



# **GENERAL APPROPRIATIONS ACT 2018 BUDGET**

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

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

*Adopted on:* December 20, 2017





---

# TABLE OF CONTENTS

---

## **SECTION A - Memorandum**

## **SECTION B - General Appropriation**

<u>Page</u>	<u>Description</u>
B-1	2017 Budget Summary
B-2	Revenue Budget (to be adopted)
B-3	Expenditures Budget (to be adopted)

## **SECTION C - Support Data**

<u>Page</u>	<u>Description</u>
C-1	Budget By Funds
C-2 & C-3	Primary/Local Heavy Maintenance & Bridges Budget
C-4	Primary Road Maintenance Budget
C-5	Local Road Maintenance Budget
C-6	Capital Outlay Budget

---

# M E M O R A N D U M

---

**DATE:** December 20, 2017

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

**FROM:** James C. Lillo, Engineer-Manager

**RE:** 2018 General Operating Budget

Attached is the Proposed 2018 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 2018 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  
2018  
Budget Summary**

<u>REVENUES:</u>	ACTUAL YEAR 12/31/2016	BUDGET CURRENT YEAR 12/31/2017	RECOMMENDED BUDGET 2018
MOTOR TRANSPORTATION FUND	\$ 8,107,448	\$ 10,742,181	\$ 11,959,492
STATE OTHER	1,087,567	376,596	485,567
STATE - ADDITIONAL REVENUE	622,491	-	-
FEDERAL AID	136,789	610,231	980,855
STATE TRUNKLINE SYSTEM	1,879,512	1,913,708	1,681,000
STATE AUDIT ADJUSTMENT	-	-	-
LOCAL SOURCES	2,084,341	1,570,361	1,945,333
INTEREST EARNED	49,865	65,853	67,988
PERMIT FEES	65,215	65,262	65,147
GAIN/LOSS ON EQUIP. DISPOSAL	33,709	1,000	20,000
SALVAGE SALES-ROAD	2,967	2,495	2,841
PROPERTY RENTALS-ROAD	9,684	7,448	8,278
OTHER - MISC.	141,532	22,078	27,654
REFUNDS AND REBATES	7,378	11,153	9,768
MISCELLANEOUS REVENUE	161,561	43,174	48,541
TOTAL REVENUES	<u>\$ 14,228,498</u>	<u>\$ 15,388,366</u>	<u>\$ 17,253,923</u>
<u>EXPENDITURES:</u>			
CONSTRUCTION	\$ 176,033	\$ -	\$ -
HEAVY MAINTENANCE	2,522,236	4,295,453	6,845,907
STRUCTURES & BRIDGES	1,357,991	29,246	179,997
ROUTINE MAINTENANCE	5,415,860	4,889,678	5,006,033
TRAFFIC SERVICES	574,242	662,094	593,753
SNOW & ICE CONTROL	1,199,963	785,739	1,040,130
STATE TRUNKLINE SYSTEM	1,697,473	1,913,708	1,681,000
EQUIPMENT EXPENSE-NET	(301,342)	65,677	72,727
CAPITAL OUTLAY-NET ROAD	174,255	162,785	358,672
ADMINISTRATIVE	1,137,432	1,146,766	1,180,006
DEBT SERVICE	59,161	-	-
INTEREST/ A/R INVOICING	293,923	367,457	341,868
TOTAL EXPENDITURES	<u>\$ 14,307,227</u>	<u>\$ 14,318,603</u>	<u>\$ 17,300,093</u>
NET INCREASE (DECREASE)	\$ (78,729)	\$ 1,069,763	\$ (46,170)
BEGINNING FUND BALANCE	5,603,459	5,524,730	6,594,493
ENDING FUND BALANCE	<u>\$ 5,524,730</u>	<u>\$ 6,594,493</u>	<u>\$ 6,548,323</u>



**Bay County Road Commission  
Revenue Budget  
2018**

<b>REVENUES:</b>	<b>ACTUAL YEAR 12/31/2016</b>	<b>ESTIMATED CURRENT YEAR 12/31/2017</b>	<b>RECOMMENDED BUDGET 2018</b>
<b>FEDERAL SOURCES</b>			
- Surface Transportation Program	\$ 36,185	\$ -	\$ 980,855
- Other	100,604	-	-
- BCATS & MATS	-	610,231	-
<b>STATE MTF FUNDS</b>			
- Engineering	10,000	10,000	10,000
- Primary	4,980,121	6,591,782	7,694,056
- Local	1,972,347	2,614,330	2,686,753
- Urban	1,144,980	1,526,069	1,568,683
<b>STATE OTHER</b>			
- Local Bridge, Tire Grant	1,087,567	193,733	-
- State Additional	622,491	-	-
- Category D	-	-	236,667
- BCATS & MATS	-	-	1,400
- Safety, DEQ, MDOT, Saw	-	182,863	247,500
<b>LOCAL SOURCES</b>			
- Townships, Villages, Cities	2,084,341	1,570,361	1,945,333
- Townships, Villages, Cities	-	-	-
<b>STATE TRUNKLINE MAINTENANCE</b>	<b>1,688,708</b>	<b>1,502,664</b>	<b>1,621,325</b>
<b>STATE NON-MAINTENANCE</b>	<b>190,804</b>	<b>411,044</b>	<b>59,675</b>
<b>STATE AUDIT ADJUSTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INTEREST EARNED</b>	<b>49,865</b>	<b>65,853</b>	<b>67,988</b>
<b>GAIN/LOSS ON EQUIPMENT DISPOSAL</b>	<b>33,709</b>	<b>1,000</b>	<b>20,000</b>
<b>PERMIT FEES</b>	<b>65,215</b>	<b>65,262</b>	<b>65,147</b>
<b>MISCELLANEOUS REVENUE:</b>			
- Property Rental/Royalty	9,684	7,448	8,278
- Salvage Sales	2,967	2,495	2,841
- Refunds and Rebates	7,378	11,153	9,768
- Other	141,532	22,078	27,654
<b>TOTAL REVENUES</b>	<b>\$ 14,228,498</b>	<b>\$ 15,388,366</b>	<b>\$ 17,253,923</b>

**Bay County Road Commission  
Expenditure Budget  
2018**

<b>EXPENDITURES:</b>	<b>ACTUAL YEAR 12/31/2016</b>	<b>BUDGET CURRENT YEAR 12/31/2017</b>	<b>RECOMMENDED BUDGET 2018</b>
<b>CONSTRUCTION / CAPACITY IMPROVEMENTS</b>			
- Primary	\$ 176,033	\$ -	\$ -
- Local	-	-	-
<b>HEAVY MAINTENANCE</b>			
- Primary	1,207,376	3,190,360	5,736,334
- Local	1,314,860	1,105,093	1,109,573
<b>STRUCTURES &amp; BRIDGES</b>			
- Primary	1,281,094	11,213	150,004
- Local	76,897	18,033	29,993
<b>ROUTINE MAINTENANCE</b>			
- Primary	2,629,358	2,732,665	2,832,128
- Local	2,786,502	2,157,013	2,173,905
<b>TRAFFIC SERVICES</b>			
- Primary	403,299	496,172	427,165
- Local	170,943	165,922	166,588
<b>SNOW &amp; ICE CONTROL</b>			
- Primary	782,847	521,431	683,944
- Local	417,116	264,308	356,186
<b>STATE TRUNKLINE MAINTENANCE</b>	1,506,614	1,502,664	1,621,325
<b>STATE NON-MAINTENANCE</b>	190,859	411,044	59,675
<b>EQUIPMENT EXPENSE-NET:</b>			
- Direct	1,017,268	1,092,968	1,136,690
- Indirect	876,413	874,553	886,927
- Operating	254,985	295,156	298,108
- Less Equipment Rental	(2,450,008)	(2,197,000)	(2,248,998)
<b>NET</b>	(301,342)	65,677	72,727
<b>CAPITAL OUTLAY-NET</b>			
- Capital Outlay	640,147	724,805	972,000
- Less Equipment Retirements	(1,999)	-	-
- Less Depreciation Credit	(463,893)	(562,020)	(613,328)
<b>NET</b>	174,255	162,785	358,672
<b>DEBT SERVICE</b>	59,161	-	-
<b>ADMINISTRATIVE - NET</b>			
- Administrative	1,302,859	1,312,152	1,330,465
- Less Overhead State	(153,088)	(146,234)	(132,684)
- Less Purchase Discounts	(12,339)	(19,152)	(17,775)
<b>NET</b>	1,137,432	1,146,766	1,180,006
<b>INTEREST/AR INVOICING</b>	293,923	367,457	341,868
<b>TOTAL EXPENDITURES</b>	<b>\$ 14,307,227</b>	<b>\$ 14,318,603</b>	<b>\$ 17,300,093</b>

---

**SECTION C**

**SUPPORT DATA**

---



**Bay County Road Commission  
General Operating Fund  
2018  
Budget By Fund**

<u>DESCRIPTION</u>	<u>PRIMARY ROAD FUND</u>	<u>LOCAL ROAD FUND</u>	<u>ROAD COMM. FUND.</u>	<u>TOTAL</u>
<b>REVENUE:</b>				
MICHIGAN TRANSPORTATION FUND	\$ 9,056,020	\$ 2,903,472	\$ -	\$ 11,959,492
STATE BCATS	1,400	-	-	1,400
STATE D	236,667	-	-	236,667
FEDERAL REVENUE	980,855	-	-	980,855
STATE OTHER	-	-	-	-
STATE OTHER- MDOT, DEQ, SAFETY	247,500	-	-	247,500
COUNTY RAISED REVENUE	-	1,945,333	-	1,945,333
STATE TRUNKLINE	-	-	1,681,000	1,681,000
INTEREST	-	-	67,988	67,988
GAIN ON DISPOSAL OF EQUIPMENT	-	-	20,000	20,000
MISCELLANEOUS REVENUE	12,752	18,341	82,595	113,688
<b>TOTAL REVENUE</b>	<b>\$ 10,535,194</b>	<b>\$ 4,867,146</b>	<b>\$ 1,851,583</b>	<b>\$ 17,253,923</b>
<b>EXPENDITURES:</b>				
CONSTRUCTION	\$ -	\$ -	\$ -	-
HEAVY MAINTENANCE	5,736,334	1,109,573	-	6,845,907
HEAVY MAINT. STRUCTURES	150,004	29,993	-	179,997
ROUTINE MAINTENANCE	3,943,237	2,696,679	-	6,639,916
ADMINISTRATIVE	731,604	448,402	-	1,180,006
STATE TRUNKLINE	-	-	1,681,000	1,681,000
EQUIPMENT ACCOUNT	26,181	29,091	17,455	72,727
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 10,587,360</b>	<b>\$ 4,313,738</b>	<b>\$ 1,698,455</b>	<b>\$ 16,599,553</b>
NON-OPERATING EXPENDITURES:	-	-	-	-
NET CAPITAL OUTLAY	-	-	358,672	358,672
INTEREST / ACCOUNTS RECEIVABLE	-	-	341,868	341,868
<b>TOTAL EXPENDITURES</b>	<b>\$ 10,587,360</b>	<b>\$ 4,313,738</b>	<b>\$ 2,398,995</b>	<b>\$ 17,300,093</b>
<b>INCREASE (DECREASE) IN AVAILABLE OPERATING FUND</b>	<b>\$ (52,166)</b>	<b>\$ 553,408</b>	<b>\$ (547,412)</b>	<b>\$ (46,170)</b>
BEGINNING FUND BALANCE 1/1/2018	\$ 4,047,080	\$ -	\$ 2,547,413	\$ 6,594,493
FUND TRANSFERS - ESTIMATED	553,408	(553,408)	-	-
<b>ENDING BALANCE 12/31/2018</b>	<b>\$ 4,548,322</b>	<b>\$ -</b>	<b>\$ 2,000,001</b>	<b>\$ 6,548,323</b>

**PRIMARY ROADS for 2018:**

		FUNDING SOURCES						
		LENGTH	BUDGET	B C R C	BCATS	FEDERAL STP	STATE "D"	MDEQ
<b>HEAVY MAINTENANCE PAVING</b>								
Garfield Road - Beaver to Seidlers	1.00	900,000	900,000	-	-	-	-	-
Linwood Beach Road - LeBourdais to E.N. Boutell	1.00	200,000	200,000	-	-	-	-	-
Mackinaw Road - Freeland to Delta	2.00	1,800,000	1,800,000	-	-	-	-	-
Mackinaw Road - US-10 to Midland	0.50	202,000	202,000	-	-	-	-	-
Pine Road - Munger to German	2.00	1,367,495	149,973	-	-	980,855	236,667	-
Salzburg Road - Garfield to Eleven Mile	1.00	500,000	500,000	-	-	-	-	-
<b>TOTAL HEAVY MAINTENANCE PAVING:</b>	<b>7.50</b>	<b>\$ 4,969,495</b>	<b>\$ 3,751,973</b>	<b>\$ -</b>	<b>\$ 980,855</b>	<b>\$ 236,667</b>	<b>\$ -</b>	<b>\$ -</b>
<b>OTHER HEAVY MAINTENANCE ITEMS</b>								
Crackseal Program	15.00	80,000	80,000	-	-	-	-	-
Sealcoat Program, Primary, Single Seal	23.00	356,500	356,500	-	-	-	-	-
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
<b>CONSTRUCTION ENGINEERING</b>								
Pine Road - Munger to German (BCRC Staff)	Fed-Aid	10,000	10,000	-	-	-	-	-
All Heavy Maintenance Paving Projects (BCRC Staff)	Non-Fed-Aid	130,000	130,000	-	-	-	-	-
<b>DESIGN ENGINEERING</b>								
Garfield Road - Beaver to Seidlers	N/A	29,923	29,923	-	-	-	-	-
Midland Road - Four Mile to Mackinaw	N/A	25,000	25,000	-	-	-	-	-
Old Kawkawlin Road - Two Mile to M-247	N/A	20,000	20,000	-	-	-	-	-
Patterson Road - Wilder to Wheeler	N/A	7,000	5,600	1,400	-	-	-	-
Salzburg Road - Garfield to Eleven Mile	N/A	30,000	30,000	-	-	-	-	-
State Park Drive - Wilder to the Bay Rec. Entrance	N/A	91,000	91,000	-	-	-	-	-
Wheeler Road - Patterson to M-247 (Coordinate with BCDWS & Bangor)	N/A	90,000	90,000	-	-	-	-	-
<b>Subtotal:</b>	<b>38.00</b>	<b>\$ 1,274,423</b>	<b>\$ 1,025,523</b>	<b>\$ 1,400</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 247,500</b>	<b>\$ -</b>
<b>LESS ROUTINE MAINTENANCE:</b>								
		<b>\$ (506,500)</b>						
<b>TOTAL HEAVY MAINTENANCE:</b>	<b>45.50</b>	<b>\$ 5,737,418</b>	<b>\$ 4,777,496</b>	<b>\$ 1,400</b>	<b>\$ 980,855</b>	<b>\$ 236,667</b>	<b>\$ 247,500</b>	<b>\$ -</b>

**PRIMARY BRIDGES:**

		FUNDING SOURCES					
		LENGTH	BUDGET	B C R C	STP-URBAN	LOCAL BRIDGE PROGRAM	
<b>BRIDGES &amp; STRUCTURES</b>							
Bridge & Culvert Maint. - Countywide, Various Locations	N/A	100,000	100,000	-	-	-	
Bridge Rehabilitation Projects (None for 2018)	N/A	-	-	-	-	-	
County Drain Improvements	N/A	50,000	50,000	-	-	-	
<b>TOTAL BRIDGES &amp; STRUCTURES:</b>	<b>0.00</b>	<b>\$ 150,000</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>GRAND TOTAL</b>	<b>45.50</b>	<b>\$ 5,887,418</b>	<b>\$ 4,927,496</b>	<b>\$ 1,400</b>	<b>\$ 980,855</b>	<b>\$ 236,667</b>	<b>\$ 247,500</b>



		LENGTH	BUDGET	FUNDING SOURCES																														
				BCRC	BCATS	TOWNSHIP																												
<b>LOCAL ROADS FOR 2018</b>																																		
<u>HEAVY MAINTENANCE PAVING</u>																																		
None																																		
Subtotal																																		
<u>OTHER HEAVY MAINTENANCE ITEMS</u>																																		
<u>At Large Projects - Third Party Agreements</u>																																		
Amelith Road - Three Mile to Michigan																																		
Subtotal																																		
<u>Building Better Local Roads Program:</u>																																		
Local Road Program																																		
Culvert Replacement Less than 30" and Culvert Greater than 30" or Bridge Replacement/Repair																																		
Chloride Application (50/50)																																		
Subtotal																																		
<u>LESS ROUTINE MAINTENANCE</u>																																		
<u>TOTAL HEAVY MAINTENANCE</u>																																		
<table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>0.00</td> <td>\$</td> <td>1,220,000</td> <td>660,000</td> <td>-</td> <td>560,000</td> </tr> <tr> <td></td> <td></td> <td></td> <td>(280,000)</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>\$</td> <td>1,110,000</td> <td>660,000</td> <td>-</td> <td>730,000</td> </tr> </table>															0.00	\$	1,220,000	660,000	-	560,000				(280,000)						\$	1,110,000	660,000	-	730,000
	0.00	\$	1,220,000	660,000	-	560,000																												
			(280,000)																															
		\$	1,110,000	660,000	-	730,000																												
<u>LOCAL BRIDGES:</u>																																		
<u>BRIDGES &amp; STRUCTURES:</u>																																		
Bridge Maintenance																																		
TOTAL BRIDGES & STRUCTURES																																		
GRAND TOTAL																																		
<table border="1"> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>0.00</td> <td>\$</td> <td>1,140,000</td> <td>675,000</td> <td>-</td> <td>745,000</td> </tr> </table>															0.00	\$	1,140,000	675,000	-	745,000														
	0.00	\$	1,140,000	675,000	-	745,000																												



Bay County Road Commission  
 Primary Road Maintenance Budget  
 2018

<u>TOWNSHIP</u>	<u>ROUTINE</u>	<u>TRAFFIC</u>	<u>SNOW &amp; ICE CONTROL</u>	<u>TOTAL PRIMARY MAINTENANCE</u>
BANGOR	\$ 400,372	\$ 79,974	\$ 91,150	\$ 571,496
BEAVER	164,275	21,181	\$ 50,586	236,041
FRANKENLUST	144,016	22,616	\$ 43,824	210,456
FRASER	198,014	16,813	\$ 48,864	263,690
GARFIELD	159,753	14,719	\$ 36,394	210,866
GIBSON	134,433	7,266	\$ 33,521	175,220
HAMPTON	160,639	35,413	\$ 39,779	235,831
KAWKAWLIN	201,825	31,863	\$ 53,809	287,497
MERRITT	135,073	18,990	\$ 32,457	186,520
MONITOR	387,262	86,666	\$ 80,660	554,588
MT. FOREST	175,200	11,459	\$ 33,310	219,969
PINCONNING	220,269	18,778	\$ 41,846	280,893
PORTSMOUTH	139,643	32,717	\$ 36,006	208,366
WILLIAMS	211,354	28,710	\$ 61,738	301,802
<b>TOTAL PRIMARY MAINTENANCE</b>	<b>\$ 2,832,128</b>	<b>\$ 427,165</b>	<b>\$ 683,944</b>	<b>\$ 3,943,236</b>

**Bay County Road Commission  
Local Road Maintenance Budget  
2018**

TOWNSHIP	ROUTINE	TRAFFIC	SNOW & ICE CONTROL	TOTAL LOCAL ROAD MAINTENANCE
BANGOR	\$ 169,110.23	\$ 12,246.51	\$ 35,010.26	\$ 216,367.00
BEAVER	117,728.23	6,925.59	21,278.18	145,932.00
FRANKENLUST	66,311.41	42,393.62	22,107.97	130,813.00
FRASER	154,408.20	7,628.45	22,047.36	184,084.00
GARFIELD	95,885.80	4,819.45	34,356.75	135,062.00
GIBSON	124,727.59	2,573.53	24,027.88	151,329.00
HAMPTON	243,932.45	11,083.36	4,684.19	259,700.00
KAWKAWLIN	125,733.31	11,862.10	26,599.59	164,195.00
MERRITT	144,463.34	12,268.83	25,833.84	182,566.00
MONITOR	179,678.13	18,026.78	46,498.09	244,203.00
MT. FOREST	108,969.34	3,076.64	22,776.03	134,822.00
PINCONNING	151,118.95	8,296.67	21,892.38	181,308.00
PORTSMOUTH	95,785.04	11,096.43	20,944.53	127,826.00
WILLIAMS	96,053.01	14,290.19	28,128.81	138,472.00
TURN BACK TO GRAVEL (BBLR)	300,000.00			300,000.00
<b>TOTAL LOCAL MAINTENANCE:</b>	<b>\$ 2,173,905</b>	<b>\$ 166,588</b>	<b>\$ 356,186</b>	<b>\$ 2,696,679</b>

Bay County Road Commission  
Capital Outlay Budget  
2018

UNITS	CAPITAL OUTLAY CATEGORY	UNIT PRICE	TOTAL
<b><u>BUILDINGS &amp; IMPROVEMENTS:</u></b>			
	<u>East District:</u>		-
	<u>North Garage:</u>		-
	<u>West District:</u>		-
	<u>Main Office</u>		
	Flooring & Boardroom Upgrades		20,000
	<b>Subtotal</b>		<b>20,000</b>
<b><u>EQUIPMENT &amp; SOFTWARE</u></b>			
	<u>Main Garage:</u>		-
	<u>Office</u>		-
	<u>Survey/IT/Engineering</u>		
	Software & Technology		16,000
	Sign Cutter		8,000
	Post puller and Driver		18,000
	DMI (3) and Incidentals		5,000
	<b>Subtotal</b>		<b>47,000</b>
<b><u>ROAD EQUIPMENT</u></b>			
1	Tandem Plow Truck w/Spreader & Wing	240,000	240,000
1	Dura Patcher	240,000	240,000
1	Tar Distributor	250,000	250,000
5	Pick - Ups, Foreman and Engineer	35,000	175,000
	<b>Subtotal</b>		<b>905,000</b>
	<b>TOTAL</b>		<b>\$ 972,000</b>