



ANNUAL BOARD OF DIRECTORS

October 4, 2024 at 8:00am

32849 Red Arrow Highway, Paw Paw and Virtual Zoom Meeting

Meeting Minutes

I. ATTENDANCE:

Members Present:

Luke Barber, David Colp, Rick Dyer, Vail Harding, Bob Kara, Anna Murphy, Christopher Randall, George Saleeby, Frank Samuel, Tom Stanek, Kathy Valdes, Arlandar Washington, and Dan Wyant

Members Absent:

Tom Barbarini, Brady Cohen, John Fiore, Steve Jackson, John Janick, Dr. Trevor Kubatzke, and Kevin Stotts

Chief Elected Officials (CEOB) Present:

Kurt Doroh, Ryan Laylin, Tina Leary, Roseann Marchetti, and Mamie Yarbrough

CEOB's Absent:

Julie Wuerfel

Guests Present:

Ed Patzer

Staff Present:

Elizabeth Bernhard, Josh Burgett, Josh Cosner, Roger Curtis, Jenn Deamud, Coleen Frens-Rossmann, Todd Gustafson, Paul Kirk, Allie Knapp, Debbie Lockwood, Mary Morphey, Zach Morris, Paula Polaskey, and Erin Wright

II. PUBLIC COMMENT

None.

III. CHAIRMAN'S REPORT

Approval of October 4, 2024 Board of Directors Meeting Agenda

Bob Kara moved to approve the agenda of the October 4, 2024 Kinexus Group (KG) Board of Directors meeting. Ryan Laylin supported the motion and it carried unanimously.

Approval of June 7, 2024 and August 23, 2024 Board of Directors Meeting Minutes

Bob Kara moved to approve the minutes of the June 7, 2024 and August 23, 2024 KG Board of Directors meetings. Ryan Laylin supported the motion and it carried unanimously.

Introductions

Todd Gustafson introduced Debbie Lockwood, Chief Operating Officer/Integrator and Josh Burgett, Chief Sales Officer both of HR Collaborative (HRC). Roseann Marchetti introduced Ed Patzer, potential board

member for the KG Board of Directors.

Nomination committee

Anna Murphy reported that the Nomination Committee met on September 25, 2024, and are submitting for recommendation the following slate of officers for 2024-2025; George Saleeby as Chairperson, Vail Harding as Vice Chairperson, David Colp as Secretary, and Rick Dyer as the Treasurer of the KG Board of Directors. Anna Murphy moved to approve the following slate of officers for 2024-2025; George Saleeby as Chairperson, Vail Harding as Vice Chairperson, David Colp as Secretary, and Rick Dyer as the Treasurer of the KG Board of Directors retroactively effective October 1, 2024 through September 30, 2025. Ryan Laylin supported the motion and it carried unanimously.

IV. KINEXUS GROUP EXECUTIVE COMMITTEE

Real Estate Committee

Jenn Deamud reported there are areas in the 499 W. Main Street building that have been identified with mold and will need to be remediated. The landlord is taking significant steps to remediate the impacted areas. In the interim, staff from Michigan Works! (MW), and the Bridge Academy of Southwest Michigan (BASWM) are working in the 315 East Main Street building, the Paw Paw Service Center and at 330 W. Main Street building. Discussion followed.

Jenn Deamud provided an overview of the Real Estate Committees recommendation and next steps. The Committees recommendation is not to purchase a building at this time and continue evaluating the feasibility of owning a building in the next five to seven years. The goal is to increase access and reduce cost. A request for proposal (RFP) will be launched in October for space, up to 24K square feet, which will include the One Stop, Michigan Rehabilitation Services and the BASWM. Lease extensions have been made for the Benton Harbor and Paw Paw facilities with a 30 and 60 day out clause. The Committee is recommending four locations in Berrien County, two in Cass and two in Van Buren counties. The Committee is also pursuing a mobile unit within the tri-county. Discussion followed.

KG Health Dashboard

Todd Gustafson provided an overview of KG's purpose and culture noting that KG has applied and been awarded the 'Non Profits Times Best Nonprofits to work for' for six years, and have been in the top 50 nonprofits in the nation. This is a third party survey and provides KG information on leadership, facilities, benefits, etc.

Todd Gustafson provided an overview of the KG enterprise noting it includes four non profits, one for profit, one public school, six board of directors, and 60 directors across the State. KG employs over 120 full time and dozens of part time staff, leases four facilities and manage a fleet of over a dozen vehicles. Have 70+ different public and private sector revenue streams with over 1K local, state and federal rules and regulations, and over 2K annual hours of quality assurance and compliance monitorings. KG serves over 31K job seekers of all ages annually, serves 3K employers of every size and sector, and works with hundreds of schools and communities in every region of the state.

Todd Gustafson reported on the KG enterprise proposed Health and Impact Dashboards for July 1, 2024 through June 30, 2025.

Marketing & Communications

Mary Morphe reported that since October 4, 2023, KG organizations have been featured in 308 news

stories across the state and have been featured in 95 news stories since June 7, 2024.

HRC Collaboration Integration

Todd Gustafson provided an update on the HRC transition. The Kinexus HR Board of Directors is working on a business plan, and are in the process of building a foundation for the strategy with the intention to roll out a new plan in January 2025. There has been great collaboration with Manufacturing Growth Alliance (MGA), Market One, and MW.

KINEXUS GROUP INVESTMENT COMMITTEE

Financial Reports

Rick Dyer informed the Board that Maner Costerisan has been hired as the new audit firm for Kinexus Group. Mr. Dyer noted that going forward, the BASWM and HRC will be included in the consolidated financial reports.

Coleen Frens-Rossman provided an overview of the summary financial results as of June 30, 2024, including funding revenues, total expenditures compared to budget, employee related expenses, general expenditures, and additional information on the net deficit due to the timing of expenses incurred and revenue or expense reimbursement requested through grants. Discussion followed.

V. KINEXUS GROUP SUBSIDIARIES

Market One

Zach Morris reported that Michigan Economic Development Corporation (MEDC) is setting up a Michigan Site Program. It is a program to get industrial sites to compete with the State of Michigan, and other states. It is a four step program, bronze, silver and gold certification and has to be within five miles of a highway. Mr. Morris submitted a site in Cass County which will most likely be bronze certified. Mr. Morris provided an overview of the 92 news stories for Market One, total engagements and social media impressions, including being featured on Home Town Living to discuss rural development in Cass and Van Buren counties. Mr. Morris reported a residential target market analysis was conducted in Van Buren County for potentially 1,330 new units over the next five years, with 600 homeowners and 730 units for renters. The average price will be \$239K. New builds will be between \$315K-\$385K and rent ranges between \$1.2 - \$2.5K.

Manufacturing Growth Alliance

Elizabeth Bernhard provided an overview of the Industry 4.0 initiative and the awarded amounts to the regional partners including MGA. Ms. Bernhard reviewed the \$2.5M statewide awards including the \$1.2M awarded to MGA. Todd Gustafson commented that awards for region eight, which includes BCVB, are supported by Southwest Michigan First. MGA is working with Southwest Michigan First to ensure employers in the BCVB area can apply for this award. Ms. Bernhard provided an overview of the Small Business Support Hub Grant that supports all industries not only manufacturing which include Sales at a Crossroads webinars and workshops, and PeerSpectives Roundtable for emerging second-stager companies. Ms. Bernhard reported on the expanded partnership with MW which includes Apprenticeship Building America, Going PRO Talent Fund, and EV Workforce Hub/EV Jobs Academy.

Youth Solutions (YS)

Roger Curtis provided an overview of Michigan's future talent pipeline including the K-12 programs and services. Post secondary education which includes college, credential/certifications, apprenticeships, military or workforce. Mr. Curtis reported that in the last year, Youth Solutions has impacted 12,855 youth in 86

Michigan cities in over 100 high schools. Locally, in BCVB 662 youth were served in 2023-24, the Whirlpool mentorship program won a national award, a manager of Program Success exclusive for BCVB has been hired, meetings have been held with local RESAs and the group is on track to exceed 662 youth in 2024-25 school year. Mr. Curtis reported on the statewide expansion and launching of three additional Foundations schools, and the Connecting Careers to the Core, which is a professional development that the Youth Solutions team wrote. It integrates real world lessons into the classroom, equips educators with strategies to integrate and the importance of transferable skills.

Michigan Works! Berrien Cass Van Buren

Paul Kirk provided an overview of the Career Academy and the internal and external impact in our region along with the maximum potential of competitive grants with the Academy model. \$480K was secured to support pre-apprenticeships work experiences for youth. Mr. Kirk reviewed the registered apprenticeships and the 2024 hiring events with a total of 315 job seekers attending in July and 287 in September. Mr. Kirk reviewed the 2024 resource development totaling \$11.496M. There has been an uptick in service center traffic due to displaced workers in need of services. Mr. Kirk provided an overview of the Going Pro Talent Fund for 2024 cycle one and two.

Bridge Academy of Southwest Michigan

Allie Knapp provided an update on the BASWM strategic plan. A key piece of the plan is to establish a 'Portrait of a Graduate' which includes five pillars; confident, responsible, curious, prepared, and empowered. Ms. Knapp noted that the BASWM 2024 fiscal audit was conducted and no findings were reported. Enrollment numbers are at 114 students as of the October count date. Ms. Knapp stated that the BASWM was one of three finalists for the Central Michigan University Innovation and Vision Award. The BASWM came in second place with a \$3K award. The video was shown to the Board of Directors. David Colp congratulated and applauded the BASWM staff and Board. Discussion followed.

VI. PUBLIC COMMENTS

VII. ADJOURNMENT

DocuSigned by:
George Saleeby 12/10/2024
Kinexis Board of Directors Chairman Date

DocuSigned by:
Paulina Polasky 12/10/2024
Recording Secretary Date