



## Budget & Finance Committee

Monday, November 5, 2012 – 2:00 p.m.  
Room 212 – Otsego County Building  
225 West Main Gaylord, MI 49735

### MINUTES

#### CALL TO ORDER

Mr. Olsen called the meeting to order at 2:00 p.m.

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

Others present – Undersheriff Matt Nowicki, Jail Administrator Brian Webber, Chris Holborn, Rachel Frisch, Diann Axford, Trisha Adam.

#### APPROVAL OF MINUTES

Motion by Mr. Bates to approve the minutes from the October 30, 2012 budget and finance committee meeting. Motion passed unanimously.

#### UNFINISHED BUSINESS

##### A. Foreclosure Fund Update

Mr. Burt summarized the legal opinion on how to handle losses on foreclosure sales issue for the Committee, stating that the permits the County to chargeback the loss (interest and taxes only, not fees and penalties), but we are not required to charge it back.

Ms. Axford stated that she could prepare a report for the next meeting which would show the breakdown of the chargeback amounts for each taxing unit. Her recommendation would be to chargeback the losses going forward, starting with the 2012 foreclosure sale. She is required to communicate her intent in a letter sent out to the taxing units no later than December 1<sup>st</sup>.

Motion by Mr. Beachnau to postpone the issue of charging back the foreclosure sale losses until the Committee can review the breakdown as prepared by Ms. Axford at the November 14, 2012 Committee meeting. 3 ayes (Olsen, Burt, Beachnau), 2 nays (Backenstose, Bates); motion passed.

#### NEW BUSINESS

##### A. Jail Budget Update

Mr. Webber communicated that the overcrowding situation in the jail has caused the room and board, medical expense, and overtime line items to need additional budget dollars. He mentioned that we have served 4,350 more meals in the jail in 2012 than we did in 2011.

Ms. Frisch distributed the proposed budget amendment for the Committee's review, noting that we will not have to use contingency dollars for the jail budget; we are able to do internal transfers within the sheriff/jail budgets to cover the additional expenses.

Motion by Mr. Beachnau to recommend to the full board approving the jail budget amendment. Motion passed unanimously.

Ms. Frisch also distributed an amendment for the Commissary Fund (fund 595), stating that the increased number of inmates has also resulted in increased commissary activity.

Motion by Mr. Beachnau to recommend to the full board approving the Commissary Fund (fund 595) budget amendment. Motion passed unanimously.

**B. Livingston Boulevard Request**

Mr. Burt informed the Committee that he has been contacted by Jack Thompson regarding the poor condition of Livingston Boulevard. The Road Commission has projected that repairing the road will cost \$47,000, of which the Road Commission will cover \$20,000. Mr. Thompson would like to meet with the relevant municipalities/agencies to discuss dividing the remaining cost to repair the road. Mr. Burt asked for guidance from the Committee. The Committee directed Mr. Burt to attend the meeting and report back.

**C. Capital Projects Budget Update**

Mr. Burt distributed and discussed the updated capital projects spreadsheet.

**D. 2013 Budget Discussion**

Mr. Burt made a motion at 2:50 p.m. to enter into a closed session, citing section 15.268, subsection 8(c) of the Open Meetings Act, which allows for closed sessions “for strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement if either negotiating party requests a closed hearing”.

The Committee adjourned the closed session at 3:11 p.m.

Ms. Frisch stated that the next budget workshop on November 14, 2012 will be the last one. We will finalize the General Fund, and also discuss the remaining funds and component units.

Mr. Olsen adjourned the meeting at 3:55 p.m.