



Budget & Finance Committee

Wednesday, February 15, 2017 at 9:30 a.m.
Room 212 – 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, Ken Borton, Rob Pallarito, John Burt, Ken Glasser

Others present – Rachel Frisch, Diann Axford

Excused absence – None

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the January 18, 2017 Budget and Finance Committee meeting. Seconded by Mr. Pallarito. Motion passed unanimously.

UNFINISHED BUSINESS

A. None

NEW BUSINESS

A. Senior Appraiser Position

Denise Babbitt recently became a level 3 appraiser. The Personnel Committee recommended reclassifying her position to Senior Appraiser which will include more complex responsibilities. The position would be at \$22.00/hour. She is currently at \$19.45/hour. She will next be seeking her level 4, which Otsego County is required to have for their Director. HR Director Trisha Adam did a study of northern counties to arrive at the new wage rate. The current contracted Equalization Director, has indicated he will remain for three more years, which is approximately how long it would take Denise to achieve her level 4.

Motion by Mr. Glasser to recommend to the full Board approving the senior appraiser position and related budget amendment. Seconded by Mr. Borton. Motion passed unanimously.

B. Sheriff Vehicle Bids

Mr. Burt informed the Committee that Gaylord Ford was the only bid received for two patrol cars for the Sheriff's Department, at a total cost of \$62,900.04. The funds are already included in the 2017 adopted budget in the Equipment Fund (Fund 266). Mr. Burt reminded the Committee that additional funds are required to outfit the cars with the decals, lights, cages, etc. Those costs are also already included in the 2017 budget.

Motion by Mr. Borton to recommend to the full Board awarding Gaylord Ford the bid for the purchase of two new patrol cars for a total cost of \$62,900.04, to be paid out of the Equipment Fund (Fund 266). Seconded by Mr. Glasser. Motion passed unanimously.

C. Budget Amendments - 2016

Ms. Frisch presented a spreadsheet and 4 BSA printouts of 2016 budget amendments that need to be approved by the Board. She explained each amendment. The Committee discussed the investment balances for 2016, which have been adjusted to reflect market value. Ms. Axford notified the Committee that a representative from 5/3 Securities will be attending the March meeting to discuss the County's investments in more detail.

Motion by Mr. Borton to recommend to the full Board approving the 2016 budget amendments. Seconded by Mr. Pallarito. Motion passed unanimously.

D. Budget Amendments – 2016 carry forward in 2017

Ms. Frisch presented a budget amendment for the Equipment Fund (Fund 266) and the Capital Projects Fund (Fund 499) to pull forward the remaining 2016 budget dollars into 2017, in order to complete the projects.

Motion by Mr. Pallarito to recommend to the full Board approving the 2016 budget amendments to be carried forward in 2017. Seconded by Mr. Borton. Motion passed unanimously.

E. Credit Card Statements – January 2017

The Committee reviewed and discussed the January statements. Ms. Frisch will look into the dates the credit card statements, the due dates, and report back to the Committee, to ensure that the statements are being reviewed by the Committee at the best time. Ms. Frisch indicated that the credit card statements go through four levels of review before being paid.

F. Court Wellness Room Budget Amendment

Ms. Frisch discussed a proposed budget amendment which utilizes savings from the court's health care costs in 2016, a grant, and a rebate from Blue Cross to fund a wellness room at the Alpine Center, similar to the wellness room at the County building. The total cost of the room is \$21,788. The Committee requested that we work with Trisha on tracking the usage of the wellness rooms.

Motion by Mr. Borton to recommend to the full Board approving the Court's wellness room and associated budget amendment. Seconded by Mr. Glasser. Motion passed unanimously.

G. General Fund/Prosecutor Budget Amendment

Ms. Frisch presented a proposed budget amendment for the Prosecutor's Office, which uses the savings from staff turnover in the Victim's Advocate position to fund extra hours for the part-time office staff during a brief training time for the new employee. The previous Victim's Advocate was at a pay rate of \$14.39 when she left the County; the replacement will be paid a rate of \$12.70 per hour, since she is starting at the first step of that pay grade.

Motion by Mr. Borton to recommend to the full Board approving the General Fund/Prosecutor budget amendment. Seconded by Mr. Pallarito. Motion passed unanimously.

H. Used Bus Purchase

Mr. Burt informed the Committee that Bus Manager Tim Cherwinski has been looking into purchasing a used bus from Ludington Transit for \$6,500. He sent the mechanics to assess the quality of the bus, and they both said it is a good bus. The Bus System currently has a bus that is

going to require \$7,000 of engine repair to get it running. The mechanics indicated that the used bus from Ludington Transit is in better condition than our bus would be even after the repair. Funds would come from the Bus fund balance.

Motion by Mr. Glasser to recommend to the full Board approving the purchase of a used bus from Ludington Transit for \$6,500 and the related budget amendment. Seconded by Mr. Borton. Motion passed unanimously.

I. Finance Department Updates

Ms. Frisch discussed the policies and procedures related to purchasing and accounts payable. She also reported that the General Fund is on target to have a net income from 2016, although the final figures are not yet available.

J. Pontresina Park Grant

Mr. Burt can apply for a vault toilet at Pontresina Dog Park through the DNR Trust Fund. The plan is to eventually expand it to a broader park. Otsego County would have to match funds. The Committee asked Mr. Burt to start the application process.

K. Fund/Department Discussion

- a. Child Care Fund**
- b. Bus System Fund**
- c. Jail Department Fund**
- d. Sheriff/Road Patrol Department**

Ms. Frisch distributed and the Committee discussed the Child Care and Bus Funds from a and b above.

Motion by Mr. Glasser to discuss items c and d at the next meeting, due to time constraints. Seconded by Mr. Pallarito. Motion passed unanimously.

L. Land Use Safety Inspections

Mr. Burt presented an idea brought to him by Vern Schlaud, Land Use Services Director, to implement a new Life Safety Inspection fee.

Motion by Mr. Pallarito to deny the land use safety inspection charge. Seconded by Mr. Glasser. Motion passed unanimously.

The meeting adjourned at 11:25 a.m.