



AGENDA

FULL COMMISSION MEETING

Tuesday, December 17, 2024, 9:30 a.m.

Van Buren Conference Center
490 Paw Paw Street
Lawrence, MI 49064

1. **CALL TO ORDER** **Chair Kurt Doroh**
 - Pledge Allegiance
 - Roll Call
2. **ACCEPTANCE AND/OR REVISION OF CONSENT AGENDA**
 - a. **Meeting Agenda ***
 - b. **Minutes of Commission Meeting, October 15, 2024 ***
 - c. **Chairman's Report**
 - d. **Treasurer's Report***
3. **GRAHAM WOODHOUSE AWARD PRESENTATION** **Chair Doroh**
SMART Park
4. **EXECUTIVE DIRECTOR'S REPORT** **Accept* **K. John Egelhaaf**
5. **2023 AUDIT – FINAL** **Approve* **Chair Doroh**
6. **RESOLUTION 2024-6** **Approve* **Chair Doroh**
Authorization to Submit EDA Partnership Planning Grant
7. **2025 HEALTH INSURANCE WAIVER** **Approve* **K. John Egelhaaf**
8. **2025 PROPOSED MEETING SCHEDULE** **Approve* **Chair Doroh**
9. **PUBLIC COMMENT**
10. **PRIVILEGE OF THE FLOOR**
11. **ADJOURNMENT**

****enclosures***

Next meeting will be held February 25, 2025 at **Van Buren Conference Center 490 Paw Paw St., Lawrence, MI**

SWMPC Mission: Our team uses its passion and expertise to connect people, assist communities, and advance cooperative solutions to regional challenges experienced by the communities that created us.



Minutes

Southwest Michigan Planning Commission
FULL COMMISSION MEETING
Tuesday, October 15, 2024, at 9:30 a.m.

Meeting held in person at Van Buren ISD Conference Center

MEMBERS PRESENT:

Doroh, Kurt, Chair, Van Buren County Commissioner
Curran, Jim, Vice Chair, Berrien County Commissioner
Preston, Linda, Secretary, Cass County Representative
Catherman, Rick, Van Buren County Representative
Dodd, James, Cass County Representative
Engle, Roger, Van Buren County Representative
Fette, Dan, Berrien County Representative
Freehling, Teri Sue, Berrien County Commissioner
Gundersen, Kristen, Alternate Secretary, Berrien County Representative
Hanson, Sandra, Alternate Treasurer, Van Buren County Representative
Leary, Tina, Van Buren County Representative
Marchetti, Roseann, Cass County Commissioner
Multhauf, Katie, Van Buren County Economic Development Ex-Officio
Pantaleo, Paul, Berrien County Representative
Patterson-Gladney, Gail, Van Buren County Commissioner
Stauffer, Dick, Berrien County Representative
Torzynski, Robert, Pokagon Band Representative
Wood, Gary, Berrien County Representative
Wuerfel, Julie, Berrien County Commissioner

MEMBERS ABSENT:

Sinclair, Kim, Treasurer, Van Buren County Representative
DeLong, Don, Cass County Representative
Durm-Hiatt, Marge, Berrien County Representative
Tyler, Doug, Cass County Representative

OTHERS PRESENT:

Vettraino, Maria, SWMPC Office Manager
Bansen, Ralph, Lincoln Township Manager

1. CALL TO ORDER

Chair Kurt Doroh called the meeting to order at 9:30 a.m. and led those present in the Pledge of Allegiance. Office Manager, Maria Vettraino took roll call, and a quorum

was present. Dick Stauffer introduced Ralph Bansen, the new manager of Lincoln Township.

2. ACCEPTANCE AND/OR REVISION OF CONSENT AGENDA

Chair Doroh presented the Consent Agenda with a revision to move agenda item #8 2023 Audit Draft to agenda item #3. Gail Patterson-Gladney moved to **“ACCEPT THE CONSENT AGENDA WITH REVISION.”** Roseann Marchetti seconded the motion, which carried unanimously.

3. 2023 AUDIT DRAFT

Joe Laudont with Lauterbach & Amen went over the draft of our 2024 audit via Zoom, including financial statements, auditor notes, and required communications. The floor was then opened for questions.

Director Egelhaaf pointed out an error in Note 13 in which “plus interest at 3%” should be removed, as that is a fee only applied to late lease payments. Gary Wood asked for more information on their recommendation of collateralization of deposits. Laudont explained the meaning of collateralization and suggested we speak with our bank to discuss options.

Egelhaaf asked the Board if they would like to approve the 2024 audit now or wait for the finalized version. Roseann Marchetti suggests the Board wait, Gail Patterson-Gladney and others agreed. Chair Doroh stated we will wait to approve the final report.

4. EXECUTIVE DIRECTOR’S REPORT

Egelhaaf presented the Executive Director’s report and opened the floor to questions. There were no questions.

Rick Catherman moved to **“ACCEPT THE EXECUTIVE DIRECTOR’S REPORT.”** Gail Patterson-Gladney seconded the motion, which carried unanimously.

5. AD HOC COMMITTEE REPORT OF EXECUTIVE DIRECTOR EVALUATION

Jim Curran, the Chair of the AD HOC Committee, shared how the committee met this morning to review the completed Executive Director evaluations and speak with Director Egelhaaf. The committee recommends the Board approve Egelhaaf’s contract renewal with a 4% increase in salary for 2025.

Dan Fette suggested the Board look at the length of the contract renewal and would be in favor of a multi-year contract with built in pay increases in the future. Chair Doroh agreed that the Board should discuss that option next year.

6. CONSIDERATION OF EXECUTIVE DIRECTOR ANNUAL CONTRACT RENEWAL

Jim Curran moved to **“ACCEPT THE EXECUTIVE DIRECTOR’S CONTRACT WITH 4% SALARY INCREASE.”** Dick Stauffer seconded the motion, which carried unanimously.

7. RESOLUTION 2024-4 RENEWAL OF EXECUTIVE DIRECTOR CONTRACT

Linda Preston moved to **“APPROVE RESOLUTION 2024-4 RENEWAL OF EXECUTIVE DIRECTOR CONTRACT WITH 4% SALARY INCREASE.”** James Dodd seconded the motion, which carried unanimously by roll call vote.

8. GRAHAM WOODHOUSE INTERGOVERNMENTAL EFFORT AWARD UPDATE

Director Egelhaaf explained the score sheets for the Graham Woodhouse Award and where we are in the process. He stated that voting is due on October 25th and score sheets should be submitted to Office Manager, Maria Vettraino.

9. RESOLUTION 2024-5 MDOT CONSULTANT DIGITAL SIGNATURE VERIFICATION

Chair Doroh presented the resolution and invited the Board to approve.

Rick Catherman moved to **“APPROVE RESOLUTION 2024-5 MDOT CONSULTANT DIGITAL SIGNATURE VERIFICATION.”** Gail Patterson-Gladney seconded the motion, which carried unanimously by roll call vote.

10. PLANNER PRESENTATION

STATUS REPORT – MATERIALS MANAGEMENT AND EV READINESS PLAN

Associate Planner, Bekah Schrag, presented on the Materials Management and EV Readiness Plan project status. Schrag began with a status report on the EV Readiness Plan, including why it is in motion now, what it is, and the timeline for the plan. Discussion ensued on how long it takes to charge an EV vehicle. Julie Wuerfel asked how survey recipients were chosen and if rental companies were considered. Schrag shared who received the survey and agreed rental companies was a good suggestion. Teri Sue-Freehling inquired about a tool kit for emergency procedures in the plan. Schrag responded that the consultant is aware this is needed. Schrag finished her presentation on the EV Readiness Plan project with the preliminary responses of the survey.

Schrag then presented on Materials Management, a plan to focus on recycling and divert from landfills. She shared the status of committee formation and funding.

11. PUBLIC COMMENT

No public comment.

12. PRIVILEGE OF THE FLOOR

Dick Stauffer shared that the Berrien County Road Department application was approved for a non-motorized path project in the amount of \$4 million dollars. This is a 25-year project.

Gary Wood updated the Board on Marquette Greenway, including the finalization of paving from New Buffalo to Grand Beach. The project is now in Phase II in which funding will be received to continue the trail to the Indiana - Michigan border.

13. ADJOURNMENT

James Dodd moved to adjourn the meeting. Linda Preston supported the motion. The Chair declared the meeting adjourned at 10:54 am.

Respectfully submitted by:



K. John Egelhaaf, AICP

Date: October 15, 2024

Southwest Michigan Planning Commission

Balance Sheet

As of November 30, 2024

	Total
ASSETS	
Current Assets	
Bank Accounts	
1010 Petty Cash	65.00
1020 Checking	523,611.10
1060 CD	85,430.24
Total Bank Accounts	\$ 609,106.34
Accounts Receivable	
1100 Accounts Receivable	46,329.08
1110 A/R Grants	0.00
Total Accounts Receivable	\$ 46,329.08
Other Current Assets	
1200 Other Receivable	290,859.00
1240 Undeposited Funds	2,455.51
1300 Prepaid Expenses	11,331.10
1499 Security Deposit - 376 W. Main	-11,220.00
Met Life Stock	0.00
Repayment	
MISC DEDUCTION	0.00
Total Repayment	\$ 0.00
Total Other Current Assets	\$ 293,425.61
Total Current Assets	\$ 948,861.03
Fixed Assets	
1350 Furniture and Equipment	32,056.00
1360 Accumulated Depreciation	-32,056.00
1400 Right of Use Asset	0.01
1410 Right of Use Asset - Amortization	1.40
Total Fixed Assets	\$ 1.41
Other Assets	
1250 Grants Receivable - Old	0.00
Total Other Assets	\$ 0.00
TOTAL ASSETS	\$ 948,862.44
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 Accounts Payable	-3,834.90
Total Accounts Payable	-\$ 3,834.90
Other Current Liabilities	

2010 Accounts Payable - Old		0.00
2250 Accrued Payroll		9,720.45
2400 Payroll Liabilities		4,302.45
2420 457b Payable		883.51
2430 Health Insurance		492.26
2438 HSA		-683.37
2440 Federal Withholding		0.00
2450 Medicare Payable		0.00
2460 FICA Payable		0.00
2480 State Withholding		714.42
2490 Michigan UIA Payable		195.77
2495 Benton Harbor withholding		172.55
457b Catch-Up		0.00
IN Income / Local Taxes		0.00
MISC		3.84
MISC DEDUCTION		241.84
Total 2400 Payroll Liabilities	\$	6,323.27
2500 RPI		0.00
Michigan Department of Treasury Payable		0.00
Total Other Current Liabilities	\$	16,043.72
Total Current Liabilities	\$	12,208.82
Long-Term Liabilities		
2260 Accrue Annual Leave		43,982.95
2290 SJ Watershed Escrow		1,207.99
2300 NATS-FHWA-Escrow		2,591.54
2310 NATS-FTA-Escrow		13,901.33
2320 TCATS-Escrow		19,397.05
2340 EDA Escrow		409.09
2550 Unearned Revenue		114,062.00
2600 Lease Liability		-0.17
Total Long-Term Liabilities	\$	195,551.78
Total Liabilities	\$	207,760.60
Equity		
32000 Unrestricted Net Assets		585,291.41
Net Income		155,810.43
Total Equity	\$	741,101.84
TOTAL LIABILITIES AND EQUITY	\$	948,862.44

Southwest Michigan Planning Commission
Budget vs. Actuals P&L
January - November, 2024

	Actual	Budget	Total over Budget	% of Budget
Income				
4000 Federal Grant	725,904.94	748,717.00	-22,812.06	96.95%
4005 Pass Thru	279,532.82	480,131.00	-200,598.18	58.22%
4010 State Grant	336,662.38	331,840.00	4,822.38	101.45%
4020 County Contribution	59,112.00	59,112.00	0.00	100.00%
4030 Local Match	96,094.32	91,097.00	4,997.32	105.49%
4040 Local Contract	180,233.63	268,297.50	-88,063.87	67.18%
4050 Other Fee Income	4,181.21		4,181.21	
4100 Interest Income	4,390.55	1,421.00	2,969.55	308.98%
Total Income	\$ 1,686,111.85	\$ 1,980,615.50	-\$ 294,503.65	85.13%
Gross Profit	\$ 1,686,111.85	\$ 1,980,615.50	-\$ 294,503.65	85.13%
Expenses				
6000 Direct Expenses				
6200 Salaries	402,083.75	483,305.25	-81,221.50	83.19%
6220 Payroll Taxes	30,759.14	36,891.90	-6,132.76	83.38%
6230 Pension Expenses	30,005.80	20,716.63	9,289.17	144.84%
6240 Employee Insurance	99,987.27	124,837.75	-24,850.48	80.09%
6300 Mileage & Travel	11,254.40	9,720.00	1,534.40	115.79%
6310 Meals	1,814.74	1,155.00	659.74	157.12%
6315 Lodging	7,146.70	4,730.00	2,416.70	151.09%
6330 Printing		120.00	-120.00	0.00%
6340 Postage		1,980.00	-1,980.00	0.00%
6410 Dues & Subscriptions	3,209.27	4,440.00	-1,230.73	72.28%
6420 Supplies & Materials	9,325.54	8,405.00	920.54	110.95%
6430 Computer Services	7,226.70	5,750.00	1,476.70	125.68%
6500 Conferences & Training	5,977.65	6,625.00	-647.35	90.23%
6550 Contractual Svcs-OffSite	652,732.72	834,190.00	-181,457.28	78.25%
6610 Equipment	3,558.64	5,000.00	-1,441.36	71.17%
6715 Audit Services		2,250.00	-2,250.00	0.00%
6720 Accounting Services		6,600.00	-6,600.00	0.00%
6950 General Commission Expenses	478.83	1,150.00	-671.17	41.64%
6960 Commissioner Mileage	2,311.75	2,400.00	-88.25	96.32%
6970 Commissioner Per Diem	2,340.00	2,800.00	-460.00	83.57%
6980 Bank Fees	1,711.44	1,070.00	641.44	159.95%
6990 Pass Thru				
Total 6000 Direct Expenses	\$ 1,271,924.34	\$ 1,564,136.53	-\$ 292,212.19	81.32%
7000 Indirect Expenses				
7200 Salaries-Indirect	93,312.99		93,312.99	
7220 Payroll Taxes-Indirect	8,244.50		8,244.50	
7230 Pension Expenses-Indirect	4,527.84		4,527.84	
7240 Employee Insurance-Indirect	20,036.40		20,036.40	
7310 Meals-Indirect	221.06		221.06	
7320 Telephone-Indirect	1,942.60		1,942.60	
7340 Postage-Indirect	1,444.66		1,444.66	
7410 Dues & Subscriptions-Indirect	2,414.07		2,414.07	

7420 Supplies & Materials-Indirect	7,069.52			7,069.52	
7430 Computer Services-Indirect	32,494.62			32,494.62	
7520 Rent & Janitorial-Indirect	64,950.00			64,950.00	
7610 Equipment-Indirect	104.94			104.94	
7640 Gas-Indirect	766.56			766.56	
7650 Power-Indirect	3,373.61			3,373.61	
7660 Water-Indirect	751.67			751.67	
7715 Audit Services-Indirect	4,280.00			4,280.00	
7720 Accounting Services-Indirect	6,815.17			6,815.17	
7730 Insurance Corporate-Indirect	5,565.50			5,565.50	
Total 7000 Indirect Expenses	\$ 258,315.71	\$ 385,294.91	-\$ 126,979.20		67.04%
9000 Payroll Expenses					
9020 Salaries & Wages	0.00			0.00	
9040 FICA Taxes	0.00			0.00	
9060 Medicare Taxes	0.00			0.00	
9080 Michigan UIA Taxes	0.00			0.00	
9200 Mileage, meals, and lodging	0.00			0.00	
9220 Supplies	0.00			0.00	
Total 9000 Payroll Expenses	\$ 0.00	\$ 0.00	\$ 0.00		
Total Expenses	\$ 1,530,240.05	\$ 1,949,431.44	-\$ 419,191.39		78.50%
Net Operating Income	\$ 155,871.80	\$ 31,184.06	\$ 124,687.74		
Net Income	\$ 155,871.80	\$ 31,184.06	\$ 124,687.74		

MEMORANDUM

TO: Southwest Michigan Planning Commission

FROM: K. John Egelhaaf

DATE: December 4, 2024

RE: Staff Report for the Southwest Michigan Planning Commission December 17, 2024

Office/Administrative Updates

- A. Conference/Worshop Attendance
 - a. University Economic Development Association (UEDA) Summit (October 9)
 - 1. John Egelhaaf Speaker
 - b. Clean Fuels Lunch & Learn (October 9)
 - 1. Kim Gallagher Attended
 - c. Michigan Broadband Summit (October 14)
 - 1. John Egelhaaf Attended
 - d. Statewide Rural Transportation Training Meeting (October 23)
 - 1. Kim Gallagher Attended
 - 2. Brandon Kovnat Attended
 - e. MDOT New Invoice Training (October 31)
 - 1. Kim Gallagher Attended
 - 2. Maria Vettraino Attended
 - f. Michigan Scenic Byway Annual Meeting (November 4-5)
 - 1. Kim Gallagher Attended
- B. Zane Aldrich – Associate Planner Departure
 - a. Zane’s last day was December 6th
 - b. Leaving for a position as an Economist with a California Engineering Firm
 - c. Associate Planner position posted on LinkedIn and ZipRecruiter through December 20th
- C. New Payroll Provider
 - a. Previous provider (Blossomland Accounting) has closed their doors
 - b. Payroll now being administered through ADP
 - c. First payroll w/ADP – October 30 (no significant issues)
- D. SWMPC Staff Holiday Party ‘24
 - a. Held at the Culinary Kitchen
 - b. Cooking class + lunch (Thai menu)

SWMPC Staff Report – December 17, 2024

Existing Project Developments

- A. SPARK MI DNR Recreation Grant Assistance
 - a. Assistance to City of Hartford, Benton Township on RFP preparation/process
 - b. Monthly Consultation with Council for Michigan Foundations on their Facilitation of SPARK Phase 3
 - c. Monthly Consultation with Michigan Association of Regions on SPARK Progress

- B. Ox Creek Revitalization Movement – Ox Creek Collaborative Partnership
 - a. Great Lakes Restoration Initiative Grant Implementation – Rain Gardens to Improve Water Quality in Ox Creek, Benton Harbor – RFP out for Engineering Services
 - b. Education and Outreach Plan assistance; Strategic Plan assistance
 - c. Assistance with NOAA Marine Debris Grant, Bobo Brazil Community Center grant and Hall Park Spark grant implementation
 - d. Co-hosted UofM School for Environment and Sustainability tour of Ox Creek/Benton Harbor
 - e. Working with Ox Creek Partnership to finalize plans for Ox Creek restoration between Highland and Britain for NOAA grant and Sustain Our Great Lakes grant

- C. Grant Application Authorship/Assistance
 - a. MDNR Trust Funds Grant Assistance to New Buffalo Twp, Ontwa Township
 - b. St Joseph/Benton Harbor Rotary Foundation - - Lakeshore Trail
 - c. Berrien Community Foundation – Lakeshore Trail
 - d. Supplemental Request to Representative Andrews for Riverview Drive, Benton Harbor in collaboration with City of Benton Harbor, Cornerstone Alliance, Harbor Shores Redevelopment, Whirlpool
 - e. Great Lakes Restoration Initiative – Rain Gardens at Walmart, Benton Harbor

- D. Community Planning Assistance
 - a. Sodus Township Master Plan (survey just completed)
 - b. Arlington Township Master Plan (public input meeting held)
 - c. Michiana Village Master Plan (meeting with Task Force, developing survey)
 - d. South Haven Master Plan Update (public meeting held, finalizing future land use)
 - e. Dowagiac Recreation Plan (public comment period starting with public hearing in January)
 - f. Decatur Village, Decatur Township, Hamilton Township Joint Master Plan and Recreation Plans (public comment periods starting with public hearings in January)

- E. Statewide Housing Regional Committee
 - a. Quarterly Meeting Held November 7

- F. Van Buren State Park Management Plan
 - a. New plan under development, KJE invited to provide input at closed meeting.

- G. Westrain Passenger Rail Group
 - a. MDOT, Amtrak, MPOs – Meet to discuss issues on Pere Marquette Amtrak Line
 - b. Niles-Dowagiac-Glenwood Road Double-Track Project
 - a. In design phase
 - b. Received \$8.384M in federal infrastructure funding
 - c. Amtrak & MDOT Continue to Prioritize the New Buffalo Connection w/Blue Water Line

- H. MITTEN Broadband Grant Award
 - a. SWMPC Still Awaiting Final Award Notice from MI High-Speed Internet Office

- I. U.S. Dept. of Economic Development – Partnership Planning Grant
 - a. SWMPC Invited to Submit Application for 3-Year Planning Grant.
 - b. Submission Completed 11/20/24

- J. Transportation Planning
 - a. Rural Transportation – All 2024 Projects Have Been Obligated
 - b. Transportation Asset Management – All 2024 Road Surface Rating Data for Three Counties has Been Submitted to Transportation Asset Management Council

- K. NPDES Stormwater Public Education Presentations to Municipalities
 - a. Lincoln Twp Planning Commission (Oct 7), Niles City Council (Oct 14), Stevensville Village Council (Nov 7)
 - b. Attended Two Rivers Coalition Annual Meeting (Nov 12)
 - c. Attended Cass County Conservation District Annual Meeting (Dec 3)

SOUTHWEST MICHIGAN
PLANNING COMMISSION
BENTON HARBOR, MICHIGAN

MANAGEMENT LETTER



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

376 West Main Street, Suite 130
Benton Harbor, MI 49022
Phone: 269.925.1137
Fax: 269.925.0288
www.swmpc.org



October 22, 2024

Board of Directors
Southwest Michigan Planning Commission
Benton Harbor, Michigan

In planning and performing our audit of the financial statements of the Southwest Michigan Planning Commission (the Commission), Benton Harbor, Michigan, for the year ended December 31, 2023, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

We do not intend to imply that our audit failed to disclose commendable aspects of your system and structure. For your consideration, we herein submit our comments and suggestions which are designed to assist in effecting improvements in internal controls and procedures. Those less-significant matters, if any, which arose during the course of the audit, were reviewed with management as the audit field work progressed.

The accompanying comments and recommendations are intended solely for the information and use of the Board of Directors and senior management of the Southwest Michigan Planning Commission, Michigan.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Commission personnel. We would be pleased to discuss our comments and suggestions in further detail with you at your convenience, to perform any additional study of these matters, or to review the procedures necessary to bring about desirable changes.

We commend the finance department for the well prepared audit package and we appreciate the courtesy and assistance given to us by the entire Commission staff.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

CURRENT RECOMMENDATION

1. COLLATERALIZATION OF DEPOSITS

Comment

During our current year-end audit procedures, the bank balances were \$522,305, of which only \$332,246 were insured or collateralized. There was a balance of \$190,059 which was not insured or collateralized.

Recommendation

Consideration should be given to having all bank deposits insured or collateralized.

Management Response

Management acknowledges this comment and will work to correct it in the coming year.

SOUTHWEST MICHIGAN
PLANNING COMMISSION
BENTON HARBOR, MICHIGAN

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2023

376 West Main Street, Suite 130
Benton Harbor, MI 49022
Phone: 269.925.1137
Fax: 269.925.0288
www.swmpc.org

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

TABLE OF CONTENTS

PAGE

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

[1](#)

FINANCIAL STATEMENTS

Statement of Financial Position

[4](#)

Statement of Activities

[5](#)

Statement of Functional Expenses

[7](#)

Statements of Cash Flows

[9](#)

Notes to Financial Statements

[10](#)

SUPPLEMENTAL SCHEDULE

Statement of Support and Revenue and Functional Expenses

[20](#)

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

This section includes the opinion of the Commission's independent auditing firm.



INDEPENDENT AUDITOR'S REPORT

October 22, 2024

Board of Directors
Southwest Michigan Planning Commission
Benton Harbor, Michigan

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Southwest Michigan Planning Commission (the Commission), Benton Harbor, Michigan, which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Southwest Michigan Planning Commission, as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Commission 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 opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Commission's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 opinion. 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 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, 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 Commission’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 Commission’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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission’s basic financial statements. The supplemental schedules are presented for purposes of additional analysis and are 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, supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Lauterbach & Amen, LLP
LAUTERBACH & AMEN, LLP

FINANCIAL STATEMENTS

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Statement of Financial Position
December 31, 2023**

ASSETS	
Current Assets	
Cash and Cash Equivalents	\$ 488,166
Due from Grantors	314,461
Prepaid Expenses	11,332
Total Current Assets	<u>813,959</u>
Noncurrent Assets	
Capital Assets	
Depreciable Assets	32,056
Accumulated Depreciation	<u>(32,056)</u>
Total Noncurrent Assets	<u>—</u>
Total Assets	<u>813,959</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	12,801
Provision for Accrued Leave	43,983
Accrued Payroll Taxes	20,315
Escrow Accounts	37,507
Deferred Revenue	<u>114,062</u>
Total Current Liabilities	<u>228,668</u>
NET ASSETS	
Without Donor Restrictions	<u>585,291</u>

The notes to the financial statements are an integral part of this statement.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

Statement of Activities

For the Fiscal Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>
Support and Revenues	
Federal Grant	\$ 703,396
Pass Thru	268,338
State Grant	443,951
County Contribution	139,252
Local Match	77,715
Local Contract	204,031
Other Fee Income	1,982
Interest Income	1,421
Total Support and Revenues	<u>1,840,086</u>
Expenses	
Program Expenses	
Grants and Projects	
NATS	162,114
TCATS	269,007
MDOT	63,359
PPRWT	27,958
Ox Creek LID Phase I	46,211
Rideshare	13,345
CEDS/EDA	490,627
PEP Phase II	28,560
Asset Management	61,142
FTA Mobility Management	273,024
	<u>1,435,347</u>
Other Expenses	
Local Activities	<u>192,117</u>
Total Expenses	<u>1,627,464</u>
Change in Net Assets	212,622
Net Assets - Beginning	<u>372,669</u>
Net Assets - Ending	<u><u>585,291</u></u>

The notes to the financial statements are an integral part of this statement.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Statement of Functional Expenses
For the Fiscal Year Ended December 31, 2023**

See Following Page

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Statement of Functional Expenses
For the Fiscal Year Ended December 31, 2023**

	NATS	TCATS	MDOT	PPRWT
Expenses				
Salaries	\$ 69,644	117,338	29,311	1,575
Payroll Taxes	5,328	8,976	2,242	120
Pension Expenses	3,093	5,051	1,281	57
Employee Insurance	20,134	32,601	7,902	490
Mileage and Travel	1,436	1,762	817	67
Meals	68	342	57	—
Lodging	145	2,585	138	—
Postage	—	3	—	—
Dues and Subscriptions	520	1,885	—	—
Supplies and Materials	1,125	2,821	73	—
Computer Services	2,024	2,690	455	—
Advertising	—	—	—	—
Conferences and Training	314	1,638	191	—
Contractual Services - Off Site	—	—	—	24,300
Audit Services	200	200	—	—
Accounting Services	2,000	2,000	—	—
General Commission Expenses	—	—	—	—
Commissioner Mileage	—	—	—	—
Commissioner Per Diem	—	—	—	—
Bank Fees	—	—	—	—
Pass Thru	—	—	—	—
Indirect Cost Pool	56,083	89,115	20,892	1,349
Total Expenses	162,114	269,007	63,359	27,958

The notes to the financial statements are an integral part of this statement.

Grants and Projects							
OX Creek LID Phase I	Rideshare	CEDS/EDA	PEP Phase II	Asset Management	FTA Mobility Management	Local Activities	Totals
9,319	4,952	68,782	10,565	14,700	1,482	68,289	395,957
713	379	5,262	808	1,125	113	4,262	29,328
524	169	2,744	456	660	51	2,320	16,406
2,095	1,627	20,697	2,937	3,618	459	15,845	108,405
116	2	1,064	767	573	—	1,536	8,140
—	—	229	57	49	—	163	965
—	—	1,074	479	—	—	487	4,908
—	—	—	—	—	—	109	112
15	742	3,297	—	750	—	179	7,388
160	9	84	3,279	34	—	540	8,125
—	400	—	—	—	—	—	5,569
—	—	50	—	—	—	—	50
—	—	1,327	1,000	200	—	934	5,604
27,457	—	330,341	280	29,496	269,660	14,526	696,060
—	—	200	—	—	—	—	600
—	—	—	—	—	—	3,200	7,200
—	—	—	—	—	—	1,141	1,141
—	—	—	—	—	—	2,849	2,849
—	—	—	—	—	—	2,830	2,830
—	—	—	—	—	—	1,059	1,059
—	—	—	—	—	—	10,117	10,117
5,812	5,065	55,476	7,932	9,937	1,259	61,731	314,651
46,211	13,345	490,627	28,560	61,142	273,024	192,117	1,627,464

The notes to the financial statements are an integral part of this statement.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

Statements of Cash Flows

For the Fiscal Year Ended December 31, 2023

Cash Flows from Operating Activities	
Increase in Net Assets	<u>\$ 212,622</u>
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:	
Amortization Expense	63,590
(Increase) Decrease in Current Assets	(190,492)
Increase (Decrease) in Current Liabilities	(54,974)
	<u>(181,876)</u>
Cash Flows from Capital and Related Financing Activities	
Payment of Leases Payable	<u>(64,763)</u>
Net Change in Cash and Cash Equivalents	(34,017)
Cash and Cash Equivalents	
Beginning	<u>522,183</u>
Ending	<u><u>488,166</u></u>

The notes to the financial statements are an integral part of this statement.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Southwest Michigan Planning Commission (the “Commission”), one of fourteen Michigan regional planning and development agencies, serves Berrien, Cass, and Van Buren Counties. Through the Commission, local units of government coordinate their efforts to maintain and improve the physical, economic and social well being of the area. The Commission has been determined to be a not-forprofit agency for financial reporting purposes.

Commission funding is obtained from county per capita contributions and federal, state and other contracts for specified projects designed to further the Commission’s goals and objectives.

ACCOUNTING METHOD

The financial statements of the Commission are prepared on the accrual basis.

FINANCIAL STATEMENT PRESENTATION

The Commission adheres to Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-205, which sets standards for reporting on financial statements of not-for-profit organizations. ASC 958-205 requires the classification and presentation of net assets in two categories: net assets with donor restrictions and net assets without donor restrictions. Net assets without donor restrictions are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Commission. These assets may be used at the discretion of the Commission’s management and board of directors. Net assets with donor restrictions are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Commission or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated be maintained in perpetuity.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the programs have been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among program services benefited. Significant expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries	Time and Effort
Fringe Benefits	Time and Effort
Indirect Cost Pool	Time and Effort

PROJECT AND SALARY EXPENSES

The costs of goods and services which are identifiable for specific projects are directly charged to those projects at the time costs are incurred. Indirect costs are allocated to projects as described in Note 4.

Salary expenses for Commission employees are direct charges to the appropriate projects, with the exception of management and administrative time, which is charged to the indirect cost pool. Fringe benefits are accumulated in cost pools and distributed to projects in proportion to their direct chargeable salaries. For the year ended December 31, 2023, the total fringe benefit rate was 39%.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

CAPITAL ASSETS

Capital assets are valued at historical cost. Depreciation has been provided over the estimated useful lives using the straight-line method. When a grantor has designated funds to be used for an equipment purchase as part of a specific grant to the Commission, the equipment is immediately expensed.

LEASES

The Commission accounts for leases in accordance with ASU No. 2016-02, Leases (Topic 842). Leases are evaluated using the criteria outlined in FASB ASC 842 to determine whether they will be classified as operating leases or finance leases. Management determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. Management determines if an arrangement conveys the right to use an identified asset and whether the Commission obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. The Commission recognizes a lease liability and right of use ("ROU") asset at the commencement date of the lease.

Beginning January 1, 2022, operating lease ROU assets and related current and long-term portions of operating lease liabilities have been presented in the Statement of Financial Position.

A lease liability is measured based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate at the commencement date. Lease payments, including variable payments made based on an index rate, are remeasured when any of the following occur: (1) the lease is modified (and the modification is not accounted for as a separate contract), (2) certain contingencies related to variable lease payments are resolved, or (3) there is a reassessment of any of the following: the lease term, purchase options, or amounts that are probable of being owed under a residual value guarantee. The discount rate is the rate implicit in the lease if it is readily determinable; otherwise, the Commission uses its incremental borrowing rate based on the information available at the commencement date of the lease. The incremental borrowing rate for a lease is the rate of interest the Commission would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment and geographic location. The Commission determines its incremental borrowing rates by starting with the interest rates on recent borrowings and other observable market rates and adjusting those rates to reflect differences in the amount of collateral and the payment terms of the leases.

RIGHT OF USE ASSETS

A Right of Use ("ROU") asset is measured at the commencement date at the amount of the initially measured liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the lease term. Finance lease ROU assets are amortized on a straight-line basis over the shorter of the lease term or the remaining useful life of the asset.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

RIGHT OF USE ASSETS - Continued

The Commission has elected for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less, but greater than 1 month at lease commencement, and do not include an option to purchase the underlying asset that is reasonably certain to exercise. The Commission will recognize lease costs associated with its short-term leases on a straightline basis over the lease term.

INCOME TAX STATUS

The Commission has been determined to be a governmental unit for income tax purposes and is therefore exempt from taxation.

STATEMENT OF CASH FLOWS

For the purpose of the Statement of Cash Flows, the Commission considers all highly liquid instruments purchased with an original maturity of three months or less to be cash and cash equivalents.

DEFERRED REVENUE

The deferred revenue represents amounts received, but not yet earned, from various granting and local agencies.

ESTIMATES

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses.

REVENUE RECOGNITION

Contributions, including promises to give, are recorded when the contribution is deemed unconditional. Contributions are reflected in the financial statements at the earlier of the transfer of the assets or at the time an unconditional promise to give is made. Contributions received are considered to be available for current use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support that increases net assets with donor restrictions. A donor restriction expires when a stipulated time restriction ends or when a purpose restriction is accomplished. Upon expiration, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restrictions are met in the annual period in which the contributions are received.

Program revenue - The Commission generates revenue from program services. The Commission recognizes revenue from these services on a ratable basis over the contract term beginning on the date service commences. The contract terms generally are on an annual basis that matches the reporting period and are billed in installments. These fees are recognized as revenue in the Statements of Activities at the start date of the program to which they pertain.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

REVENUE RECOGNITION - Continued

All revenue is recognized at a point in time.

Receivables are stated at the amount management expects to collect from outstanding balances and are presented net of allowance for doubtful accounts. Management has determined that no allowance is necessary at December 31, 2023. Factors considered in determining collectability include past collection history, an aged analysis of receivables, economic conditions, as well as historical trends. The Commission does not charge interest on past due accounts.

NOTE 2 - EXPLANATION OF ACRONYMS

NATS	Niles Area Transportation Study
TCATS	Twin Cities Area Transportation Study
MDOT	Michigan Department of Transportation
PPRWT	Paw Paw River Water Trail
CEDA/EDA	Comprehensive Economic Development Strategy - Economic Development Administration (U.S. Department of Commerce)
PEP II	National Pollutant Discharge Elimination System: Public Education Program
RPI	Regional Prosperity Initiative
CZM	Coastal Zone Management
BRWT	Black River Water Trail
Local Planning	Local Technical Assistance, Local Recreational Planning and Local Planning Assistance

NOTE 3 - CASH AND INVESTMENTS

As of December 31, 2023, the carrying amount of the Commission's cash deposits totaled \$488,166 and the bank balances totaled \$522,305. The Commission maintains its cash balances in one financial institution. At year-end, \$190,059 of the bank balance of deposits was not covered by collateral, federal depository or equivalent insurance.

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 4 - DEFERRED REVENUES

Deferred revenues are summarized as follows as of December 31, 2023:

MDOT Region Work Program	\$	1,352
EDA - Planning		18,092
EDA - Cares		20,001
EDA - Parrisades Economic Recovery		2,230
Rideshare		9,110
IN-MI River Valley Trail Extension		19,755
Mobility Management		3,829
Statewid Plan Easter Seal		<u>39,693</u>
		<u>114,062</u>

NOTE 5 - AVAILABILITY AND LIQUIDITY

As of December 31, 2023, the Commission has the following:

Working Capital	\$	585,291
Average Days' Cash on Hand		109

The table below represents financial assets available for general expenditures over the next twelve months at December 31, 2023:

Cash and Investments	\$	488,166
Due from Grantors		314,461
Prepaid Expenses		<u>11,332</u>
Financial Assets Available to Meet General Expenses over the Next Twelve Months		<u>813,959</u>

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 6 - CAPITAL ASSETS

Capital assets are summarized as follows as of December 31, 2023:

	Estimated Asset Lives	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Assets					
Furniture and Equipment	5 Years	\$ 42,229	—	10,173	32,056
Less: Accumulated Depreciation		42,229	—	10,173	32,056
Net Depreciable Assets		—	—	—	—

The Commission did not recognize depreciation expense for the year ended December 31, 2023 as these assets are fully depreciated.

NOTE 7 - RIGHT OF USE ASSETS

Right of use assets are summarized as follows as of December 31, 2023:

	Estimated Asset Lives	Beginning Balances	Increases	Decreases	Ending Balances
Amortizable Assets					
Right of Use Assets	5 - 10 Years	\$ 128,333	—	128,333	—
Less: Accumulated Amortization		64,743	63,590	128,333	—
Net Amortizable Assets		63,590	(63,590)	—	—

The Commission recognized amortization expense of \$63,590 for the year ended December 31, 2023.

NOTE 8 - LONG-TERM DEBT

Long-Term Liabilities Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Lease Payable	\$ 64,763	—	64,763	—	—

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 8 - LONG-TERM DEBT - Continued

Leases Payable

The Commission entered into a 10 - year lease at a new location effective January 1, 2014. The Commission has made an \$11,220 security deposit on the lease which is included in prepaid expenses in the accompanying financial statements. Monthly rent was \$5,610 under this lease and it was paid in full as of December 31, 2023.

The Commission entered into a 5 - year lease of a Quadiant 5 pound scale, effective November 11, 2021. Monthly rent of this scale was \$58 and it was paid in full as of December 31, 2023.

NOTE 9 - INDIRECT COSTS

Indirect costs that support all on-premises projects are allocated based on the ratio of the individual project's salaries, fringe benefits and contract services on-site. Occasionally the Commission will take on projects with a maximum allowable indirect rate predetermined by contract.

The Commission's bookkeeping necessitates that projects with contractually fixed maximum allowable indirect rates must be segregated from the overall indirect rate calculation for the Commission. The resulting indirect cost rate for the year ended December 31, 2023 was 64%.

The following are the total indirect costs allocated to projects:

Salaries	\$	108,770
Payroll Taxes		9,071
Pension Expenses		14,528
Employee Insurance		35,437
Mileage and Travel		119
Meals		164
Telephone		2,119
Postage		896
Dues and Subscriptions		692
Supplies and Materials		7,291
Computer Services		37,791
Advertising		75
Rent and Janitorial		5,572
Contractual Services - Off Site		1,060
Equipment		721
Audit Services		2,500
Accounting Services		7,481
Insurance		5,554
Other		11,220
Amortization		63,590
		<u>314,651</u>

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Notes to the Financial Statements
December 31, 2023**

NOTE 10 - FISCAL PERIODS

The grants/programs listed below are awarded on a December 31st year-end basis. Expenses and revenues relating to these grants/programs have been included in their entirety in these financial statements.

- Economic Development Administration (EDA)

The grants/programs listed below are awarded on a September 30th year-end basis.

- Twin Cities Area Transportation Study (TCATS)
- Niles Area Transportation STUDY (NATS)
- Michigan Department of Transportation Regional Transportation Planning (MDOT)
- Asset Management
- Mobility Management

The grants/programs listed below are awarded on a June 30th year-end basis.

- EDA Cares Act
- Rideshare

The EDA Palisades grant runs from June 21, 2021 – June 21, 2024.

The remaining grants/programs are entered based on a project specific contractual agreement that varies depending on the project.

Only those expenses and related revenues applicable to the activities occurring during the Commission's fiscal year ended December 31, 2023 are included in the accompanying financial statements.

NOTE 11 - DEFINED CONTRIBUTION PENSION PLAN

The Commission has established an insured, money purchase contributory pension plan which covers substantially all full-time employees. Pension expense for the year ended December 31, 2023 amounted to \$30,934.

NOTE 12 - 457 DEFERRED COMPENSATION PLAN

The 457 Deferred Compensation Plan is offered on a voluntary basis to all employees. These funds are withheld from the employee's wages or salary on a pretax basis as allowed by the Internal Revenue Service.

NOTE 13 - SUBSEQUENT EVENTS

On January 31, 2024, the Commission entered into an office lease due in monthly payments of \$5,610 to \$5,744 through January 31, 2034.

SUPPLEMENTAL SCHEDULE

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Statement of Support and Revenues and Functional Expenses
For the Fiscal Year Ended December 31, 2023**

See Following Page

**SOUTHWEST MICHIGAN PLANNING COMMISSION
BENTON HARBOR, MICHIGAN**

**Statement of Support and Revenues and Functional Expenses
For the Fiscal Year Ended December 31, 2023**

	Designated			
	NATS	TCATS	MDOT	PPRWT
Support and Revenues				
Federal Grant	\$ 155,643	286,842	17,083	—
Pass Thru	—	—	—	—
State Grant	—	—	46,276	—
County Contribution	—	—	—	—
Local Match	27,649	48,458	—	—
Local Contract	—	—	—	42,800
Other Fee Income	—	—	—	—
Interest Income	—	—	—	—
Total Support and Revenues	183,292	335,300	63,359	42,800
Expenses				
Salaries	69,644	117,338	29,311	1,575
Payroll Taxes	5,328	8,976	2,242	120
Pension Expenses	3,093	5,051	1,281	57
Employee Insurance	20,134	32,601	7,902	490
Mileage and Travel	1,436	1,762	817	67
Meals	68	342	57	—
Lodging	145	2,585	138	—
Postage	—	3	—	—
Dues and Subscriptions	520	1,885	—	—
Supplies and Materials	1,125	2,821	73	—
Computer Services	2,024	2,690	455	—
Advertising	—	—	—	—
Conferences and Training	314	1,638	191	—
Contractual Services - Off Site	—	—	—	24,300
Audit Services	200	200	—	—
Accounting Services	2,000	2,000	—	—
General Commission Expenses	—	—	—	—
Commissioner Mileage	—	—	—	—
Commissioner Per Diem	—	—	—	—
Bank Fees	—	—	—	—
Pass Thru	—	—	—	—
Indirect Cost Pool	56,083	89,115	20,892	1,349
Total Expenses	162,114	269,007	63,359	27,958

Grants and Projects

OX Creek LID Phase I	Rideshare	CEDS/EDA	PEP Phase II	Asset Management	FTA Mobility Management	Local Activities	Totals
46,211	13,345	184,272	—	—	—	—	703,396
—	—	268,338	—	—	—	—	268,338
—	—	71,854	—	52,797	273,024	—	443,951
—	—	—	—	—	—	139,252	139,252
—	—	1,608	—	—	—	—	77,715
150,000	—	—	8,328	2,903	—	—	204,031
—	—	—	—	—	—	1,982	1,982
—	—	—	—	—	—	1,421	1,421
196,211	13,345	526,072	8,328	55,700	273,024	142,655	1,840,086
9,319	4,952	68,782	10,565	14,700	1,482	68,289	395,957
713	379	5,262	808	1,125	113	4,262	29,328
524	169	2,744	456	660	51	2,320	16,406
2,095	1,627	20,697	2,937	3,618	459	15,845	108,405
116	2	1,064	767	573	—	1,536	8,140
—	—	229	57	49	—	163	965
—	—	1,074	479	—	—	487	4,908
—	—	—	—	—	—	109	112
15	742	3,297	—	750	—	179	7,388
160	9	84	3,279	34	—	540	8,125
—	400	—	—	—	—	—	5,569
—	—	50	—	—	—	—	50
—	—	1,327	1,000	200	—	934	5,604
27,457	—	330,341	280	29,496	269,660	14,526	696,060
—	—	200	—	—	—	—	600
—	—	—	—	—	—	3,200	7,200
—	—	—	—	—	—	1,141	1,141
—	—	—	—	—	—	2,849	2,849
—	—	—	—	—	—	2,830	2,830
—	—	—	—	—	—	1,059	1,059
—	—	—	—	—	—	10,117	10,117
5,812	5,065	55,476	7,932	9,937	1,259	61,731	314,651
46,211	13,345	490,627	28,560	61,142	273,024	192,117	1,627,464



**RESOLUTION 2024-6
SUPPORT FOR SUBMISSION OF EDA
PARTNERSHIP PLANNING GRANT
APPLICATION**

WHEREAS, the Southwest Michigan Planning Commission has been an Economic Development District (EDD) partner to the US Department of Commerce Economic Development Administration (EDA) since 1976;

WHEREAS, the Southwest Michigan Planning Commission will submit an application for a Partnership Planning Program grant by the EDA to assist the SWMPC to continue to serve its economic development planning role as EDA designated EDD for the southwest Michigan region containing Berrien, Cass, and Van Buren Counties;

WHEREAS, John Egelhaaf is the Southwest Michigan Planning Commission’s Executive Director; and;

WHEREAS, the EDA Partnership Planning Program grant funds require a local match;

NOW THEREFORE BE IT RESOLVED that the Southwest Michigan Planning Commission authorizes its Executive Director, John Egelhaaf to submit the application for Partnership Planning to the EDA as the official representative of the SWMPC and has the authority to sign and execute any and all grant documents; and

BE IT FURTHER RESOLVED that the SWMPC will commit \$210,000 in unencumbered local match for said Partnership Planning Program grant application.

RESOLVED ON THIS SEVENTEENTH DAY OF DECEMBER 2024

Kurt Doroh, Chair Date

Linda Preston, Secretary Date

Annual SWMPC Health Insurance Waiver – 2024 (for FY 2025)

Waiver Background

MICHIGAN PUBLICLY FUNDED HEALTH INSURANCE CONTRIBUTION ACT

In 2011 the Michigan Legislature passed the Publicly Funded Health Insurance Contribution Act that considers an employers expenditures for employee medical benefit **while also providing for exemptions to the limits. A 2/3 majority vote of the SWMPC board is required to pass an exemption to the Act. Additionally, if exemptions are to be applied they must be passed annually.**

For the previous budgets beginning in 2012, the SWMPC board passed exemptions to the Act.

Two options are provided within the Act:

Hard Cap:

- \$7,718.26 times the number of employees with single coverage, plus
- \$16,141.28 times the number of employees with two person coverage, plus
- \$21,049.85 times the number of employees with family coverage.

The 80/20 Plan:

The SWMPC could elect not to pay more than 80% of the total annual cost of the medical benefit plans it offers, without regard to how much that means per employee with single, double, or family coverage.

The remaining 20% of the cost is to be recovered through payments by the employees.

The SWMPC 2025 Budget

The anticipation for the 2025 budget will be based on the previous SWMPC standard of a two percent employee premium co-pay for health insurance (health, HSA, dental, vision, disability, life) unless the SWMPC Board determines differently.

Annual SWMPC Health Insurance Waiver – 2025
2024 Health Insurance Coverage Cost Comparison

Coverage from 2024 “2350 Priority Health/Health Savings Account POS - High Deductible Plan”

Deductibles (annual)

Single = \$2,350

Family = \$4,700

Premiums (monthly average)

Singles & Families Combined = \$7,406.87

Renewal with “G251 Priority Health/Health Savings Account POS - High Deductible Plan”

Deductibles (annual)

Single = \$2,500

Family = \$5,000

Premiums (monthly average)

Singles & Families Combined = \$8,360.58

SUMMARY: Cost change (premiums) for same coverage to continue into 2024 has risen 11.5% from previous year (2024). (In 2024, premiums rose 9.07% from 2023.)

- **But, individuals covered by our insurance will change from 2024 to 2025, and even during 2025. One dependent has “aged out” (>26 yrs old). One employee will graduate to Medicare (>65 yrs old) in March, thus dropping from our insurance.**
 - **Therefore, by April 2025, premiums will be reduced to 6,055.20.**
 - **Over the twelve months of 2025, with one employee picking up Medicare and dropping from our coverage, our average premium will be \$6,631.54. A reduction of 10.5% from 2024.**

Annual SWMPC Health Insurance Waiver – 2025
2025 Waiver Options Cost Comparison

Below are the three options available for 2025 SWMPC Health Care Insurance Coverage.

Option #1: Exemption from 80/20 & Hard Cap (this is the option that the SWMPC has selected since 2012)

Option #2: 80/20 Cost Split – 80% borne by SWMPC, 20% borne by SWMPC staff.

Option #3: Hard Cap – SWMPC pays a maximum of \$7,718.26 for singles, \$16,141.28 for employee + 1, \$21,049.85 for families.

OPTION #1 Existing Cost Share Option

(Carry Over Same Cost Share from 2024)

Annual Costs

Premiums SWMPC = \$78,538.22
(\$79,578.51 + 562.53 tax&fees) – (2%) = \$78,538.22
Employee Share Premiums = \$1,602.82
Health Savings Account SWMPC = \$24,500.00
HSA Employee Share = \$500.00
TOTAL SWMPC COSTS = \$103,038.22
TOTAL EMPLOYEE COSTS = \$2,102.82

OPTION #2

80/20 Option

Annual Costs

Premiums SWMPC = \$64,112.83
Premiums Employee Share = \$16,028.21
Health Savings Account SWMPC = \$20,000.00
HSA Employee Share = \$5,000.00
TOTAL SWMPC COSTS = \$84,112.83 (down 12.83%)
TOTAL EMPLOYEE COSTS = \$21,028.21 (Up 1000%)

OPTION #3

Hard Cap Option

Annual Costs

Premiums SWMPC = \$80,141.04

Premiums Employee Share = \$0.00

Health Savings Account SWMPC = \$0.00

HSA Employee Share = \$25,000.00

TOTAL SWMPC COSTS = \$80,141.04 (Up 2%)

TOTAL EMPLOYEE COSTS = \$25,000.00 (Up 1009%)

SOUTHWEST MICHIGAN PLANNING COMMISSION

2025

PROPOSED

MEETING SCHEDULE

COMMISSION MEETINGS

MONTH	DAY	TIME	Location
FEBRUARY	25	9:30 a.m.	Van Buren ISD Conference Center
APRIL	15	9:30 a.m.	Van Buren ISD Conference Center
JUNE	17	9:30 a.m.	Van Buren ISD Conference Center
AUGUST	26	9:30 a.m.	Van Buren ISD Conference Center
OCTOBER	21	9:30 a.m.	Van Buren ISD Conference Center
DECEMBER	16	9:30 a.m.	Van Buren ISD Conference Center