



## Budget & Finance Committee

Wednesday January 21, 2009 – 9:00 a.m.  
Room 212 – Otsego County Building  
Gaylord, MI 49735

### MINUTES

#### CALL TO ORDER

Mr. Beachnau called the meeting to order at 9:00 AM

Roll call – Present: Erma Backenstose, Ken Glasser, Paul Beachnau, Clark Bates, John Burt

Others present: Rachel Frisch, Diann Axford

#### APPROVAL OF MINUTES

Motion by Mr. Glasser to approve the minutes from the December 11, 2008 Budget and Finance Committee meeting. Mr. Bates abstained from the vote. Ayes: 4, Nays: 0. Motion passed.

#### UNFINISHED BUSINESS

##### A. Airport Computer Network Project

Mr. Burt informed the Committee that the cost to bring the airport fully on to the County's computer network will cost approximately \$4,000. He recommended that the funds come from the Computer Software Fund 402.

Motion by Mr. Glasser to recommend to the full board to spend up to \$4,000 on the airport computer network project, funds to come from the Computer Software Fund 402. Motion passed unanimously.

#### NEW BUSINESS

##### A. December 2008 Budget Report, Amendments, and Fund Updates

Ms. Frisch presented the December 2008 budget report, and the Committee discussed the information. Ms. Frisch noted that these reports are not final, as there will still be additional 2008 activity.

Motion by Ms. Backenstose to recommend to the full board approving the 2008 budget amendments. Motion passed unanimously.

##### B. Jail Study Fund

Mr. Burt explained to the Committee that since it is unlikely that a jail millage will be passed in the near future, it was time to forgive the \$50,000 loan that the Public Improvement Fund (245) loaned to the Jail Study Fund (498). Originally, it was thought that once a millage was passed, the bond monies could be used to repay the Public Improvement Fund. Since that is not likely at this point, the recommendation is to forgive the loan and treat it as an operating transfer of funds. Mr. Glasser suggested that the transfer should actually come from the Delinquent Tax Fund (516), to reimburse the Public Improvement Fund.

Motion by Mr. Glasser to recommend to the full board forgiving the \$50,000 loan from the Public Improvement Fund (245) to the Jail Study Fund (498) and treating the transaction as an operating transfer of funds. Also, to have the Delinquent Tax Fund (516) reimburse the Public Improvement Fund the full amount of the transfer. Motion passed unanimously.

### **C. Investment Update**

Ms. Axford updated the Committee on investment performance. Mr. Glasser voiced concerns with respect to investment risk, given recent events in the financial institution industry. He recommended that Ms. Axford to inquire into the legitimacy of the County's investments, and also to discuss these issues with other Treasurers at her upcoming Treasurer's conference.

### **D. Battery Backup Purchase**

Mr. Burt informed the Committee that there are still two servers left in the County that need new battery backups. He recommended purchasing one for the courthouse, at an estimated cost of between \$1,200-\$1,300 using Computer Software Fund 402 monies.

Motion by Mr. Glasser to recommend to the full board purchasing a battery backups for the courthouse server at a cost not to exceed \$1,300, funds to come from the Computer Software Fund 402. Motion passed unanimously.

### **E. Purchasing Policy Update**

Mr. Burt presented copies of the County purchasing policy including updated language, as recommended by the Infrastructure Committee. Mr. Bates recommended a change to clarify the wording in section 2.18 and 2.19 of the policy.

Motion by Ms. Backenstose to recommend to the full board approving the changes to the County purchasing policy, as amended. Motion passed unanimously.

### **F. Property Purchase**

The Board of Commissioners authorized the purchase of property located at 222 Court Street at its last board meeting. Mr. Burt is proposing a budget amendment for the purchase price of \$30,000, to be paid for out of the Capital Projects Fund 499. Mr. Glasser recommended that the Computer Software Fund 402 reimburse the Capital Projects Fund.

Motion by Mr. Glasser to recommend to the full board authorizing the use of Capital Projects Fund (499) monies to purchase the property at 222 Court Street, and the Capital Projects Fund will be reimbursed with Computer Software Fund (402) monies.

### **G. Animal Control Fees**

Mr. Burt informed the Committee that the Justice and Public Safety Committee had recommended that the fee for boarding horses at the shelter would be equal to the total of all vet bills pertaining to the horse during its stay.

Motion by Ms. Backenstose to recommend to the full board that the fee for boarding horses at the animal shelter would be equal to the total of all vet bills pertaining to the horse during its stay. Motion passed unanimously.

## **H. Brownfield Update**

Mr. Burt informed the Committee that it is now time to take action with respect to the Brownfield loan from the DEQ. He mentioned that all financial activities will run through the Brownfield Redevelopment Authority (a separate legal entity), not Otsego County.

Motion by Mr. Bates to recommend to the full board approving resolution OCR 09-01 OCBRA Loan Resolution and the Brownfield Development and Reimbursement Agreement.

## **I. Letter to the Editor**

Mr. Burt presented copies of a letter to the editor regarding property taxes. No action is required.

Mr. Beachnau adjourned the meeting at 10:45 AM.