



## **Budget & Finance Committee**

Wednesday, September 19, 2012 – 9:30 a.m.  
Room 212 – Otsego County Building  
225 West Main Gaylord, MI 49735

### **MINUTES**

#### **CALL TO ORDER**

Mr. Olsen called the meeting to order at 9:30 AM

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

Others present – Trisha Adam, Joe Ferrigan, Diann Axford, Rachel Frisch

#### **APPROVAL OF MINUTES**

Motion by Mr. Bates to approve the minutes from the August 15, 2012 budget and finance committee meeting. Motion passed unanimously.

#### **UNFINISHED BUSINESS**

None.

#### **NEW BUSINESS**

##### **A. Building Department Staffing Analysis and Budget Amendment**

Mr. Olsen stated that this topic was added to the agenda at the direction of Board Chairman Beachnau, in order to respond to a concern of an Otsego County citizen, Brenda Cross, as to whether it was appropriate to have contracted inspectors instead of employees. Ms. Cross is concerned that there is motivation for contracted inspectors to create work for themselves in order to earn more money, whereas an employee is going to get paid the same amount regardless of the number of inspections performed.

Mr. Burt distributed copies of the Land Use Services Ordinance Violation Policy, which states that “all inspectors have a duty to report any activity that appears to be in conflict with the Building Codes.” Mr. Ferrigan added that the inspectors do not get paid for inspections unless he approves it and sends them out to do the inspection. The process relies on Mr. Ferrigan’s determination as to whether an inspection is warranted; it is not determined by the inspector.

Mr. Burt has proposed some language changes to the policy and will present them to the full board upon completion.

The Committee is satisfied that the citizen’s concern has been discussed fully.

Ms. Frisch presented a budget amendment for the Land Use Services Fund to transfer budget dollars from the payroll line items (due to West leaving employment in June) and from fund balance into the contractor line items.

Motion by Mr. Beachnau to recommend to the full board approving the Land Use Services Fund budget amendment (Fund 249) as presented. Motion passed unanimously.

## **B. Retiree Health Care Request**

The Personnel Committee has approved this issue on 9/5/12 and recommended it to the Budget and Finance Committee for consideration.

Ms. Adam explained that Sheriff McBride will be eligible for retiree health care under the County's plan, which provides for up to \$250 per month reimbursement toward an eligible health insurance plan from age 62-65. After that, he would be enrolled in the County's retiree health care plan, which the County currently pays 85% of the cost.

Sheriff McBride has indicated that he intends to enroll in his spouse's plan after retirement, but has requested to receive up to \$250 per month reimbursement from age 62-65.

Motion by Mr. Burt to recommend to the full board updating the retiree healthcare policy for department managers to include the ability to opt out of the Otsego County Group Healthcare Plan at retirement and still remain eligible for up to \$250 per month reimbursement from ages 62-65 for a maximum of three years. Eligibility would end at date of Medicare eligibility. Proof of enrollment in a bona fide health insurance program during the term of the benefit and proof of monthly payment specific to the retiree would be required. Motion passed unanimously (Mr. Beachnau was absent for the vote, as he stepped out of the meeting for a minute).

## **C. Salary Placement**

The Personnel Committee has approved this issue on 9/5/12 and recommended it to the Budget and Finance Committee for consideration.

Mr. Burt informed the Committee that the Personnel Committee has recommended that Matthew Nowicki and Matthew Muladore be placed on the County non-union wage scale upon taking over as Sheriff and Undersheriff, respectively, on January 1, 2013, as follows: Sheriff – pay grade 13, step 2, Undersheriff – pay grade 10, step 3.

Motion by Mr. Bates to recommend to the full board Non Union Pay Grade 13 Sheriff Step 2 \$59,931.18 for Matthew Nowicki beginning in January 1, 2013 when he takes office as Otsego County Sheriff and Non Union Pay Grade 10 Undersheriff Step 3 \$47,631.41 for Matthew Muladore upon designation at Otsego County Undersheriff on January 1, 2013. Motion passed unanimously (Mr. Beachnau was absent for the vote, as he stepped out of the meeting for a minute).

## **D. Treasurer – Foreclosure Fund Report**

Ms. Axford distributed the report, which provides information on the Foreclosure Fund activity, from 2006-2011. The foreclosure sales from 2007-2011 have resulted in losses, due to the property selling for less than the amount owed to the County for delinquent taxes. Ms. Axford informed the Committee that according to state law, it appears that the County is supposed to do chargebacks for all taxing units to recoup the losses.

Mr. Burt stated that the County's attorney is reviewing this matter and will provide an opinion next week. Mr. Burt will forward the information for the Committee's consideration, and revisit this issue at the October meeting.

**E. Animal Control Budget Amendment**

Ms. Frisch presented an amendment to the Committee. In discussing the amendment with Animal Control Director Missy FitzGerald, she was informed that the new building was costing more in electricity and cleaning supplies than originally anticipated.

Motion by Mr. Beachnau to recommend to the full board approving the Animal Control Fund budget amendment (Fund 212) as presented. Motion passed unanimously.

**F. Medical Examiner Budget Amendment**

Ms. Frisch explained that due to increased volume and increased number of trips down to hospitals in Lansing and Grand Rapids for autopsies and pathology services, the cost of the department has been higher than anticipated in 2012.

Motion by Mr. Beachnau to recommend to the full board approving the Medical Examiner budget amendment as presented. Motion passed unanimously.

**G. Medical Examiner Power Cot Request**

Mr. Burt informed the Committee that Medical Examiner Dr. MacNamara has requested to purchase a power cot, in order to transport bodies. A demo has been located for approximately \$13,000 including shipping/delivery.

Motion by Mr. Beachnau to recommend to the full board approving the Medical Examiner power cot purchase, for an amount not to exceed \$13,000, with funds to come from the Equipment Fund (Fund 266). Motion passed unanimously.

**H. September 30, 2013 Budgets: Bus and OCCOA**

Ms. Frisch discussed the budgets with the Committee. The Bus budget has already been reviewed and approved by the Transportation Committee and MDOT. The OCCOA budget has already been reviewed and approved the OCCOA Board.

Motion by Mr. Beachnau to recommend to the full board approving the Bus and OCCOA budgets for 9/30/13. Motion passed unanimously.

**I. August 2012 Financial Report**

Ms. Frisch discussed the reports with the Committee.

**J. Prosecuting Attorney Staff Reclassification Request**

Mr. Beachnau noted that he was approached by Prosecuting Attorney Brendan Curran regarding a staff reclassification request.

Motion by Mr. Burt to have the Committee refer the Prosecuting Attorney staff reclassification request to the Administrator per the Position Reclassification policy. Motion passed unanimously.

Mr. Olsen indicated that we are approaching our 2013 budget workshop schedule; the next Budget and Finance Committee meeting will be on October 9, 2012 at 1:30 PM.

Mr. Olsen adjourned the meeting at 11:20 AM.