

Grand Valley Metro Council Finance Committee Meeting

July 15, 2011

8:00 a.m.

678 Front Ave NW
Grand Rapids, MI

MINUTES

Members Present

Mike DeVries	Grand Rapids Township
Denny Hoemke	Algoma Township
Cy Moore	GVMC Treasurer
Mary Swanson	Kent County
Bill VerHulst	City of Wyoming

Members Absent

Scott Buhner	City of Grand Rapids
Jeff Dood	City of Rockford
Keith VanBeek	Ottawa County
Rob VerHeulen	City of Walker

Others

Andy Bowman	Grand Valley Metro Council
Leon Branderhorst	Grand Valley Metro Council
Abed Itani	Grand Valley Metro Council
Gayle McCrath	Grand Valley Metro Council
Don Stypula	Grand Valley Metro Council
Doug Vredeveld	Vredeveld Haefner

1. Call To Order

The meeting was called to order at 8:40 a.m. by Chair Cy Moore.

2. Minutes

MOTION – To Approve the Minutes of the April Finance Committee Meeting with Correction. MOVE – VerHulst. SUPPORT – Hoemke. MOTION CARRIED.

3. 2010 Financial Statement

Don Stypula reported on the 2010 financial statement which reflects Phase I of the MDOT audit.

Doug Vredeveld stated page 12 reflects the audit and on June 30 the documents were uploaded to the feds.

Cy Moore asked about REGIS' obligation to the Phase II MDOT audit. Nothing is shown on the reports.

Don Stypula reported the Chair of the REGIS board, Bob Hoeman, has communicated to him and MDOT that this was an unintentional mistake and is asking for 100% forgiveness. Abed Itani has set up an August 1 meeting with MDOT which Hoeman and Dharmesh Jain are expected to attend. The next step is Phase II which Don will report on to all.

The REGIS budget is not yet complete. It won't be approved by the REGIS Board for two weeks.

Cy Moore said he suggests REGIS' supposed obligation of \$165,000 be explained to the Board.

Bill VerHulst said it should be shown as a liability in their next budget.

Doug Vredeveld stated it is an estimate and not an official amount yet, so it is not obligated to be shown.

MOTION – To Move the Audit and Financial Statements on to the GVMC Executive Committee. MOVE - DeVries. SUPPORT – Hoemke.

4. Draft 2012 Budget

Don Stypula reported on the 2012 budget. We have included full funding for Land Use Planning by bringing in transportation funding from federal sources

Dues have gone up as reflected in the census.

The budget also reflects the transportation budget which has already been approved.

Bill VerHulst asked what % salary increase had been budgeted for.

Leon Branderhorst reported none. The salary line item is higher than last year due to a special project which will include overtime and be paid at time and a half. The revenue from

this project is also reflected. There is also a different percentage of allocation of administrations time to REGIS this year.

Mike DeVries asked what was budgeted for increased costs of healthcare.

Leon Branderhorst reported an 8% increase was budgeted for everyone eligible even though some are expected to defer.

Mary Swanson questioned LGROW's revenue, special services and EPA.

Leon Branderhorst reported it reflects Andy Bowman's services and the EPA funding reflects Jay Hoekstra's.

Don Stypula stated we don't have a budget for LGROW. It is expected to be completed at the next meeting. REGIS' budget will be adopted later this month. He suggested a phone conference to go over the REGIS budget.

Mary Swanson said we need to make sure they don't take action to diminish their fund balance since they have a probable obligation of up to \$165,000 to MDOT.

Don Stypula reported the approval of the REGIS budget will happen before the upcoming meeting with MDOT. He doesn't see a lot of wiggle room.

Denny Hoemke said he thinks they ought to show an accrued liability. If they don't want to, we could force them to.

Abed Itani added REGIS' position of asking for 100% forgiveness of the MDOT obligation is just posturing at this point. It is not deception, just strategy.

Denny Hoemke said we should tell them our advice is to show it.

Don Stypula said he agreed.

Mary Swanson said the new strategic initiatives focus isn't reflected for Land Use Planning if their time is dedicated to activities funded by transportation.

Don Stypula said there are hours dedicated to that, but those funds also frees up general fund dues to dedicate to strategic initiatives.

Andy Bowman added some of the strategic initiatives fit under transportation.

MOTION – To Move the 2012 Budget to the Executive Committee. Move – Hoemke. SUPPORT – VerHeulen. MOTION CARRIED.

5. FY 2011 Third Quarter Financial Report

Leon Branderhorst explained the variance in NDPES under general revenue was due to billing completed for the entire year, but Fishbeck has only invoiced GVMC for six months, consequently shows about \$100,000 revenue over expenses.

Cy Moore asked what the forecast was for the next three months.

Leon Branderhorst stated he expected it to be very close to the amended budget.

MOTION – To accept the Third Quarter Financials. MOVE – VerHulst. SUPPORT – Hoemke. MOTION CARRIED.

Mike DeVries stated we need to think about performance measurements and watch how other communities are doing it. It would be nice to have a paragraph narrative from staff on each item.

6. Other

7. Adjourn – 9:25 a.m.