

Blue Hill Co-op Board Meeting

April 23, 2019, Blue Hill Public Library, Howard Room

Board Members Attending: Susan Snider, Deborah Evans, Edie Dunham, Mia Strong, Tim Tunney, Aaron Dority, Jim Picariello, Martha Shepherd (Staff Position)

Absent Board Member(s): Diane Bianco, Jerome Lawther

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager)

Julia Klein, minute taker

Mia Strong, meeting facilitator, time keeper

Approval of Minutes: **Susan moved to approve the March 19, 2019 Minutes with minor corrections. Aaron seconded the motion. The motion unanimously carries.**

Open Owner Time: No owners were present.

GM Monitoring:

The community is excited about the new Co-op! 500 new members were added in the last year. The Board inquired about full membership numbers including inactive members.

Dividend Payment – Kevin reported the 2018 final income results after taxes and opened a discussion regarding payment of dividends. With a net operating income of \$7,465 funds are insufficient to legally pay dividends. Kevin will find lawyer Jeff Spaulding's email explaining the legalities. Three owners have complained about not receiving dividends. Kevin questioned whether a letter from the board explaining non-payment of dividends is advisable. Lengthy discussion ensued regarding the amount to pay, public perception, and payment procedure. The board agreed that paying in the opening year would be a good gesture in light of the projected net loss for the first 3 years. The board reviewed bylaws regarding whether preferred shareholders are paid first. Tim and Aaron will verify legalities and ratios for payment procedures and draft a letter to investors. Jeff Spaulding may review bylaws and update them for preferred share processes. A recommendation is needed regarding paying out dividends and a decision will be made next month. The board discussed published communication to membership and confirmed that no misleading information had been disseminated though some members thought payment was guaranteed. The board will communicate with a dissatisfied investor. Kevin will forward their emails to the board. The Co-op is generally in good standing with investors. Some members have donated their investments and encouraged friends to do the same.

GM Monitoring:

Financials - Susan noted that the dashboard shows operating income in the red.

Relocation - Kevin presented the updated budget document and requested input from the board on format. Discussion ensued regarding information needed to allow for adequate monitoring of the finances. Tim requested that side notes be removed and that the document be standardized. Deborah asked about percentage of project completion. The document projects that the line of credit will still be touched if all addbacks are included. Susan asked about the GMP. Kevin responded that it went down but rose again as anticipated with addbacks. Aaron inquired about non-construction costs. Kevin will examine costs and refine categories. Landscaping was discussed and the board agreed that plants are imperative!

Grand Opening - The board discussed their vision for the grand opening. Kevin will write up a proposal before the May board meeting. Food, vendors, and music were enthusiastically discussed. The board will oversee the event. Opening is anticipated in July despite setbacks. All equipment will be on site by the 2nd week of June. Doors will open ASAP without a soft opening. Transition dates, staff training plans, and support for Kevin through the transition were discussed. Discussion turned to closing the old store and removing equipment. Month to month rent may be needed.

Board Development: Edie sent a list of Co-op members to the board which was reviewed to identify potential board candidates. In preparation for next meeting, directors will select their candidate choices. The goal is to increase the board by at least 2 members. Around 30 suggested candidates are needed. Mia will find the old list of people interested. Edie will email a reminder to the board prior to the May meeting. The Annual Meeting will be moved to Thursday, October 10, 2019 to avoid Yom Kippur.

Agenda:

Board Development

Relocation

Grand Opening Proposal

Dividend Decision and Communication

Meeting Evaluation: Robust!

Executive Session: **A decision was made by the Board through email on a personnel matter.**

The Board also discussed the decision during executive session following this evening's meeting.

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, May 11, 2019.

Next Meeting: Tuesday May 21, 2019 6:30-9:00 PM, Blue Hill Public Library, Howard Room.

Minutes respectfully submitted by Julia Klein