

**Northwest Michigan Council of Governments Board**

**Meeting Minutes**

**Tuesday, September 17, 2024**

2:00 P.M. - 3:00 P.M.

Networks Northwest Conference Center

1209 South Garfield Avenue

Traverse City, Michigan 49686

**Present**

B. Hefferan; D. Mapes; R. Schmidt (Secretary/Treasurer); B. Townsend, C. Christensen (Chief Elected Official); L. Flynn

**Not Present**

D. Rexroat; K. Fisher; T. Markey; D. Smallegan

**Staff Present**

J. McNabb; S. Shugart; D. O'Dell; R. Carson

**Call to Order and Introductions**

J. McNabb called the meeting to order at 2:04 P.M. and led introductions.

**Public Comment**

None

**Approval of Minutes**

***Motion by L. Flynn, supported by R. Schmidt, to approve the Draft June 18, 2024 Meeting Minutes. No discussion. Motion passed unanimously.***

**Digital CEDS Preview**

J. McNabb explained the Digital CEDS Preview and how this may benefit the commissioners and their counties. McNabb invites R. Carson, Regional Director of Community Development with Networks Northwest, to elaborate more on the CEDS Preview. Carson brought up a *Data Explorer* option on the Networks Northwest website and briefly describes the key features and how it works. Carson then previewed the results of the CEDS process and the website that will be available to show usable, readable data. McNabb wanted to recognize that the graphs that are displayed are “real time” data, much like federal and state level state books. McNabb notes that the CEDS process will customize each of these pages to recognize the need from county to county as the development gets more finalized. Discussion ensued.

**County Roundtable Discussion**

The Commissioners in attendance discussed a variety of topics related to their counties.

**Adjourn**

Meeting adjourned by C. Christensen at 3:00 P.M.

Respectfully Submitted,  
Dana O'Dell  
Communications Coordinator

**Networks Northwest Board**

**Annual Meeting Minutes**

**DRAFT** Tuesday September 17, 2024 **DRAFT**

3:00 P.M. - 5:00 P.M.

Networks Northwest Conference Center

1209 South Garfield Avenue

Traverse City, Michigan 49686

**Present**

G. Fedus; P. Lamb; E. Lingaur; T. Miner; N. Sulak (Chair); C. Christensen; T. Markey; A. Olds; B. Kennis; J. Reed; T. Tkach; R. Schmidt; B. Hefferan; D. Mapes; B. Scheele; B. Townsend; M. Castiglione; L. Flynn; B. Peacock; M. Roman; R. Schultz

**Not Present**

M. Faculak; K. Fisher; D. Rexroat; K. Andrews; C. Johnston; L. Nolan; C. Steele; S. Bytwork; L. Leedy (Vice Chair); C. Stark; M. Cain; D. DeYoung; R. Hill; T. Markey; J. Reed; D. Smallegan

**Staff Present**

D. Rowland; D. O'Dell; J. McNabb, J. Willis; S. Shugart; E. Szpliet; R. Carson

**Call to Order and Introductions**

N. Sulak called the meeting to order at 3:08 P.M. and led introductions.

**Public Comment**

N. Sulak asked if item 3d in the Agenda can be changed to an action item. She also would like to move the *Workforce Ad Hoc Committee Meeting Minutes* from August 20, 2024 and July 11, 2024 to the next meeting with attendance of committee members. R. Schmidt mentioned how nice the new Northwest Michigan Works! office looked in Cadillac, J. McNabb thanked him. No further discussion.

**Approval of Networks Northwest Board June 18, 2024 Draft Meeting Minutes**

***Motion by B. Kennis, supported by P. Lamb to approve the June 18, 2024 Draft Meeting Minutes. No discussion. Motion passed unanimously.***

**Financial Reports**

D. Rowland presented the financial dashboard and reports. Rowland noted any new funds that have been added to the report. No further discussion.

***Motion by R. Schmidt, supported by G. Fedus to Approve the Financial reports as presented. No discussion. Motion passed unanimously.***

### **FY2025 Budget**

D. Rowland presented the FY2025 budget. Rowland highlighted that these budgets need to be pre-approved and highly monitored. No further discussion.

***Motion by G. Fedus, supported by A. Olds to Approve the Financial FY2025 Budget as presented. No discussion. Motion passed unanimously.***

### **Communications Strategy**

J. McNabb emphasized that this communications strategy will take some time. McNabb explained that because of the complexity of our organization, it is hard to explain who we are in a short “elevator” speech. McNabb conducts a Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis with participation of the full board. Networks Northwest’s communication goal is to increase awareness to build understanding. Discussion ensued.

### **CEO Succession Plan**

N. Sulak thanked L. Leedy for coming up with the idea for guidance on the CEO Succession Plan. J. McNabb explained this has been brought to the executive board several times and that this is a guideline to help with the future process of a CEO turnover period.

***Motion by G. Fedus, supported by P. Lamb to Approve the CEO Succession Plan as presented. No discussion. Motion passed unanimously.***

### **CEO Report**

J. McNabb presented the CEO report and highlighted each department. McNabb thanks the board members that attended the *2024 Annual Michigan Works! Conference*. Discussion ensued.

### **Board Comment**

L. Leedy (via virtual attendance) announced that J. McNabb has been selected as a panelist for the Federal Reserve Bank of Chicago’s Rural Futures Conference event in Iowa. J. McNabb thanked her for her recognition. No further discussion.

### **Correspondence**

N.Sulak mentioned the correspondence attached in the board packet. No discussion.

### **Adjourn**

Meeting adjourned by N. Sulak at 4:23 P.M.

Respectfully Submitted,  
Dana O’Dell  
Communications Coordinator

**Finance/Audit Committee**

**Tuesday, June 18, 2024**

**2:00 p.m.**

**Traverse City Michigan Works, 1209 S. Garfield, Traverse City, Michigan 49686**

**-MINUTES-**

Committee members present: Gary Fedus, Jason Reed, Bob Scheele

Committee members absent: Richard Schmidt, Dean Smallegan

Guests present: Bill Tucker, Maner Costerisan

Staff present: Darla Rowland

Call to order & introductions

The meeting was called to order by G. Fedus at 2:05 p.m.

Minutes

The Finance Committee minutes of December 12, 2023 were reviewed.

Motion by B. Scheele, supported by J. Reed to approve the minutes as presented. Motion passed.

Networks Northwest budget report ending 4/30/24

Darla Rowland presented the budget report for April 30, 2024. The report reflects increases in Going Pro and the Early Childhood Planning Coalition. It is also a new funding year for both APEX and the Collaborative Development Council.

Approved by consensus to recommend the Networks Northwest budget report for board acceptance.

Northwest Michigan Works! Inc. budget report ending 4/30/24

Darla Rowland presented the Northwest Michigan Works! budget report for April 30, 2024.

Approved by consensus to recommend the Northwest Michigan Works! Inc. budget report for board acceptance.

Networks Northwest audit for the year ending 9/30/23

Bill Tucker of Maner Costerisan presented the committee with the Audit Presentation, a synopsis of the FY23 audit of Networks Northwest. The Audit Presentation contains the governmental fund balance sheet; statement of revenues, expenditures, and changes in fund balances; and the schedule of findings and questioned costs. The opinion states that the financial statements present fairly, in all material respects. This represents a clean opinion and is the best opinion that can be received.

Bill reviewed the balance sheet and statement of revenues, expenditures, and changes in fund balances. Total revenue decreased 3.2%, representing \$350,000 and expenses increased \$1.4 million. The major change is a

new reporting requirement to identify capital outlay. All lease obligations are required to be shown as an expenditure. The capital outlay amount offsets and the net change in fund balances is \$106,775.

There are no findings, material weaknesses or significant deficiencies as stated on the schedule of findings and questioned costs. Networks Northwest is categorized as a low risk auditee.

Motion by J. Reed, supported by B. Scheele to recommend the Networks Northwest audit for board acceptance. Motion passed.

Northwest Michigan Works! Inc. audit for the year ending 9/30/23

Bill Tucker presented the committee with the Audit Presentation, a synopsis of the FY23 audit of Northwest Michigan Works! Inc. The Audit Presentation contains the statement of financial position; statement of activities; statement of functional expenses; and the schedule of findings and questioned costs. The opinion states that the financial statements present fairly, in all material respects. This represents a clean opinion and is the best opinion that can be received.

Bill reviewed the statements of financial position, activities, and functional expenses for the year ending September 30, 2023. The current ratio is 2.77 (total current assets divided by total liabilities). A current ration above 2 is good. Unrestricted net assets were at \$1.2 million, or 23.5% of annual operating expenses


There are no findings, material weaknesses or significant deficiencies as stated on the schedule of findings and questioned costs. Northwest Michigan Works! is categorized as a low risk auditee.

Motion by J. Reed, supported by B. Scheele to recommend the Northwest Michigan Works! Inc. audit for board acceptance. Motion passed.

Adjourn

The meeting was adjourned at 2:48 pm.

Respectfully submitted:



Darla Rowland

***Board Members: P. Lamb, M. Roman, R. Schultz, J. Reed, T. Miner***

***Staff: J. McNabb, J. Willis, L. Schut, L. Melichar, T. Wolverton, D. O'Dell***

### **1. Background**

McNabb explained that the purpose of this committee is to review multiple workforce plans and identify a set of priority strategies. At the Networks Northwest Full Board Meeting on June 18<sup>th</sup>, the Director of Michigan's Department of Labor & Economic Opportunity Susan Corbin presented the state's plan. This is a launching point for the committee. Lamb expressed how useful this will be for their local ISD.

The intended outcome of the Committee's work is to create a single set of priorities to be used across multiple required plans. The goal for all of this is to provide guidance both locally and regionally.

### **2. Overview of Multiple Workforce Plans**

The committee will focus on three specific plans:

- *WIOA Plan* – The 4-Year Comprehensive Plan for Workforce Innovation & Opportunities Act (WIOA). This plan identifies the strategies and focus areas for the publicly-funded workforce development system (Northwest Michigan Works).
- *Regional Talent Plan*, originally published in 2020 and updated in 2022. This plan goes beyond Northwest Michigan Works and incorporates collaborative strategies for regional partners, such as education and economic development.
- *CEDS* – The Comprehensive Economic Development Strategy. This plan is also updated every four years and focuses on economic development needs, including talent.

### **3. WIOA Plan Review**

Willis thoroughly goes through both the Local/Regional WOIA 3-pillar plan that was developed by Networks Northwest. She explained how this aligns with the state workforce plan provided by Dr. Corbin. Willis continued to go step-by-step through the pillars.

Input from the committee:

- Lamb recognized the work of the Career & Education Advisory Council (CEAC)
- Multiple members pointed to MiCareerQuest as a career pathway exposure event

Willis and McNabb elaborate on the 60x30 initiative and how this could be beneficial to creating this workforce plan. Apprenticeships are currently not categorized under the 60x30 initiative stated McNabb. Schultz explained the importance of workforce training versus associate's degrees or higher education. Willis then discussed the importance of awareness and the participation from Networks Northwest.

Input from the committee:

- Lamb emphasized the importance of young training opportunities
- Roman called out the prevalence of social media with younger generations
- Schultz suggested a simple, accessible app to identify career opportunities
- Reed reminded the group of the map-based resource available from MISTEM.

Willis continued to explain that our current WIOA plan is 100 pages and this document will be finalized at the end of the month. Flynn feels eliminating barriers, such as housing, will help with these issues. Flynn's statement was supported by Miner. Roman feels the importance of sector-based initiative. Flynn questioned the age range of starting interest in elementary-aged children into career choices. Schultz would like the statistical gap to why people don't want to go to the workforce.

#### **4. *Priorities***

McNabb asked the committee to identify the most important strategies.

Input from the committee:

- Employment Barriers
- Career Pathway Development
  - Access to Services
  - Work-based Training

McNabb asked if there is anything missing? Flynn thinks that maybe once they dive deeper they may be able to find further improvements.

#### **5. *Next Steps***

1) Data to support strategy development

- Discussion regarding the state's goal of expanding the middle class; what is a middle class wage for our region?

2) Review Regional Talent Plan at the next meeting

Respectfully Written By,

**Dana O'Dell**

**Administration & Communications Coordinator**



**Board Members: D. DeYoung, P. Lamb, M. Roman, R. Schultz, L. Flynn, J. Reed**

**Staff: J. McNabb, J. Willis, L. Schut, L. Melichar, T. Wolverton, D. O'Dell**

**1. Review**

- **Purpose and Background of Committee-** No Discussion
- **Notes from July 11th Meeting-** No Comment or Further Discussion

**2. Regional Data**

McNabb referenced the report from the Michigan Center for Data and Analytics. She stated that this data is mostly from the US Census Bureau. McNabb first points out that there is a significant increase in our population in Northwest Michigan, but the age distribution is a bit concerning: There is growth in the 55+ age demographic and decline in the working age population. She shared that similar reports for other rural regions reflect the same trend, but not so in urban areas.

*What does this mean for a workforce strategy?*

DeYoung states the largest obstacle to finding workforce is housing and childcare. Reed states there is also an issue with wages in Northwest Michigan. Reed brings focus to the 16-19 age group of workforce and Schut states that there is a significantly different view on workforce from a 16-19 age group than an older population. DeYoung says that Northwest Michigan is very “skill trade” focused. McNabb suggests there should be a survey put in place for Businesses that offer tuition assistance and/or reimbursement employee packages in the region. DeYoung states that successful companies in the region are investing in their employees, whether it is through certifications, apprenticeships, etc.

*Are apprenticeships used as a recruitment tool?*

McNabb asked Schultz how he benefits from using older generations, 50 years+. Schultz stated that he says programs like the Going PRO Talent Fund can be utilized and that a 10-15 year committed employee in the workforce is a win for them. Schultz also brought his professional opinion on the current trend of high turnover rates in employees in their 20s.

**With this insight, there was an opportunity discovered to target 50 years+ aged workforce and to educate employers on these demographics.**

*What does “unemployment rate” actually mean?*

McNabb states that the unemployment rate percentages are based on those that aren't working but WANT to work.

McNabb touched back on the section *Helping Job Seekers with Barriers* from the WIOA plan that was discussed at the July 11<sup>th</sup> meeting.

*What are some of these “barriers” job seekers are facing?*

DeYoung states that there is also a concern with the infrastructure to go along with the housing crisis. He states, “This is something we need to think about.” Schut supports this comment.

McNabb discussed the slide pertaining *educational attainment*. Her concern with this data is that it does NOT capture apprenticeships and/or certifications. McNabb also states the 60x30 Initiative that Willis is working in collaboration with Northwestern Michigan College (NMC). Reed and DeYoung support this concern and explain that this data should include credentials for certified builders, welders, etc. McNabb indicates that the data used by the Governor's 60x30 Initiative comes from the Lumina Foundation and reflects a 49% credential attainment rate for our region inclusive of non-degree certificates and licenses.

*What are our highest ranked workforce in Northwest Michigan?*

Trades, Transportation, and Hospitality. The committee agreed that they feel that there will be no changes in these three top industries as the Northwest region is known to be a tourist attraction. The committee also agreed that they would like to see further breakdown in each of industry categories. Roman states the numbers in healthcare could also be further explored, as our region brings in a lot of travel healthcare positions, like Nurses and/or CNA's.

*Why are Information positions drastically decreasing (Slide 10)?*

Reed questions the statistic stated on Slide 10 in regards to Information positions and why there is a significant decline in those positions in Northwest Michigan, as we are such a widely-known area for remote/hybrid positions. DeYoung questioned if AI or outsourcing IT needs is effecting this data.

### **3. Regional Talent Plan**

McNabb states that this is a broader spectrum than Michigan Works! services. McNabb wants to indicate that there are three main categories to the Regional Talent Plan, which include: *Regional Promotion, Modular Training and Employer Connections*. DeYoung feels as though we should point businesses in the right direction towards useful resources, such as grants.

*What sticks out to you in these three categories (Regional Promotion, Modular Training, and Employer Connections)?*

Reed sees a concern with the IT positions and virtual work becoming a trend. DeYoung feels Regional Promotion shouldn't be listed as #1 and/or focus. He feels as though Modular Training and Employer Connections play a much larger role in our region and the resources we provide. DeYoung stated that we should focus on being a supportive role to the businesses. Schultz feels as though Regional Promotion should stay on this list because the Northwest region does bring a draw for workforce here.

### **4/5. Priorities and Alignment and Next Steps**

McNabb states that our next steps are to collect more data, identify these gaps, and align multiple plans.

Respectfully Written By,

Dana O'Dell

Communications Coordinator

***Board Members: D. DeYoung, P. Lamb, M. Roman, R. Schultz, T. Miner***

***Staff: J. McNabb, J. Willis, L. Schut, D. O'Dell***

### ***1. Purpose and Background of Committee***

McNabb states the committee is looking for a general consensus of priorities to focus on for all future planning efforts. DeYoung states that the insight from the staff should also be influential in this process, not just the board members.

### ***Notes from August 20th Meeting***

McNabb asked if there were any adjustments that needed to be made in the *August 20, 2024 Workforce Plan Ad Hoc Committee Notes*. The board agreed that the notes looked good. No further discussion.

### ***2. Data Discussion Follow-Up***

McNabb thanked Schut on her collaboration and visual of the median age by county. McNabb recognizes that this data can vary significantly. The median age for the state of Michigan is age 40, Schut states. McNabb presented the credential attainment rate by county. There are employer challenges with retaining workforce, McNabb states. Lamb states that their paraprofessionals are offered one-hundred (100) percent tuition reimbursement at Northwest Education Services. Schultz states that tuition reimbursement wouldn't benefit his company in manufacturing. Lamb offered the Northwest Education Services facilities for training purposes during summers, weekends and/or after hours.

### ***3. 2021 Comprehensive Economic Development Strategy (CEDS)***

McNabb explained what CEDS is and that it requires a taskforce. McNabb presented the CEDS website and briefly explained what this data will offer. Roman states that he feels Networks Northwest can provide a lot for the region. Schultz states we will have to include the older demographic. Miner states that we need reach the youth. McNabb suggested to reach out to industries to see to see who is offering tuition reimbursement, etc. Schut states that some employers are offering internal incentives (not education) but certifications and this could potentially take out barriers, like time.

### ***4. Priorities and Alignment***

*What are some of our region-wide economic priorities and what are the common threads?*

McNabb states her insight of the three common threads, which include: reducing barriers, education, and connecting employers. All of these were just represented in the Strategic Agenda for Talent. DeYoung states that these are fitting for our region and we are the strongest in our community. McNabb describes the staff involvement in creating the agenda. DeYoung feels we do not need more programs, but to focus on how we can make existing ones better.

### ***5. Next Steps***

McNabb asked the Committee members if they could go forward with the Strategic Agenda for Talent as our primary focus for future plans. McNabb ensures they will continue working on data for this plan. Roman and Miner thanked McNabb in her efforts to providing the data.

Respectfully Written By,

**Dana O'Dell**

**Communications Coordinator**