



MACON COUNTY HIGHWAY DEPARTMENT

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MINUTES

June 27, 2012

The Macon County Transportation Committee Special Meeting was held on Tuesday July, 17, 2012 at 5:30 p.m. located at the Macon County Office Building, 141 S. Main St., Decatur, IL.

Transportation Committee Members Present:

David Williams

Kevin Meachum

Bryan Smith

Mark Wicklund

Patty Cox

Jay Dunn

Gary Minich

Highway Department Support Staff Present:

Bruce Bird, County Engineer

Mark Funk, Road Supervisor

Amanda Askew, Office Assistant

Others Present:

Theresa Churchill, Herald & Review

Call to Order:

The meeting was called to order by Chair Bryan Smith at 5:30 p.m.

Roll Call:

Bryan Smith

Mark Wicklund

Kevin Meachum

Patty Cox

Jay Dunn

David Williams

Gary Minich

Approval of the Minutes:

Mark Wicklund made a motion to approve the minutes from May 23, 2012, seconded by Patty Cox. Motion Carried 7-0

No Public Comments:

No Old Business:

New Business:

FY13 Proposed Budget for Highway:

Bruce reviewed what the different funds in the budget include. What kind of Revenue and expenses we are looking at from the County Highway, Federal Aid, Matching, and other Funds. Bruce stated Amy wanted us to add the major accomplishments for the year. The biggest accomplishment this year is the sheer volume of work we are doing. The biggest part of that is we have two very large bridge projects using Federal Bridge monies and two earmark projects that came off the Capitol Bill, both Elwin Road and Country Club Road. You add up all of that, including our regular maintenance, it is almost 10 million dollars of work we are investing in County Highways this year. This is the highest dollar amount we have had in one year the past two decades. It affects over 42 miles of the system and that doesn't count the pavement striping. It is almost 18% of our total roads we are doing something with this year. It is good to be busy, but don't look for this to be an every year occurrence.

The next eight pages are the actual budget sheets. The revenues and expenditures in County Highway are usually very close to the previous year. The only difference would be if we are going to plug in a very large construction project, usually that takes three or four years of saving to pay that. On the revenue side there is a reduction in Equipment Rental from MFT. Everything else is pretty close to the previous year. The bottom of page 2 of 8 totals up the revenue and expenditures. Right now we are keeping the maintenance line expenses the same, but if things don't change in the future that is probably going to have to be cut back. SB-97 is the pass through of MFT monies for the Townships. The State gives that to us in one lump sum and we are responsible for the Townships to keep track of all their percentages and what they spend. County Bridge is a County Property Tax, similar to Matching Tax where we can just use that on bridge and drainage projects for the County. Page 7 of 8, State Township Bridge has been \$165,000 a year for almost 30 years now. I used to be able to build two bridges with that on an 80/20 split; anymore we cannot even build one bridge a year with that. Progress City does not show much on the revenue. I plugged in a number of \$150,000 because usually they want to do some maintenance work prior to the Farm Progress Shows. We may or may not use it but it is always reimbursed 100% by Richland.

The next three pages headline the salary workbook. This is the workbook that I use to determine the actual personnel expenses to plug into the form. I have it broken down to all the employees that are paid for out of the County Highway 081 split. The second page is all the 082 split. All of the employees with the exception of me are paid 60% out of MFT and 40% out of County Highway, so it is important that we do get that Motor Fuel Tax money. It pays for the majority of our personnel expenses. Because of the way my contract is set up with the State I am 50/50 but it is MFT and Federal Highway Funds. There are no local funds that are in my salary.

The next pages are the Equipment Replacement Schedule for the next five years. There are three things listed for replacing this upcoming year. Starting this year, diesel trucks have to carry a tank of urea to treat the exhaust before it comes out. There is about a \$20,000 extra on the truck just to meet emission standards. You have to fill it up just like fuel. We will have to bring in a tank and store urea.

The last sheet shows our construction plan for the upcoming year.

Jay Dunn stated you have pretty good increase in Summer Techs. Bruce replied I bumped it up to cover any hours we need from those summer temps because of the additional construction work. Kevin Meachum asked how many do you have. Bruce replied we have two summer temps. Kevin Meachum asked are they snow birds. Bruce replied they are summer techs, they are engineering technicians. They help oversee the construction projects. Kevin Meachum asked if they were Macon County Residents. Bruce replied yes both of them. One just started this year, Amy we have had for about 4 years now. One is an engineering student the other is in business. Kevin Meachum stated I assume you do everything you can to get engineering students in there. Bruce replied we try; sometimes it is hard to attract them. Mark Wicklund asked about MFT Fund the 5911 line, it is \$56,000 and you have nothing prior to this year is there anticipation on that line item. Bruce replied that is the reimbursement from the State of my salary, Amy added that last year.

The second packet shows that it has been no secret to anyone who receives Motor Fuel Tax Funds since 2008 that all of us have been getting a lot less. Motor Fuel Tax is a flat 19 cents per gallon no matter what the price of gas is and it has been that way for about 20 years now. The sheet attached took the State 3 or 4 years to put this together and admit where all the funds go. This gives a ten year comparison. Take a look at the gross collections at the top. That is how much money in Motor Fuel Tax the State has collected. If you go across the top it has been about 1.2 or 1.3 billion dollars. It varies a little, all the deductions come after that. On the revenue administration line between 2007 and 2008 this is the money they take out to administer and handle that 1.3 billion dollars in MFT monies for everybody. Historically they are always around 20 to 25 million, in 2007 they jumped from 23.5 million

up to almost 60 million in 2008. As County Engineers when we see this we ask, why is that? We were told that is to pay for a new software program they were installing to keep track of it. They are supposedly on their 5th year of implementing this software program because their share has never dropped below 30 million over the last five years. Whatever we don't pay for out of this has to come out of the General Fund. Another thing we have noticed over the years is that IDOT was getting charged a high amount on Worker's Compensation and that was changed and dropped down. If you look at the percentage changes of the gross collections at the top and then look at the allocations, where it is broken down, in 2008 the gross collections were down 4.28% yet the allocations to everybody was down 8%. Where is that 4% difference at? Where did that go? Things have changed a little, but not much since then. David Williams asked, the General Revenue Fund, is that the States General Revenue Fund or IDOT's General Revenue Fund. Bruce answered that is the State's General Revenue Fund. These are the lines that IDOT says the Department of Revenue sent to them, that at one time or another had a connection to the Motor Fuel Tax Fund.

I want to bring your attention to the sheet on the top. Macon County MFT receipts, those are the actual MFT allotments we received starting in 2001 through 2011. If you look between 2009 and 2010 our revenue went down in one year almost \$500,000 that is a 23% drop. You look at the same time on IDOT's sheet it was only 2.5%. Since 2001 we are down 38% in our MFT revenue. The largest change is from 2006 to present. In 2005 we got 2.3 million dollars; in 2011 we were getting 1.4 million dollars. That is \$900,000 dollars a year less. The township allotments is nowhere near the change ours is. I was concerned enough about this that I started contacting other counties around me, both big and small. In the year from 2009 to 2010 we all received a big drop as counties, ours is anywhere from 12% - 14% greater than what theirs was. The only thing that I could think of is that we lost a lot of vehicles being registered in our County between 2009 and 2010. 14% of the vehicles registered in Macon County are a lot of vehicles. I would like to explore this further with IDOT. At the same time the Department of Revenue instituted a new program, I would hate to think that there is a glitch in the program, but for \$900,000 a year I think it is a question we ought to ask. Everyone agreed that it was very reasonable. Bruce stated I would like to draft a letter if Jay or the whole Committee would like to sign off on it to start the ball rolling with IDOT. I will send it to the District Office first to explain why our difference is so much greater than everybody else's. The scary thing is if you remember on the budget, I had 1.8 Million the actual Motor Fuel Tax money we are getting is 1.4 Million. We are getting a onetime payment out of the Capitol Bill that was settled three years ago, once a year for five years, and our share of 100 million dollars. That works out to about \$350,000 a year. We have got two of those payments we will get our third supposedly this year and then two more after that. When that runs out this is all we have. That is the part that scares me. We are talking four years down the road, loosing \$350,000 we wouldn't be able to do any oil and chip work if we wanted to buy a truck. Kevin Meachum stated I am behind you on that Bruce we need to be asking a lot of questions to IDOT. Kevin Meachum made a motion to approve the budget as presented to the Finance Committee, seconded by Gary Williams. Motion Carried 7-0.

County Engineer's Report:

Bruce stated the bridges on Baltimore are open. We had our ribbon cutting this morning. We also started work on Country Club Road and the Bridge on County Highway 25 north of Argenta looks like it will be starting the end of August; Schmidt got the award on that.

No Miscellaneous Business:

No Closed Session:

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Adjourn:

Mark Wicklund made a motion to adjourn, seconded by David Williams. Motion Carried 7-0

Meeting adjourned at 6:05 p.m.

The next Transportation Meeting held at the Macon County Office Building will be Wednesday, July 25, 2012 at 5:30 p.m.

Minutes submitted by:
Kathy Gerhold & Amanda Askew
Macon County Highway Department