

Blue Hill Co-op Board Meeting

December 19, 2017 Blue Hill Library, Howard Room

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

Absent Board Member(s): unfilled (Staff Position),

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager), Bruce Stanhke (Relocation Architect)

Julia Klein, minute taker

Jerome Lawther, task and decision keeper

Mia Strong, meeting facilitator, time keeper

Approval of Minutes: **Edie moved to approve the October 17, 2017 board meeting Minutes. Jim seconded the motion. The motion unanimously carries.**

Time Open to Owners: No owners were present.

Relocation:

Review and discuss 6 points/Proforma: Kevin elaborated on a spreadsheet he emailed to the board which broke down all relocation expenses from 2014 to date. He highlighted Sources and Uses in the pro forma and explained the difficulty of reconciling the numbers. \$84,000 were found to be accounted as operating cost which should have been capitalized for the future. Kevin suggested redoing taxes because losses shown some years may not be accurate - 2015 and 2016 are particularly confused. This accounting problem has altered numbers in the pro forma. Kevin then stated that a total of \$462,000 has been spent on relocation to date and that money may be restored to the store at the Co-op's discretion as funding comes in.

Discussion turned to the funds payback schedule. The pro forma's current cash flow outlook is poor though improvements are seen when the payback schedule is adjusted. Tim and Mia volunteered to attend the next phone meeting with Bill Gessner. An assessment of feasibility will be possible once the debt service schedule is adjusted. Bruce noted that actual costs exist and should be used in the pro forma. Further discussion centered on creating standards for acceptable risk scenarios. The board expressed their desire for simplified reporting on a quarterly basis.

The board expressed concern regarding potential changes in the blueprint to the service drive. Its elimination would necessitate driving and backing up past the front entrance. Concerns centered on safety and the loss of 20 associated parking spaces. Discussion ensued. Aaron inquired whether the drive might be part of a future expansion. Bruce responded that to add it later would be considerably more costly. Tim pointed out that the pro forma must contain realistic numbers before decisions can be made on the 6 design alteration points.

Kevin recapped the discussion stating that the current pro forma is not financially feasible. He recommended adjusting the debt service schedule to see if that improves feasibility. Jim urged the board to focus on the bottom line as decisions are made. Bruce recommended solidifying the site prep number after the 6 points are decided. Deborah requested project related financials and drawings on the table at every meeting. Aaron asked about setting a benchmark revenue relative to debt service percentage.

Public Meeting - **Tabled for January meeting.**

Agenda for Next Meeting:

Pro forma and Design Options

Public Meeting

Executive Session:

Meeting Evaluation: Um, wow! Dense! Very dense!

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday January 6, 2018.

Next Meeting: Tuesday, January 16, 2018 6:30- 9:00 PM Blue Hill Co-op Cafe.

Minutes respectfully submitted by Julia Klein