



**Finance Committee  
April 15, 2011 • 8:30 AM  
GVMC Offices**

**Agenda**

- 1. Welcome**
- 2. Approval of Minutes dated April 15, 2011**
- 3. Draft GVMC FY 2012 General Fund Budget**
- 4. Update on Transportation Commission Audit of GVMC Operations**
- 5. Other Items**

# Grand Valley Metro Council Finance Committee Meeting

Friday, April 15, 2011

8:00 a.m.

678 Front Ave NW  
Grand Rapids, MI

## MINUTES

### Members Present

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

### Members Absent

Jeff Dood	City of Rockford
Keith VanBeek	Ottawa County
Rob VerHeulen	City of Walker

### Others

Andy Bowman	Grand Valley Metro Council
Gayle McCrath	Grand Valley Metro Council
Don Stypula	Grand Valley Metro Council

### 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 January 28 Finance Committee Meeting with Correction. MOVE – VerHulst. SUPPORT – DeVries. MOTION CARRIED.**

### 3. FY 2011 Six Month Finance Report

Don Stypula reviewed the six-month financial report. Everything is on track. The figures for rent and health insurance reflect 7 months. Land Use expense is below 50% but will be made whole with the budget amendment.

The Transportation Needs Assessment project was carried over and will be reflected in the amendment.

### 4. FY 2011 General Fund Budget Amendments

Don Stypula explained the proposed amendment to the GVMC FY 2011 general fund budget that balances the current year budget and results in a modest level of revenues over expenses at the end of the fiscal year.

The amended budget lists new sources of revenue, including:

- \$75,000 State Planning and Research (SPR) grant from MDOT to perform planning work related to MDOT's U.S. 131 corridor study
- Carryover of \$128,550 in revenue from FY 2010 to complete the Kent County Public Transportation Needs study
- \$8,712 in funds from the Lower Grand River Organization of Watersheds budget
- \$1,882 in funds carried over from the FY 2010 budget from the Fisher's Station planning and design project in the Division Avenue corridor

In addition, we have reduced our projected interest earnings from fund balance by \$3,000 to reflect the current market realities.

Page four of the amended budget, reflecting transportation-related expenditures, includes an additional \$143,550 in revenues from the following sources:

- \$15,000 in revenue from the State Planning and Research (SPR) grant for the U.S. 131 corridor study
- \$128,550 from the carryover of funds for the Kent County Public Transportation Needs Study

Page 5 of the amended budget includes adjustments to the salaries and fringes lines for the Land Use Department to reflect the additional revenue from the MDOT SPR grant (chart of accounts #702-712.800), together with the carryover of \$1,882 in funds from the Fisher's Station planning and design project (account #801.400).

**MOTION – To Approve the FY2011 General Fund Budget Amendments and Move them to the Executive Committee. MOVE – Buhrer. SUPPORT – VerHulst. MOTION CARRIED.**

### 5. Update on Transportation Audit

Don Stypula reported the transportation audit continues to drag on. GVMC has presented its 1<sup>st</sup> response on Phase II which includes a response from REGIS. We have met with the MDOT Director and behind the screens with Frank Raha. DART has yet to meet on the final adjudication of Phase I.

Mike DeVries asked how it will affect the audit.

Cy Moore stated the audit is completed, but we are not submitting it as GVMC does not know its final liability on the transportation audit. A notice regarding this has been sent to members.

Don Stypula reported March 31 is the deadline, but we have informed Federal Highway and the Treasury of what is going on.

Scott Buhner asked what GVMC's estimated liability is.

Cy Moore reported in the area of \$380,000, but we don't have a final figure.

Bill VerHulst asked if GVMC has received a ruling on how far MDOT can go back in the records.

Don Stypula stated we received a mixed opinion by Jeff Sluggette. There is a reference to six years, but also once the records are turned over, you are liable for everything in the records.

Scott Buhner said if we feel the liability is approximately \$380,000, we should release the financials with this.

Cy Moore said he didn't know if the auditors would release it like this, and since the deadline was already missed, we don't have anything to lose in holding off.

Mike DeVries stated we might want to look at a special assessment to members if need be. We should talk about the options in advance.

Cy Moore stated he had advised GVMC to get a line of credit while the fund balance was still good. However, he didn't think it would be approved now.

Don Stypula reported MDOT is reimbursing GVMC much quicker than it has in the past.

Cy Moore asked when the transportation budget needed to be approved.

Abed Itani answered it has to be approved by the Finance committee before the May Executive committee.

Don Stypula will send out information to all members of this committee regarding scheduling of a meeting A.S.A.P.

Scott Buhner said he would like to know how much GVMC expenses are funded by the general fund dues as apposed to transportation and how much could be saved if we cut back in those areas.

Don Stypula said he would get him that information. Part of the general dues goes towards most expenses. Don said Leon Branderhorst will create an analysis and get it to members of this committee and then to all members.

Mike DeVries stated we also needed to look at the grants that we are applying for in relation to the local match required. If we don't have the match, we can't apply.

Cy Moore recapped:

- A date needs to be set for the next meeting
- The general fund budget needs to be seen by July 14
- We are waiting to hear on the transportation audit.

**6. Other**

**7. Adjourn – 9:25 a.m.**

# GVMC FY 11-12 BUDGET

## Summary

Activitiy	Prior Year Actual FY 09-10	Approved Budget FY 10-11	Projected Actual FY 10-11	Proposed Budget FY 11-12
<b>Revenues:</b>				
Revenues	<u>\$1,843,910.20</u>	<u>\$2,330,626.00</u>	<u>\$2,109,627.00</u>	<u>\$2,052,039.00</u>
<b>Expenditures:</b>				
GVMC Board	\$1,678.88	\$2,200.00	\$1,850.00	\$2,200.00
Administration	\$339,329.70	\$317,453.00	\$316,713.70	\$340,545.00
Pavement Manage. Veh.	\$130,263.49	\$140,990.00	\$126,240.00	\$48,800.00
Transportation	\$814,339.91	\$1,180,035.00	\$996,417.70	\$1,152,411.00
Rogue River	\$122.97	\$500.00	\$75.00	\$500.00
Planning & Strategic Init.	\$313,565.96	\$252,715.00	\$247,496.00	\$251,804.78
Special Services	<u>\$338,547.37</u>	<u>\$429,861.00</u>	<u>\$416,356.00</u>	<u>\$255,761.00</u>
Total	<u>\$1,937,848.28</u>	<u>\$2,323,754.00</u>	<u>\$2,105,148.40</u>	<u>\$2,052,021.78</u>
Net Rev. over Exp.	(\$93,938.08)	\$6,872.00	\$4,478.60	\$17.22

# GVMC FY 11-12 BUDGET

Fund: General  
 Depart: REVENUES

Acct No.	Activity	Prior Year Actual FY 09-10	Approved Budget FY 10-11	Projected Actual FY 10-11	Proposed Budget FY 11-12
<b>Dues</b>					
	GVMC	\$247,008.00	\$249,507.00	\$250,875.00	\$260,939.00
	<u>Transportation</u>	<u>\$152,246.00</u>	<u>\$199,256.00</u>	<u>\$201,923.00</u>	<u>\$188,696.00</u>
	Sub total	\$399,254.00	\$448,763.00	\$452,798.00	\$449,635.00
<b>Transportation</b>					
	PL 112	\$592,653.88	\$675,837.00	\$661,000.00	\$795,891.00
	Section 5303	\$151,294.45	\$193,445.00	\$160,000.00	\$222,842.00
	CMAQ	\$64,956.99	\$125,069.00	\$75,000.00	\$81,293.00
	SPR	\$0.00	\$75,000.00	\$60,000.00	\$0.00
	Trans. Needs Assess. Fds	\$47,846.00	\$128,550.00	\$128,550.00	\$0.00
	MTF	\$15,201.16	\$19,907.00	\$18,000.00	\$20,631.00
	<u>STP</u>	<u>\$130,471.26</u>	<u>\$185,000.00</u>	<u>\$70,000.00</u>	<u>\$149,786.00</u>
	Sub total	\$1,002,423.74	\$1,402,808.00	\$1,172,550.00	\$1,270,443.00
<b>Reimbursements</b>					
	Contrib.-Clean Air	\$12,500.00	\$7,000.00	\$12,200.00	\$10,000.00
	Contrib.-Bike Summit	\$0.00	\$0.00	\$0.00	\$0.00
	Misc. Sales, Etc.	\$150.03	\$100.00	\$103.00	\$100.00
	Cont. Rogue River	\$0.00	\$500.00	\$50.00	\$500.00
	REGIS-Indirect	\$0.00	\$6,000.00	\$6,000.00	\$6,000.00
	LGROW-Land Use Serv.		\$8,712.00	\$8,712.00	\$8,700.00
	Land Use Services	\$10,800.00	\$1,882.00	\$1,882.00	\$0.00
	Data Collection	\$0.00	\$0.00	\$0.00	\$21,000.00
	Local Participation Fee	\$7,104.00	\$0.00	\$15,974.00	\$12,400.00
	Water/Sewer-NPDES	\$187,750.93	\$177,761.00	\$200,356.00	\$177,761.00
	Events-Growing Comm	\$9,375.00	\$0.00	\$0.00	\$0.00
	<u>Events</u>	<u>\$4,020.00</u>	<u>\$6,000.00</u>	<u>\$3,500.00</u>	<u>\$6,000.00</u>
	Sub total	\$231,699.96	\$207,955.00	\$248,777.00	\$242,461.00
<b>Grants</b>					
	MDEQ-L.G.R.-Storm Educ	\$9,613.87	\$0.00	\$0.00	\$0.00
	MDEQ-L.G.R.-WS Initiatives	\$135,131.11	\$0.00	\$0.00	\$0.00
	<u>EPA-Haz Mater. &amp; Petrol.</u>	<u>\$59,443.88</u>	<u>\$269,100.00</u>	<u>\$233,502.00</u>	<u>\$88,000.00</u>
	Sub total	\$204,188.86	\$269,100.00	\$233,502.00	\$88,000.00
<b>Interest</b>					
		<u>\$6,343.64</u>	<u>\$2,000.00</u>	<u>\$2,000.00</u>	<u>\$1,500.00</u>
<b>Total</b>					
		<b>\$1,843,910.20</b>	<b>\$2,330,626.00</b>	<b>\$2,109,627.00</b>	<b>\$2,052,039.00</b>

# GVMC FY 11-12 BUDGET

**Fund:** General  
**Depart:** GVMC Board

Acct No.	Activity	Prior Year Actual FY 09-10	Approved Budget FY 10-11	Projected Actual FY 10-11	Proposed Budget FY 11-12
810.000	Meeting Exp	<u>\$1,678.88</u>	<u>\$2,200.00</u>	<u>\$1,850.00</u>	<u>\$2,200.00</u>
	Total	\$1,678.88	\$2,200.00	\$1,850.00	\$2,200.00

**Fund:** General  
**Depart:** Administration

Acct No.	Activity	Prior Year Actual FY 09-10	Approved Budget FY 10-11	Projected Actual FY 10-11	Proposed Budget FY 11-12
702.000	Salaries	\$204,961.65	\$197,460.00	\$213,130.00	\$221,257.00
712.100	Social Security Tax	\$12,816.31	\$12,243.00	\$13,214.00	\$13,719.00
712.200	Medicare Tax	\$3,055.28	\$2,864.00	\$3,091.00	\$3,499.00
712.300	State Unemployment Tax	\$609.37	\$610.00	\$677.00	\$676.00
712.500	Health/Dental Insurance	\$17,153.17	\$24,235.00	\$18,000.00	\$26,211.00
712.600	Life/Long Term Disb. Ins	\$2,342.64	\$2,631.00	\$2,615.00	\$2,804.00
712.700	Parking	\$1,421.50	\$0.00	\$0.00	\$0.00
712.800	Pension Plan Expense	\$19,681.60	\$17,775.00	\$19,181.70	\$19,914.00
726.000	Office Supplies	\$1,867.40	\$2,000.00	\$1,250.00	\$1,500.00
726.200	Postage	\$781.89	\$1,000.00	\$800.00	\$1,000.00
801.100	Audit	\$2,600.00	\$3,100.00	\$2,500.00	\$2,800.00
801.200	Legal Services	\$21,914.50	\$5,500.00	\$4,000.00	\$4,500.00
801.400	Contractual Serv	\$11,312.75	\$0.00	\$100.00	\$0.00
805.000	Adv/Legal Notice	\$1,040.15	\$1,000.00	\$950.00	\$1,000.00
810.000	Meeting Exp	\$8,520.53	\$10,000.00	\$7,000.00	\$8,000.00
815.000	Insurance	\$2,584.77	\$2,500.00	\$2,500.00	\$2,600.00
820.000	Dues and Sub	\$1,140.00	\$1,750.00	\$1,100.00	\$1,250.00
825.000	Professional Dev	\$1,594.65	\$5,000.00	\$750.00	\$2,000.00
860.000	Mileage	\$5,672.55	\$7,300.00	\$6,900.00	\$7,000.00
900.100	Printing	\$0.00	\$400.00	\$0.00	\$400.00
920.100	Electricity	\$783.49	\$1,200.00	\$875.00	\$950.00
920.200	Telephone	\$3,688.33	\$3,300.00	\$3,400.00	\$3,500.00
930.000	Repairs and Maint	\$1,252.44	\$1,000.00	\$300.00	\$1,000.00
940.100	Equipment Rent	\$1,111.55	\$1,200.00	\$1,150.00	\$1,200.00
940.200	Rent	\$10,874.76	\$12,835.00	\$12,730.00	\$13,215.00
955.000	Misc	<u>\$548.42</u>	<u>\$550.00</u>	<u>\$500.00</u>	<u>\$550.00</u>
	Total	\$339,329.70	\$317,453.00	\$316,713.70	\$340,545.00

**Fund:** General  
**Depart:** Pavement Management Vehicle

Acct No.	Activity	Prior Year Actual FY 09-10	Approved Budget FY 10-11	Projected Actual FY 10-11	Proposed Budget FY 11-12
738.000	Other Supplies	\$287.43	\$1,500.00	\$400.00	\$900.00
738.050	Other-Software	\$0.00	\$1,000.00	\$0.00	\$1,000.00
815.000	Insurance	\$5,740.01	\$9,300.00	\$6,500.00	\$7,000.00
825.000	Professional Develop	\$0.00	\$2,500.00	\$500.00	\$2,500.00
850.000	Vehicle Storage	\$0.00	\$600.00	\$600.00	\$600.00
881.000	Gas, Grease & Oil	\$967.15	\$3,000.00	\$1,200.00	\$1,500.00
920.200	Telephone	\$4,132.78	\$4,100.00	\$4,050.00	\$4,300.00
931.000	Vehicle Repair & Maint.	\$21,489.00	\$31,000.00	\$25,000.00	\$31,000.00
994.000	Loan Repayment	\$87,571.91	\$84,860.00	\$84,860.00	\$0.00
995.000	Interest	<u>\$10,075.21</u>	<u>\$3,130.00</u>	<u>\$3,130.00</u>	<u>\$0.00</u>
	Total	\$130,263.49	\$140,990.00	\$126,240.00	\$48,800.00

## GVMC FY 11-12 BUDGET

**Fund:** General  
**Depart:** Transportation

Acct No.	Activitiy	Prior Year	Approved	Projected	Proposed
		Actual FY 09-10	Budget FY 10-11	Actual FY 10-11	Budget FY 11-12
702.000	Salaries	\$435,918.55	\$477,035.00	\$460,000.00	\$475,616.00
712.100	Social Security Tax	\$27,005.82	\$29,580.00	\$28,520.00	\$29,490.00
712.200	Medicare Tax	\$6,446.29	\$6,925.00	\$6,670.00	\$6,897.00
712.300	State Unemployment Tax	\$1,631.57	\$2,250.00	\$2,076.00	\$2,338.00
712.500	Health/Dental Insurance	\$83,703.02	\$98,400.00	\$80,475.00	\$105,460.00
712.600	Life/Long Term Disabilty	\$6,153.84	\$6,410.00	\$6,230.00	\$6,410.00
712.700	Parking	\$13.00	\$0.00	\$0.00	\$0.00
712.800	Pension Plan Expense	\$40,429.16	\$40,800.00	\$41,400.00	\$41,225.00
726.000	Office Supplies	\$4,072.40	\$8,000.00	\$4,000.00	\$6,000.00
726.200	Postage	\$3,011.79	\$3,000.00	\$2,200.00	\$3,500.00
801.100	Audit	\$6,125.00	\$6,250.00	\$5,500.00	\$6,200.00
801.300	Professional Fees	\$0.00	\$1,000.00	\$0.00	\$1,000.00
801.400	Contractual Serv	\$143,465.28	\$400,150.00	\$290,000.00	\$381,500.00
805.000	Adv/Legal Notice	\$2,109.14	\$3,750.00	\$2,200.00	\$3,750.00
810.000	Meeting Exp	\$5,160.15	\$8,000.00	\$3,500.00	\$6,000.00
815.000	Insurance	\$4,282.02	\$3,500.00	\$3,600.00	\$4,500.00
820.000	Dues and Sub	\$0.00	\$2,000.00	\$1,100.00	\$2,000.00
825.000	Professional Dev	\$120.00	\$9,000.00	\$3,500.00	\$6,000.00
860.000	Mileage	\$5,569.03	\$18,000.00	\$8,000.00	\$18,000.00
900.100	Printing	\$0.00	\$1,000.00	\$600.00	\$1,000.00
920.100	Electricity	\$1,901.08	\$2,000.00	\$2,100.00	\$2,100.00
920.200	Telephone	\$5,348.87	\$5,600.00	\$5,450.00	\$5,600.00
930.000	Repairs and Maint	\$1,594.20	\$2,500.00	\$1,100.00	\$2,000.00
940.100	Equipment Rent	\$2,223.26	\$3,500.00	\$2,950.00	\$3,500.00
940.200	Rent	\$25,540.83	\$31,385.00	\$31,050.00	\$32,325.00
980.100	Office Equipment	<u>\$2,515.61</u>	<u>\$10,000.00</u>	<u>\$4,196.70</u>	<u>\$0.00</u>
	Total	\$814,339.91	\$1,180,035.00	\$996,417.70	\$1,152,411.00

**Fund:** General  
**Depart:** Rogue River

Acct No.	Activitiy	Prior Year	Approved	Projected	Proposed
		Actual FY 09-10	Budget FY 10-11	Actual FY 10-11	Budget FY 11-12
900.100	Printing	<u>\$122.97</u>	<u>\$500.00</u>	<u>\$75.00</u>	<u>\$500.00</u>
	Total	\$122.97	\$500.00	\$75.00	\$500.00

## GVMC FY 11-12 BUDGET

**Fund:** General  
**Dept:** Planning and Strategic Initiatives

Acct No.	Activity	Prior Year	Approved	Projected	Proposed
		Actual FY 09-10	Budget FY 10-11	Actual FY 10-11	Budget FY 11-12
702.000	Salaries	\$164,623.49	\$165,024.00	\$166,007.00	\$165,042.00
712.100	Social Security Tax	\$10,161.66	\$10,233.00	\$10,292.00	\$10,233.00
712.200	Medicare Tax	\$2,376.55	\$2,394.00	\$2,407.00	\$2,394.00
712.300	State Unemployment Tax	\$427.31	\$522.00	\$676.00	\$522.00
712.500	Health/Dental Insurance	\$24,155.52	\$26,700.00	\$26,219.00	\$28,060.00
712.600	Life/Long Term Disb. Ins.	\$2,155.92	\$2,250.00	\$2,160.00	\$2,250.00
712.800	Pension Plan Expense	\$14,981.30	\$14,855.00	\$14,940.00	\$14,853.78
726.000	Office Supplies	\$768.61	\$750.00	\$425.00	\$700.00
726.200	Postage	\$798.03	\$1,000.00	\$500.00	\$800.00
801.400	Contractual Serv	\$63,997.20	\$1,882.00	\$0.00	\$0.00
810.000	Meeting Exp	\$113.11	\$500.00	\$175.00	\$500.00
810.010	Growing Comm. Conf.	\$7,169.20	\$0.00	\$0.00	\$0.00
815.000	Insurance	\$2,021.83	\$2,000.00	\$1,900.00	\$2,000.00
820.000	Dues and Sub	\$878.00	\$1,000.00	\$500.00	\$1,000.00
825.000	Professional Dev	\$35.00	\$0.00	\$0.00	\$0.00
860.000	Mileage	\$469.87	\$1,500.00	\$750.00	\$1,000.00
900.100	Printing	\$0.00	\$500.00	\$0.00	\$500.00
920.100	Electricity	\$898.13	\$1,100.00	\$1,000.00	\$1,100.00
920.200	Telephone	\$3,676.00	\$3,650.00	\$3,500.00	\$3,700.00
930.000	Repairs and Maint	\$546.13	\$700.00	\$450.00	\$550.00
940.100	Equipment Rental	\$1,243.11	\$1,300.00	\$900.00	\$1,300.00
940.200	Rent	<u>\$12,069.99</u>	<u>\$14,855.00</u>	<u>\$14,695.00</u>	<u>\$15,300.00</u>
	Total	\$313,565.96	\$252,715.00	\$247,496.00	\$251,804.78

**Fund:** General  
**Dept:** SPECIAL SERVICES

Acct No.	Activity	Prior Year	Approved	Projected	Proposed
		Actual FY 09-10	Budget FY 10-11	Actual FY 10-11	Budget FY 11-12
801.022	Other-NPDES	\$187,751.18	\$177,761.00	\$200,356.00	\$177,761.00
801.048	Other-LGR-Org Wtsd Init	\$131,025.01	\$0.00	\$0.00	\$0.00
801.045	Other-LGR-St Wat Educ	\$8,344.28	\$0.00	\$0.00	\$0.00
801.056	Other-EPA Haz Mat & Pet	<u>\$11,426.90</u>	<u>\$252,100.00</u>	<u>\$216,000.00</u>	<u>\$78,000.00</u>
	Total	\$338,547.37	\$429,861.00	\$416,356.00	\$255,761.00