

**KCRC Special Board Meeting Minutes**

**DECEMBER 30, 2024**

Meeting Time: 11:00 a.m.  
Present: Olson, Karvonen, Bracco  
Absent: None  
Staff Present: Greg Kingstrom, Jesse Patrick  
Guests: None

Meeting was called to order at 11:05 a.m. by Commissioner Olson and the Pledge of Allegiance was recited.

Commissioner Bracco moved to approve the agenda as presented. Commissioner Karvonen supported the motion. Ayes: 3, Nays: 0. Motion carried.

Commissioner Olsen motioned to open the Public Hearing at 11:06 a.m. regarding Annual Budget. Supported by Commissioner Karvonen. Ayes: 3, Nays: 0. Motion carried. No public comment received. Commissioner Olsen motioned to close the Public Hearing at 11:07 a.m. Supported by Commissioner Karvonen. Ayes: 3, Nays: 0. Motion Passed.

**New Business:**

Finance Director presented 2024 Budget Amendment to the Board. Commissioner Bracco motioned to approve the 2024 Budget Amendment as attached to these minutes. Commissioner Olson supported the motion. Ayes: 3, Nays: 0. Motion carried.

Finance Director presented the proposed 2025 Budget to the Board. Commissioner Karvonen motioned to approve the 2025 proposed budget as attached to these minutes. Commissioner Bracco supported the motion. Ayes: 3, Nays: 0. Motion carried.

The meeting was adjourned at 11:40 a.m. by motion of Commissioner Olson and supported by Commissioner Karvonen. Ayes: 3, Nays: 0. Motion carried.

  
Richard Olson, Chairman

  
Greg Kingstrom, P.E., Engineer/Manager

Following is the Revised 2024 Budget

Keweenaw County Road Commission Program Budget  
 BUDGET YEAR ENDING 12/31/2024  
 Supporting Schedule  
 Budget Amendment # 1

Revenue:	2024 Budget	2024 Adjustment	2024 Revised
Motor Vehicle Highway Funds			
Engineering	10,000	-	10,000
Primary	1,925,000	-	1,925,000
Local	275,000	-	275,000
Snow	250,000	20,500	270,500
Forest	111,240	-	111,240
Other- General Fund	-	-	-
Other-Econ. Dev.	127,000	-	127,000
Total	2,698,240	20,500	2,718,740
Federal Funds	-	-	-
County Raised Funds	-	-	-
State Maintenance	960,000	(45,000)	915,000
State Non-Maintenance	100,000	206,000	306,000
Wetlands Board	150,000	(132,500)	17,500
Private Contrib.- Sale of Fed Aid	256,272	-	256,272
Private Contrib.-No. MI Water	-	-	-
County Milleage	365,000	21,000	386,000
Commercial Forest	15,000	(2,000)	13,000
Total	1,846,272	47,500	1,893,772
Other Revenue	-	-	-
Interest	40,000	40,000	80,000
Sundry Accounts	45,000	(18,000)	27,000
Gain or Loss on Disposal	5,000	250,000	255,000
Salvage Sales	3,500	(2,900)	600
Sale of Land	-	80,250	80,250
Fees	1,200	(600)	600
Royalties	5,000	(2,100)	2,900
EGLE Grant	75,000	(25,000)	50,000
Insurance Proceeds	-	19,000	19,000
Installment Purchases	-	388,000	388,000
Total	174,700	728,650	903,350
Total Revenue	4,719,212	796,650	5,515,862
Expenditures:			
Primary Roads			
Preservation/Struct. Improv.	645,000	(30,000)	615,000
Maintenance	900,000	5,000	905,000
Totals	1,545,000	(25,000)	1,520,000
Local Roads			
Preservation/Struct. Improv.	265,000	(15,000)	250,000
Maintenance	475,000	-	475,000
Total	740,000	(15,000)	725,000
State Maintenance	960,000	-	960,000
State Non-Maintenance	100,000	210,000	310,000
Roadside Parks	64,000	26,000	90,000
Equipment (Net)	-	-	-
Direct	690,000	160,000	850,000
Indirect	240,000	35,000	275,000
Operating	220,000	(10,000)	210,000
Less Equipment Rental	(850,000)	25,000	(825,000)
Total	300,000	210,000	510,000
Administrative (Net)	-	-	-
Administrative Expense	465,000	(15,000)	450,000
Less Handling Charges	(3,500)	1,500	(2,000)
Less Overhead	(145,000)	(60,000)	(205,000)
Less Purchase Discounts	-	-	-
Total	316,500	(73,500)	243,000
Wetland Board	150,000	(132,500)	17,500
Sundry Accounts	45,000	-	45,000
Capital Outlay (Net)	-	-	-
Capital Outlay	400,000	275,000	675,000
Debt Service	160,000	165,000	325,000
Less Depreciation	(300,000)	(50,000)	(350,000)
Total	260,000	390,000	650,000
Total Expenditures	4,480,500	590,000	5,070,500
MI Pension Grant	-	-	-
Debt Retirement	-	-	-
Total	4,480,500	590,000	5,070,500
Beginning Available Operating	2,524,542		2,529,652
Estimated Surplus(Deficit)	238,712		445,362
Ending Available Operating	2,763,254		2,975,014

Keweenaw County Road Commission Program Budget  
 Budget Year Ending 12/31/2025  
 Supporting Schedule

Revenue:	2023 Actual	2024 Budget	2024 Revised	2025 Budget
Motor Vehicle Highway Funds				
Engineering	10,000	10,000	10,000	10,000
Primary	1,908,417	1,925,000	1,925,000	2,000,000
Local	288,943	275,000	275,000	300,000
Snow	257,491	250,000	270,500	260,000
Forest	117,392	111,240	111,240	111,240
Other- General Fund	-	-	-	-
Other-Econ. Devel.	-	127,000	127,000	-
Total	2,582,243	2,698,240	2,718,740	2,681,240
Federal Funds	81,499	-	-	-
County Raised Funds				
State Maintenance	821,139	960,000	915,000	960,000
State Non-Maintenance	89,667	100,000	306,000	100,000
State Wetlands Board	-	150,000	17,500	132,500
Private Contrib.- Sale of Fed Aid	238,889	256,272	256,272	231,360
Private Contrib - No. MI Water	-	-	-	-
County Millage	359,808	365,000	386,000	390,000
Commercial Forest	20,072	15,000	13,000	-
Total	1,529,575	1,846,272	1,893,772	1,813,860
Other Revenue				
Interest	77,620	40,000	80,000	60,000
Sundry Accounts	35,767	45,000	27,000	40,000
Gain or Loss on Disposal	15,875	5,000	255,000	5,000
Salvage Sales	3,179	3,500	600	2,000
Sale of Land	-	-	80,250	40,000
Fees	600	1,200	600	10,000
Royalties	4,980	5,000	2,900	4,000
MI Pension Grant	428,698	-	-	-
EGLE Grant	-	75,000	50,000	25,000
Insurance Proceeds	-	-	19,000	-
Installment Purchases	554,997	0	388,000	290,000
Total	1,121,716	174,700	903,350	476,000
<b>Total Revenue</b>	<b>5,315,033</b>	<b>4,719,212</b>	<b>5,515,862</b>	<b>4,971,100</b>
Expenditures:				
Primary Roads				
Preservation/Struct. Improv.	1,427,001	645,000	615,000	375,000
Maintenance	785,041	900,000	905,000	900,000
Totals	2,212,042	1,545,000	1,520,000	1,275,000
Local Roads				
Preservation/Struct. Improv.	6,224	265,000	250,000	600,000
Maintenance	376,372	475,000	475,000	455,000
Total	382,596	740,000	725,000	1,055,000
State Maintenance	821,139	960,000	960,000	960,000
State Non-Maintenance	89,667	100,000	310,000	100,000
Roadside Parks	42,453	64,000	90,000	75,000
Equipment (Net)				
Direct	742,853	690,000	850,000	725,000
Indirect	270,046	240,000	275,000	250,000
Operating	166,926	220,000	210,000	165,000
Less Equipment Rental	(800,723)	(850,000)	(825,000)	(825,000)
Total	379,102	300,000	510,000	315,000
Administrative (Net)				
Administrative Expense	540,764	465,000	450,000	465,000
Less Handling Charges	(1,714)	(3,500)	(2,000)	(3,500)
Less Overhead	(149,597)	(145,000)	(205,000)	(155,000)
Less Purchase Discounts	-	-	-	-
Total	389,453	316,500	243,000	306,500
Wetland Board	-	150,000	17,500	132,500
Sundry Accounts	35,767	45,000	45,000	40,000
Capital Outlay (Net)				
Capital Outlay	972,574	400,000	675,000	600,000
Debt Service	67,582	160,000	325,000	300,000
Less Depreciation	(350,324)	(300,000)	(350,000)	(400,000)
Total	689,832	260,000	650,000	500,000
Total Expenditures	5,042,051	4,480,500	5,070,500	4,759,000
MI Pension Grant	428,698	-	-	-
Debt Retirement	-	0	-	-
Total	5,470,749	4,480,500	5,070,500	4,759,000
Beginning Available Operating	2,685,368	2,524,542	2,529,652	2,975,014
Estimated Surplus (Deficit)	(155,716)	238,712	445,362	212,100
Ending Available Operating	2,529,652	2,763,254	2,975,014	3,187,114

KEWEENAW COUNTY ROAD COMMISSION PROGRAM BUDGET

BUDGET YEAR ENDING 12/31/2025

	2023 Actual	2024 Budget	2024 Revised	2025 Budget
<b>REVENUE</b>				
Motor Vehicle Highway Funds	2,582,243	2,698,240	2,718,740	2,681,240
Federal Funds	81,499	-	-	-
County Raised Funds	1,529,575	1,846,272	1,893,772	1,813,860
Other Revenue	1,121,716	174,700	903,350	476,000
Total Revenue	5,315,033	4,719,212	5,515,862	4,971,100
<b>Expenditures:</b>				
Primary Roads	2,212,042	1,545,000	1,520,000	1,275,000
Local Roads	382,596	740,000	725,000	1,055,000
State Maintenance	821,139	960,000	960,000	960,000
State Non-Maintenance	89,667	100,000	310,000	100,000
Roadside Parks	42,453	64,000	90,000	75,000
Equipment (Net)	379,102	300,000	510,000	315,000
Administrative (Net)	389,453	316,500	243,000	306,500
Wetland Board	-	150,000	17,500	132,500
Sundry Accounts	35,767	45,000	45,000	40,000
Capital Outlay (Net)	689,832	260,000	650,000	500,000
Total Expenditures	5,042,051	4,480,500	5,070,500	4,759,000
MI Pension Grant	428,698.00	-	-	-
Debt Retirement	-	-	-	-
Beginning Available Operating	2,685,368	2,524,542	2,529,652	2,975,014
Estimated Surplus	(155,716)	238,712	445,362	212,100
Ending Available Operating	2,529,652	2,763,254	2,975,014	3,187,114