

Common Ground Food Co-op  
 Board Meeting Minutes  
 September 14, 2015  
 6:15 pm to 8:15 pm  
 Lincoln Square Conference Center, Room 154D

Present: Todd Sweet, Eric Benson, Magdalena Casper-Shipp, Megan Gillette, Halie Kastl, Martha Mills, Julie Zilles

Absent: Lisa Hinchliffe

Others Present: Satina Braswell, General Manager; Phyllis Bruno, Finance Manager; Michael Pennington, IT Manager; Jeffrey Chandler, Minute-Taker

Proceedings	
<b>Meeting called to order</b>	At 6:17 pm by Todd Sweet
<p><b>1. Preliminaries</b></p>	<ul style="list-style-type: none"> <li>• <b>Guests/Owners</b>            Satina Braswell (General Manager)            Phyllis Bruno (Finance Manager)            Michael Pennington (IT Manager)</li> <li>• <b>Public Comment</b>            None</li> <li>• <b>Agenda Amendments</b>            Change items 2C and 6B to reflect            Owner Drive not Owner Docs.</li> </ul> <p><b>Action Taken</b>            The board unanimously approved the agenda as amended.</p>
<p><b>2. Board Study</b></p>	<p><b>A. GM Transition – Quarterly Update</b>            A report was submitted prior to the meeting. Satina Braswell discussed relationships and progress with external contacts, including NCG, UNFI and others.</p> <p><b>B. Expansion Update</b>            Satina detailed lease amendments she has requested to better reflect the current timeline. These changes ultimately move the second store opening to July as opposed to April. This affects other portions of the lease timeline regarding construction, options to opt out of the lease, etc. As a result the overall timeline of the project was reviewed and discussed. She reported that merchandising is</p>

working with Nicole, the store layout consultant from CDS, on layout changes and updates. The next steps will be to approve the proforma for lending and then finalize the architect, contractor and other external representatives.

Satina reported that Phyllis Bruno, Michael Pennington and Maria Ludeke would be splitting her project manager duties while she is out on maternity leave.

Satina also reported on the neighborhood conversations progress. She highlighted a discussion with Aaron Ammons, who suggested that door-to-door canvassing would be the best way to reach the community, as opposed to a mailer. They determined phone conversations with community leaders might be more efficient than trying to organize a group meeting. He also suggested trying to use local, minority-owned contractors from the neighborhood, i.e. electrician, demolition, etc., would be a very positive gesture.

**C. Review Proforma & Owner Drive**

Satina began by discussing the current data for the owner drive, reporting less than 900 new owners have been obtained. She also delivered financial information regarding the numbers this year in comparison to last year. She is presenting these figures because reaching the 900 new owner mark has been set as a goal to reach before the owner loan campaign begins.

Discussion was had regarding moving forward with the numbers presented because they show definite interest and financial commitment for the second store. Per the board request Satina provided some demographic information regarding the new owners in order to show interest in the

neighborhood around the new location.

Difficulties in obtaining new owners were discussed. Satina feels direct marketing efforts to the local community and businesses have shown to be more effective than tabling in the store or at the market. Halie Kastl and others added the response they hear most often is that prospective owners will join when the new location is actually open.

The board did not show concern for the goal of 900 being met, and were more concerned that the owner loan campaign should begin at the upcoming MOO regardless of the new owner drive goal. A vote will occur later in the meeting.

Satina and Phyllis Bruno then presented on the recent changes to the proforma after Bill Gesner's review and recommendations. Julie Zilles and other board members asked questions regarding some of the changed numbers, and for the most part the proforma has been adjusted to reflect a more conservative forecast for the second store. Todd Sweet asked what concerns Satina had moving forward, and she responded that she is motivated to ensure that goal accountability is taken seriously by each department as that is vital to our success as well as how to debt to equity ratio will be monitored in 2017. Phyllis added she is concerned about the labor costs associated due to their impact on the cash on hand and contingency plan.

Julie asked how the board is expected to be involved in the owner loan campaign coming up. Satina informed the board that there were

	<p>opportunities for them to table and join the cold calling initiative Maria would be conducting. She also said the board members should be ready to contribute to the owner loan campaign within a week of the kickoff, so that their contributions could be used to show prospective new loaners pre-existing interest. There was also a review of the loan structure and procedures implemented by the staff.</p>
<p><b>3. Consent Agenda</b></p>	<p><b>A. Private Minutes from August Meeting</b> None</p> <p><b>B. Public Minutes from August Meeting</b> None</p> <p><b>C. GM Operational Update</b> None</p> <p><b>Action Taken</b> The board unanimously approved the August minutes and operational update.</p>
<p><b>4. GM Monitoring</b></p>	<p><b>A. BP C8 Governance Investment</b> The board discussed the report.</p> <p><b>Action Taken</b> The board unanimously found the report in compliance.</p> <p><b>B. BMR D4 GM Monitoring</b> Discussion was had regarding the annual evaluation policy requiring update, but the policy committee is working on this issue and as it stands currently there is no issue with compliance.</p> <p><b>Action Taken</b> The board unanimously found the report in compliance.</p>
<p><b>5. GM Monitoring</b></p>	<p><b>A. EL B4 Ownership</b> The board discussed the report.</p> <p><b>Action Taken</b> The board unanimously found the report in compliance.</p>

	<p><b>B. EL B9 Emergency GM Succession</b>  Julie brought up the lack of data on some key points of the report, but noted the unusual circumstances. Satina provided additional verbal information which satisfied the questions, and she will send the revised report in writing immediately. Michael Pennington was approved as the Emergency GM Successor.</p> <p><b>Action Taken</b>  The board unanimously found the report in compliance.</p>
<p><b>6. Expansion Approvals</b></p>	<p><b>A. Financial Proforma</b>  The board reviewed the changes previously discussed in the meeting and supports them.</p> <p><b>Action Taken</b>  The board unanimously approved the proforma as updated.</p> <p><b>B. Owner Drive</b>  The board discussed moving forward with the owner loan campaign despite not obtaining 900 new members yet. They found the objectives of the owner drive had been met and they voiced an immediate need for the campaign to begin at the upcoming MOO.</p> <p><b>Action Taken</b>  The board unanimously approved moving forward with the owner loan campaign.</p>
<p><b>7. Committee &amp; Officer Reports</b></p>	<p><b>A. Board Development Committee</b>  Todd noted the new board member orientation is currently scheduled for the day after the MOO, September 28<sup>th</sup>, which would not be best for the newly elected members. He suggested moving the orientation to the following Monday October 5<sup>th</sup>.</p>

**Action Taken**

The board unanimously approved allowing the committee to adjust the schedule as they see fit.

**B. Outreach Committee**

Martha presented the agenda from last year's MOO and noted the agenda would be the same except no candidate speeches would be given. There was discussion about the speeches, or allowing a table for candidates to be available for questions, but ultimately the board decided candidates would be responsible for connecting with owners at the MOO on their own accord.

Additional topics were discussed, ultimately the specific details will fall to the committee.

Todd asked for input on the presentation he is to give on the board's behalf.

**C. Policy Committee**

Julie presented information regarding the GM compensation plan, noting the GM transition has not allowed for the usual plan to be formed. She suggested following the current GM Compensation plan through the end of the year. They would then develop a plan with Satina for January-July of 2016, after which the standard GM Compensation plan would begin in July of 2016.

**Action Taken**

The board unanimously approved the adjustments to the GM compensation plan as presented.

**D. Board Budget**

The budget was adjusted to reflect the GM Search, online voting and

	<p>incorporated the changes to the proforma as presented earlier.</p> <p><b>Action Taken</b></p> <p>The board unanimously approved the budget as updated.</p>
<b>8. Closing</b>	<p><b>A. Next meeting, October 12, 2015</b></p> <p><b>B. Outreach calendar assignments</b> The current newsletter was discussed as the Outreach calendar has not been set for this month. It was decided the newsletter would be a report regarding the events that happened at the MOO.</p> <p><b>C. Other tasks and assignments</b></p> <p><b>D. Go around for comments</b></p>
<b>a. Meeting Adjourned</b>	At 8:24 pm by Todd Sweet