

Blue Hill Co-op Board Meeting

May 21, 2019, Blue Hill Public Library, Howard Room

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

Absent Board Member(s): Tim Tunney

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 April 23, 2019 Minutes with a minor correction. Edie seconded the motion. The motion unanimously carries. Susan will circulate the executive session minutes for approval.**

Open Owner Time: No owners were present. Jerome notified the board that he will be on sabbatical from the board for 3 meetings this summer.

GM Monitoring:

Dividend Payment – Kevin reported Jeff Spaulding’s responses to his inquiry clarifying the legalities of preferred share payment. Kevin explained the procedure for determining the dividend amount and payout priority. Preferred share dividends are prioritized until paid in full. Remaining funds are paid toward general member dividends. Kevin went on to explain the numbers. Full dividend payment this year would require around \$38,000. This year’s net operating income is \$13,351. However, some relocation expenses were paid out of operations leaving only around \$2,820 for dividends. Reallocation of these expenses to relocation funds frees the \$13,000. Kevin will consult the accountant. Lengthy discussion ensued.

Jerome moved that for Phase One Investments, the board approve dividend payouts if and only if the net operating income is greater than or equal to \$5,000 for FY 2018. Aaron seconded the motion. The motion unanimously carries. Kevin will double-check the legalities of the board’s ability act at their discretion regarding dividend payout. Kevin will draft a letter explaining dividend payouts or lack thereof for investors with help from the attorney and accountant. Kevin will forward that letter to Tim and Aaron for review. Kevin will research legalities of setting a dividend payment threshold. The idea will be revisited by the board next year when finances are simpler.

Signage – Kevin presented photos of new building and street signs. The board was enthusiastic!

Relocation – Kevin opened with a summary of the budget document. The board reviewed the budget document and discussion ensued regarding how to maintain the liquidity covenant and satisfy cash on hand. The current budget anticipates dipping into credit to maintain working capital. Lenders have funded the project in 3 disbursements to date.

Kevin shared the timeline to completion from Kevin Gresser. Inventory should begin to arrive on site on July 8. Kevin intends for a soft opening around July 22nd. Jerome proposed a farewell party for the old store. The board suggested a moving party. Kevin announced that a commemorative photo display will be in the gallery at opening. Kevin will present his proposal for the grand opening next meeting. Susan asked

about café management. Kevin will begin interviews next week. The board applauded Kevin for his work. The board discussed giving the security deposit to the landlord for returning the current building to its original state. Jim asked about security on the relocation site. Kevin responded that security is the contractor's responsibility and at present the co-op's equipment is insured. Jim requested that Kevin send documents in PDF format.

Solar – Kevin reported that he is working with Revision Energy for solar design. Pricing has dropped by 50% to \$250,000. Some members have expressed interest in funding the solar array. Mia recommended crowd funding. Kevin felt that installation could be possible by fall if funded with a grant.

Board Development: The board reviewed lists of Co-op owners to identify candidates. Discussion and vetting of names ensued. A ranked list will be formulated and these owners will be contacted. Jerome proposed inviting a George Steven's Academy student to sit on the board to create stronger linkage with the school. The October Annual Meeting will be held at the new store. The voting campaign will commence in August. Candidate applications are due at the beginning of August. Edie will contact Kip for needed materials and will assemble an election packet. Mia will locate the job description packet.

July Board Meeting: The July board meeting date will be decided in June and coordinated with the move.

Agenda:

Board Development

Relocation

Grand Opening!

Executive Session: A decision was made regarding personnel.

Meeting Evaluation: Hilarious, fun!

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, June 8, 2019.

Next Meeting: Tuesday, June 18, 2019 6:30-9:00 PM, Blue Hill Public Library, Howard Room.

Minutes respectfully submitted by Julia Klein