

November 6, 2006

The Special meeting of the Otsego County Board of Commissioners was held at the City-County Building in room 212. The meeting was called to order at 9:30 a.m. by Chairman Beachnau. Invocation by Commissioner Glasser, followed by the Pledge of Allegiance led by Commissioner Bates.

Roll Call:

Present: Backenstose, Bates, Beachnau, Liss, Olsen, Glasser, Johnson, Hyde, Bentz.

A public hearing was held regarding the 2007 budget.

Public comment was heard. Various members of the Community addressed the Board.

The Chairman read a letter from Patrick McNamara.

The public hearing was closed.

Motion by Commissioner Glasser, to adopt OCR-06-46 Fiscal Year 2007 Budget Resolution and General Appropriations Act.

Roll Call Vote:

Ayes: Unanimous.

Nays: None.

Motion carried/Resolution adopted. (see attached)

Motion by Commissioner Olsen, directing the Personnel Committee to meet with the Airport employees. Ayes: Unanimous. Motion carried.

Meeting adjourned at 10:10 a.m. at the call of the Chair.

Paul M. Beachnau, Chairman

Susan I. DeFeyter, County Clerk

Minutes of a special meeting of the Otsego County board of Commissioners, held at the County/City Building, 225 West Main, Room 212, Gaylord, Michigan, on the 6th day of November, 2006, at 9:30 a.m.

PRESENT: BACKENSTOSE, BATES, BEACHNAU, LISS, OLSEN, GLASSER, JOHNSON,
HYDE, BENTZ.

ABSENT: NONE.

The following preamble and resolutions was offered by Commissioner GLASSER

OCR 06-46
Fiscal Year 2007 Budget Resolution
And General Appropriations Act

WHEREAS, the Uniform Budget and Accounting Act ("UBAA") MCLA 141.421 et seq., requires that the Board enact a general appropriations act designed to meet County-funded expenditures; and

WHEREAS, County offices, the courts, county departments, agencies and others have submitted requests for a county appropriation in the 2007 budget; and

WHEREAS, the County Administrator has submitted a proposed budget as required by statute; and

WHEREAS, the Board of Commissioners has taken into consideration the fact that there are required functions of county government or operations which must be budgeted at a serviceable level in order to provide required services programs; and

WHEREAS, the Board of Commissioners has determined the amount of money to be raised by taxation necessary for expenditures and liabilities for the 2007 fiscal year and has ordered that money to be raised by taxation within statutory and constitutional limitations.

NOW, THEREFORE, BE IT RESOLVED

1. That the 2007 Otsego County Budget for the General Fund which is incorporated by reference herein, is hereby adopted on a basis consistent with the Otsego County policies, subject to all County policies regarding the expenditure of funds as well as the conditions set forth in this resolution.
2. Tax rates are to be levied for the 2007 fiscal year as summarized in Appendix A of this document.
3. That this budget reflects a reasonable allocation of available resources to the various County departments, boards, and agencies, and allows for all mandated services, programs, and activities, including the courts to be performed at or beyond a serviceable level.

4. That the Board of Commissioners hereby authorizes a 9-1-1 Emergency Services Funding Assessment in an amount not to exceed \$2.40 per month, which is 12% of the highest base rate charged for single party basic phone service in Otsego County as approved by the voters, to cover the costs for the 9-1-1 Emergency Services Program for Fiscal Year 2007; and that such funds shall be used in accordance with all applicable state and federal laws and County policies.
5. That all County elected officials and department heads shall abide by all County policies, including the Purchasing policy, personnel policies, and applicable labor agreements, as adopted and amended by this Board and that the budgeted funds are appropriated contingent upon compliance with these policies.
6. That the approved employee positions on the Approved Position Control Number Roster contained in this Budget as Appendix B, shall limit the number of employees who can be employed. No funds are appropriated for any position or employee not on the Approved Position Control Number Roster. Further, there may be a need to increase or decrease various positions within the Budget and/or impose a hiring freeze and/or impose lay-offs due to the unforeseen financial changes; therefore, the Approved Position Control Number Roster List may be changed from time to time by the Board and/or the Board may impose a hiring freeze. County elected officials and department heads shall abide by whatever changes are made by the Board, if any, relative to the approved positions and the number of employees stated in the Approved Position Control Number Roster List.
7. That the authorized positions in the Approved Position Control Number Roster List contained in each budget indicates the authorized maximum number of employees in their respective classifications for that budget. Any deviations from said list must be specifically approved by the Board.
8. That certain positions contained in the Approved Position Control Number Roster List which are supported in some part by a grant, cost sharing, child care reimbursement, or other source of outside funding, are only approved contingent upon the County receiving the budgeted revenues. In the event outside funding is not received, or the County is notified that it will not be received, then said positions shall be considered unfunded and removed from the Approved Position Control Number Roster List.
9. That the Administrator is authorized upon request of the respective elected official or department head to transfer persons from certain positions contained in the Approved Position Control Number Roster List, which are supported in some part by grant, cost sharing, child care reimbursement or other source of outside funding, to another grant funded position in order to reduce County cost.
10. That revenues received by the County under Public Act 106 and 107, 1985 (Convention Facility Tax revenues) shall not be used to reduce the County's operating millage levy (2007 Budget Year) as defined by Public Act 2 of 1986.

11. That in accordance with Public Act 106 of 1985 and Public Act 2 of 1986, 50% or approximately \$77,421 of the estimated \$154,842, of the Convention Facility Tax revenues not used to reduce the County's operating tax rate, shall be transmitted to the Northern Michigan Substance Abuse Services with remaining revenues to be deposited into the County's General Fund.
12. That revenues received by the County under Public Act 264 of 1987 (Health and Safety Fund Act) shall not be used to reduce the County's operating millage levy (2007 Budget Year).
13. That in accordance with Public Act 264 of 1987, that 12/17 or approximately \$9,187 of the estimated \$13,015 Cigarette Tax revenue, not used to reduce the County's operating tax rate shall be appropriated to the Northwest Michigan Health Department, for public health prevention programs and services, with remaining revenues to be deposited into the County's general fund.
14. That the Administrator is hereby appointed "Budget Administrator," pursuant to the Uniform Budget and Accounting Act, MCLA 141.421 et seq., with power to administer such duties in connection with said budget, as may be from time to time, delegated to the Office of the County Administrator by this Board.
15. That the Budget Administrator be directed to disburse to the various agencies, the approved County appropriation on the basis of need as determined by the cash balances within their respective funds.
16. That the County Administrator, upon recommendation of the appropriate elected official or department head, be authorized to accept grants on behalf of the County if there is no local match required, or ongoing programming or funding which would require additional appropriations or staffing in current or future fiscal years.
17. That the County Administrator, upon recommendation of the appropriate elected official or department head, be authorized to accept grants on behalf of the County in an amount up to \$50,000 with a local match not to exceed 10% (\$5,000), if required, and if available within the requesting department's current budget, and to record the appropriate budget amendment.
18. That the County Administrator is required and directed to automatically reduce any department each time a reduction is made in federal, state or local funds. The County Administrator, in conjunction with the affected elected official or department head, shall promptly make the necessary lay-offs and advise those affected by the service that those services are being discontinued as a result of said cutbacks.
19. That the County Administrator is authorized to cause the drafting of contracts where necessary and appropriate within established budgetary limitations and that the County Administrator is authorized to sign said contracts after legal counsel approved each contract as to legal form, and the Board of Commissioners has approved each contract. The County Administrator is authorized to sign all contract renewals without prior approval of the Board if funds are previously approved for said contract and there are no changes to the contract as part of the renewal.

20. The Board of Commissioners has determined it would be fiscally prudent to set a goal to add \$135,000 per year to the Budget Stabilization fund (Fund 257) and \$10,000 per year to the Public Improvement fund (Fund 245).
21. That the Board of Commissioners has determined that it is fiscally prudent to carry a \$500,000 fund balance in the Health Care fund (Fund 647). Funds in excess of this amount shall be refunded to the contributing funds outside of the general fund as follows: 208 Parks and Recreation, 588 Bus, 212 Animal Control, 232 Housing, 281 Airport, 261 9-1-1, 249 Land Use Services. All remaining leftover funds will be transferred to the General Fund.
22. The Board of Commissioners has determined that it is fiscally prudent to maintain a Legal Defense Fund, Fund 260.
23. The Board of Commissioners has determined that it is fiscally prudent to carry a fund balance level of 10% of expenditures from year-to-year in the Building and Grounds Fund, Fund 637, in order to avoid cash flow shortfalls.
24. The Board of Commissioners has determined that the Administrative Services Fund, Fund 645, will need to maintain a fund balance level of 5% of expenditures from year-to-year, in order to avoid cash flow shortfalls.
25. That the amounts indicated in the "Budgetary Detail" are hereby appropriated from the General Funds and other funds of Otsego County according to the Activity Centers (Departments) contained in that detail which is incorporated herein by reference, and that such appropriations shall be restricted to the functioning of those Activity Centers (Departments), all applicable federal and state laws, County policies, and the provisions of this Act. The "Budgetary Detail" chart is included in this document at Appendix C.
26. The Administrator has the authority to approve all amendments made to the 2007 budget except for instances where a) the amendment will increase the department's total budget or b) the amendment will affect a payroll account (defined as any account in the 700000 expenditure section of the general ledger).

**APPENDIX A
AUTHORIZED TAX RATES 2007 BUDGET YEAR**

<u>TAXING ENTITY</u>	<u>MILLAGE RATE</u>
COUNTY OPERATING*	0.0040502
BUS	0.0002500
COMMISSION ON AGING	0.0010000
COMMUNITY CENTER	0.0001875
COUNTY PARK	0.0000625
SPORTSPLEX OPERATING**	0.0002500
LIBRARY	0.0003500
EMERGENCY SERVICES	0.0004000
UNIVERSITY CENTER OF GAYLORD	0.0005569
M TEC	0.0006464
ANIMAL CONTROL	0.0003000
TOTAL	0.0080535

*In accordance with the state mandated tax shift, the county operating millage will be levied as follows: 0.0013501 mills in the December 2006 levy, to be transferred to the Revenue Sharing Reserve Fund and 0.0040502 mills in the July 2007 levy.

**This millage rate will be approved by the Board of Commissioners and levied only if the Sportsplex Operating proposal passes in the November 7, 2006 election. If the proposal fails, the authorized millage to be levied will be zero, and the total millage to be levied by the County of Otsego will be reduced to 0.0078035.