

# GVMC

## GRAND VALLEY METRO COUNCIL

### FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021



Vredeveld Haefner LLC  
CPAs and Consultants

# GRAND VALLEY METROPOLITAN COUNCIL

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### INDEPENDENT AUDITORS' REPORT

January 24, 2022

Members of the Council Board  
Grand Valley Metropolitan Council  
Grand Rapids, Michigan

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Grand Valley Metropolitan Council (the Council), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Grand Valley Metropolitan Council as of September 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 and the budgetary comparison information on pages 25 through 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The supplementary information is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2022, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.

*Urodeuxold Haefner LLC*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# Management's Discussion and Analysis

## About the Council

Grand Valley Metropolitan Council (the Council) serves local units of government in the West Michigan area in different facets of transportation planning, environmental programs as well as with a Regional Geographic Information System Agency (REGIS). The Council was established in 1990 under Public Act 292 of the Michigan Public Acts of 1989. The Council is governed by a board appointed by participating municipalities.

## Financial Highlights

### GVMC

- Member dues were frozen at prior year levels for yet another year. GVMC is now fiscally sustainable to provide continuation of services in case of unforeseen economic issues. Careful planning and budgeting continue to provide an increase in the fund balance.
- Staffing costs and fringes continued to be monitored; planned staffing levels are adequate for the current services being provided.
- The Transportation Improvement Program resulted in 81 projects being obligated for a total federal amount of over \$94.3 million coming to the GVMC service area.
- Despite the pandemic, GVMC staff safely used the van to assess road conditions for member jurisdictions and provided contract work assessing road conditions for the Holland/Zeeland area MPO, and for five townships, and one city outside our MPO region.
- REGIS was again able to provide a rebate to its members.
- Environmental Programs continues to enhance its programs and be awarded grants and recognition for our environmental leadership.

### REGIS

- REGIS dues are based on an equity-based dues structure. In July of 2016, the REGIS Board of Directors approved this equity-based dues structure with fixed multipliers-based on population (10-year Census) and real parcel counts based on the Kent/Ottawa County Equalization Reports which are to be reviewed every two years. Parcel counts for this current fiscal year are from the 2019 Kent/Ottawa Equalization Reports and population counts are based on the 2010 Census.
- REGIS continues to provide solid system performance with zero down time for this fiscal year, which marks 6 years of no unplanned REGIS down time
- Completed a planned data center hardware upgrade per the REGIS Capital Improvement Plan (CIP) developed as a collaboration effort between REGIS staff and the REGIS Technical Committee. This project was completed on time and under budget.
- GVMC'S REGIS continued its regional collaboration and outreach efforts in GIS , for example attending and speaking at the Kent County Association of Assessing Officers (KCAAO) Assessment and Technology seminar. REGIS also took a leadership role in assisting the Michigan Infrastructure Commission (MIC) with data collection efforts for the "Dig Once Portal"
- Continuing to serve with increased collaboration the 19 member communities as a single source GIS provider. Regular REGIS Advisory Committee meetings were held to help staff gain user feedback on the system and implement new ideas.
- For five consecutive years, a REGIS member rebate was granted. This year's total was \$100,000 for a total of \$650,000 in 5 years.

### Environmental Programs Department

- NPDES MS4/LGROW dues were frozen at prior year levels for another year.
- Grant and donation revenue was just over \$315,000
- Earned revenue was over \$348,000, an increase from last year in part due to fee-for-service initiatives.
- Continued to facilitate MS4 permit requirements for all 23 member communities
- Working with the State of Michigan to get all documentation approved and permits issued.
- Several applications for additional grants submitted to federal, state, and local funders and agencies.
- Staffing levels are steady with 4 full time, 2 part time, and 1 GVSU Graduate Assistant.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements comprise three components: 1) Government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

### Government-wide Financial Statements

The *Government-wide financial statements* are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Council's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The *statement of activities* presents information showing how the Council's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the Council that are principally supported by fees and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Council currently has no business-type activities.

### Fund financial statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Council only utilizes governmental funds.

#### Governmental funds

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the Council's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Council's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances, provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Council adopts an annual appropriated budget for each of its funds. A budgetary comparison schedule has been provided for the General, REGIS, Environmental Programs, and REGIS Capital funds to demonstrate compliance with budgets.

#### Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required *supplementary information*. This is limited to this discussion and analysis and budget and actual schedules.

## Government-wide Financial Analysis

The following table presents condensed information about the Council's financial position for the past two fiscal years. Net position increased \$316,016 during the year primarily as a result of matching expenditures with available grant funding. Total net position includes the investment in capital assets. Capital assets represent the capital assets held by the Council, net of related accumulated depreciation.

	<u>2021</u>	<u>2020</u>
Current and other assets	\$6,439,372	\$6,100,261
Capital assets	55,765	25,026
<b>Total assets</b>	<b>6,495,137</b>	<b>6,125,287</b>
Current and other liabilities	1,023,882	972,980
Long-term liabilities	65,861	62,929
<b>Total liabilities</b>	<b>1,089,743</b>	<b>1,035,909</b>
Net position		
Net investment in capital assets	55,765	25,026
Restricted for REGIS	1,415,427	1,391,784
Restricted for Environmental Programs	401,123	415,739
Unrestricted	3,533,079	3,256,829
<b>Total net position</b>	<b>\$5,405,394</b>	<b>\$5,089,378</b>

## Income and Expenses

The Council's financial position improved during the year ended September 30, 2021 as a result of revenues exceeding expenses. A summary of revenues and expenses for the past two fiscal years is presented below.

	<u>2021</u>	<u>2020</u>
<b>Program revenues</b>		
Charges for services	\$1,239,686	\$1,183,372
Operating grants and contributions	1,179,167	1,292,611
<b>General revenues</b>		
Metro Council dues	270,361	270,361
Unrestricted interest income	13,896	34,063
<b>Total revenues</b>	<b>2,703,110</b>	<b>2,780,407</b>
<b>Functions/program expenses</b>		
Transportation	641,146	715,449
Administration	467,379	521,098
REGIS	600,198	648,238
Environmental programs	678,371	721,435
<b>Total expenses</b>	<b>2,387,094</b>	<b>2,606,220</b>
Change in net position	316,016	174,187
<b>Net position, beginning of year</b>	<b>5,089,378</b>	<b>4,915,191</b>
<b>Net position, end of year</b>	<b>\$5,405,394</b>	<b>\$5,089,378</b>



## Financial Analysis of the Government's Funds

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds** The focus of the Council's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a Council's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Council's governmental funds reported combined ending fund balances of \$5,415,490, an increase of \$288,209 from the prior year.

The general fund is the chief operating fund of the Council. At the end of the current fiscal year unassigned fund balance was \$3,595,009. The general fund reported an increase in fund balance of \$279,182.

The REGIS special revenue fund had restricted fund balance of \$1,148,174 at year-end and reported an increase in fund balance of \$12,479 from the prior year.

The Environmental Programs special revenue fund had total fund balance of \$401,123 at year-end and reported a decrease in fund balance of \$14,616 from the prior year.

The REGIS capital projects fund reported total fund balance of \$263,782 at year-end and an increase in fund balance of \$11,164 from the prior year.

## Budgetary Highlights

### **GVMC**

While Covid-19 continued to impact operations, GVMC met or exceeded all their requirements and goals. General fund budgeted grant revenue reflects the maximum amounts the Council could bill under the MDOT grants, but the actual costs the Council billed was less. Actual expenditures through careful monitoring and wise spending resulted in expenditures being less than budget with resulting overall revenue exceeding expenditures beyond budgeted amounts.

### **REGIS**

The anticipated budgeted revenues were very close to actual and close expense monitoring kept expenditures less than budget amounts. The \$100,000 rebate and complete hardware system upgrades were completed as planned and utilized existing funding. The Regis System continues to function with zero down time for the entire fiscal year.

### **Environmental Programs**

The original budget for the environmental programs fund was reflecting the known information at the time for potential grants and the corresponding expenditures. The actual grant revenue was less than the budget due to some revenue being deferred until the next fiscal year along with total grant awards being less. The overall expenditures, therefore, proportionately decreased with the decrease in grant revenue. While expenses were controlled, due to the reduction in revenue, the environmental programs fund had a small reduction in fund balance.

## Capital Asset and Long-Term Debt Activities

The Council's capital assets consist of furniture and fixtures, equipment and vehicles. Capital asset additions consisted of computer system upgrades; computers and systems that were replaced were disposed of during the current year. Additional information on capital assets can be found in Note 4 to the financial statements.

Debt activity consists of compensated absences payable. Additional information on long-term debt can be found in Note 5 to the financial statements.

## **Economic Factors and Next Year's Budget**

### **GVMC**

The Council is very mindful of the economic climate as well as the funding constraints at the state and federal levels which continue to affect the Council's members. The Council continues to provide high level services and increases those services without any dues increase to the members. The Council is dedicated to continue efforts to maximize revenue.

Significant revenues are being obtained through new grants, contracts, and fees for services. The Council has now fully integrated the various departments with significantly increased opportunities for interdepartmental cooperation between Transportation, REGIS and Environmental Programs. In addition, GVMC is providing services to other state and local jurisdictions on a contractual basis.

### **REGIS**

The REGIS budget-maintained membership dues following the REGIS Board approved equity-based dues structure. The overhead rate allocation continues to be a flat percentage based upon department wages which consolidated expenditures effectively to minimize overall costs. The budget includes software capital expenditures per the REGIS Software Master Plan (SMP). The software updates occurring in 2022 on top of the hardware updates from 2021 will allow all infrastructure to function at optimal levels and provide user confidence in the system. The REGIS Board along with the GVMC Executive Committee continue to analyze opportunities for collaboration with our governmental GIS providers and build synergy through enhanced collaboration.

### **Environmental Programs**

As GVMC Environmental Programs continue to successfully participate in regional projects, requests for involvement and leadership will continue to expand. Tremendous potential exists to successfully grow environmental service opportunities. The budget for next year reflects these initiatives and the Council understands its responsibility to manage resources well in order to meet objectives. Sustainability of the program has been furthered assured by monitoring expenditures so that the fund balance of the environmental department will grow in order to help provide services in case of unforeseen economic downturn.

## **Contacting the Council Management**

This management discussion and analysis provides an overview of the current and prospective financial condition of the Council's operations and financial position. If there are questions concerning this report or if additional information is desired, please contact the Executive Director at Grand Valley Metropolitan Council, 678 Front Ave NW, Suite 200, Grand Rapids, MI 49504.

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## **BASIC FINANCIAL STATEMENTS**

# GRAND VALLEY METROPOLITAN COUNCIL

## STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

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	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 6,228,830
Accounts receivable	203,140
Prepaid items	7,402
Capital assets, net	<u>55,765</u>
<b>Total assets</b>	<u>6,495,137</u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	512,846
Accrued compensation	56,978
Unearned revenue	454,058
Noncurrent liabilities	
Compensated absences	<u>65,861</u>
<b>Total liabilities</b>	<u>1,089,743</u>
<b>Net position</b>	
Invested in capital assets	55,765
Restricted for REGIS	1,415,427
Restricted for Environmental Programs	401,123
Unrestricted	<u>3,533,079</u>
<b>Total net position</b>	<u>\$ 5,405,394</u>

The accompanying notes are an integral part of these financial statements.

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# GRAND VALLEY METROPOLITAN COUNCIL

## STATEMENT OF ACTIVITIES

*FOR THE YEAR ENDED SEPTEMBER 30, 2021*

<u>Functions/Programs</u>	Program Revenues			Net (Expense)
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Revenue</u>	
<b>Primary government</b>				
Governmental activities				
Transportation	\$ 641,146	\$ 251,391	\$ 847,495	\$ 457,740
Administration	467,379	-	-	(467,379)
REGIS	600,198	656,183	-	55,985
Environmental programs	678,371	332,112	331,672	(14,587)
Total governmental activities	\$ 2,387,094	\$ 1,239,686	\$ 1,179,167	31,759
General revenues				
Membership				270,361
Interest earnings				13,896
Total general revenues				284,257
Change in net position				316,016
<b>Net position, beginning of year</b>				5,089,378
<b>Net position, end of year</b>				\$ 5,405,394

The accompanying notes are an integral part of these financial statements.

**GRAND VALLEY METROPOLITAN COUNCIL**

**GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

**SEPTEMBER 30, 2021**

	Special Revenue			Nonmajor Capital Projects	Total
	General	REGIS	Environmental	REGIS	
			Programs		
<b>Assets</b>					
Cash and cash equivalents	\$ 4,407,297	\$ 1,153,639	\$ 404,112	\$ 263,782	\$ 6,228,830
Accounts receivable	126,638	7,665	68,837	-	203,140
Prepaid items	<u>3,931</u>	<u>3,471</u>	<u>-</u>	<u>-</u>	<u>7,402</u>
<b>Total assets</b>	<u>\$ 4,537,866</u>	<u>\$ 1,164,775</u>	<u>\$ 472,949</u>	<u>\$ 263,782</u>	<u>\$ 6,439,372</u>
<b>Liabilities and fund balances</b>					
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 507,887	\$ 42	\$ 4,917	\$ -	\$ 512,846
Accrued compensation	30,326	13,088	13,564	-	56,978
Unearned revenue	<u>400,713</u>	<u>-</u>	<u>53,345</u>	<u>-</u>	<u>454,058</u>
<b>Total liabilities</b>	<u>938,926</u>	<u>13,130</u>	<u>71,826</u>	<u>-</u>	<u>1,023,882</u>
<b>Fund balances</b>					
Non-spendable					
Prepaid expenditures	3,931	3,471	-	-	7,402
Restricted					
REGIS	-	1,148,174	-	263,782	1,411,956
Environmental Programs	-	-	401,123	-	401,123
Unassigned	<u>3,595,009</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,595,009</u>
<b>Total fund balances</b>	<u>3,598,940</u>	<u>1,151,645</u>	<u>401,123</u>	<u>263,782</u>	<u>5,415,490</u>
<b>Total liabilities and fund balances</b>	<u>\$ 4,537,866</u>	<u>\$ 1,164,775</u>	<u>\$ 472,949</u>	<u>\$ 263,782</u>	<u>\$ 6,439,372</u>

The accompanying notes are an integral part of these financial statements.



# GRAND VALLEY METROPOLITAN COUNCIL

## RECONCILIATION OF FUND BALANCES ON THE BALANCE SHEET FOR GOVERNMENTAL FUNDS TO THE NET POSITION OF GOVERNMENTAL ACTIVITIES ON THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2021

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<b>Fund balances - total governmental funds</b>	\$ 5,415,490
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Add - capital assets (net)	55,765
Certain liabilities, such as compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	<u>(65,861)</u>
<b>Net position of governmental activities</b>	<u>\$ 5,405,394</u>

The accompanying notes are an integral part of these financial statements.

**GRAND VALLEY METROPOLITAN COUNCIL**

**GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	Special Revenue			Nonmajor Capital Projects	Total
	General	REGIS	Environmental Programs	REGIS	
<b>Revenues</b>					
Federal grants - transportation	\$ 821,265	\$ -	\$ -	\$ -	\$ 821,265
Federal grants - other	-	-	215,238	-	215,238
State and local grants	26,230	-	36,180	-	62,410
Membership and project fees	473,963	599,869	10,800	-	1,084,632
Other contributions	-	32,565	-	-	32,565
Donations	-	-	72,982	-	72,982
Charges for services	47,789	17,571	320,794	-	386,154
Interest income	13,896	4,983	518	1,195	20,592
Miscellaneous	-	-	7,272	-	7,272
<b>Total revenues</b>	<u>1,383,143</u>	<u>654,988</u>	<u>663,784</u>	<u>1,195</u>	<u>2,703,110</u>
<b>Expenditures</b>					
Current					
General government					
Salaries	612,228	285,953	294,836	-	1,193,017
Fringes	212,869	117,834	100,491	-	431,194
Grant specific and contractual costs	133,645	135,647	225,034	-	494,326
Professional fees	27,159	12,215	14,905	-	54,279
Advertising	1,699	99	1,564	-	3,362
Insurance	7,209	3,626	2,845	-	13,680
Meeting expenditures	1,917	59	178	-	2,154
Dues and subscriptions	5,382	561	2,297	-	8,240
Equipment rental	1,686	644	602	-	2,932
Office supplies	3,332	453	1,845	-	5,630
Mileage	2,875	53	1,188	-	4,116
Postage	850	116	178	-	1,144
Printing	90	45	105	-	240
Electricity	1,706	2,626	674	-	5,006
Telephone	12,914	4,284	2,810	-	20,008
Professional development	1,050	-	553	-	1,603
Rent	71,355	26,694	28,181	-	126,230
Equipment	-	1,020	-	-	1,020
Repairs and maintenance	-	354	-	-	354
Pavement management vehicle	3,542	-	-	-	3,542
Miscellaneous	735	226	114	-	1,075
Capital outlay	1,718	-	-	40,031	41,749
<b>Total expenditures</b>	<u>1,103,961</u>	<u>592,509</u>	<u>678,400</u>	<u>40,031</u>	<u>2,414,901</u>
Revenues over (under) expenditures	<u>279,182</u>	<u>62,479</u>	<u>(14,616)</u>	<u>(38,836)</u>	<u>288,209</u>
Other financing sources (uses)					
Transfers in	-	-	-	50,000	50,000
Transfers out	-	(50,000)	-	-	(50,000)
Total other financing sources (uses)	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Net changes in fund balances	279,182	12,479	(14,616)	11,164	288,209
<b>Fund balances, beginning of year</b>	<u>3,319,758</u>	<u>1,139,166</u>	<u>415,739</u>	<u>252,618</u>	<u>5,127,281</u>
<b>Fund balances, end of year</b>	<u>\$ 3,598,940</u>	<u>\$ 1,151,645</u>	<u>\$ 401,123</u>	<u>\$ 263,782</u>	<u>\$ 5,415,490</u>

The accompanying notes are an integral part of these financial statements.

# GRAND VALLEY METROPOLITAN COUNCIL

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2021

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<b>Net changes in fund balances - total governmental funds</b>	<b>\$ 288,209</b>
Amounts reported for <i>governmental activities</i> in the statement of activities are different because	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense.	
Add - capital outlay	53,395
Deduct - depreciation expense	(22,656)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the funds.	
Deduct - increase in compensated absences	<u>(2,932)</u>
<b>Change in net position of governmental activities</b>	<b><u>\$ 316,016</u></b>

The accompanying notes are an integral part of these financial statements.

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# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Grand Valley Metropolitan Council (the "Council") conform to generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

#### **Reporting Entity**

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Grand Valley Metropolitan Council. There are no component units to be included. The criteria for including a component unit include significant operational or financial relationships with the Council.

#### **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by member fees and intergovernmental revenues are reported in total. The Council has no business-type or fiduciary activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Member fees and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

All individual governmental funds are reported as separate columns in the fund financial statements.

The Council reports the following major governmental funds:

The *General Fund* is the general operating fund of the Council. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *REGIS Fund* accounts for the accumulation and disbursement of resources for the Regional Geographic Information System activity.

The *Environmental Programs Fund* accounts for the accumulation and disbursement of resources for environmental programs.

Additionally, the Council reports the following fund type:

The *Capital Projects Fund* accounts for the accumulation and disbursement of resources for the capital needs of the REGIS activity.

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

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### ***Measurement Focus and Basis of Accounting***

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Member fees are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for reimbursement-based grants and interest which use a one year collection period. Grants and similar items are recognized as revenue when the related expenditure is recognized. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. Exceptions to this general rule include: (1) principal and interest on long-term debt and compensated absences which are recognized when due.

All governmental funds are accounted for on a spending or “flow of current financial resources” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance is considered a measure of “available, spendable resources”.

### ***Budgets and Budgetary Accounting***

Comparisons to budget are presented for the General, REGIS, Environmental Programs and REGIS Capital Projects funds. The Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 1, the Executive Director submits to the Council Board a proposed operating budget for the fiscal year commencing the following October 1.
2. Public hearings are conducted to obtain comments.
3. Prior to October 1, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year for the funds.
5. The budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Adoption and amendments of all budgets used by the Council are governed by Michigan Law. The appropriations ordinances are based on the projected expenditures budget of the various functions of the Council. Any amendment to the original budget must meet the requirements of Michigan Law. The Council did not amend its budget during the year. Any revisions that alter the expenditures at the function level within the fund must be approved by the Council Board.

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

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### ***Deposits and Investments***

State statutes authorize the Council to invest in:

- a. Bond, securities, other obligations and repurchase agreements of the United States, or an agency or instrumentality of the United States.
- b. Certificates of deposit, savings accounts, deposit accounts or depository receipts of a qualified financial institution.
- c. Commercial paper rated at the time of purchase within the two highest classifications established by not less than two standard rating services and that matures not more than 270 days after the date of purchase.
- d. Bankers acceptances of United States banks.
- e. Obligations of the State of Michigan and its political subdivisions that, at the time of purchase are rated as investment grade by at least one standard rating service.
- f. Mutual funds registered under the Investment Company Act of 1940 with the authority to purchase only investment vehicles that are legal for direct investment by a public corporation.
- g. External investment pools as authorized by Public Act 20 as amended.

The Council's investment policy is more restrictive than state requirements and allows for investment in only the investment vehicles identified in items a., b. and g. above.

### ***Accounts Receivable***

All receivables are recorded at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Uncollectible balances are immaterial to the financial statements.

### ***Capital Assets***

Capital assets, which include furniture and fixtures, equipment and vehicles are reported in the governmental activities column in the government-wide financial statements.

Capital assets are defined by the government as assets with an initial, individual cost of more than \$3,000 and an estimated useful life in excess of two years. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at acquisition value (the price that would be paid to acquire an asset with an equivalent service potential in an orderly market transaction) on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED SEPTEMBER 30, 2021

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Depreciation on capital assets is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Furniture and fixtures	7-10
Equipment	5-7
Vehicles	5

#### ***Unearned Revenue***

Funds report unearned revenue in connection with resources that have been received but not yet earned.

#### ***Compensated Absences***

Under employee policy, employees have a vested right to receive payments for unused vacation benefits under formulas and conditions specified in the personnel procedures manual. Accumulated vacation time related to governmental funds is recorded on the statement of net position and not on the governmental fund balance sheets because it is not expected to be liquidated with expendable available financial resources.

#### ***Net Position and Fund Balance Reporting***

Governmental funds report fund balance in the following five categories:

1. Non-spendable - the related asset's form does not allow expenditure of the balance. The assets are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact. Nonspendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the nonspendable portion of endowments.
2. Restricted - the related assets can only be spent for the specific purposes stipulated by constitution, external resource providers, or as identified in enabling legislation.
3. Committed - the related assets can only be spent for a specific purpose identified by formal resolution of the governing board.
4. Assigned - the related assets can only be spent for a specific purpose identified by management as authorized by the governing board.
5. Unassigned - is the residual classification and includes all spendable amounts not contained in the other classifications.

Fund balance can only be committed or assigned by resolution of the Policy Board.

#### ***Net Position and Fund Balance Flow Assumptions***

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position/fund balance and unrestricted – net position/fund balance, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.



# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

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### ***Membership Dues***

The Council receives dues from local units of government in West Michigan who wish to participate in the Council. Dues are computed on a per capita basis based on the most recent population data. Dues revenue is recognized as revenue in the year for which it is levied.

### ***Grants and Other Intergovernmental Revenues***

Grants and assistance awards made on the basis of entitlement periods are recorded as intergovernmental receivables and revenue when entitlement occurs. Reimbursement-type grants are recorded as intergovernmental receivables and revenues when the related expenditures/expenses are incurred.

### ***Interfund Transactions***

Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Transfers are used to contribute budgeted amounts from the REGIS fund to the REGIS capital projects fund.

### ***Long-Term Obligations***

In the government-wide financial statements the long-term debt is reported as a liability in the governmental activities statement of net position.

### ***Risk Management***

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year the Council carried commercial insurance to cover risks of losses. The Council has had no settled claims resulting from these risks that exceeded their commercial coverage in any of the past three fiscal years.

## **2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS**

PA. 621 of 1978, as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Council's actual expenditures and budgeted expenditures for the budgetary funds have been shown at the line item level while the legal level of budgetary control as set by the Board is at the function level. During the year ended September 30, 2021, the Council did not incur expenditures at the functional level in budgetary funds which were in excess of the amounts appropriated.

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED SEPTEMBER 30, 2021

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#### 3. DEPOSITS AND INVESTMENTS

The balance on the financial statements for cash and cash equivalents of \$6,228,830 consists of deposits in a bank of \$3,264,221 and funds held in the Kent County Public Funds Investment Pool of \$2,964,609.

The balance in the bank is in a financial institution located in Michigan. State policy limits the Council's depository options to financial institutions located in Michigan. All accounts are in the name of the Council and a specific fund or common account. They are recorded in Council records at fair value.

#### ***Investment and deposit risk***

*Custodial Credit Risk - Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the Council's deposits may not be returned. State law does not require, and the Council does not have, a policy for deposit custodial credit risk. As of year-end, the Council's bank balance consisted of an uninsured overnight repurchase agreement. This balance was collateralized with securities held by the pledging financial institution's trust department but not in the Council's name.

*Interest Rate Risk.* Council policy limits allowable investments to the Kent County Investment Pool as indicated in Note 1, the summary of significant accounting policies. There is no stated maturity date for the Council's investment in the Kent County Investment Pool. At September 30, 2021, the balance of the Kent County Investment Pool consisted of the following:

<u>Investment</u>	<u>Percentage of Pool Total</u>	<u>Maturity in Years</u>
Government agency securities	13%	0-6
Certificates of deposits	58%	0-6
Deposits, money markets and other pools	29%	Not applicable

*Credit Risk.* State law limits investments to specific government securities, certificates of deposits and bank accounts with qualified financial institutions, commercial paper with specific maximum maturities and ratings when purchased, bankers acceptances of specific financial institutions, qualified mutual funds and qualified external investment pools as identified in Note 1, the summary of significant accounting policies. Council policy limits the allowable investments to investment in the Kent County Investment Pool. The investment in the Kent County Investment Pool is not rated as to risk. The Kent County Investment Pool is required to follow state law.

*Custodial Credit Risk - Investments.* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Council will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State law does not require and the Council does not have a policy for investment custodial credit risk. Custodial credit risk associated with the investment in the Kent County Investment Pool cannot be determined because the investment does not consist of specifically identifiable securities.

*Concentration of Credit Risk.* State law limits allowable investments but does not limit concentration of credit risk as identified in Note 1, the summary of significant accounting policies. The Council's investment policy does not have specific limits in excess of state law on concentration of credit risk. All investments held at year-end are identified above.

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

The Council categorizes its fair value measurements of investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Council has the following recurring fair value measurements as of year-end.

- The Council does not have any investments valued using quoted market prices (Level 1 inputs).
- The Kent County Pool investments are valued using a pricing model utilizing observable fair value measures of fund/pool investments and other observable inputs to determining the fair value of the securities making up the of investments fund/pool (Level 2 inputs).
- The Council does not have any investments that report fair value based on significant unobservable inputs (Level 3 inputs).

#### 4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Balance October 1, 2020	Additions	Deletions	Balance September 30, 2021
<b>Governmental activities</b>				
<b>Capital assets, not being depreciated</b>				
Construction in progress	\$ -	\$ 6,663	\$ -	\$ 6,663
<b>Capital assets, being depreciated</b>				
Furniture and fixtures	116,012	-	-	116,012
Equipment and vehicles	647,579	46,732	77,309	617,002
Total capital assets, being depreciated	763,591	46,732	77,309	733,014
Less accumulated depreciation for				
Furniture and fixtures	116,012	-	-	116,012
Equipment and vehicles	622,553	22,656	77,309	567,900
Total accumulated depreciation	738,565	22,656	77,309	683,912
<b>Total capital assets, being depreciated</b>	25,026	24,076	-	49,102
<b>Governmental activities capital assets, net</b>	<b>\$ 25,026</b>	<b>\$ 30,739</b>	<b>\$ -</b>	<b>\$ 55,765</b>

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>Governmental activities</b>	
Transportation	\$2,339
Environmental programs	473
REGIS	19,844
Total	<u>\$22,656</u>

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2021

### 5. LONG-TERM LIABILITIES

The following is a summary of the long-term liabilities transactions of the Council for the year.

	<u>Balance October 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2021</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Compensated absences payable	\$62,929	\$2,932	\$ -	\$65,861	\$ -

### 6. LEASE

The Council leases office space under a lease agreement expiring June 30, 2024, with an option to renew for an additional five-year term. Rent expenditures for the office lease totaled \$126,230 for the year ended September 30, 2021.

The following is a schedule of future minimum lease payments required under non-cancelable operating leases with remaining lease terms in excess of one year as of September 30, 2021:

<u>Year Ending September 30</u>	<u>Amount</u>
2022	\$134,502
2023	138,537
2024	<u>106,223</u>
Total	<u>\$379,262</u>

### 7. DEFINED CONTRIBUTION PENSION PLAN

The Council maintains the Grand Valley Metropolitan Council Defined Contribution Pension Plan which is administered through ICMA Retirement Corporation, and provides pension benefits to participating full-time employees. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to contribute at least 3% of eligible wages. The Council contributes 9% of each participant's eligible wages to the plan. The plan provisions and contribution amounts were established and may be amended by the Council Board. The Council's contribution to the plan amounted to \$99,847. Council employees made contributions to the plan totaling \$33,187. The accrued retirement payable at September 30, 2021 was \$3,585.

### 8. CONTINGENCIES AND GRANTS

Under the terms of various federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Management has estimated and recorded a liability for balances payable under grant agreements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**GRAND VALLEY METROPOLITAN COUNCIL**

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Budget Amounts</b>		<b>Actual Amount</b>	<b>Variance Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Federal grants - transportation	\$ 1,420,246	\$ 1,420,246	\$ 821,265	\$ (598,981)
State and local grants	374,000	374,000	26,230	(347,770)
Membership and project fees	475,140	475,140	473,963	(1,177)
Charges for service	17,500	17,500	47,789	30,289
Interest income	32,000	32,000	13,896	(18,104)
<b>Total revenues</b>	<b>2,318,886</b>	<b>2,318,886</b>	<b>1,383,143</b>	<b>(935,743)</b>
<b>Expenditures</b>				
Current				
General government				
Salaries	830,000	830,000	612,228	217,772
Fringes	315,795	315,795	212,869	102,926
Grant specific and contractual costs	811,700	811,700	133,645	678,055
Professional fees	78,000	78,000	27,159	50,841
Advertising	2,500	2,500	1,699	801
Insurance	10,500	10,500	7,209	3,291
Meeting expenditures	13,000	13,000	1,917	11,083
Dues and subscriptions	4,500	4,500	5,382	(882)
Equipment rental	3,100	3,100	1,686	1,414
Office supplies	6,500	6,500	3,332	3,168
Mileage	5,500	5,500	2,875	2,625
Postage	2,000	2,000	850	1,150
Printing	1,000	1,000	90	910
Electricity	2,500	2,500	1,706	794
Telephone	10,250	10,250	12,914	(2,664)
Professional development	5,000	5,000	1,050	3,950
Rent	78,000	78,000	71,355	6,645
Repairs and maintenance	2,000	2,000	-	2,000
Pavement management vehicle	57,300	57,300	3,542	53,758
Miscellaneous	6,000	6,000	735	5,265
Capital outlay	22,000	22,000	1,718	20,282
<b>Total expenditures</b>	<b>2,267,145</b>	<b>2,267,145</b>	<b>1,103,961</b>	<b>1,163,184</b>
Net changes in fund balance	51,741	51,741	279,182	227,441
<b>Fund balance, beginning of year</b>	<b>3,319,758</b>	<b>3,319,758</b>	<b>3,319,758</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 3,371,499</b>	<b>\$ 3,371,499</b>	<b>\$ 3,598,940</b>	<b>\$ 227,441</b>

**GRAND VALLEY METROPOLITAN COUNCIL**

**REGIS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Membership dues	\$ 699,869	\$ 699,869	\$ 599,869	\$ (100,000)
Other contributions	24,900	24,900	32,565	7,665
Charges for services	20,837	20,837	17,571	(3,266)
Interest income	15,750	15,750	4,983	(10,767)
<b>Total revenues</b>	<u>761,356</u>	<u>761,356</u>	<u>654,988</u>	<u>(106,368)</u>
<b>Expenditures</b>				
Current				
General government				
Salaries	310,500	310,500	285,953	24,547
Fringes	143,982	143,982	117,834	26,148
Contract services				
Software maintenance agreements	75,000	75,000	66,313	8,687
Other contractual services	68,000	68,000	69,334	(1,334)
Professional fees	9,000	9,000	12,215	(3,215)
Legal services	1,500	1,500	-	1,500
Advertising	500	500	99	401
Insurance	3,750	3,750	3,626	124
Meeting expenditures	1,000	1,000	59	941
Dues and subscriptions	1,250	1,250	561	689
Equipment rental	1,250	1,250	644	606
Office supplies	3,900	3,900	453	3,447
Mileage	700	700	53	647
Postage	300	300	116	184
Printing	200	200	45	155
Electricity	2,100	2,100	2,626	(526)
Telephone	5,125	5,125	4,284	841
Professional development	3,000	3,000	-	3,000
Rent	30,000	30,000	26,694	3,306
Equipment and furniture	62,000	62,000	1,020	60,980
Repairs and maintenance	1,500	1,500	354	1,146
Miscellaneous	1,750	1,750	226	1,524
<b>Total expenditures</b>	<u>726,307</u>	<u>726,307</u>	<u>592,509</u>	<u>133,798</u>
Revenues over (under) expenditures	35,049	35,049	62,479	27,430
Other financing sources (uses)				
Transfers out	(30,000)	(30,000)	(50,000)	(20,000)
Net changes in fund balance	5,049	5,049	12,479	7,430
<b>Fund balance, beginning of year</b>	<u>1,139,166</u>	<u>1,139,166</u>	<u>1,139,166</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,144,215</u>	<u>\$ 1,144,215</u>	<u>\$ 1,151,645</u>	<u>\$ 7,430</u>

**GRAND VALLEY METROPOLITAN COUNCIL**

**ENVIRONMENTAL PROGRAMS FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<b>Budget Amounts</b>		<b>Actual Amount</b>	<b>Variance Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Federal grants	\$ 378,000	\$ 378,000	\$ 215,238	\$ (162,762)
State and local grants	86,630	86,630	36,180	(50,450)
Membership dues	10,800	10,800	10,800	-
Donations	34,900	34,900	72,982	38,082
Charges for services	331,462	331,462	320,794	(10,668)
Interest income	1,450	1,450	518	(932)
Miscellaneous	2,000	2,000	7,272	5,272
<b>Total revenues</b>	<b>845,242</b>	<b>845,242</b>	<b>663,784</b>	<b>(181,458)</b>
<b>Expenditures</b>				
Current				
General government				
Salaries	327,800	327,800	294,836	32,964
Fringes	137,339	137,339	100,491	36,848
Grant specific and contractual costs	291,445	291,445	225,034	66,411
Professional fees	20,000	20,000	14,905	5,095
Advertising	500	500	1,564	(1,064)
Insurance	3,950	3,950	2,845	1,105
Meeting expenditures	1,100	1,100	178	922
Dues and subscriptions	4,000	4,000	2,297	1,703
Equipment rental	1,600	1,600	602	998
Office supplies	3,100	3,100	1,845	1,255
Mileage	1,200	1,200	1,188	12
Postage	250	250	178	72
Printing	200	200	105	95
Electricity	1,200	1,200	674	526
Telephone	3,800	3,800	2,810	990
Professional development	3,600	3,600	553	3,047
Rent	31,000	31,000	28,181	2,819
Equipment and furniture	2,500	2,500	-	2,500
Repairs and maintenance	250	250	-	250
Miscellaneous	900	900	114	786
<b>Total expenditures</b>	<b>835,734</b>	<b>835,734</b>	<b>678,400</b>	<b>157,334</b>
Net changes in fund balance	9,508	9,508	(14,616)	(24,124)
<b>Fund balance, beginning of year</b>	<b>415,739</b>	<b>415,739</b>	<b>415,739</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ 425,247</b>	<b>\$ 425,247</b>	<b>\$ 401,123</b>	<b>\$ (24,124)</b>



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## **SUPPLEMENTARY INFORMATION**

**GRAND VALLEY METROPOLITAN COUNCIL**

**REGIS CAPITAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL**

**FOR THE YEAR ENDED SEPTEMBER 30, 2021**

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest income	\$ 3,500	\$ 3,500	\$ 1,195	\$ (2,305)
<b>Expenditures</b>				
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>40,031</u>	<u>109,969</u>
Revenues over (under) expenditures	(146,500)	(146,500)	(38,836)	107,664
Other financing sources (uses)				
Transfers in	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
Net changes in fund balance	(146,500)	(146,500)	11,164	157,664
<b>Fund balance, beginning of year</b>	<u>252,618</u>	<u>252,618</u>	<u>252,618</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 106,118</u>	<u>\$ 106,118</u>	<u>\$ 263,782</u>	<u>\$ 157,664</u>