

Road commission in black for 2015 but still looking to make adjustments

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The Monroe County Road Commission will be in the black for fiscal year 2015.

Members of the Monroe County Road Board of Commissioners approved its budget for the fiscal year during its regular meeting Monday.

Revenue is estimated to be \$26.3 million with expenses projected to be around \$25.75 million, leaving the road commission with a surplus of \$555,724.

Phillip Masserant, director of finance, expects the road commission's fund balance to be about \$6.7 million.

But road board members cautioned the fund balance money is not sitting in a fund going unused. In fact, the road commission still is not operating with the safest amount of money set aside, officials said.

Mr. Masserant explained the fluidity of the budget, telling the board there still are amounts on the books for projects that will be completed early in the 2015 fiscal year and adjustments may need to be made here and there.

"I think it's important for the public to know that there isn't really all that money just sitting

there," said Bob Stammer, road board chair.

As of Aug. 31, the road commission currently has about \$2.8 million cash on hand. That, Mr. Masserant said, is about 1.8 months of total expenditures.

"It would be nice to get that around three months," the finance director said.

Road board member Jeff Zink was concerned about public opinion when it came to the totals.

"People are looking at this document and saying we're rich," Mr. Zink said.

Mr. Masserant said he did not say the road commission was wealthy.

"I'm here to say that we're not," he said. "If you were to look, we're still below the state averages (for cash-on-hand)."

At the board's urging, Mr. Masserant looked at the budgets of 20 other road commissions of similar size around the state to see how those boards budget and spend money compared to Monroe County. Mr. Masserant said he took an average of the commissions' fund balances versus the Michigan Transportation Fund (MTF) revenues.

Monroe County's MTF revenues were \$10.4 million in 2013 with a fund balance of \$5.7 mil-

lion, or 55 percent of the MTF revenues, Mr. Masserant said.

The average of the 20 other road commissions from across the state was closer to 70 percent, he said.

"If we were to have a fund balance at 70 percent, it would be about \$7,294,000," Mr. Masserant said. "So, our fund balance is not at the bottom, but we're right in the middle."

The same is true of cash-on-hand, he told the commissioners. The road commission ended 2013 with 29 percent of its MTF revenues left as cash.

"The average is 39 percent, which would equate to about \$4 million in cash," he said.

Closing out the year, Mr. Masserant said he plans to make every effort to keep with the commission's promise to return to a cost-sharing policy for road repairs that puts 50 percent of the cost burden on the commission and 50 percent on the township government of where the road is located.

"It has been no secret that we are trying to take control of our primary roads," said Randy Pierce, managing director of the road commission. "We are hoping to do that by 2016, but with the numbers you see today, we might be able to do that sooner with the board's permission."