



Budget & Finance Committee

Wednesday, December 11, 2013 – 9:30 a.m.
Room 100 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Beachnau called the meeting to order at 9:30 a.m.

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

Excused – Ken Borton

Others Present –Diann Axford

APPROVAL OF MINUTES

Motion by Olsen to approve the minutes from the November 20, 2013 Budget and Finance Committee meeting. Motion passed unanimously.

NEW BUSINESS

A. FOC Loan

The Friend of the Court Fund (215) cash balance has gone into the negative due to delayed state and federal payments totaling over \$100,000. Payments totaling \$33,263.49 are expected in the next week and another \$20,301.72 the week after, but a loan will still be needed to alleviate the negative cash balance and to have funds on hand for upcoming expenditures. Motion by Backenstose to “recommend to the full Board of Commissioners to loan \$20,000 from the Budget Stabilization Fund (fund 257) to the Friend of the Court Fund (fund 215), increasing the long-term loans to Fund 215 to \$30,000 to be repaid when the fund balance for Fund 215 is sufficient to allow repayment”. Motion Carried unanimously.

B. MERS Adoption Agreement

Burt presented a MERS document that will allow the Court employees currently in the union to retain their current retirement plans as they become non-union employees. Motion by Olsen to “recommend to the full Board of Commissioners to approve the MERS Defined Benefit Adoption Agreement”. Motion Carried unanimously.

C. Gypsy Moth Spraying

Burt presented the current proposal for spraying for Gypsy Moths in the spring. The cost is estimated at approximately \$20,000 to be paid from the Gypsy Moth Fund (fund 241). Gina Conrad, the Gladwin County Gypsy Moth Coordinator, recommends using Al's Aerial Spraying due to her past experience with them. There are no contractors in Otsego County listed on the State's website for approved spray applicators. The Committee directed Burt to proceed with the current plan. Burt will bring the contract for the spraying services once a final version is received.

D. Info Center Remodel

Red Cross national has given preliminary approval for Red Cross to lease the County's Information Center at a rent of \$11,000 per year plus utilities. Improvements are needed for an approximate amount of \$17,000. The Committee directed Burt to begin the renovation project. He will incur some cost for architectural and IT work up front, and will present a complete budget amendment once construction costs are known.

E. Courthouse Insulation

Burt has previously reported that the support for the insulation in the Courthouse building downtown is failing leading to gaps in insulation. Burt received a proposal from Three E to have the insulation removed (blown cellulose and batting), install reinforced visquene membrane, and reinstall insulation for a cost of \$24,300. The total R-value will be over 50 when complete. Motion by Backenstose to "recommend to the full Board of Commissioners to approve an agreement with Three E for the courthouse insulation project, and for the associated budget amendment for \$24,300 with 50% of the funds to come from the Courthouse Restoration Fund (fund 497) and 50% from the General Fund Contingency (101-141)". Motion Carried Unanimously.

F. Cross Street

The Board of Commissioners previously discussed a proposal to remove a small section of Cross Street where it meets McLouth to allow for a more scenic entryway to the Conservation District Gardens. Burt has received a cost estimate of \$3,900 for the work. The Committee directed Burt to proceed with the removal of the section of Cross Street in the spring.

G. Johnson Oil Agreement

Jon Deming recommended having an agreement with Johnson Oil to make the County a priority for gasoline in an emergency. Gasoline would be delivered to the Airport as part of the Agreement. Burt was directed to proceed with the Agreement.

H. USDA Grant

Burt reported that there may be funding to buy a patrol car for the Sheriff's office. Grants are usually for approximately \$15,000 to \$20,000. The County would be responsible for the remaining costs. The Committee directed Burt to apply for the grant funding.

I. 2014 Health Care Rates Update

Burt updated the Committee on the 2014 Health Care rates.

J. Credit Card Expenditures

Burt distributed the latest credit card invoice for the Administration Department. A new bill for the Treasurer's credit card has not been received since the last Budget & Finance Committee meeting. The Sheriff's Office has received their new credit card, but they have not used it yet.

K. November Financial Reports

Burt distributed and discussed the November reports.

L. Animal Control Budget Amendment

The Animal Control Department has had an exceptionally high number of dogs and cats over the last several weeks, which will necessitate using some of their fund balance for increased expenditures. Motion by Backenstose to “recommend to the full Board of Commissioners to proceed with the Animal Control Budget Amendment in the amount of \$10,000 to be taken from the Animal Control Fund Balance.” Motion Carried unanimously.

Mr. Beachnau adjourned the meeting at 10:45 a.m.