



Budget & Finance Committee

Wednesday, January 18, 2012 – 9:30 a.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Olsen called the meeting to order at 9:37 AM

Roll call – Present: Lee Olsen, Paul Beachnau, Erma Backenstose, Clark Bates, John Burt

Others present – Rachel Frisch

APPROVAL OF MINUTES

Motion by Mr. Beachnau to approve the minutes from the December 7, 2011 budget and finance committee meeting. Motion passed unanimously.

UNFINISHED BUSINESS

A. Bagley DDA

Mr. Burt distributed the legal opinion from CMDA, PLC regarding Otsego County's authority over the Bagley DDA. Page 4 of the opinion states that "the County has no authority to dissolve either the DDA or the TIF".

NEW BUSINESS

A. Fund 283 – Airport Planning Grant Fund

Ms. Frisch informed the Committee that Fund 283 has been created in the general ledger to account for the airport planning grant.

B. Recycling Budget

Mr. Burt informed the Committee that he has discussed the matter with Patricia Osburn of the Soil Conservation District, to contract with the District to provide educational materials/services to Otsego County citizens with respect to recycling and to begin a pilot recycling program on Saturdays. The cost for education will be \$5,500 (\$2,000 from the OWLS organization and \$3,500 from the County; the OWLS contribution will pass through the County). The cost for the pilot program will be \$4,000.

Motion by Mr. Burt to recommend to the full board to transfer a total of \$9,500 into the Recycling Fund (fund 226); \$5,500 for educational materials and services, and \$4,000 for a pilot recycling program. Funds to come from the following sources: \$2,000 from the OWLS organization (which will pass through the County) and \$7,500 from the County, which was originally budgeted in the General Fund.

C. Dover Township Request

Mr. Burt informed the Committee that Dover Township may incur significant expenses to defend its position on the assessment value of Treetops Resort properties. The Township is requesting that the County contribute toward these costs.

The Committee decided not to grant the request.

D. Airport Fuel Truck Repair

Mr. Burt explained that the fuel truck at the airport needed repair done immediately in order to be used.

Motion by Mr. Beachnau to recommend to the full board transferring \$1,100 to the Airport Fund (fund 281) out of the Equipment Fund (fund 266) for repairs to the fuel truck. Motion passed unanimously.

E. Planning Commission

Mr. Burt explained the need for additional Planning Commission meetings in 2012. He recommends adding budget dollars for another 5 meetings, in addition to the 5 already budgeted for.

Motion by Mr. Beachnau to recommend to the full board adding \$2,500 to the Planning and Zoning budget for additional Planning Commission meetings in 2012, funds to come from contingency. Motion passed unanimously.

F. Mileage Reimbursement Rate

Ms. Frisch asked the Committee's opinion on increasing the mileage reimbursement rate to 50 cents per mile (currently at 40 cents per mile), which is still below the approved IRS rate of 55.5 cents per mile for 2012. The clerical union employees already get 50 cents per mile. The budgetary impact would be minimal.

Motion by Mr. Beachnau to recommend to the full board increase the mileage reimbursement rate for County employees to 50 cents per mile. Motion passed unanimously.

G. Millage Discussion

There are 3 millages that will expire in 2013: Bus, EMS, and Animal Control. They will be renewals only – no change in tax rates. All 3 would like to go on the August ballot. The deadline to request being included in the August ballot is the end of May, so no action is needed at this time.

H. 2011 Budget Amendments

Ms. Frisch presented several 2011 budget amendments for the Committee's review and approval. She explained the amendments and answered questions.

Motion by Mr. Beachnau to recommend to the full board to approve the 2011 budget amendments. Motion passed unanimously.

I. 2012 Budget Amendments

Ms. Frisch presented 2 budget amendments for the 2012 budget – 1) to budget for the architectural/engineering services at the Groen property, and 2) to reflect the health care coverage changes per the 2012 open enrollment.

Motion by Mr. Bates to recommend to the full board to approve the 2012 budget amendments. Motion passed unanimously.

J. December 2011 Preliminary Budget Reports

Ms. Frisch distributed and discussed the reports with the Committee.

K. Airport T-Hangar

Mr. Burt distributed pictures of the eroded beams of the T-hangar. He said the beams appear to be eroded only at the bottom, but that a structural engineering study needs to be done. He has contacted John Ernst to give an estimate on the cost of doing a study.

L. Travel Expense Policy Update

Mr. Burt distributed proposed wording additions to the existing travel policy, regarding the non-reimbursement of alcoholic beverage purchases and regarding special permission to exceed the meal reimbursement caps in certain instances. The Committee also discussed raising the meal limits for lunch and dinner.

Motion by Mr. Bates to recommend to the full board adding the language to the Travel Expense policy as presented in items E and F and to increase the meal reimbursement caps to \$15 for lunch and \$20 for dinner. Motion passed unanimously.

M. Economic Alliance Fee

Mr. Burt informed the Committee that the Economic Alliance is struggling with funding levels. The County has increased its allocation to \$3,500 for 2012 (was \$2,500 for 2011), plus continues to provide office space and copier usage at no cost. Mr. Burt would like the Committee to be aware of the situation and keep in mind that the Alliance will most likely seek increased allocations in the future.

Mr. Olsen adjourned the meeting at 11:14 AM