



Budget & Finance Committee

Wednesday, June 21, 2017 at 9:30 a.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

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

Roll call – Present: Ken Borton, John Burt, Rob Pallarito, Paul Beachnau, Ken Glasser

Others present – Rachel Frisch, Diann Axford, Jon Deming, Mary Sanders

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the May 17, 2017 Budget and Finance Committee meeting. Seconded by Mr. Glasser. Motion passed unanimously.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. EMS Millage Request

Mr. Deming and Ms. Sanders presented a millage request to increase the EMS millage rate to 0.78 (It is currently 0.4). This rate was recommended by the EMS Board. The Committee had an in-depth discussion on this issue, on the following topics:

EMS Vehicles - EMS currently has 8 ambulances and 5 support vehicles (1 snowplow, 2 rescue vehicles, 1 hazmat, 1 Expedition). Vehicles are replaced based on mileage.

Billings and Collections - Mr. Deming reported that 65% of runs are Medicaid runs, and only 5% are insurance companies such as Blue Cross. EMS only receives a fraction of the amount billed. The remaining balance is pursued by outside contracted collections agencies, but not much is received. Write offs are significant, which is an industry standard.

Expenditures – Mr. Deming reported that the wages and benefits for his staff are in line with the area. He maximizes scheduling to reduce overtime as much as possible without cutting services. Outside of payroll, vehicle maintenance and fuel are the other major expenditures. Both Mr. Deming and Ms. Sanders feel that EMS operates as efficiently as possible without affecting service.

EMS has never asked for an operating millage increase before. They have been at the 0.4 rate since inception.

According to the County's attorney, we would need to ask for the 0.78 millage, and then have a Board resolution to rescind the 0.4 millage after the 0.78 passes (if the 0.78 doesn't pass, we would keep the 0.4). EMS wants to have the vote on the November 2017 ballot, for the December 2017 levy. EMS will have to pay the cost of the election, approximately \$11,000.

We will also have the County attorney review the millage language. Then the language will need to be approved by the Board of Commissioners, and then forwarded to the County Clerk by 8/1/17.

Motion by Mr. Borton to recommend to the full board to approve the EMS millage request. Seconded by Mr. Pallarito. Motion passed unanimously.

B. Bids for tennis court construction at Sportsplex

Two bids were received for the ARTA tennis court construction at the Sportsplex. Rieth-Riley's bid was the lowest at \$268,276.50. This project is contingent upon grant funding and a Sportsplex agreement which will detail the flow of funds from the Sportsplex to the County for this project.

Motion by Mr. Pallarito to recommend to the full board to approve the tennis court construction by Rieth-Riley for \$268,276.50, contingent upon grant funding being awarded and an agreement between the County and the Sportsplex which details the flowing of funding for the project. Seconded by Mr. Glasser. Motion passed unanimously.

C. Building Department requested changes

Mr. Burt presented a detailed description of fee changes and eliminations proposed by interim Land Use Services Director James Mouch.

Motion by Mr. Glasser to recommend to the full board to approve the Building Department fee changes. Seconded by Mr. Borton. Motion passed unanimously.

D. Demolition request

Combined with item C above.

E. Boiler engineering proposal

Mr. Burt presented a proposed contract from C2AE for engineering services totaling \$15,900, for the boiler replacement project at the Alpine Center. The funds would be paid out of the Capital Projects 499 Fund.

Motion by Mr. Glasser to recommend to the full board to approve the boiler engineering proposal from C2AE for \$15,900 to be paid from the Capital Projects 499 Fund. Seconded by Mr. Pallarito. Motion passed unanimously.

F. Treasurer's Office request to purchase BSA for the Village of Vanderbilt

Ms. Axford explained to the Committee that the Village of Vanderbilt used to do their books by hand until recently, when the new Treasurer took office. She is requesting to have the County fund the purchase of BSA for their taxes. This would save substantial staff time for the County, as the records would then be all done electronically. Ms. Axford's research has shown that many counties purchase this type of software for Townships or Villages that are struggling financially, as the Village of Vanderbilt is. The cost of the software is \$3,105.

Motion by Mr. Glasser to recommend to the full board to approve the cost-sharing the purchase of BSA for the Village of Vanderbilt, with the County paying \$2,605 and the Village paying \$500. Seconded by Mr. Pallarito. Motion passed unanimously.

G. Credit Card Statements – May 2017

The Committee has requested on next month's agenda to discuss the credit card policy

Motion by Mr. Glasser to approve the May 2017 credit card statements. Seconded by Mr. Borton.
Motion passed unanimously.

H. Financial Reports – May 2017

The reports were discussed by the Committee.

I. Other updates

-Airshow income and projected results

-Finance director position

-Draft audit review

-Retiree incentive – reviewed by Mr. Shifman, and would like to take to the entire Board of Commissioners when ready.

-Recycling – November or May ballot? The current contract expires in 2018. The millage has to increase most likely. The County will bid out the contract when the time comes.

-Library building funding

-PACE – Mr. Glasser

-Economic impact study of our airshow USDA

-Did we get any finance director applications as a result of MAC?

Mr. Beachnau adjourned the meeting at 11:18 a.m.