



BOARD OF DIRECTORS

December 2, 2022 at 8:00am

499 W. Main Street, Benton Harbor and Virtual Zoom Meeting

Meeting Minutes

I. ATTENDANCE:

Members Present:

Barb Anderson, Tom Barbarini, Brady Cohen, David Colp, Vail Harding, John Janick, Bob Kara, Dr. Trevor Kubatzke, Lance Lyons, Christopher Randall, George Saleeby, Tom Stanek, Arlandar Washington, and Dan Wyant

Members Absent:

Luke Barber, Rick Dyer, Steve Jackson, Anna Murphy, and Kathy Valdes

Chief Elected Officials (CEOB) Present:

Michael Grice, Don Hanson, Roseann Marchetti, Julie Wuerfel, and Mamie Yarbrough

CEOB's Absent:

Randall Peat

Staff Present:

Orrin Bailey, Elizabeth Bernhard, Josh Cosner, Jenn Deamud, Todd Gustafson, Allie Knapp, Gill Korfmacher, Mary Morphey, Zach Morris, Paula Polaskey, Molly Vincent, Mollie Waller, and Erin Wright

II. PUBLIC COMMENT

None.

III. CHAIRMAN'S REPORT

Approval of October 7, 2022 Board of Directors Meeting Minutes

Bob Kara moved to approve the minutes of the October 7, 2022 Kinexus Group (KG) Board of Directors (BOD) meeting. John Janek supported the motion and it was carried unanimously.

Appreciation Presentation

Todd Gustafson congratulated and presented an appreciation gift to Chief Elected Official, Don Hanson, Van Buren County Commissioner, and Michael Grice, Cass County Commissioner for their time and commitment to the KG BoD. Mr. Grice served three years, and Mr. Hanson served 21 years.

2023 KG Board Meeting Calendar

George Saleeby noted that the 2023 KG BoD meeting dates were enclosed in the packet.

2021-2022 Audit Report

Todd Gustafson introduced Michael Evrard, CPA of Yeo & Yeo. Mr. Gustafson indicated that Mr. Evrard met with the Kinexus Investment Committee to review the audit. Mr. Evrard presented the 2021-2022 clean audit results and financial statements. The Investment Committee reviewed the audit and submitted it to the

KG full board for review and approval. Michael Grice moved to approve the 2021-2022 audit report. Roseann Marchetti supported the motion and it carried unanimously.

Annual Subsidiary Board Appointments

Todd Gustafson reported that according to the subsidiary (Youth Solutions (YS), Market Van Buren (MVB) and Manufacturing Growth Alliance (MGA) By-Laws, KG the sole member of each subsidiary shall annually elect all directors. The annual election will sync with the calendar year, with the term running from January 1, 2023 to December 31, 2023. Chris Randall moved to approve the directors on the YS, MVB and MGA Board of Directors including new members; Rodney Parkkonen (MGA), Ken Kemerer (MVB), Beth Griffin (MVB), Josh Cosner (MVB), Jennifer Deamud (MVB), and Derek Nofz (MVB) for the term of January 1, 2023 to December 31, 2023. Arlandar Washington supported the motion. 12 yeas, 0 nays and 2 abstaining. Mr. Gustafson noted that Vicki Kruslemsky will be representing YS on the BoD starting January 2023, and thanked Barbaa Anderson for her time and commitment.

330 Facility Lease

George Saleeby reported that the Board Corporate Executive Committee met on November 15, 2022 discussed and agreed to approve the only Request for Proposal (RFP) submission from Prairie Group for the 330 facility space for an additional five (5) years.

IV. KINEXUS GROUP EXECUTIVE COMMITTEE

KG Health Dashboard

Todd Gustafson provided an overview of the KG Health Dashboard, noting that progress is being made especially with MGA. Elizabeth Bernhard is working aggressively with manufacturers. Mr. Gustafson commented on the challenges of finding a person with workforce experience for the Vice President of Workforce for Michigan Works! (MW). Discussion was held on turnover. Human Resources is putting in place an organizational development plan to recruit, retain, and train staff. It will be presented at the March 2023 board meeting.

Labor Market Update

Todd Gustafson provided an overview of the labor market as of October 2022 noting that the labor force remains down 5.4K from October 2019-2022. As a result, the local unemployment rate is at 4.1% as of October. There are currently more job postings than employed and unfilled job openings are being closed. Discussion followed.

Marketing & Communications

Mary Morphey provided an update on Kinexus in the news and earned media. Since December 2021, KG organizations have been featured in 348 news stories across the state and 34 new stories since October 2022. Stories included Career Culture at the Bridge Academy, MCSB event, Youth Solutions and Career Pathways. Todd Gustafson recognized Allie Knapp, School Leader of Bridge Academy of Southwest Michigan (BASWM) as an emerging superstar. Ms. Knapp helped create the BASWM Charter School. Discussion followed.

Human Resources

Erin Wright gave an overview of the proposed changes to the KG Employee Handbook to more accurately reflect the KG brand, current industry best practices and workplace culture. Ms. Wright proposed the following revisions to the Employee Handbook; Page 9 to include "Accountability", Page 10 add "Dress Code Policy", Page 13 revise "457(b) to 457", Page 14, update the "Bereavement Leave" section, Page 16 remove "Jean Friday", page 18, update the "Employment of Relatives" section, Page 21 add "overtime" language in the Overtime section, and Page 26 update language in the "Resignation" section. John Janick moved to approve the proposed revisions to the Kinexus Employee Handbook effective December 2, 2022.

Roseann Marchetti supported the motion and it carried unanimously.

KINEXUS GROUP INVESTMENT COMMITTEE

Financial Reports

Orrin Bailey reported on the summary financials, funding expenditures, formula, and non formula funding ending September 30, 2022.

V. KINEXUS GROUP SUBSIDIARIES

Manufacturing Growth Alliance (MGA)

Elizabeth Bernhard reported on three main points; collaboration, economic highlights and revenue. MGA is a statewide organization charged with serving manufacturers in the entire state. Manufacturing is the largest industry sector, not only in Berrien, Cass and Van Buren, but the entire state. MGA collaborates with MVB, MW, and YS to bring awareness of MGA to the manufacturers. Ms. Bernhard provided an update on the Industry 4.0 (I4.0) grant updates including requesting an additional \$3M from the Michigan Strategic Fund, of which MGA received \$1.3M in round one. Ms. Bernhard provided highlights of I4.0 Manufacturers Roundtables, two MGA/Michigan Economic Development Corporation (MEDC) webinars, and the launch of the first Manufacturing Cohort program in Michigan in partnership with MEDC and Edward Lowe Foundation. Ms. Bernhard commented that to generate revenue, MGA will have to expand the model to include investors who will help with event sponsorships and be manufacturer champions. Discussion followed.

Youth Solutions (YS)

Mollie Waller recognized Barb Anderson, for her contributions to YS BoD as the Chairperson the last several years. Ms. Waller provided an update on the state appropriation request, noting that Jobs for Michigan's Graduates (JMG) is in 15 of the 16 MW's and is in conversation and hope to have a contract with the 16th MW by Fall. YS is the only non profit to have all of the MWs support. There is expansion interest among many of the MW and all around the state. Ms. Waller noted that the Select program is gaining more interest as well. For these reasons, YS sent a formal request to the State seeking additional funds from \$4.7M to \$6M. Ms. Waller will continue to build legislative connections, specifically the new legislators in Lansing and will work to keep bi-partisan support. Ms. Waller reported on JMG's enrollment and the 25 affiliates. There are a total of 2,795 youth in the JMG program, an increase of 807 enrollments.

Market Van Buren (MVB)

Zach Morris reported on Marcellus Metalcasters expansion in Van Buren County, providing an economic impact of \$1.99M, and wage impact of \$790K. In Cass County, MVB submitted an application on Cass County's behalf to the Michigan Department of Agriculture Rural Development (MDARD) Fund requesting \$100K for a broadband study and pre-engineering to identify actionable next steps to fill broadband gaps. In Van Buren County, DCS Technologies will present the pre-engineering report at the December Van Buren Board of Commissions meeting which will lay the foundation for coordinate pursuit of the Realizing Opportunity with Broadband Infrastructure Networks (ROBIN) Grants from the State. Mr. Morris reported MVB held a non-partisan election review to build relationships and opportunities events. 40 public and private local investors attended, current and newly elected officials spoke from the U.S. House and Michigan Senate and House. Mike Krombeen of Midwest Strategies also presented. Mr. Morris provided an update on fund development, noting that MVB currently has 45 investors. Discussion followed.

Michigan Works! BCVB

Jenn Deamud reported that the KG BoD is required to seat and appoint the Career and Education Advisory Council (CEAC) as required by state law to serve in advisory capacity to the local workforce development boards on a variety of education issues. The KG BoD Corporate Executive Committee reviewed and

submitted to the full board the proposed nominees: a WDB Member (to be announced); Ashlee Offord, Supervisor, Community Programs, Corewell (employer); Barbara Craig, Dean of Workforce Development, Lake Michigan College; Chris Newland, General Manager, TRU Hotel by Marriott (Employer); Sarah Workman, Owner, JP Workman Group (Parent) and the existing members to the CEAC retroactively effective October 1, 2022 through September 30, 2024. Arlandar Washington moved to approve the proposed nominees to the CEAC retroactively effective October 1, 2022 through September 30, 2024. Lance Lyons supported the motion and it carried unanimously. Julie Wuerfel volunteered to be the WDB representative.

Jenn Deamud reported that the Career Event on October 28, 2022 was successful. The event was a partnership with Berrien Regional Education Services Agency (RESA) Career and Technical Education (CTE), and Lake Michigan College. Over 2,000 9th and 10th grade students attended. 40-50 regional employers were present, representing healthcare, manufacturing/engineering, human resources, business/marketing/hospitality, agricultural science, and arts and communications. A video of the event was shown to the BoD. Ms. Deamud reported that training dollars are more in demand this program year and the focus is on in-demand jobs that align back with sector strategies to be more effective and efficient with those in-demand jobs. The business team is currently supporting 29 employers in apprenticeship programs. The business team is also engaged with approximately 60 companies regarding Going Pro. These companies include heavy manufacturing/construction, hospitality and non-profit organizations. The team anticipates approximately 40-50 applications to be submitted.

Allie Knapp provided an overview of the Bridge Academy of Southwest Michigan (BASWM). The final count for Fall 2022 is 90 students. Currently, there are 101 students enrolled. Ms. Knapp anticipates that the count could be 120. Ms. Knapp noted the importance of community partnerships and services in the community that the students may need, such as food, and a hub for resources. Ms. Knapp noted that Central Michigan University (CMU) will conduct new school support visits for the next five years to provide accountability and support. Ms. Knapp thanked Lance Lyons and Roseann Marchetti for their food assistance to the BASWM.

VI. PUBLIC COMMENTS

None.

VII. ADJOURNMENT

Roseann Marchetti moved to adjourn the meeting at 9:53am. Julie Wuerfel supported the motion and it carried unanimously.

DocuSigned by:
George Saleeby
March 3, 2023
Kinexis Board of Directors Chairman Date

DocuSigned by:
Paulina Polasek
March 3, 2023
Recording Secretary Date