

## **Blue Hill Co-op Board Meeting**

February 26, 2019, Blue Hill Public Library, Howard Room

Board Members Attending: Susan Snider, Mia Strong, Deborah Evans, Diane Bianco, Edie Dunham, Jerome Lawther, Tim Tunney, Aaron Dority

Absent Board Member(s): Jim Picariello, Martha Shepherd (Staff Position),

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

Julia Klein, minute taker

Mia Strong, meeting facilitator, time keeper

Jerome Lawther, tasks and decisions

Approval of Minutes: **Susan moved to approve the January 15, 2019 Minutes with no changes. Deborah seconded the motion. The motion unanimously carries.**

Open Owner Time: No owners were present. Mia reminded the board of meeting etiquette maintaining one conversation at a time. She asked Kevin to assure that information is submitted ahead of meetings to avoid surprises.

Board Development: A Board Development Committee will be discussed at the March meeting. Mia suggested moving the annual meeting to fall this year to avoid summer's business.

**Relocation:** Kevin announced that fundraising closed with \$1.5 million in preferred shares and \$350,000 in cash donations with all goals reached! A round of applause ensued! Kevin shared stories of the mayhem and excitement of the last fundraising week. Members were thrilled to be involved and lenders were antsy. Kevin reached out to a member for a bridge loan for the final amounts but preferred shares came in at the last minute. Closing on funds from the lending consortium is slated for March 11. Attorneys are processing papers. Kevin gathered signatures from directors for closing papers. Kevin received a commitment letter from Bar Harbor Bank for a \$250,000 line of credit from the finance authority of Maine. The board discussed approval of the line of credit. Tim encouraged the board to consider moving the loans to small local institutions in the future once financial stability is attained.

Discussion turned to the loan closing process. The lenders requested payment of various balances on old loans before closing and Kevin sought the board's counsel. The board encouraged him to pay off. However, this will necessitate that the lending consortium pay the March construction disbursement. The board signed various documents.

Kevin circulated the original matrix projections document for a \$1,750,000 campaign including all funds raised. The board reiterated their excitement for goals accomplished!

Kevin forwarded an email from Jeff Spalding outlining the rules for payout of dividends. In profit years the Co-op is required to pay dividends. Aaron commented on the shift in relationship with investors moving from the fundraising period to long-term maintenance. The board will send a letter to investor regarding dividend payment after the year review.

Cloud storage of board documents was discussed.

Construction has been delayed by weather and the ground is being heated for pouring the slab in the next couple weeks. If all proceeds as planned, opening may be possible at the end of July. Kevin is

saying summer 2019. Deborah suggested an appreciation party for the workers once the slab is poured. A Co-op member has pledged support for a grant funding the installation of solar in the future.

GM Reports: Kevin reported a growth rate of 3.6% in January. Tim commented that financial management of loans may become the focus for maintaining cash position. Kevin will need the board's support through the transition stresses. Mia questioned whether the current monitoring process will be sufficient for monitoring risk management. CDS and NCG provide training resources. Portland, Rockland, and other local Co-ops may be consulted. Kevin and Tim will discuss updating the monitoring to reflect the new store. The dashboard will be updated and the board will learn new monitoring processes.

Diane asked about hiring. Kevin stated that he will need to hire 15 more people for a total of 45 employees. Jerome asked at what threshold the affordable care act requires increased employee health care provision. The board remarked that the Co-op has an opportunity to tell an incredible story nationwide. Success in converting the new store is crucial.

The board inquired regarding relationships with the architect and construction manager. Kevin reported that Kevin Gresser and Bruce are paid to date and feeling happy. The GMP has been reduced and will continue to shrink as numbers are solidified.

The summer newsletter will contain appreciation for the member's generosity. Tim Seabrook's relocation photo gallery will be featured.

**Executive Session: Relocation funding decision.**

Agenda:

Board Development

Relocation

Meeting Evaluation: Exhale! Woohoo! Just fine!

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, March 9, 2019.

Next Meeting: Tuesday March 19, 2019 6:30-9:00 PM, Blue Hill Public Library, Howard Room.

Minutes respectfully submitted by Julia Klein