



Budget & Finance Committee

Wednesday April 16, 2014 – 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, Lee Olsen, Erma Backenstose, John Burt

Others present –Sheriff Nowicki, Mike Rola, Jon Deming, Bill Kerr, Mary Sanders, Bruce Brown

Absent (Excused) –

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the March 19, 2014 Budget and Finance Committee meeting. Motion passed unanimously.

UNFINISHED BUSINESS

A. SANE Request

The Committee discussed various budget options being discussed by the SANE Board. Several Otsego County officials will be attending the next SANE meeting on April 29 to discuss.

B. Economic Alliance Request

The Committee did not take action on this request, and asked that it not be included as an item on the next agenda.

C. EMS Ambulance Purchase Request

The Committee discussed the request from EMS to borrow funds for the purchase of a new ambulance. Additionally, the Committee discussed EMS plans for a building expansion. Deming indicated that they plan on making a formal millage request prior to the next Budget & Finance Committee meeting.

Motion by Borton to “recommend approval to the full County Board to loan \$124,775 out of the Public Improvement Fund (fund 245) to EMS for the purchase of an ambulance to be paid back over 5 years at a 4% interest rate”. Motion carried unanimously.

NEW BUSINESS

A. Orthophoto Bids

Mr. Burt reported that bids were received for new digital orthophotos with Ayres being the low bidder at \$44,209. Kerr explained the needs for the orthophotos including being used at 9-1-1, Equalization, Land Use Services, Administration, the Road Commission, as well as the local municipalities. The project will be funded by the following:

County 499 Fund	\$ 5,000
City of Gaylord	\$ 5,000
Road Commission	\$ 5,000
9-1-1 Fund	\$ 5,000
Building Inspection Fund 249	\$ 4,000
618 Fund Balance	\$20,209

The 618 Fund will fund the entire project up front and then Kerr will bill the other entities. Motion by Mr. Olsen to “recommend approval to the full Board to award the bid to Ayres.” Motion passed unanimously.

Equalization also needs to purchase 4 copies of the MapInfo software for a total cost of \$6,876. Motion by Olsen to “recommend approval to the full Board to purchase 4 copies of MapInfo software for a total cost of \$6,876 to be funded from the Equipment Fund”. Motion passed unanimously.

B. Cabin Purchases

Mr. Burt updated the Committee on cabin bids, which all came in over budget. The Parks and Recreation Commission are seeking to construct two rustic cabins for the Otsego Lake County Park. The Parks and Recreation Commission would like to purchase two cabins built out-of-county for a total cost of \$15,088. Sufficient funds were set aside in the current budget. The Committee indicated that since each individual cabin was under \$10,000, the Parks and Recreation Commission may go ahead and order the cabins without Board approval.

C. Roof Repair

Mr. Burt updated the Committee on a needed roof replacement over the Economic Alliance offices. The cost will be under \$5,000 and will be paid for out of the Capital Projects Fund, fund 499.

D. AS400 Replacement

The Tri-County Court Administrators and the County Administrators met to discuss the cost of replacing the AS400 which contains the LIEN system. The total cost is \$36,801.25, which includes three years of maintenance, with costs to be allocated according to the number of users. The cost breakdown will be as follows:

Courthouse Restoration Fund 497	\$11,187.58
Equipment Fund 266	\$11,481.99
Crawford County	\$ 8,243.48
Kalkaska County	\$ 5,888.20

Otsego County will pay for the purchase up front out of the Courthouse Restoration Fund and the Equipment Fund and then bill Crawford and Kalkaska Counties. Motion by Olsen to “recommend approval to the full Board to purchase the AS400 system as indicated”. Motion carried unanimously.

E. Radio Purchase

Mr. Burt indicated that there is a need to replace twelve 800 MHz radios as part of a plan to replace 50 radios over the next 4 years that can no longer be repaired. Motion by Borton to “recommend approval to the full Board to purchase 12 radios at a total cost of \$34,698 to be paid out of the 9-1-1 Fund (fund 261). Motion carried unanimously.

F. Cell Phone Reimbursement Policy

The Human Resources Director, with input from the Administrator and Finance Director, drafted a Cell Phone Reimbursement Policy which would allow for certain positions, that are required to have a cell phone, to drop the county provided phone and instead provide them with a reimbursement for a portion of their cost. The reimbursement would only be for approved salaried positions. The Personnel Committee has recommended approval of the policy. Motion by Olsen to “recommend approval of the Cell Phone Reimbursement Policy to the full Board”. Motion carried unanimously.

G. MERS Post Employment Healthcare Savings Program

Mr. Burt explained that the Human Resources Director has been working with MERS to allow a group containing five positions to participate in the Health Care Savings Account plan which includes the County matching employee payments at \$40 per month, with a one year vesting period. In order to do so, they have to waive any right to retiree health care, which improves the County’s liabilities. The Personnel Committee previously recommended approving the change. Motion by Backenstose to “recommend approval of the MERS Health Care Savings Program document to the full Board.” Motion carried unanimously.

H. Bus Staffing

The Personnel Committee recommended changing one part-time Bus Driver position to a full-time position at a cost of approximately \$7,500 per year to be paid from the Bus Fund, fund 588. Motion by Backenstose to “recommend approval of the full-time Bus Driver position to the full Board”. Motion carried unanimously.

I. Millage Renewal Policy

The County attorney has recommended removing Section 4. A. Number 12 concerning the petition requirements since it does not treat agencies equally nor is it allowed legally. The Personnel Committee previously recommended removing the section. Motion by Backenstose to “recommend to the full Board to remove Section 4. A. Number 12 from the Millage Request Policy”. Motion carried unanimously.

J. Libke Fields

Mr. Burt updated the Committee on the formal transfer of the Libke Fields property from the Airport to the Parks Department as required by MDOT. Burt will deposit \$30,000 from the 2013 General Fund budget into the Parks and Recreation Fund 208. The cost of the transfer will then be done from the Parks and Recreation Fund to the Airport Capital Projects Fund (fund 481). Motion carried unanimously.

K. 2014 Budget Amendments – Animal Control Fund and Land Use Services Fund

Mr. Burt reviewed budget amendments for the previously approved Animal Control Kennel Attendant position, and for Land Use Services. He also discussed making an extra loan payment on the shelter. The Committee asked Burt to find out how much remains on the Animal Control loan. The Budget Amendments will go directly to the full Board of Commissioners.

L. 2013 Budget Amendments and Transfer

Mr. Burt reviewed plans for 2013 budget amendments/transfers.

Mr. Beachnau adjourned the meeting at 11:00 a.m.