



## Budget & Finance Committee

Tuesday, September 27, 2016 at 1:30 p.m.  
Room 212 – Otsego County Building  
225 West Main Gaylord, MI 49735

### MINUTES

#### I. 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, Marlene Hopp, Jon Deming, Mary Sanders

#### APPROVAL OF MINUTES

Motion by Mr. Glasser to approve the minutes from the September 21, 2016 Budget and Finance Committee meeting. Seconded by Mr. Borton. Motion passed unanimously.

#### UNFINISHED BUSINESS

##### A. None

#### NEW BUSINESS

##### A. Credit Card Statements

The August 2016 statements were reviewed and discussed by the Committee.

##### B. Budget Discussion

###### a. Marlene Hopp, Housing/Veterans/Grants

Ms. Hopp discussed the budgets that her department manages, as follows:

Motorcycle Safety Grant: state grant funded, plus user fees of \$25/student; left at that level. Instructors are paid \$30/hour, and \$10/hour for range aids.

Remonumentation is fully funded by a State Grant. The work is performed by a five member team of surveyors who identify property corners.

Housing accounts for the mortgages of low-income housing improvement/repair projects.

Fund income is the repayment of the loans. HUD Grant Fund accounts for the CDBG grants received. Cindee assists with the housing paperwork and follow up.

Veterans' services are performed primarily by Art Bates and Marlene.

Both part-time staff (Cindee and Art) have increased their hours over the past couple of years to help with Marlene's workload. Additionally, Mr. Burt had approved for Marlene to close her office to the public at 3pm every day, so she can catch up with her paperwork for the remainder of each afternoon.

###### b. Jon Deming and Mary Sanders, EMS

Mr. Deming and Ms. Sanders discussed the EMS financial status going forward. They levy 4/10 of a mill now (which is not capped). They expect a \$315,000 deficit in the 2017 budget. They were hit hard by the Affordable Care Act. Their millage runs thru 2018 and will have to look hard at increasing the next millage cycle. All paramedics earn \$15/hour, with 35 fulltime employees currently. Healthcare is paid 60% by employee and 40% by EMS. They discussed forming an Authority; however, the Committee felt that a better idea is to look into a supplemental millage. Mr. Burt and Ms. Frisch will meet with Mr. Deming and Ms. Sanders to discuss options.

c. General Fund Updates

All departments were updated to incorporate the MERS blended rates.

d. Debt Service Fund, Internal Service Funds, Enterprise Funds, Airport Airshow Administrative Funds were discussed.

Ms. Frisch explained that the Debt Service Fund accounts for the payments of the University Center, Road Commission, and Brownfield long-term debt.

She also explained how Internal Service Funds provide service to all County departments. The Committee discussed that the Administrative services amount charged to county funds averages 2.63% of expenditures.

Enterprise Funds, including the airport and airshow funds were explained, including discussions of airplane fuel sales and profit margins.

Mr. Beachnau adjourned the meeting at 3:25 p.m.