



Budget & Finance Committee

Tuesday, November 3, 2015 at 1:30 p.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Olsen, in the absence of Mr. Beachnau, called the meeting to order at 1:34 p.m.

Roll call – Present: Ken Borton, Erma Backenstose, Lee Olsen, John Burt

Excused – Paul Beachnau

Others present –Diann Axford, Rachel Frisch, Bill Kerr, Jim Hilgendorf, Sheila Simpson, Jack Thompson

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the amended minutes from the October 27, 2015 Budget and Finance Committee meeting. Seconded by Mr. Burt. Motion passed unanimously.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Parks Staffing Budget Amendment

Mr. Burt explained to the Committee that additional staff is needed in 2015 due to the Parks Director's resignation. He also mentioned that additional staffing at the Community Center is being considered in the 2016 budget.

Motion by Mr. Borton to recommend to the full Board moving \$3,000 from the director's salary line item into the part-time line item in the Parks and Recreation Fund (fund 208), due to staffing changes. Seconded by Ms. Backenstose. Motion passed unanimously.

B. Equipment Fund Purchases – Fingerprint Machine and Prosecutor Computers

Ms. Frisch informed the Committee that she has spoken with the Courts and the Sheriff's office regarding the need for a new fingerprint machine. The existing machine is over 12 years old and breaks down frequently. The Jail Administrator received a bid for approximately \$16,000 for a new machine.

Ms. Frisch also informed the Committee that the State no longer supports computer equipment and related costs of the child support specialist position. She is in need of two new computers, one that hooks into the State's reporting system, and one at the front desk, for research done on behalf of clients. The total estimated cost for both computers is \$3,400.

For both purchases, the total amount of Equipment Fund fund balance requested to be used is \$19,400.

Motion by Ms. Backenstose to recommend to the full Board transferring \$19,400 from Equipment Fund (fund 266) fund balance to purchase a new fingerprint machine for the jail at a cost of \$16,000, and two new computers for the child support specialist at a cost of \$3,400. Seconded by Mr. Borton. Motion passed unanimously.

C. Equalization Staffing and Contract for 2016

Mr. Burt reported that Bill Kerr, Equalization Director, will be retiring on December 31, 2015. The County is still in need of a level 4 assessor's review and approval, and none of the remaining staff are at a level 4 status. Therefore, Mr. Burt has negotiated with Mr. Kerr to establish a contractual relationship with Mr. Kerr after his retirement, for \$60,000 in 2016. Additionally, Mark Reetz, level 3 assessor in the Equalization Department, will be promoted to Deputy Director to manage staff. The total budgetary savings of this changeover will be approximately \$42,250 in 2016, and has already been built into the proposed 2016 General Fund budget, version 3.

Motion by Mr. Borton to recommend to the full Board approving the contract with Bill Kerr for equalization services for \$60,000 in 2016, and promoting Mark Reetz to a Deputy Equalization Director position. Seconded by Ms. Backenstose. Motion passed unanimously.

D. September 2015 Financial Reports

Ms. Frisch distributed and discussed the reports.

E. Budget Discussion 2016

Ms. Frisch distributed the third version of the General Fund (fund 101) proposed 2016 budget document. The Committee discussed the main changes and updates from the previous version. The staffing change in the Equalization Department has been incorporated into the budget, along with an updated amount that can be transferred in from the Tax Foreclosure Fund (fund 617). This brings the budget deficit down to approximately \$37,000. Administration has thoughts on how to resolve the shortfall but is waiting on additional information before solidifying them. The next budget workshop is scheduled for Tuesday, November 10th at 1:30 p.m.

F. Budget Presentations – University Center and Equalization

University Center – Mr. Thompson presented the proposed 2016 budget for the University Center. The information presented includes wage and benefit information for employees, an explanation of planned capital expenditures, and analysis of how the University Center is responding to declining enrollment, which includes working closely with Kirtland Community College to explore options.

Equalization – Mr. Kerr presented his budgets for the Equalization Department in the General Fund (fund 101-257) and the GIS Mapping Fund (fund 618). He discussed the proposed staffing changes, as noted in item C above.

Mr. Olsen adjourned the meeting at 2:50 p.m.