

## Hampden Park Co-op Board Meeting Minutes

November board meeting held on December 2, 2015

Present: Mark Chapin, Lucia Cowles, Lynn Englund, Rachel , Paul Hannemann, MJ Hanson, Matt Hass (Staff Rep), Martha Hotchkiss, Deann G. Lindstrom, Also present: Sarah Matala (finance committee member, financial manager, 928 Raymond LLC) Christina Nicholson (general manager) Naomi Jackson.

Item and Timeline	Relevant Materials and Discussion	Action
<b>Consent Agenda</b>	<b>Annual Meeting Minutes (October 2015)</b>	
	Matt Hass advised removal of the October 2015 annual meeting minutes from the consent agenda. Board members should review the minutes and submit any notes to the secretary. The minutes will be presented for approval by the membership at the next annual meeting.	
	<b>Prospective Member List</b>	<b>Motion:</b> Approve the prospective member list <b>Moved:</b> Deann Lindstrom <b>Seconded:</b> Matt Hass <b>Approval:</b> Unanimously approved
	<b>Board and Finance Committee Meeting Schedule 2016</b>  <b>Note:</b> Christina Nicholson will research meeting locations.	<b>Motion:</b> Board meetings will be held from 6-8 p.m. on the last Tuesday of each month <b>Moved:</b> Martha Hotchkiss <b>Second:</b> Lynn Englund <b>Approval:</b> Unanimously approved
<b>Officer Nominations and Election</b>	<b>Nominations for board president</b> <b>Nomination:</b> Deann Lindstrom nominates Martha Hotchkiss	<b>Motion:</b> Approve the nomination of Martha Hotchkiss as president for the 2016 board year <b>Moved:</b> Matt Hass <b>Seconded:</b> Paul Hanneman <b>Approval:</b> Unanimously approved
	<b>Nominations for board vice president</b> <b>Nomination:</b> Mark Chapin nominates Deann Lindstrom	<b>Motion:</b> Approve the nomination of Deanna Lindstrom as vice president for the 2016 board year <b>Seconded:</b> Martha Hotchkiss <b>Approval:</b> Unanimously approved
	<b>Nominations for board secretary</b> <b>Nomination:</b> Deanne Lindstrom nominates Rachel Hertel	<b>Motion:</b> Approve the nomination of Rachel as secretary for the 2016 board year <b>Moved:</b> Martha Hotchkiss <b>Seconded:</b> Matt Hass <b>Approval:</b> Unanimously approved

	<p><b>Nomination for board treasurer</b>  <b>Nomination:</b> Matt Hass nominates Mark Chapin.  Mark declines to accept with thanks  <b>Nomination:</b> Martha Hotchkiss nominations  Lucia Cowles</p> <p><b>Motion:</b> Approve the nomination of Lucia Cowles as treasurer for the 2016 board year  <b>Moved:</b> Martha Hotchkiss  <b>Seconded:</b> Rachel Hertel  <b>Approval:</b> Unanimously approved</p>
	<p><b>Discussion:</b> Mark Chapin provided the position description from the bylaws. The chair called each nomination three times prior to closing the nomination for each position and subsequent vote. The only committee currently meeting is Finance. Other committees may convene on an ad hoc basis.</p>
<p><b>Approve Transactional Documents for Building Mortgage Refinance</b></p>	<p>Presented by Sarah Matala  (append Sarah's handout to end of minutes)</p> <p>Before the boards are three resolutions regarding the building refinance</p> <p>Information about the resolutions:</p> <ul style="list-style-type: none"> <li>- names of the executive officers will be changed to reflect the current officers</li> <li>- amount of the loan (as of December 2<sup>nd</sup>) is \$550,000</li> <li>- loan will mature in December of 2026</li> <li>- loan will be amortized over 20 years</li> <li>- loan interest is fixed at 3.95% for 5 years at which time it will reprice at a minimum of 4%</li> <li>- estimated monthly payment \$3,318</li> <li>- principal forgiveness of \$180000</li> </ul> <p>Original loan: \$641,750 in Note A \$507,075 and Note B \$134,675  New loan: \$550,000= original total \$507,075 + balance of Note B \$118,000 + put option \$16,375  Building appraised at over \$800,000</p> <p>Due to the combining of the Hampden Park Co-op and the 928 Raymond LLC boards and the line of credit to only the co-op, three resolutions are required.</p>

	<p><b>Resolution #1:</b> JOINT resolution to approve the mortgage loan in the name of the LLC not to exceed \$550,000 and approving a \$50,000 line of credit on the part of Raymond Avenue Cooperative at Hampden Inc. (Christina Nicholson would be a signer on the line of credit but not necessarily on the mortgage loan.)</p> <p>Discussion: Christina added that the line of credit improves our credit rating but that the idea is not to use it unless there is an emergency (example: fire.) The gm has a spending limit w/out board approval of \$1,000.</p> <p>Note: Sarah Matala will contact new officers as to signing times</p>	<p>As the Hampden Park Cooperative Board of Directors:  <b>Motion:</b> Motion to accept Resolution #1  <b>Moved:</b> DeannLindstrom  <b>Seconded:</b> Lucia Cowles  Motion Amendment: Move to accept Resolution #1 separately from Resolution #2.  <b>Moved:</b> DeannLindstrom  Amendment seconded: Lynn Englund  <b>Approval:</b> Unanimously approved</p>
	<p><b>Resolution #2:</b> The Hampden Park Co-op board passes a resolution to accept a \$50,000 line of credit for the co-op.</p>	<p><b>Motion:</b> Move to approve Resolution #2  <b>Moved:</b> Paul Hanneman  <b>Seconded:</b> Lucia Cowles  <b>Approval:</b> Unanimously approved</p>
	<p><b>Resolution #3:</b> The LLC board passes a resolution to approve the mortgage loan not to exceed \$550,000.</p>	<p>Set for 928 Raymond LLC board later in meeting</p>
<p><b>HPC Lease with 928 Raymond LLC</b></p>	<p>Presented by Sarah Matala</p> <p><b>Discussion:</b> Sunrise requested the co-op take a 10 year lease, the (accepted) counter offer was a 5 year lease with a 5 year option. Lease will begin at \$1790 with a 2% annual increase plus the principal and interest on the loan. Co-op has use of the parking lot. The LLC will need the rent to pay the taxes.</p>	<p><b>Motion:</b> Motion to accept the Hampden Park Co-op lease with 928 Raymond LLC  <b>Moved:</b> Matt Hass  <b>Seconded:</b> Rachel Fang  <b>Approval:</b> Unanimously approved</p>
<p><b>General Manager Report</b></p>	<p>Presented by Christina Nicholson</p> <p><b>Discussion:</b> creating an overall communication structure with monthly meetings for buyers and floor managers, quarterly meetings with entire staff and weekly meetings with managers as needed. Ongoing work with financial statements, margin review and price image. Working on payroll programming with Melissa Lindstrom Vendor UNFI will be creating plannograms for an end of February reset. Christina and Matt Hass attended a "small and strong" conference for co-ops under \$3 million. Kathy Vaughan is scheduled to retire in January.</p>	<p><b>Motion:</b> accept the general manager report  <b>Moved:</b> Matt Hass  <b>Seconded:</b> Deann Lindstrom  <b>Approval:</b> Unanimously approved</p>

<b>Financial Report</b>	Presented: Christina Nicholson	
	<p><b>Discussion:</b> Road construction from end of October through much of November caused a sales decrease of \$31,000. Thanksgiving sales were \$2,000 less than the previous year. Currently the lunch crowd is increasing but weekends continue to be soft. Mark reminds the board that there will be an additional phase of construction this coming summer. Goals include: budget for capital improvements, benefits for staff, living wage, create opportunities for greater membership involvement by mailing the newsletter.</p>	
<b>Volunteer Program Review Process</b>	<p><b>Discussion:</b> Develop the components and timeline to accomplish the goals of the Strategic Plan for Evaluation the Working Member Program that was developed during the board retreat. How to best include the full membership in this process? Avenues may include board members answering questions in the store, small membership meetings, membership survey? How do we best break down the multiple tasks and responsibilities. In a cooperative, at the heart and soul, volunteerism is an identity and value piece and separate from the financial piece.</p>	
	<p><b>Discussion:</b> The finance committee could continue to investigate the financial aspects of the volunteer program, the executive committee address the legal aspects and the membership committee investigate how to best maintain the identity and spirit of the cooperative.</p>	<p><b>Motion:</b> Moves we reconstitute the membership committee to assist in addressing the volunteer program.  <b>Moved:</b> Paul Hanneman  <b>Second:</b> Lucia Cowles</p>
	<p><b>Discussion:</b> Too many components involved, consider changing strategy? Should the finance committee will discuss the financial risk and the legal risks?</p>	<p>-----  <b>Alternative Motion:</b> move the finance committee assess the risks of changing and not changing the program  <b>Moved:</b> Deann Lindstrom  <b>Second:</b> Martha Hotchkiss</p>
	<p><i>Motions withdrawn by both Deann Lindstrom and Paul Hanneman</i></p>	

	<p><b>Motion:</b> Move to split #5, strike the legal aspect from the finance committee and add the membership committee to #6.</p> <p>Change the first segment of #5 to read:</p> <p>5. "The Finance Committee will continue its research with respect to the financial risks of change and the financial risks of not changing the program;" discovering what other co-ops who have been or are in a similar position have done with respect to their program and exploring and assessing options with recommendations to the Board. The Finance Committee will provide minutes of its meetings and that information will be posted along with the Board's official minutes at the co-op.</p> <p>6. The reconstituted membership committee will address the legal risks associated with changing or not changing the working membership program, be a mouth piece for the underling values and history of Hampden Park Co-op and also research the models that other co-ops have used to be in compliance with federal and state law and make recommendations to the Hampden Park Co-op board as to structure change. Both membership and finance committees will provide minutes that will be distributed to the board of directors..</p>	
		<p><b>Moved:</b> Lucia Cowles  <b>Seconded:</b> Mark Chapin  <b>Approved:</b> Unanimously approved.</p> <p><b>Motion:</b> Move that we change the date in the strategic plan from March 1, 2016 to April 1, 2016, and change "monthly newsletter" to bimonthly newsletter  <b>Moved:</b> Lucia Cowles  <b>Second:</b> Deann Lindstrom  <b>Approval:</b> Unanimously approved.</p> <p><b>Motion:</b> Move to adjourn the HPC board meeting  <b>Moved:</b> Matt Hass  <b>Seconded:</b> Lynn seconded  <b>Approval:</b> Unanimously approved  HPC board meeting adjourned at 8:05 p.m.</p>
<p><b>928 Raymond LLC Board meeting</b>  8:10 p.m.</p>	<p><b>Election of Officers</b></p>	<p><b>Motion:</b> Move that the officers of the Hampden Park Co-op board also be the officers of the 928 Raymond LLC board  <b>Moved:</b> Mark Chapin  <b>Seconded:</b> Martha Hotchkiss  <b>Approval:</b> Unanimously approved</p>
<p><b>Approve Resolution #1</b></p>		<p><b>Motion:</b> Move to approve (joint) Resolution #1 as stated in the Hampden Park Co-op minutes.  <b>Moved:</b> Paul Hanneman  <b>Seconded:</b> Lucia Cowles</p>

		Approval: Unanimously approved.
<b>Approve mortgage loan</b>		<b>Motion:</b> Move to approve the mortgage loan of \$550,000. <b>Moved:</b> Deann Lindstrom . <b>Seconded:</b> Martha Hotchkiss <b>Approval:</b> Unanimously approved.
<b>Approve lease for District Council</b>	<p>Sarah outlined a potential lease agreement with the district council, set to begin on January 1, 2016 with 3 months free in exchange for leasehold improvements paid for by the leasee. Rent is \$750/mon for 3 years with no annual increase and a \$750 deposit.</p> <p>Discussion: Paul Hanneman asked if the co-op could not make better use of the space. Christina Nicholson responded that the additional income would be beneficial to our organization.</p>	<b>Motion:</b> Move that we accept the lease to District 12 as described. <b>Moved:</b> Lynn Englund <b>Seconded:</b> Deann Lindstrom <b>Approval:</b> Motion passes with one opposed - Paul Hanneman and one abstention - Matt Hass.
		<b>Motion</b> to adjourn at 8:14 p.m.