

The regular meeting of the Board of Calhoun County Road Commissioners was held on Wednesday, May 21, 2008 at 5:30 p.m. in their office located at 13300 Fifteen Mile Road, Marshall, Michigan.

Present: Commissioner Scott A. Brown, Chairman
Commissioner Hugh T. Coward, Vice Chairman
Commissioner Charles E. Monaweck, Member
Commissioner Eric J. Tobin, Member
Commissioner Chester E. Travis, Member
Angela Kline, Assistant County Highway Engineer
Mary Jo Crumpton, Secretarial Clerk

Also Present: David Fisher, Rehmann Robson
General Public

Chairman Scott Brown called the regular meeting of the Board of Calhoun County Road Commissioners to order at 5:32 p.m. and led the Pledge of Allegiance.

Moved by Commissioner Monaweck and supported by Commissioner Travis to approve the May 7, 2008 special meeting minutes of the Board of Calhoun County Road Commissioners. Voice vote: motion carried.

Moved by Commissioner Coward and supported by Commissioner Travis to approve the May 7, 2008 regular meeting minutes of the Board of Calhoun County Road Commissioners. Voice vote: motion carried.

SUPERVISORS, PUBLIC OFFICIALS AND CITIZENS COMMENTS ON AGENDA ITEMS ONLY

Mr. Joe Bramble, Convis Township resident, requested a copy of Mr. Henning's Interim Managing Director report that was provided to Commissioners under separate cover. Chairman Brown explained that Mr. Henning was unable to attend the meeting so he provided his report in writing. Chairman Brown provided Mr. Bramble with a copy of Mr. Henning's written report.

COMMUNICATIONS AND RESOLUTIONS

Mrs. Crumpton read the communications as follows:

- a) Received Policy on Equal Employment Opportunity
- b) Received Response Forms for the Managing Director Candidates
- c) Received correspondence from Howard Penrod, Managing Director Candidate
- d) Received the 2007 Audit of the Board of Calhoun County Road Commissioners from Rehmann Robson
- e) Received the Interim Managing Director Report from Kevin Henning, Interim Managing Director

AUDIT PRESENTATION

David Fisher of Rehmann Robson provided Commissioners with bound copies of the 2007 Audit of the Board of Calhoun County Road Commissioners, Calhoun County Board of Public Works and Calhoun County Parks Trustees Board. Chairman Brown stated that Mr. Fisher would be presenting the audits for all three boards tonight.

- **Calhoun County Road Commission:** Mr. Fisher referenced the audited financial statements for the year ended 12-31-07, independent auditor's report or opinion on the financial statements, and management's discussion and analysis prepared by management to supplement the financial statements. He also reviewed, in greater detail, the statement of net assets and governmental fund balance sheet, the statement of revenue, expenditures and changes in fund balance – budget and actual, notes to financial statements, internal control over financial reporting, IT controls, comments and recommendations, etc.

Discussion took place on the unreserved fund balance of approximately 3%. It was noted that the average fund balance of road commissions is between 5-7%. Mr. Fisher noted that financial analysts like to see a minimum fund balance of 10%, but that has been difficult for road commissions to attain, given the decrease in funding through the MTF.

Mr. Fisher noted that in 2007, there was not a lot of capital outlay – most expenses were due to road projects.

Discussion took place on the temporary interfund loan between the Road Commission and the Board of Public Works.

- **Calhoun County Parks Trustees Fund:** Mr. Fisher reviewed the audited financial statements for the year ended 12-31-07, independent auditor's report, statement of net assets and general fund balance sheet, statement of activities and general fund revenues, statement of revenue, expenditures and changes in fund balance budget and actual, comments and recommendations, etc. Mr. Fisher noted that this is the first time in many years that the Parks Trustees Fund has a positive fund balance of \$22,392.
- **Calhoun County Board of Public Works:** Mr. Fisher stated that the Board of Public Works is involved with construction projects on behalf of various municipalities and townships in Calhoun County and is responsible for servicing the debt from these projects. He reviewed the basic financial statements for the year ended 12-31-07, independent auditor's report, statement of net assets and governmental fund balance sheet, notes to basic financial statements, comments and recommendations, combining financial statements, etc. Discussion took place on the interfund loan between the Road Commission and the Board of Public Works and the Solid Waste fund.

Mr. Fisher thanked Road Commission personnel for their assistance during the audit.

NEW BUSINESS

Moved by Commissioner Tobin and supported by Commissioner Coward to approve the May 9, 2008 accounts payable for \$324,404.24. Roll call vote: Coward-Yes; Monaweck-Yes; Tobin-Yes; Travis-Yes; Brown-Yes. Motion carried.

Moved by Commissioner Monaweck and supported by Commissioner Tobin to approve the May 7, 2008 payroll for \$111,635.31. Roll call vote: Monaweck-Yes; Travis-Yes; Tobin-Yes; Coward-Yes; Brown-Yes. Motion carried.

Moved by Commissioner Tobin and supported by Commissioner Coward to approve the 2007 Audit of the Board of Calhoun County Road Commissioners. Voice vote: motion carried.

SUPERVISOR, PUBLIC OFFICIAL AND CITIZEN TIME

- Mr. Joe Bramble asked about the Autopatcher equipment that was discussed at the last meeting. Chairman Brown responded that we are sending out a bid for this equipment, but have not received any information back yet. We will also be gathering information from other road commissions and finance options, prior to any decision being made by the Board. Mr. Bramble stated that the primary roads in Convis Township are in bad shape, especially 14 and 16 Mile Road.
- Mr. Gardy Berezonsky, Marengo Township resident, asked the penalty for the interfund loan between the Road Commission and the Board of Public Works. Chairman Brown responded that our MTF funds could be sanctioned for non-compliance and it was noted that the audit is sent to the State. It was also clarified that the auditor's opinion is on the financial statements, not operations. Mr. Berezonsky asked about projects planned for this summer. Mrs. Kline responded that the roadwork list is not yet complete. Discussion continued. Also, he asked that someone take a look at the bridge on 6 ½ Mile Road, west of Beadle Lake Road, where it appears there is a temporary support. Mrs. Kline stated that she would check into this.
- Mr. Matt Hall, CCRC employee and Sheridan Township resident, suggested that the Board get feedback from mechanics/employees about the autopatcher equipment. Also, he informed the Board that he put in a service request for patching on H Drive North between 23 and 26 Mile Road and offered to patch this section on his way home from work.
- Mr. Russ Clutter, Newton Township resident, referenced a petition from Newton Township regarding 7 Mile Road between Boyd Drive and H Drive South. Property owners in this area are asking CCRC to redo this road due to poor quality workmanship and material. Mr. Clutter asked that this be placed on the agenda for the next meeting.
- Mr. Steve Swafford, Homer Township Trustee, noted that the night crew has been patching in Homer Township with cold mix even though hot mix is needed. Mrs. Kline responded that hot mix is starting to be used throughout the county.

COMMISSIONER COMMENTS

- Commissioner Travis commented that as a Road Commissioner, he has been attending the Southeast Council meetings and other state meetings over the years. He believes it is important for other Commissioners to attend these meetings to keep up on what is going on at the state level, as well as the opportunity to network with other road commissions.
- Commissioner Brown commented that roads and potholes are the same throughout the State. Our problems are not unique.
- Commissioner Coward commented that the hot mix seems to be working as the potholes are staying filled and commended the road crews on a job well done.

ANNOUNCEMENTS

The next regular meeting of the Board of Calhoun County Road Commissioners is scheduled for Wednesday, June 4, 2008 at 5:30 p.m.

There being no additional business before the Board, Chairman Brown adjourned the meeting at 6:27 p.m.

Scott A. Brown, Chairman

Mary Jo Crumpton, Secretarial Clerk