

**PUBLIC ACT 51, SECTION 18j, MCL 247.668j**  
**Annual Certification of Employee-related**  
**Conditions**

CERTIFICATION YEAR 2017

COUNTY ROAD AGENCY NAME ISABELLA COUNTY ROAD COMMISSION

Beginning September 30, 2015, and annually each September 30 thereafter, certification must be made for compliance to Section 18j(1) of Public Act 51 of 1951, MCL 248.668j(1). A local road agency must certify that it has (a) developed an employee compensation plan for its employees as described OR (b) the local road agency must certify that medical benefits are offered to its employees or elected public officials in compliance with the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.561 to 15.569, or, that it does not offer medical benefits to its employees or elected public officials.

Compliance with (1)(a)  
I certify compliance with MCL 247.668j(1)(a).  
Our compensation plan for employees meets the minimum criteria of MCL 247.668j (a)(i - iv).

Compliance with (1)(b)  
I certify compliance with MCL 247.668J(1)(b), and as such, offer one of the following:



I certify that medical benefits are offered to employees or elected public officials in compliance with the publically funded health insurance contribution act, 2011 PA 152; or

I certify that the local road agency has exempted itself from the publically funded health insurance contribution act, 2011 PA 152; or

I certify that medical benefits are not offered to employees or elected public officials.

Non-compliance with (1)(a) or (1)(b)  
I certify that we are not in compliance with MCL 247.668j(1).  
I understand that failure to comply with certification of (a) or (b) of MCL 247.668j(1) may result in the withholding of all or part of the distributions made to this local road agency from the Michigan Transportation Fund.

This form must be signed by the Chairman of the County Road Commission or the County Executive and the Chief Financial Officer of the County Road Agency.

SIGNATURE 		SIGNATURE 	
PRINTED NAME JALENE SANDEL		PRINTED NAME JOHN GRAHAM	
TITLE FINANCE DIRECTOR	DATE 9/28/2017	TITLE CHAIRMAN	DATE 9/28/2017

**Due Each September 30**

Return the completed form to:

Michigan Department of Transportation, Financial Operations Division, P.O. Box 30050, Lansing, MI 48909, OR

Email to: [MDOT-Outreach@michigan.gov](mailto:MDOT-Outreach@michigan.gov), OR

Fax to: (517) 373-6266

**GENERAL APPROPRIATIONS BUDGET**

Fiscal Budget 2017/2018  
Adopted September 28, 2017

REVENUES and EXPENDITURES		ENGR.	TWP	MAINT/	2018
		WS	WS	GEN OPER.	Budget
<b>TRANSPORTATION FUND</b>					
546-1	MTF-Engineering	\$ -	\$ -	\$ 10,000	\$ 10,000
546-2	MTF-Primary Rd.			3,679,854	3,679,854
546-3	MTF-Local Rd.			2,120,594	2,120,594
546-4	MTF-Primary Urban			374,222	374,222
546-5	MTF-Local Urban			62,370	62,370
<b>Total Transportation Funds</b>		\$ -	\$ -	\$ 6,247,040	\$ 6,247,040
<b>STATE GRANTS:</b>					
547	State Critical Brg.	\$ 332,462	\$ -	\$ -	\$ 332,462
549-2	State Cat. A	0			0
551	TED D Funds Rural	0			0
552	TED F Funds Urban	375,000			375,000
<b>Total State Grants</b>		\$ 707,462	\$ -	\$ -	\$ 707,462
<b>FEDERAL GRANTS:</b>					
510-1	Fed. A. S.	\$ 942,493	\$ -	\$ -	\$ 942,493
510-3	Fed. Aid Hazard Elim. Safety	676,479	0	0	676,479
510-5	Fed. Aid-Critical Brg.	1,773,146			1,773,146
510-7	Federal STP(ISTEA D Enhancement)	764,138	340,000		1,104,138
510-9	Federal Cat D	0			0
511-2	Federal Urban STP	375,000			375,000
511-5	Federal B.I.A. Critical Bridge	0	2,102,600		2,102,600
<b>Total Federal Grants</b>		\$ 4,531,256	\$ 2,442,600	\$ -	\$ 6,973,856
<b>LOCAL UNITS:</b>					
583-4	Township Contributions	\$ 920,776	\$ 576,817	\$ -	\$ 1,497,593
583-5	Village Contributions		2,300		2,300
583-6	Other Govt. Contrib.	0	0		0
<b>Total Local Units</b>		\$ 920,776	\$ 579,117	\$ -	\$ 1,499,893
<b>OTHER REVENUES:</b>					
476	Permits	\$ -	\$ -	\$ 35,000	\$ 35,000
643	Salvage Sales			4,523	4,523
644/645	Misc. Revenues			130	130
665	Interest Earned			9,500	9,500
667/668	Oil/Gas Roy./Rents			7,011	7,011
675	Other Contributions-Tribal	0		7,903	7,903
676	Other Contributions-Private	383,830		0	383,830
693.1	G/(L) on Disposal of Eq/Mat'l.			-372	-372
698	Proceeds from SIB Loan			0	0
<b>Total Other Revenues</b>		\$ 383,830	\$ -	\$ 63,695	\$ 447,525
<b>GRAND TOTAL REVENUES</b>					
		\$ 6,543,323	\$ 3,021,717	\$ 6,310,735	\$ 15,875,775

**GENERAL APPROPRIATIONS BUDGET**

Fiscal Budget 2017/2018  
Adopted September 28, 2017

REVENUES and EXPENDITURES	ENGR. WS	TWP WS	MAINT/ GEN OPER.	2018 Budget
<b>PRIMARY ROAD EXPENSES:</b>				
454 Primary Non-Motorized	\$ 1,486,323	\$ -	\$ -	\$ 1,486,323
459 Preservation Improvements	2,798,140	0		2,798,140
460 Structural Improvements	1,810,707			1,810,707
465 Primary Traffic Signals	0			0
468 Routine & Preventative Maintenance	0			0
467 Routine & Preventative Maintenance	757,731	1,898,000	1,976,500	4,632,231
<b>Total Primary Expense</b>	\$ 6,852,900	\$ 1,898,000	\$ 1,976,500	\$ 10,727,400
<b>LOCAL ROAD EXPENSES:</b>				
489/493 Preservation Improvements	\$ -	\$ -	\$ -	\$ -
490 Structural Improvements	1,140,500			1,140,500
495 Traffic Signals	0			0
497 Routine & Preventative Maintenance	0	1,284,808	2,462,400	3,747,208
498 Road Structure Maintenance	0			0
<b>Total Local Expense</b>	\$ 1,140,500	\$ 1,284,808	\$ 2,462,400	\$ 4,887,708
<b>EQUIPMENT EXPENSE:</b>				
510 Equipment Expense Direct (Incl. Deprec.)	\$ -	\$ -	\$ 1,492,600	\$ 1,492,600
511 Equipment Expense Indirect			518,000	518,000
512 Equipment Expense Operating (Fuel)			400,000	400,000
Less: Equipment Rental			-1,700,000	-1,700,000
<b>Net Equipment Expense</b>	\$ -	\$ -	\$ 710,600	\$ 710,600
<b>OTHER EXPENDITURES:</b>				
515 Administration	\$ -	\$ -	\$ 653,877	\$ 653,877
Depreciation (Admin/Engr)			\$ 14,000	\$ 14,000
Purchase Discounts			\$ (4,476)	\$ (4,476)
<b>Net Administrative Expense</b>	\$ -	\$ -	\$ 663,401	\$ 663,401
<b>900 CAPITAL OUTLAY</b>	\$ -	\$ -	\$ 488,000	\$ 488,000
Less: Equip. Retrmts(689)			-18,538	-18,538
Less: Depreciation			-890,700	-890,700
<b>Net Capital Outlay</b>	\$ -	\$ -	\$ (421,238)	\$ (421,238)
519/521 Maint. Svcs-Other Units/Non-Road Projects	\$ -	\$ -	\$ 2,160	\$ 2,160
990 New Caterpillar 140M2 Motor Grader			9,077	9,077
990 New 2016 Caterpillar Motor Grader			11,779	11,779
990 INTEREST EXPENSE-Motor Grader			4,312	4,312
990 INTEREST EXPENSE-2016 Motor Grader			6,438	6,438
975 LONG-TERM Carter Building Lease Principal				0
975 LONG-TERM Carter Building Lease Interest				0
<b>Total Other</b>	\$ -	\$ -	\$ 33,766	\$ 33,766
<b>GRAND TOTAL EXPENDITURES</b>	\$ 7,993,400	\$ 3,182,808	\$ 5,425,429	\$ 16,601,636
<b>INCREASE / (DECREASE) FROM REVENUE</b>	\$ (1,450,077)	\$ (161,091)	\$ 885,306	\$ (725,861)
<b>Beginning Fund Balance</b>				\$ 5,667,020
<b>ENDING FUND BALANCE</b>				\$ 4,941,159
Less Inventory and Prepays				\$ (397,561)
Less MERS				\$ (400,000)
<b>NET ENDING FUND BALANCE</b>				\$ 4,143,598

## Actuarial Accrued Liabilities and Valuation Assets As of December 31, 2016

**Table 6**

<b>Division</b>	<b>Actuarial Accrued Liability</b>	<b>Valuation Assets<sup>1</sup></b>	<b>Percent Funded</b>	<b>Unfunded (Overfunded) Accrued Liabilities</b>
<b>01 - General</b>				
Active Employees	\$ 4,600,446	\$ 887,903	19.3%	\$ 3,712,543
Vested Former Employees	909,249	632,253	69.5%	276,996
Retirees And Beneficiaries	7,613,758	7,613,758	100.0%	0
Pending Refunds	<u>16,632</u>	<u>16,632</u>	100.0%	<u>0</u>
<b>Total</b>	<b>\$ 13,140,085</b>	<b>\$ 9,150,546</b>	<b>69.6%</b>	<b>\$ 3,989,539</b>
<b>10 - Mgmt</b>				
Active Employees	\$ 384,216	\$ 303,638	79.0%	\$ 80,578
Vested Former Employees	0	0	0.0%	0
Retirees And Beneficiaries	0	0	0.0%	0
Pending Refunds	<u>0</u>	<u>0</u>	0.0%	<u>0</u>
<b>Total</b>	<b>\$ 384,216</b>	<b>\$ 303,638</b>	<b>79.0%</b>	<b>\$ 80,578</b>
<b>11 - General after 12/01/14</b>				
Active Employees	\$ 29,143	\$ 32,607	111.9%	\$ (3,464)
Vested Former Employees	0	0	0.0%	0
Retirees And Beneficiaries	0	0	0.0%	0
Pending Refunds	<u>3,631</u>	<u>3,631</u>	100.0%	<u>0</u>
<b>Total</b>	<b>\$ 32,774</b>	<b>\$ 36,238</b>	<b>110.6%</b>	<b>\$ (3,464)</b>
<b>Total Municipality</b>				
<b>Active Employees</b>	<b>\$ 5,013,805</b>	<b>\$ 1,224,148</b>	<b>24.4%</b>	<b>\$ 3,789,657</b>
<b>Vested Former Employees</b>	<b>909,249</b>	<b>632,253</b>	<b>69.5%</b>	<b>276,996</b>
<b>Retirees and Beneficiaries</b>	<b>7,613,758</b>	<b>7,613,758</b>	<b>100.0%</b>	<b>0</b>
<b>Pending Refunds</b>	<b><u>20,263</u></b>	<b><u>20,263</u></b>	<b>100.0%</b>	<b><u>0</u></b>
<b>Total Participants</b>	<b>\$ 13,557,075</b>	<b>\$ 9,490,422</b>	<b>70.0%</b>	<b>\$ 4,066,653</b>

The following results show the combined accrued liabilities and assets for each set of linked divisions. These results are already included in the table above.

<b>Linked Divisions 11, 01</b>				
Active Employees	\$ 4,629,589	\$ 920,510	19.9%	\$ 3,709,079
Vested Former Employees	909,249	632,253	69.5%	276,996
Retirees and Beneficiaries	7,613,758	7,613,758	100.0%	0
Pending Refunds	<u>20,263</u>	<u>20,263</u>	100.0%	<u>0</u>
<b>Total</b>	<b>\$ 13,172,859</b>	<b>\$ 9,186,784</b>	<b>69.7%</b>	<b>\$ 3,986,075</b>

<sup>1</sup> Includes both employer and employee assets.

**Please see the Comments on Asset Smoothing in the Executive Summary of this report.**

See Section 46 of the Plan Document for MERS Fiscal Responsibility policy, on the MERS website at:  
<https://employerportal.mersofmich.com/SharePointFormsService/Default.aspx?Publication=MERSPlanDocument.pdf>.

2018 ISABELLA COUNTY ROAD COMMISSION ORGANIZATIONAL CHART

5 – Board Commissioners

37-Employees Total

34 – Full Time Employees  
3 – Part Time Employees

\*8 Administrative (+1 Shared):

o Salary Wage Rate Range: \$56,284.80 \$96,012.80  
o Hourly Wage Rate Range: \$16.48 \$20.03

\*30 Field Operations/Roads:

o Hourly Wage Rate Range: \$16.48 \$23.18

Job Classification and Wage Rates; ranges based on most recent contracts, Salary Progression and Collective Bargaining Agreements

