43,741)	\$ 737,841	\$ (593,152)	\$ 100,948
BEGINNING FUND BALANCE 1/1/2017	\$ 2,574,870	\$ -	\$ 2,721,897	\$ 5,296,767
FUND TRANSFERS - ESTIMATED	737,841	(737,841)	-	-
ENDING BALANCE 12/31/2017	\$ 3,268,970	\$ -	\$ 2,128,745	\$ 5,397,715

PRIMARY ROADS for 2017:

TOTAL FUNDING SOURCES

	TOTAL FUNDING SOURCES									
	LENGTH	BUDGET	B C R C	BCATS	FEDERAL		RURAL TASK FORCE 7B		MDEQ	
					STP	STATE "D"	SET-ASIDE 1 & 2			
HEAVY MAINTENANCE PAVING										
Three Mile Road - Amelith to M-84	1.00	1,081,000	522,452	558,548	-	-	-	-	-	-
Cass Road - Jones to Farley	2.90	667,197	246,863	-	353,614	66,720	-	-	-	-
Farley Road - M-25 to M-138	4.80	1,127,679	248,089	-	541,286	338,304	-	-	-	-
Pine Road - Munger to German	2.00	870,000	197,812	-	522,645	149,543	-	-	-	-
Wildler Road - Euclid to M-13/I-75 Connector	1.60	875,000	655,000	-	-	-	-	-	220,000	-
Mackinaw Road - Salzborg to US-10	1.00	135,000	135,000	-	-	-	-	-	-	-
Mackinaw Road - Freeland to Delta	2.00	1,200,000	1,200,000	-	-	-	-	-	-	-
Linwood Beach Road - E.N. Boutell to LeBourdais	1.00	200,000	200,000	-	-	-	-	-	-	-
Pine Street - Monitor to Grove	0.20	100,000	100,000	-	-	-	-	-	-	-
	16.50	\$ 6,255,876	\$ 3,505,216	\$ 558,548	\$ 1,417,545	\$ 554,567	\$	\$	220,000	\$
TOTAL HEAVY MAINTENANCE PAVING:										
OTHER HEAVY MAINTENANCE ITEMS										
Crackseal Program	31.00	123,000	123,000	-	-	-	-	-	-	-
Sealcoat Program, Primary, Single Seal	24.00	441,000	441,000	-	-	-	-	-	-	-
Traffic Signal (State Park Drive/Bangor Central School)	N/A	25,000	25,000	-	-	-	-	-	-	-
Pavement Markings	N/A	140,000	140,000	-	-	-	-	-	-	-
Concrete Road Repair - Various	N/A	10,000	10,000	-	-	-	-	-	-	-
NPDES Stormwater Phase II Permit Contribution	N/A	5,000	5,000	-	-	-	-	-	-	-
GIS Development and Field Collection (SAW Grant)	N/A	250,000	2,500	-	-	-	-	-	247,500	-
CONSTRUCTION ENGINEERING										
Three Mile Road - Amelith to M-84	Fed-Aid	5,000	5,000	-	-	-	-	-	-	-
Cass Road - Jones to Farley	Fed-Aid	30,000	30,000	-	-	-	-	-	-	-
Farley Road - M-25 to M-138	Fed-Aid	40,000	40,000	-	-	-	-	-	-	-
Pine Road - Munger to German	Fed-Aid	10,000	10,000	-	-	-	-	-	-	-
Wildler Road - Euclid to M-13/I-75 Connector	N/A	10,000	10,000	-	-	-	-	-	-	-
Mackinaw Road - Salzborg to US-10	N/A	5,000	5,000	-	-	-	-	-	-	-
Mackinaw Road - Freeland to Delta	N/A	20,000	20,000	-	-	-	-	-	-	-
Linwood Beach Road - E.N. Boutell to LeBourdais	N/A	5,000	5,000	-	-	-	-	-	-	-
Pine Street - Monitor to Grove	N/A	2,000	2,000	-	-	-	-	-	-	-
DESIGN ENGINEERING										
Old Kawkawlin - M-13 to State Park	N/A	20,000	4,000	16,000	-	-	-	-	-	-
Patterson - Wilder to Wheeler	N/A	20,000	4,000	16,000	-	-	-	-	-	-
Pine Road - Munger to German	N/A	36,372	36,372	-	-	-	-	-	-	-
Wildler Road - Euclid to M-13/I-75 Connector	N/A	10,000	10,000	-	-	-	-	-	-	-
Mackinaw Road - Freeland to Delta	N/A	14,000	14,000	-	-	-	-	-	-	-
Garfield Road - Beaver to Seidlers	N/A	29,923	29,923	-	-	-	-	-	-	-
Subtotal:	55.00	\$ 1,251,295	\$ 971,795	\$ 32,000	\$	\$	\$	\$	247,500	\$
LESS ROUTINE MAINTENANCE										
		\$ (616,000)								
TOTAL HEAVY MAINTENANCE:										
	71.50	\$ 6,891,171	\$ 4,477,011	\$ 590,548	\$ 1,417,545	\$ 554,567	\$	\$	467,500	\$

PRIMARY BRIDGES:	TOTAL FUNDING SOURCES				
	LENGTH	BUDGET	B C R C	STP-URBAN	LOCAL BRIDGE PROGRAM
BRIDGES & STRUCTURES					
Bridge & Culvert Maint. - Countywide, Various Locations	N/A	100,000	100,000	-	-
Bridge Rehabilitation Projects (None for 2017)	N/A	-	-	-	-
County Drain Improvements	N/A	50,000	50,000	-	-
TOTAL BRIDGES & STRUCTURES:	0.00	\$ 150,000	\$ 150,000	\$ -	\$ -
GRAND TOTAL	71.50	\$ 7,041,171	\$ 4,627,011	\$ 590,548	\$ 1,417,545
HEAVY MAINTENANCE PAVING-ILLUSTRATIVE LIST					
German Road - Green to M-15	1.25				
Garfield Road - Beaver to Seidlers	1.00				
Garfield Road - Seidlers to River	1.00				
Garfield Road - River to Linwood	3.00				

LOCAL ROADS FOR 2017	LENGTH	BUDGET	TOTAL FUNDING SOURCES		
			BCRC	BCATS	TOWNSHIP
HEAVY MAINTENANCE PAVING					
None	0.00	\$ -	\$ -		\$ -
Subtotal					
OTHER HEAVY MAINTENANCE ITEMS					
At Large Projects - Third Party Agreements	2.00	\$ 200,000	100,000	-	100,000
Eight Mile Road - Freeland to Delta	2.00	200,000	100,000	-	100,000
Subtotal					
Building Better Local Roads Program:					
Local Road Program	N/A	560,000	280,000	-	280,000
Culvert Replacement Less than 30" and Culvert Greater than 30" or Bridge Replacement/Repair	N/A	500,000	300,000	-	200,000
Chloride Application (50/50)	N/A	160,000	80,000	-	80,000
Subtotal	0.00	1,220,000	660,000	-	560,000
LESS ROUTINE MAINTENANCE					
TOTAL HEAVY MAINTENANCE		(510,000)	760,000	\$ -	\$ 660,000
LOCAL BRIDGES:					
BRIDGES & STRUCTURES:					
Bridge Maintenance	N/A	30,000	15,000	-	15,000
TOTAL BRIDGES & STRUCTURES					
	N/A	30,000	15,000	-	15,000
GRAND TOTAL	0.00	\$ 940,000	\$ 775,000	\$ -	\$ 675,000

	LENGTH	BUDGET	TOTAL FUNDING SOURCES		
			BCRC	BCATS	TOWNSHIP
Township Projects - Projected	0.00	-	-	-	-
Beaver Township HMA Paving	2.00	150,000	-	-	150,000
Fraser Township HMA Paving	4.00	250,000	-	-	250,000
Hampton Township HMA Paving	0.00	-	-	-	-
Kawawlin Township HMA Paving	0.00	-	-	-	-
Merritt Township HMA Paving	12.00	2,000,000	-	-	2,000,000
Monitor Township HMA Paving	6.00	300,000	-	-	300,000
Portsmouth Township HMA Paving	24.00	2,700,000	-	-	2,700,000
TOTAL OTHER HEAVY MAINTENANCE ITEMS:		\$ 2,700,000	\$ -	\$ -	\$ 2,700,000

Bay County Road Commission
 Primary Road Maintenance Budget
 2017

<u>TOWNSHIP</u>	<u>ROUTINE</u>	<u>TRAFFIC</u>	<u>SNOW & ICE CONTROL</u>	<u>TOTAL PRIMARY MAINTENANCE</u>
BANGOR	\$ 319,285	\$ 30,688	\$ 66,569	\$ 416,541
BEAVER	82,786.38	24,416.73	52,966.28	160,169.38
FRANKENLUST	104,560.83	13,561.48	29,418.41	147,540.73
FRASER	98,578.99	29,728.22	64,488.31	192,795.53
GARFIELD	76,449.84	24,739.86	53,667.24	154,856.94
GIBSON	79,348.56	17,136.14	37,172.78	133,657.48
HAMPTON	92,378.95	21,074.32	45,715.73	159,169.00
KAWKAWLIN	105,567.67	29,051.67	63,020.67	197,640.01
MERRITT	78,123.97	17,610.74	38,202.31	133,937.03
MONITOR	211,225.99	53,619.86	116,315.53	381,161.38
MT. FOREST	82,725.95	27,405.71	59,450.16	169,581.82
PINCONNING	127,399.41	28,718.43	62,297.81	218,415.65
PORTSMOUTH	80,766.93	18,206.52	39,494.71	138,468.15
WILLIAMS	98,851.93	33,292.78	72,220.77	204,365.49
TOTAL PRIMARY MAINTENANCE	\$ 1,638,050	\$ 369,250	\$ 801,000	\$ 2,808,300

**Bay County Road Commission
Local Road Maintenance Budget
2017**

TOWNSHIP	ROUTINE	TRAFFIC	SNOW & ICE CONTROL	TOTAL LOCAL ROAD MAINTENANCE
BANGOR	\$ 156,387	\$ 11,841	\$ 45,997	\$ 214,225
BEAVER	103,984.89	5,141.85	35,361.26	144,488.00
FRANKENLUST	88,161.07	11,900.56	29,456.38	129,518.00
FRASER	144,811.11	13,233.13	24,217.77	182,262.00
GARFIELD	105,876.85	3,836.37	24,011.78	133,725.00
GIBSON	130,958.15	3,168.99	15,703.87	149,831.00
HAMPTON	244,501.96	10,659.51	4,538.53	259,700.00
KAWKAWLIN	116,966.73	9,266.62	36,335.66	162,569.00
MERRITT	145,427.22	12,564.93	22,765.85	180,758.00
MONITOR	155,786.43	17,072.34	68,926.24	241,785.00
MT. FOREST	111,401.49	3,941.04	18,144.47	133,487.00
PINCONNING	147,130.56	10,288.76	22,093.68	179,513.00
PORTSMOUTH	91,694.34	9,667.72	25,198.94	126,561.00
WILLIAMS	86,182.30	9,977.00	40,941.70	137,101.00
TURN BACK TO GRAVEL (BBLR)	300,000.00			300,000.00
TOTAL LOCAL MAINTENANCE:	\$ 2,129,270	\$ 132,560	\$ 413,693	\$ 2,675,523

Bay County Road Commission
Capital Outlay Budget
2017

UNITS	CAPITAL OUTLAY CATEGORY	UNIT PRICE	TOTAL
<u>BUILDINGS & IMPROVEMENTS:</u>			
<u>East District:</u>			
	Fuel Pump		15,000
	Building & Grounds		5,000
<u>North Garage:</u>			
	Roof		40,000
	Fuel Pump		15,000
<u>West District:</u>			
	Building & Grounds		10,000
<u>Main Office</u>			
	Flooring & Boardroom Upgrades		25,000
	Subtotal		110,000
<u>EQUIPMENT & SOFTWARE</u>			
<u>Main Garage:</u>			
	Fleet/Mechanic Software		5,000
	Plasma Cutter		4,000
<u>Office</u>			
<u>Survey - Sign Shop</u>			
	Software & Technology		25,000
	Traffic Counting Equipment		10,000
	SAW Grant Capital Expenses		55,000
	SAW Grant		(55,000)
	Survey Equipment		10,000
	Portable Message Signs		80,000
	Sign Shop		10,000
	Subtotal		144,000
<u>ROAD EQUIPMENT</u>			
	Tandem Plow Truck w/Spreader & Wing		110,000
	State Radio Accessories		10,000
	Grader		340,000
3	Administrative Vehicles (saw grant)		85,000
2	Miscellaneous Pick-Ups	25,000	50,000
2	Trailers	16,000	32,000
	Recondition Equipment		20,000
	Crew Leader Truck		60,000
	Subtotal		707,000
	TOTAL		\$ 961,000