

**Ever'man Board of Directors Meeting
February 24, 2014**

Attendance: All board

-New members in audience: Stephen, Kelly

Staff: William, Thalia, Joy, Sonny, Michael

Dave asked William to introduce new employees present:

Betsy in marketing

Darrell in Grocery

Michael in prepared foods

Centering: Lynn

Thalia requested that GM Report gets moved up to after Open Forum since staff has to be back in store early the next morning and they are here for the GM Report section

-Board okay'd this suggestion

-Dawn added that treasurer and financials should follow this section

Agenda Review:

Order changed as per

Approval of Minutes:

-Frankie and Dawn gave changes

-Lauren posted revised minutes to January folder of Ever'board

Announcement of new members: Kelly and Stephen introduced themselves

-Lauren told everyone to mark calendars for April 5th for CBL101

(Discussion of getting other co-ops involved and they can help with costs)

GM Report:

-B6

-Lauren brought up desire to have executive committee meet before next board meeting

-William

Motion: Lauren

2nd: Dave

For: 3

Against: 1

Abstentions: 2

-Lynn commented that she knows it will get better

-B9

Motion: Dave

2nd: Dawn

For: 7

-Lauren mentioned the search for new clerical support- she will be giving the info to William to post for members and employees

-B7

-William mentioned that the plan is the same as last year- just updated training and dates

-Dawn asked about hiring of operations manager- William responded that he is about to start looking for hires- He explained that this position will be under William but above all store employees- so that he can get out there and do things that board wants him to do (He commented he has been doing both store and GM positions since he came on board).

-Dave mentioned that that position has been empty on the organizational chart for years

Hiring Discussion:

-Michael came on in deli and hired a lot (some have worked and some have not)

-Landrum is helping with a 12-week temp to hire program

-Lauren commented that she has had positive

-Michael reported that there are 25 employees + him and Jonathan

Financial Reports from new departments:

-Old deli between \$8000 and \$9000 and new deli in first couple of weeks \$21,000 (goal is \$30,000)

-Meat dept has almost met the goal and it's not even open

Expansion Update:

-Dairy cases up next

-Grab and Go drinks

-Next will be produce dept (new coolers just came in)

-Last 10 days or so work on ceilings and lights (date estimate for finish is April 1st)

-Couple of months after that will be punch lists of little things

-Lauren asked about signs for aisles- William has been working with sign guy

*Important Dates:

March 7th: Branding Reveal for employees and board

April 1st: Sign up but covered

April 10-12th: Grand opening days- 10am on April 10th with mayor

-Still some landscaping and sidewalk work

-Meeting tomorrow with state about flooding outside door

-Johnny brought up a palm tree next to community building that grows in the way-

William will find out from power company

---Potential work day for volunteers to work on other landscaping

Member Survey:

-Discussion of moving this until after store is fully open

---typically the survey results should be in to go along with report on consumer report in March

---decision to have survey results available to board in July and then vote in August

Financial Discussion:

-William gave review of balance sheet

---Dawn asked about accounts receivable total- Joy answered that this is affected by new way of redeeming coupon money

---Dawn questioned accounts payable- Joy answered about construction bills

William brought attention to loan balance- Dawn asked about when it was reported (figures were higher in February cash sheet- since we have paid out almost all loan money for construction bills now)

-Dawn asked about how the pay-outs for expansion are going- William answered that there have been a lot of change orders, but we are holding tight

***Income Statement:

-William showed increase in income this January compared to last January

-William talked about how monthly inventories and affecting the product (gave info about buying whole cows and how that affects the meat dept)

---Lauren mentioned issues with farmers market and meat being sold there and how this offers opportunity for our meat department

-Joy and Thalia explained that fresh departments will always have monthly inventory

-Dave called attention to how the financial reporting should be streamlined

--Dawn answered that we needed to discuss the cost of goods sold has been up and down and we needed to look at why

-William called attention to occupancy increase from square footage increase and staffing increase

***We are beating projections already

-Discussion of IDGroup costs- these will not be as high so things will level out

-Once store is finished- we will have to start paying NCGA back (1/2 % for 3 years) and paying a mortgage

-Dawn asked about "member discounts"- Joy and Thalia explained that those are clearance, red-tagged items

***Ratios:

-ups and downs (0% to 4%) but should level out around 2.5%

-first 3 years in pro forma have been exceeded in first month period

-Monthly sales graph: big dip was due to time we didn't have any parking

-Percent change in sales: before remodel sale we were up and then down during major construction and now going back up

-Measures Liquidity: working hard to stay around 1.25

-Debt to equity ratio: CE wanted us below 1.5:1 and we are below 1

-EBIDA: this will be leveled out post expansion and once we start paying NCGA loan

-Dawn questioned about income tax money- could we accrue donations so we couldn't have to pay so much in tax over next year- William said that we have accrued a lot but our income has been less- William said he would check with accountant

-401K: William asking to keep contribution at same as last year \$75,000 for the 2 accounts (401K and Retirement)

---Dawn asked about income statement to see where 401K accrual where

---Joy answered that for 2013 \$75,000 was deducted

---William based around the resolution

---Eligibility is determined by 1000 hours and 1 year of employment
---After expansion the committee (JJ, Dawn, William) will work on finding new plans
Motion: Dawn- Approve the same contribution as previous year: \$75,000 for fiscal year ending March 31, 2015.
2nd: JJ

Board Work:

*Visionary Work:

-Lauren spoke about conversation with Thane and using her help more (agenda writing, staying on track, etc.)
-Board supports this, so Lauren will let her know
-Meets the need of making board more efficient and effective

*Joy will send Lauren a spreadsheet of membership expiration dates for all board members- will look into reminder system so that there is never a time that board members have non-current memberships

*CCMA:

-Lauren gave info about dates (June 12-14) Madison, WI
-Lauren gave estimate of \$1500 as low number per person
-Dawn projects sending 4 people may be possible
-Dawn and Joy will work on this and report next meeting

Treasurer Report:

*Audit:

-Dawn got quote from Warren Averett (spelling?) \$20,000

Motion: Dawn – Audit for fiscal year ending March 2015

2nd: Lynn

*Dave asked about what would be best thing to see from an audit and the worst thing? Dawn answered that audits are not what people think (it's not a fraud audit) It looks at the system, such as inventory process
For: 7 (unanimous)

*Board Budget:

-Frankie asked where lawyer pay-out for reorganization is listed on budget
---Joy said we didn't have line-item (she will add it)
---Discussion about how to delineate reorg on budget- costs for legal fees, education of employees, members, etc.
---Dawn clarified that total \$10,000 legal fees won't be part of board budget
*We are through 83.3% of the year and we have spent 83.2% of budget (still have insurance fees to come out)
---Joy commented on typical

*Reorganization Committee: Hasn't met

*Nominating Committee:

-Discussion about what to do with vacant seat
Motion: Dawn – Appoint Dave to empty seat
2nd: Lauren

For: 4

Against: 2

Abstain: 1

PLEASE LET ME KNOW WHAT TO WRITE FOR YOUR WORDS HERE

-Johnny brought up suggestion of changing bylaw to have special election instead of being able to appoint

-Lauren announced that nominating committee will present procedures and policies ideas at next meeting

*Adjournment: 9:58

FOR NEXT AGENDA:

-CCMA

-Volunteer compensation (Dawn will talk to Thane)

**Notes--- consider writing down the date of appointments