



ANNUAL BOARD OF DIRECTORS

October 7, 2022 at 8:00am

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

Meeting Minutes

I. ATTENDANCE:

Members Present:

Barb Anderson, Luke Barber, Brady Cohen, David Colp, Rick Dyer, John Janick, Bob Kara, Paul Konopacki, Dr. Trevor Kubatzke, Lance Lyons, Anna Murphy, Christopher Randall, George Saleeby, Tom Stanek, Kathy Valdes, Arlandar Washington, and Dan Wyant

Members Absent:

Tom Barbarini, Vail Harding, and Steve Jackson

Chief Elected Officials (CEOB) Present:

Michael Grice, Don Hanson, Roseann Marchetti, Randall Peat, Julie Wuerful and Mamie Yarbrough

CEOB's Absent:

None.

Staff Present:

Orrin Bailey, Elizabeth Bernhard, Caleb Colp, Josh Cosner, Jenn Deamud, Todd Gustafson, Allie Knapp, Gill Korfmacher, Mary Morphey, Zach Morris, Mark O'Reilly, Paula Polaskey, Mollie Waller, and Erin Wright

II. PUBLIC COMMENT

None.

III. CHAIRMAN'S REPORT

Approval of June 10, 2022 Board of Directors Meeting Minutes

Bob Kara moved to approve the minutes of the June 10, 2022 Kinexus Group (KG) Board of Directors meeting. Lance Lyons supported the motion and it was carried unanimously.

New CEOB Member Introduction

Todd Gustafson introduced and welcomed Julie Wuerfel, Berrien County Commissioner. Ms. Wuerfel will represent Berrien County as a Chief Elected Official on the board.

MGA Loan Plan

Rick Dyer reviewed the proposed resolution between Manufacturing Growth Alliance (MGA) and KG. KG invested in the creation of the MGA as a non-profit startup with unrestricted funds. Per the recommendation of KG's accounting firm and legal counsel, a debt instrument between KG & MGA has been developed to account for the debt investment on the balance sheet, and to outline the repayment terms. The MGA Board of Directors and the KG Investment Committee reviewed, discussed and submitted the recommendation to approve the Affiliate Loan Plan. John Janick moved to approve the Affiliate Loan

Plan between KG and MGA. Randy Peat supported the motion and it carried unanimously.

Nomination Committee

Anna Murphy reported that the Nomination Committee met in-person and virtually on September 16, 2022. Anna Murphy moved to approve the following slate of officers for 2022-2023; George Saleeby as Chairperson, Lance Lyons as Vice Chairperson, David Colp as Secretary, and Rick Dyer as the Treasurer of the KG Board of Directors retroactively effective October 1, 2022 through September 30, 2023. Randy Peat supported the motion and it carried unanimously.

Appreciation Acknowledgement

Todd Gustafson thanked Chris Randall for his eight year tenure and leadership as the chairperson of the KG Board. Mr. Gustafson provided a few highlights during his tenure which included the creation of three subsidiaries, launched a charter school, grew into a statewide non-profit, diversified into economic, workforce and community development services, and doubled annual revenues.

IV. KINEXUS GROUP EXECUTIVE COMMITTEE

Todd Gustafson provided an overview of KG's leadership structure (includes roles and responsibility of the Management Team and Leadership Team) and organizational chart (subsidiaries) and how KG operates, and the strategic direction and plan.

KG Health Dashboard

Todd Gustafson provided an overview of the KG Health Dashboard, highlighting areas that are on track and areas that are trending upward and making progress. Discussion was held also on managing turnover, especially key positions, and in alignment with market comparisons and being an employer of choice.

Economic Overview

Caleb Colp provided an overview of the labor market as of October 2022 noting that the labor force size remains down 4K from August 2019-2022, and the local unemployment rate is at 4.5% as of August. There are currently more job postings than unemployed. There are currently 7.5K active postings in Berrien, Cass and Van Buren counties. Mr. Colp noted that companies are preparing for a recession, going automated, and eliminating unfilled job openings.

Marketing & Communications

Mary Morphey congratulated Lance Lyons on receiving the Michigan Works! Association (MWA) 2022 Employer of the Year award at the annual MWA Conference. Ms. Morphey reported that KG organizations have been featured in 332 news stories across the state since October 7, 2021 and 71 news stories since June 10, 2022.

KINEXUS GROUP INVESTMENT COMMITTEE

Financial Reports

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

V. KINEXUS GROUP SUBSIDIARIES

Market Van Buren (MVB)

Zach Morris reported two companies in Van Buren are expanding; Tri-Mation is investing \$4.7M and creating 50 new jobs, and Western Diversified Plastics (WDP) is investing \$14M and creating 50 new jobs. Mr. Morris hosted the Future of the Economy and South Haven Chamber of Commerce reporting on economic development. Mr. Morris gave an overview of the Internet Mapping Project which will affect 10K unserved residential parcels, 4.5K gap parcels and will cost \$25M to \$50M to close those gaps. Mr. Morris

reported that MVB currently has 45 investors.

Manufacturing Growth Alliance (MGA)

Elizabeth Bernhard introduced herself as the new Executive Director of MGA. Ms. Bernhard reviewed feedback from members including the Initiative 4.0 (I4.0) funding expansion, talent attraction and retention efforts, brand awareness and executive peer-to-peer support. Ms. Bernhard reviewed current activities including increasing memberships, and status updates on I4.0. MGA received funds for 45 grants of which 33 grants have been awarded to manufacturers for a total of \$763K. Ms. Bernhard highlighted a recipient of the I4.0 grant; Chicken Trampler Ultralight Gear from Hancock, Michigan. The grant allowed Chicken Trampler to purchase new equipment to increase efficiency of their production, and hire new employees.

Youth Solutions (YS)

Mollie Waller complimented Elizabeth Bernhard and thanked George Saleeby for his service on the Youth Solutions Board of Directors as he transitions off the Youth Solutions Board. Ms. Waller reported on the Workforce Pathways and Michigan Works! Berrien Cass Van Buren (MW BVCB) integrated programming with MW BVCB YouthBuild and Young Professionals programs, Boys & Girls Clubs of Benton Harbor, Bridge Academy of Southwest Michigan (BASWM), and Spectrum Health Lakeland’s GROWTH Internship program. Ms. Waller provided updates on internships success stories with Lakeland’s GROWTH program, noting that the focus is on youth and it is a long term talent pipeline.

Michigan Works! BVCB

Jenn Deamud reported on the Michigan Works! year end program performance metrics for Workforce Investment Opportunity Act (WIOA) adult, dislocated worker, and youth.

Mark O’Reilly reported on the Business Solutions sector strategy, focusing on manufacturing, healthcare and hospitality. Mr. O’Reilly reported on the September 2022 job fair in Benton Harbor of which 27 employers were in attendance, 90 job seekers and four community resource partners. To date, 18 attendees have been hired.

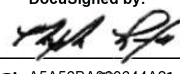
Allie Knapp reported on the Bridge Academy of Southwest Michigan, noting that the ribbon cutting for the new space at the Bridge Academy was held in August 2022. Ms. Knapp provided an overview of the onsite attendance and engagement, the hybrid approach and virtual access to the curriculum. On count day the 81 students were counted and 96 students are currently enrolled.

VI. PUBLIC COMMENTS

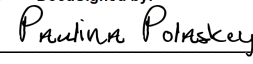
None.

VII. ADJOURNMENT

The meeting adjourned at 9:45am

DocuSigned by:


12/2/22
Date
Kinexis Board of Directors Chairman

DocuSigned by:


12/2/22
Date
Recording Secretary