



Budget & Finance Committee

Wednesday, June 17, 2020 at 9:30 a.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

MINUTES

CALL TO ORDER

Mr. Glasser called the meeting to order at 9:31 a.m.

Roll call – Present: Ken Borton, Ken Glasser, Rob Pallarito, Paul Liss, Rachel Frisch

Others present – Diann Axford, Mel Maier, Jim Mouch, and Chris Churches

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the May 20, 2020 Budget and Finance Committee meeting. Seconded by Mr. Pallarito.

UNFINISHED BUSINESS

A. Building Inspection Fees

Ms. Frisch thanked Mr. Mouch for his analysis and proposal of consolidating the building inspection fees. Mr. Mouch addressed the group noting that there are currently 229 fee codes which relate to older codes that are not necessary here. Mr. Mouch noted that by consolidating the fee structure, the 229 fee codes would be reduced to 10 fee codes. Mr. Mouch continued that this would save time for both the customer and the Department and provide a much better service to the Community. Mr. Mouch noted that this provides transparency and could be incorporated into an online format with the simplified structure. Ms. Frisch referenced Mr. Mouch's current fee structure example and noted that with this new consolidation, the revenue difference is minimal. Mr. Pallarito inquired if individuals without computers would still be able to access permit applications. Mr. Mouch stated the Building Department foyer has permits and computers available for assistance. Mr. Mouch also noted that when he contacted other Counties for comparisons, they requested if approved, a copy of the revised consolidated fees. The Committee acknowledged and agreed that it is important to be helpful.

Motion by Mr. Borton to recommend to the full Board for approval the Building Inspection fee revisions and consolidation. Seconded by Mr. Liss. Motion Carried

NEW BUSINESS

A. Otsego County Open the Doors Plan

Ms. Frisch stated that while we aren't open yet, the County is working towards getting the doors open and having the necessary safety measures in place. The goal is to open at the end of June or early July, however barriers and dividers are needed. Mr. Churches presents costing and design proposals from two different companies. Phoenix would provide temporary dividers and Rick Rabideau would provide permanent dividers. Ms. Frisch notes that temporary dividers would be used where applicable, however as the County's goal is to improve security, permanent dividers would make sense in some of the Departments. Mr. Churches reviews the pros and cons of the two vendor's

recommendations. Mr. Glasser asks about riskier areas that may need security. Ms. Frisch notes that Clerk/ROD is a high-risk area. Mr. Borton asks about risk for the Treasurer's office. Mr. Churches noted it would take different engineering based on the operations within the Treasurer's office. Ms. Frisch provides photos from Ms. Axford's research on Treasurer office security. Mr. Pallarito inquires about grants for reimbursement. Ms. Frisch responded that FEMA is not including plexiglass.

Motion by Mr. Pallarito to recommend to the full Board for approval the combination of permanent and temporary dividers from Phoenix and Rick Rabideau. Seconded by Mr. Liss. Motion Carried

B. MERS: Liability Analysis Per Funding Unit, FB Reserve

Ms. Maier presents the County's MERS liability allocation. Ms. Maier notes that due to GAAP, the pension liability is not represented in the individual funds so we do not see the true cost to each individual fund. Ms. Maier explains the method of allocation and notes that this will allow us to better analyze each fund's financial position. Ms. Maier notes that this allocation will be tracked internally but not included as part of published financials as that would not follow generally accepted accounting principles. Mr. Glasser notes that the Road Commission liability should be included as the County is liable for the Road Commission's finances.

C. Budget Amendment: Courts COVID Equipment

Ms. Maier presents a budget amendment to use \$5,000 from the Courthouse Restoration fund to purchase plexiglass and kiosks. These purchases are in direct response to COVID-19.

Motion by Mr. Liss to recommend to the full Board for approval the Court's COVID-19 equipment budget amendment. Seconded by Mr. Pallarito.

D. Budget Amendment: Airport Special Revenue Fund Aircraft Monument Protective Barrier Material

Ms. Maier presents a budget amendment to use \$900 from the Airport's Special Events fund balance. The \$900 would be used for barriers to protect the donated aircraft that faces Dickerson Road. Ms. Frisch notes that the goal of the Airport is to work towards engaging the Community with STEM related activities.

Motion by Mr. Pallarito to recommend to the full Board for approval the Airport Special Event budget amendment. Seconded by Mr. Liss.

E. Budget Amendment: Completion of Courthouse Windows and Paint Punch List

Ms. Maier presents a budget amendment for the Capital Projects fund. Ms. Maier notes that the Courthouse was approved and scheduled to have paint and window work done in 2019, however part of the work was not finished until 2020. The proposed budget amendment would pull the unspent dollars from fund balance to pay the remaining costs in 2020.

Motion by Mr. Borton to recommend to the full Board for approval the budget amendment in the Capital Projects fund. Motion Carried.

F. Updated 911 Contract

Ms. Maier notes that Ms. Frisch worked with the Michigan State Police to reduce the initial contract renewal increase. The proposed contract for 911 services will see an increase smoothed over fiscal years 2020-2025 rather than a significant increase the first year.

Motion by Mr. Borton to recommend to the full Board for approval the 911 contract with the Michigan State Police. Seconded by Mr. Liss. Motion carried.

Ms. Frisch notes that the 911 fund balance is becoming low as expected, however due to a decrease in user fees received, the balance is very tight. Ms. Frisch notes that the fund has done exactly what was planned for purchasing communications equipment, however the fund now needs to stabilize and recover from the purchases.

Motion by Mr. Borton to freeze expenditures not planned for the remainder of the 2020 fiscal year. Seconded by Mr. Liss. Motion passes unanimously.

G. NEMCOG Resolution

Ms. Maier presents the annual Northeast Michigan Community Corrections Advisory Board (NEMCCAB) Grant Plan and Application for the 2021 fiscal year and a resolution for Otsego County to support the grant application. In order to fund continuation of the Board's Community Correction program, the grant application by NEMCCAB is proposed in the amount of \$321,373 for fiscal year 2021.

Motion by Mr. Borton the NEMCCAB resolution approval. Seconded by Mr. Pallarito. Motion carried.

H. Playground Equipment

Ms. Maier presents the capital asset disposal policy and notes that as there is interest in the Park's playground equipment, it is important to know the County's disposal policy. Ms. Maier notes that the playground equipment will not be replaced this year and will most likely be next year. Mr. Glasser notes that it is important to know all of our policies and wants to see all policies readily accessible and reviewed.

I. Financial Reports

The Committee reviewed, discussed and asked questions which were answered during the meeting.

J. Credit Card Statements

The Committee reviewed, discussed and asked questions which were answered during the meeting.

Motion by Mr. Liss to approve all of the credit card statements. Seconded by Mr. Pallarito. Motion carried.

K. Finance Department Updates

Ms. Maier notes that as the Library Construction is complete, the expenses have been incurred and paid however, the millage money for fiscal year 2021 and 2022 has not yet been received. As such, a deficit occurs at year end which is unallowable by the State. In order to eliminate the deficit for financial statement purposes, a year end transfer is needed in the amount of \$129,500 which is immediately reversed in 2020.

Motion by Mr. Borton to recommend to the full Board for approval the library transfer. Seconded by Ms. Frisch. Motion carried.

Ms. Maier discusses CARES Act funding, noting that we still don't know the full amount that will be passed through to the local level. Ms. Maier discusses CARES Act funding through MDOT for the Airport and Bus System, noting that these departments are the closest to knowing and receiving funding.

Ken Glasser adjourned the meeting at 10:48 a.m.