



BOARD OF DIRECTORS

June 4, 2021 at 8:00am

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

Meeting Minutes

I. ATTENDANCE:

Members Present:

Rick Dyer, Lance Lyons, George Saleeby, and Tom Stanek

Members Virtual:

Barb Anderson, David Colp, Vail Harding, Steve Jackson, Bob Kara, Paul Konopacki, Dr. Trevor Kubatzke, Anna Murphy, Christopher Randall and Kathy Valdes

Members Absent:

Tom Barbarini, John Janick, Arlandar Washington, and Dan Wyant

Chief Elected Officials (CEOB) Present:

Michael Grice, Roseann Marchetti, and Don Meeks

CEOBs Virtual:

Don Hanson, Randall Peat, and Mamie Yarbrough

CEOB's Absent:

None.

Staff Present:

Orrin Bailey, Lily Brewer, Josh Cosner, Jenn Deamud, Jake Gustafson, Todd Gustafson, Kristin Harrington, Gillian Korfmacher, Zach Morris, Paula Polaskey, Al Pscholka, and Erin Wright

II. PUBLIC COMMENT

None.

III. CHAIRMAN'S REPORT

Approval of March 5, 2021 Board of Directors Meeting Minutes

Lance Lyons moved to approve the minutes of the March 5, 2021 Kinexus Group (KG) Board of Directors meeting. Tom Stanek supported the motion and it was carried unanimously.

Approval of May 4, 2021 Special Board of Directors Meeting Minutes

Lance Lyons moved to approve the minutes of the May 4, 2021 Special KG Board of Directors meeting. Tom Stanek supported the motion and it was carried unanimously.

IV. KINEXUS GROUP EXECUTIVE COMMITTEE

KG Health Dashboard

Todd Gustafson provided an overview of the KG Health Dashboard year end accomplishments, highlighting total revenue for KG and the subsidiaries.

FINANCIAL RESOURCES

Erin Wright provided an update on the results of the NonProfit Times (NPT's) Best NonProfits to Work for 2021. KG ranked 39 overall out of 50 NonProfit organizations nationwide. Categories surveyed include; leadership and planning, corporate culture and communications, role satisfaction, work environment, relationship with supervisor, training, development and resources, pay and benefits and overall engagement. Ms. Wright reviewed and highlighted some of the questions and percentages of the answers. 60% of staff had never worked from home and 97% of the staff would like to continue having the work from home option. Ms. Wright reviewed the hybrid work model, inclusion and diversity along with training and development.

Government Relations & Public Affairs

Al Pscholka gave an update on the State and Federal budget issues and maintaining/building relationships at the State level during the pandemic. Mr. Pscholka reviewed the Earmark requests of \$7.2M from Manufacturing Growth Alliance (MGA), Market Van Buren (MVB), Michigan Works! (MW), and Youth Solutions (YS). Mr. Pscholka commented on the Metropolitan Statistical Area (MSA) issues, noting Berrien County requested a resolution to keep the Benton Harbor rule of linking cities together in place.

Marketing & Communications

Al Pscholka reported that since June 1, 2020, KG has been featured in 313 news stories across the state. Year-end accomplishments include; bringing all eight websites in-house, cleaning up old sites and creating new sites, managing eight Facebook pages, five Twitter pages and three LinkedIn pages. The marketing team will continue to support Michigan Works! and communications for the Bridge Academy of Southwest Michigan (BASWM).

KINEXUS GROUP INVESTMENT COMMITTEEPY21-22 Proposed Budget

Rick Dyer reported that the Investment Committee reviewed, discussed and endorsed the proposed PY 2021-2022 budget of \$18.48M, and 105.75 Full Time Equivalents (FTE) for fiscal year July 1, 2021 through June 30, 2022. Rick Dyer moved to approve the budget for PY 2021-2022 of \$18.48M and 105.75 FTEs for fiscal year July 1, 2021 through June 30, 2022. George Saleeby supported the motion. A roll call vote was conducted. 11 yeas, 0 nays, 1 abstention, and 5 absentees. The motion was carried unanimously.

Financial Reports

Orrin Bailey gave an overview of the KG financial reports; available funding ending March 31, 2021 and the formula vs. non formula available through March 31, 2021. Todd Gustafson thanked the fiscal team for all their hard work and clean audits.

V. KINEXUS GROUP SUBSIDIARIESNation, State, Regional Economic Overview

Jake Gustafson gave the labor market update and the impact of enhanced Unemployment Insurance (UI) benefits. The enhanced UI benefits reduced low-skill worker engagement. It was initially vital to sustain economic growth; however, new study shows continuation of the enhanced benefit dampens recovery. As UI nears the end, lowest-skill workers will be re-engaged. The unemployment rate is currently 5.2% for Berrien, 4.3% for Cass, 5.7% for Van Buren. Discussion was held on how to engage people to get them back to work.

Michigan Works! BCVB

Lily Brewer provided highlights of 2020-2021. Despite the challenges, the Michigan Works! team rose to the challenge; securing \$406,224 in funding from competitive government grants, earned revenue, and foundations. Exceeded WIOA performance with 108.5% for all core programs. Assisted community with 22 mobile food pantries serving 2,800 households. Assisted the UIA with 71K calls, while pivoting 100% to a virtual service delivery and are looking ahead and pivoting to in-person events and walk-in services. Other

highlights include 50% of the students in the Bridge Academy gained employment with local employers. The BASWM is also transitioning to a new service provider in the fall of 2021. Offender Success (OS) ranks as the top program in the state for job placement at 83%. OS received a \$52,697 bonus from Michigan Department of Corrections (MDOC) in recognition of program performance. YouthBuild has established a formal partnership with New Heights CCDA for rehabilitation of a second home in Benton Heights. MW is waiting for the announcement of the 2021 YouthBuild Grant award. Discussion followed.

Youth Solutions

Kristin Harrington reviewed the top three priorities of the YS strategic plan; 1. Go all-in on partnerships, 2. Accelerate post-grad pathways to employment, and 3. Diversity funding and build a trusted brand. Ms. Harrington reported that YS priority is to serve 10K youth annually by 2026, noting that over 45K youth are disconnected since the pandemic and are not engaged in education or employment. Ms. Harrington provided highlights of 2020-2021. YS partnered with 177 partner organizations, including affiliates, Community Based Organizations, employers and postsecondary institutions. Three new services to build out the continuum of services and two new middle school programs have been created. YS received 88 for the Net Promoter Score, in addition to launching a new website, marketing collateral and branding guidelines. YS applied for \$3.75M through the state and was granted \$5.3M. Ms. Harrington announced that 3,235 youth were served through virtual, hybrid and in-person services. Ms. Harrington gave an overview of the three new services including; digital access to career resources for school districts, customizable solutions (a select service), and a premier Jobs for Michigan's Graduates (JMG) Inspiring Futures: Benton Harbor. With the right support, right partners and right times will create long-term career success for Benton Harbor area youth. To date, 80 individuals participated in the application process.

Market Van Buren (MVB)

Zach Morris highlighted MVB 2020-2021 outcomes. MVB helped companies create 80 jobs and retain 143 employees. Invested \$11M in addition to \$240K through the Revolving Loan Fund (RLF) and made a \$20M economic impact with \$91.55 return on investment. Through the pandemic, MVB helped facilitate relief grants with Cass and Van Buren Counties for a combined total of \$112K along with the Restart grant of \$860K. Mr. Morris worked with legislators and peers to offer the Restart grant to everyone including those companies that received the relief fund. Twelve loans, totaling \$240K were issued through the RLF. In total 36 businesses were impacted and are still in business one year later. Mr. Morris reported that MVB currently has 35 investors, up from 28 one year ago. Mr. Morris announced that MVB will hold a MVB Investors Celebration on June 29th to celebrate the success of small and large businesses in Van Buren County. Discussion followed.

Manufacturing Growth Alliance (MGA)

Jenn Deamud highlighted MGAs quantitative outcomes from 2020-2021. MGA started the year with 223 prospects and ended with 5,748. MGA rebranded in July 2020. Once launched and established, the social media engagement went over 500. A variety of webinars were launched for employers needs, offering educational services with relevant content to support them. 283 employers participated in the webinars. Membership is up to 115, which are not all paid members. MGA is looking at other membership models and strategies to increase membership, noting most organizations have no cost to join the organization. MGA has received \$520K in grant funds. Ms. Deamud reviewed the qualitative outcomes; including the implementation of a three year strategic plan, rebranding to establish credibility, key partners such as MMTC, MEDC, SBAM, and Automation Alley which are all critical to MGA. MGA needs to be agile to be successful and establish credibility in the marketplace. Ms. Deamud noted that the focus for FY 21/22 will be to increase membership and paid membership, leverage the I4.0 Grants and the \$500K from MEDC that was launched and will go into 2025. MGA will launch inclusive growth programs that will ensure all individuals and manufacturers have access to all technologies, strengthen the advocacy for second stage small manufacturers, and increase membership.

VI. PUBLIC COMMENTS

None.

VII. ADJOURNMENT

The meeting adjourned at 9:50am

DocuSigned by:

A5A56BA360644A2... 09/03/21
Kinexus Board of Directors Chairman Date

DocuSigned by:

0824A7DEFA264DE... 09/03/21
Recording Secretary Date