



Budget & Finance Committee

Wednesday, December 6, 2017 at 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 9:32 a.m.

Roll call – Present: Ken Borton, Rob Pallarito, Ken Glasser, Paul Beachnau, Rachel Frisch

Others present – Tim Hanley, Tim Cherwinski

Excused – Diann Axford

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the November 8, 2017 Budget and Finance Committee meeting. Seconded by Mr. Palarito. Motion passed unanimously.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Bus Tire Purchase

Ms. Frisch and Mr. Cherwinski presented a request for the Bus to purchase 40 new tires. Research from other bus systems indicated that a tire replacement policy should be used. Because this is an important safety issue, our purchasing policy has a provision to exempt this purchase from the bidding process to expedite the purchase.

Motion by Mr. Borton to recommend to the full board the purchase of 40 new tires for the Bus. Seconded by Mr. Pallarito. Motion passed unanimously.

B. Longevity Payout

Mr. Hanley presented the calculations for the proposed longevity payouts. Toward the end of each year, the budget is analyzed to determine whether enough funds remain to do a longevity payout to employees in December.

Motion by Mr. Pallarito to recommend to the full board the 2017 Longevity payout. Seconded by Mr. Borton. Motion passed with a vote of four to one.

C. Budget Amendment Authority

Ms. Frisch informed the Committee that each year at this time, December, authority is given to the Administrator to authorize budget amendments to the 2017 budget, with subsequent approval by the Board in January 2018.

Motion by Mr. Glasser to recommend to the full board giving authority to the County Administrator to authorize 2017 budget amendments, with subsequent Board approval in January 2018 meeting. Seconded by Mr. Borton. Motion passed unanimously.

D. Equipment Fund Budget Amendment

Ms. Frisch presented a budget amendment that would charge part of the cost of the new virtual server to the ROD Fund. The ROD Technology Fund is permitted to fund technology costs related to ROD functions. Our IT professionals have determined that 20% of the new virtual server will be dedicated to ROD.

Motion by Mr. Pallarito to recommend to the full board the budget amendment to charge part of the cost of the new virtual server to the ROD Fund. Seconded by Mr. Glasser. Motion passed unanimously.

E. Credit Card Statements

Mr. Hanley distributed and the Committee discussed the reports.

F. Financial Statements

Mr. Hanley distributed and the Committee discussed the reports.

G. Personal Property Tax

Ms. Frisch spoke about the personal property tax correction the State of Michigan made in 2017 for a shortage in 2016 (approximately \$114,000).

H. Used Generator Purchase

Ms. Frisch presented information about a used generator from the hospital that could be used for the Alpine Center. The unit would cost \$5,000 with an additional \$5,000 to \$15,000 in installation fees depending on needed parts.

The committee directed Ms. Frisch to get a more exact cost estimate before a decision can be made.

I. Management Meetings

Ms. Frisch talked briefly about the new management team meetings.

J. Investments/Fund Balances

Mr. Glasser discussed the level of the counties investments and would like to check on the diversification of the investments. Mr. Glasser also discussed the level of the fund balances.

Mr. Beachnau adjourned the meeting at 10:27 a.m.