

The regular meeting of the Board of Calhoun County Road Commissioners was held on Wednesday, May 4, 2011 at 5:30 p.m. in their office located at 13300 Fifteen Mile Road, Marshall, Michigan.

PRESENT: Commissioner Scott Brown, Chairman
Commissioner Hugh Coward, Vice Chairman
Commissioner Eric Johnson, Member
Commissioner Eric Tobin, Member
Commissioner Christopher Vreeland, Member

ALSO PRESENT: Kevin Henning, Managing Director
Mary Jo Crumpton, Board Clerk
General Public

Chairman Scott Brown called the regular meeting of the Board of Calhoun County Road Commissioners to order at 5:30 p.m. and led the Pledge of Allegiance.

AUDIT PRESENTATION

Mr. David Fisher of Rehmann Robson presented the 2010 Audit of the Calhoun County Parks Trustees Board, Calhoun County Board of Public Works, and Board of Calhoun County Road Commissioners. Mr. Fisher explained that by statute, the Calhoun County Treasurer is the custodian of all county monies which are kept separate by fund numbers (e.g., Parks Fund is 208)

- ***Calhoun County Parks Trustees Board:*** Mr. Fisher reviewed the audited financial statements for the year ended 12-31-10, and noted there is not a lot of activity in the fund. As of 12-31-10, the fund balance was \$85,083. He reviewed the statement of activities and general fund revenues, expenditures, and changes in fund balance.
- ***Calhoun County Board of Public Works:*** Mr. Fisher noted that the Board of Public Works is involved with the construction of water and sewer 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 12-31-10, the independent auditor's report, statement of net assets and governmental fund balance sheet, statement of activities and governmental fund revenues, expenditures and changes in fund balance, etc. Mr. Fisher added that there is no longer a deficit in the fund balance, as it was eliminated in 2010, and there is a positive fund balance of \$54,654 for the first time in several years.
- ***Calhoun County Road Commission:*** Mr. Fisher referenced the audited financial statements for the year ended 12-31-10, the independent auditor's report 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 reconciliation of governmental fund balance sheet to statement of net assets, the statement of activities, and governmental fund revenues, expenditures, and changes in fund balance, etc. Discussion occurred on debt forgiveness, Schedule C rate, installment debt, etc.

Mr. Fisher pointed out that while internal control procedures are being followed, more documentation of the review is needed. He also noted that under GASB 54, fund balances have new classification terminology and added that one change for next year is that a Board Resolution will be required to commit any part of the fund balance by the end of the fiscal year.

Commissioner Brown thanked Mr. Fisher for his presentation on the audits. He also thanked Mr. Henning, his staff, and fellow Board members for all their effort, as this is the first clean audit the Road Commission has had in 10 years

CLAIMS PAYABLE LISTING

Motion made by Commissioner Tobin and supported by Commissioner Vreeland to approve the Claims Payable Listing ending April 25, 2011 for \$409,348.53. Roll call vote: Johnson-Yes; Tobin-Yes; Coward-Yes; Vreeland-Yes; Brown-Yes. Motion carried.

Motion made by Commissioner Vreeland and supported by Commissioner Coward to approve the April 20, 2011 regular meeting minutes. Voice vote: Motion carried.

COMMUNICATIONS AND RESOLUTIONS

Mrs. Crumpton read the communications as follows:

- a) Received Resolution 2011-07 proclaiming May 16-20, 2011 as "Bike to Work Week"
- b) Received the "Invitation for Bids" and the bid tabulation for New Carpet and Installation for the Office Building
- c) Received communications and resolutions from townships regarding the 2011 Local Road Program
- d) Received the MDOT Performance Resolution for Governmental Agencies for right-of-way permits

MANAGING DIRECTOR'S REPORT

Mr. Henning thanked Mr. Fisher and Rehmann Robson for the smooth audit and his presentation to the Board tonight.

Approve Resolution 2011-07: Mr. Henning noted that we were asked by the Southwest Michigan Planning Commission to support national "Bike to Work Week" and requested approval by the Board of Resolution 2011-07.

Motion made by Commissioner Tobin and supported by Commissioner Vreeland to approve Resolution 2011-07 proclaiming May 16-20, 2011 as "Bike to Work Week". Voice vote: Motion carried.

Approve MDOT Performance Resolution: Mr. Henning explained that MDOT is requiring a Performance Resolution for purposes of issuing right-of-way permits to the Road Commission. He added that we were surprised when we received this yesterday, as we were unaware of this requirement. Mr. Henning requested Board approval of the resolution so that we can move forward with our projects.

Motion made by Commissioner Vreeland and supported by Commissioner Coward to approve the MDOT Performance Resolution for Governmental Agencies. Voice vote: Motion carried.

Auction: Mr. Henning reported that the auction held on Saturday, April 30th brought in just under \$93,000. Approximately 150 people attended and all items were sold. Claud McMillon handled the auction at no cost to the Road Commission. They handled all the advertising and charged a 5% buyer's

fee. Mr. Henning noted that he is pleased that we are getting the yard cleaned up and old equipment off our insurance policies.

2011 Local Road Program: Included in the agenda packet, was the proposed roadwork list by township and roads for the 2011 Local Road Program. Mr. Henning noted that he also included information on township contributions historically.

Commissioner Coward was pleased to receive the report and commented that Albion Township is leaps and bounds ahead of other townships, most likely due to their road millage. While he knows that it is only a band aid, Commissioner Coward asked if skip-sealing bad areas on roads is a viable alternative for townships with limited funds. Mr. Henning replied that costs for both skip-sealing and skip-paving are provided to townships, and while they are viable options, mobilization can be costly. Discussion continued on the need to look beyond the surface of a roadway and check its condition from the bottom up.

CITIZEN COMMENTS

Mr. Joe Bramble, Convis Township resident, commented that it is a good idea to skip-seal or skip-pave bad areas.

RECESS FOR CLOSED SESSION

Motion made by Commissioner Tobin and supported by Commissioner Vreeland to recess for Closed Session for discussion on legal strategy. Roll call vote: Vreeland-Yes; Coward-Yes; Johnson-Yes; Tobin-Yes; Brown-Yes. Motion carried.

The May 4, 2011 Regular meeting of the Board of Calhoun County Road Commissioners was reconvened at 6:53 p.m.

ANNOUNCEMENTS

The next regular meeting of the Board of Calhoun County Road Commissioners will be held on Wednesday, May 25, 2011 at 5:30 p.m. Please note that this is the 4th Wednesday in May.

There being no additional business before the Board, Chairman Brown adjourned the meeting at 6:54 p.m.

Submitted by:

Mary Jo Crumpton, Board Clerk

Scott A. Brown, Chairman