



## Budget & Finance Committee

Wednesday May 19, 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, John Burt, Clark Bates, Erma Backenstose, Ken Glasser

Others present – Diann Axford, Rachel Frisch, Sheriff McBride, Jon Deming, Mike Hyde

#### APPROVAL OF MINUTES

Motion by Mr. Glasser to approve the minutes from the April 21, 2010 budget and finance committee meeting. Motion passed unanimously.

#### UNFINISHED BUSINESS

##### A. Friendship Shelter

Mr. Burt presented a proposed agreement for services between Otsego County and the Friendship Shelter, which specifies that the Shelter will bill the County a per-resident, per-bed-night fee for housing Otsego County citizens, up to a maximum of \$1,000. The agreement would be effective for the remainder of 2010. Funding to come from contingency.

Mr. Burt also noted that the county's auditors reviewed the agreement and are satisfied that the arrangement is an appropriate one.

Mr. Beachnau mentioned that it should be communicated to the shelter that the county cannot guarantee being able to renew this agreement each year, as the county is facing potential budget cutbacks going forward.

Motion by Ms. Backenstose to recommend to the full board approving the agreement for services with the Friendship Shelter. Motion passed with 4 ayes (Beachnau, Bates, Backenstose, Burt) and 1 nay (Glasser).

#### NEW BUSINESS

##### A. EMS Building

Mr. Deming presented blue print plans and a cost summary for an addition to the current EMS building. The addition would be to the garage area to store vehicles and to the bunk and break room areas for the staff. The project total is estimated to cost \$558,000. He explained that the USDA will provide \$58,000 in grant monies, and will loan the county the remaining \$500,000 at 4% interest for 30 years. The monthly payment would be approximately \$2,100. At this time, the EMS has approximately \$225,000 set aside to put toward the payments, and the current millage goes through 2012. The EMS building is a county-owned building, and the debt would be in the name of Otsego County.

Motion by Mr. Bates to put together the financial information and application for the proposed EMS building addition to present to the full board. Motion passed unanimously.

#### **B. Otsego County Road Commission – 2009 drain billing**

Ms. Frisch informed the Committee that due to staff turnover in the accounting office, we did not receive the 2009 drain billing until recently – too late to backdate to 2009. Therefore, we need to run 2 years' worth of drain expenditures through the 2010 budget.

Motion by Mr. Glasser to recommend to the full board transferring \$4,090 out of contingency to pay for the 2009 Otsego County Road Commission drain billing. Motion passed unanimously.

#### **C. Airport Equipment Purchase**

Mr. Burt informed the Committee that the airport was in need of a new copier/printer/fax machine, as the existing one does not work well.

Motion by Mr. Burt to recommend to the full board transferring \$600 out of the Equipment Fund (fund 266) into the Airport Capital Projects Fund (fund 481) for the purchase of a new copier/printer/fax machine. Motion passed unanimously.

#### **D. Sheriff – ORV Trailer**

Sheriff McBride explained to the Committee that an ORV trailer is needed to haul the ORV used for patrolling/enforcement, purchased through the ORV grant, at a cost of \$955.

Motion by Mr. Glasser to recommend to the full board purchasing an ORV trailer for \$955 from the Equipment Fund (fund 266). Motion passed unanimously.

#### **E. Prosecutor Equipment Purchase**

Mr. Burt explained to the Committee that the Prosecutor's office will need a new computer and screen as part of the scanning project, at a cost of \$1,106.25 plus shipping and handling.

Motion by Ms. Backenstose to recommend to the full board purchasing a computer and screen for \$1,106.25 plus shipping and handling from the Equipment Fund (fund 266). Motion passed unanimously.

#### **F. Homeland Security Grant**

Ms. Frisch has proposed to set up a new department – 261-428 in the 911 fund to account for the homeland security grant for region 7.

Motion by Mr. Bates to recommend to the full board creating a new department in the 911 fund (fund 261) to account for the homeland security grant for region 7. Department will be 261-428. Motion passed unanimously.

#### **G. Veterans Affairs Clinic**

Mr. Burt discussed the new clinic that will be located in Grayling (Crawford County). Otsego County offers medical services at a clinic program through Otsego Memorial Hospital.

## **H. April 2010 Financial Reports and Updates**

Ms. Frisch presented the April 2010 financial reports. She also indicated that the auditors will be presenting the audit report at the next board meeting (5/25/10), and that a budget workshop for the management team has been set for 6/2/10.

Ms. Frisch added that a summer intern will be working with the Finance and Treasurer offices, starting 5/25/10. The intern will work approximately 9-10 hours per week. This will be an unpaid internship, so there will be no cost to the County.

## **I. Treasurer Staffing**

Mr. Burt discussed the recommendation brought forth by Ms. Axford, requesting that the Deputy Treasurer position be increased from part-time to full-time, at an estimated cost increase of \$15,400. The additional cost will be paid for out of the Delinquent Tax Fund.

Motion by Mr. Glasser to recommend to the full board increasing the Deputy Treasurer position to full-time, pending approval from the Personnel Committee, at an approximate cost of \$15,400, to be paid for out of the Delinquent Tax Fund (fund 516). Motion passed unanimously.

## **J. Sheriff Air Conditioning System**

Mr. Burt informed the Committee that the air conditioning system in the Sheriff's offices may require additional duct work.

## **K. Building and Grounds Equipment**

Mr. Burt reminded the Committee that a new mower and truck would be needed for the Buildings and grounds crew. The Committee was supportive of Mr. Burt obtaining bids for these items.

## **L. Otsego County Fair Association**

Mr. Bates informed the Committee that the Fair Association intends to build a structure near the horse area of the fair grounds. As the building will be county-owned, he will forward the details to Ms. Frisch once it is constructed, to ensure inclusion in the insurance records.

Mr. Beachnau adjourned the meeting at 10:44 AM.