

**SPECIAL MEETING**

The Board of County Road Commissioners of Iron County held a Special Meeting on Tuesday, March 28, 2023 at 2:00 p.m. in the Road Commission offices located at 800 West Franklin Street, Iron River, Michigan.

Present for the roll call were Chairman Ron Frailing, Vice Chairman Dan Germic, Commissioners Chuck Battan, Ernest Schmidt and Jim Cihak. Superintendent/Manager Doug Tomazoski, Interim Supt-Mngr. Brad Toivonen, Const. Foreman Kevin Schiavo, Shop Foreman Dean Stolberg, Interim Forman Rob Johnson, Foreman Scott Weslin, HR-PR Administrator Patti Leonoff and Michelle Johnson, Finance Director/Clerk were also present.

The purpose of the special meeting was to discuss and get approval of the EOY 2022 Budget Amendment, consider the construction engineering costs on Township projects, complete the policy review process and award crack fill bids.

Chairman Frailing called the meeting to order and led the pledge of allegiance.

**EOY 2022 BUDGET AMENDMENT**

The final 2022 budget amendment was presented by the Finance Director. After discussion, a motion was made by Commissioner Schmidt and supported by Cihak approve the budget amendment as presented.

Roll call vote:

Ayes: Cihak, Battan, Schmidt, Germic, Frailing

Nays: None

Motion carried.

**CONSTRUCTION ENGINEERING COSTS**

Interim Superintendent Toivonen requested the Board approve waiving the engineering and oversight fees for the 2023 Township projects, as we have in previous years.

Motion made by Commissioner Schmidt and supported by Battan to waive the engineering and oversight fees for the 2023 Township projects.

Roll call vote:

Ayes: Germic, Battan, Cihak, Schmidt, Frailing

Nays: None

Motion carried.

**HELGEMO RD. PROJECT**

Interim Superintendent Toivonen explained the need for repair and paving of the shoulder on Helgemo Rd. Hill. Because the Osterlund Rd. project bid came in approximately \$20,000 less than budgeted, the savings could be used to fund this project.

Motion made by Commissioner Schmidt, supported by Germic, to approve the expenditure of up to \$20,000 for Helgemo Rd.

Roll call vote:

Ayes: Battan, Schmidt, Germic, Cihak, Frailing

Nays: None

Motion carried.

**POLICY REVIEW**

Following a recap of the five policies needing updates:

Motion by Commissioner Schmidt, supported by Germic, to amend policies #1 and 35 as follows: #1-Minimum Construction Standards- update to current MDOT and County/Township ordinances and #35-Section 125 Premium Conversion Plan- update all references to the previous Plan Administrator by name to read as the title of Finance Director.

Ayes: All  
Nays: None  
Motion carried.

Motion by Commissioner Cihak, supported by Germic, to rescind policy #11-Hot Mix Grader Patches on Local Roads.

Ayes: All  
Nays: None  
Motion carried.

Motion by Commissioner Germic, supported by Battan, to make no changes to policy #33-Permit Fees or policy #38-Fund Balance.

Ayes: All  
Nays: None  
Motion carried.

**CRACK FILL BIDS**

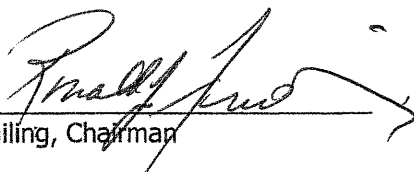
Interim Superintendent Toivonen presented the results of the crack fill bids, recommending Sherwin Industries, with the low bid of \$0.5544 per pound.

Motion by Commissioner Schmidt, supported by Germic, to award the low bid to Sherwin Industries as recommended.

Roll call vote:

Ayes: Cihak, Germic, Battan, Schmidt, Frailing  
Nays: None  
Motion carried.

With no further business to come before the Board it was motioned by Schmidt supported by Germic to adjourn the special meeting at 3:01 pm.

  
Ron Frailing, Chairman

  
Michelle Johnson, Finance Director/Clerk

Iron County Road Commission  
Budget Request Form  
Program Budget

3/28/2023

For Approval

3/28/23 Approved

Account Name	For Approval		Expenditures & Fund Balance
	Revenue Increase (Decrease)		Increase (Decrease)
<b>Revenues:</b>			
Tax Millage	3,603.86		
Primary Road Heavy Maint.	0.00		
Michigan Transportation Fund	(79,441.74)		
Forest Road Funds	(10.65)		
Local Twp Contributions	0.00		
State Trunkline Revenues	(379,682.77)		
Permits	25.00		
Interest Income	1,043.04		
* Lease Proceeds	(300,898.44)	<i>these were initially booked incorrectly</i>	
Sale of Fixed Assets	(33.00)	<i>these were initially booked incorrectly</i>	
Gain/Loss on Investments	(1,152.50)		
<b>Expenditures:</b>			
Primary Roads-Heavy Maintenance			8,869.00
Primary Roads-Routine Maintenance			(2,834.00)
Local Roads- Heavy Maintenance			21,583.00
Local Roads-Routine Maintenance			(38,675.00)
Equipment Expense			104,791.00
Administration Expenses			(74,005.40)
State Trunkline Maint. Expense			(280,287.00)
Capital Outlay			14,349.00
Debt Payment Expense			10,977.00
Interest Expense			(1,109.00)
* Lease proceeds were initially booked as a revenue; corrected to offset expense			
Adjustment to EOY actual, which includes actual fringe spread. An allowance was given to allow for small rounding differences.			
TOTALS:		(756,547.20)	(236,341.40)
Estimated Change in Fund Balance		(520,205.80)	
Estimated EOY Fund Balance as of 12/28/22		2,965,796.98	
Estimated Decrease in Fund Balance		(520,205.80)	
New Estimated EOY Fund Balance		2,445,591.18	

2022

2022 PROGRAM REVENUE BUDGET

2/23/2023

Description	2020		2021		2022 ORG.		AMENDMENTS		ADJUSTED		ACTUAL	VARIANCE
	ACTUALS	BUDGET	ACTUALS	BUDGET	BUDGET	BUDGET			BUDGET	BUDGET		
MILLAGE	226,045.00	230,000.00	231,011.00	230,000.00	230,000.00	7,965.53			237,965.53	237,965.53	(237,965.53)	
TOTAL MILLAGE	226,045.00	230,000.00	231,011.00	230,000.00	230,000.00	7,965.53			237,965.53	237,965.53	(237,965.53)	
PRIMARY ROAD - HEAVY MAINT.												
BAUMGARTNER ROAD PH2		195,200.00		195,200.00		(20,636.71)			174,563.29	174,563.29	(174,563.29)	
BAUMGARTNER ROAD PH3		337,000.00		337,000.00		(67,400.00)			269,600.00	269,600.00	(269,600.00)	
BUCK LAKE ROAD		258,573.00		258,573.00		(55,213.86)			203,359.14	203,359.14	(203,359.14)	
CR 424 PH5		333,600.00		333,600.00		(333,600.00)						
CR 424 PH3 KOLBAS	315,643.00											
CR 424 PH4 639 TO TREELINE	272,000.00											
RAINBOW TRAIL	235,824.00											
OTTOWA LAKE ROAD		733,520.00		733,520.00								
CR 424 KOLBAS	86,065.00											
TOTAL PRIMARY RD. HEAVY MAINT.	909,552.00	1,124,373.00	733,520.00	1,124,373.00	1,124,373.00	(476,850.57)			647,522.43	647,522.43	(647,522.43)	
TOTAL PRIMARY ROAD CONSTRUCTION												
MICHIGAN TRANSPORTATION FUND												
MTF ENGINEERING	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00				10,000.00	10,000.00	(10,000.00)	
MTF PRIMARY ROADS	2,468,495.00	2,898,000.00	2,795,159.00	2,898,000.00	2,898,000.00	(32,646.55)			2,865,353.45	2,865,353.45	(2,865,353.45)	
MTF LOCAL ROADS	1,104,611.00	1,302,000.00	1,232,369.00	1,302,000.00	1,302,000.00	(46,795.19)			1,255,204.81	1,255,204.81	(1,255,204.81)	
MTF SNOW REMOVAL	147,428.00	155,000.00	154,922.00	155,000.00	155,000.00	12,183.64			167,183.64	167,183.64	(167,183.64)	
TOTAL MTF	3,731,534.00	4,365,000.00	4,190,450.00	4,365,000.00	4,365,000.00	(67,256.10)			4,297,741.90	4,297,741.90	(4,297,741.90)	
FOREST ROAD FUNDS												
TOTAL FOREST ROAD FUNDS	213,420.00	213,430.00	213,418.00	213,430.00	213,430.00	(10.65)			213,419.35	213,419.35	(213,419.35)	
LOCAL ROAD - TOWNSHIP PROJECTS												
BATES TOWNSHIP	56,537.00	100,000.00	116,811.00	100,000.00	100,000.00	130,663.80			230,663.80	230,663.80	(230,663.80)	
LARSON ROAD-TED FUNDS	195,973.00											
CRYSTAL FALLS TOWNSHIP	3,894.00	250,000.00	260,095.00	250,000.00	250,000.00	(77,394.52)			172,605.48	172,605.48	(172,605.48)	
HEMATITE TOWNSHIP		100,000.00		100,000.00	100,000.00							
IRON RIVER TOWNSHIP		200,000.00	223,093.00	200,000.00	200,000.00	2,937.69			202,937.69	202,937.69	(202,937.69)	
MANSFIELD TOWNSHIP		100,000.00	113,333.00	100,000.00	100,000.00	(77,997.00)			22,003.00	22,003.00	(22,003.00)	
MASTODON TOWNSHIP	48,942.00	200,000.00	(48,941.00)	200,000.00	200,000.00	61,969.25			261,969.25	261,969.25	(261,969.25)	
STAMBAUGH TOWNSHIP	142,537.00	200,000.00	205,523.00	200,000.00	200,000.00	46,652.82			246,652.82	246,652.82	(246,652.82)	
TOTAL TOWNSHIP CONTRIBUTIONS	449,893.00	1,150,000.00	869,814.00	1,150,000.00	1,150,000.00	(13,147.96)			1,136,852.04	1,136,852.04	(1,136,852.04)	

2022

2022 PROGRAM REVENUE BUDGET

2/23/2023

Description	2020 ACTUALS	2021 ACTUALS	2022 ORG. BUDGET	AMENDMENTS	ADJUSTED BUDGET	ACTUAL	VARIANCE
OTHER PROJECT CONTRIB.-WILD RIVER CULVERT			800,000.00	(600,000.00)			
TOTAL OTHER PROJECT CONT.			800,000.00	(600,000.00)			
STATE TRUNKLINE MAINTENANCE REVENUE	1,231,497.00	1,142,274.00	1,100,000.00	370,317.23	1,470,317.23	(1,470,317.23)	
STATE TRUNKLINE AUDIT ADJUSTMENT		171,678.00	100,000.00	(100,000.00)			
STATE TWA NON-MAINTENANCE REVENUE	75,799.00	832,921.00	80,000.00	(56,119.15)	23,880.85	(23,880.85)	
TOTAL TRUNKLINE REVENUE	1,307,296.00	2,146,873.00	1,280,000.00	214,198.08	1,494,198.08	(1,494,198.08)	
STL OVERHEAD	129,960.00		120,000.00	(120,000.00)			
TWA OVERHEAD			6,800.00	(6,800.00)			
OTHER OVERHEAD	6,514.00		6,000.00	(6,000.00)			
SALVAGE AND OTHER SALES	462.00	18,339.00	6,000.00	(1,655.74)	4,344.26	(4,344.26)	
STUMPAGE SALES				9,663.59	9,663.59	(9,663.59)	
HANDLING CHARGE	85.00		750.00	(750.00)			
PERMITS	7,062.00	7,162.00	9,000.00	(3,026.00)	5,974.00	(5,974.00)	
INTEREST INCOME	28,744.00	16,995.00	15,000.00	4,243.04	19,243.04	(19,243.04)	
PROCEEDS FROM LEASE PURCHASES 527 & 528		242,813.00					
LOAN PROCEEDS							
SALE OF FIXED ASSETS		107,476.00					
GAIN/LOSS ON DISPOSAL OF EQUIP.				(1,152.50)	(1,152.50)	1,152.50	
GAIN/LOSS ON INVESTMENTS	172,817.00	392,785.00	163,550.00	(125,477.61)	38,072.39	(38,072.39)	
SUBTOTAL	7,010,547.00	8,777,971.00	9,128,353.00	(1,060,581.28)	8,065,771.72	(8,065,771.72)	
TOTAL REVENUE							

PROGRAM EXPENDITURE BUDGET

Description	2020 ACTUALS	2021 ACTUALS	ORIGINAL 2022 BUDGET	AMENDMENT	AMENDED 2022 BUDGET	2022 ACTUAL	VARIANCE
PRIMARY ROAD HEAVY MAINTENANCE							
BUCK LAKE			334,000.00	(46,676.46)	287,123.54	287,122.94	0.60
BUCK LAKE ENGINEERING	1,029.00	6,002.00	10,000.00	(8,250.04)	1,749.96	1,749.56	0.40
FINAL ACCTG. CR 424 BUYOUT				511.00	511.00	510.10	0.90
CR 424 PH2 MILE HILL-KOLBAS	23,715.00						
CR 424 PH3 KOLBAS TO CR639	518,771.00	9,034.00					
CR 424 PH3 ENG	1,751.00						
CR 424 ENG PH4 CR639-TREELINE (BUYOUT)	3,722.00	289.00					
COUNTY ROAD 424 PH 4 CONSTRUCTION	421,720.00						
CR 424 ENG PH5		3,014.00	10,000.00	5,637.79	15,637.79	15,637.41	0.38
CR 424 PH5 TREELINE-BLUE LK HILL (TOPO)			333,600.00	(333,600.00)			
CR 424 CULVERT			10,000.00	(10,000.00)			
CR 424 OVERLAY		47,213.00	40,000.00	(2,691.93)	37,308.07	37,307.97	0.10
CR 424 PH6 ENGINEERING				584.57	584.57	583.98	0.59
BAUMGARTNER ROAD PH 2		247.00	245,250.00	(3,526.37)	241,723.63	241,723.37	0.26
BAUMGARTNER ROAD PH2 ENG	1,751.00	7,523.00	10,000.00	(4,776.69)	5,223.31	5,222.63	0.68
BAUMGARTNER ROAD CULVERT	27,128.00	1,534.00	5,000.00	(4,834.46)	165.55	164.61	0.94
BAUMGARTNER ROAD PH3 CULVERTS	185.00	24,828.00		307.44	307.44	307.16	0.28
BAUMGARTNER ROAD PH3 CONSTRUCTION			422,500.00	(39,500.27)	382,999.73	382,998.84	0.89
BAUMBARTNER ROAD PH3 ENG	974.00	2,562.00	10,000.00	(6,923.35)	3,076.65	3,076.44	0.21
BAUMGARTNER ROAD PH4 CULVERT				9,189.57	9,189.57	9,189.31	0.26
BAUMGARTNER PH4 ENGINEERING				2,465.11	2,465.11	2,464.39	0.72
RAINBOW TRAIL ENG							
RAINBOW TRAIL PROJECT-206998	324,167.00	455.00					
OTHER							
PONOZZO ROAD GRAVEL			120,000.00	(120,000.00)			
OTTOWA LAKE ROAD		959,892.00		1,165.30	1,165.30	1,164.86	0.44
OTTAWA LAKE ROAD - CULVERTS	64,507.00	15,242.00	5,000.00	(5,000.00)			
OTTOWA LAKE ROAD-ENGINEER	6,460.00	235.00					
BATES GAASTRA CULVERT		25,682.00					
WINSLOW LAKE ROAD GRAVEL			10,000.00	(10,000.00)			
BITUMINOUS OVERLAYS (OSTERLAND RD)		99,764.00	60,428.00	(4,790.33)	55,638.67	55,638.65	0.02
PRIMARY ROAD CULVERT REPLACEMENTS		34,988.00	30,000.00	(30,000.00)			
HAGERMAN LAKE PATCHES 2022				37,598.63	37,598.63	37,597.85	0.78
SMOKEY LAKE RD				107,240.87	107,240.87	107,240.25	0.62
ADJ PER 2021 AUDIT		858.00					
PRIMARY ROAD NON-MOTORIZED	25,672.00		10,000.00	(10,000.00)			
PRIMARY ROAD ROUTINE MAINTENANCE	1,019,401.00	1,800,616.00	1,450,000.00	448,938.00	1,898,938.00	1,898,937.22	0.78
PRIMARY ROAD STRUCTURE MAINTENANCE							

PROGRAM EXPENDITURE BUDGET

Description	2020 ACTUALS	2021 ACTUALS	ORIGINAL 2022 BUDGET	AMENDMENT	AMENDED 2022 BUDGET	ACTUAL 2022	VARIANCE
TOTAL PRIMARY ROADS	2,463,993.00	3,061,545.00	3,165,778.00	(73,388.86)	3,092,390.14	3,082,379.84	10.30
LOCAL ROAD HEAVY MAINTENANCE							
BATES TOWNSHIP		188,107.00	100,000.00	145,101.86	245,101.86	245,101.28	0.58
LARSON ROAD	284,427.00						
CRYSTAL FALLS TOWNSHIP		288,550.00	250,000.00	(71,616.09)	178,383.91	178,383.47	0.44
HEMATITE TOWNSHIP			100,000.00	(100,000.00)			
IRON RIVER TOWNSHIP	84.00	268,125.00	200,000.00	14,726.38	214,726.38	214,726.33	0.05
MANSFIELD TOWNSHIP		118,587.00	100,000.00	(98,978.00)	1,021.00	1,020.06	0.94
MASTODON TOWNSHIP	40,005.00		200,000.00	67,332.76	267,332.76	267,331.89	0.87
STAMBAUGH TOWNSHIP	148,019.00	212,536.00	200,000.00	61,582.35	261,582.35	261,582.19	0.16
OTHER PROJECTS - WILD RIVER CULVERT			650,000.00	(650,000.00)			
FINAL ACCOUNTING							
ICRC LOCAL ROAD PROJECT ENGINEERING			70,000.00	(70,000.00)			
LOCAL ROAD ROUTINE MAINTENANCE	1,942,862.00	1,713,452.00	1,850,000.00	463,307.00	2,113,307.00	2,113,306.11	0.89
LOCAL ROAD STRUCTURE MAINTENANCE	128.00	5,984.00	20,000.00	(18,675.88)	1,324.12	1,323.28	0.84
TOTAL LOCAL ROADS	2,115,328.00	2,805,341.00	3,540,000.00	(257,220.62)	3,282,779.38	3,282,774.61	4.77
EQUIPMENT EXPENSE-DIRECT	1,027,624.00	1,227,545.00	900,000.00	542,672.00	1,442,672.00	1,442,671.33	0.67
EQUIPMENT EXPENSE-INDIRECT	389,260.00	410,321.00	350,000.00	179,649.96	529,649.96	529,648.28	0.67
EQUIPMENT EXPENSE-OPERATING	157,950.00	218,497.00	250,000.00	144,542.00	394,542.00	394,541.88	0.12
LESS EQUIPMENT RENTALS	(1,586,918.00)	(1,718,417.00)	(1,700,000.00)	(335,838.20)	(2,035,838.20)	(2,035,838.21)	0.01
EQUIPMENT EXPENSE TOTAL	(12,084.00)	137,946.00	(200,000.00)	531,025.76	331,025.76	331,024.29	1.47
DISTRIBUTIVE EXPENSES							
FRINGE BENEFITS TO DISTRIBUTE	(480.00)						
ENGINEER TECH TO DISTRIBUTE							
DISTRIBUTIVE EXPENSE TOTAL	(480.00)						
ADMINISTRATIVE EXPENSES	581,510.00	601,571.00	500,000.00	(94,289.88)	415,710.12	415,709.43	0.69
LESS HANDLING CHARGES							
LESS OVERHEAD CHARGES		(193,846.00)					
NET ADMINISTRATIVE EXPENSE	581,510.00	407,725.00	500,000.00	(94,289.88)	415,710.12	415,709.43	0.69
STATE TRUNK LINE MAINTENANCE	1,119,332.00	1,115,321.00	1,500,000.00	(30,287.00)	1,469,713.00	1,469,712.39	0.61
Audit Adj Entry- WINTER MAINT		29,018.00					
STATE TRUNK LINE TWA	75,799.00	833,065.00	80,000.00	(56,119.15)	23,880.85	23,880.85	
STATE TRUNK LINE TOTALS							

**PROGRAM EXPENDITURE BUDGET**

Description	2020	2021	ORIGINAL	AMENDMENT	AMENDED	2022	VARIANCE
	ACTUALS	ACTUALS	2022 BUDGET		2022 BUDGET	ACTUAL	
STATE TOTAL	1,195,131.00	1,977,405.00	1,580,000.00	(86,406.15)	-1,483,583.85	1,483,583.24	0.61
CAPITAL-OUTLAY BUILDINGS			10,000.00	(10,000.00)			
CAPITAL-OUTLAY AMASA PIT			26,408.41	26,408.41		26,408.88	0.53
CAPITAL-OUTLAY ROAD EQUIPMENT	183,292.00	314,049.00	355,000.00	(165,229.73)	189,770.27	189,770.09	0.18
CAPITAL-OUTLAY SHOP EQUIPMENT			5,000.00	(2,830.83)	2,169.07	2,169.07	
CAPITAL-OUTLAY FUEL TANKS			250,000.00	(32,574.49)	217,425.51	217,424.94	0.67
CAPITAL-OUTLAY ENG. & OFFICE EQUIPMENT	(408,603.00)	(458,319.00)	20,000.00	(11,267.00)	8,733.00	8,733.00	0.91
DEPRECIATION	(225,311.00)	(144,270.00)	(450,000.00)	4,713.00	(445,287.00)	(445,287.91)	2.29
NET CAPITAL OUTLAY			190,000.00	(190,779.74)	(779.74)	(782.03)	
BOND AMORTIZATION	681.00			682.00	682.00	681.00	1.00
LONG TERM DEBT PRINCIPAL PAY. - EQUIPMENT	224,063.00	227,829.00	225,000.00	(102,485.87)	122,514.13	122,513.51	0.62
LONG TERM DEBT PRINCIPAL PAY. - GARAGE	85,000.00	85,000.00	85,000.00	5,000.00	90,000.00	90,000.00	
TOTAL DEBT PAYMENT EXPENSE	309,744.00	312,829.00	310,000.00	(96,803.87)	213,196.13	213,194.51	1.62
INTEREST EXPENSE - GARAGE BOND	39,254.00	37,175.00	35,000.00	(437.50)	34,562.50	34,562.50	
INTEREST EXPENSE - EQUIPMENT PURCHASES	10,272.00	5,652.00	5,575.00	(4,366.36)	1,208.62	1,209.58	0.04
BOND AMORTIZATION		680.00					
TOTAL INTEREST EXPENSE	49,526.00	43,507.00	40,575.00	(4,802.88)	35,772.12	35,772.08	0.04
TOTAL EXPENDITURES	8,477,355.00	8,602,028.00	9,126,354.00	(262,666.24)	8,863,687.76	8,863,665.97	21.78
EOY 2021 FUND BALANCE	3,243,506.22						
TOTAL 2022 REVENUES	8,065,771.72						
TOTAL 2022 EXPENDITURES	(8,863,665.97)						
EOY 2022 FUND BALANCE /ACT 51	2,445,611.97						



## Crack Fill Material BIDS

### Sherwin Industries

Crack Fill Material \$ 0.5544 per pound

### P&T Products

Crack Fill Material \$ 0.5800 per pound