

GVMC

GRAND VALLEY METRO COUNCIL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2022



Vredeveld Haefner LLC
CPAs and Consultants

GRAND VALLEY METROPOLITAN COUNCIL

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INDEPENDENT AUDITORS' REPORT

January 23, 2023

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Grand Valley Metropolitan Council (the Council), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

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 the Council, as of September 30, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 8 and budgetary comparison information on pages 25 through 27 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 accompanying nonmajor fund budget and actual schedule is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such 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. The 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 nonmajor fund budget and actual schedule 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, under separate cover, our report dated January 23, 2023, 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.

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 adjusted as required by the GVMC By-Laws/Articles of Incorporation. This was the first dues adjustment in 11 years. GVMC is 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 FY2022 Transportation Improvement Program (TIP) resulted in 102 projects being obligated for a total federal amount of over \$70 million coming to the GVMC service area and a total investment of over \$289 million into transportation projects.
- During the fiscal year, GVMC purchased new Asset Management Vehicle in cooperation with the Michigan Department of Transportation. GVMC Staff used the van to assess road conditions and safety, for member jurisdictions and provided contract work assessing road conditions for the Holland/Zeeland area MPO, and for 5 townships, and 8 cities outside our MPO region. The new vehicle was also featured at the Transportation Management Council's Fall Conference.
- 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 2021 Kent/Ottawa Equalization Reports and population counts are based on the 2010 Census.
- REGIS continues to provide solid system performance and has sustained user confidence in the system. Users receive top level support from staff via the REGIS Help Desk. The help desk is a dedicated support line for users to call to get answers to questions or troubleshoot issues during regular business hours.
- Completed a planned software upgrade per the REGIS Capital Improvement Plan (CIP). This plan was developed as a collaboration effort between REGIS staff and the REGIS Technical Committee. This project was completed under budget.
- GVMC'S REGIS continued its regional collaboration and outreach efforts in GIS, for example attending and speaking at the West Michigan Regional Clerk's Association seminar – "Redistricting -How GIS can Aid West Michigan Clerks", and Michigan Municipal Executives (MME) Summer Workshop. REGIS also continued a leadership role in assisting the Michigan Infrastructure Commission (MIC) with data collection efforts for the "Dig Once Portal". The MIC and REGIS were featured in a May 11, 2022, Detroit News opinion article -"Don't keep tearing up public infrastructure because of inefficiency" along with highlights of REGIS and its work with the MIC. REGIS Staff also participated in the Greater West Michigan Region MI Stem's Virtual GIS Career Fair.
- 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 six consecutive years, a REGIS member rebate was granted. This year's total was \$100,000 for a total of \$750,000 in 6 years.

Environmental Programs Department

- Grant and donation revenue was just over \$290,000. Strong relationships with federal, state, and local agencies enable continuous funding opportunities. Local Foundation and corporate giving funds, and individual donations, support this work.
- Earned revenue from the MS4 program and Fee-for-Service initiatives, such as GIS projects and educational was over \$360,000, an increase from last year in part due to expanded reach of partners.
- NPDES MS4 program continues to provide compliance documents and trainings to 23 member communities that are required to have a stormwater permit. MS4 program fees were adjusted due to the expanded requirements and facilitation needs of the reissued MS4 permits.
- Several applications for additional grants submitted to federal, state, county, and local funders and agencies.
- Staffing levels are steady with 6 full time staff, who gave presentations about our programs and projects to various groups and organizations, such as the Ottawa County Water Quality Forum, West Michigan Sustainable Business Forum, Citizens Climate Lobby, Experience Grand Rapids, Kendall College of Art & Design, and several educational organizations.

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 major fund 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 \$492,900 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>2022</u>	<u>2021</u>
Current and other assets	\$6,656,681	\$6,439,372
Right to use leased assets	865,584	993,819
Capital assets	224,319	55,765
Total assets	<u>7,746,584</u>	<u>7,488,956</u>
Current and other liabilities	1,033,284	1,129,068
Long-term liabilities	844,956	984,444
Total liabilities	<u>1,878,240</u>	<u>2,113,512</u>
Net position		
Net investment in capital assets	224,319	55,765
Restricted for REGIS	1,361,518	1,415,427
Restricted for Environmental Programs	405,007	401,123
Unrestricted	3,877,500	3,503,129
Total net position	<u>\$5,868,344</u>	<u>\$5,375,444</u>

For the year ended September 30, 2022, the Council adopted Governmental Accounting Standards Board Statement No. 87 Accounting for Leases. This resulted in recognition of a lease liability and the related right to use the leased assets along with restating the prior year.

Income and Expenses

The Council's financial position improved during the year ended September 30, 2022 as a result of revenues exceeding expenses. A summary of revenues and expenses for the past two fiscal years is presented below.

	<u>2022</u>	<u>2021</u>
Program revenues		
Charges for services	\$1,562,123	\$1,239,686
Operating grants and contributions	1,546,952	1,179,167
General revenues		
Metro Council dues	270,361	270,361
Unrestricted interest income	16,223	13,896
	<hr/>	<hr/>
Total revenues	3,395,659	2,703,110
	<hr/>	<hr/>
Functions/program expenses		
Transportation	1,029,394	641,146
Administration	510,384	467,379
REGIS	718,673	600,198
Environmental programs	644,308	678,371
	<hr/>	<hr/>
Total expenses	2,902,759	2,387,094
	<hr/>	<hr/>
Change in net position	492,900	316,016
	<hr/>	<hr/>
Net position, beginning of year	5,375,444	5,059,428
	<hr/>	<hr/>
Net position, end of year	\$5,868,344	\$5,375,444

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 \$5,898,221, an increase of \$482,701 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 \$3,965,613. The general fund reported an increase in fund balance of \$532,726.

The REGIS special revenue fund had restricted fund balance of \$1,197,899 at year-end and reported an increase in fund balance of \$58,527 from the prior year.

The Environmental Programs special revenue fund had total fund balance of \$405,007 at year-end and reported a decrease in fund balance of \$3,884 from the prior year.

Budgetary Highlights

GVMC

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 (FY 20-21) and software system (FY 21-22) upgrades were completed as planned and utilized existing funding. The Regis System continues to function at a high level with strong user confidence.

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. Historically, actual grant revenue fluctuates due to funding timelines and approval processes beyond our control. Expenses were minimized and the Department had a modest addition to the 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 a new pavement monitoring van purchased. Additional information on capital assets can be found in Note 4 to the financial statements.

Debt activity consists of compensated absences payable and a long-term lease liability. 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 continuing 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 continues to follow 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 software updates occurring in FY 2021-2022 & FY 2022-2023 on top of the hardware updates from 2020-2021 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 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.

BASIC FINANCIAL STATEMENTS

GRAND VALLEY METROPOLITAN COUNCIL

STATEMENT OF NET POSITION

SEPTEMBER 30, 2022

	<u>Governmental Activities</u>
Assets	
Cash and cash equivalents	\$ 6,329,506
Accounts receivable	311,136
Prepaid items	16,039
Right to use leased asset	865,584
Capital assets, net	<u>224,319</u>
Total assets	<u>7,746,584</u>
Liabilities	
Accounts payable and accrued liabilities	328,398
Accrued compensation	74,126
Unearned revenue	518,253
Current portion of lease payable	112,507
Noncurrent liabilities	
Compensated absences	38,880
Lease payable	<u>806,076</u>
Total liabilities	<u>1,878,240</u>
Net position	
Invested in capital assets	224,319
Restricted for REGIS	1,361,518
Restricted for Environmental Programs	405,007
Unrestricted	<u>3,877,500</u>
Total net position	<u>\$ 5,868,344</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, 2022

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
<u>Expenses</u>	<u>Charges</u>	<u>Operating</u>	<u>Net (Expense)</u>	
	<u>for Services</u>	<u>Grants and</u>	<u>Revenue</u>	
		<u>Contributions</u>		
Primary government				
Governmental activities				
Transportation	\$ 1,029,394	\$ 560,927	\$ 1,240,832	\$ 772,365
Administration	510,384	-	-	(510,384)
REGIS	718,673	657,244	-	(61,429)
Environmental programs	<u>644,308</u>	<u>343,952</u>	<u>306,120</u>	<u>5,764</u>
 Total governmental activities	 <u>\$ 2,902,759</u>	 <u>\$ 1,562,123</u>	 <u>\$ 1,546,952</u>	 <u>206,316</u>
 General revenues				
Membership				270,361
Interest earnings				<u>16,223</u>
 Total general revenues				 <u>286,584</u>
 Change in net position				 492,900
 Net position, beginning of year, as restated				 <u>5,375,444</u>
 Net position, end of year				 <u>\$ 5,868,344</u>

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

GRAND VALLEY METROPOLITAN COUNCIL

**GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET**

SEPTEMBER 30, 2022

	Special Revenue			Nonmajor Capital Projects	Total
	General	REGIS	Environmental	REGIS	
			Programs		
Assets					
Cash and cash equivalents	\$ 4,476,421	\$ 1,217,194	\$ 484,385	\$ 151,506	\$ 6,329,506
Accounts receivable	235,495	4,675	70,966	-	311,136
Prepaid items	<u>166,083</u>	<u>12,273</u>	<u>-</u>	<u>-</u>	<u>178,356</u>
Total assets	<u>\$ 4,877,999</u>	<u>\$ 1,234,142</u>	<u>\$ 555,351</u>	<u>\$ 151,506</u>	<u>\$ 6,818,998</u>
Liabilities and fund balances					
Liabilities					
Accounts payable and accrued liabilities	\$ 303,407	\$ 8,781	\$ 16,050	\$ 160	\$ 328,398
Accrued compensation	42,183	15,189	16,754	-	74,126
Unearned revenue	<u>400,713</u>	<u>-</u>	<u>117,540</u>	<u>-</u>	<u>518,253</u>
Total liabilities	<u>746,303</u>	<u>23,970</u>	<u>150,344</u>	<u>160</u>	<u>920,777</u>
Fund balances					
Non-spendable					
Prepaid expenditures	166,083	12,273	-	-	178,356
Restricted					
REGIS	-	1,197,899	-	151,346	1,349,245
Environmental Programs	-	-	405,007	-	405,007
Unassigned	<u>3,965,613</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,965,613</u>
Total fund balances	<u>4,131,696</u>	<u>1,210,172</u>	<u>405,007</u>	<u>151,346</u>	<u>5,898,221</u>
Total liabilities and fund balances	<u>\$ 4,877,999</u>	<u>\$ 1,234,142</u>	<u>\$ 555,351</u>	<u>\$ 151,506</u>	<u>\$ 6,818,998</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, 2022

Fund balances - total governmental funds	\$ 5,898,221
Amounts reported for <i>governmental activities</i> in the statement of net position are different because	
Capital and right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
Add - capital assets (net)	224,319
Deduct - amount included as prepaid in the funds	(162,317)
Add - right to use leased asset	865,584
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	(38,880)
Deduct - lease payable	<u>(918,583)</u>
Net position of governmental activities	<u>\$ 5,868,344</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, 2022

	Special Revenue			Nonmajor Capital Projects	Total
	General	REGIS	Environmental	REGIS	
			Programs		
Revenues					
Federal grants - transportation	\$ 1,217,645	\$ -	\$ -	\$ -	\$ 1,217,645
Federal grants - other	-	-	97,529	-	97,529
State and local grants	23,187	-	127,630	-	150,817
Membership and project fees	473,963	604,075	10,800	-	1,088,838
Other contributions	-	29,575	-	-	29,575
Donations	-	-	72,365	-	72,365
Charges for services	357,325	17,873	332,480	-	707,678
Interest income	16,223	5,441	672	280	22,616
Miscellaneous	-	-	8,596	-	8,596
Total revenues	<u>2,088,343</u>	<u>656,964</u>	<u>650,072</u>	<u>280</u>	<u>3,395,659</u>
Expenditures					
Current					
General government					
Salaries	687,204	310,708	323,277	-	1,321,189
Fringes	238,051	125,044	132,450	-	495,545
Grant specific and contractual costs	393,496	96,336	130,102	-	619,934
Professional fees	29,211	12,062	12,513	-	53,786
Advertising	3,540	-	97	-	3,637
Insurance	8,923	3,260	3,682	-	15,865
Meeting expenditures	10,403	192	397	-	10,992
Dues and subscriptions	5,162	4,373	3,077	-	12,612
Equipment rental	1,923	703	752	-	3,378
Office supplies	11,310	2,148	2,726	-	16,184
Mileage	5,524	582	657	-	6,763
Postage	3,837	61	94	-	3,992
Electricity	831	1,706	308	-	2,845
Telephone	14,363	5,092	3,127	-	22,582
Professional development	6,815	8,466	4,745	-	20,026
Rent	72,430	26,458	27,343	-	126,231
Equipment	-	-	656	-	656
Repairs and maintenance	617	883	-	-	1,500
Pavement management vehicle	46,037	-	-	-	46,037
Miscellaneous	3,130	363	185	-	3,678
Capital outlay	12,810	-	-	112,716	125,526
Total expenditures	<u>1,555,617</u>	<u>598,437</u>	<u>646,188</u>	<u>112,716</u>	<u>2,912,958</u>
Net changes in fund balances	532,726	58,527	3,884	(112,436)	482,701
Fund balances, beginning of year	<u>3,598,970</u>	<u>1,151,645</u>	<u>401,123</u>	<u>263,782</u>	<u>5,415,520</u>
Fund balances, end of year	<u>\$ 4,131,696</u>	<u>\$ 1,210,172</u>	<u>\$ 405,007</u>	<u>\$ 151,346</u>	<u>\$ 5,898,221</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, 2022

Net changes in fund balances - total governmental funds	\$ 482,701
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	202,896
Deduct - depreciation expense	(34,342)
Deduct - amount included in prepaid items in the funds	(162,317)
Right to use assets are long-term in nature and are amortized over several years. However the current amortization is reflected as an expense on the government-wide statements.	
Deduct - amortization of right to use leased asset	(128,235)
Repayment of principal on long-term liabilities is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Add - principal payments on lease liability	105,216
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.	
Add - decrease in compensated absences	<u>26,981</u>
Change in net position of governmental activities	<u><u>\$ 492,900</u></u>

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022

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, 2022, 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, 2022

3. DEPOSITS AND INVESTMENTS

The balance on the financial statements for cash and cash equivalents of \$6,329,506 consists of deposits in a bank of \$2,095,668 and funds held in the Kent County Public Funds Investment Pool of \$4,233,838.

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, 2022, 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	47%	0-6
Certificates of deposits	36%	0-6
Deposits, money markets and other pools	17%	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, 2022

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, 2021	Additions	Deletions	Balance September 30, 2022
Governmental activities				
Capital assets, not being depreciated				
Construction in progress	\$ 6,663	\$ -	\$ -	\$ 6,663
Capital assets, being depreciated				
Furniture and fixtures	116,012	-	-	116,012
Equipment and vehicles	617,002	202,896	-	819,898
Total capital assets, being depreciated	733,014	202,896	-	935,910
Less accumulated depreciation for				
Furniture and fixtures	116,012	-	-	116,012
Equipment and vehicles	567,900	34,342	-	602,242
Total accumulated depreciation	683,912	34,342	-	718,254
Total capital assets, being depreciated	49,102	168,554	-	217,656
Governmental activities capital assets, net	\$ 55,765	\$168,554	\$ -	\$224,319

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

Governmental activities	
Transportation	\$21,850
Environmental programs	314
REGIS	12,178
Total	\$34,342

GRAND VALLEY METROPOLITAN COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2022

5. LONG-TERM LIABILITIES

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

	Balance October 1, 2021	Additions	Deletions	Balance September 30, 2022	Due Within One Year
Governmental Activities					
Lease Liability	\$1,023,799		\$105,216	\$918,583	\$112,507
Compensated absences payable	65,861	-	26,981	38,880	-

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 \$134,502 for the year ended September 30, 2022. The payments include a principal component of \$105,216 and an imputed interest component of \$29,286.

The following is a schedule of future minimum lease payments required under the lease with remaining lease terms in excess of one year as of September 30, 2022:

Year Ending September 30	Principal	Interest
2023	\$112,507	\$26,030
2024	120,142	22,551
2025	128,136	18,838
2026	136,503	14,880
2027	145,259	10,665
2028-29	276,036	7,709
Total	<u>\$918,583</u>	<u>\$100,673</u>

Net position at September 30, 2021 was reduced by \$29,980 to reflect implementation of the newly adopted lease standards under Governmental Accounting Standards Board Statement No. 87.

6. 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 \$116,630. Council employees made contributions to the plan totaling \$57,584. The accrued retirement payable at September 30, 2022 was \$5,318.

7. 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, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Federal grants - transportation	\$ 1,634,710	\$ 1,634,710	\$ 1,217,645	\$ (417,065)
State and local grants	24,000	24,000	23,187	(813)
Membership and project fees	475,140	475,140	473,963	(1,177)
Charges for service	17,500	17,500	357,325	339,825
Interest income	16,000	16,000	16,223	223
Total revenues	<u>2,167,350</u>	<u>2,167,350</u>	<u>2,088,343</u>	<u>(79,007)</u>
Expenditures				
Current				
General government				
Salaries	850,000	850,000	687,204	162,796
Fringes	308,425	308,425	238,051	70,374
Grant specific and contractual costs	612,343	612,343	393,496	218,847
Professional fees	87,000	87,000	29,211	57,789
Advertising	5,000	5,000	3,540	1,460
Insurance	11,500	11,500	8,923	2,577
Meeting expenditures	25,000	25,000	10,403	14,597
Dues and subscriptions	2,750	2,750	5,162	(2,412)
Equipment rental	5,000	5,000	1,923	3,077
Office supplies	8,500	8,500	11,310	(2,810)
Mileage	10,750	10,750	5,524	5,226
Postage	7,500	7,500	3,837	3,663
Printing	2,500	2,500	-	2,500
Electricity	3,500	3,500	831	2,669
Telephone	10,250	10,250	14,363	(4,113)
Professional development	10,000	10,000	6,815	3,185
Rent	87,000	87,000	72,430	14,570
Repairs and maintenance	5,000	5,000	617	4,383
Pavement management vehicle	12,500	12,500	46,037	(33,537)
Miscellaneous	11,000	11,000	3,130	7,870
Capital outlay	25,000	25,000	12,810	12,190
Total expenditures	<u>2,100,518</u>	<u>2,100,518</u>	<u>1,555,617</u>	<u>544,901</u>
Net changes in fund balance	66,832	66,832	532,726	465,894
Fund balance, beginning of year	<u>3,598,970</u>	<u>3,598,970</u>	<u>3,598,970</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,665,802</u>	<u>\$ 3,665,802</u>	<u>\$ 4,131,696</u>	<u>\$ 465,894</u>

GRAND VALLEY METROPOLITAN COUNCIL

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

FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Membership dues	\$ 704,075	\$ 704,075	\$ 604,075	\$ (100,000)
Other contributions	24,900	24,900	29,575	4,675
Charges for services	19,837	19,837	17,873	(1,964)
Interest income	5,000	5,000	5,441	441
Total revenues	<u>753,812</u>	<u>753,812</u>	<u>656,964</u>	<u>(96,848)</u>
Expenditures				
Current				
General government				
Salaries	310,500	310,500	310,708	(208)
Fringes	144,157	144,157	125,044	19,113
Contract services				
Software maintenance agreements	70,000	70,000	43,005	26,995
Other contractual services	64,000	64,000	53,331	10,669
Professional fees	9,000	9,000	12,062	(3,062)
Legal services	1,500	1,500	-	1,500
Advertising	500	500	-	500
Insurance	3,750	3,750	3,260	490
Meeting expenditures	1,000	1,000	192	808
Dues and subscriptions	1,250	1,250	4,373	(3,123)
Equipment rental	1,250	1,250	703	547
Office supplies	3,900	3,900	2,148	1,752
Mileage	700	700	582	118
Postage	300	300	61	239
Printing	200	200	-	200
Electricity	2,100	2,100	1,706	394
Telephone	5,125	5,125	5,092	33
Professional development	3,000	3,000	8,466	(5,466)
Rent	30,000	30,000	26,458	3,542
Equipment and furniture	92,000	92,000	-	92,000
Repairs and maintenance	1,500	1,500	883	617
Miscellaneous	1,750	1,750	363	1,387
Total expenditures	<u>747,482</u>	<u>747,482</u>	<u>598,437</u>	<u>149,045</u>
Net changes in fund balance	6,330	6,330	58,527	52,197
Fund balance, beginning of year	<u>1,151,645</u>	<u>1,151,645</u>	<u>1,151,645</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,157,975</u>	<u>\$ 1,157,975</u>	<u>\$ 1,210,172</u>	<u>\$ 52,197</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, 2022

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
Revenues				
Federal grants	\$ 223,115	\$ 223,115	\$ 97,529	\$ (125,586)
State and local grants	175,207	175,207	127,630	(47,577)
Membership dues	10,800	10,800	10,800	-
Donations	37,000	37,000	72,365	35,365
Charges for services	331,462	331,462	332,480	1,018
Interest income	1,450	1,450	672	(778)
Miscellaneous	2,000	2,000	8,596	6,596
Total revenues	781,034	781,034	650,072	(130,962)
Expenditures				
Current				
General government				
Salaries	350,000	350,000	323,277	26,723
Fringes	140,660	140,660	132,450	8,210
Grant specific and contractual costs	204,800	204,800	130,102	74,698
Professional fees	20,000	20,000	12,513	7,487
Advertising	50	50	97	(47)
Insurance	3,950	3,950	3,682	268
Meeting expenditures	50	50	397	(347)
Dues and subscriptions	4,000	4,000	3,077	923
Equipment rental	1,600	1,600	752	848
Office supplies	2,600	2,600	2,726	(126)
Mileage	50	50	657	(607)
Postage	250	250	94	156
Printing	50	50	-	50
Electricity	1,200	1,200	308	892
Telephone	3,250	3,250	3,127	123
Professional development	3,500	3,500	4,745	(1,245)
Rent	31,000	31,000	27,343	3,657
Equipment and furniture	-	-	656	(656)
Repairs and maintenance	250	250	-	250
Miscellaneous	900	900	185	715
Total expenditures	768,160	768,160	646,188	121,972
Net changes in fund balance	12,874	12,874	3,884	(8,990)
Fund balance, beginning of year	401,123	401,123	401,123	-
Fund balance, end of year	\$ 413,997	\$ 413,997	\$ 405,007	\$ (8,990)

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INDIVIDUAL FUND SCHEDULES

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, 2022

	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Interest income	\$ 1,000	\$ 1,000	\$ 280	\$ (720)
Expenditures				
Capital outlay	<u>150,000</u>	<u>150,000</u>	<u>112,716</u>	<u>37,284</u>
Net changes in fund balance	(149,000)	(149,000)	(112,436)	36,564
Fund balance, beginning of year	<u>263,782</u>	<u>263,782</u>	<u>263,782</u>	<u>-</u>
Fund balance, end of year	<u>\$ 114,782</u>	<u>\$ 114,782</u>	<u>\$ 151,346</u>	<u>\$ 36,564</u>