



# BCRD 2018

# Act 51 Presentation

June 20, 2019

## BALANCE SHEET

### Assets

#### General Operating Fund

1. Cash	\$5,181,141.11
2. Investments	4,357,325.04
3. Accounts Receivable :	
a. Michigan Transportation Fund	2,176,330.75
b. State Trunkline Maintenance	0.00
c. State Transportation Department - Other	0.00
d. Due on County Road Agreement	978,903.11
e. Due on Special Assesment	0.00
f. Sundry Accounts Receivable	27,095.26

#### Inventories/Pre-Paid Insurance/Other

4. Deferred Expense State Aid	0.00
5. Road Materials	616,800.96
6. Equipment Materials and Parts	287,591.83
7. Prepaid Insurance	39,392.89
8. Deferred Expense - Federal Aid	0.00
9. Other	1,009,068.31

#### **10. TOTAL ASSETS**

**\$14,673,649.26**



## Liabilities and Fund Balances

### Liabilities

11. Accounts Payable	\$708,711.44
12. Notes Payable (Short Term)	0.00
13. Accrued Liability	131,656.55
14. Advances	0.00
15. Deferred Revenue - Special Assessment District	0.00
16. Deferred Revenue - EDF Forest Rd.(E)	0.00
17. Deferred Revenue	195,216.26
18. Other	94,405.61

### Fund Balances

19. Primary Road Fund	7,468,067.52
20. Local Road Fund	0.00
21. County Road Commission Fund	6,075,591.88
<b>22. Total Fund Balances</b>	<b>13,543,659.40</b>

### **23. TOTAL LIABILITIES AND FUND BALANCES**

**\$14,673,649.26**



**STATEMENT OF REVENUES**

	<b>Primary Road Fund (P)</b>	<b>Local Road Fund (L)</b>	<b>Co. Road Comm. Fund (C)</b>	<b>Total (T)</b>
<b><u>Taxes</u></b>				
46. County Wide Millage	\$0.00	\$0.00	\$0.00	\$0.00
47. Other	0.00	0.00	0.00	0.00
48. Total Taxes	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b><u>Licenses and Permits</u></b>				
49. Specify	<u>0.00</u>	<u>0.00</u>	<u>110,538.50</u>	<u>110,538.50</u>
<b><u>Federal Sources</u></b>				
50. Surface Tran. Program (STP)	1,073,034.77	0.00	0.00	1,073,034.77
51. C Funds - Federal	0.00	0.00	0.00	0.00
52. D Funds - Federal	0.00	0.00	0.00	0.00
53. Bridge	0.00	445,378.16	0.00	445,378.16
54. High Priority	0.00	0.00	0.00	0.00
55. Other	377,794.10	0.00	0.00	377,794.10
56. Total Federal Sources	<u>1,450,828.87</u>	<u>445,378.16</u>	<u>0.00</u>	<u>1,896,207.03</u>



## STATE SOURCES

### Michigan Transportation Fund

57. Engineering	6,675.75	3,324.25		10,000.00
58. Snow Removal	0.00	91,331.11		91,331.11
59. Urban Road	2,179,005.50	971,695.18		3,150,700.68
60. Allocation	10,485,363.23	5,221,277.70		15,706,640.93
61. Total MTF	<u>12,671,044.48</u>	<u>6,287,628.24</u>		<u>18,958,672.72</u>

### Other

62. Local Bridge	0.00	77,436.43		77,436.43
63. Other	3,124,658.04	0.00	0.00	3,124,658.04
64. Total Other	<u>3,124,658.04</u>	<u>77,436.43</u>	<u>0.00</u>	<u>3,202,094.47</u>

### Economic Development Fund

65. Target Industries (A)	0.00	0.00		0.00
66. Urban Congestion (C)	0.00	0.00		0.00
67. Rural Primary (D)	281,237.00	0.00		281,237.00
68. Forest Road (E)	0.00	0.00		0.00
69. Urban Area (F)	247,763.74	0.00		247,763.74
70. Other	0.00	0.00		0.00
71. Total EDF	<u>529,000.74</u>	<u>0.00</u>		<u>529,000.74</u>

### **72. Total State Sources**

<u>\$16,324,703.26</u>	<u>\$6,365,064.67</u>	<u>\$0.00</u>	<u>\$22,689,767.93</u>
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## STATEMENT OF REVENUES

	Primary Road Fund (P)	Local Road Fund (L)	Co. Road Comm. Fund (C)	Total (T)
<b><u>Contributions From Local Units</u></b>				
73. City and Village	\$0.00	\$0.00	\$180,556.26	\$180,556.26
74. Township Contr.	0.00	4,800,212.74	0.00	4,800,212.74
75. Other	0.00	0.00	219,905.49	219,905.49
76. Total Contributions	<u>0.00</u>	<u>4,800,212.74</u>	<u>400,461.75</u>	<u>5,200,674.49</u>
<b><u>Charges for Service</u></b>				
77. Trunkline Maintenance	0.00		4,797.58	4,797.58
78. Trunkline Non-maintenance	0.00		0.00	0.00
79. Salvage Sales	0.00	0.00	14,720.78	14,720.78
80. Other	0.00	0.00	11,254.34	11,254.34
81. Total Charges	<u>0.00</u>	<u>0.00</u>	<u>30,772.70</u>	<u>30,772.70</u>
<b><u>Interest and Rents</u></b>				
82. Interest Earned	36,309.75	0.00	102,113.93	138,423.68
83. Property Rentals	0.00	0.00	0.00	0.00
84. Total Interest/Rents	<u>36,309.75</u>	<u>0.00</u>	<u>102,113.93</u>	<u>138,423.68</u>



## STATEMENT OF REVENUES CONTINUED...

### Other

85. Special Assessments	0.00	0.00	0.00	0.00
86. Land and Bldg. Sales	0.00	0.00	0.00	0.00
87. Sundry Refunds	0.00	0.00	0.00	0.00
88. Gain (Loss) Equip. Disp.	0.00	0.00	128,908.90	128,908.90
89. Contributions from Private Sources	0.00	0.00	0.00	0.00
90. Other	0.00	0.00	233,245.06	233,245.06
91. Total Other	0.00	0.00	362,153.96	362,153.96

### Other Financing Sources

92. County Appropriation	0.00	0.00	0.00	0.00
93. Bond Proceeds	0.00	0.00	0.00	0.00
94. Note Proceeds	0.00	0.00	0.00	0.00
95. Inst. Purch./Leases	0.00	0.00	0.00	0.00
96. Total Other Fin. Sources	0.00	0.00	0.00	0.00

### **97. TOTAL REVENUE AND OTHER FINANCING SOURCES**

<b><u>\$17,811,841.88</u></b>	<b><u>\$11,610,655.57</u></b>	<b><u>\$1,006,040.84</u></b>	<b><u>\$30,428,538.29</u></b>
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**STATEMENT OF EXPENDITURES**

	<b>Primary Road Fund (P)</b>	<b>Local Road Fund (L)</b>	<b>Co. Road Comm. Fund (C)</b>	<b>Total (T)</b>
<b><u>Construction/Capacity Improvement</u></b>				
98. Roads	\$0.00	\$0.00		\$0.00
99. Structures	0.00	0.00		0.00
100. Roadside Parks	0.00	0.00		0.00
101. Special Assessments	0.00	0.00		0.00
102. Other	0.00	90.53		90.53
103. Total Construction/Cap. Imp.	<u>0.00</u>	<u>90.53</u>		<u>90.53</u>
<b><u>Preservation - Structural Improvements</u></b>				
104. Roads	4,361,056.30	4,137,323.68		8,498,379.98
105. Structures	206,827.79	763,486.28		970,314.07
106. Safety Projects	485,895.25	42,190.33		528,085.58
107. Roadside Parks	0.00	0.00		0.00
108. Special Assessments	0.00	0.00		0.00
109. Other	0.00	0.00		0.00
110. Total Preservation - Struct. Imp.	<u>5,053,779.34</u>	<u>4,943,000.29</u>		<u>9,996,779.63</u>





## STATEMENT OF EXPENDITURES CONTINUED...

### Maintenance

111. Roads	3,219,241.12	5,315,457.03		8,534,698.15
112. Structures	150,646.86	240,092.49		390,739.35
113. Roadside Parks	0.00	0.00		0.00
114. Winter Maintenance	2,047,251.78	1,303,313.39		3,350,565.17
115. Traffic Control	477,211.21	268,527.10		745,738.31
116. Total Maintenance	<u>5,894,350.97</u>	<u>7,127,390.01</u>		<u>13,021,740.98</u>
117. Total Construction, Preservation And Maintenance	<u>10,948,130.31</u>	<u>12,070,480.83</u>		<u>23,018,611.14</u>

### Other

118. Trunkline Maintenance	0.00		4,894.58	4,894.58
119. Trunkline Non-maintenance	0.00		0.00	0.00
120. Administrative Expense	485,801.83	535,603.93		1,021,405.76
121. Equipment - Net	(119,527.64)	(169,137.48)	(15,360.91)	(304,026.03)
122. Capital Outlay - Net	0.00	0.00	150,872.76	150,872.76
123. Debt Principal Payment	0.00	0.00	281,670.09	281,670.09
124. Interest Expense	0.00	0.00	19,762.48	19,762.48
125. Drain Assessment	112,331.74	112,331.75	0.00	224,663.49
126. Other	0.00	0.00	173,915.08	173,915.08
127. Total Other	<u>478,605.93</u>	<u>478,798.20</u>	<u>615,754.08</u>	<u>1,573,158.21</u>

<b>128. Total Expenditures</b>	<b><u>\$11,426,736.24</u></b>	<b><u>\$12,549,279.03</u></b>	<b><u>\$615,754.08</u></b>	<b><u>\$24,591,769.35</u></b>
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**STATEMENT OF CHANGES IN FUND BALANCES**

	<b>Primary Road Fund (P)</b>	<b>Local Road Fund (L)</b>	<b>Co. Road Comm. Fund (C)</b>	<b>Total (T)</b>
129. Total Revenues And Other Financing Sources	\$17,811,841.88	\$11,610,655.57	\$1,006,040.84	\$30,428,538.29
130. Total Expenditures	11,426,736.24	12,549,279.03	615,754.08	24,591,769.35
131. Excess of Revenues Over (Under) Expenditures	<u>6,385,105.64</u>	<u>(938,623.46)</u>	<u>390,286.76</u>	<u>5,836,768.94</u>
132. Optional Transfers				
132 a. Primary to Local (50%)	<u>(938,623.46)</u>	<u>938,623.46</u>		<u>0.00</u>
132 b. Local to Primary (15%)	<u>0.00</u>	<u>0.00</u>		<u>0.00</u>
133. Emergency Transfers (Local to Primary)	<u>0.00</u>	<u>0.00</u>		<u>0.00</u>
134. Total Optional Transfers	<u>(938,623.46)</u>	<u>938,623.46</u>		<u>0.00</u>
135. Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	<u>5,446,482.18</u>	<u>0.00</u>	<u>390,286.76</u>	<u>5,836,768.94</u>
136. Beginning Fund	<u>2,021,585.34</u>	<u>0.00</u>	<u>5,685,305.12</u>	<u>7,706,890.46</u>
137. Adjustment	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
138. Beginning Fund Balance Restated	<u>2,021,585.34</u>	<u>0.00</u>	<u>5,685,305.12</u>	<u>7,706,890.46</u>
139. Interfund Transfer(County to Primary and/or Local)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
140. Ending Fund Balance	<u>\$7,468,067.52</u>	<u>\$0.00</u>	<u>\$6,075,591.88</u>	<u>\$13,543,659.40</u>



# Act 51 – Funding Distribution

- Public Act 51 of 1951 (or Act 51) mandates how transportation funds are distributed and spent between MDOT (Michigan Department of Transportation) and local entities.
- Intent: Distribute 25% of federal aid to local jurisdiction for use on federal-aid-eligible local roads.
  - Remainder is used by MDOT



# Act 51 – External Funding Distribution

- Funds collected from state fuel tax and vehicle registration revenues are deposited into the MTF
  - MDOT Receives approximately 39%
  - County Road Commissions/Departments receive 39%
  - Cities and villages receive about 22%



# Act 51 – Internal Funding Distribution

- Internal Formula for County Road Agencies
  - Distribution Factors
    - 1.00% by snow formula
    - 9.90% by urban road mileage (urban Primary & Local)
    - 47.90% by resident vehicle registrations (Primary)
    - 6.39% by Primary road mileage (Primary)
    - 9.58% 1/83 equally (Primary)
    - 16.41% by local road mileage (Local)
    - 8.84% by rural population (Local)



# Asset Management Revenue

## Assumptions and Investment Strategies

- Table 4 outlines the anticipated funding amounts that will be spent on local road improvement projects for this year, 2019.
  - See next slide
- BCRD's contributions are split between the primary and local roads
  - Approximately \$7 Million for primary roads
    - Includes Federal sources
    - Act 51 funding MTF (Michigan Transportation Fund)
  - Approximately \$1 million added to the township contributions
    - Through BCRD and Township Match Program
      - Total of \$4 million to be spent on the local road network



## Table 4: Anticipated Contributions of BCRD and Townships for 2019

Township	Percent Miles	Township Contribution	County Contribution	Total
Bainbridge	5.3%	\$ 75,000	\$ 51,871	\$ 126,871
Baroda	3.2%	\$ -	\$ -	\$ -
Benton	10.5%	\$ 50,000	\$ 50,000	\$ 100,000
Berrien	4.5%	\$ 100,000	\$ 69,680	\$ 169,680
Bertrand	4.1%	\$ 150,000	\$ 52,482	\$ 202,482
Buchanan	4.4%	\$ 45,000	\$ 45,000	\$ 90,000
Chikaming	5.0%	\$ 650,000	\$ 55,779	\$ 705,779
Coloma	4.5%	\$ 350,000	\$ 66,254	\$ 416,254
Galien	2.2%	\$ 35,000	\$ 32,849	\$ 67,849
Hagar	3.6%	\$ 100,000	\$ 64,398	\$ 164,398
Lake	4.4%	\$ 90,000	\$ 37,143	\$ 127,143
Lincoln	7.2%	\$ -	\$ -	\$ -
New Buffalo	2.9%	\$ 15,000	\$ 15,000	\$ 30,000
Niles	6.8%	\$ 100,000	\$ 100,000	\$ 200,000
Oronoko	5.1%	\$ 70,000	\$ 70,000	\$ 140,000
Pipestone	4.1%	\$ 120,000	\$ 54,598	\$ 174,598
Royalton	3.7%	\$ 250,000	\$ 60,231	\$ 310,231
Sodus	4.1%	\$ 250,000	\$ 32,572	\$ 282,572
St. Joseph	4.4%	\$ 103,186	\$ 103,186	\$ 64,000
Three Oaks	2.6%	\$ 45,000	\$ 34,966	\$ 79,966
Watervliet	2.7%	\$ 275,000	\$ 35,741	\$ 310,741
Weesaw	4.8%	\$ 90,000	\$ 46,949	\$ 136,949
<b>Total</b>	<b>100%</b>	<b>\$ 2,963,186</b>	<b>\$ 1,078,700</b>	<b>\$ 4,041,886</b>

Approximately \$1 million added to township contributions (from the BCRD Primary Road budget) to be spent on the local road network in 2019.



**TO THE HONORABLE BOARD OF COMMISSIONERS OF BERRIEN COUNTY:** Your County Administration Committee respectfully recommends the adoption of the following:

**RESOLUTION**

**WHEREAS**, Public Act 325 of 2018 provides for the classification of all public roads, streets and highways in this state and created the Transportation Asset Management Council in order to provide a coordinated, unified effort by the various road agencies within this state; and

**WHEREAS**, as a part of this process, the Berrien County Road Department is required to report yearly projects in an asset management format to the State of Michigan; and

**WHEREAS**, Public Act 325 of 2018 requires that the Road Department's submission of their asset management plan must include the following requirements:

- Asset inventory, including the location, material, size, and condition of the assets, in a format that allows for and encourages digital mapping; and
- Performance goals, including the desired condition and performance of the assets, which shall be set by the local road agency; and
- Anticipated revenues and expenses, including a description of all revenue sources and anticipated receipts for the period covered by repair and replacement expenditures, including planned improvements and capital reconstruction; and
- Risk of failure analysis, including the probability and criticality of a failure of the most critical assets; and
- Performance outcomes, including a determination of how the local road agency's investment strategy will achieve the desired levels of service and performance goals; and
- Proof of acceptance, certification, or adoption by the local road agency's governing body, and

**WHEREAS**, the Berrien County Road Department Asset Management Plan is an annual planning document to help guide 3-year construction decisions in order to reach the goal of getting 75% of the primary road system in Berrien County in fair or good condition by 2029.

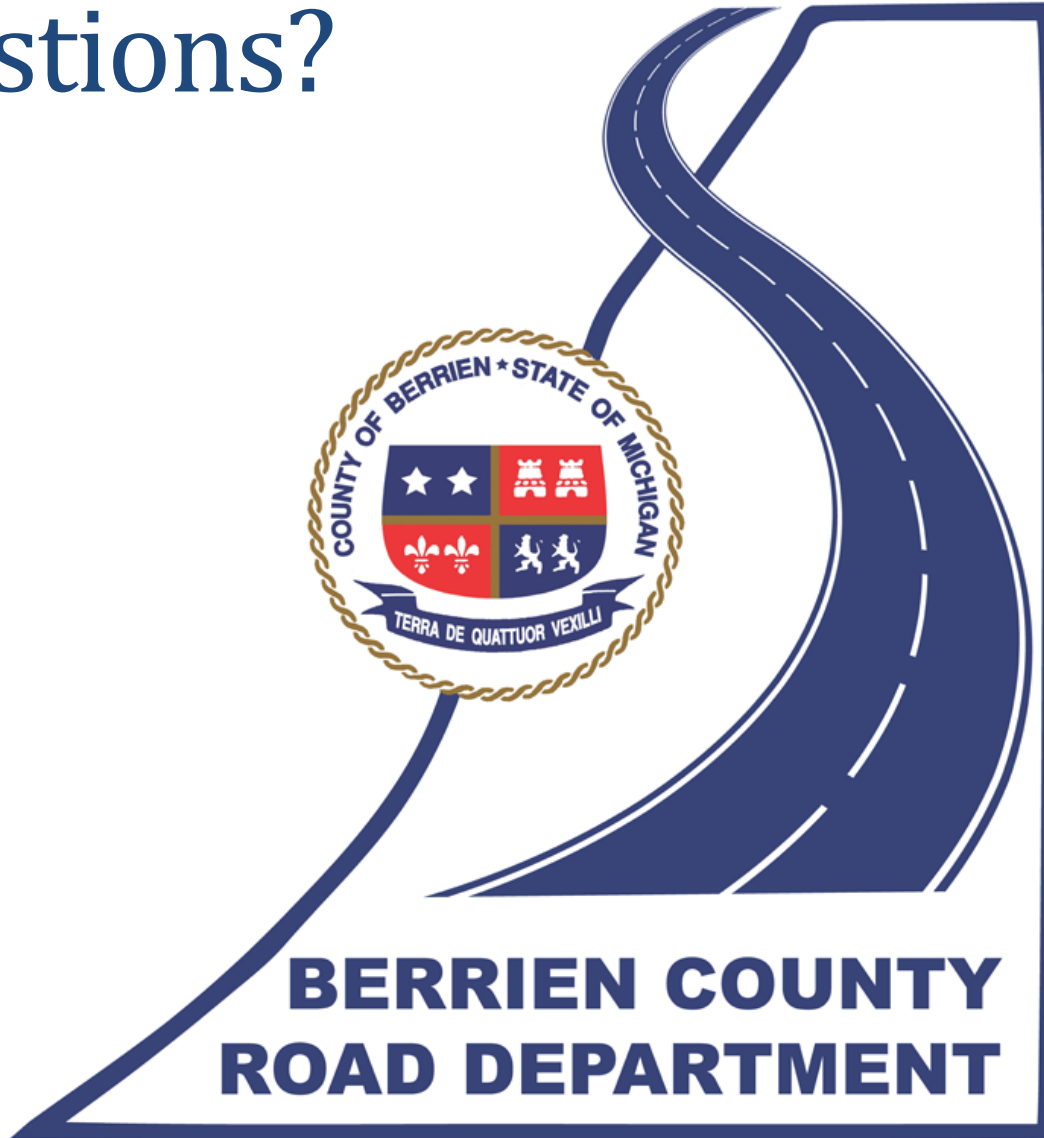
**NOW, THEREFORE, BE IT HEREBY RESOLVED** that the Berrien County Board of Commissioners approves the 2019 Asset Management Plan for the Berrien County Road Department and the submission of such plan to the State of Michigan.

**Respectfully submitted,  
BERRIEN COUNTY ADMINISTRATION COMMITTEE**





# Questions?



# References

- “Act 51 Made Simple”
- At the Crossroads: Preserving Our Highway Investment
- Berrien County Road Department 2019-2021 Three-Year Transportation Program
- Transportation Asset Management for Local Officials
- 2018-2022 Five-Year Transportation Program (MDOT)
- 21<sup>st</sup> Century Infrastructure Commission Report
- 2019-2023 Five-Year Transportation Program (MDOT)



