



Budget & Finance Committee

Wednesday November 17, 2010 – 9:30 a.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Beachnau called the meeting to order at 9:30 AM

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

Others present – Rachel Frisch, Diann Axford

Absent (excused) – Ken Glasser

APPROVAL OF MINUTES

Motion by Ms. Backenstose to approve the minutes from the November 2, 2010 budget and finance committee meeting. Motion passed unanimously.

UNFINISHED BUSINESS

None.

NEW BUSINESS

A. Land Use Services Funding

Mr. Burt distributed a memo proposing a change to the staffing allocation for the Land Use Services department for 2011, in order to better serve the public for both the building department and planning/zoning.

Under the proposed staffing change, the Land Use Services Director will remain at a 50/50 split between planning/zoning and the building department. The Land Use Services Clerk, who is currently split 75(plan/zon)/25 (bldg), will be split 50/50. Additionally, the Building Inspector will remain an Otsego County employee instead of becoming a contracted vendor.

The additional cost on the planning/zoning side will be funded by adding a \$35 zoning permit fee which is expected to add \$9,000 to revenues, plus reducing the general fund allocation to building and grounds by approximately \$13,000. The savings on the building department side will be absorbed into fund balance during 2011.

Motion by Mr. Bates to recommend to the full board approving the staffing change as detailed in the 11/17/10 staffing memo prepared by Mr. Burt. Motion passed unanimously.

B. Fee Schedule Update

Mr. Burt distributed the Otsego County fee schedule, updated for proposed fee increases in the Clerk/ROD departments, and Planning and Zoning. The Committee discussed raising the Planning Commission permit fees to the proposed rates only if someone requested a special meeting but to leave the fee at the original rate if they waited to address their issue at a regularly scheduled Planning Commission meeting.

Motion by Ms. Backenstose to recommend to the full board approving the proposed rate changes, with the Planning Commission permit fees amended as discussed. Motion passed unanimously.

C. AT&T Building Renovations

Mr. Burt indicated that there is not an immediate need to move forward with the AT&T building renovations at this time. His recommendation is to hold off for now but keep the \$75,000 reserved in the Capital Projects Fund (fund 499) for future remodeling.

D. Breitburn Oil and Gas Request

Mr. Burt distributed a lease agreement proposed by Breitburn allowing them to drill deeper into the ground at their existing well. The well is on property owned by the Road Commission. Otsego County owns the mineral rights and receives 15% of the royalties. This will not mean adding another well; they will be using the existing well.

Motion by Mr. Bates to recommend to the full board approving the amended lease language to allow Breitburn to drill deeper into the existing well site. Motion passed unanimously.

E. Energy Grant Payment

The energy grant project has been completed. Over 800 lights were replaced at the Alpine Center. Otsego County needs to pay the bill up front and then will be reimbursed by the grant. The grant is a multi-county grant managed by NEMCOG. Presque Isle County is the fiduciary for the grant. The amount of the bill is \$76,015.

Motion by Mr. Bates to recommend to the full board approving payment of the bill for the energy grant project, which will subsequently be reimbursed to the County. Motion passed unanimously.

F. October Financial Report

Ms. Frisch distributed October 2010 balance sheet and budget reports for the Committee's review.

Mr. Beachnau adjourned the meeting at 10:12 AM