

West Michigan Shoreline Regional
Development Commission

REPORT ON FINANCIAL STATEMENTS
(with required supplementary information)

September 30, 2022



West Michigan Shoreline Regional Development Commission

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
West Michigan Shoreline Regional Development Commission
Muskegon, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of West Michigan Shoreline Regional Development Commission, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise West Michigan Shoreline Regional Development Commission'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 and the major fund of West Michigan Shoreline Regional Development Commission, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conduct our audit in accordance with auditing standards generally accepted in the United State 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 of the Financial Statements section of the report. We are required to be independent of West Michigan Shoreline Regional Development 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 opinions.

Change in Accounting Principle

As discussed in Note J to the financial statements, in the year ended September 30, 2022 West Michigan Shoreline Regional Development Commission adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 87—*Leases*. Our opinions are not modified with respect to this matter.

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.

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West Michigan Shoreline Regional Development Commission
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Report on the Audit of the Financial Statements—Continued

Responsibilities of Management for the Financial Statements—Continued

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 West Michigan Shoreline Regional Development Commission’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 *Governmental 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 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 West Michigan Shoreline Regional Development 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 West Michigan Shoreline Regional Development 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.

Board of Commissioners
West Michigan Shoreline Regional Development Commission
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Report on the Audit of the Financial Statements—Continued

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, budgetary comparison schedule, and pension information 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 West Michigan Shoreline Regional Development Commission’s basic financial statements. The accompanying cumulative and current year statements of grant revenues and expenditures and the computations of fringe benefit and indirect cost rates 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 relate 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 cumulative and current year statements of grant revenues and expenditures and the computations of fringe benefit and indirect cost rates are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 19, 2023, on our consideration of West Michigan Shoreline Regional Development Commission’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 West Michigan Shoreline Regional Development Commission’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 West Michigan Shoreline Regional Development Commission’s internal control over financial reporting and compliance.



Muskegon, Michigan
January 19, 2023

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Management's Discussion and Analysis

As management of the West Michigan Shoreline Regional Development Commission (Commission), we present to the readers of the Commission's financial statements this overview and analysis of the financial activities of the Commission for the fiscal year ended September 30, 2022. We encourage you to consider the information presented in these financial statements along with the additional information that has been furnished in this letter.

FINANCIAL HIGHLIGHTS

- The Commission's net position decreased by \$4,453, from \$739,514 to \$735,061.
- During the year, the Commission's total expenses were \$2,501,335. Of this amount, \$2,247,601 (90%) was funded with federal and state grants, \$171,911 (7%) was funded with direct charges to local municipalities and others, and the remainder came from membership dues and net position.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains required supplementary and other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Commission's finances. These statements are similar to those of a private sector business.

The Statement of Net Position presents information on all of the Commission's assets/deferred outflows of resources and liabilities/deferred inflows of resources, 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 Commission is improving or deteriorating.

The Statement of Activities presents information showing how the Commission's net position changed during the fiscal year. All changes in net position are reported when the 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.

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 Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Commission has one category of funds—governmental funds.

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Management's Discussion and Analysis

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 current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating a governmental entity's short-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 government's short-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.

The Commission maintains one individual governmental fund, the General Operations Fund.

Notes to 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. The reader is encouraged to include the reading of this section in any attempt to analyze and understand these statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Commission's budgetary information as it relates to the actual revenues and expenditures for the General Operations Fund.

Government-wide Financial Analysis

The first table presented below is a summary of the government-wide statement of net position for the Commission. As stated earlier, the net position may be used as an indicator of a government's financial health. As of September 30, 2022, the Commission's net position from governmental activities totaled \$735,061.

In examining the composition of net position, the reader should note that a portion of governmental activities net position is invested in capital assets (i.e., office equipment and office furniture). These assets are used to provide services to the Commission's members, and they are not available to pay salaries, operational expenses or fund capital projects. The unrestricted net position for governmental activities actually depicts a balance of \$719,331. This represents the amount of discretionary resources that can be used for general governmental operations.

For fiscal year 2022, the current assets and current liabilities decreased due to having more projects in the engineering and design phases at year-end, which are less costly than the construction phase resulting in fewer receivables and payables. Capital assets increased due to the implementation of GASB 87 which changed lease accounting. See note J of the "Notes to the Financial Statements" of this report. Fluctuations in deferred inflows and outflows of resources are due to differences in experience, assumptions, and investment return related to the pension plan which are being amortized over the average expected remaining service lives of all employees.

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Management's Discussion and Analysis

Net Position

	Governmental Activities	
	2022	2021
Current assets and other assets	\$ 1,161,537	\$ 1,317,385
Capital assets	228,260	18,957
Total assets	1,389,797	1,336,342
Deferred outflows of resources	379,707	296,059
Total assets and deferred outflows of resources	1,769,504	1,632,401
Current liabilities	481,918	737,716
Noncurrent liabilities	173,141	-
Total liabilities	655,059	737,716
Deferred inflows of resources	379,384	155,171
Total liabilities and deferred inflows of resources	1,034,443	892,887
Net position		
Net investment in capital assets	15,730	18,957
Unrestricted	719,331	720,557
Total net position	\$ 735,061	\$ 739,514

Governmental activities net position decreased by \$4,453 (1%) during the 2022 fiscal year. The following table depicts this occurrence which will be discussed in more detail later in this analysis.

Change in Net Position

	Governmental Activities	
	2022	2021
Revenues		
Program revenues		
Charges for services	\$ 171,911	\$ 160,001
Operating grants and contributions	2,247,601	5,596,594
General revenues		
Membership dues	77,370	77,370
Total revenues	2,496,882	5,833,965
Expenses		
Land use planning	82,657	29,760
Regional initiatives	80,309	8,357
Economic development	187,060	274,626
Transportation planning	651,517	537,436
Environmental clean-up	1,195,384	4,706,116
Interest	2,360	-
General administration	302,048	287,008
Total expenses	2,501,335	5,843,303
Change in net position	(4,453)	(9,338)
Net position - Beginning	739,514	748,852
Net position - Ending	\$ 735,061	\$ 739,514

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Management's Discussion and Analysis

Governmental Activities

Program revenues and expenses fall into the following major categories:

Land Use Planning – This category includes local contributions for local land use planning projects. This includes Master Plans and Recreation Plans completed for local governments and Geographic Information System (GIS) Projects completed for local governments. In fiscal year 2022, the Commission began work on the Newaygo County Recreation Plan, and continued the Hazard Mitigation plan updates for Mason, Oceana, and Lake Counties. The Commission's GIS department finished work on mapping the pathway markers at Veteran's Memorial Parkway in Muskegon County and continued work with the Oceana County Drain Commission's office to map drains and drain districts. Additionally, work started on the Center Riverton and West Riverton Cemeteries in Riverton Township as well as Maple Grove Cemetery in Free Soil Township to map and digitize grave markers and headstones.

Regional Initiatives – This category includes the Regional Prosperity Initiative and Michigan Infrastructure Council. The Commission served as fiduciary and chair of the West Michigan Prosperity Alliance (WMPA) and will assist the state in developing a state-wide integrated asset management program. In fiscal year 2022, the WMPA voted to dissolve and disburse all remaining funds to designated partners and regional initiatives. Final disbursements were made to grantees across the RPI region. The state-wide integrated asset management program through the Michigan Infrastructure Council (MIC) continued with two cohorts in fiscal year 2022 adding to the number of graduated Champions within the Region. Additionally, the WMPA and Commission board agreed to reserve \$100,000 of the remaining RPI funds to match future grant opportunities around the region's agriculture technology sector.

Economic Development – This category includes the Economic Development Administration (EDA) Partnership Planning Grant, which includes economic development technical assistance as well as the development and implementation of the Comprehensive Economic Development Strategy. The current grant is a three-year allocation which covers the period January 2020 through December 2022. The Commission was awarded an EDA CARES Act grant in fiscal year 2020. Through this funding, work on Pandemic Response and Recovery Plan (PRRP) was completed and submitted to EDA. Staff continued to provide technical assistance, economic development, and broadband facilitation and coordination to support communities through the grant end date of December 31, 2022.

Transportation Planning – The Michigan Department of Transportation (MDOT) funds include the annual Metropolitan Transportation Planning Organization (MPO) grant, the Areawide Air Quality Improvement Program, the Asset Management Program, the Regional Transportation Program, and the Rural Transportation Program. In fiscal year 2022, implementation of the 2045 Long Range Plan continues, public involvement plan updates were completed, and work continued in the Asset Management Program that was partially suspended in fiscal year 2021 due to the COVID-19 pandemic. In addition, the 2023-2026 Transportation Improvement Plan was submitted and approved by MDOT and the Areawide Air Quality Improvement Program's promotional materials continued to encourage social distancing considering the pandemic. Lastly, work continued on the Service Development and New Technology (SDNT) Grant through MDOT and Federal Transit Administration (FTA) to conduct the West Michigan Regional Transit Systems Governance and Organizational Transition Study to evaluate the organizational structures of Muskegon Area Transit System (MATS) and Harbor Transit Multi-Model Transit System (Harbor Transit). The study will analyze each organization individually, possible cooperative opportunities, and potential consolidation of the two transit systems.

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Management's Discussion and Analysis

Environmental Clean-up – There are several grants in this category devoted to the remediation of area waterways. This includes Tree Planting, Remedial Action Plan – Muskegon Lake AOC, Urban Watershed – Phase II, Lower Muskegon River Implementation, Regional Prosperity Initiative Regional Watershed Collaboration, Implementation for Amoco and MERES, and a completion of a Long-Term Management Plan. The Environmental Protection Agency (EPA) announced in the spring of 2022 that all Management Actions were completed to delist Muskegon Lake as an Area of Concern (AOC). The work is on-going and the grant was expected to be completed in fiscal year 2022, however an extension was granted to continue through early fiscal year 2023. Additionally, work in earnest began on the Commission’s Regional Partnership directly awarded by the National Oceanic Atmospheric Administration (NOAA). Three major projects were identified in Little Cedar Creek, White River, and Stony Creek/Marshville Dam. Funds for engineering and design as well as implementation phases were awarded, and work will continue well into fiscal year 2023. Lastly, through AOC funding, the Commission completed a coloring book titled, “Muskegon Lake, Color Me Clean,” to be used as an outreach and education tool on restoration efforts and continuing needs of Muskegon Lake. The coloring book is available free to the community.

Interest – Expenses include interest expense on the Commission’s lease obligations.

General administration – Expenses vary from year to year depending on the level of staffing and project load.

Financial Analysis of the Government’s Funds

As stated earlier in this discussion and analysis, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Commission’s governmental fund is to provide information on near-term inflows, outflows, and balances in spendable resources. Such information is useful in assessing the Commission’s financing requirements. In particular, unassigned fund balances, or the lack thereof, may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At the end of the 2022 fiscal year, the General Operations Fund reported a fund balance of \$413,305, an increase of \$35,676. The Commission receives a significant portion of its funding from grants, charges for services, and membership dues. The unassigned fund balance was \$409,624. Unassigned fund balance represents 15 percent of the General Operations Fund’s 2022 fiscal expenditures.

General Operations Fund Budget

During the current fiscal year, the Commission approved a few end-of-year budget amendments. The Commission budgets are based on grants received. Grant activity for many of the grants crosses fiscal years. Therefore, most of the budget variations are due to grants that were not completed during the current fiscal year. The Commission significantly underspent in total. This was a result of a conscious effort to ensure the budget included enough funds to cover several projects in progress. As spending for these projects can be unpredictable month-by-month, management wanted to budget very conservatively to ensure the Commission did not have any budget overruns.

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Management's Discussion and Analysis

Capital Assets

The Commission's investment in capital assets for its governmental activities as of September 30, 2022 totaled \$15,730 (net of accumulated depreciation). This investment in capital assets includes computer equipment, office furniture, leasehold improvements, and right-to-use assets.

During the year ended September 30, 2022, the Commission had \$235,842 of capital additions, and \$14,209 of disposals. Depreciation expense for the year was \$26,539.

Capital Assets

	Governmental Activities	
	2022	2021
Computer equipment	\$ 59,227	\$ 65,916
Office furniture	65,343	65,343
Leasehold improvements	47,722	47,722
Right-to-use asset—office	203,990	-
Right-to-use asset—vehicle	24,332	-
Total capital assets	400,614	178,981
Less accumulated depreciation	(172,354)	(160,024)
Total (net of accumulated depreciation)	\$ 228,260	\$ 18,957

Additional information on the Commission's capital assets can be found in Note D of the "Notes to the Financial Statements" of this report.

Long-Term Debt

At the end of the fiscal year, the Commission had total debt outstanding of \$240,167 comprised of lease obligations of \$212,530 and compensated absences of \$27,637.

General Economic Overview

The Commission serves five counties through the programs it administers reaching 300,000 residents. The Commission is dedicated to maintaining services at current levels. This will be accomplished by continuing to seek new initiatives. The Commission is dedicated to servicing all funding sources, both established and new, with a high level of professionalism.

The Commission continues its effort to engage with local, regional, and state governments. This is being accomplished by involvement in various committees and projects at all levels of government.

The Commission is available to assist local governments with local recreation and master plans as well as GIS services. The Commission will continue to provide these services upon request from local municipalities.

In the Metropolitan Transportation Planning (MPO) area, the Commission assists in the programming of nearly \$30 million annually. Work is ongoing with MATS and Harbor Transit on West Michigan Regional Transit Systems Governance and Organizational Transition Study. The grant will conclude in fiscal year 2023 but involvement and work is anticipated well into the future. The Commission will continue to work with local governments, through the Asset Management Program, to rate local roads as requested. The Commission has an active role in the Rural Task Force. In fiscal year 2022, the Commission was informed of a larger than anticipated MPO funding allocation for fiscal year 2023 resulting from the passage of the Bipartisan Infrastructure Improvement and Jobs Act (IIJA). In response, the Commission reevaluated the dues structure assessed to the participating MPO members that is required to leverage funding received from the Federal Highway Administration (FHWA). An increase of dues to be assessed over a two-year period was presented to the MPO Policy Board in the spring of 2022 which received unanimous support. Increase in staffing to meet the expansion of the responsibilities is planned for fiscal year 2023.

WEST MICHIGAN SHORELINE REGIONAL DEVELOPMENT COMMISSION

Management's Discussion and Analysis

A major component of the Commission's work program is Environmental Planning. Completion of Lower Muskegon River Hydrologic Reconnection and Wetland Restoration, Amoco Fish and Wildlife Habitat Restoration, Muskegon Lake Nature Preserve Fish and Wildlife Habitat Restoration brings to a conclusion the benchmarks required for delisting Muskegon Lake as an Area of Concern (AOC). Now documentation and formal processes will begin for the delisting process with the Department of Environment, Great Lakes, and Energy (EGLE) and the Environmental Protection Agency (EPA).

A few grants and initiatives will continue into the next fiscal year. These include the West Michigan Regional Watershed Collaborative, a renewed Muskegon Lake Public Advisory Council Grant, a tree planting grant through the DTE Foundation, and Muskegon Lake Watershed Partnership Student and Neighborhood Engagement grant. The Commission will start to move into the implementation phases on the direct Regional Partnership with NOAA in the areas of Little Cedar Creek, White River, and Stony Creek/Marshville Dam. Engineering and Design phases are winding down with implementation commencing in the spring of 2023. The Commission continued to work in partnership with the Grand Valley State University Annis Water Resources Institute and the State of Michigan to formally request a National Estuary Research Reserve (NERR) designation for drowned river mouths along the eastern shore of Lake Michigan. A formal letter was submitted to the NOAA Administration by Governor Gretchen Whitmer in October 2022. The Commission anticipates work towards this designation to continue through 2023 and beyond. Lastly, the Commission will continue to serve as staff to the Muskegon Lake Watershed Partnership (MLWP).

The Commission concluded an EDA three-year planning grant in December 2022. A renewed three-year planning grant commenced January 1, 2023. During this grant cycle, an update to the Comprehensive Economic Development Strategy (CEDS) will take place with completion in December 2023. Staff also continues to work on the expansion of the CEDS committee as well as provide technical assistance for potential projects. The Commission anticipates additional work in regional broadband coordination and collaboration due to the funding allocation in the IJA. The Commission anticipates collaborating with the Michigan High Speed Internet Office (MIHI) and the National Telecommunication and Information Administration (NTIA) to expand broadband access and equity throughout the region. Work concluded on the EDA CARES two-year planning grant in December 2023.

Staffing will experience changes in fiscal year 2023. The Air Quality and Public Outreach Program Manager retired in January 2023. To accommodate the retirement and additional responsibilities required by MDOT, the Commission has promoted an intern hired in December 2021 to Transportation Planner and has hired an additional Planner to start in February 2023. Considering the recent retirement and analysis of tenures and potential retirement dates for employees, the Commission has begun the early stages of succession planning to ensure little to no disruption to operations during these transitions.

It is expected that the Commission will remain in a stable operation and financial position. The Commission will continuously look for ways to better serve local governments and will seek new revenue streams that will benefit member counties.

Requests for Information

This financial report is designed to provide a general overview of the Commission's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the West Michigan Shoreline Regional Development Commission, 316 Morris Avenue, Suite 340, Muskegon, MI 49440-1140, or telephone (231) 722-7878.

West Michigan Shoreline Regional Development Commission
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities
ASSETS	
Current assets	
Cash and investments	\$ 502,683
Due from other governmental units	321,833
Prepaid items	<u>3,681</u>
Total current assets	828,197
Noncurrent assets	
Capital assets, net	
Depreciable	228,260
Net pension asset	<u>333,340</u>
Total noncurrent assets	<u>561,600</u>
Total assets	1,389,797
DEFERRED OUTFLOWS OF RESOURCES	
Related to pension	<u>379,707</u>
Total assets and deferred outflows of resources	1,769,504
LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	141,822
Due to other governmental units	33,307
Unearned revenues - unexpended proceeds of expenditure-driven grants	239,763
Compensated absences	27,637
Long-term obligations, due within one year	<u>39,389</u>
Total current liabilities	481,918
Noncurrent liabilities	
Long-term obligations, less amounts due within one year	<u>173,141</u>
Total liabilities	655,059
DEFERRED INFLOWS OF RESOURCES	
Related to pension	<u>379,384</u>
Total liabilities and deferred inflows of resources	<u>1,034,443</u>
NET POSITION	
Net investment in capital assets	15,730
Unrestricted	<u>719,331</u>
Total net position	<u>\$ 735,061</u>

The accompanying notes are an integral part of this statement.

West Michigan Shoreline Regional Development Commission
STATEMENT OF ACTIVITIES
For the year ended September 30, 2022

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Indirect Expenses Allocation</u>	<u>Program Revenue</u>		<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>
			<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental activities					
Land use planning	\$ 82,657	\$ 23,600	\$ 59,945	\$ 33,385	\$ (12,927)
Regional initiatives	80,309	1,801	14	81,823	(273)
Economic development	187,060	55,745	-	249,117	6,312
Transportation planning	651,517	149,583	101,977	648,106	(51,017)
Environmental clean-up	1,195,384	68,207	9,975	1,235,170	(18,446)
Interest	2,360	-	-	-	(2,360)
General administration	302,048	(298,936)	-	-	(3,112)
Total governmental activities	<u>\$2,501,335</u>	<u>\$ -</u>	<u>\$ 171,911</u>	<u>\$ 2,247,601</u>	<u>(81,823)</u>
General revenues					
Membership dues					<u>77,370</u>
Change in net position					(4,453)
Net position at beginning of year					<u>739,514</u>
Net position at end of year					<u>\$ 735,061</u>

The accompanying notes are an integral part of this statement.

West Michigan Shoreline Regional Development Commission
BALANCE SHEET
 Governmental Fund
 September 30, 2022

	<u>General Operations Fund</u>
ASSETS	
Cash and investments	\$ 502,683
Due from other governmental units	321,833
Prepaid items	3,681
Total assets	<u>\$ 828,197</u>
LIABILITIES	
Accounts payable	\$ 124,514
Accrued liabilities	17,308
Due to other governmental units	33,307
Unearned revenues - unexpended proceeds of expenditure-driven grants	239,763
Total liabilities	414,892
FUND BALANCE	
Nonspendable for prepaid items	3,681
Unassigned	409,624
Total fund balance	<u>413,305</u>
Total liabilities and fund balance	<u>\$ 828,197</u>

The accompanying notes are an integral part of this statement.

West Michigan Shoreline Regional Development Commission
**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
 TO THE STATEMENT OF NET POSITION**
 September 30, 2022

Total fund balance—governmental fund		\$ 413,305
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental fund.

Cost of capital assets	\$ 400,614	
Accumulated depreciation	<u>(172,354)</u>	228,260

Long-term liabilities in governmental activities are not due and payable in the current period and, therefore, are not reported in the governmental fund.

Compensated absences	(27,637)	
Lease obligations	(212,530)	
Net pension asset and related deferred outflows/inflows of resources	<u>333,663</u>	<u>93,496</u>

Net position of governmental activities		<u><u>\$ 735,061</u></u>
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The accompanying notes are an integral part of this statement.

West Michigan Shoreline Regional Development Commission
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 Governmental Fund
 For the year ended September 30, 2022

	General Operations Fund
REVENUES	
Intergovernmental revenues	
Federal	\$ 1,961,084
State	286,517
Local	249,282
Total revenues	2,496,883
 EXPENDITURES	
Current	
Land use planning	101,248
Regional initiatives	81,727
Economic development	238,495
Transportation planning	769,356
Environmental clean-up	1,249,117
Administration	3,112
Capital outlay	228,322
Debt service	
Principal	15,792
Interest and fees	2,360
Total expenditures	2,689,529
Excess of revenues over (under) expenditures	(192,646)
 OTHER FINANCING SOURCES	
Proceeds from lease obligations	228,322
Net change in fund balance	35,676
Fund balance at beginning of year	377,629
Fund balance at end of year	\$ 413,305

The accompanying notes are an integral part of this statement.

West Michigan Shoreline Regional Development Commission
**RECONCILIATION OF THE GOVERNMENTAL FUND STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**
For the year ended September 30, 2022

Net change in fund balance—governmental fund	\$	35,676
<p>Governmental funds report outlays for capital assets as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Depreciation expense	\$ (26,539)	
Capital outlay	<u>235,842</u>	209,303
<p>Proceeds from long-term obligations are an other financing source in the governmental funds, but the proceeds increase long-term debt in the Statement of Net Position.</p>		
		(228,322)
<p>Repayment of principal on long-term obligations is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position.</p>		
		15,792
<p>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 governmental fund.</p>		
Change in compensated absences	6,055	
Change in net pension asset and related deferred outflows/inflows of resources	<u>(42,957)</u>	<u>(36,902)</u>
Change in net position of governmental activities		<u><u>\$ (4,453)</u></u>

The accompanying notes are an integral part of this statement.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of West Michigan Shoreline Regional Development Commission (Commission) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below.

Reporting Entity

The Commission is a voluntary association of the counties of Lake, Mason, Muskegon, Newaygo and Oceana. The Commission was organized to implement and coordinate various area-wide planning functions, to serve as a regional conduit for federal and state grants affecting local governments, to provide professional and technical expertise not readily available to local governments and to operate certain specialty programs affecting multiple governments spread out over a large geographical area. The operations of the Commission are financed primarily by federal, state and local grants and membership contributions. The Commission does not have the power to levy taxes and, accordingly, its level of operations is dependent upon the amount of voluntary membership contributions received that can be used for local matching funds for grant participation programs.

Generally accepted accounting principles require that if the Commission is considered to be financially accountable for other organizations, those organizations should be included as component units in the Commission's financial statements. Since no organizations met this criterion, none are included in the financial statements.

Basis of Presentation—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 nonfiduciary activities of the Commission. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The Commission has no business-type activities.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds.

The fund financial statements provide information about the Commission's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements. Since the Commission has only one fund, no separate columns have been provided.

The Commission reports the following major governmental fund:

The General Operations Fund is used to control the expenditures of various federal, state and local monies distributed to the Commission, to be expended according to various grant and professional service agreements.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Commission considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Membership dues, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Cash and Investments

The Commission's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the Commission are reported at fair value (generally based on quoted market prices).

The Commission has adopted an investment policy in compliance with State of Michigan statutes. Those statutes authorize the Commission to invest in obligations of the United States, certificates of deposit, prime commercial paper, securities guaranteed by United States agencies or instrumentalities, United States government or federal agency obligation repurchase agreements, bankers' acceptances, state-approved investment pools and certain mutual funds.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Capital Assets

Capital assets, which include improvements and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years.

As the Commission constructs or acquires additional capital assets each period they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Right-to-use assets of the Commission are amortized using the straight-line method over the shorter of the lease period or the estimated useful life. The other capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Computer equipment	5
Office furniture	7
Leasehold improvements	6
Right-to-use—office space	5
Right-to-use—vehicle	3

Lease Obligations

The Commission is a lessee for two noncancelable leases, one for office space and one for a vehicle. The Commission recognizes a lease liability and an intangible right-to-use asset in the government-wide financial statements for each lease. The Commission recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Commission is reasonably certain to exercise.

The Commission monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Defined Benefit Plan

The Commission offers a defined benefit pension plan to its employees through Municipal Employees Retirement System (MERS). The Commission records a net pension liability or asset for the difference between the total pension liability calculated by the actuary and the Plan's fiduciary net position. For purposes of measuring the net pension liability/asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by MERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then.

In addition to liabilities, the Statement of Net 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Net Position Flow Assumption

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 of net position to report as restricted and unrestricted in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Commission's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions

Sometimes the Commission will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Commission's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. 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.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance—Continued

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Commission itself can establish limitation on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Commission's highest level of decision-making authority. The Board of Directors is the highest level of decision-making authority for the Commission that can, by formal action prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by formal action remains in place until a similar action is taken (another formal action) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the Commission for specific purposes but do not meet the criteria to be classified as committed. The Board of Directors has by resolution authorized the executive director to assign fund balance. The Board of Directors may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Revenues and Expenditures/Expenses

Program Revenues

Amounts reported as 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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All internally dedicated resources are reported as general revenues rather than as program revenues.

Compensated Absences

Commission employees are granted vacation and sick leave in varying amounts based on length of service. Upon termination, employees are paid for unused vacation at their current rates. Sick leave pay does not vest with the employee and is payable only in the event of absences due to illness. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
 September 30, 2022

NOTE A—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

Indirect Cost Allocation

Indirect costs are distributed to the programs pursuant to a cost allocation plan as required by the OMB Uniform Guidance. Indirect costs are distributed based on direct personnel costs charged to programs.

The Commission submits a request for a provisional rate to its oversight agency at the beginning of each year. This rate is required to be audited. The comparison of the provisional and audited rate for the year ended September 30, 2022 is as follows:

	Provisional Rate	Audited Results
Fringe benefit cost	46.98%	45.98%
Indirect cost	35.58%	35.77%

Computation of the fringe benefit and indirect cost rate is presented on pages 51 and 52 of this report.

NOTE B—STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the governmental fund. All annual appropriations lapse at fiscal year-end.

The appropriated budget is prepared by function. The legal level of budgetary control is the functional level. Budgets are also adopted on a project by project basis as a management tool.

Excess of Expenditures Over Appropriations

During the year ended September 30, 2022, actual expenditures exceeded appropriations for:

	Final Budget	Actual
General Operations Fund		
Land use planning	\$ 76,409	\$ 101,248
Capital outlay	-	228,322
Principal	-	15,792

These over-expenditures were funded with available fund balance or unbudgeted proceeds from lease obligations.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE C—DEPOSITS AND INVESTMENTS—Continued

As of September 30, 2022, the Commission had only cash and cash equivalents.

Deposit and Investment Risks

Interest Rate Risk

The Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investments in commercial paper and corporate bonds to the two highest classifications issued by nationally recognized statistical rating organizations. The Commission has no investment policy that would further limit its investment choices.

Concentration of Credit Risk

The Commission does not have a concentration of credit risk policy. Concentration of credit risk is the risk of loss attributed to the magnitude of the Commission investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the Commission's deposits may not be returned to it. As of September 30, 2022, the Commission's bank balance of \$533,136 was not exposed to custodial credit risk because it was fully insured.

Custodial Credit Risk – Investments

The Commission does not have a custodial credit risk policy for investments. This is the risk that, in the event of the failure of the counterparty, the Commission will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Foreign Currency Risk

The Commission is not authorized to invest in investments which have this type of risk.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D—CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

	Balance October 1, 2021	Additions	Deductions	Balance September 30, 2022
Capital assets, being depreciated/amortized:				
Computer equipment	\$ 65,916	\$ 7,520	\$ 14,209	\$ 59,227
Office furniture	65,343	-	-	65,343
Leasehold improvements	47,722	-	-	47,722
Right-to-use asset—office space	-	203,990	-	203,990
Right-to-use asset—vehicle	-	24,332	-	24,332
Total capital assets, being depreciated/amortized	178,981	235,842	14,209	400,614
Less accumulated depreciation/amortization:				
Computer equipment	55,223	3,345	14,209	44,359
Office furniture	63,044	2,298	-	65,342
Leasehold improvements	41,757	5,965	-	47,722
Right-to-use asset—office space	-	10,200	-	10,200
Right-to-use asset—vehicle	-	4,731	-	4,731
Total accumulated depreciation/amortization	160,024	26,539	14,209	172,354
Capital assets, net	\$ 18,957	\$ 209,303	\$ -	\$ 228,260

Depreciation/amortization expense was charged to functions as follows:

Land use planning	\$ 2,095
Regional initiatives	160
Economic development	4,949
Transportation planning	13,280
Environmental cleanup	6,055
	\$ 26,539

NOTE E—NOTE PAYABLE TO BANK

The Commission has an unsecured revolving line of credit with borrowings limited to \$50,000 and interest payable monthly at the Wall Street Journal prime rate plus one percent (effective rate was 6.5 percent at September 30, 2022). There was no balance outstanding as of September 30, 2022.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F—LONG-TERM OBLIGATIONS

Summary of Changes in Long-Term Obligations

The following is a summary of long-term obligations activity for the Commission for the year ended September 30, 2022.

	Balance October 1, 2021	Additions	Reductions	Balance September 30, 2022	Due Within One Year
Notes from direct borrowings and direct placements	\$ -	\$ 228,322	\$ 15,792	\$ 212,530	\$ 39,389
Compensated absences	33,692	52,864	58,919	27,637	27,637
	\$ 33,692	\$ 281,186	\$ 74,711	\$ 240,167	\$ 67,026

The additions for notes from direct borrowings and direct placements represents new right-to-use assets for the Commission's office space of \$203,990 and vehicle of \$24,332.

The lease obligations for the right-to-use vehicle and office space are non-cancellable by the Commission and are secured by the assets. The lease obligation for the vehicle has a late charge of the smaller of 7.5 percent of the scheduled payment of \$50. The lease obligation for the building has a late charge of 5 percent and accrues interest at 10 percent per annum. Notes from direct borrowings and direct placements consist of the following:

	Interest Rate	Date of Maturity	Balance
2022 Lease obligation—vehicle	5.5%	July 2027	\$ 14,045
2022 Lease obligation—office	5.5%	April 2025	198,485
			\$ 212,530

Annual debt service requirements to maturity for debt outstanding as of September 30, 2022 follow:

Year Ending September 30,	Direct Borrowings and Direct Placements	
	Principal	Interest
2023	\$ 39,389	\$ 10,711
2024	42,983	8,455
2025	44,816	6,010
2026	44,931	3,578
2027	40,411	1,026
	\$ 212,530	\$ 29,780

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE G—OTHER INFORMATION

Risk Management

The Commission 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. The Commission manages its liability and property risk by participating in Michigan Municipal Risk Management Authority (MMRMA), a public entity risk pool providing property and liability coverage to its participating members. The Commission pays an annual premium to MMRMA for its insurance coverage. The MMRMA is self-sustaining through member premiums and provides, subject to certain deductibles, occurrence-based casualty coverage for each incident and occurrence-based property coverage to its members by internally assuring certain risks and reinsuring risks through commercial companies. Various deductibles are maintained to place the responsibility for small charges with the insured. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three fiscal years.

The Commission carries commercial insurance for workers' compensation and employee health and accident insurances. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal and state government. Any disallowed claims, including amounts already collected, may constitute a liability to the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the Commission expects such amounts, if any, to be immaterial.

NOTE H—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

Defined Benefit Pension Plan

Plan Description

The Commission's defined pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The Commission participates in the Municipal Employees Retirement System (MERS) of Michigan. MERS is an agent multiple-employer, statewide public employee pension plan established by the Michigan Legislature under Public Act 135 of 1945 and administered by a nine-member Retirement Board. MERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained accessing the MERS website at www.mersofmich.com.

Benefits Provided

The Plan provides certain retirement, disability and death benefits to plan members and beneficiaries. Public Act 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS. The Plan covers all full-time employees.

Benefits provided by the Plan have a multiplier of 2.25 percent for service prior to December 31, 2016 and 1.5 percent thereafter. The vesting period is ten years. Normal retirement age is 60 with early retirement at 55 with 15 years of service or reduced early retirement at 50 with 25 years of service. Final average compensation is calculated based on 3 years.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE H—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Defined Benefit Pension Plan—Continued

Employees Covered by Benefit Terms

At the December 31, 2021 valuation date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	10
Inactive employees entitled to but not yet receiving benefits	4
Active employees	10
Total employees covered by MERS	24

Contributions

The Commission is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS Retirement Board. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Commission may establish contribution rates to be paid by its covered employees.

For the year ended September 30, 2022, the Commission was not required to contribute to the Plan as it was overfunded. However, the Commission made voluntary contributions of \$60,260 for the year ended September 30, 2022. Member contributions for the Plan are 6 percent.

Net Pension Liability (Asset)

The Commission’s net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an annual actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent	
Salary increases	3 percent in the long-term	
Investment rate of return	7 percent, net of investment and administrative expenses including inflation	

Although no specific price inflation assumptions are needed for the valuation, the 3 percent long-term wage inflation assumption would be consistent with a price inflation of 3-4 percent. Mortality rates used were based a version of Pub-2010 and fully generational MP-2019.

The actuarial assumptions used in valuation were based on the results of the most recent actuarial experience study of 2014 through 2018.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE H—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Defined Benefit Pension Plan—Continued

Actuarial Assumptions—Continued

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment and administrative expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Allocation Gross Rate of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-Term Expected Real Rate
Global equity	60.0%	7.00%	4.20%	2.50%	2.70%
Global fixed income	20.0%	4.50%	0.90%	2.50%	0.40%
Private assets	20.0%	9.50%	1.90%	2.50%	1.40%
	<u>100.0%</u>		<u>7.00%</u>		<u>4.50%</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent for 2021. The current discount rate shown for GASB 68 purposes is higher than the MERS assumed rate of return. This is because for GASB 68 purposes, the discount rate must be gross of administrative expenses, whereas for funding purposes, it is net of administrative expense. The projection of cash flows used to determine the discount rate assumed that employer and employee contributions will be made at rates agreed upon for employees and the actuarially determined rate for employers. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE H—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Defined Benefit Pension Plan—Continued

Changes in the Net Pension Liability (Asset)

	<u>Increase (Decrease)</u>		Net Pension Liability (Asset) (a)-(b)
	Total Pension Liability (a)	Plan Fiduciary Position (b)	
Balance at January 1, 2021	\$ 4,668,929	\$ 4,904,661	\$ (235,732)
Changes for the year			
Service cost	61,295	-	61,295
Interest	346,139	-	346,139
Difference between expected and actual experience	87,275	-	87,275
Changes in actuarial assumptions	176,382	-	176,382
Contributions - employer	-	55,050	(55,050)
Contributions - employee	-	38,932	(38,932)
Net investment income	-	682,549	(682,549)
Benefit payments including refund of employee contributions	(290,239)	(290,239)	-
Administrative expenses	-	(7,832)	7,832
Net changes	<u>380,852</u>	<u>478,460</u>	<u>(97,608)</u>
Balance at December 31, 2021	<u>\$ 5,049,781</u>	<u>\$ 5,383,121</u>	<u>\$ (333,340)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Commission, calculated using the discount rate of 7.25 percent, as well as what the Commission's net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Commission's net pension liability (asset)	\$ 229,627	\$ (333,340)	\$ (812,065)

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE H—EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS—Continued

Defined Benefit Pension Plan—Continued

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2022, the Commission recognized pension expense of \$103,217. At September 30, 2022, the Commission reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences in experience	\$ 77,294	\$ -
Differences in assumptions	250,153	-
Net difference between projected and actual net investment income	-	379,384
Contributions subsequent to the measurement date*	52,260	-
Total	\$ 379,707	\$ 379,384

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability (asset) for the year September 30, 2023.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending September 30,	Amount
2023	\$ 135,128
2024	(14,241)
2025	(109,018)
2026	(63,806)

Payables to the Pension Plan

At September 30, 2022, the Commission reported a payable of \$28,260 for the outstanding amount of contributions to the pension plan for the year ended September 30, 2022.

Deferred Compensation Plan

The Commission offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all full and part-time Commission employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

The Plan has created a trust for the exclusive benefit of the Plan's participants and beneficiaries under rules provided in Internal Revenue Code Section 401(f).

West Michigan Shoreline Regional Development Commission
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE I—ECONOMIC DEPENDENCY

The Great Lakes Commission grant accounts for 32 percent of general operations fund revenue.

NOTE J—CHANGE IN ACCOUNTING PRINCIPLE

For the year ended September 30, 2022, the Commission implemented the following new pronouncement: GASB Statement No. 87, *Leases*.

Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*, was issued by the GASB in June 2017. The objective of this Statement is to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use the underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

There was no restatement of the Commission's financial statements required by the adoption of GASB Statement 87.

NOTE K—UPCOMING ACCOUNTING PRONOUNCEMENT

GASB Statement 96—*Subscription-Based Information Technology Arrangements* was issued by the GASB in May 2020 and will be effective for the Commission's 2023 fiscal year. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended.

REQUIRED SUPPLEMENTARY INFORMATION

West Michigan Shoreline Regional Development Commission
 Required Supplementary Information
BUDGETARY COMPARISON SCHEDULE
 General Operations Fund
 For the year ended September 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Federal	\$ 3,285,471	\$ 2,355,161	\$ 1,961,084	\$ (394,077)
State	248,298	295,298	286,517	(8,781)
Local	274,581	256,373	249,282	(7,091)
Total revenues	3,808,350	2,906,832	2,496,883	(409,949)
EXPENDITURES				
Current				
Land use planning	78,117	76,409	101,248	(24,839)
Regional initiatives	45,000	83,000	81,727	1,273
Economic development	280,012	270,012	238,495	31,517
Transportation planning	1,002,084	866,584	769,356	97,228
Local planning	58,969	42,000	-	42,000
Environmental clean-up	2,338,397	1,563,056	1,249,117	313,939
Administration	5,771	5,771	3,112	2,659
Capital outlay	-	-	228,322	(228,322)
Debt service				
Principal	-	-	15,792	(15,792)
Interest and fees	-	-	2,360	(2,360)
Total expenditures	3,808,350	2,906,832	2,689,529	217,303
Excess of revenues over (under) expenditures	-	-	(192,646)	(192,646)
OTHER FINANCING SOURCES				
Proceeds from lease obligations	-	-	228,322	(228,322)
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	35,676	<u>\$ 35,676</u>
Fund balance at beginning of year			377,629	
Fund balance at end of year			<u>\$ 413,305</u>	

West Michigan Shoreline Regional Development Commission
Required Supplementary Information
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
Last Ten Fiscal Years (Amounts were determined as of December 31 of each fiscal year)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
TOTAL PENSION LIABILITY								
Service cost	\$ 61,295	\$ 61,778	\$ 60,252	\$ 57,052	\$ 44,295	\$ 67,882	\$ 65,982	\$ 63,978
Interest	346,139	322,288	317,903	310,612	301,444	330,996	298,284	284,995
Differences between expected and actual experience	87,275	27,640	21,164	(642)	59,554	25,315	164,709	-
Changes in assumptions	176,382	189,734	150,793	-	-	(538,361)	217,871	-
Benefit payments, including refunds of employee contributions	(290,239)	(284,501)	(283,577)	(271,371)	(250,120)	(236,756)	(215,046)	(162,762)
Other changes	-	-	-	-	(36,335)	-	-	-
Net change in total pension liability	380,852	316,939	266,535	95,651	118,838	(350,924)	531,800	186,211
Total pension liability at beginning of year	4,668,929	4,351,990	4,085,455	3,989,804	3,870,966	4,221,890	3,690,090	3,503,879
Total pension liability at end of year (a)	\$ 5,049,781	\$ 4,668,929	\$ 4,351,990	\$ 4,085,455	\$ 3,989,804	\$ 3,870,966	\$ 4,221,890	\$ 3,690,090
PLAN FIDUCIARY NET POSITION								
Contributions-employer	\$ 55,050	\$ 46,000	\$ 45,041	\$ 35,079	\$ 36,693	\$ 24,000	\$ -	\$ -
Contributions-employee	38,932	36,882	36,311	35,159	-	-	-	-
Net investment income (loss)	682,549	562,656	563,411	(174,798)	554,246	450,126	(63,045)	265,389
Benefit payments, including refunds or employee contributions	(290,239)	(284,501)	(283,577)	(271,371)	(250,120)	(236,756)	(215,046)	(162,762)
Administrative expenses	(7,832)	(9,045)	(9,700)	(8,795)	(8,791)	(8,895)	(9,312)	(9,722)
Net change in plan fiduciary net position	478,460	351,992	351,486	(384,726)	332,028	228,475	(287,403)	92,905
Plan fiduciary net position at beginning of year	4,904,661	4,552,669	4,201,183	4,585,909	4,253,881	4,025,406	4,312,809	4,219,904
Plan fiduciary net position at end of year (b)	\$ 5,383,121	\$ 4,904,661	\$ 4,552,669	\$ 4,201,183	\$ 4,585,909	\$ 4,253,881	\$ 4,025,406	\$ 4,312,809
Commission's net pension liability (asset) at end of year (a)-(b)	\$ (333,340)	\$ (235,732)	\$ (200,679)	\$ (115,728)	\$ (596,105)	\$ (382,915)	\$ 196,484	\$ (622,719)
Plan fiduciary net position as a percentage of the total pension liability	106.60%	105.05%	104.61%	102.83%	114.94%	109.89%	95.35%	116.88%
Covered employee payroll	\$ 607,481	\$ 614,710	\$ 615,443	\$ 594,913	\$ 536,904	\$ 550,547	\$ 562,027	\$ 544,956
Commission's net pension liability (asset) as a percentage of covered employee payroll	-54.87%	-38.35%	-32.61%	-19.45%	-111.03%	-69.55%	34.96%	-114.27%

Notes to Schedule

Additional actuarial data is not available and will be provided in subsequent years.

West Michigan Shoreline Regional Development Commission
 Required Supplementary Information
PENSION SYSTEM SCHEDULE OF CONTRIBUTIONS
 Last Ten Fiscal Years (Amounts were determined as of September 30 of each fiscal year)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the actuarially determined contribution	60,260	56,050	46,000	42,041	38,772	36,000	15,000	-	-	-
Contribution deficiency (excess)	\$ (60,260)	\$ (56,050)	\$ (46,000)	\$ (42,041)	\$ (38,772)	\$ (36,000)	\$ (15,000)	\$ -	\$ -	\$ -
Covered employee payroll	\$ 607,481	\$ 614,710	\$ 615,443	\$ 594,913	\$ 536,904	\$ 550,547	\$ 562,027	\$ 544,956	\$ 620,425	\$ 598,512
Contributions as percentage of covered employee payroll	9.9%	9.1%	7.5%	7.1%	7.2%	6.5%	2.7%	0.0%	0.0%	0.0%

Notes to Schedule

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, Closed
Remaining amortization period	17 years
Asset valuation method	5-year smoothed market
Inflation	2.5 percent
Salary increases	3 percent in the long-term
Investment rate of return	7.0 percent, net of investment and administrative expenses
Retirement age	50-60 years of age, depending on years of service
Mortality	Based on a version of Pub-2010 and fully generational MP-2019

OTHER SUPPLEMENTAL INFORMATION

West Michigan Shoreline Regional Development Commission
CUMULATIVE STATEMENT OF ONGOING GRANT REVENUES AND EXPENDITURES
For the various grant periods ended through
September 30, 2022

	Land Use Planning					GIS 1808
	Veteran's Park Sidewalk Markers 1088	Oceana County Drain District Mapping 1090	Free Soil Cemetery Mapping 1091	Riverton Township Cemetery Mapping 1093		
Total						
Revenues						
Intergovernmental revenues						
Federal	\$ 8,502,187.14	\$ -	\$ -	\$ -	\$ -	\$ -
State	650,472.94	-	-	-	-	-
Local	336,492.44	4,500.00	9,713.54	4,427.17	6,588.56	9,590.56
Total revenues	\$ 9,489,152.52	\$ 4,500.00	\$ 9,713.54	\$ 4,427.17	\$ 6,588.56	\$ 9,590.56
Expenditures						
Personnel	\$ 1,032,223.44	\$ 2,135.78	\$ 4,889.15	\$ 2,233.73	\$ 3,293.45	\$ 4,382.60
Fringe benefits	476,880.17	1,003.81	2,248.02	1,027.06	1,514.33	2,015.12
	1,509,103.61	3,139.59	7,137.17	3,260.79	4,807.78	6,397.72
Contractual	6,922,736.67	-	-	-	-	-
Indirect	532,772.01	1,120.24	2,552.97	1,166.38	1,719.74	2,291.82
Travel	16,984.21	-	23.40	-	61.04	551.02
Supplies	32,363.44	-	-	-	-	-
Other	439,516.39	240.17	-	-	-	350.00
Total expenditures	\$ 9,453,476.33	\$ 4,500.00	\$ 9,713.54	\$ 4,427.17	\$ 6,588.56	\$ 9,590.56

West Michigan Shoreline Regional Development Commission
CUMULATIVE STATEMENT OF ONGOING GRANT REVENUES AND EXPENDITURES—CONTINUED
For the various grant periods ended through
September 30, 2022

	<u>Land Use Planning</u>			<u>Regional Initiatives</u>	<u>Economic Development</u>		<u>Transportation Planning</u>
	<u>White River Economic Impact Study 1925</u>	<u>Newaygo County Recreation Plan 1999</u>	<u>Hazard Mitigation 7811</u>	<u>Regional Prosperity Initiative 2012</u>	<u>Economic Development District Planning 5149</u>	<u>Economic Development Non-Competitive CARES Act 5150</u>	<u>Transportation Asset Management 6529</u>
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ -	\$ 44,472.98	\$ -	\$ 192,528.30	\$ 377,820.96	\$ -
State	-	-	-	416,607.24	-	-	53,970.67
Local	11,000.00	1,549.62	31,880.77	13.91	82,312.05	-	38.53
Total revenues	\$ 11,000.00	\$ 1,549.62	\$ 76,353.75	\$ 416,621.15	\$ 274,840.35	\$ 377,820.96	\$ 54,009.20
Expenditures							
Personnel	\$ -	\$ 728.73	\$ 37,819.74	\$ 28,645.75	\$ 134,937.51	\$ 156,814.96	\$ 24,262.22
Fringe benefits	-	335.07	17,594.28	12,926.87	62,225.05	73,593.78	11,399.41
	-	1,063.80	55,414.02	41,572.62	197,162.56	230,408.74	35,661.63
Contractual	11,000.00	-	-	870.16	-	17,999.00	3,645.10
Indirect	-	380.52	19,827.03	14,145.62	68,828.26	81,999.05	12,762.61
Travel	-	105.30	849.56	1,485.71	1,206.50	698.31	1,167.93
Supplies	-	-	-	1.00	136.42	20,830.26	251.93
Other	-	-	263.14	358,546.04	7,506.61	25,885.60	520.00
Total expenditures	\$ 11,000.00	\$ 1,549.62	\$ 76,353.75	\$ 416,621.15	\$ 274,840.35	\$ 377,820.96	\$ 54,009.20

West Michigan Shoreline Regional Development Commission
CUMULATIVE STATEMENT OF ONGOING GRANT REVENUES AND EXPENDITURES—CONTINUED
For the various grant periods ended through
September 30, 2022

	Transportation Planning						
	Regional Transit Study 6531	Metropolitan Transportation Program Management 6533	Metropolitan Transportation Data Assistance 6534	Metropolitan Area Transportation Planning 6535	Transit Planning 6536	Are awide Air Quaiity Improve ment Program 6537	Regional Transportation Planning 6538
Revenues							
Intergovernmental revenues							
Federal	\$ 81,520.26	\$ 31,554.21	\$ 75,919.89	\$ 183,030.31	\$ 37,250.90	\$ 99,693.59	\$ -
State	20,781.83	-	-	-	-	-	37,764.47
Local	-	6,997.03	16,835.00	40,586.47	8,260.27	26,122.63	-
Total revenues	\$ 102,302.09	\$ 38,551.24	\$ 92,754.89	\$ 223,616.78	\$ 45,511.17	\$125,816.22	\$ 37,764.47
Expenditures							
Personnel	\$ 6,678.28	\$ 19,366.33	\$ 43,996.02	\$ 97,111.78	\$ 22,734.92	\$ 33,986.52	\$ 17,482.52
Fringe benefits	3,162.18	8,904.64	20,229.38	44,652.00	10,453.50	15,626.99	8,038.44
	9,840.46	28,270.97	64,225.40	141,763.78	33,188.42	49,613.51	25,520.96
Contractual	88,939.28	-	-	24,800.00	-	56,204.00	-
Indirect	3,522.35	10,112.53	22,973.43	50,708.90	11,871.50	17,746.75	9,128.85
Travel	-	167.74	242.81	3,102.80	-	143.32	242.81
Supplies	-	-	-	2,790.05	-	1,623.14	2,871.85
Other	-	-	5,313.25	451.25	451.25	485.50	-
Total expenditures	\$ 102,302.09	\$ 38,551.24	\$ 92,754.89	\$ 223,616.78	\$ 45,511.17	\$125,816.22	\$ 37,764.47

West Michigan Shoreline Regional Development Commission
CUMULATIVE STATEMENT OF ONGOING GRANT REVENUES AND EXPENDITURES—CONTINUED
For the various grant periods ended through
September 30, 2022

	<u>Transportation Planning</u>				<u>Environmental Clean-Up</u>		
	<u>Transportation Asset Management 6539</u>	<u>Rural Transportation Planning Program 6540</u>	<u>Byway Work Program 6542</u>	<u>Culvert Data Collection 6544</u>	<u>Amoco Long-Term Monitoring 7500</u>	<u>Technical Assistance to MLWP 7503</u>	<u>Lower Muskegon River 7524</u>
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ -	\$ -	\$ -	\$ 11,779.93	\$ -	\$ 2,805,318.81
State	53,906.46	22,706.84	7,500.00	29,930.56	-	-	3.25
Local	-	-	-	-	-	27,263.65	-
Total revenues	\$ 53,906.46	\$ 22,706.84	\$ 7,500.00	\$ 29,930.56	\$ 11,779.93	\$ 27,263.65	\$ 2,805,322.06
Expenditures							
Personnel	\$ 24,762.84	\$ 11,304.26	\$ -	\$ -	\$ 161.03	\$ 2,085.02	\$ 103,987.32
Fringe benefits	11,385.96	5,197.69	-	-	74.04	886.89	47,219.31
	36,148.80	16,501.95	-	-	235.07	2,971.91	151,206.63
Contractual	2,298.31	-	7,500.00	29,930.56	11,460.78	15,976.05	2,600,291.02
Indirect	12,930.43	5,902.75	-	-	84.08	925.24	51,913.28
Travel	2,178.93	238.56	-	-	-	9.44	563.57
Supplies	59.99	31.79	-	-	-	585.50	1,122.87
Other	290.00	31.79	-	-	-	6,795.51	224.69
Total expenditures	\$ 53,906.46	\$ 22,706.84	\$ 7,500.00	\$ 29,930.56	\$ 11,779.93	\$ 27,263.65	\$ 2,805,322.06

West Michigan Shoreline Regional Development Commission
CUMULATIVE STATEMENT OF ONGOING GRANT REVENUES AND EXPENDITURES—CONTINUED
For the various grant periods ended through
September 30, 2022

	Environmental Clean-Up						
	MLWP NRDA 7535	Oceana County Tree Planting 7544	MRWA Tree Planting Project 7545	Muskegon Lake AOC BUI Removal 7546	Amoco Construction 7551	MERES Construction 7553	Management Plan 7555
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ 10,000.00	\$ 62,469.18	\$ 87,545.36	\$ 2,349,122.34	\$ 1,447,278.17	\$ 117,273.50
State	-	-	-	-	-	-	-
Local	1,200.00	1,635.32	-	2,289.41	-	-	-
Total revenues	\$ 1,200.00	\$ 11,635.32	\$ 62,469.18	\$ 89,834.77	\$ 2,349,122.34	\$ 1,447,278.17	\$117,273.50
Expenditures							
Personnel	\$ -	\$ 5,987.39	\$ 12,624.15	\$ 30,227.39	\$ 33,945.58	\$ 41,835.55	\$ 28,828.59
Fringe benefits	-	2,678.86	5,878.92	14,072.75	15,743.77	19,492.27	13,098.05
	-	8,666.25	18,503.07	44,300.14	49,689.35	61,327.82	41,926.64
Contractual	1,200.00	-	10,417.00	26,547.47	2,281,339.96	1,363,560.19	59,278.64
Indirect	-	2,922.67	6,543.00	15,652.14	17,344.77	21,564.11	14,366.39
Travel	-	46.40	160.18	-	358.38	269.44	334.21
Supplies	-	-	50.00	809.02	274.88	276.46	535.69
Other	-	-	26,795.93	2,526.00	115.00	280.15	831.93
Total expenditures	\$ 1,200.00	\$ 11,635.32	\$ 62,469.18	\$ 89,834.77	\$ 2,349,122.34	\$ 1,447,278.17	\$117,273.50

West Michigan Shoreline Regional Development Commission
CUMULATIVE STATEMENT OF ONGOING GRANT REVENUES AND EXPENDITURES—CONTINUED
For the various grant periods ended through
September 30, 2022

	Environmental Clean-Up						
	Sustainable Watershed Funding Initiative 7558	Boys & Girls Club Restoration Repair 7559	NOAA Regional Partnership Little Cedar Creek Eng & Design 7560	NOAA Regional Partnership Little Cedar Creek Implementation 7561	NOAA Regional Partnership Stony Creek Eng & Design/Feasibility 7562	NOAA Regional Partnership White River Eng & Design 7563	Environmental Management 7620
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ 34,064.99	\$ 140,013.58	\$ 59,134.71	\$ 121,585.64	\$ 132,809.53	\$ -
State	7,301.62	-	-	-	-	-	-
Local	-	-	-	-	-	-	4,900.08
Total revenues	\$ 7,301.62	\$ 34,064.99	\$ 140,013.58	\$ 59,134.71	\$ 121,585.64	\$ 132,809.53	\$ 4,900.08
Expenditures							
Personnel	\$ 3,684.02	\$ 11,839.72	\$ 29,784.72	\$ 6,097.18	\$ 21,676.99	\$ 19,431.18	\$ 2,460.52
Fringe benefits	1,693.91	5,443.90	14,137.64	2,803.48	10,010.09	8,981.36	1,131.35
	5,377.93	17,283.62	43,922.36	8,900.66	31,687.08	28,412.54	3,591.87
Contractual	-	10,544.85	80,155.76	47,026.88	78,112.23	93,639.43	-
Indirect	1,923.69	6,182.35	15,689.96	3,183.77	11,335.61	10,164.41	1,284.81
Travel	-	54.17	124.25	23.40	407.87	567.16	23.40
Supplies	-	-	53.75	-	42.85	15.99	-
Other	-	-	67.50	-	-	10.00	-
Total expenditures	\$ 7,301.62	\$ 34,064.99	\$ 140,013.58	\$ 59,134.71	\$ 121,585.64	\$ 132,809.53	\$ 4,900.08

West Michigan Shoreline Regional Development Commission
CUMULATIVE STATEMENT OF ONGOING GRANT REVENUES AND EXPENDITURES—CONTINUED
For the various grant periods ended through
September 30, 2022

	Administration 9991	Other
Revenues		
Intergovernmental revenues		
Federal	\$ -	\$ -
State	-	-
Local	3,111.68	35,676.19
	\$ 3,111.68	\$ 35,676.19
Total revenues	\$ 3,111.68	\$ 35,676.19
Expenditures		
Personnel	\$ -	\$ -
Fringe benefits	-	-
	-	-
Contractual	-	-
Indirect	-	-
Travel	1,576.60	-
Supplies	-	-
Other	1,535.08	-
	-	-
Total expenditures	\$ 3,111.68	\$ -

West Michigan Shoreline Regional Development Commission
STATEMENT OF GRANT REVENUES AND EXPENDITURES – CURRENT YEAR
 General Operations Fund
 For the year ended September 30, 2022

	Land Use Planning					GIS 1808
	Veteran's Park Sidewalk Markers 1088	Oceana County Drain District Mapping 1090	Free Soil Cemetery Mapping 1091	Riverton Township Cemetery Mapping 1093		
Total						
Revenues						
Intergovernmental revenues						
Federal	\$ 1,961,084.23	\$ -	\$ -	\$ -	\$ -	\$ -
State	286,516.43	-	-	-	-	-
Local	249,282.15	2,511.15	9,713.54	4,427.17	6,588.56	9,590.56
Total revenues	\$ 2,496,882.81	\$ 2,511.15	\$ 9,713.54	\$ 4,427.17	\$ 6,588.56	\$ 9,590.56
Expenditures						
Personnel	\$ 572,488.98	\$ 1,147.51	\$ 4,889.15	\$ 2,233.73	\$ 3,293.45	\$ 4,382.60
Fringe benefits	263,230.32	527.63	2,248.02	1,027.06	1,514.33	2,015.12
	835,719.30	1,675.14	7,137.17	3,260.79	4,807.78	6,397.72
Contractual	1,195,134.74	-	-	-	-	-
Indirect	298,936.32	595.84	2,552.97	1,166.38	1,719.74	2,291.82
Travel	11,791.77	-	23.40	-	61.04	551.02
Supplies	9,781.36	-	-	-	-	-
Other	109,843.13	240.17	-	-	-	350.00
Total expenditures	\$ 2,461,206.62	\$ 2,511.15	\$ 9,713.54	\$ 4,427.17	\$ 6,588.56	\$ 9,590.56

West Michigan Shoreline Regional Development Commission
STATEMENT OF GRANT REVENUES AND EXPENDITURES – CURRENT YEAR—CONTINUED
 General Operations Fund
 For the year ended September 30, 2022

	Land Use Planning			Regional Initiatives	Economic Development		Transportation Planning
	White River Economic Impact Study 1925	Newaygo County Recreation Plan 1999	Hazard Mitigation 7811	Regional Prosperity Initiative 2012	Economic Development District Planning 5149	Economic Development Non-Competitive CARES Act 5150	Transportation Asset Management 6529
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ -	\$ 33,385.34	\$ -	\$ 57,064.61	\$ 160,559.47	\$ -
State	-	-	-	81,822.92	-	-	31,492.33
Local	11,000.00	1,549.62	23,915.20	13.91	24,256.19	-	38.53
Total revenues	\$ 11,000.00	\$ 1,549.62	\$ 57,300.54	\$ 81,836.83	\$ 81,320.80	\$ 160,559.47	\$ 31,530.86
Expenditures							
Personnel	\$ -	\$ 728.73	\$ 28,519.86	\$ 3,449.52	\$ 40,751.90	\$ 66,007.04	\$ 13,196.78
Fringe benefits	-	335.07	13,113.43	1,586.08	18,737.72	30,350.02	6,067.87
	-	1,063.80	41,633.29	5,035.60	59,489.62	96,357.06	19,264.65
Contractual	11,000.00	-	-	-	-	15,000.00	3,645.10
Indirect	-	380.52	14,892.23	1,801.23	21,278.96	34,466.92	6,890.97
Travel	-	105.30	511.88	-	109.98	69.03	958.21
Supplies	-	-	-	-	14.64	780.86	251.93
Other	-	-	263.14	75,000.00	427.60	13,885.60	520.00
Total expenditures	\$ 11,000.00	\$ 1,549.62	\$ 57,300.54	\$ 81,836.83	\$ 81,320.80	\$ 160,559.47	\$ 31,530.86

West Michigan Shoreline Regional Development Commission
STATEMENT OF GRANT REVENUES AND EXPENDITURES – CURRENT YEAR—CONTINUED
 General Operations Fund
 For the year ended September 30, 2022

	Transportation Planning						
	Regional Transit Study 6531	Metropolitan Transportation Program Management 6533	Metropolitan Transportation Data Assistance 6534	Metropolitan Area Transportation Planning 6535	Transit Planning 6536	Areawide Air Quality Improvement Program 6537	Regional Transportation Planning 6538
Revenues							
Intergovernmental revenues							
Federal	\$ 54,757.91	\$ 31,554.21	\$ 75,919.89	\$ 183,030.31	\$ 37,250.90	\$ 99,693.59	\$ -
State	14,091.23	-	-	-	-	-	37,764.47
Local	-	6,997.03	16,835.00	40,586.47	8,260.27	26,122.63	-
Total revenues	\$ 68,849.14	\$ 38,551.24	\$ 92,754.89	\$ 223,616.78	\$ 45,511.17	\$125,816.22	\$ 37,764.47
Expenditures							
Personnel	\$ 2,522.27	\$ 19,366.33	\$ 43,996.02	\$ 97,111.78	\$ 22,734.92	\$ 33,986.52	\$ 17,482.52
Fringe benefits	1,159.74	8,904.64	20,229.38	44,652.00	10,453.50	15,626.99	8,038.44
	3,682.01	28,270.97	64,225.40	141,763.78	33,188.42	49,613.51	25,520.96
Contractual	63,850.08	-	-	24,800.00	-	56,204.00	-
Indirect	1,317.05	10,112.53	22,973.43	50,708.90	11,871.50	17,746.75	9,128.85
Travel	-	167.74	242.81	3,102.80	-	143.32	242.81
Supplies	-	-	-	2,790.05	-	1,623.14	2,871.85
Other	-	-	5,313.25	451.25	451.25	485.50	-
Total expenditures	\$ 68,849.14	\$ 38,551.24	\$ 92,754.89	\$ 223,616.78	\$ 45,511.17	\$125,816.22	\$ 37,764.47

West Michigan Shoreline Regional Development Commission
STATEMENT OF GRANT REVENUES AND EXPENDITURES – CURRENT YEAR—CONTINUED
 General Operations Fund
 For the year ended September 30, 2022

	<u>Transportation Planning</u>			<u>Environmental Clean-Up</u>			
	<u>Transportation Asset Management 6539</u>	<u>Rural Transportation Planning Program 6540</u>	<u>Byway Work Program 6542</u>	<u>Culvert Data Collection 6544</u>	<u>Amoco Long-Term Monitoring 7500</u>	<u>Technical Assistance to MLWP 7503</u>	<u>Lower Muskegon River 7524</u>
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ -	\$ -	\$ -	\$ 11,779.93	\$ -	\$ 441,320.63
State	53,906.46	22,706.84	7,500.00	29,930.56	-	-	-
Local	-	-	-	-	-	8,814.62	-
Total revenues	\$ 53,906.46	\$ 22,706.84	\$ 7,500.00	\$ 29,930.56	\$ 11,779.93	\$ 8,814.62	\$ 441,320.63
Expenditures							
Personnel	\$ 24,762.84	\$ 11,304.26	\$ -	\$ -	\$ 161.03	\$ -	\$ 21,990.12
Fringe benefits	11,385.96	5,197.69	-	-	74.04	-	10,111.06
	36,148.80	16,501.95	-	-	235.07	-	32,101.18
Contractual	2,298.31	-	7,500.00	29,930.56	11,460.78	7,276.05	397,481.50
Indirect	12,930.43	5,902.75	-	-	84.08	-	11,482.59
Travel	2,178.93	238.56	-	-	-	-	22.08
Supplies	59.99	31.79	-	-	-	-	129.00
Other	290.00	31.79	-	-	-	1,538.57	104.28
Total expenditures	\$ 53,906.46	\$ 22,706.84	\$ 7,500.00	\$ 29,930.56	\$ 11,779.93	\$ 8,814.62	\$ 441,320.63

West Michigan Shoreline Regional Development Commission
STATEMENT OF GRANT REVENUES AND EXPENDITURES – CURRENT YEAR—CONTINUED
 General Operations Fund
 For the year ended September 30, 2022

	Environmental Clean-Up						
	Oceana County MLWP NRDA 7535	Tree Planting 7544	MRWA Tree Planting Project 7545	Muskegon Lake AOC BUI Removal 7546	Amoco Construction 7551	MERES Construction 7553	Management Plan 7555
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ -	\$ 21,966.12	\$ 33,587.75	\$ 45,200.83	\$ 265,110.29	\$ 12,136.72
State	-	-	-	-	-	-	-
Local	1,200.00	982.99	-	2,190.76	-	-	-
Total revenues	\$ 1,200.00	\$ 982.99	\$ 21,966.12	\$ 35,778.51	\$ 45,200.83	\$ 265,110.29	\$ 12,136.72
Expenditures							
Personnel	\$ -	\$ 495.96	\$ 5,330.14	\$ 12,276.53	\$ 5,919.93	\$ 11,009.72	\$ 4,307.76
Fringe benefits	-	228.05	2,450.80	5,644.74	2,722.01	5,062.27	1,980.71
	-	724.01	7,780.94	17,921.27	8,641.94	16,071.99	6,288.47
Contractual	1,200.00	-	5,262.00	8,206.78	32,991.17	242,919.28	3,476.86
Indirect	-	258.98	2,783.24	6,410.44	3,091.22	5,748.95	2,249.39
Travel	-	-	87.94	-	162.88	69.91	-
Supplies	-	-	-	809.02	198.62	20.01	122.00
Other	-	-	6,052.00	2,431.00	115.00	280.15	-
Total expenditures	\$ 1,200.00	\$ 982.99	\$ 21,966.12	\$ 35,778.51	\$ 45,200.83	\$ 265,110.29	\$ 12,136.72

West Michigan Shoreline Regional Development Commission
STATEMENT OF GRANT REVENUES AND EXPENDITURES – CURRENT YEAR—CONTINUED
 General Operations Fund
 For the year ended September 30, 2022

	Environmental Clean-Up						
	Sustainable Watershed Funding Initiative 7558	Boys & Girls Club Restoration Repair 7559	NOAA Regional Partnership Little Cedar Creek Eng & Design 7560	NOAA Regional Partnership Little Cedar Creek Implementation 7561	NOAA Regional Partnership Stony Creek Eng & Design/Feasibility 7562	NOAA Regional Partnership White River Eng & Design 7563	Environmental Management 7620
Revenues							
Intergovernmental revenues							
Federal	\$ -	\$ 34,064.99	\$ 59,194.76	\$ 59,134.71	\$ 116,460.05	\$ 127,911.22	\$ -
State	7,301.62	-	-	-	-	-	-
Local	-	-	-	-	-	-	4,900.08
Total revenues	\$ 7,301.62	\$ 34,064.99	\$ 59,194.76	\$ 59,134.71	\$ 116,460.05	\$ 127,911.22	\$ 4,900.08
Expenditures							
Personnel	\$ 3,684.02	\$ 11,839.72	\$ 8,025.93	\$ 6,097.18	\$ 19,722.54	\$ 17,300.15	\$ 2,460.52
Fringe benefits	1,693.91	5,443.90	3,690.32	2,803.48	9,068.40	7,954.59	1,131.35
	5,377.93	17,283.62	11,716.25	8,900.66	28,790.94	25,254.74	3,591.87
Contractual	-	10,544.85	43,058.88	47,026.88	76,937.23	93,064.43	-
Indirect	1,923.69	6,182.35	4,190.90	3,183.77	10,298.52	9,033.62	1,284.81
Travel	-	54.17	124.25	23.40	407.87	532.44	23.40
Supplies	-	-	36.98	-	25.49	15.99	-
Other	-	-	67.50	-	-	10.00	-
Total expenditures	\$ 7,301.62	\$ 34,064.99	\$ 59,194.76	\$ 59,134.71	\$ 116,460.05	\$ 127,911.22	\$ 4,900.08

West Michigan Shoreline Regional Development Commission
STATEMENT OF GRANT REVENUES AND EXPENDITURES – CURRENT YEAR—CONTINUED
 General Operations Fund
 For the year ended September 30, 2022

	Administration 9991	Other
Revenues		
Intergovernmental revenues		
Federal	\$ -	\$ -
State	-	-
Local	3,111.68	35,676.19
	3,111.68	35,676.19
Total revenues	\$ 3,111.68	\$ 35,676.19
Expenditures		
Personnel	\$ -	\$ -
Fringe benefits	-	-
	-	-
Contractual	-	-
Indirect	-	-
Travel	1,576.60	-
Supplies	-	-
Other	1,535.08	-
	1,535.08	-
Total expenditures	\$ 3,111.68	\$ -

West Michigan Shoreline Regional Development Commission
COMPUTATION OF FRINGE BENEFIT RATE
 For the year ended September 30, 2022

ACTUAL COST OF FRINGE BENEFITS

Social Security and Medicare payroll taxes	\$ 50,407
Pension contribution	64,260
Health insurance	179,983
Dental insurance	9,331
Vision insurance	1,307
Life insurance	2,882
Michigan unemployment compensation	<u>1,100</u>
Total cost of fringe benefits	<u><u>\$ 309,270</u></u>

COMPUTATION OF ACTUAL FRINGE BENEFIT RATE

Total cost of fringe benefits	\$ 309,270
Gross salaries	<u>672,614</u>
Actual fringe benefit rate	<u><u>45.98</u></u> %

West Michigan Shoreline Regional Development Commission
COMPUTATION OF INDIRECT COST RATE
For the year ended September 30, 2022

DISTRIBUTABLE INDIRECT COSTS

Salaries and wages	\$ 100,125
Fringe benefits	46,037
Supplies	1,084
Telephone	4,100
Building rent	55,025
Equipment rent	6,434
Consultants	18,710
Travel	2,433
Dues and subscriptions	10,284
Other	<u>54,704</u>
Total indirect costs	<u>\$ 298,936</u>

COMPUTATION OF DIRECT SALARY AND FRINGE BENEFIT BASE

Direct labor dollars	
Gross salaries	\$ 672,614
Less indirect salaries	<u>(100,125)</u>
Total direct labor dollars	572,489
Direct fringe benefit dollars	
Fringe benefits	309,268
Less indirect fringe benefits	<u>(46,037)</u>
Total direct fringe benefit dollars	<u>263,231</u>
Total direct salaries and fringe benefits	<u>\$ 835,720</u>

COMPUTATION OF INDIRECT COST RATE

Indirect cost	\$ 298,936
Direct salaries and fringe benefits	<u>835,720</u>
Indirect cost rate	<u>35.77 %</u>