



Budget & Finance Committee

Wednesday, June 15, 2016 at 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, Ken Glasser, Erma Backenstose

Others present – Rachel Frisch, Maureen Derenzy, Library Director

Excused – John Burt, Diann Axford

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the May 18, 2016 Budget and Finance Committee meeting. Seconded by Mr. Glasser. Motion passed unanimously.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Library Expansion Update

Ms. Derenzy distributed information that included updated figures for the proposed library expansion project. The building portion is estimated to cost \$2,733,000, furniture and other costs are estimated to be \$250,000 for a total estimated cost of \$ 2,983,000. She indicated that the Library Board has recommended moving forward with Option 3, a .475 mill for 5 years.

The Committee discussed the project and various options. The Committee advised Ms. Derenzy that Option 2, a .385 mill for 6 years would most likely go over better with the public, mainly due to the fact that the public seems to react more to the size of the millage than the number of years. The Committee asked her to relay this information to the Library Board at its next meeting, on Tuesday June 21, 2016, and ask them to consider changing their recommendation to Option 2.

The Committee also directed Ms. Frisch and Mr. Burt to contact the bonding attorney, John Axe, to ask him why he estimated a 1% decline each year in property values in his calculations. The Committee feels this estimation is too low and is not reflective of our current economy.

This issue will be brought back to the Committee in the July meeting.

B. Budget Calendar

The Committee discussed the dates on the 2017 Budget Calendar and asked Ms. Frisch to remove the meeting scheduled for November 15, 2016.

Motion by Mr. Glasser to recommend to the full Board approving the 2017 Budget Calendar (after the correction is made). Seconded by Mr. Borton. Motion passed unanimously.

C. Financial Reports – May 2016

Ms. Frisch distributed and discussed the reports with the Committee.

D. May 2016 Credit Card Statements

Ms. Frisch distributed the statements. The Committee reviewed and discussed them.

Mr. Beachnau adjourned the meeting at 10:28 a.m.