



# **GENERAL APPROPRIATIONS ACT 2019 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 19, 2018



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# MEMORANDUM

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**DATE:** December 19, 2018

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

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

**RE:** 2019 General Operating Budget

Attached is the Proposed 2019 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 2019 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-6, 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.

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**SECTION B**

**GENERAL APPROPRIATION**

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**Bay County Road Commission  
General Operating Fund  
2019  
Budget Summary**

<u>REVENUES:</u>	ACTUAL YEAR 12/31/2017	BUDGET CURRENT YEAR 12/31/2018	RECOMMENDED BUDGET 2019
MOTOR TRANSPORTATION FUND	\$ 10,600,566	\$ 11,426,542	\$ 12,403,257
STATE OTHER	-	335,624	765,897
STATE - ADDITIONAL REVENUE/ PA 82 & PA207	415,476	2,250,466	-
FEDERAL AID	628,603	1,037,014	2,203,581
STATE TRUNKLINE SYSTEM	1,947,518	1,615,396	1,686,325
STATE AUDIT ADJUSTMENT	-	-	-
LOCAL SOURCES	1,417,474	1,541,607	1,865,000
INTEREST EARNED	67,371	85,115	87,900
PERMIT FEES	67,434	88,287	90,850
GAIN/LOSS ON EQUIP. DISPOSAL	1,000	96,605	2,000
Property Rental/Royalty	-	490	600
Salvage Sales	3,137	7,707	8,213
Refunds and Rebates	557	9,663	9,768
Other	137,592	64,165	68,926
TOTAL MISCELLANEOUS REVENUE	141,286	82,025	87,507
<b>TOTAL REVENUES</b>	<b>\$ 15,286,728</b>	<b>\$ 18,558,681</b>	<b>\$ 19,192,317</b>
<u>EXPENDITURES:</u>			
CONSTRUCTION	\$ 931	\$ 24,356	\$ -
HEAVY MAINTENANCE	4,351,214	6,961,781	8,475,130
STRUCTURES & BRIDGES	31,697	53,833	340,000
ROUTINE MAINTENANCE	4,806,190	5,481,217	5,411,500
TRAFFIC SERVICES	625,066	654,869	639,046
SNOW & ICE CONTROL	802,718	1,095,166	1,105,230
STATE TRUNKLINE SYSTEM	1,945,218	1,615,396	1,686,325
EQUIPMENT EXPENSE-NET	(38,905)	341,462	151,658
CAPITAL OUTLAY-NET ROAD	247,455	457,325	333,628
ADMINISTRATIVE	1,060,425	1,088,759	1,099,967
PURCHASE OF FED/STATE AID	221,760	-	-
INTEREST / AR INVOICING	381,044	384,191	382,616
<b>TOTAL EXPENDITURES</b>	<b>\$ 14,434,813</b>	<b>\$ 18,158,355</b>	<b>\$ 19,625,100</b>
NET INCREASE (DECREASE)	\$ 851,915	\$ 400,326	\$ (432,783)
BEGINNING FUND BALANCE	5,524,731	6,376,646	6,776,972
ENDING FUND BALANCE	\$ 6,376,646	\$ 6,776,972	\$ 6,344,189



**Bay County Road Commission  
Revenue Budget  
2019**

<b>REVENUES:</b>	<b>ACTUAL YEAR 12/31/2017</b>	<b>ESTIMATED CURRENT YEAR 12/31/2018</b>	<b>RECOMMENDED BUDGET 2019</b>
<b>FEDERAL SOURCES</b>			
- Surface Transportation Program	\$ 628,603	\$ 1,037,014	\$ 1,086,281
- Other	-		-
- BCATS & MATS	-	-	1,117,300
<b>STATE MTF FUNDS</b>			
- Engineering	10,000	10,000	10,000
- Primary	6,500,067	7,015,885	7,769,644
- Local	2,583,264	2,781,214	2,922,144
- Urban	1,507,235	1,619,443	1,701,469
<b>STATE OTHER</b>			
- TEDF	-	-	518,397
- State Additional	415,476	-	-
- Category D	-	236,667	-
- Safety, DEQ, MDOT, SAW	-	98,957	247,500
- State PA 82 & PA 207	-	2,250,466	-
<b>LOCAL SOURCES</b>			
- Townships, Villages, Cities	1,417,474	1,541,607	1,865,000
<b>STATE TRUNKLINE MAINTENANCE</b>	<b>1,536,382</b>	<b>1,550,963</b>	<b>1,621,325</b>
<b>STATE NON-MAINTENANCE</b>	<b>411,136</b>	<b>64,433</b>	<b>65,000</b>
<b>STATE AUDIT ADJUSTMENT</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INTEREST EARNED</b>	<b>67,371</b>	<b>85,115</b>	<b>87,900</b>
<b>GAIN/LOSS ON EQUIPMENT DISPOSAL</b>	<b>1,000</b>	<b>96,605</b>	<b>2,000</b>
<b>PERMIT FEES</b>	<b>67,434</b>	<b>88,287</b>	<b>90,850</b>
<b>MISCELLANEOUS REVENUE:</b>			
- Property Rental/Royalty	-	490	600
- Salvage Sales	3,137	7,707	8,213
- Refunds and Rebates	557	9,663	9,768
- Other	137,592	64,165	68,926
<b>TOTAL REVENUES</b>	<b>\$ 15,286,728</b>	<b>\$ 18,558,681</b>	<b>\$ 19,192,317</b>

**Bay County Road Commission  
Expenditure Budget  
2019**

<b>EXPENDITURES:</b>	<b>ACTUAL YEAR 12/31/2017</b>	<b>BUDGET CURRENT YEAR 12/31/2018</b>	<b>RECOMMENDED BUDGET 2019</b>
<b>CONSTRUCTION / CAPACITY IMPROVEMENTS</b>			
- Primary	\$ 931	\$ 24,356	\$ -
- Local	-	-	-
<b>HEAVY MAINTENANCE</b>			
- Primary	3,272,673	6,172,379	7,385,130
- Local	1,078,541	789,402	1,090,000
<b>STRUCTURES &amp; BRIDGES</b>			
- Primary	13,003	40,187	310,000
- Local	18,694	13,646	30,000
<b>ROUTINE MAINTENANCE</b>			
- Primary	2,676,968	2,940,715	2,894,500
- Local	2,129,222	2,540,502	2,517,000
<b>TRAFFIC SERVICES</b>			
- Primary	472,575	469,019	463,878
- Local	152,491	185,850	175,168
<b>SNOW &amp; ICE CONTROL</b>			
- Primary	556,384	782,227	767,250
- Local	246,334	312,939	337,980
<b>STATE TRUNKLINE MAINTENANCE</b>	1,534,103	1,550,963	1,621,325
<b>STATE NON-MAINTENANCE</b>	411,115	64,433	65,000
<b>EQUIPMENT EXPENSE-NET:</b>			
- Direct	1,074,058	1,217,662	1,306,467
- Indirect	790,172	847,175	868,710
- Operating	330,264	317,666	325,694
- Less Equipment Rental	(2,233,399)	(2,041,041)	(2,349,213)
<b>NET</b>	(38,905)	341,462	151,658
<b>CAPITAL OUTLAY-NET</b>			
- Capital Outlay	811,105	1,114,347	1,040,000
- Less Equipment Retirements	-	-	-
- Less Depreciation Credit	(563,650)	(657,022)	(706,372)
<b>NET</b>	247,455	457,325	333,628
<b>PURCHASE OF FED &amp; STATE AID</b>	221,760	-	-
<b>ADMINISTRATIVE - NET</b>			
- Administrative	1,243,951	1,225,715	1,250,426
- Less Overhead State	(171,297)	(126,356)	(132,684)
- Less Purchase Discounts	(12,229)	(10,600)	(17,775)
<b>NET</b>	1,060,425	1,088,759	1,099,967
<b>INTEREST / AR INVOICING</b>	381,044	384,191	382,616
<b>TOTAL EXPENDITURES</b>	<b>\$ 14,434,813</b>	<b>\$ 18,158,355</b>	<b>\$ 19,625,100</b>

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**SECTION C**

SUPPORT DATA

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**Bay County Road Commission  
General Operating Fund  
2019  
Budget By Fund**

<u>DESCRIPTION</u>	PRIMARY ROAD FUND	LOCAL ROAD FUND	ROAD COMM. FUND.	TOTAL
<b>REVENUE:</b>				
MICHIGAN TRANSPORTATION FUND	\$ 9,264,394	\$ 3,138,863	\$ -	\$ 12,403,257
BCATS & MATS	1,117,300	-	-	1,117,300
STATE TEDF	518,397	-	-	518,397
FEDERAL REVENUE	1,086,281	-	-	1,086,281
STATE OTHER	-	-	-	-
STATE OTHER- MDOT, DEQ, SAFETY	247,500	-	-	247,500
COUNTY RAISED REVENUE	-	1,865,000	-	1,865,000
STATE TRUNKLINE	-	-	1,686,325	1,686,325
INTEREST	-	-	87,900	87,900
GAIN ON DISPOSAL OF EQUIPMENT	-	-	2,000	2,000
MISCELLANEOUS REVENUE	20,650	6,389	151,318	178,357
<b>TOTAL REVENUE</b>	<b>\$ 12,254,522</b>	<b>\$ 5,010,252</b>	<b>\$ 1,927,543</b>	<b>\$ 19,192,317</b>
<b>EXPENDITURES:</b>				
CONSTRUCTION	\$ -	\$ -	\$ -	\$ -
HEAVY MAINTENANCE	7,385,130	1,090,000	-	8,475,130
HEAVY MAINT. STRUCTURES	310,000	30,000	-	340,000
ROUTINE MAINTENANCE	4,125,628	3,030,148	-	7,155,776
ADMINISTRATIVE	681,980	417,987	-	1,099,967
STATE TRUNKLINE	-	-	1,686,325	1,686,325
EQUIPMENT ACCOUNT	62,180	54,597	34,881	151,658
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 12,564,918</b>	<b>\$ 4,622,732</b>	<b>\$ 1,721,206</b>	<b>\$ 18,908,856</b>
	-	-	-	-
<b>NON-OPERATING EXPENDITURES:</b>	-	-	-	-
NET CAPITAL OUTLAY	-	-	333,628	333,628
INTEREST / AR INVOICING	-	-	382,616	382,616
<b>TOTAL EXPENDITURES</b>	<b>\$ 12,564,918</b>	<b>\$ 4,622,732</b>	<b>\$ 2,437,450</b>	<b>\$ 19,625,100</b>
<b>INCREASE (DECREASE) IN AVAILABLE OPERATING FUND</b>	<b>\$ (310,396)</b>	<b>\$ 387,520</b>	<b>\$ (509,907)</b>	<b>\$ (432,783)</b>
<b>BEGINNING FUND BALANCE 1/1/2019</b>	<b>\$ 2,015,582</b>	<b>\$ 593,868</b>	<b>\$ 4,167,522</b>	<b>\$ 6,776,972</b>
<b>FUND TRANSFERS - ESTIMATED</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENDING BALANCE 12/31/2019</b>	<b>\$ 1,705,186</b>	<b>\$ 981,388</b>	<b>\$ 3,657,615</b>	<b>\$ 6,344,189</b>

**PRIMARY ROADS - 2019:**

**FUNDING SOURCES**

	RURAL TASK FORCE 7B						
	LENGTH	BUDGET	B C R C	BCATS	FEDERAL STP	TEDF	MATS/TWP
<b>HEAVY MAINTENANCE PAVING</b>							
Garfield Road - US-10 Off Ramp to Midland Road	0.41	910,000	625,000	-	-	-	285,000
Old Kawkawlin Road - M-13 to Two Mile Road	0.73	910,000	210,000	700,000	-	-	-
Mackinaw Road - Salzborg Road to US-10	1.00	259,300	127,000	132,300	-	-	-
Mackinaw Road - Wheeler Rd to Beaver Rd (MDOT Partnership)	2.10	250,000	250,000	-	-	-	-
Wheeler Road - M-247 to Patterson (Bangor Twp Partnership)	2.00	650,000	650,000	-	-	-	-
Wheeler Road - Seven Mile Road to Rockwell Road	7.00	819,360	172,729	-	646,631	-	-
Flajole Road - Salzborg Road to 800' North of Salzborg Road	0.15	382,434	153,534	-	-	228,900	-
Salzborg Road - 930' West of Flajole to M-47 Northbound Off-Ramp	0.85	482,436	192,939	-	-	289,497	-
Salzborg Road - Rockwell Road to 930' West of Flajole Road and M-47 Northbound Off-Ramp to Carter Road	1.00	482,000	482,000	-	-	-	-
Eleven Mile Road - Bentley Road to M-61	2.50	850,000	410,350	-	439,650	-	-
<b>TOTAL HEAVY MAINTENANCE PAVING:</b>	<b>17.74</b>	<b>\$ 5,995,530</b>	<b>\$ 3,273,552</b>	<b>\$ 832,300</b>	<b>\$ 1,086,281</b>	<b>\$ 518,397</b>	<b>\$ 285,000</b>
<b>OTHER HEAVY MAINTENANCE ITEMS</b>							<b>SAW GRANT</b>
Crackseal Program	15.00	80,000	80,000	-	-	-	-
Sealcoat Program, Primary, Single Seal	18.00	350,000	350,000	-	-	-	-
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
Non-Motorized, 1% of MTF		550,000	550,000	-	-	-	-
<b>CONSTRUCTION ENGINEERING</b>							
Garfield Road - US-10 Off Ramp to Midland Road (BCRC Staff)	Fed-Aid	10,000	10,000	-	-	-	-
Old Kawkawlin Road - M-13 to Two Mile Road (BCRC Staff)	Fed-Aid	10,000	10,000	-	-	-	-
Wheeler Road - Seven Mile Road to Rockwell Road (BCRC Staff)	Fed-Aid	10,000	10,000	-	-	-	-
Eleven Mile Road - Bentley Road to M-61	Fed-Aid	30,000	30,000	-	-	-	-
All Heavy Maintenance Paving Projects Listed Above	Non-Fed-Aid	150,000	150,000	-	-	-	-
<b>DESIGN ENGINEERING</b>							
Garfield Road - US-10 Off Ramp to Midland Road	N/A	56,600	56,600	-	-	-	-
Old Kawkawlin - Two Mile Road to M-247 (N. Euclid Avenue)	N/A	10,000	10,000	-	-	-	-
Patterson Road- Wilder Road to Wheeler Road	N/A	2,000	2,000	-	-	-	-
Salzborg Road - Garfield Road to Eleven Mile Road	N/A	10,000	10,000	-	-	-	-
State Park Drive - M-247 to Wilder Road	N/A	91,000	91,000	-	-	-	-
Wheeler Road - Patterson Road to M-247 (N. Euclid Avenue) (To be Coordinated with Bangor Township and BCDWS)	N/A	25,000	25,000	-	-	-	-
Others - 2020 Design Projects	N/A	100,000	100,000	-	-	-	-
<b>Subtotal:</b>	<b>33.00</b>	<b>\$ 1,889,600</b>	<b>\$ 1,642,100</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 247,500</b>
<b>LESS ROUTINE MAINTENANCE</b>							
<b>TOTAL HEAVY MAINTENANCE:</b>	<b>50.74</b>	<b>\$ 7,385,130</b>	<b>\$ 4,915,652</b>	<b>\$ 832,300</b>	<b>\$ 1,086,281</b>	<b>\$ 518,397</b>	<b>\$ 532,500</b>

<b>PRIMARY BRIDGES - 2019</b>		<b>TOTAL FUNDING SOURCES</b>				
<b>BRIDGES &amp; STRUCTURES</b>	<b>LENGTH</b>	<b>BUDGET</b>	<b>B C R C</b>	<b>STP-URBAN</b>	<b>LOCAL BRIDGE PROGRAM</b>	
Bridge & Culvert Maint. - Countywide, Various Locations	N/A	50,000	50,000	-	-	-
Bridge Rehabilitation Projects (None for 2019)	N/A	-	-	-	-	-
County Drain Improvements - Hopper Creek	N/A	210,000	210,000	-	-	-
County Drain Improvements - Miscellaneous	N/A	50,000	50,000	-	-	-
<b>TOTAL BRIDGES &amp; STRUCTURES:</b>	<b>0.00</b>	<b>\$ 310,000</b>	<b>\$ 310,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>GRAND TOTAL</b>	<b>50.74</b>	<b>\$ 7,695,130</b>	<b>\$ 5,225,652</b>	<b>\$ 832,300</b>	<b>\$ 1,086,281</b>	<b>\$ 518,397</b>
						<b>\$ 532,500</b>

<b>LOCAL ROADS - 2019</b>		<b>TOTAL FUNDING SOURCES</b>		
<b>HEAVY MAINTENANCE PAVING</b>	<b>LENGTH</b>	<b>BUDGET</b>	<b>BCRC</b>	<b>TOWNSHIP</b>
Includes Township and Third Party Agreements	0.00	810,000	-	-
<b>Subtotal</b>		<b>\$ 810,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Building Better Local Roads Program:</b>				
Local Road Program	N/A	560,000	280,000	280,000
<b>LESS ROUTINE MAINTENANCE</b>		<b>(280,000)</b>	<b>-</b>	<b>-</b>
<b>TOTAL HEAVY MAINTENANCE</b>		<b>\$ 1,090,000</b>	<b>\$ 280,000</b>	<b>\$ 280,000</b>

<b>LOCAL BRIDGES - 2019</b>		<b>FUNDING SOURCES</b>		
<b>BRIDGES &amp; STRUCTURES:</b>	<b>LENGTH</b>	<b>BUDGET</b>	<b>BCRC</b>	<b>TOWNSHIP</b>
Bridge Maintenance	N/A	30,000	15,000	15,000
<b>TOTAL BRIDGES &amp; STRUCTURES</b>	<b>N/A</b>	<b>30,000</b>	<b>15,000</b>	<b>15,000</b>
<b>GRAND TOTAL</b>	<b>0.00</b>	<b>\$ 1,120,000</b>	<b>\$ 295,000</b>	<b>\$ 295,000</b>



**Bay County Road Commission  
Primary Road Maintenance Budget  
2019**

<u>TOWNSHIP</u>		<u>ROUTINE</u>		<u>TRAFFIC</u>		<u>SNOW &amp; ICE CONTROL</u>		<u>TOTAL PRIMARY ROAD MAINTENANCE</u>
BANGOR	\$	405,555	\$	75,248	\$	110,039	\$	590,842
BEAVER		168,399		23,604		53,386		245,390
FRANKENLUST		146,307		23,805		53,400		223,512
FRASER		203,035		21,576		46,940		271,552
GARFIELD		163,932		13,973		38,961		216,866
GIBSON		137,328		10,165		36,567		184,060
HAMPTON		164,199		39,694		50,484		254,376
KAWKAWLIN		206,732		37,778		63,377		307,888
MERRITT		138,048		17,660		37,543		193,251
MONITOR		396,319		90,845		82,881		570,045
MT. FOREST		179,830		18,088		38,473		236,390
PINCONNING		225,120		23,933		45,982		295,035
PORTSMOUTH		142,718		31,870		36,908		211,496
WILLIAMS		216,978		35,638		72,308		324,923
<b>TOTAL PRIMARY MAINTENANCE:</b>	<b>\$</b>	<b>2,894,500</b>	<b>\$</b>	<b>463,878</b>	<b>\$</b>	<b>767,250</b>	<b>\$</b>	<b>4,125,628</b>

**Bay County Road Commission  
Local Road Maintenance Budget  
2019**

<u>TOWNSHIP</u>		<u>ROUTINE</u>	<u>TRAFFIC</u>	<u>SNOW &amp; ICE CONTROL</u>	<u>TOTAL LOCAL ROAD MAINTENANCE</u>
BANGOR	\$	205,082	\$ 11,851	\$ 34,221	\$ 251,154
BEAVER		152,652	8,904	18,410	179,966
FRANKENLUST		169,033	31,746	19,694	220,474
FRASER		210,814	9,837	21,762	242,413
GARFIELD		122,166	4,219	28,279	154,664
GIBSON		147,248	3,477	21,304	172,029
HAMPTON		279,340	13,568	6,692	299,600
KAWKAWLIN		151,821	14,404	24,291	190,516
MERRITT		183,923	9,537	18,205	211,666
MONITOR		212,053	21,144	48,481	281,678
MT. FOREST		130,791	3,827	21,994	156,612
PINCONNING		180,496	9,384	21,024	210,905
PORTSMOUTH		109,150	12,227	26,680	148,056
WILLIAMS		112,431	21,041	26,943	160,415
TURN BACK TO GRAVEL (BBLR)		150,000	-	-	150,000
<b>TOTAL LOCAL MAINTENANCE:</b>	<b>\$</b>	<b>2,517,000</b>	<b>\$ 175,168</b>	<b>\$ 337,980</b>	<b>\$ 3,030,148</b>



**Bay County Road Commission  
Capital Outlay Budget  
2019**

<u>UNITS</u>	<u>CAPITAL OUTLAY CATEGORY</u>	<u>UNIT PRICE</u>	<u>TOTAL</u>
<b><u>BUILDINGS &amp; IMPROVEMENTS</u></b>			
	<u>East District</u>		
	Security Upgrades		5,000
	<u>North Garage</u>		
	Security Upgrades		5,000
	<u>West District</u>		
	Security Upgrades		15,000
	<u>Main Office</u>		
	Flooring & Boardroom Upgrades		20,000
	<b>Subtotal</b>		<b>45,000</b>
<b><u>EQUIPMENT &amp; SOFTWARE</u></b>			
	<u>Main Garage</u>		-
	<u>Office</u>		-
	<u>Survey / IT / Engineering</u>		
	Software & Technology		25,000
	Traffic Counting Equipment		5,000
	Survey Equipment		5,000
	Sign Shop		15,000
	<b>Subtotal</b>		<b>50,000</b>
<b><u>ROAD EQUIPMENT</u></b>			
1	Dura Patcher		260,000
2	Single Axle Trucks	140,000	280,000
3	1-Ton Pick-Ups Outfitted	60,000	180,000
3	2-Ton Hot Box Wagons	25,000	75,000
1	Equipment - Misc. *Subject to Change		150,000
	<b>Subtotal</b>		<b>945,000</b>
	<b>TOTAL</b>		<b>\$1,040,000</b>