

**MINUTES OF THE REGULAR MEETING OF THE  
KALAMAZOO AREA BUILDING AUTHORITY  
KALAMAZOO, MI  
October 10, 2019**

Chairperson, Michelle Mohney 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: Michelle Mohney, 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; and Office Coordinator/Recording Secretary, Penny Cassidy.

**Approval of Agenda** – Ms. Mohney requested to add 'Approval of 2018 Audited Financial Statements' to the Agenda, under 5. Business, item f. Mr. Alwine requested to move 'Pine Grove Wedding Barn' to the end of list of 5. Business. A motion was made by Ms. Harma to approve the agenda with changes, seconded by Mr. Hess, and carried with a vote of 4-0.

**Approval of Consent Agenda** – Mr. Alwine asked to add an effective date to the motion regarding In Lieu of Medical Benefits to reflect the beginning of the new policy period. Mr. Krueger re-iterated that the Inter-local agreement was postponed until January's Board Meeting to allow time for all board members to review and bring forth any changes. A motion was made by Ms. Mohney to remove the approval of Minutes from the September 12, 2019 Board Meeting from the Consent Agenda, seconded by Ms. Harma, and carried with a vote of 4-0. A motion was made by Ms. Miller to approve the September 12, 2019 Board Meeting Minutes as amending the In Lieu of Medical Benefits, seconded by Ms. Harma, and carried with a vote of 4-0.

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

**BUSINESS:**

**5. a. KABA Office Purchase (update)** – Mr. Alwine provided an update of: Status of Mortgage Process with SMBT; Buy & Sell Agreement was amended to reflect 'New Mortgage', under paragraph #3. Method of Payment: (replacing 'Cash'); and property survey has been performed. The previous Buy & Sell Agreement was included in the Board Packet and the amended Buy & Sell Agreement was a handout at the Board Meeting. Ms. Harma motioned to approve the amended Buy & Sell Agreement (not included in Board Packet) and to authorize Mr. Alwine to sign the amended Buy & Sell Agreement, seconded by Mr. Hess, and carried with a vote 4-0. Included in the Board Packet was a chart reflecting retained earnings for the previous 4 years. Mr. Alwine suggested that KABA will be able to put forth the down payment for the Mortgage instead of asking the member jurisdictions to participate in the down payment. Ms. Mohney motioned to authorize KABA to use retained earnings for the down payment on the new mortgage, seconded by Ms. Miller, and carried with a vote 4-0.

**5. b Pine Grove Wedding Barn (discussion)** – Moved to end/last item of Business

**5. c. 2019 Re-allocation** – Included in the Board Packet is a summary of the four (4) accounts and amounts that need to be adjusted within the 2019 Budget. Ms. Harma motioned to approve all (4) budget adjustments as presented, seconded by Ms. Miller and carried with a vote 4-0.

**5. d. Fee Schedule** – Mr. Alwine presented some suggestions to revise the Fee Schedule under Exception: For all projects with a Construction Value (CV) of less than \$30,000, the fee will be based upon the number

of required inspections. A decision was made for a draft version of the Fee Schedule to be brought before the Board at the November 14, 2019 Board Meeting.

**5. e. 2020 Budget** – The details of the 2020 Budget creation were given as a handout to the Board Members. Mr. Alwine noted the changes to the 2020 Budget from 2019 Budget and highlighted that an allowance for a contracted building inspector was added to the 2020 Budget. The Retained Earnings, as of December 31, 2019, does not account for the \$40,000 for the down payment; decision to place the mortgage down payment as an amendment to the 2019 Budget will be discussed at the November 14, 2019 Board Meeting. Ms. Mohny motioned to approve the 2020 Budget with the adjustment for retained earnings with a net position of \$113,008.65, seconded by Mr. Hess, and carried with a vote 4-0.

**5. f. Approval of the 2018 Financial Statements** – There was discussion at the September 12, 2019 Board meeting in regards to approving financials. The Board Meeting Minutes from August 10, 2017 was handed out to the Board Members. Ms. Mohny had given clarification that the monthly financials need not be approved; however the auditor's financial statements need to be approved. The 2018 Audited Financial Statements were not approved when presented to the Board Members at the June 20, 2019 meeting. A handout for Significant Audit Findings for 2018 from Maner Costerisan was presented to the Board Members. Ms. Mohny motioned to approve the Maner Costerian Significant Audit Findings for 2018, which was presented at the meeting and not included in the Board Packet, seconded by Mr. Hess, and carried with a vote 4-0.

**5. g. Pine Grove Wedding Barn (discussion)** – Mr. Alwine provided a synopsis of the timeline for the Pine Grove Wedding Barn and Mr. Krueger offered the legal logistics.

**Financial Statements and Reports** – There were no comments.

**KABA Board Member Comments** – Ms. Miller offered her thanks to Mr. Alwine & Mr. Krueger for their indulgence to protect KABA's position with the wedding barn venture.

**KABA Staff Comments** – Mr. Alwine re-iterated on KABA's position with the wedding barn.

There was no further business and the meeting was adjourned at approximately 3:15 PM.

Drafted: October 11, 2019

Approved: November 14, 2019