

**AGENDA**  
**HOUGHTON COUNTY BOARD OF COMMISSIONERS**  
**SPECIAL MEETING**  
**April 23, 2019 – 12:00 PM**

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda/Additions
- E. Public Comments
- F. New Business
  - 1. Houghton County Airport Fund Deficit Elimination Plan, Budget and Resolution
  - 2. Houghton County Child Care Plan Budget and Amended Resolution
  - 3.
  - 4.
  - 5.
  - 6.
  - 7.
  - 8.
- G. Public comments
- H. Announcements
- I. Adjournment

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**From:** Sperry, Tessah (TREASURY) <SperryT@michigan.gov>  
**Sent:** Friday, April 12, 2019 11:49 AM  
**To:** Debbie Bradford <debbie@rukkilaneegro.com>  
**Cc:** Sanders, William (TREASURY) <SandersW1@michigan.gov>  
**Subject:** Houghton County Deficit Elimination Plan FY 2018

Good Morning,

Thank you for submitting the Deficit Elimination Plan for Houghton County. I have a couple of requests after reviewing the plan.

During the review of the FY 2018 Audit, I noticed that there was a \$100,853 current asset -current liability deficit in the Airport Fund. This deficit was not noted in the FY 2018 Auditing Procedures Report, which was prepared by your CPA, or the Deficit Elimination Plan requests Letter, attached. The FY 2018 Deficit Elimination Plan request Letter is based off of the 2018 Auditing Procedures Report, thus we did not request a Deficit Elimination Plan Report in the request letter as it was not indicated in the Auditing Procedures Report. Upon review of the FY 2018 Audit, however, I noted there is a deficit in the Airport Fund that requires a Deficit Elimination Plan. Please provide a Deficit Elimination Plan for the \$100,853 current asset-current liability deficit in the Airport Fund in accordance with our 2016 Number Letter, acceptable evidence to support a plan.

During our review of the Deficit Elimination Plan for the Child Care Fund it appears that the submitted plan is to transfer funds over from the General Fund. Our 2016 Numbered Letter acceptable evidence to support a plan requires a projected budget as evidence by an approved authorizing resolution. Though the transfer is an allowed means to eliminate the deficit, it would need to be incorporated in the projected budget. Please provide a revised plan that includes a projected budget as evidenced by an approved authoring resolution.

You will have thirty days from the date of this message to email the requested materials. Please email the requested materials to me at [Sperryt@michigan.gov](mailto:Sperryt@michigan.gov) and CC [SanderW1@michigan.gov](mailto:SanderW1@michigan.gov) . If the materials are not filed in our office within 30 days from the date of this message, we will recommend that 25% of your State Shared Revenue be withheld pursuant to MCL 141.921(2). Your thirty days will expire **Monday, May 13, 2019**. Please let me know if you have any questions.

Thanks,

Tessah Sperry  
Department of Treasury  
Community Engagement and Finance Division  
(517) 241-1539

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**2 attachments**

Houghton County Child Care Fund  
Deficit Elimination Plan

For the September 30, 2018 deficit, the Houghton County General Fund will transfer the \$100,853.00 to the Airport Fund to cover the current deficit.

**HOUGHTON COUNTY  
BOARD OF COMMISSIONERS**

401 E. Houghton Avenue, Houghton, Michigan 49931

Telephone: (906)482-8307 Fax: (906)482-7238

**Chairperson**  
Albert Koskela  
**Vice Chairperson**  
Tom Tikkanen

**Commissioners**  
Glenn Anderson  
Gretchen Janssen  
Roy Britz

**HOUGHTON COUNTY AIRPORT FUND  
RESOLUTION TO REDUCE UNRESTRICTED NET ASSET BALANCE**

WHEREAS, the Houghton County Airport Fund, in an attempt to be proactive regarding its unfunded MERS liability, made a voluntary contribution to MERS of \$207,545; and

WHEREAS, that voluntary payment has resulted in a deficit balance of unrestricted net assets as of September 30, 2018; and

WHEREAS, pursuant to MCL 141.921, any local unit of government ending its fiscal year with a deficit net asset balance must file a deficit elimination plan with the Michigan Department of Treasury; and

WHEREAS, failure to submit a deficit elimination plan, and receive Department of Treasury approval for such plan, could result in a reduction of State Revenue Sharing.

NOW, THEREFORE BE IT RESOLVED that the Houghton County Board of Commissioners approve the transfer of \$100,853 from the Houghton County General Fund to the Airport Fund to eliminate the deficit balance.

BE IT FURTHER RESOLVED that the Houghton County Board of Commissioners approve the projected budget for the year ending September 30, 2019 for the Houghton County Airport Fund.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN      )  
  )ss.  
COUNTY OF HOUGHTON )

I, the undersigned, the duly qualified and acting Clerk of the County of Houghton, state of Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the County Board of the County of Houghton at its regular meeting held on the 23rd Day of April, 2019, the original of which resolution is on file in my office.

**IN WITNESS WHEREOF**, I have hereunto set my official signature, this 23rd Day of April, 2019.

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Jennifer Kelly, Clerk  
County of Houghton



Houghton County  
 Airport Fund  
 Statement of Projected Revenues and Expenditures  
 Year Ending September 30, 2019

Revenues	
Federal Grants	950,000
AIP	25,000
State Air Service	30,000
ARFF Training	2,000
Charges for Services	360,600
Sales	
Jet A	270,000
100LL	165,000
Aviation Oil	500
Diesel	40,000
Unleaded	55,000
Rentals	490,557
Reimbursements & Refunds	68,437
Other	19,000
Transfer in-General Fund	109,853
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Total Revenues	2,585,947
Disbursements	
Salaries & wages	435,236
Overtime	13,000
Social Security	34,290
Employee benefits	
Health insurance	105,930
Life insurance	650
Retirement	87,419
Workers Comp	3,500
Depreciation expense	1,000,000
Office supplies	3,500
Postage	1,500
Computer supplies	4,000
Diesel use	25,000
Lead free use	750
Wildlife Management	500
Cost of Sales	
Jet A	140,000
100 LL	125,000
Oil	1,500
Diesel	30,000
Unleaded	40,000
Concessions-Resale	2,500
Professional & Contractual	5,000
Membership dues	4,000
Permits/License fees	2,000
Phones	6,000
Electric	70,000
Natural gas	35,000
Water	5,000
Sewer	5,500
Employee training	21,750
Janitorial supplies	3,500
Marketing	500
Insurance	53,000
Repair & maintenance	
Building	35,000
Equipment	45,000
Grounds	20,000
Runway	5,000
Bench Stock	5,000
Potassium Acetat	20,000
Aircraft ground handling	7,500
NF-OBS (Back-up Weather)	1,000
Credit card fees	7,000
Sales & excise tax	20,000
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Total Disbursements	2,431,025
NET INCOME (LOSS)	154,922



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Jennifer Kelly, Clerk  
County of Houghton



Houghton County  
 Child Care Fund  
 Statements of Projected Revenue, Expenditures  
 and Changes in Fund Balance  
 Year Ending September 30, 2019

2019

State basic grant	15,000
CJO State Grant	27,317
Foster care reimbursement	6,000
State's 10% Reimbursement	20,000
Transfers in	340,000
Total Revenues	<u>408,317</u>
Salaries & wages	113,399
Social Security	8,675
Hospitalization	9,423
Life insurance	115
Retirement	24,246
Family foster care	200,000
Family foster care-other	1,200
Non Reimb Payments	1,000
Basic Grant Reimbursement	15,000
Total Expenses	<u>373,058</u>
Net	35,259
Beginning Fund Balance	<u>(35,059)</u>
Ending Fund Balance	<u>200</u>