

**MINUTES OF THE REGULAR MEETING OF THE  
KALAMAZOO AREA BUILDING AUTHORITY  
KALAMAZOO, MI  
June 20, 2019**

Alternate Chairperson, Randy Thompson called the regular meeting of the Kalamazoo Area Building Authority (KABA) Board to order at approximately 2:00 P.M. at the KABA offices, 2322 Nazareth Road.

Present: Randy Thompson, Alternate Chairperson / Representative from Comstock Township  
Sherine Miller, Treasurer / Representative from Kalamazoo Township  
Scott Hess / Representative from Pine Grove Township  
Lysanne Harma / Representative from Richland Township  
Denise Barrons, At Large Ex-Officio Board Member

Absent: Chester Emmons, Secretary / Representative from City of Parchment

Also present were Building Official, Mike Alwine; KABA Attorney, Robb Krueger; Office Coordinator/Recording Secretary, Penny Cassidy; and a representative from Maner Costerisan.

**Approval of Agenda** – Mr. Alwine requested to add the Letter from State of Michigan/Community Engagement and Finance Division to the Agenda as item 6. f. under Business. A motion was made by Ms. Harma to approve the agenda with addition, seconded by Mr. Hess, and carried with a vote of 4-0.

**Approval of Consent Agenda** – A motion was made by Ms. Harma to approve the consent agenda as presented, seconded by Ms. Miller, and carried with a vote of 4-0.

**Citizen Comments** – There were no citizen comments.

**Presentation – Maner Costerian/2018 Y/E Financial Audit** – Jordan Smith, CPA, and Senior Manager with Maner Costerian presented to the Board Members the highlights of the financial audit. Mr. Smith stressed the GFOA (Government Finance Officers Association) recommends 20% in Unrestricted Equity (2 months of expenses), although 12 months is ideal.

**6. a. KABA Office Purchase** – Mr. Alwine noted there were no new updates to present to the Board.

**6. b. By-Laws (discussion)** – The By-Laws were emailed to all Board Members after the May 9<sup>th</sup> Board Meeting. Ms. Miller inquired on the term limit for the elected Board Members. Mr. Alwine and Mr. Krueger will begin making some corrections.

**6. c. Board of Appeals Procedure** – Mr. Alwine provided an update: the procedures of appointing the Board of Appeals Board Members and the Board of Appeals Board Member Application have been created. Mr. Krueger and Mr. Alwine will be fine tuning the procedure.

Mr. Krueger exited the meeting at approximately 2:35pm and returned at approximately 2:37pm.

**6. d. BS&A Change Order & I.T. Right Quotes** – Mr. Alwine informed the Board he had made further contact with BS&A. The BSAO-CD has been canceled and a credit has been issued to KABA. The online Inspection Request button has been added to KABA's website by I.T. Right and it is working smoothly. Mr. Alwine suggested funding the expense with a 2019 Budget re-allocation of \$450 from #7999 (Misc Expense) to #6810 (Computer Support). Ms. Harma motioned to approve the I.T Right expenditure and make the necessary budget adjustment, seconded by Ms. Miller and carried with a vote 4-0.

**6. e. Approval of 2018 Audited Financial Statement** – The 2018 Audited Statements were provided in the board meeting packet. Per Mr. Krueger, no motion to approve the financial statements is required.

**6. f. Letter from State of Michigan/Community Engagement and Finance Division** – A packet was presented to the Board, which consisted of the letter from the State of Michigan for Request for Improvement of Deficiencies – Corrective Action Plan requesting explanation for the trend of expenditures exceeding the revenues for the last three years, a response letter and supporting Revenue & Expenses Statements. Ms. Harma motioned to approve Mr. Alwine to sign the response letter for Correction Action Plan, once the response letter is approved by Mr. Kruger, seconded by Ms. Miller and carried with a vote 4-0.

**Financial Statements and Reports** – Mr. Alwine is comfortable with the financial position KABA has been experiencing since February 2019. He also provided an update of the upcoming commercial projects in Kalamazoo, Comstock & Richland Townships.

**KABA Board Member Comments** – Ms. Harma thanked the KABA staff once again for their professional level of support. Mr. Hess announced there have been zero complaints against the building authority within Pine Grove Township. Ms. Miller thanked the KABA staff for the great job on the seamless audit.

**KABA Staff Comments** – Mr. Alwine commented on his initial interaction in beginning of KABA's existence and how KABA has evolved over the last three years.

There was no further business and the meeting was adjourned at approximately 3:05 PM.

Next Meeting: July 11, 2019 at 2:00pm at the KABA Offices.

Drafted: June 26, 2019

Approved: July 11, 2019