

Wednesday, April 18 at 6:30pm, St. Andrew's Church, Division Street

Item Title

Agenda Review

Member Comments

Announcements/Future Scanning/President's Report

Consent Agenda: Minutes from March

GM Report

L.1 Treatment of Members

Treasurer's Report, Financial Condition and Activities

Finance Committee Report, Audit Review, Bank Consolidation, Money Committed to Projects

Deli Proposal

David Blackburn Consulting Proposal

Policy Reboot Progress Update

Election Issues/Annual Meeting Finalization

Task List Review/Future Meeting Date

Meeting Evaluation

Board of Directors Meeting Minutes – April 18, 2018

Location: St. Andrew's Church, Division Street

Attendance

Board Members: Ann Sprunger (president), Bruce Curtis (treasurer), Leah Hagamen (secretary), Jaime Magiera (vice-president), Persephone Hernandez-Vogt, Amanda McCreless

Also attending:

Drew Hall, Café Manager

Angie Voiles, General Manager

Christine Laing, Finance Manager

Keegan Rodgers, Prepared Food Manager

Raney Lamey, Member-Owner and Board Candidate

Call to order – Ann called the meeting to order at 6:30pm. Ann welcomed our new board member Amanda. The vote to appoint her was taken via email but will need to be formalized at this meeting.

Agenda Review – The deli proposal was moved to the beginning of the meeting. The policy proposal was in the packet but will be voted on next month so the discussion about it was removed from the agenda.

Member Comments – Anne Larimore contact Ann last week to say she is very concerned about the co-op's future. Consider three things: education campaign about what a co-op is and why it is important to Ann Arbor, we should collaborate more with other co-ops in Ann Arbor and while parking is a problem it is available and we should encourage shoppers to park for free evenings and weekends.

Announcements, Info-Sharing, Future Scanning, President's Remarks – Ann asked everyone to think about his or her commitment to the co-op as committees and officers will be decided at the next meeting. Orientation for new board members needs to be set up. She stressed that it is critical for board members to attend CBLD 101. It is on May 5 in Kalamazoo.

Consent Agenda – The only thing on the agenda is the minutes from March. The only change that needs to be made is that Jaime did not call in for that meeting (typo left over from previous meeting). Ann moved to accept the minutes, Bruce seconded, and the motion carried unanimously.

Deli Proposal – Luke, Angie, and staff have been working on this project that will expand the current food bars and add a sandwich bar. Angie gave some background on how the estimates were arrived at and how the return on investment was determined. Angie, Luke, and Keegan attended numerous meetings with the designer and equipment provider to determine what would be needed, what the cost would be, and so on. They have not yet signed a contract and are working off the bid that was made. The contract will provide firm numbers and legal commitment. Unionized labor will be used; there is not yet a concrete timeline of how long the construction will take beyond the two week estimate in the proposal. Bruce expressed concern that there was no formal contract yet. The proposal has to be approved before we can enter into the contract.

If board approves but would like to see more nuanced information before Angie signs a contact, she will make sure that they see whatever they need. Ann explained that a concept plan has been designed by Angie, Luke, and Keegan and have provided a proposal to the board, asking whether the co-op can allocate the money and therefore move forward with this project.

Jaime moved to accept the proposal and allocate the \$85,770 as requested, Ann seconded. The motion carried 6-0.

GM Report— Ann had a final meeting with Luke. CDS will likely be contacting the board for an exit interview about Luke. Board members expressed that it was a pleasure to work with him, he was a wonderful consultant who jumped right in, had everyone's best interests at heart, galvanized the board and the staff in his time here, got an amazing amount of work done. Everyone expressed satisfaction with his work. Ann highlighted his final report, which gave a status update on every single task listing who was responsible, estimate time of completion, where task was at.

L.1 Treatment of Members – Ann said that many people are putting their email addresses on their ballots, perhaps someone could go through and put those into our database. Staff has also tried flagging people at checkout to update their email addresses. Jaime commented on L.1.9, saying he was delighted to see some volunteer activities were happening. Jaime moved to accept the report, Bruce seconded, and the motion carried 6-0.

Treasurer's Report and Financial Conditions – Angie is going to transfer money from South Metro credit union to a local account. At the last meeting it was decided to do quarterly reports rather than monthly, to better align with inventory. In between, we will see sales reports as well as labor and expense reports.

The committee looked at proposed changes to membership fee and discount structure; each member looked at what two other co-ops were doing. The objective was to have a solid proposal by next month's board meeting, looking at two concepts. Concept one is to increase the membership fee and to have a smaller annual fee (this would allow us to keep current with members' contact information). Part of this proposal is to move away from the Wednesday discount and instead give a member-owner discount once a quarter and let member-owners pick their day to use their 10% discount. Proposal two is to have a small annual fee, increase the membership fee, but do not change the discount structure. Some stores give a discount up to \$100 a year and once you max out, then that's it. Bruce will bring more information about the proposals to the next meeting.

Bruce reported that we have a cash flow chart to present at the annual meeting. It shows that if we do nothing, we will be out of money in four years. He will also do a year-to-year comparison chart.

Christine got a copy of the audit results from Wegner and she will review it this week.

Bruce discussed consolidating bank accounts, as they were designated for particular things at one point but no one is certain as to why money was placed where it was. Cash can be placed into a money market or CD. Per Christine, the GM can decide what to do with the bank accounts on her own.

David Blackburn Consulting Proposal – The proposal was discussed, with Ann asking what his role would actually be—to identify a location, to determine whether or not to move, or what specifically would his role be. Angie said that her understanding was that there are different tiers of assistance and we are looking at the first one. David is local and is willing to come to board meetings to help with relocation issues like a letter of intent. They would be our assistants and provide oversight. Ann asked how the money would be paid, in sum or as we went along? David told Angie that if services needed to be terminated, then they could be terminated immediately and with no notice; they can also terminate at any time with no notice.

If this tier of services is successful, then we could contract for the next level which would include assistance with relocation, remodeling, other more intensive services.

Bruce questioned if the \$20,000 fee is due at the completion of the services. Bruce wanted more specific language about terminating services if unsatisfied. Persephone also found it unclear in parts. The timeline will also be made clear if and when the board enters in this agreement.

Angie will ask for clarity of language on the termination of services and for payment of fees. Meantime, the board will ask Gaia and Steve to examine the proposal and Angie will tell Luke that the board is in favor of the idea but has some more specific questions before officially approving. The board can vote to approve over email and then officially ratify at May's meeting.

Linkage Report, Finalize Elections, Annual Meeting– Voters are being counted; quorum is not yet met. Ideas for getting the vote out were discussed.

Looking Ahead & Task List -- Finance Committee will report on bank consolidation, continue work on fee structure, Jaime will contact Gaia and Steve for feedback on the Blackburn contract, L.4.10 quarterly report and narrative is due next month, calendar review, sign up for CBLD conference, plan and discuss board retreat, elect officers, sign conflict of interest forms, install new officers.

Future Meetings— May 16<sup>th</sup> is the next meeting.

Meeting Evaluation—

- Missed Luke, welcome to Amanda
- Good discussion, got through it in a timely manner
- Well run, quiet meeting
- Good first meeting
- Excited about upcoming plans for the co-op
- Covered a lot of ground, hope I didn't come on too strong
- Thanked Raney for attending
- Good to see that momentum is continuing
- Meeting went well, appreciated seeing new faces
- Starting to see people bring forward concise reports, asking for what they want in a clear manner
- Miss board members who aren't here tonight

Work Session – The board then moved into a work session.

Adjournment – Ann adjourned the board meeting at 8:08.

Respectfully submitted,

Leah Hagamen, Board Secretary