

# GRAND VALLEY METRO COUNCIL

## Board Meeting

April 9, 2012

10:30 a.m.

Prince Center

## MINUTES

### 1. Call to Order

The meeting was called to order at 10:30 a.m. by Chairman Jim Buck.

#### Members Present:

Jerry Alkema	Allendale Township
Alex Arends	Alpine Township
Jim Buck	City of Grandville
Daryl Delabbio	Kent County
Mike DeVries	Grand Rapids Township
Rebecca Fleury	Village of Middleville
Carol Hennessey	Kent County
Don Hilton, Sr.	Gaines Township
Denny Hoemke	Algoma Township
Cindy Janes	Cascade Township
Elias Lumpkins, Jr.	City of Grand Rapids
Robert May	City of Hastings
Mick McGraw	At-large Member
George Meek	Plainfield Township
Jim Miedema	Jamestown Township
Rick Root	City of Kentwood
Jim Saalfeld	Kent County
Al Vanderberg	Ottawa County
Rob VerHeulen	City of Walker
Bill VerHulst	City of Wyoming

#### Members Absent:

Dale Bergman	Sparta Township
Chris Burns	City of Cedar Springs
Tom Butcher	Grand Valley State University
Dan Carlton	Georgetown Township
Brian Donovan	City of East Grand Rapids
Jason Eppler	City of Ionia
Tom Fehsenfeld	At-Large Member
Steve Grimm	Cannon Township
Brian Harrison	Caledonia Township
Doyle Hayes	At-Large Member
George Heartwell	City of Grand Rapids
John Helmholdt	At-Large
Jim Holtrop	Ottawa County

John Hoppough	City of Greenville
Mark Howe	City of Lowell
Audrey Nevins-Weiss	Byron Township
Cy Moore	Treasurer
Steven Patrick	City of Coopersville
Jack Poll	City of Wyoming
Chuck Porter	Courtland Township
Milt Rohwer	City of Grand Rapids
Martin Super	Village of Sparta
Toby VanEss	Tallmadge Township
Patrick Waterman	City of Hudsonville
Roger Wills	City of Belding
Michael Young	City of Rockford
Chris Yonker	City of Wayland

**Others Present:**

Abed Itani	Grand Valley Metro Council
Andy Bowman	Grand Valley Metro Council
Chris Brown	Brown Accounting
David Czurak	Grand Rapids Business Journal
Dharmesh Jain	Grand Valley Metro Council
Peter Haefner	Vredeveld Haefner
Dennis Kent	MDOT
Gayle McCrath	Grand Valley Metro Council
Brenda McNabb-Stang	City of Hastings
Mark Murray	Meijer
John Weiss	Grand Valley Metro Council
Peter Varga	ITP / The Rapid

**2. Approval of Minutes**

**MOTION – To Approve the Minutes of the March GVMC Board Meeting. MOVE – Meek. SUPPORT – Delabbio. MOTION CARRIED.**

**3. Public Comment**

None

**4. GVMC 2010/2011 Financial Audit**

Peter Haefner of Vredeveld Haefner reported on the audit. It was begun before Christmas, however was held up pending the final resolution of the MDOT audit. A significant amount of the Phase II audit settlement had been held in accounts payable and substantially recorded already. Regis was not required to reimburse MDOT for the amount of their overpayment.

Vredeveld Haefner issued a clean opinion “the financial statements referred to present fairly, in all material respects, the respective financial position of the governmental activities and each

major fund of the Grand Valley Metropolitan Council as of September 30, 2011, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.”

As in years past, the auditors had a finding which is common to approximately 50% of public entities. It is typical and accepted. “Grand Valley Metropolitan Council does not have procedures in place to prepare financial statements in accordance with generally accepted accounting principles including procedures to record certain revenue and expenditure accruals and to present required financial statement disclosures.”

Management’s response: “Grand Valley Metropolitan Council maintains its financial records throughout the year on a modified accrual basis of accounting and has determined that any benefits derived from preparing annual accrual basis financial statements and required disclosures is not cost effective.”

Highlights of the audit include the lease on the Pavement Management Van being fully paid off and the vehicle is fully depreciated. The GVMC fund balance increased by about \$15,000. The REGIS fund balance has decreased by about \$12,000.

**MOTION – To Accept the GVMC 2010/2011 Audit & Financial Statements. MOVE – Hilton. SUPPORT – MEEK. MOTION CARRIED.**

## **5. Contract with Chris Brown Accounting**

John Weiss reported GVMC has been exploring options to outsource and privatize its financial services. An RFP was developed and several organizations applied including the Kent County Road Commission and the City of East Grand Rapids. Chris Brown Accounting was selected (see agenda packet for contract). Chris is a CPA and has had many years’ experience in public accounting. He is also familiar with MDOT and Federal Highway finances through work done for the Macatawa Coordinating Council. We expect to reduce our costs by approximately 70%.

**MOTION – To Approve the Contract with Chris Brown Accounting for Financial Services. MOVE – Saalfeld. SUPPORT – Meek. MOTION CARRIED.**

## **6. Communications**

John Weiss reported on several articles carried in the local media regarding GVMC. He asked anyone with knowledge of other articles to pass them on to him.

Jim Buck stated he has heard many positive comments regarding GVMC’s communications including the weekly update and thanked everyone for their input.

**7. Legislative**

Rick Root advised members to keep on top of the PPT issue and stay in touch with their legislators.

John Weiss stated a meeting is being held April 30 (now changed to April 23) on PPT legislation. He encouraged everyone to attend and bring their communities' data to show what the loss of the PPT would mean to local government.

Al Vanderberg cautioned that utilities would move to have as much of their property reclassified as industrial if the PPT was dropped from industrial and not utilities.

John Weiss reported on the four very successful Michigan Transportation Team meetings held at GVMC with over 50 people from local government, the Chamber of Commerce, and the Right Place giving input on the Governor's finance plan for transportation. The plan includes elimination of the gas tax, addition of a wholesale tax, and increased registration fees.

**8. Mark Murray**

Quarterly Luncheon guest speaker and Meijer President, Mark Murray, had an informal discussion with Board members.

**9. Adjournment – 11:45 a.m.**

**MOTION – To Adjourn. MOVE – McGraw. SUPPORT – May. MOTION CARRIED.**