



BOARD OF DIRECTORS

March 4, 2022 at 8:00am

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

Meeting Minutes

I. ATTENDANCE:

Members Present:

Brady Cohen, Rick Dyer, Bob Kara, Lance Lyons, Christopher Randall, George Saleeby, and Kathy Valdes

Members Virtual:

Barb Anderson, Tom Barbarini, David Colp, Vail Harding, Paul Konopacki, Anna Murphy, Arlandar Washington, and Dan Wyant

Members Absent:

Luke Barber, Steve Jackson, John Janick, Dr. Trevor Kubatzke, and Tom Stanek

Chief Elected Officials (CEOB) Present:

Michael Grice, Don Hanson, Roseann Marchetti, Donnie Meeks, and Mamie Yarbrough

CEOBs Virtual:

Randall Peat

CEOB's Absent:

None.

Staff Present:

Orrin Bailey, Lily Brewer, Josh Cosner, Jenn Deamud, Todd Gustafson, Derek Knuth, Gillian Korfmacher, Mary Morphey, Mark O'Reilly, Paula Polaskey, Al Pscholka, Sarah Snoeyink, Mollie Waller, Mindy Watson, and Erin Wright

II. PUBLIC COMMENT

None.

III. CHAIRMAN'S REPORT

Approval of December 3, 2021 Board of Directors Meeting Minutes

Bob Kara moved to approve the minutes of the December 3, 2021 Kinexus Group (KG) Board of Directors meeting. George Saleeby supported the motion and it was carried unanimously.

IV. KINEXUS GROUP EXECUTIVE COMMITTEE

KG Health Dashboard

Todd Gustafson gave an overview of the KG Health Dashboard, specifically the employee turnover. Goal for this year is 15%, the actual is currently at 24%. The average turnover rate is 19%-20%. Discussion followed.

Human Resources

Erin Wright reported that in June 2021 the Board of Directors approved 105.75 Full Time Employee (FTEs) as part of the annual budget for FY 21/22. Due to significant federal, state and local financial investments into the areas of economic, workforce and community development, KG continues to apply for and receive monies to better serve and support our communities. Therefore, the request is to increase the FTEs from 105.75 to 130 effective March 4, 2022. George moved to approve the FTEs headcount cap from 105.75 to 130 effective March 4, 2022. Lance Lyons supported the motion.

Government Relations & Public Affairs

Al Pscholka reported that the Governor's overall executive budget is \$74.1B, general fund is \$14.3B, and the school aid fund \$16.6B. The Governor's proposal includes Youth Solutions/Jobs for Michigan's Graduates to be funded at \$4.75M, increased per pupil for the Bridge Academy of Southwest Michigan (BASWM) of \$435 per student for a total of \$9,135 per student. The BASWM may receive some of the Governor's proposed \$222M for economically disadvantaged students and \$40M for the Going Pro Fund with no proposed increase. Other highlights in the executive budget include \$1B increase for roads, \$250M for broadband, \$500M for water infrastructure and revenue sharing increases of 10% - 5% to base, and 5% one-time.

Marketing & Communications

Al Pscholka reported that since March 4, 2021 KG organizations have been featured in 347 news stories across the state and 64 news stories since December 2021.

Labor Market Update

Al Pscholka gave an overview of the labor force in Berrien County and regionally. The pandemic is not the only source for the drop off in the workforce. Baby boomer retirements are now at 3M, an increase from 2M pre-pandemic. Mr. Pscholka reviewed Berrien-Cass-Van Buren's shrinking talent pool, and labor force trends from 2010 to current. Mr. Pscholka reported on the population characteristics noting that our area should have 58K millennials, and there are 48K, there should be approximately 83K people 55 or older retiring, we have 99K, and racial diversity for the BCBV area should be 112K, and there are 60K.

KINEXUS GROUP INVESTMENT COMMITTEE

Financial Reports

Rick Dyer reported on the summary financials, and funding expenditures ending December 31, 2021. Orrin Bailey provided an overview of the available funding available through June 30, 2022, and the formula and non formula available through June 30, 2022.

V. KINEXUS GROUP SUBSIDIARIES

Michigan Works! BCBV (MW)

Offender Success - Derek Knuth reported that Offender Success serves Berrien-Cass-Van Buren, Calhoun, Kalamazoo and St. Joseph Counties, and is funded by the Michigan Department of Corrections. Job placement rate is 93.9% compared to state cumulative average of 46.5%; retention rate is at 63.2%, with annual state average of 57.3%. The recidivism rate is at 24.4% with the state average of 27%. Discussion followed. Mr. Knuth gave an overview of Second Chance. Second Chance serves only people from Berrien County. It serves medium to high-risk incarcerated individuals transitioning in the tri-county. Mr. Knuth shared a participant's story, and how Second Chance assisted this participant to become a productive member of our community.

Michigan Learning & Education Advancement Program (MILEAP) - Mindy Watson gave an update on MILEAP. MILEAP assists individuals in gaining high-level skills through short-term training opportunities at Lake Michigan College and Southwestern Michigan College.

Going Pro - Mark O'Reilly reported that the Going Pro Talent Fund supports the growth of our local businesses by offsetting costs of hiring, training and apprenticeships. 67 applications were submitted (134% of target) and 27 (270%) were first time applicants. Mr. O'Reilly reported on the Lead Pipeline Replacement Effort. KG is working with the City of Benton Harbor and Abonmarche. KG referred 125 candidates to Abonmarche for the interview process. Mr. O'Reilly reported that a hiring event will take place on April 27, 2022 for the 170 Palisades workers that are affected by the layoffs scheduled for June 23, 2022. Michigan Works! is providing wrap-around services to help individuals with the transition.

Market Van Buren (MVB)

Sarah Snoeyink provided an update on the Palisades closure. MVB has been supporting the Palisades Community Advisory Panel. The advisory panel met with the Nuclear Regulatory Commission (NRC) and Holtec. Upon closure, Palisades will be taken over by Holtec. Approximately 150 employees will retire, 260 remain at Palisades employed by Holtec, and 170 employees will need immediate employment support. Fewer than 50 employees will relocate with Entergy. Ms. Snoeyink reported on attraction and expansions in Cass County; Jasper Plastics expanded a production site in the City of Dowagiac bringing in \$1M new investment and CHT providing services in the Village of Cassopolis, bringing in \$20M of new investment. Ms. Snoeyink provided an overview of the rural internet expansion noting that mapping begins in April 2022 and the target date for completion is July 5, 2022. MVB will be hosting the Local Unit of Government Summit on March 11, 2022.

Manufacturing Growth Alliance (MGA)

Jenn Deamud reported that Initiative 4.0 (I4.0) has been a success with the three regions, which include the Upper Peninsula, Northeast and Southwest. The vision is to equip half of the small Michigan manufacturers with I4.0 resources and tools by 2025. The state launched a RFP for \$3M to help small and medium manufacturers. MGA applied for the \$3M for manufacturers to implement new technologies. Ms. Deamud announced that the MGA Board of Directors will have a strategic retreat to consider current status, review third party research, contemplate financial position, and identity focus for FY 22/23. Ms. Deamud announced that the Michigan Celebrates Small Business (MCSB) event will be held on May 3, 2022.

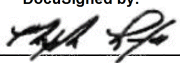
Youth Solutions (YS)

Mollie Waller provided information on the history of Jobs for Michigan's Graduates (JMG). Michigan Works! (MW) Berrien Cass and Van Buren started JMG, becoming the state based affiliate of JAG National. In 2011/12 JMG expanded into four new MW regions, the first of JMG affiliates. In 2015 six additional MWs became JMG affiliates. In 2017, KG launched YS, and in 2020 Oakland County became the 14th MW partner. In addition to the 14 MW affiliates, there are seven direct school partners. YS divided Michigan into three regions; West, North, and East serving a total of 3,404 youth in 2020-2021. Ms. Waller reported on Inspiring Futures. The vision of Inspiring Futures is to provide the right support, right partners, right times which will equal long term career success for Benton Harbor area youth. Discussion followed.

VI. PUBLIC COMMENTS

VII. ADJOURNMENT

The meeting adjourned at 9:45 am

DocuSigned by:

6/10/22

Kinexus Board of Directors Chairman Date

DocuSigned by:

6/10/22

Recording Secretary Date