

# GVMC

## GRAND VALLEY METRO COUNCIL

### FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023



Vredeveld Haefner LLC  
CPAs and Consultants

# GRAND VALLEY METROPOLITAN COUNCIL

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### INDEPENDENT AUDITORS' REPORT

January 30, 2024

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, 2023, 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, 2023, 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 7 and budgetary comparison information on pages 27 through 29 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 30, 2024, 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

- Staffing costs and fringe benefits continued to be monitored; planned staffing levels are adequate for the current services being provided.
- The FY2023 Transportation Improvement Program (TIP) resulted in 92 project phases being obligated for a total federal amount of about \$70.8 million coming to the GVMC service area and a total investment of over \$151 million into transportation projects.
- 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 2020 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.
- GVMC'S REGIS continued its regional collaboration and outreach efforts in GIS, for example attending and speaking at the Michigan Infrastructure Council's Asset Management Champions Webinar.
- 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 for a total of \$750,000 over the past 6 years. A rebate was not provided in FY 2022-2023 due to software and hardware upgrades, and an upcoming GIS Software licensing change which is currently under evaluation.

### Environmental Programs Department

- Grant and donation revenue was just over \$462,000. 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.
- NPDES MS4 program continues to provide compliance documents and training to 23 member communities that are required to have a stormwater permit. MS4 program fees were adjusted in 2022 due to the expanded requirements and facilitation needs of the reissued MS4 permits.
- Several applications for additional grants have been submitted to federal, state, county, and local funders and agencies.
- This department has 4 full time staff, 1 intern, and enlists the work of contractors as projects dictate. Staff have given presentations about our programs and projects to various groups and organizations in the region.

## 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 \$311,784 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>2023</u>	<u>2022</u>
Current and other assets	\$7,200,788	\$6,656,681
Right to use leased assets	737,350	865,584
Capital assets	216,556	224,319
<b>Total assets</b>	<b><u>8,154,694</u></b>	<b><u>7,746,584</u></b>
Current and other liabilities	1,055,013	1,033,284
Long-term liabilities	757,236	844,956
<b>Total liabilities</b>	<b><u>1,812,249</u></b>	<b><u>1,878,240</u></b>
Net position		
Net investment in capital assets	216,556	224,319
Restricted for REGIS	1,455,250	1,361,518
Restricted for Environmental Programs	341,483	405,007
Unrestricted	4,329,156	3,877,500
<b>Total net position</b>	<b><u>\$6,342,445</u></b>	<b><u>\$5,868,344</u></b>

## Income and Expenses

The Council's financial position improved during the year ended September 30, 2023 as a result of revenues exceeding expenses. A summary of revenues and expenses for the past two fiscal years is presented below. Beginning net position was also adjusted to better reflect the State reimbursement for the van.

	<u>2023</u>	<u>2022</u>
<b>Program revenues</b>		
Charges for services	\$1,534,204	\$1,562,123
Operating grants and contributions	1,807,239	1,546,952
<b>General revenues</b>		
Metro Council dues	297,493	270,361
Unrestricted interest income	98,234	16,223
<b>Total revenues</b>	<b><u>3,737,170</u></b>	<b><u>3,395,659</u></b>
<b>Functions/program expenses</b>		
Transportation	1,201,309	1,029,394
Administration	547,435	510,384
REGIS	742,892	718,673
Environmental programs	933,750	644,308
<b>Total expenses</b>	<b><u>3,425,386</u></b>	<b><u>2,902,759</u></b>
Change in net position	311,784	492,900
<b>Net position, beginning of year</b>	<b><u>6,030,661</u></b>	<b><u>5,375,444</u></b>
<b>Net position, end of year</b>	<b><u>\$6,342,445</u></b>	<b><u>\$5,868,344</u></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 \$6,144,345, an increase of \$408,441 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 \$4,343,486. The general fund reported an increase in fund balance of \$378,233.

The REGIS special revenue fund had restricted fund balance of \$1,280,251 at year-end and reported an increase in fund balance of \$92,060 from the prior year.

The Environmental Programs special revenue fund had total fund balance of \$341,483 at year-end and reported a decrease in fund balance of \$63,524 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 actual revenues were greater than budgeted due to the substantial increase of interest rates during 2022-2023. Close expense monitoring kept the overall expenditures less than budget amounts. There was no Regis rebate this fiscal year due to the projected significant increase of software upgrades and changes in FY 2023 – 2024. 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. However, actual expenditures came in higher than budget, resulting in an overall decline in the fund balance of (\$63,000). Staffing changes occurred in September 2023 that will assist in reducing expenses in future years.

## **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 new computer and other equipment. 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 2022-2023 & FY 2023-2024 on top of any new additional hardware updates 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.

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## **BASIC FINANCIAL STATEMENTS**

# GRAND VALLEY METROPOLITAN COUNCIL

## STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

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	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and cash equivalents	\$ 6,761,719
Accounts receivable	291,390
Due from state	121,572
Prepaid items	26,107
Right to use leased asset	737,350
Capital assets, net	<u>216,556</u>
<b>Total assets</b>	<u>8,154,694</u>
<b>Liabilities</b>	
Accounts payable and accrued liabilities	288,602
Accrued compensation	76,858
Unearned revenue	569,411
Current portion of lease payable	120,142
Noncurrent liabilities	
Compensated absences	71,302
Lease payable	<u>685,934</u>
<b>Total liabilities</b>	<u>1,812,249</u>
<b>Net position</b>	
Invested in capital assets	216,556
Restricted for REGIS	1,455,250
Restricted for Environmental Programs	341,483
Unrestricted	<u>4,329,156</u>
<b>Total net position</b>	<u>\$ 6,342,445</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, 2023**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense)</u>
		<u>Charges</u>	<u>Operating</u>	
		<u>for Services</u>	<u>Grants and</u>	<u>Revenue</u>
			<u>Contributions</u>	
<b>Primary government</b>				
Governmental activities				
Transportation	\$ 1,201,309	\$ 299,899	\$ 1,332,567	\$ 431,157
Administration	547,435	5,000	-	(542,435)
REGIS	742,892	834,215	-	91,323
Environmental programs	<u>933,750</u>	<u>395,090</u>	<u>474,672</u>	<u>(63,988)</u>
Total governmental activities	<u>\$ 3,425,386</u>	<u>\$ 1,534,204</u>	<u>\$ 1,807,239</u>	<u>(83,943)</u>
General revenues				
Membership				297,493
Interest earnings				<u>98,234</u>
Total general revenues				<u>395,727</u>
Change in net position				311,784
<b>Net position, beginning of year , as restated</b>				<u>6,030,661</u>
<b>Net position, end of year</b>				<u>\$ 6,342,445</u>

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

**GRAND VALLEY METROPOLITAN COUNCIL**

**GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

**SEPTEMBER 30, 2023**

	Special Revenue			Nonmajor Capital Projects	Total
	General	REGIS	Environmental	REGIS	
			Programs		
<b>Assets</b>					
Cash and cash equivalents	\$ 4,852,271	\$ 1,294,885	\$ 461,545	\$ 153,018	\$ 6,761,719
Accounts receivable	211,341	4,200	75,849	-	291,390
Due from state, long-term	121,572	-	-	-	121,572
Prepaid items	4,126	21,981	-	-	26,107
<b>Total assets</b>	<u>\$ 5,189,310</u>	<u>\$ 1,321,066</u>	<u>\$ 537,394</u>	<u>\$ 153,018</u>	<u>\$ 7,200,788</u>
<b>Liabilities, deferred inflows, and fund balances</b>					
<b>Liabilities</b>					
Accounts payable and accrued liabilities	\$ 278,312	\$ -	\$ 10,290	\$ -	\$ 288,602
Accrued compensation	41,101	18,834	16,923	-	76,858
Unearned revenue	400,713	-	168,698	-	569,411
<b>Total liabilities</b>	<u>720,126</u>	<u>18,834</u>	<u>195,911</u>	<u>-</u>	<u>934,871</u>
<b>Deferred inflows</b>					
Unavailable revenue	121,572	-	-	-	121,572
<b>Fund balances</b>					
Non-spendable					
Prepaid expenditures	4,126	21,981	-	-	26,107
Restricted					
REGIS	-	1,280,251	-	153,018	1,433,269
Environmental Programs	-	-	341,483	-	341,483
Unassigned	4,343,486	-	-	-	4,343,486
<b>Total fund balances</b>	<u>4,347,612</u>	<u>1,302,232</u>	<u>341,483</u>	<u>153,018</u>	<u>6,144,345</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 5,189,310</u>	<u>\$ 1,321,066</u>	<u>\$ 537,394</u>	<u>\$ 153,018</u>	<u>\$ 7,200,788</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, 2023

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<b>Fund balances - total governmental funds</b>	\$ 6,144,345
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)	216,556
Add - right to use leased asset	737,350
Certain assets are not due and receivable in the current period and therefore are offset with deferred revenue in the funds.	
Add - unavailable revenue	121,572
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Deduct - compensated absences payable	(71,302)
Deduct - lease payable	<u>(806,076)</u>
<b>Net position of governmental activities</b>	<u>\$ 6,342,445</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, 2023**

	Special Revenue			Nonmajor Capital Projects	Total
	General	REGIS	Environmental Programs	REGIS	
<b>Revenues</b>					
Federal grants - transportation	\$ 1,352,299	\$ -	\$ -	\$ -	\$ 1,352,299
Federal grants - other	-	-	210,253	-	210,253
State and local grants	21,013	-	155,116	-	176,129
Membership and project fees	562,787	726,916	11,600	-	1,301,303
Other contributions	-	26,100	-	-	26,100
Donations	-	-	92,776	-	92,776
Charges for services	39,605	52,296	379,591	-	471,492
Interest income	98,234	27,231	3,899	1,672	131,036
Miscellaneous	-	-	16,527	-	16,527
<b>Total revenues</b>	<u>2,073,938</u>	<u>832,543</u>	<u>869,762</u>	<u>1,672</u>	<u>3,777,915</u>
<b>Expenditures</b>					
Current					
General government					
Salaries	804,956	352,218	412,349	-	1,569,523
Fringes	290,110	145,513	163,028	-	598,651
Grant specific and contractual costs	394,109	136,350	272,418	-	802,877
Professional fees	42,047	15,712	19,691	-	77,450
Advertising	1,585	-	14	-	1,599
Insurance	9,493	3,928	4,372	-	17,793
Meeting expenditures	11,175	427	1,918	-	13,520
Dues and subscriptions	6,459	2,640	4,126	-	13,225
Equipment rental	998	413	689	-	2,100
Office supplies	4,740	1,912	1,973	-	8,625
Mileage	7,066	484	1,402	-	8,952
Postage	968	56	116	-	1,140
Electricity	1,477	2,752	679	-	4,908
Telephone	15,340	5,661	4,034	-	25,035
Professional development	20,630	6,025	9,055	-	35,710
Rent	68,938	28,514	32,730	-	130,182
Equipment	-	36,318	3,867	-	40,185
Repairs and maintenance	23	986	-	-	1,009
Pavement management vehicle	3,215	-	-	-	3,215
Miscellaneous	2,341	574	825	-	3,740
Capital outlay	10,035	-	-	-	10,035
<b>Total expenditures</b>	<u>1,695,705</u>	<u>740,483</u>	<u>933,286</u>	<u>-</u>	<u>3,369,474</u>
Net changes in fund balances	378,233	92,060	(63,524)	1,672	408,441
<b>Fund balances, beginning of year, as restated</b>	<u>3,969,379</u>	<u>1,210,172</u>	<u>405,007</u>	<u>151,346</u>	<u>5,735,904</u>
<b>Fund balances, end of year</b>	<u>\$ 4,347,612</u>	<u>\$ 1,302,232</u>	<u>\$ 341,483</u>	<u>\$ 153,018</u>	<u>\$ 6,144,345</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, 2023

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<b>Net changes in fund balances - total governmental funds</b>	<b>\$ 408,441</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	30,988
Deduct - depreciation expense	(38,751)
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	(128,234)
Long-term receivables are collectable in the subsequent year however, only current receipts are reflected as revenues on the fund statements.	
Deduct - collection of long-term receivable	(40,745)
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	112,507
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>(32,422)</u>
<b>Change in net position of governmental activities</b>	<b><u>\$ 311,784</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, 2023

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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, 2023

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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, 2023

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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.

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

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

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### ***Unearned Revenue***

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

### ***Deferred outflows/inflows of resources***

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The Council has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The governmental funds report deferred inflows for long-term receivables which arise only under a modified accrual basis of accounting. Accordingly, the unavailable revenue related to long-term receivables is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

### ***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. Non-spendable fund balance would be equal to inventory, prepaid items, non-current financial assets, and the non-spendable 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.



# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

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### ***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.

### ***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.

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED SEPTEMBER 30, 2023

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, 2023, the Council did not incur expenditures at the functional level in budgetary funds which were in excess of the amounts appropriated.

### 3. DEPOSITS AND INVESTMENTS

The balance on the financial statements for cash and cash equivalents of \$6,761,719 consists of deposits in a bank of \$4,912,908 and funds held in the Kent County Public Funds Investment Pool of \$1,848,811.

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, 2023, the balance of the Kent County Investment Pool consisted of the following:

<b><u>Investment</u></b>	<b><u>Percentage of Pool Total</u></b>	<b><u>Maturity in Years</u></b>
Government agency securities	36%	0-6
Certificates of deposits	34%	0-6
Deposits, money markets and other pools	30%	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.

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED SEPTEMBER 30, 2023

*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.

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, <u>2022</u>	<u>Additions</u>	<u>Deletions</u>	Balance September 30, <u>2023</u>
<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	819,898	37,651	-	857,549
Total capital assets, being depreciated	935,910	37,651	-	973,561
Less accumulated depreciation for				
Furniture and fixtures	116,012	-	-	116,012
Equipment and vehicles	602,242	38,751	-	640,993
Total accumulated depreciation	718,254	38,751	-	757,005
<b>Total capital assets, being depreciated</b>	217,656	(1,100)	-	216,556
<b>Governmental activities capital assets, net</b>	<b>\$ 224,319</b>	<b>\$(1,100)</b>	<b>\$6,663</b>	<b>\$216,556</b>

# GRAND VALLEY METROPOLITAN COUNCIL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED SEPTEMBER 30, 2023

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

<b>Governmental activities</b>	
Transportation	\$22,516
REGIS	<u>16,235</u>
Total	<u><u>\$38,751</u></u>

#### 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, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance September 30, 2023</u>	<u>Due Within One Year</u>
<b>Governmental Activities</b>					
Lease Liability	\$918,583	\$ -	\$112,507	\$806,076	\$120,142
Compensated absences payable	38,880	32,422	-	71,302	-

#### **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 \$138,537 for the year ended September 30, 2023. The payments include a principal component of \$112,507 and an imputed interest component of \$26,030.

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, 2023:

<u>Year Ending September 30</u>	<u>Principal</u>	<u>Interest</u>
2024	\$120,142	\$22,551
2025	128,136	18,838
2026	136,503	14,880
2027	145,259	10,665
2028	154,420	6,183
2029	<u>121,616</u>	<u>1,525</u>
Total	<u><u>\$806,076</u></u>	<u><u>\$74,642</u></u>

#### 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 \$138,832. Council employees made contributions to the plan totaling \$117,742. The accrued retirement payable at September 30, 2023 was \$5,498.

# GRAND VALLEY METROPOLITAN COUNCIL

## *NOTES TO THE FINANCIAL STATEMENTS*

*FOR THE YEAR ENDED SEPTEMBER 30, 2023*

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### **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.

### **8. PRIOR-PERIOD ADJUSTMENT**

Beginning net assets of the General fund were reduced by \$162,317 and beginning net assets of the governmental activities was increased by \$162,317 to better reflect the amount due from the State of Michigan for the pavement monitoring van.

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## **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, 2023**

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Federal grants - transportation	\$ 1,833,237	\$ 1,833,237	\$ 1,352,299	\$ (480,938)
State and local grants	24,000	24,000	21,013	(2,987)
Membership and project fees	564,808	564,808	562,787	(2,021)
Charges for service	31,000	31,000	39,605	8,605
Interest income	14,000	14,000	98,234	84,234
<b>Total revenues</b>	<u>2,467,045</u>	<u>2,467,045</u>	<u>2,073,938</u>	<u>(393,107)</u>
<b>Expenditures</b>				
Current				
General government				
Salaries	793,000	793,000	804,956	(11,956)
Fringes	301,735	301,735	290,110	11,625
Grant specific and contractual costs	544,739	544,739	394,109	150,630
Professional fees	87,000	87,000	42,047	44,953
Advertising	4,000	4,000	1,585	2,415
Insurance	12,000	12,000	9,493	2,507
Meeting expenditures	15,000	15,000	11,175	3,825
Dues and subscriptions	6,000	6,000	6,459	(459)
Equipment rental	5,000	5,000	998	4,002
Office supplies	12,000	12,000	4,740	7,260
Mileage	7,500	7,500	7,066	434
Postage	6,000	6,000	968	5,032
Printing	2,500	2,500	-	2,500
Electricity	3,500	3,500	1,477	2,023
Telephone	14,000	14,000	15,340	(1,340)
Professional development	10,000	10,000	20,630	(10,630)
Rent	87,000	87,000	68,938	18,062
Repairs and maintenance	3,000	3,000	23	2,977
Pavement management vehicle	12,500	12,500	3,215	9,285
Miscellaneous	11,000	11,000	2,341	8,659
Capital outlay	25,000	25,000	10,035	14,965
<b>Total expenditures</b>	<u>1,962,474</u>	<u>1,962,474</u>	<u>1,695,705</u>	<u>266,769</u>
Net changes in fund balance	504,571	504,571	378,233	(126,338)
<b>Fund balance, beginning of year, as restated</b>	<u>3,969,379</u>	<u>3,969,379</u>	<u>3,969,379</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 4,473,950</u>	<u>\$ 4,473,950</u>	<u>\$ 4,347,612</u>	<u>\$ (126,338)</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, 2023**

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Membership dues	\$ 726,916	\$ 726,916	\$ 726,916	\$ -
Other contributions	24,900	24,900	26,100	1,200
Charges for services	17,837	17,837	52,296	34,459
Interest income	4,500	4,500	27,231	22,731
<b>Total revenues</b>	<u>774,153</u>	<u>774,153</u>	<u>832,543</u>	<u>58,390</u>
<b>Expenditures</b>				
Current				
General government				
Salaries	328,000	328,000	352,218	(24,218)
Fringes	146,927	146,927	145,513	1,414
Contract services				
Software maintenance agreements	70,000	70,000	44,182	25,818
Other contractual services	50,000	50,000	92,168	(42,168)
Professional fees	16,500	16,500	15,712	788
Legal services	1,500	1,500	-	1,500
Advertising	500	500	-	500
Insurance	3,750	3,750	3,928	(178)
Meeting expenditures	1,000	1,000	427	573
Dues and subscriptions	2,500	2,500	2,640	(140)
Equipment rental	1,250	1,250	413	837
Office supplies	3,900	3,900	1,912	1,988
Mileage	700	700	484	216
Postage	300	300	56	244
Printing	200	200	-	200
Electricity	2,100	2,100	2,752	(652)
Telephone	5,125	5,125	5,661	(536)
Professional development	6,000	6,000	6,025	(25)
Rent	30,000	30,000	28,514	1,486
Equipment and furniture	92,000	92,000	36,318	55,682
Repairs and maintenance	1,500	1,500	986	514
Miscellaneous	1,825	1,825	574	1,251
<b>Total expenditures</b>	<u>765,577</u>	<u>765,577</u>	<u>740,483</u>	<u>25,094</u>
Net changes in fund balance	8,576	8,576	92,060	83,484
<b>Fund balance, beginning of year</b>	<u>1,210,172</u>	<u>1,210,172</u>	<u>1,210,172</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 1,218,748</u>	<u>\$ 1,218,748</u>	<u>\$ 1,302,232</u>	<u>\$ 83,484</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, 2023**

	Budget Amounts		Actual Amount	Variance Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Federal grants	\$ 133,000	\$ 263,500	\$ 210,253	\$ (53,247)
State and local grants	279,200	279,368	155,116	(124,252)
Membership dues	12,000	12,000	11,600	(400)
Donations	23,000	13,400	92,776	79,376
Charges for services	388,371	386,371	379,591	(6,780)
Interest income	1,500	3,100	3,899	799
Miscellaneous	3,000	15,000	16,527	1,527
<b>Total revenues</b>	<u>840,071</u>	<u>972,739</u>	<u>869,762</u>	<u>(102,977)</u>
<b>Expenditures</b>				
Current				
General government				
Salaries	365,000	408,000	412,349	(4,349)
Fringes	158,413	166,872	163,028	3,844
Grant specific and contractual costs	169,400	308,445	272,418	36,027
Professional fees	15,000	20,300	19,691	609
Advertising	100	100	14	86
Insurance	4,100	4,400	4,372	28
Meeting expenditures	500	1,500	1,918	(418)
Dues and subscriptions	4,000	4,000	4,126	(126)
Equipment rental	1,600	1,600	689	911
Office supplies	2,600	2,600	1,973	627
Mileage	1,000	2,000	1,402	598
Postage	250	250	116	134
Printing	50	50	-	50
Electricity	1,100	1,100	679	421
Telephone	3,250	4,250	4,034	216
Professional development	2,500	9,500	9,055	445
Rent	31,000	31,000	32,730	(1,730)
Equipment and furniture	2,500	4,500	3,867	633
Repairs and maintenance	250	250	-	250
Miscellaneous	900	1,050	825	225
<b>Total expenditures</b>	<u>763,513</u>	<u>971,767</u>	<u>933,286</u>	<u>38,481</u>
Net changes in fund balance	76,558	972	(63,524)	(64,496)
<b>Fund balance, beginning of year</b>	<u>405,007</u>	<u>405,007</u>	<u>405,007</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 481,565</u>	<u>\$ 405,979</u>	<u>\$ 341,483</u>	<u>\$ (64,496)</u>

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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, 2023**

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	<u>Budget Amounts</u>		<u>Actual Amount</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Interest income	\$ 250	\$ 250	\$ 1,672	\$ 1,422
<b>Expenditures</b>				
Capital outlay	-	-	-	-
Net changes in fund balance	250	250	1,672	1,422
<b>Fund balance, beginning of year</b>	<u>151,346</u>	<u>151,346</u>	<u>151,346</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 151,596</u>	<u>\$ 151,596</u>	<u>\$ 153,018</u>	<u>\$ 1,422</u>