



Budget & Finance Committee

Wednesday, September 21, 2016 at 1:30 p.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Beachnau called the meeting to order at 1:30 p.m.

Roll call – Present: Paul Beachnau, Ken Borton, Ken Glasser, Erma Backenstose, John Burt

Others present – Rachel Frisch, Diann Axford, Kevin Johnson, Ed Johnson, Sheriff Nowicki, Undersheriff Muladore, Jail Administrator Captain Webber, Parks and Rec Director Kyle Ryan

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the September 13, 2016 Budget and Finance Committee meeting. Seconded by Mr. Glasser. Motion passed unanimously.

UNFINISHED BUSINESS

A. None

NEW BUSINESS

A. Kevin Johnson – DNR Property Request

Mr. Burt passed out maps of the DNR property next to the Dog Park. (Note: the DNR property is land that was donated to Otsego County by the DNR many years ago) Mr. Kevin Johnson stated that he needs to expand his business, and they don't want to relocate due to the expense. He would like to purchase or trade a part of our DNR property for his business expansion. It would be unlikely the State would allow the County to keep profits from the sale of the land since it was donated. The Committee felt the State would be more open to allowing a property trade. Mr. Burt state that two areas of concern would be: 1) Would the County still have room to expand its recycling program, and 2) Whether there would be room for the Alpenfest Parade setup. Mr. Beachnau likes map #6 version (see attachment), as it still gives the County room for events. Mr. Johnson has a similar sized parcel of property on Elkview that he would like to trade. Because a legislative action is needed for this transaction, Mr. Johnson will contact State Representative Tristan Cole to tell him the County is a willing party to this action. Burt will begin drafting an agreement for presentation to the full Board. Mr. Johnson will pay for a survey, property search, removal of trees immediately south of the proposed property, and installation of a fence line along the south property line of the proposed property.

Motion by Mr. Borton to move forward with drafting an agreement for property exchanges (map #6). Seconded by Mr. Glasser. Motion passed unanimously.

B. Bus and Commission on Aging Budgets for 9/30/2017

Ms. Frisch presented the budgets for the Bus and the Commission on Aging. These budgets need to be reviewed and adopted by the Board prior to October 1st. The Committee discussed both budgets, addressing topics such as fund balance levels, funding, and staffing.

Motion by Mr. Borton to recommend to the full board adopting the 9/30/2017 Bus budget and updated employee roster. Seconded by Mr. Glasser. Motion passed unanimously.

Motion by Mr. Glasser to recommend to the full board adopting the 9/30/2017 Commission on Aging budget. Seconded by Ms. Backenstose. Motion passed unanimously.

C. Recycling Agreement Amendment

The Committee discussed updates to the recycling agreement to reflect extra container bin year-round at the Gaylord site. This would cost an additional \$37,000 - \$38,000 per year, and would be funded with millage monies.

Motion by Mr. Borton to recommend to the full board amending the recycling agreement. Seconded by Mr. Glasser. Motion passed unanimously.

D. Parks and Rec Staffing Request

Mr. Ryan discussed the need for an additional part time staff person (20 hours per week) to assist in covering nighttime and weekend shifts, to reduce overtime for other employees. The Parks and Rec board has approved the additional staff. The staff person would be hired in 2016, using leftover overtime monies from the park, and built into the 2017 budget.

Motion by Mr. Glasser to recommend to the full board hiring an additional parks and rec employee, 20 hours per week. Seconded by Mr. Borton. Motion passed unanimously.

E. 2017 Budget Discussion

a. Kyle Ryan, Parks and Rec Director

Parks and Rec Board has approved the proposed budgets. Fund Balance discussion. The Groen Board has approved the 209 Fund budget.

Fund balance levels, staffing, property tax revenues, building and equipment maintenance, and camping fee revenues were discussed in depth.

b. Sheriff Department

The Sheriff, Undersheriff, and Jail Administrator discussed many issues, as follows: CPL revenues, SANE activities, the success of the new jail medical contract, zero transportation to the hospital for inmate medical issues, eight deputies employed by the County, recreational grants (Marine, ORV, Snowmobile), the work camp fund has saved the jail substantial money.

Ms. Frisch will research how the CPL Fund (263) and Officer Training Fund (264) monies can be spent.

c. General Fund updates

Ms. Frisch distributed the updated General Fund budget summary and highlighted all changes from the previous version from the 9/13/16 budget workshop.

d. Internal Fund Allocations

Ms. Frisch distributed a spreadsheet listing the allocations, and explained the purposes and amounts of the allocations made by the General and Delinquent Tax Funds to other funds within the County.

e. Payments to Outside Agencies

Ms. Frisch distributed a spreadsheet listing such payments, and explained the purposes and amounts of payments made to outside agencies for services to County residents. The Committee directed Ms. Frisch to increase the allocation to the Chamber of Commerce to \$1,500 for 2017.

f. Administrative Allocation Analysis

Ms. Frisch distributed a calculation of Administrative costs as compared to total expenditures in each fund. The overall average is 2.63%.

g. Building and Grounds, Equipment and Capital Projects Funds

Ms. Frisch distributed and the Committee discussed the funds. Topics discussed included: utility costs and detailed lists of planned equipment purchases and capital projects.

F. PACE Program Discussion

The Committee discussed proposed documents from Levin Energy Partners LLC. As written, Levin would be named the PACE Administrator. The Committee decided they would like to adjust language to ensure that the program is not restricted to one specific administrator so that companies seeking to take advantage of the program would have more options.

G. Land Use Budget Amendment

Mr. Burt explained that an amendment to professional services is necessary due to increased zoning activity.

Motion by Mr. Borton to recommend to the full board amending the Planning and Zoning budget. Seconded by Mr. Glasser. Motion passed unanimously.

H. Bid 2016-17 Land Use Vehicle

Land Use needs a vehicle that is more reliable in the snow. They will trade in their existing truck for a new vehicle, with a net cost of \$3,300 within the 249 Fund.

Motion by Mr. Glasser to recommend to the full board purchasing a new vehicle for the Land Use Services Department, funds to come from the 249 Fund. Seconded by Mr. Borton. Motion passed unanimously.

Meeting adjourned at 3:53 p.m.