



Budget & Finance Committee

Wednesday, August 19, 2020 at 9:30 a.m.
Room 212 – Otsego County Building
225 West Main Gaylord, MI 49735

Due to the novel Coronavirus pandemic, this meeting was held remotely for the public in compliance with Governor Whitmer's Executive Order 2020-75.

MINUTES

CALL TO ORDER

Mr. Glasser called the meeting to order at 9:30 a.m.

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

Others present – Mel Maier

Excused – Rob Pallarito, Diann Axford

APPROVAL OF MINUTES

Motion by Mr. Borton to approve the minutes from the July 15, 2020 Budget and Finance Committee meeting. Seconded by Mr. Liss.

UNFINISHED BUSINESS

None

NEW BUSINESS

A. Iron Belle Trail Closeout

Ms. Frisch discusses the Iron Belle Trail project, noting its completion. Ms. Frisch discusses the grant funding and expenditures and details the closeout of the project. Due to bids coming in lower than anticipated, the County and participating Townships will receive a partial reimbursement of their local contribution. Payment of the reimbursements will be processed soon.

B. Fund Balance Discussion – 249 Building Inspection, 212 Animal Control, 594 OCNNet

249 Building Inspection – Mr. Glasser discusses the history of the fee reductions implemented and encourages further reductions if possible. Ms. Frisch notes that the Building Inspection's fund balance is highest in the summer due to the cyclical nature of the fund, which has a volatile history. Ms. Frisch notes that Mr. Mouch has researched and provided the Committee a comparison of Otsego County's fees with local municipalities. Ms. Frisch notes that Land Use Services will eventually be relocated to provide more accessibility to the Community which will require use of the fund balance. Additionally, the MERS liability continues to grow.

Mr. Glasser notes that he wants the Committee to revisit this fund in the winter to analyze the fees. The Committee acknowledges and agrees.

212 Animal Control – Ms. Frisch notes that the Animal Control portion of the MERS liability is significant and continues to grow. Mr. Glasser acknowledges the liability but wants to analyze the current millage rate for Animal Control.

Mr. Glasser notes that he wants the millage rate reviewed during the budgeting process. Ms. Frisch and Ms. Maier acknowledge and agree.

594 OCNNet – Ms. Frisch provides an overview of the fund and how rates are charged. Ms. Frisch explains that Empiric assisted in ensuring that OCNNet rates were comparable to the local market. Ms. Frisch notes that the current fund balance will allow the County to continue to provide connectivity to areas that may not have adequate access.

C. Budget Amendment – MVAA Wages

Ms. Maier presents the MVAA budget amendment, explaining that the MVAA award was higher than originally budgeted. With the increase of the award, it provided for additional payroll costs to be allocated to the grant.

Motion by Mr. Borton to recommend to the full Board for approval the budget amendment for MVAA Wages. Seconded by Mr. Liss. Motion Carried.

D. Budget Amendment – Park Crawl Space

Ms. Frisch discusses that the Park Ranger Station was approved for crawl space work in 2019. The work involves sealant for the crawl space. The total budget amendment is for \$5,600 which will pull the approved dollars from 2019 into the 2020 budget.

Motion by Mr. Glasser to recommend to the full Board for approval the budget amendment for the Park crawl space work. Seconded by Mr. Liss. Motion Carried.

E. Work Camp Update

Ms. Frisch notes that the Work Camp is in the red due to a couple of reasons include the decreased participants for work camp and not having the drug testing for a few months during COVID. Ms. Frisch notes that staffing and scheduling is being reviewed and closely monitored. The Committee reviews and discusses the Work Camp.

F. Financial Reports

The Committee reviewed, discussed and asked questions which were answered during the meeting. Mr. Glasser notes he has received public comment appreciating the Marine Officer.

G. Credit Card Statements

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

H. Finance Department Updates

a. Accelerate Otsego

Ms. Maier notes that the Committee made a motion in February to discuss participation in the Accelerate Otsego at the August Budget and Finance Committee meeting. However due to COVID the event will most likely be cancelled. Motion by Ms. Frisch to cancel a discussion of participating for 2020 due to COVID. Seconded by Mr. Borton. Motion Carried

b. Community Mental Health Rent

Rent is up for renewal and CMH is going to vacate an approximate section of 19%, therefore there will be a decrease in rent revenue. The Committee discusses location and space ideas for the CMH.

c. Component Unit Agreements

Ms. Maier discusses the component unit agreements, noting that they automatically renew when millages are renewed. Ms. Maier noted that the language in the original component unit contracts is still applicable to current operations.

d. Airport Hangar

Ms. Frisch discusses that the County has received the award documents from MDOT for the hangar project. The project is expected to begin this fall.

e. Foreclosed Properties – 3 Total

Ms. Frisch discusses 3 foreclosed properties she visited with Diann Axford. The properties are uninhabitable and need to be demolished. The plan is to have the buildings demolished using tax foreclosure dollars. The Committee directed Ms. Frisch to bid out the work and see where the costs come in.

f. Denise's Anniversary

Ms. Frisch notes that Denise's 10-year work anniversary with the County is this Sunday and we've been very fortunate to have her with us.

Ken Glasser adjourned the meeting at 10:50 a.m.