

### **3/21/2019 BMC Board Minutes**

Annie Gaillard taking notes, David Ludt facilitating.

Present: Keith Bellairs, Andrew Higley, Bruce Kaufman, David Ludt, Katharine Arnold, Emily Hershberger, Annie Gaillard. Absent: Linda Romans.

6:02 – Member input: no member input

6:03 - Welcome Emily – She is excited! She will be going to the NFCA annual mtg March 23 and starts work Monday March 25.

6:04 – Minutes accepted and approved – Katharine moves and Keith seconds it. Consensus.

6:06 – Board Election update: board members - 4 terms are ending and need filling with Keith running again – 3 openings. Katharine read former letter of interest and will post around the store and on all social media. David is interested in running IF he can miss some meetings. Deadline for candidates to submit letters of interest - Monday Apr 8.

6:25 Annual Meeting Update: Annual mtg. date Apr 28<sup>th</sup> at Hazen. Linda will walk through clean up steps with Hazen. Katharine, Emily, Annie, Linda – annual mtg committee.

6:29 – Financial Report – income tax return done and filing next week. Numbers are final \$2.2 million in income last year, deduction for depreciation, no federal income tax owed due to carry over of losses from last year (NOL deduction). Total income after COG (gross profit) was \$660,000, \$440,000 to staff, balance sheet shows cash position has improved with end of year \$52,000 in checking and \$55,000 in savings. Paid in equity went up to \$92,000. Vt Law requires we keep 50% in cash. State rules say if members have not contacted you for 3 or more years then that member's share should be paid to the state to hold for the member. It is not ours. If a member contributes their share to us we pay taxes on it. Regina just put \$15,000 in equity acct. Declining sales in some departments but total gross sales remain flat because of CBD sales.

6:56 - By laws update: Andrew and Keith looked at bylaws pertaining to discount changes. Changes must be in place for a full year in order to give a dividend. We could give a dividend this year, but we would have to pay tax on it first, unless it is a full year. COPOS can generate patronage for us. For proposing to members to vote on at annual mtg. by laws change must be posted by Mar 31 in order to comply with 4 week warning of by law changes.

7:14 - Policy Governance handbook – needs to be rewritten to reflect the change in management structure. Will put together a committee. The board/staff liaison reports are now up to the GM. Andrew, David, Annie, Emily and potentially Chris Duff since he was on the original rewrite.

7:34 - D3 – in compliance. D4 – change to employment agreement not contract. Kicked to the committee. Vote to create a committee to review and update PG based on our new management structure and any other. Proposal to update as each thing comes up. (BRILLIANT!)

7:51 - Staff report - \$15,000 in equity acct, café sales are up, inventory last Sunday of month with store closing early, first staff mtg with Emily this Monday

7:56 - Building project – in Oct the board voted to cancel bldg project, at next meeting we learned that Tim was still working on it and some financial stuff. We didn't vote to stop him. Do we go for the loan or take it out of equity to move compressors and/or get new freezer? Bruce thinks we should take the money from the equity and piecemeal the work on some of the improvements. Vote for piecemeal approach, starting with compressors and freezer. David will be the liaison. Paying from equity account. Consensus reached.

8:11 - Next board meeting 3<sup>rd</sup> Thursday April 18 at 7PM (note time change!)

8:14 - Check in with Emily – looks good so far. Annie will get her policy governance and calendar.

Adjourn: 8:19