

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

CERTIFICATION YEAR 2019

CITY OR VILLAGE 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 247.668j(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:

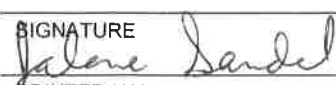
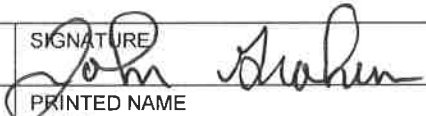
I certify that medical benefits are offered to employees or elected public officials in compliance with the publically funded health insurance contribution act, 2011 PA 152; or

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 Street Administrator and the Treasurer or Financial Director.

SIGNATURE 		SIGNATURE 	
PRINTED NAME JALENE SANDEL		PRINTED NAME JOHN GRAHAM	
TITLE FINANCE DIRECTOR	DATE 9/26/2019	TITLE CHAIRMAN	DATE 9/26/2019

Due Each September 30

Return the completed form to:

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

E-mail to: MDOT-Outreach@Michigan.gov, **OR**

Fax to: (517) 335-1828

GENERAL APPROPRIATIONS BUDGET

Fiscal Budget 2018/2019C
Adopted September 26, 2019

REVENUES and EXPENDITURES	2019B Budget	Aug 2019	ENGR WS	TWP WS	MAINT/ GEN OPER	2019C Budget	Increase/ (Decrease)
TRANSPORTATION FUND							
546-1 MTF-Engineering	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ -
546-2 MTF-Primary Rd.	4,214,493	3,650,431			4,214,493	4,214,493	0
546-3 MTF-Local Rd.	2,428,691	2,112,500			2,428,691	2,428,691	0
546-4 MTF-Primary Urban	428,593	357,654			428,593	428,593	0
546-5 MTF-Local Urban	80,882	73,258			80,882	80,882	0
Total Transportation Funds	\$ 7,162,659	\$ 6,203,843			\$ 7,162,659	\$ 7,162,659	\$ -
STATE GRANTS:							
547 State Critical Brg.	\$ 606,565	\$ 302,852	\$ 613,803	\$ -	\$ -	\$ 613,803	\$ 7,238
551 TED D Funds Rural	195,081	0	195,081			195,081	0
552 TED F Funds Urban	375,000	0	0			0	(375,000)
556 State 2018 State Appropriation to Roads	680,645	80,645	80,645		0	80,645	(600,000)
560 State Appropriation PA 207 of 2018	975,249	975,249	975,249		0	975,249	0
Total State Grants	\$ 2,832,539	\$ 1,358,746	\$ 1,864,778	\$ -	\$ -	\$ 1,864,778	\$ (967,762)
FEDERAL GRANTS:							
510-1 Fed. A. S.	\$ 185,974	\$ 185,974	\$ 185,974	\$ -	\$ -	\$ 185,974	\$ -
510-3 Fed. Aid Hazard Elim. Safety	600,000	0	0	0	0	0	(600,000)
510-5 Fed. Aid-Critical Brg.	2,805,555	987,482	2,844,158			2,844,158	38,603
510-7 Federal STP(ISTEA D Enhancement)	913,323	233,523	913,323		0	913,323	0
511-2 Federal Urban STP	375,000	0	0			0	(375,000)
511-5 Federal B.I.A. Critical Bridge	0	0	0		0	0	0
511-7 Federal Enhancement	0	0	0		0	0	0
510.018 BIA Flood Money	11,107,700	2,886,139	2,767,026	391,473		3,158,499	(7,949,201)
Total Federal Grants	\$ 15,987,552	\$ 4,293,118	\$ 6,710,481	\$ 391,473	\$ -	\$ 7,101,954	\$ (8,885,598)
LOCAL UNITS:							
583-4 Township Contributions	\$ 3,269,919	\$ 1,185,453	\$ 351,311	\$ 1,322,885	\$ -	\$ 1,674,196	\$ (1,595,722)
583-5 Village Contributions	2,300	43,526	0	2,300		2,300	0
583-6 Other Govt. Contrib.	427,527	138,161	0		411,194	411,194	(16,333)
Total Local Units	\$ 3,699,746	\$ 1,367,140	\$ 351,311	\$ 1,325,185	\$ 411,194	\$ 2,087,691	\$ (1,612,055)
OTHER REVENUES:							
476 Permits	\$ 45,000	\$ 44,371	\$ -	\$ -	\$ 46,000	\$ 46,000	\$ 1,000
643 Salvage Sales	6,562	8,025			8,430	8,430	1,868
644/645 Misc. Revenues	161	1,218			1,218	1,218	1,057
665 Interest Earned	140,000	140,423			150,229	150,229	10,229
667/668 Oil/Gas Roy./Rents	7,020	7,020			7,103	7,103	83
675 Other Contributions-Tribal	0	0	0		0	0	0
676 Other Contributions-Private	129,710	125,755	101,327	257,705	13,379	372,412	242,701
693.1 G/(L) on Disposal of Eq/Mat'l.	39,207	39,207			39,207	39,207	0
Total Other Revenues	\$ 367,660	\$ 366,019	\$ 101,327	\$ 257,705	\$ 265,567	\$ 624,599	\$ 256,939
GRAND TOTAL REVENUES	\$ 30,050,156	\$ 13,588,865	\$ 9,027,897	\$ 1,974,363	\$ 7,839,420	\$ 18,841,680	(\$11,208,476)

GENERAL APPROPRIATIONS BUDGET

Fiscal Budget 2018/2019C
Adopted September 26, 2019

REVENUES and EXPENDITURES	2019B Budget	Aug 2019	ENGR. WS	TWP WS	MAINT/ GEN OPER.	2019C Budget	Increase/ (Decrease)
PRIMARY ROAD EXPENSES:							
454 Primary Non-Motorized	\$ 575,754	\$ 247,083	\$ 247,083	\$ -	\$ -	\$ 247,083	(\$328,671)
459 Preservation Improvements	3,490,731	1,292,473	1,251,430	182,671		1,434,101	(2,056,630)
460 Structural Improvements	3,371,309	1,293,997	2,336,650			2,336,650	(1,034,659)
465 Primary Traffic Signals	1,256,114	28,479	90,936			90,936	(1,165,179)
468 Routine & Preventative Maintenance	198,837	213,149	213,389			213,389	14,552
467 Routine & Preventative Maintenance	4,458,047	2,569,001	1,350,007	338,983	2,269,495	3,958,485	(499,562)
Total Primary Expense	\$ 13,350,791	\$ 5,644,181	\$ 5,489,494	\$ 521,654	\$ 2,269,495	\$ 8,280,643	(\$5,070,150)
LOCAL ROAD EXPENSES:							
481 Construction/Capacity Improvements	0	0	0			0	
489/493 Preservation Improvements	\$ 598,277	\$ 108,001	\$ -	248,734	\$ -	\$ 248,734	(\$349,543)
490 Structural Improvements	11,681,106	2,669,355	5,379,526			5,379,526	(6,301,580)
495 Traffic Signals	45,448	0	45,448			45,448	0
497 Routine & Preventative Maintenance	3,703,579	3,392,271	99,458	1,425,660	2,402,500	3,927,618	224,040
498 Road Structure Maintenance	0	43,358	0			0	0
Total Local Expense	\$ 16,028,413	\$ 6,212,984	\$ 5,524,433	\$ 1,674,394	\$ 2,402,500	\$ 9,601,327	(\$6,427,083)
EQUIPMENT EXPENSE:							
510 Equipment Expense Direct (Incl. Deprec.)	\$ 1,535,281	\$ 1,283,805	\$ -	\$ -	\$ 1,485,023	\$ 1,485,023	(\$50,258)
511 Equipment Expense Indirect	547,988	481,869			547,988	547,988	(0)
512 Equipment Expense Operating (Fuel)	400,000	274,579			400,000	400,000	0
Less: Equipment Rental	(1,700,000)	(1,724,263)			(1,762,102)	(1,762,102)	(62,102)
Net Equipment Expense	\$ 783,269	\$ 315,990	\$ -	\$ -	\$ 670,909	\$ 670,909	(\$112,360)
OTHER EXPENDITURES:							
515 Administration	\$ 728,877	\$ 572,080	\$ -	\$ -	\$ 705,591	\$ 705,591	(\$23,286)
Depreciation (Admin/Engr)	12,600	12,433			13,500	13,500	900
Purchase Discounts	(4,476)	(5,744)			(5,788)	(5,788)	(1,312)
Net Administrative Expense	\$ 737,001	\$ 578,769	\$ -	\$ -	\$ 713,303	\$ 713,303	(\$23,698)
900 CAPITAL OUTLAY	\$ 1,719,266	\$ 961,789	\$ -	\$ -	\$ 1,155,080	\$ 1,155,080	(\$564,185)
Less: Equip. Retrmts(689)	0	(6,337)			(6,337)	-6,337	(6,337)
Less: Depreciation	(899,300)	(761,424)			(843,000)	(843,000)	56,300
Net Capital Outlay	\$ 819,966	\$ 194,028	\$ -	\$ -	\$ 305,743	\$ 305,743	(\$514,222)
519/521 Maint. Svcs-Other Units/Non-Road Projects	\$ 2,000	\$ 1,452	\$ -	\$ -	\$ 1,452	\$ 1,452	(\$548,00)
990 USDA Principal Payment	47,670				0	0	(47,670)
990 USDA Interest Payment	212,496				0	0	(212,496)
990 New Caterpillar 140M2 Motor Grader	191,939	191,939			191,939	191,939	0
990 New 2016 Caterpillar Motor Grader	9,929	8,769			9,929	9,929	0
990 INTEREST EXPENSE-Motor Grader	3,102	3,102			3,102	3,102	0
990 INTEREST EXPENSE-2016 Motor Grader	7,806	7,488			7,806	7,806	0
975 LONG-TERM SIB Loan Principal	565,293	292,260			292,260	292,260	(273,033)
Total Other	\$ 1,040,236	\$ 505,010	\$ -	\$ -	\$ 214,228	\$ 506,488	(\$533,747,19)
GRAND TOTAL EXPENDITURES	\$ 32,759,674	\$ 13,450,962	\$ 11,013,927	\$ 2,196,048	\$ 6,576,178	\$ 20,078,413	(\$12,681,260)
INCREASE / (DECREASE) FROM REVENUE	\$ (2,709,517)	\$ 137,903	\$ (1,986,030)	\$ (221,685)	\$ 1,263,242	(\$1,236,733)	\$ 1,472,784
Beginning Fund Balance	\$ 9,379,240	\$ 7,206,315				\$ 9,379,240	\$ -
ENDING FUND BALANCE	\$ 6,669,723	\$ 7,344,218				\$ 8,142,507	\$ 1,472,784
Less Inventory and Prepaids	\$ (375,198)	\$ (382,683)				\$ (375,198)	\$ -
Less MERS	\$ (216,000)					\$ (216,000)	\$ -
NET ENDING FUND BALANCE	\$ 6,078,525	\$ 6,961,535				\$ 7,551,309	\$ 1,472,784

**Table 6: Actuarial Accrued Liabilities and Valuation Assets
as of December 31, 2018**

Division	Actuarial Accrued Liability						Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
	Active Employees	Vested Former Employees	Retirees and Beneficiaries	Pending Refunds	Total				
01 - General	\$ 5,387,848	\$ 785,164	\$ 7,726,400	\$ 17,369	\$ 13,916,781	\$ 10,206,071	73.3%	\$ 3,710,710	
10 - Mgmt	476,003	0	0	0	476,003	468,963	98.5%	7,040	
11 - General after 12/01/14	81,766	18,814	0	154	100,734	111,403	110.6%	(10,669)	
Total	\$ 5,945,617	\$ 803,978	\$ 7,726,400	\$ 17,523	\$ 14,493,518	\$ 10,786,437	74.4%	\$ 3,707,081	

The following results show the combined accrued liabilities and assets for each set of linked divisions. These results are already shown in the table on the prior page(s).

Table 6 (continued)

Division	Actuarial Accrued Liability					Valuation Assets	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
	Active Employees	Vested Former Employees	Retirees and Beneficiaries	Pending Refunds	Total			
Linked Divisions 11, 01	\$ 5,469,614	\$ 803,978	\$ 7,726,400	\$ 17,523	\$ 14,017,515	\$ 10,317,474	73.6%	\$ 3,700,041

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

2017 ISABELLA COUNTY ROAD COMMISSION ORGANIZATIONAL CHART

5 – Board Commissioners

36-Employees Total

34 – Full Time Employees
3 – Part Time Employees

•8 Administrative (+1 Shared):

o Salary Wage Rate Range: \$59,716.80 \$104,915.20
Hourly Wage Rate Range: \$13.00 \$21.25

•29 Field Operations/Roads:

o Hourly Wage Rate Range: \$16.00 \$24.60

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

