

Blue Hill Co-op Board Meeting

August 20, 2019

Blue Hill Co-op Break Room

Board Members Attending: Mia Strong, Susan Snider, Diane Bianco, Aaron Dority, Deborah Evans, Jim Picariello, Martha Shepherd (Staff Position)

Absent Board Member(s): Edie Dunham, Jerome Lawther, Tim Tunney

Others Attending: Kevin Gadsby, General Manager

Susan Snider, minute taker

Mia Strong, meeting facilitator, time keeper

Aaron Dority, task and decisions taker

Approval of Minutes: **July minutes were not distributed for approval prior to the August meeting. Approval postponed to September board meeting.**

Open Owner Time: No owners were present.

GM Monitoring: Kevin gave an update on our lenders and loan disbursements. The last disbursements before the opening went smoothly. Kevin meets with the representative from CEI on a monthly basis, then our lenders disburse based on the construction requisition. We are now getting more into the soft costs. Kevin asked our lenders how they want to handle these costs. That is, do they want individual invoices for each cost or would they prefer one invoice with a cumulative total. CEI and CFNE are satisfied with one invoice. LISC is more strict and wants copies of every payable.

Kevin said we are in line with the overall project budget according to the pro forma. We may even come under some of the individual category projections. E. L. Shea is in the process of determining the final construction requisition, at which point we can then ask for release of our contingency dollars.

Store sales are up by 33 percent compared to this time last year in the old store. We are averaging over \$17K per day, which is an increase from last summer's daily average of \$13,200. We are doing the equivalent or better of Full Moon Sale numbers every day so far since the new store opened. And we are ahead of our pro forma projections.

Kevin said staff is still adjusting to the increased volume. We reached out to NCG café specialists to help our café staff with some training. However, not all of this training was free and far exceeded our budget, so Kevin did not pursue this option. He is planning on scheduling more training in the future.

The primary staff vacancies are in the grocery department. We have had a steady flow of applications. Kevin plans to be more involved in future hiring and more involved with staff now that the store is finally up and running. CEI has also offered to help with staff recruitment. Michael Luciano gave his two weeks notice on August 16, but then failed to return to work. Kevin already has candidates applying for this position and several staff members have also approached him for this as well.

Landscaping and the planting of trees will start in the fall when temperatures are cooler and there is more precipitation. There will be another round of planting in the spring as well.

On the subject of pricing, many of the increased prices by UNFI have been adjusted and more adjustments to our margins will follow in the future.

Signage is still in progress, along with parking lot directional signage and striping. The solar project was originally scheduled to start in September but Kevin is now waiting for an update on the actual start time, which might be as late as November. The strip of asphalt along the south facing side of the building will be tinted to be more consistent with the color of the patio pavers.

Policy Governance: The Board will resume policy governance and formal GM monitoring in September.

Investor Dividends: Kevin informed the Board that Jeff Spaulding said we need to add an amendment to the investment articles. This is based on the July board decision establishing a \$5000 net profit threshold and a \$5.00 minimum for dividend checks. At the same time, an amendment to our Co-op bylaws will not be required. The amendment will not preclude us from paying dividends now. Kevin is working on a final accounting this week and then checks will go out. Jeff Spaulding is working on going forward with amending the investment articles.

Board Development: Mia brought up the subject of term limits and some discussion ensued. The Board also discussed a board member orientation packet. It was agreed that a formal binder should include the Policy Governance Register and our bylaws, as well as a directory of all current board members with contact information. Mia suggested that there should be board mentors for each new member.

Kevin informed the Board that we do not have a current contract with Columinate (formerly CDS). Kevin will provide the Board with a list of all important resource groups, like NCG and Columinate, for the binder.

Board Retreat and Training: Mia will reach out to Jade to discuss scheduling another board retreat. March 2020 was suggested as a possible time.

September Agenda:

Approval of July and August minutes

Monitoring and policy governance calendar

Training and board retreat

Deadline for Board packet items: September 7, 2019

Next Meeting: September 17, 2019, at 6:30pm, Blue Hill Co-op Break Room.