

January 21, 2010

The regular meeting of the Board of Cass County Road Commissioners was called to order at 9:00 A.M. by Chairman Krempec and the Pledge of Allegiance to the flag was said in unison.

Board Members Present: Commissioner Celie, Commissioner Poehlman, Commissioner Bowser, Commissioner Krempec, and Commissioner Powers

CCRC Staff Present: Louie Csokasy, Rick Janssen and Grace Chester.

INTRODUCTION OF VISITORS

Pete Fournier, Bruce Campbell, Gordon Bickel, Roseann Marchetti, Barbara Dempsey, Norma Lerner, and CCRC retirees: Lois Jacobson, Steve Northrup (Chris), Karol VanOrman (Jack), Judy Smallwood (Ralph), Mark Frahlick and John Kozlowski.

CHANGES TO AGENDA

Additions

Petty Cash Policy

Deletions

Matching Fund Policy

Safety Meeting Report

APPROVE AMENDED AGENDA

Commissioner Poehlman moved to approve the agenda as amended. Commissioner Powers seconded and the motion was carried.

PUBLIC COMMENTS

CCRC retiree, Lois Jacobson read a statement in opposition to any changes to the existing CCRC retiree benefit package. Steve Northrup said "the retirees stand together as a unit on this issue and are not here to argue but to ask the Board to keep the promises made to retirees."

Drain Commission: Campbell gave a brief update on county drainage matters. Birch Lake/Williamsville Special Drainage District has received the necessary order of necessity and the project has now been put out for bid for engineering and surveying services. Happy Home Subdivision (LaGrange Twp.) Determination Hearing will be held on February 3, 2010, at 7:00 p.m. at the Courthouse.

APPROVAL OF MINUTES

Powers moved to approve the minutes of 01-07-10 as presented. Poehlman seconded and the motion was carried.

SPECIAL MEETINGS & MILEAGE

There were no special meetings to report.

COMMITTEE REPORTS

FINANCE COMMITTEE

Committee Chairman Celie said the Committee met this morning to review and approve the payables. Celie said the good news is that revenue is above the forecasted budget amount due to the sale of the Fox St. property while expenses have been less than expected.

POLICY COMMITTEE

Committee Chairman Powers said he and Commissioner Celie had reviewed and recommended Board approval of the Petty Cash and Credit Card Policies.

MANAGER'S UPDATE

Manager Csokasy reported that due to a smaller amount of snow and warmer temperatures, crews were able to attend to other duties.

Goal coordination: Meeting with the foremen and road superintendent to review their annual stretch goals and to work out a process that would link all of the goals together so the goals of each foreman would support the goals of the superintendents which in turn would support the Manager's goals. Csokasy said each stretch goal will be reviewed on a quarterly basis.

Safety grants: Csokasy said that the road commission plans to become involved in the grant application process for various safety programs. Following is a list of three grants that will be submitted.

1. For an update of the Thompson Street Bridge through Transportation Enhancement Activity
2. A safety grant from High Risk Rural Roads for the curve at M-205
3. Safety grant to upgrade bridge guardrails.

Csokasy noted that these grants are for 2012 project year and will be awarded by competitive bidding.

Financials: Anticipated January expenses were \$440,000. and revenue of \$374,000. New projections are expenses to be \$380,000. and revenue \$740,000. The improvement in revenue is due to the cash sale of the Fox St. property.

Audit: First draft of the FY 2009 is complete and the final version is expected in the next few weeks.

OPERATIONS

Per Road Superintendent Janssen due to improved weather conditions, crews have been working to get the slush off the roads, patching, brush cutting, equipment repairs, working on the gravel crusher and catching up on service requests.

Goal project: Csokasy said that obtaining the salt storage unit directly related to Janssen's goal of improving the winter operations program and so Janssen has been working with Csokasy on what the road commission needs in the unit, what types of buildings are available and costs involved.

Salt Barn: Photos of one barn were distributed to the Commissioners. Manager Csokasy said the quote for a system of two units, one being 65 x 80 and one 65x200 (each were 27 feet tall was \$120,000 for both units including the cost for a three-inch asphalt floor.

Manager Csokasy said the information provided to the commissioners was part of the information sharing process and the matter is not ready to be put before the Board at this time.

Paving season: scheduled to begin on May 1 with four ten-hour work days to begin May 3 with paving being done two to three days and the remainder of time to do catch up work and service requests. Paving is estimated to end on September 30.

ENGINEER'S REPORT

Csokasy gave a brief update on engineering activities saying the new CAD system will arrive tomorrow. The first projects planned to use the new system will be the Redfield/Gumwood intersection, the Dodd Park entrance, and Dixon and Indian Lake intersection.

Howard Township's three year road plan is completed and will be presented to their township board.

UNFINISHED BUSINESS

LAKE AREA SEWER PROJECT PERMITS

Representatives from the Lake Area Sewer Project attended an earlier meeting to review the project plans and ask the Board to waive right of way permit fees for sewer line hookups.

After study, the Manager recommended waiving the permit fee since that had been done with other sewer projects in the county. Csokasy recommended that each homeowner complete the permit form as was done for the Porter Township Sewer Project. With the permit information, the road commission will be able to track all work being done in the road right of way.

MOTION

After discussion, Powers moved to waive the permit fee for the Lake Area Sewer Project for sewer hookups and continue the process of having each home or project fill out the form as outlined by the Manager. Poehlman seconded and the motion was carried by unanimous roll call vote.

RETIREE HEALTH BENEFITS DISCUSSION

Discussion of possible changes to the current retirees' health benefit's package resumed after being tabled from the meeting of January 7, 2010.

Commissioners Celie and Bowser spoke on the financial impact of expense of the retirees' health benefit package. Celie said last year the cost for the benefits were \$132,718. Due to new legal reporting requirements, all post retirement benefits (except the pension) must be reported as liabilities and the company must prove there are funds set aside for their payment.

This year retiree's health benefits cost are estimated at \$158,611 which is a 20% increase from the previous year and would be 10% of the total payroll. Celie noted these costs have a large impact on the road commission finances and feel that the matter needs more research and recommended the Board appoint a committee for further study. Bowser said he supported Celie's recommendation.

A lengthy Board discussion followed. The commissioners expressed appreciation of the retirees contributions to the road commission and said this would be a difficult decision but the Board's desire was to be fair. The final decision would have to be based on the coverage the road commission can afford.

Krempec said he has been researching this issue for a long time and has mixed feelings. Krempec said he has a problem with the comparison of a policy to a promise since a policy is subject to change over the years, it is not a promise.

Krempec noted that copies of the letter from Steve Northrup were given to the other Commissioners. He said he agreed with the numbers presented by Celie and supported his recommendation to make further study. Krempec said that whatever the outcome, the Board's decision will be the fairest they can do.

CHAIR ACTION

Chairman Krempec appointed a committee consisting of Commissioner Celie (chair), Commissioner Powers, and Manager Csokasy for further study and recommendations relating to retiree health benefits package with a detailed report for Board review. The Committee will report their progress on a monthly basis until completion.

The Chairman asked if the Board in general thought retiree benefits should be eliminated totally and by voice each Commissioner responded no.

Celie said he recommended setting a time line for completion of the review. Whatever changes if any, he does believe there should be insurance for retirees but it should be more cost effective.

Poehlman and Powers both said the benefit issue has to be looked at but as far as they are concerned there will be no drastic changes and Poehlman said no action will be taken without first informing the retirees. Krempec, until a decision is made, retiree health benefits will remain status quo.

NEW BUSINESS

QUARTERLY COMMISSIONERS' TRAVEL VOUCHERS

The Commissioners reviewed and approved the fourth quarter travel vouchers.

CRAM COMMITTEE APPOINTMENTS

Information was distributed to the Commissioners regarding CRAM committee members; these names will be reviewed at the next Southwestern Rd. Commission Council meeting (February 8, 2010).

CREDIT CARD POLICY

Powers said that he and Celie reviewed the policy and it met Act 51 requirements and recommended Board approval.

POLICY No. 2010-02

BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF CASS

SUBJECT: CREDIT CARDS

The following policy shall govern the use of road commission credit cards per Public Act 266 of 1995:

1. The Clerk of the Board is responsible for accounting for, monitoring, retrieving, and generally overseeing compliance with the Board's credit card policy. New cards cannot be applied for without prior approval of the Manager.
2. Board credit cards may be used only by an employee of the Board for purchase of goods and services for the official business of the Board.
3. Board employees who use a Board credit card shall, as soon as possible, submit a copy of the vendor's credit card slip to the Clerk of the Board. If no credit card slip was obtained, the employee shall submit a signed voucher that shows the name of the vendor or entity from which goods or services were purchased, the date, and the amount of the transaction, the official business that required the transaction, and a statement of why a credit card slip was not obtained. All credit card slips shall include this information. An itemized receipt shall accompany the credit card slip verifying individual item amounts.
4. An employee who is issued a credit card is responsible for its protection and custody. If a credit card is lost or stolen, the Clerk of the Board shall be notified. The entity issuing the lost or stolen credit shall be immediately notified to cancel the card.
5. An employee (Manager, Clerk, Building Superintendent) who is issued a credit card shall return the credit card to the Clerk of the Board upon termination of his/her employment of service with the Board.
6. The Clerk of the Board shall maintain a list of all credit cards owned by the Board, along with the name of the employee(s) issued a card, the limit established, the date issued, and the date returned. Each employee shall initial the list beside his or her name to indicate agreement that the credit card has been issued, and that the employee has

received and read a copy of this policy.

7. The Clerk of the Board shall review each credit card statement as soon as possible to ensure that the transactions comply with this policy. Any transactions that appear on statements that are not documented with a credit card slip or a signed voucher shall be immediately investigated. Transactions that do not appear to comply with this policy shall be reported to the Board.

8. Employees who use a Board credit card in a manner contrary to this policy shall be subject to disciplinary action which may result in termination, as deemed appropriate by the Board.

Use of a Board credit card by an employee other than a cardholder is prohibited without the express consent of the Clerk of the Board.

MOTION

Powers moved to approve the Credit Card Policy as presented. Celie seconded and the motion was carried.

PETTY CASH POLICY

POLICY No. 2010-03

BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF CASS

SUBJECT: PETTY CASH

The Board authorizes that a petty cash fund is established in the amount of \$250.00

The purpose of the petty cash fund is to reimburse an employee for authorized purchases needed by road commission departments for daily work activities. The petty cash fund is intended to pay items of a nominal amount and approved by the Manager or Clerk.

The Clerk shall be responsible for overseeing the Petty Cash balance and issuing petty cash to the employee. Before petty cash is issued, the employee must submit to the Clerk a detailed receipt listing the item purchased, the date of purchase, store location and the total amount paid. After review by the Clerk, the item will be assigned the proper general ledger account number for posting purposes.

The employee is required to sign the petty cash slip verifying the amount received.

The petty cash account shall be replenished by the Clerk when the balance falls below \$100.00. by submitting the proper account information to Accounts Payable. With the next payable processing, a check will be issued to bring the petty cash balance back to the original \$250.00

If it becomes necessary for the Clerk to be reimbursed for approved purchases from petty cash, the Manager shall review and approve the transaction and initial the petty cash payment slip.

MOTION

Powers moved to accept the credit card policy as presented. Celie seconded and the motion was carried.

MEETINGS

SOUTHWESTERN RD COM COUNCIL, FEBRUARY 8, 2010, HOLLAND, MI (OTTAWA CO)

Powers plans to attend and the other Commissioners will confirm with the Clerk later.

FRUGAL 5, FEBRUARY 15, 2010, HILLSDALE CO. ROAD COMMISSION

Powers and Poehlman plan to attend.

PERMITS

Driveway

10-09-07-1066 Sundance Dr. Ontwa TH Morrison LLC

Utilities

10-17-11-1067 Wood Lk Rd. Porter Midwest Energy

10-04-03-1068 Glenwood Rd. LaGrange Midwest Energy

ROW

10-06-01-1055 Guyer St – Bore Mason Robert Brossman

10-16-07-1065 Birch Lakeshore Dr. – Pier Porter Raymond Gaik

Annual Permits

10-04-25-1063 All Cass County Roads Lounsbury’s Excavating

10-04-25-1064 “ “ “ “ Aggregate Industries

OTHER/COMMISSIONER COMMENTS

Powers asked a question regarding a state tax payment. Csokasy will research further.

The Manager noted there have been 130 service requests to date which is down from last year. There have been three complaints about the current mailbox policy which Csokasy said means overall the policy is being well received.

County Commissioner Bickel reminded about the County Board meeting tonight.

ADJOURNMENT

At 10:07, Bowser moved for adjournment. Celie seconded and the motion was carried.

CLERK Grace Chester

CHAIRMAN

Leroy R. Krempec

Approved by Board action February 4, 2010