

# GRAND VALLEY METRO COUNCIL

## Board Meeting

May 3, 2007

8:30 a.m.

Kent County Building

### MINUTES

#### 1. Call to Order

The meeting was called to order at 8:30 a.m. by Chairman Jim Buck.

#### Members Present:

Jim Beelen	Allendale Township
Dale Bergman	Sparta Township
Bonnie Blackledge	Cannon Township
Marta Brechting	Alpine Township
Jim Buck	City of Grandville
Pat Capek	City of Cedar Springs
Sharon De Lange	Village of Sparta
Mike DeVries	Grand Rapids Township
Daryl Delabbio	Kent County
Jason Eppler	City of Ionia
Tom Fehsenfeld	At-Large Member
Don Hilton, Sr.	Gaines Township
Dennis Hoemke	Algoma Township
Bill Holland	Georgetown Township
Jim Holtrop	Ottawa County
Kurt Kimball	City of Grand Rapids
Elias Lumpkins, Jr.	City of Grand Rapids
Robert May	City of Hastings
George Meek	Plainfield Township
Jim Miedema	Jamestown Township
Cy Moore	Treasurer
Roger Morgan	Kent County
David Morren	Kent County
Deborah Nier	City of Wayland
Steven Patrick	City of Coopersville
Chuck Porter	Courtland Township
Rick Root	City of Kentwood
Carol Sheets	City of Wyoming
Ken Snow	City of Greenville
Al Vanderberg	Ottawa County
Rob VerHeulen	City of Walker
Bill VerHulst	City of Wyoming
Bill Wiersma	Tallmadge Township
Michael Young	City of Rockford

**Members Absent:**

Brian Donovan	City of East Grand Rapids
Bev Drake	City of Grand Rapids
Brian Harrison	Caledonia Township
Doyle Hayes	At-Large Member
Mike Julien	Cascade Township
Pauline Luben	City of Hudsonville
Mick McGraw	At-large Member
Lon Myers	Village of Middleville
Audrey Nevins	Byron Township

**Others Present:**

Andy Bowman	Grand Valley Metro Council
Leon Branderhorst	Grand Valley Metro Council
Abed Itani	Grand Valley Metro Council
Dharmesh Jain	Grand Valley Metro Council
Gayle McCrath	Grand Valley Metro Council
Marsha Small	MDOT
Don Stypula	Grand Valley Metro Council
Peter Varga	ITP The RAPID

**2. Swearing-in of New Board Members**

Sonja Dean, Deputy Kent County Clerk, administered the oath of office to Ken Snow of Greenville and David Morren of Kent County.

Chair Buck welcomed the new members and stated the Board was looking forward to working with them as members of the Council.

**3. Public Comment**

None

**4. Approval of April, 2007 Minutes.**

The April, 2007 GVMC Board meeting minutes were approved.

**MOTION – To Approve April, 2007 GVMC Board Meeting Minutes with Corrections. MOVE – Meek. SUPPORT – VerHeulen. MOTION CARRIED.**

**5. Finance**

**a. 2006 Audit Report**

Chris Dawson of Crowe Chizek reported on the 2006 Audit.

The general fund balance has increased by about \$12,000, and expenses have risen mainly due to the purchase of the pavement management van. Net assets increased about 13%. The only significant difference between the preliminary audit report and the final is the computation of the proper reimbursement for the pavement management van expenses.

Overall it was a very strong audit report.

The audit report states:

“In our 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, 2006 and 2005, and the respective changes in financial position for the years then ended, in conformity with accounting principles generally accepted in the United States of America.”

Two recommendations were made, one involving segregation of duties and the other regarding property and fixed assets being done internally.

David Morren commented on the importance of segregation of duties.

Cy Moore reported the Finance Committee is looking into ways it can help review reports to ensure integrity.

Michael Young stated he was concerned with meeting the deadline for filing with the Treasury Department, as the deadline for Rockford has already passed.

Don Stypula stated he would check into it.

Tom Fehsenfeld stated he would like to complement staff for their work on the budget, as the financial crisis which affected the Council previously seems to have been averted.

**MOTION – To Accept the FY 2005/2006 Audit Report. MOVE- Hilton. SUPPORT – Young. MOTION CARRIED.**

**b. FY 2007 Six Month Finance Report**

Cy Moore reported on the six month financial report. In the future the report will be given on a quarterly basis. The Finance Committee will review reports monthly. On the balance sheet, the change in fund balance was + \$269,085. Insurance expense looks off due to the change of insurance carriers. Salaries in Administration and Land Use are high as hours spent on the Lower Grand Watershed project have not yet been allocated.

David Morren questioned the entry for vacation.

Leon Branderhorst reported the problem was due to an adjusting entry for the last fiscal year, and stated he would check into it further and get back with Mr. Morren.

Chair Buck thanked everyone and received the report as information.

## **6. Transportation Department**

### **a. GVMC 2007 TIP Amendment**

The proposed project amendments to the GVMC 2007-08 TIP were explained by Abed Itani. The projects concern the Local Jobs Today program; ITP van purchase; and adjustments to make sure FY 2008 projects “line up” to the FY 2008 – 2011 TIP.

**MOTION – To Approve the Proposed FY 2007-08 GVMC TIP amendments.  
MOVE – Delabbio. SUPPORT – DeVries. MOTION CARRIED.**

## **7. Legislative Issues**

Don Stypula reported the House has passed a SBT replacement bill and moved it to the Senate. A bill that was part of the package which supplied credits for PPT replacement was held on to. Today the Senate will likely pass their version of the SBT. The bills will then go on to conference committee.

On or about June 1 the House and Senate will vote on the SBT replacement and the PPT will be a part of it. The MTA & MML both endorsed the House bill. The Fair Tax proposal will be introduced today. If voters approve it at the next general election, income and business tax would disappear, to be replaced by an increase in state sales tax which would likely include services. Don will send everyone the resolution today.

Bill VerHulst pointed out problems in allocation and possibility of non-reimbursement.

Jim Holtrop questioned expected affects on revenue sharing.

Don Stypula stated there likely could be further cuts.

## **8. Other**

Don Hilton stated the current revenue sharing formula sunsets the end of 2007. I assume the new formula will not have many changes?

Don Stypula stated that is correct.

Mike DeVries thanked Dharmesh and all his staff for their help.

Chuck Porter questioned the amount listed in checking on the GVMC financials.

Cy Moore reported that was checking and investment together, and that the Finance Committee would be addressing an investment policy.

Bill VerHulst stated a major complaint about the SBT formula is that it is so complex, however the proposed replacement looks even more so.

**9. Adjourn**

**MOTION – To Adjourn. MOVE – Meek. SUPPORT – Hilton. MOTION CARRIED.**

The meeting was adjourned at 9:25 a.m.