



Budget & Finance Committee

Wednesday, March 16, 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 9:37 a.m.

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

Others present – Undersheriff Muladore, Patricia Osburn, Rachel Frisch

Excused – Ken Glasser, Diann Axford

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the amended minutes from the February 17, 2016 Budget and Finance Committee meeting. Seconded by Ms. Backenstose. Motion passed unanimously.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Otsego Conservation Nature Center

Ms. Osburn presented a proposed budget of the Nature Center. She had approached the County in August 2015 to contribute toward the matching fund requirement for a DNR grant that she applied for in 2015, to build a Nature Center near the Alpine Center. The County in 2015 approved \$10,000 in funding toward the Nature Center, if the grant went through. The Conservation District has been notified that they were not awarded the grant. Of the projected total cost of \$96,905, Ms. Osburn has raised \$56,905 in the form of cash and in-kind donations (including the \$10,000 from the County). The project is short by \$40,000.

The Committee discussed that the Nature Center would be a County-owned building, and perhaps it would make sense to contribute the additional \$40,000 for the project, for a total of \$50,000. Funds could be taken from residual 2015 fund balance.

Motion by Ms. Backenstose to recommend to the full Board transferring the original \$10,000 plus an additional \$40,000 for a total of \$50,000 from the residual 2015 General Fund fund balance (Fund 101) into to the Capital Projects Fund (Fund 499), for the purpose of funding the construction of a County-owned Nature Center building. Seconded by Mr. Borton. Motion passed unanimously.

B. Civil Papers Rates/Fees

Undersheriff Muladore distributed documents showing the current rates for civil division services, and the new proposed rates. He indicated that many rates are set by State statute and cannot be changed; however, the ones that we can change haven't been updated in years. The proposed increases are in line with surrounding Counties.

Motion by Mr. Borton to recommend to the full Board updating the civil division service fees. Seconded by Mr. Burt. Motion passed unanimously.

C. Veterans Van Disposal

Mr. Burt notified the Committee that the mechanics at the Bus System have deemed the Veterans van unusable due to substantial rusting underneath the vehicle. Mr. Burt recommends that the van be included in the next Sheriff's auction. The Committee concurred.

D. Animal Control Budget Amendment - 2015

Ms. Frisch explained to the Committee that the Animal Control Fund (Fund 212) had additional wage costs in 2015 due to shift changes and wages paid to an employee whose step increase was missed in 2015. Total amendment of \$9,880.

Motion by Ms. Backenstose to recommend to the full Board approving the 2015 budget amendment for the Animal Control Fund (Fund 212). Seconded by Mr. Borton. Motion passed unanimously.

E. Trail Extension Grant Acceptance - \$30,000

Mr. Burt informed the Committee that the County was awarded a \$30,000 State grant for the engineering phase of the Trail Extension project that will run from S. Wisconsin Ave. in Gaylord to the Southern border of the County. This phase of the project (the engineering phase) is anticipated to be completed in 2016, with actual trail construction taking place in 2017.

Motion by Mr. Borton to recommend to the full Board approving the \$30,000 Trail Extension State grant and related budget amendment. Seconded by Ms. Backenstose. Motion passed unanimously.

F. Parks and Recreation Items

~Note: the following Parks and Rec items have all been approved by the Parks and Rec Board and forwarded to this Committee for its consideration.~

a. Millage Request

Mr. Burt notified the Committee that there is a need to consider reinstating the second parks and rec millage for 0.0625 that was dropped in 2010. The Parks and Rec Board has determined that they are in need of an additional employee for the Community Center as well as funds to make repairs to the facilities – repair/replace existing equipment and facilities, and establish fund balance at a level to provide adequate funding matches to seek new grant sources. The additional millage would add approximately \$71,000

annually to the existing tax revenue (from the current 0.1875 millage) of \$213,000 for an approximate annual total of \$284,000.

Motion by Ms. Backenstose to recommend to the full Board adding to the ballot for Parks and Recreation reinstating the 0.0625 millage that was dropped in 2010. Seconded by Mr. Borton. Motion passed unanimously.

b. Parks Plan Update and Budget Amendment

The County is required to do a formal Parks Plan every five years. The County plans to contract with NEMCOG for the plan. Elmira Township would like to be added into the County's plan as a cost saving measure. Total cost for the plan will be \$6,400, with Elmira Township's portion being \$450 (net cost to the County of \$5,950).

Motion by Mr. Borton to recommend to the full Board contracting with NEMCOG to prepare the County's Park Plan for \$5,950 and to include Elmira Township for \$450 (paid by the Township). Funds to come from the Parks and Recreation Fund (Fund 208) fund balance. Seconded by Ms. Backenstose. Motion passed unanimously.

c. Community Center Gym Lights Replacement and Budget Amendment

Mr. Burt explained to the Committee that the Community Center needs to replace its lights over the gym floor. An estimated cost of \$16,500 will be paid from the Parks and Recreation Fund fund balance (Fund 208).

Motion by Ms. Backenstose to recommend to the full Board replacing the lights above the gym floor of the Community Center at a cost of \$16,500. Funds to come from the Parks and Recreation Fund (Fund 208) fund balance. Seconded by Mr. Borton. Motion passed unanimously.

d. MRPA/MDSSH Grant and Budget Amendment

Mr. Burt reported to the Committee that a State grant has been awarded to the Otsego County Parks and Recreation Department for \$34,000. Of that total, \$10,000 is to be used to fund additional temporary staffing for new programs during the summer. The remaining \$24,000 is to be spent on capital projects (no one project can exceed \$5,000).

Motion by Mr. Borton to recommend to the full Board approving the \$34,000 Parks and Recreation State grant and related budget amendment. Seconded by Ms. Backenstose. Motion passed unanimously.

G. 2015 General Fund Budget Amendment

Ms. Frisch distributed the final 2015 budget amendments. The Committee reviewed and discussed them.

Motion by Ms. Backenstose to recommend to the full Board approving the 2015 budget amendments. Seconded by Mr. Burt. Motion passed unanimously.

H. Financial Reports – February 2016

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

I. February 2016 Credit Card Statements

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

J. Bus Cash Advance

Ms. Frisch explained to the Committee that upon further discussion with Theron Higgins, Bus Manager, the State is still very behind on its funding payments. Ms. Frisch is requesting that the original terms of the short-term internal loan be extended.

Motion by Mr. Borton to recommend to the full Board amending the payment terms of the short-term cash advance to the Bus System to be extended to September 30, 2016. Motion passed unanimously.

Mr. Beachnau adjourned the meeting at 11:05 a.m.