

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

**CERTIFICATION YEAR 2018**

**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 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:


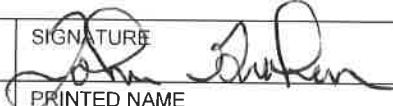
I certify that medical benefits are offered to employees or elected public officials in compliance with the publically funded health insurance contribution act, 2011 PA 152; or

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 Street Administrator and the Treasurer or Financial Director.

SIGNATURE 		SIGNATURE 	
PRINTED NAME JALENE SANDEL		PRINTED NAME JOHN GRAHAM	
TITLE FINANCE DIRECTOR	DATE 9/27/2018	TITLE CHAIRMAN	DATE 9/27/2018

**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 2018/2019  
Adopted September 28, 2018

REVENUES and EXPENDITURES	2018 C Budget	ENGR. WS	TWP WS	MAINT/ GEN OPER	2019A Budget
<b>TRANSPORTATION FUND</b>					
546-1 MTF-Engineering	\$ 10,000	\$ -	\$ -	\$ 10,000	\$ 10,000
546-2 MTF-Primary Rd.	4,214,493			4,214,493	4,214,493
546-3 MTF-Local Rd.	2,428,691			2,428,691	2,428,691
546-4 MTF-Primary Urban	428,593			428,593	428,593
546-5 MTF-Local Urban	80,882			80,882	80,882
<b>Total Transportation Funds</b>	<b>\$ 7,162,659</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,162,659</b>	<b>\$ 7,162,659</b>
<b>STATE GRANTS:</b>					
339 Deffered Revenue-Coleman Road	0			0	0
547 State Critical Brg.	\$ 893,140	\$ 508,803	\$ -	\$ -	\$ 508,803
556 State RRR/PRIP	395,645	775,397			775,397
551 TED D Funds Rural	0	195,081			195,081
552 TED F Funds Urban	0	375,000			375,000
570 State Aid - FEMA (14 disaster)	41,264			0	0
<b>Total State Grants</b>	<b>\$ 1,330,049</b>	<b>\$ 1,854,281</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,854,281</b>
<b>FEDERAL GRANTS:</b>					
510-1 Fed. A S	\$ 1,099,155	\$ -	\$ -	\$ -	\$ -
510-3 Fed. Aid Hazard Elim. Safety	69,526	600,000	0	0	600,000
510-5 Fed. Aid-Critical Brg.	1,259,622	2,713,615			2,713,615
510-7 Federal STP(ISTEA D Enhancement)	154,567	671,867	0		671,867
511-2 Federal Urban STP	0	375,000			375,000
511-5 Federal B I A Critical Bridge	0	0	0	0	0
530-0 Emergency Relief	1,206,621	3,612,895	7,936,455		11,549,350
<b>Total Federal Grants</b>	<b>\$ 3,789,491</b>	<b>\$ 7,973,377</b>	<b>\$ 7,936,455</b>	<b>\$ -</b>	<b>\$ 15,909,831</b>
<b>LOCAL UNITS:</b>					
583-4 Township Contributions	\$ 2,599,889	\$ 1,174,595	\$ 646,466	\$ -	\$ 1,821,062
583-5 Village Contributions	2,300		2,300		2,300
583-6 Other Govt. Contrib	0	0	0		0
<b>Total Local Units</b>	<b>\$ 2,602,189</b>	<b>\$ 1,174,595</b>	<b>\$ 648,766</b>	<b>\$ -</b>	<b>\$ 1,823,362</b>
<b>OTHER REVENUES:</b>					
476 Permits	\$ 61,318	\$ -	\$ -	\$ 45,000	\$ 45,000
643 Salvage Sales	19,460			4,523	4,523
644/645 Misc Revenues	1,225			130	130
665 Interest Earned	50,000			9,500	9,500
667/668 Oil/Gas Roy /Rents	7,545			7,011	7,011
675 Other Contributions-Tribal	0	0		0	0
676 Other Contributions-Private	594,041	0	25,000	0	25,000
693 1 G/(L) on Disposal of Eq/Mat'l	109,520			75,000	75,000
<b>Total Other Revenues</b>	<b>\$ 843,108</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 141,164</b>	<b>\$ 166,164</b>
<b>GRAND TOTAL REVENUES</b>	<b>\$ 15,727,496</b>	<b>\$ 11,002,253</b>	<b>\$ 8,610,221</b>	<b>\$ 7,303,823</b>	<b>\$ 26,916,297</b>

**GENERAL APPROPRIATIONS BUDGET**

Fiscal Budget 2018/2019  
Adopted September 28, 2018

REVENUES and EXPENDITURES	2018 C Budget	ENGR	TWP	MAINT/ GEN OPER	2019A Budget
		WS	WS		
<b>PRIMARY ROAD EXPENSES:</b>					
454 Primary Non-Motorized	\$ 1,614,963	\$ -	\$ -	\$ -	\$ -
459 Preservation Improvements	2,957,208	2,365,253	0		2,365,253
460 Structural Improvements	1,801,799	1,208,453			1,208,453
465 Primary Traffic Signals	146,827	1,194,906			1,194,906
468 Routine & Preventative Maintenance	27,161	198,837			198,837
467 Routine & Preventative Maintenance	3,266,574	1,368,948	2,627,620	1,865,000	5,861,568
<b>Total Primary Expense</b>	<b>\$ 9,814,532</b>	<b>\$ 6,336,397</b>	<b>\$ 2,627,620</b>	<b>\$ 1,865,000</b>	<b>\$ 10,829,016</b>
<b>LOCAL ROAD EXPENSES:</b>					
489/493 Preservation Improvements	\$ 189,422	\$ -	\$ -	\$ -	\$ -
490 Structural Improvements	1,410,632	6,581,587			6,581,587
495 Traffic Signals	12,592	45,448			45,448
497 Routine & Preventative Maintenance	3,887,043	0	6,673,364	2,012,500	8,685,864
498 Road Structure Maintenance	5,000	0			0
<b>Total Local Expense</b>	<b>\$ 5,504,690</b>	<b>\$ 6,627,035</b>	<b>\$ 6,673,364</b>	<b>\$ 2,012,500</b>	<b>\$ 15,312,900</b>
<b>EQUIPMENT EXPENSE:</b>					
510 Equipment Expense Direct (Incl. Deprec.)	\$ 1,492,600	\$ -	\$ -	\$ 1,504,581	\$ 1,504,581
511 Equipment Expense Indirect	478,000			485,836	485,836
512 Equipment Expense Operating (Fuel)	400,000			400,000	400,000
Less: Equipment Rental	-1,700,000			-1,700,000	-1,700,000
<b>Net Equipment Expense</b>	<b>\$ 670,600</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 690,417</b>	<b>\$ 690,417</b>
<b>OTHER EXPENDITURES:</b>					
515 Administration	\$ 728,077	\$ -	\$ -	\$ 700,665	\$ 700,665
Depreciation (Admin/Engr)	12,600			12,600	12,600
Purchase Discounts	(4,476)			(4,476)	(4,476)
<b>Net Administrative Expense</b>	<b>\$ 736,201</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 708,789</b>	<b>\$ 708,789</b>
<b>900 CAPITAL OUTLAY</b>	<b>\$ 957,041</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,101,000</b>	<b>\$ 2,101,000</b>
Less: Equip Retlrmts(689)	-217,095			0	0
Less: Depreciation	-899,300			-899,300	-899,300
<b>Net Capital Outlay</b>	<b>\$ (159,354)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,201,700</b>	<b>\$ 1,201,700</b>
519/521 Maint Svcs-Other Units/Non-Road Projects	\$ 3,385	\$ -	\$ -	\$ 2,000	\$ 2,000
990 New Caterpillar 140M2 Motor Grader	9,077			6,174	6,174
990 New 2016 Caterpillar Motor Grader	9,435			9,929	9,929
990 INTEREST EXPENSE-Motor Grader	4,312			2,062	2,062
990 INTEREST EXPENSE-2016 Motor Grader	8,300			7,806	7,806
975 LONG-TERM SIB Loan Principal	154,099			154,099	154,099
<b>Total Other</b>	<b>\$ 188,608</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 182,070</b>	<b>\$ 182,070</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>\$ 16,755,277</b>	<b>\$ 12,963,432</b>	<b>\$ 9,300,984</b>	<b>\$ 6,660,476</b>	<b>\$ 28,924,892</b>
<b>INCREASE / (DECREASE) FROM REVENUE</b>	<b>\$ (1,027,781)</b>	<b>\$ (1,961,179)</b>	<b>\$ (690,763)</b>	<b>\$ 643,347</b>	<b>\$ (2,008,595)</b>
<b>Beginning Fund Balance</b>	<b>\$ 8,234,097</b>				<b>\$ 7,206,315</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 7,206,315</b>				<b>\$ 5,197,720</b>
Less Inventory and Prepaids	\$ (397,561)				\$ (397,561)
Less MERS					\$ (400,000)
<b>NET ENDING FUND BALANCE</b>	<b>\$ 6,808,754</b>				<b>\$ 4,400,159</b>

## Actuarial Accrued Liabilities and Valuation Assets As of December 31, 2017

Table 6

Division	Actuarial Accrued Liability	Valuation Assets <sup>1</sup>	Percent Funded	Unfunded (Overfunded) Accrued Liabilities
01 - General				
Active Employees	\$ 4,911,042	\$ 1,152,009	23.5%	\$ 3,759,033
Vested Former Employees	983,213	983,213	100.0%	0
Retirees And Beneficiaries	7,599,869	7,599,869	100.0%	0
Pending Refunds	<u>16,924</u>	<u>16,924</u>	100.0%	<u>0</u>
Total	\$ 13,511,048	\$ 9,752,015	72.2%	\$ 3,759,033
10 - Mgmt				
Active Employees	\$ 425,684	\$ 362,744	85.2%	\$ 62,940
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>
Total	\$ 425,684	\$ 362,744	85.2%	\$ 62,940
11 - General after 12/01/14				
Active Employees	\$ 61,713	\$ 71,294	115.5%	\$ (9,581)
Vested Former Employees	0	0	0.0%	0
Retirees And Beneficiaries	0	0	0.0%	0
Pending Refunds	<u>1,845</u>	<u>1,845</u>	100.0%	<u>0</u>
Total	\$ 63,558	\$ 73,139	115.1%	\$ (9,581)
<b>Total Municipality</b>				
<b>Active Employees</b>	\$ 5,398,439	\$ 1,586,047	29.4%	\$ 3,812,392
<b>Vested Former Employees</b>	983,213	983,213	100.0%	0
<b>Retirees and Beneficiaries</b>	7,599,869	7,599,869	100.0%	0
<b>Pending Refunds</b>	<u>18,769</u>	<u>18,769</u>	<u>100.0%</u>	<u>0</u>
<b>Total</b>	\$ 14,000,290	\$ 10,187,898	72.8%	\$ 3,812,392
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.				
Linked Divisions 11, 01				
Active Employees	\$ 4,972,755	\$ 1,223,303	24.6%	\$ 3,749,452
Vested Former Employees	983,213	983,213	100.0%	0
Retirees and Beneficiaries	7,599,869	7,599,869	100.0%	0
Pending Refunds	<u>18,769</u>	<u>18,769</u>	100.0%	<u>0</u>
Total	\$ 13,574,606	\$ 9,825,154	72.4%	\$ 3,749,452

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

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

2017 ISABELLA COUNTY ROAD COMMISSION  
ORGANIZATIONAL CHART

5 – Board Commissioners

ISABELLA COUNTY  
RESIDENTS

Road Commission Board  
Terry Turnwald Robert Curtiss Dave Livermore Kelly Beltrick John Graham

36-Employees Total

33 – Full Time Employees  
2 – Part Time Employees

\* 8 Administrative (+1 Shared):

o Salary Wage Rate Range: \$57,969.60 \$96,012.80  
o Hourly Wage Rate Range: \$16.97 \$20.63

\* 29 Field Operations/Roads:

o Hourly Wage Rate Range: \$16.00 \$23.88

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

