

MINUTES: APRIL 7, 2008

KARMA CO-OPERATIVE BOARD OF DIRECTORS

Minutes of the meeting held on Monday, April 7, 2008, 7:00 pm – 9:30 pm

Directors present: Donald Altman, Rachel Birenbaum, Deborah Cherry, Charles Danzker, Deborah Finestone, Orla Hegarty, Arthur Jacobs, Margaret Knittl, Harry Koster, Ahdri Mandiela

Regrets: none

Absent: none

Staff Present: Justin McNabb, G.M.

Members present:

Minutes recorded by: Sylvia Kym

1. Call to order

- Meeting was called to order at 7:08 pm

2. Motion to accept the agenda

- Donald requested a change regarding the Ontario Natural Food Coop meeting - need to appoint a delegate; will add to “Other Business”

- Orla moved to accept the agenda with amendment
- Harry seconded the motion
- Motion passed

3. Declaration of any conflicts of interest

- Art declares a conflict of interest → with regard to the building renovations, he points out that he is currently not paid or contracted to do any work, and that there will be a general contractor. He is not sure where he stands in terms of how his services may be employed during the renovations, but will withdraw himself from voting on matters regarding the building renovations. He will abstain or leave the room when “building committee” issues are discussed because he may be considered “employed”.

4. Acceptance of the Minutes of the Board Meeting of Mar. 3

- Margaret moved to table the acceptance of the minutes of the Board Meeting of Mar. 3, until next meeting, when the final copy is present
- Harry seconded
- Motion passed

5. Report on Unionization Margaret

- The vote was 6-1 for the union.
- As of March 25th the working members are union workers without a contract
- Next steps: the workers’ agent will get a form listing their needs; negotiations will proceed after the union members have met and discussed their needs and issues.
- Margaret found a daycare that is a co-op that faced a similar situation; she has a report to review to see if Karma can learn anything from their situation
- Responsibilities are frozen as of March 25th until negotiations are completed

6. Building Committee’s Report Charles

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- Summary of Karma Renovation Progress in March
- SCHEDULE
 - Close to original schedule. Still in line to have work take place July/Aug.
- PERMIT
 - Applied for building permit because of the age and its non-conforming zoning but no problems are expected
 - City requested some additional information, most of which has already been supplied.
 - City raised one major concern re: zoning. City noted Karma zoned as Industrial and is Retail. In discussion with city, architects speculate the issue can be resolved without going to the committee of adjustment.
 - Letter has been sent to the city in an attempt to resolve zoning issue.
- CONSTRUCTION DOCUMENTS
 - Construction documents are 95% complete, and will be sent to Contractors for bidding in 1-2 weeks.
 - Exterior insulation recommendation received from Architect. This option will be priced, but it would mean wall goes over property line by several inches. Neighbours to be consulted this week to determine if a possibility. A letter was sent out this morning to the architect about insulation; given the zoning issues and potential for intrusion on neighbours' properties, we may only do interior
 - Team met with Cooler manufacturer to sort out all cooler details.
 - Manufacturer to supply requirements for construction documents this week.
- OTHER
 - Article submitted to chronicle, other communication to membership to follow.
 - Staff consulted for feedback on near complete construction documents.
 - Review of operational considerations with GM and managers. Product management strategy (off site storage, stock reduction, retained stock) to be in place by end of April.
- The board approved a process including several stages (milestones) of board approvals for the project.
- Final BOARD design approval prior to bidding is due at this board meeting.
- Allowing that the design presented and accepted by the membership at the past AGM is proceeding towards construction with only detail changes and contract documents are almost complete
- I have completed a review of the drawings and specifications with the building committee.
- Justin noted that staff accept the design as is
- Charles moved to accept the designs as they stand
- Art seconded
- Motion passed
- The building committee has been meeting with the general manager and staff to plan the reduction in stock which will be in place when renovations start. Are there any comments about what will be stocked in the store while renovations proceed? Building Committee suggestions here include:
 - Highest margin items
 - Product(s) which shoppers identify with Karma
 - Product(s) which are hard to find elsewhere
 - Products which are easy to maintain under construction conditions.

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- There will be some dust despite efforts to contain it.
- Products which are in season
- supporting certain suppliers
- Product selection vs Quality
- Orla commented that local products should be selected over others
- Margaret suggests that the question be tabled
- Justin is making a plan now and sourcing locally will be a significant consideration, considering that the renovations are taking place in the summer when local produce is in season

7. General Manager's Report Justin

- The Receiver General has been paid.
- PST and WSIB payments are up to date.
- Store Operations
 - Karma was closed on March 21 & March 23 for statutory holidays.
 - We hired Enviro-Wise pest management to help with a small ant problem.
- Staff
 - We have a new clerk, Natalie Boustead, on three month probation.
 - Scott Maynard, our casual clerk, is available until the end of April.
 - Mike H. extended his unpaid leave by three weeks.
- Other
 - Member Appreciation Day has been rescheduled for Saturday, May 10.
- Ahdri asked if the ant problem has been considered in the new construction plans
- Justin reports that they have and the problematic hole will be sealed off by a cooler

8. Treasurer's Report Donald

- Offering statement is done and will be mailed by Donald, filed in the store by Justin
- There was no finance committee meeting this month
- No written report because not comfortable with figures
- Ahead of budget but still in deficit position
- Should the new store budget be postponed because of the confusion surrounding the numbers and because of new staff costs?
- Deborah C. asked if member building fee will change
- Donald replied that this will stay the same until loans get in and see if we can meet the financing needs
- Deborah C. asked if member can work off building fee
- Donald replied that in the past, they could. Maintenance fee was initially to be paid only in cash and later a decision was made that it could be worked off.

9. Report RE: C2 and Caucus Deborah C.

- *Written report will follow in the Minutes binder*
- Deborah C. notes that a problem is that current and past Boards are not passing on active information onto the incoming Boards/Committees. This communication needs to be improved
- Last caucus meeting was not a success

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- Next meeting is April 17

- Charles moves to accept Deborah C.'s report
- Harry seconded
- Motion passed

- Charles moved that after the April 17 caucus meeting the Board dissolve the committee squared and caucus and instead appoint a Board liaison (who may or may not be a board member) for each committee, with the following responsibilities:
 1. maintain contact with his/her committee of responsibility
 2. assist committee in making mandates for the approval of the board
 3. inform themselves of membership and working hour credits
- Discussion – Justin: in past the board was overwhelmed by reports at meetings so it would be wiser to just make the reports available and only discuss relevant issues
- Harry seconded the motion
- Deborah C. abstained
- Motion passed

- Board members assigned themselves liaison responsibilities:
 - Donald → Finance
 - Charles → Building
 - Orla → Web
 - Margaret → Member Labour
 - Ahdri → Orientation
 - Harry → Food Issues
 - Deborah C. → Events
 - Art → Chronicle

10. Creating an Outreach Co-ordinator

- Orla moved to approve the position of an Outreach Co-ordinator on Karma's Board of Directors with the following responsibilities:

- To develop and implement outreach strategies to build our member base.
- To develop and maintain partnerships with community organizations
- To create basic outreach and education materials
- To explore ways for recruiting, training and retaining volunteers for Board and Committees

- Harry seconded
- Motion passed

- BIRT that Orla be appointed to this position
- Motion was dropped, as Rachel pointed out that Orla had already been appointed to the position during the in-camera meeting of November 21.

- Margaret moved to allot \$100 as an initial budget for this outreach initiative in response to Orla's request
- Charles seconded

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| <ul style="list-style-type: none">• Motion passed |
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- Ahdri noted that Orla will need a plan and to report to the board
 - Orla agreed to report on events she has been to and has plans for at the Board meetings
 - Art noted that there used to be an outreach committee that went out in the community, but that there hadn't been one active in recent years

11. President's Report Margaret

- At our last meeting I reported that we would be going the voluntary recognition route (true), with two staffers joining management (mistaken). One has stepped up to management. We are very pleased to welcome Michael Armstrong to our team.
- The Sup. Committee has been meeting with Justin almost weekly it seems, to consider whether we will need a third person on that team (we think we will) and to consider how best to allocate managerial responsibilities. This is ongoing.
- The advisory group to our yet to be appointed bargaining team met on Sunday March 9 to begin identifying which issues are most critical to us. I will have more to say about this in camera.
- Our consultants, Freeform Solutions, have prepared an Interim Report on their research re: an integrated POS system for Karma. A copy is available in the Board box. A copy has been faxed to OCA in accordance with our agreement with them. A fuller report should be available shortly and again a copy will go in the Board box and another to the Ontario Co-operative Association.
- There is some worry that the report won't get done in time and won't receive the second half of the funding
- For the first time in quite a while a working member will be doing a stint of checking invoices and pricing groceries in the store this week.
- Donald is concerned that this will contravene the duties as of March 25th
- Margaret notes that they are short staffed and so are not taking someone's job away
- In the future care will have to be given in regards to who performs which responsibilities

12. Proposal to adjust the non-working member monthly fee to more accurately reflect the real cost of hourly work of staff

- Rolf is doing calculations to find the proper figure
- Orla suggested that for simplification we should get rid of flat fee and just have a surcharge
- Harry noted that we could lose members if there wasn't a flat fee.
- Justin noted that expenses are going up but hoped no fees are going up
- Margaret asked the finance committee to look into issue and find proper fee pricing; find if we should increase it/abolish it or revise it

13. Other Business

- Ontario Natural Food Coop annual general meeting is on April 27
- Donald raised the issue that we need a delegate
- Justin has already submitted the forms and can send three individuals for free
- Justin, Donald and Art have volunteered

14. Adjournment

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- Meeting was adjourned to an in-camera session at 9:45

Action Items

- Margaret will review the day care union report and find suggestions
- Orla offers to go in past tapes and figure out the sales of working members vs. non-working members
- Donald to ask finance committee to look into real cost of hourly work of staff and decipher if changes need to be made to the fee system
- Justin, Donald and Art have volunteered to attend the ONFC AGM, April 27