



Budget & Finance Committee

Wednesday November 2, 2010 – 1:30 p.m.
Room 100 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Beachnau called the meeting to order at 1:30 PM

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

Others present – Rachel Frisch

Absent (excused) – Diann Axford, Clark Bates

APPROVAL OF MINUTES

Motion by Mr. Glasser to approve the minutes from the October 26, 2010 budget and finance committee meeting. Motion passed unanimously.

UNFINISHED BUSINESS

A. Gym Membership Program

Motion by Mr. Glasser to continue the gym membership program from 12/1/10 – 1/31/12 for Otsego County employees who are eligible for the Otsego County healthcare plan, to be paid out of the Health Care Fund (fund 647), total cost \$1,750. Motion passed unanimously.

NEW BUSINESS

A. Airport Hangar Emergency Repair

Mr. Burt described the deterioration of the county's airport hangar. He stated that it was becoming a safety hazard and needed to be repaired before winter. He obtained a cost from Halvorson Construction for \$14,129.

Motion by Mr. Glasser to move forward with the emergency repair at a cost of \$14,129 to be paid out of General Fund contingency (fund 101). Motion passed unanimously.

B. University Center Bond Refunding

Mr. Burt explained that he will be presenting a resolution for approval at the full board meeting on 11/9/10 to refinance the University Center bonds. The interest rate will range from 2%-3.2%, lowered from the existing interest rates of 5.1%-5.5%, for an approximate savings of \$149,661 over the life of the bonds.

Motion by Ms. Backenstose to recommend to the full board approving refunding the University Center bonds, at an interest rate of 2%-3.2%. Motion passed unanimously.

C. Breitburn Oil and Gas Request

Breitburn had contacted Mr. Burt to inform him that they wanted 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.

D. Animal Control Utilities

Mr. Burt presented the cost analysis of using City utilities or having our own utilities for the proposed new Animal Shelter. Based on the research done by the architect Anthony Esson and by Wade Trim, they are both recommending that we move forward with our own, on-site utilities. The Committee concurs with the recommendation.

E. 2011 Budget Discussion

Ms. Frisch distributed updated General Fund budget reports, and also all component unit budgets for the Committee's review.

Motion by Mr. Glasser to recommend to the full board approving the 2011 Otsego County budget and appropriations act at the November 23, 2010 full board meeting, contingent upon review of the appropriations act language. Motion passed unanimously.

Mr. Beachnau adjourned the meeting at 2:37 PM