Kalamazoo Foundation for Excellence

MINUTES
FFE Board of Directors

Monday, October 30, 2023 2:00 PM

Mayor's Riverfront Park – 251 Mills Street, Kalamazoo, MI 49048

A. CALL TO ORDER - by President Sandra Calderon-Huezo

ROLL CALL

Staff present: Legal Counsel/Recording Secretary - Richard Cherry & Julie Cosgrove from Miller Johnson; FFE Executive Director - Steve Brown; Chief Financial Officer – Steve Vicenzi

Guests present: None

PRESENT- Calderon-Huezo, Ritsema, Carrel, Hamilton-Miller, Anderson, Balkema, Bostrom, Hess, Lonberg, Salas, Taylor, Washington, Harrison (arrived after approval of prior minutes), Hoffman (arrived late)

ABSENT- Yarbrough, Hopewell

B. APPROVAL OF MINUTES

ACTION: Director Balkema moved to approve the September 25, 2023 minutes with the correction of moving FDE Hopewell's comments to public comments. Motion was seconded by Director Ritsema. The minutes of the September 25, 2023 meeting were approved by unanimous voice vote.

ACTION: Director Balkema moved to approve the April 24, 2023 minutes. Motion was seconded by Director Ritsema.

Discussion: Director Lonberg brought to the Board's attention that the third bullet point under section **2. Audit Subcommittee Reports and Recommendations**, contains a typographical error and should read "ED Brown discussed that the $400 million pledge from 2.5 years ago is an asset but no cash on hand, still waiting on installments." It currently reads "$4 million." Additionally, Director Carrel asked to add her name to the Finance Committee nomination and appointments.

ACTION: Director Balkema moved to approve the April 24, 2023 minutes with the correction noted by Director Lonberg and Director Carrel. The motion was seconded by Director Ritsema and unanimously approved by voice vote.

C. REPORTS AND COMMUNICATIONS

1. Staff Review of 2023 S.W.O.T.

Executive Director Brown presented to the Board regarding the Staff Review of 2023 Strengths, Weaknesses, Opportunities and Threats (S.W.O.T.). He described the categorizing of topics into three categories: Primary 2023 Focus, Secondary 2023 Focus and Ongoing Items, and explained the report to the Board in detail.

2. Board Survey and Planning Review.

Executive Director Brown presented to the Board regarding the Board Survey and Planning Review. He presented several categories of concern as a result of the survey:

- Director absences. The Board does not do excused absences. 4.8% of meetings since inception have been cancelled because a quorum was not present. Goal would be to never have a meeting without a quorum. Suggested establishing a mechanism to make sure that quorum will be present prior to a meeting to avoid cancellations.
- Process for filing vacancies has been 100% successful.
- Packets are being presented to the Board for review 7 days prior to meeting.

Discussion took place amongst the Directors regarding the results of the survey. Survey revealed anxiousness about the role of a Director. Director Balkema expressed that when she became a Director, she found that the role was different than what she believed she was applying for. It is more of a fiduciary role. Director Harrison expressed that new Directors should have a better understanding of their roles. Director Ritsema offered that for the first five years they didn't weigh in on housing projects but going forward would be doing so.

3. Document Stakeholder Director Renewals and Planned Vacancies.

Executive Director Brown presented regarding the upcoming vacancies.

- Director Carrel terming out in 2026.
- Director Harrison will be up for renewal in 2026.
- Director Bostrom's first two-year term expires in May, 2024. She is eligible for renewal for a second of three possible terms.
- Director Miller's final term will end next year. Reapplication can be made after one year.
- Director Washington's final term will end next year. Reapplication can be made after one year.

Director Balkema expressed an issue with the Bylaws in that they require Directors to be registered electors in the City of Kalamazoo.

D. REGULAR AGENDA

1. (Tabled) Approve Endowment Developer Position Description and Compensation.

Executive Director Brown reported to the Board that there was no further need for this position. An anonymous donor has committed to three $15 million installments which makes this position no longer needed – no further need for major fundraising.

Discussion was had amongst the Directors regarding the ability of receiving further gifts by way of passive fundraising and how to make sure that all donors, regardless of their donation, are shown appreciation.

2. (Tabled) Approve Foundation Coordinator Position Description and Compensation Range.

ACTION: Director Balkema moved to table this item to the February, 2024 meeting. Motion seconded by Director Miller and approved by unanimous voice vote. Second voice vote taken as Director Lonberg was out of the room. Second voice vote was unanimous.

3. Approve and Recommend the 2024 FFE Budget to the Kalamazoo City Commission for Adoption.

Executive Director Brown presented to the Board regarding the 2024 FFE Budget. He explained that the $50,000 administration fee for a payment by FFE to the City of Kalamazoo includes information technologies management and other resources such as office supplies, etc.

ACTION: Director Balkema moved to approve the 2024 FFE Budget to the Kalamazoo City Commission for Adoption. The motion was seconded by Director Washington. Motion passed by majority roll call vote.

ACTION: Director Balkema moved to approve the Midyear 2023 Budget Adjustment as presented. The motion was seconded by Director Washington and passed unanimously after roll call vote.

4. Approve a One-Year Support Services Agreement with the City of Kalamazoo.

Executive Director Brown presented to the Board regarding the proposed support services agreement with the City of Kalamazoo.

ACTION: Director Balkema moved to approve the One-Year Support Services Agreement with the City of Kalamazoo for the period January 1, 2024 through December 31, 2024. The motion was seconded by Director Carrel. All Board members voted to approve except Director Ritsema who abstained from the vote.

5. Approve Annual Grant Agreement between FFE and the City of Kalamazoo.

ACTION: Director Washington moved to approve the Annual Agreement between the Kalamazoo Foundation for Excellence and the City of Kalamazoo. The motion was seconded by Director Balkema.

Attorney Rich Cherry reported there was a typographical error appearing on page 54 of the Board packet (page 2 of the Agreement), a missing period, and the word "appointee" should be "designee."

ACTION: Director Washington revised his motion to approve the Annual Agreement between the Kalamazoo Foundation for Excellence and the City of Kalamazoo subject to the corrections noted by Attorney Cherry. The motion was seconded by Director Balkema. By roll call vote, the motion was approved by all directors except Director Ritsema who abstained from the vote.

E. PUBLIC COMMENTS

No public comments.

F. BOARD MEMBER COMMENTS

Director Taylor expressed to the Board concerns regarding the benefits provided by the FFE regarding property tax reductions which do not necessarily benefit low income residents due to the disparity in home ownership. Director Carrel expressed appreciation for Director Taylor's comments. Director Bostrom questioned whether private landlords get the same tax relief. Director Balkema addressed Director Bostrom's question stating that all property owners get the tax relief uniformly. It is impossible to know if this relief is then passed on to the tenants.

Director Balkema complimented Executive Director Brown regarding the work he has been doing and obtaining the new major donor.

Director Salas expressed seeing the end results of their work in the community, i.e.:

- Sports
- Small business ownership grants
- City improvements (sidewalks, etc.)
- Jamauri Bogan's north side projects and their "trickle-down" effect
- Sidewalk project on Northampton – spoke with resident about the process and that this was an FFE project. Resident said this now provided a safe route to school – the kids could now walk or ride their bikes to school.

G. ADJOURNMENT - The meeting was adjourned at 3:11 p.m.

Richard O. Cherry

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Richard O. Cherry
Recording Secretary