



**BOARD OF DIRECTORS**

June 9, 2023 at 8:00am

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

**Meeting Minutes**

**I. ATTENDANCE:**

Members Present:

Tom Barbarini, Luke Barber, Brady Cohen, David Colp, Rick Dyer, Vail Harding, Steve Jackson, Bob Kara, Vicky Kruslemsky, Dr. Trevor Kubatzke, Lance Lyons, Anna Murphy, Christopher Randall, George Saleeby, Tom Stanek, and Kathy Valdes

Members Absent:

John Janick, and Dan Wyant

Chief Elected Officials (CEOB) Present:

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

CEOB's Absent:

None.

Staff Present:

Orrin Bailey, Elizabeth Bernhard, Caleb Colp, Josh Cosner, Jenn Deamud, Ian Gordon, Todd Gustafson, Allie Knapp, Mary Morphey, Zach Morris, Paula Polaskey, Mollie Waller, and Erin Wright

**II. PUBLIC COMMENT**

None

**III. CHAIRMAN'S REPORT**

Approval of March 3, 2023 Board of Directors Meeting Minutes

Tom Stanek moved to approve the minutes of the March 3, 2023 Kinexus Group (KG) Board of Directors (BOD) meeting. Bob Kara supported the motion and it was carried unanimously.

Todd Gustafson commented on the two vacancies on the KG Board; the Adult Education position and a private sector position representing Berrien County. Mr. Gustafson provided an update on the Bridge Academy of Southwest Michigan (BASWM) Strategic Planning session, noting that David Colp, George Saleeby and Rick Dyer will be attending. An invitation was extended to the full board.

Todd Gustafson announced that the annual Board of Directors meeting will be held on October 6, 2023. A nominating committee will be formed to review the current slate of officers. Anna Murphy volunteered to be on the Committee and serve as chairperson.

**IV. KINEXUS GROUP EXECUTIVE COMMITTEE**

KG Health Dashboard

Todd Gustafson provided an overview of the KG Health Dashboard 22-23, including revenue, creating

vibrant communities, and diversifying funding sources. KG and the subsidiaries are on a good track. Mr. Gustafson encouraged board members to participate on a committee.

### Marketing & Communications

Mary Morphey provided an update on KG in the news noting that since June 2022, KG organizations have been featured in 340 news stories across the state and 128 news stories since March 2023. Stories in the news include Offender Success, Market Van Buren, and Youth Solutions. Ms. Morphey noted that each subsidiary has a newsroom tab on their respective websites.

### Human Resources

Erin Wright provided an overview of the Employee Engagement survey results conducted in December 2022, with results submitted to KG in February 2023. Employee engagement was in the mid-80% range and exceeded KG's goal but was short of making the Top 50 list by about 10 points. KG Leadership is focused on improving scores that position the organization to re-earn a place on the Top 50 Nonprofits to work for. The team's focus is on elements of leadership and planning, communication, and employee experience. Discussion followed.

## **KINEXUS GROUP INVESTMENT COMMITTEE**

### Financial Reports

Orrin Bailey and Rick Dyer provided an update on the summary financials, funding and expenditures, formula and non-formula funding ending March 31, 2023. Mr. Dyer commented on the proactive engagement and consultation with Plante Moran. Plante Moran was hired to provide two reports: 1. structure and personnel review and 2. process review of the accounting department, which expanded into providing temporary accounting related activities along with current staff until a new CFO and Finance Manager are hired. Plante Moran results included review of three areas; address critical roles, management, and growth. The Plante Moran report emphasized the best in class processes Kinexus Group has in place and recommended a few modernization opportunities. Discussion followed.

### PY23-24 Proposed Budget

Rick Dyer reported that the Investment Committee reviewed, discussed and endorsed the proposed PY 2023-2024 budget of \$22.44M for fiscal year July 1, 2023 through June 30, 2024. Steve Jackson moved to approve the budget for PY 2023-2024 of \$22.44M for fiscal year July 1, 2023 through June 30, 2024. Lance Lyons supported the motion and it carried unanimously.

## **V. KINEXUS GROUP SUBSIDIARIES**

### Market Van Buren (MVB)

Zach Morris gave an overview of business growth in Van Buren County, including Burnette Foods investing \$2.1M, and Ralph Moyle, Inc. investing \$4M for expansion and warehousing. Mr. Morris reviewed the 2022-2023 performance outcomes noting that 214 jobs were created, a total of \$26M capital investment and \$45.1M of economic impact. Mr. Morris announced that MVB has 48 investors to date, and that MVB's annual awards event will be held on June 29, 2023 at the Marion Magnolia Farms in Cassopolis.

### Manufacturing Growth Alliance (MGA)

Elizabeth Bernhard provided an overview of the Industry 4.0 (I4.0) implementation analysis conducted by Automation Alley. MGA received 93 applications with 66 awarded grants. Majority of the grants were awarded in Southeast Michigan. It is estimated that 629 new jobs will be created with these grants. Ms. Bernhard reviewed the 2022-2023 highlights, which include; a net surplus of \$159K compared to a deficit of \$348K in April 2022. Received \$2M from Michigan Economic Development Corporation (MEDC), held nine manufacturing round tables to introduce I4.0, and in partnership with the Edward Lowe Foundation and MEDC, held the first Michigan Manufacturing Cohort serving eight manufacturers.

Youth Solutions (YS)

Mollie Waller reported a new record of enrollments for Youth Solutions and the pilot program SELECT. To date, 6,558 youth are enrolled for a total of 29K students impacted in the last 15 years. Ms. Waller announced that the Governor proposed a \$6M state appropriation specifically for Jobs for Michigan's Graduates (JMG). Announcement of the award will be in the July-August timeframe. Ms. Waller commented that JMG's Career Development Conference (CDC) was held in April and had the largest attendance since the inception of the CDC.

Michigan Works! BCVB

Ian Gordon provided an overview of the Youth Development and Mentoring Program through MDOT indicating that over 100 applications were received for the 49 positions. The grant from MDOT was approximately \$568K to serve seven counties. YouthBuild currently has 54 youth, adult education has 228 enrolled (goal 175), and a 249% increase in MILEAP enrollments for PY23. \$215K was awarded for the Young Professionals Grant, to date 55 youth have been enrolled.

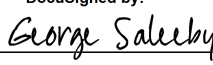
Jenn Deamud announced the Bridge Academy of Southwest Michigan and Michigan Works! Adult Education graduation will be held on June 13, 2023 at the Jean Klock Beach Pavilion. A total of 35 students will be graduating. Ms. Deamud provided an update on Going Pro indicating that cycle one ended in January 2023 with a total of 33 companies being awarded funds to hire and train 1,382 employees. Berrien, Cass, and Van Buren MichiganWorks! was awarded \$2.5M. Cycle two is currently in progress. To date 28 companies have submitted applications and 12 applications are pending awaiting final submission.

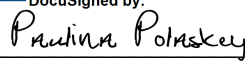
**VI. PUBLIC COMMENTS**

None.

**VII. ADJOURNMENT**

The meeting adjourned at 9:35am.

<small>DocuSigned by:</small>  <small>082A17DC-B1BC-49FC-B4C8-CFFBC6A26607</small>	10/5/2023
<small>Michigan Works! Board of Directors Chairman</small>	Date

<small>DocuSigned by:</small>  <small>082A17DC-B1BC-49FC-B4C8-CFFBC6A26607</small>	10/5/2023
<small>Recording Secretary</small>	Date