

**KARMA CO-OPERATIVE BOARD OF DIRECTORS**

**Minutes for meeting of Monday, September 14, 2009, 7 – 10 p.m.**

**Annex Art Centre, 1073 Bathurst St.**

**Directors present:** Corey Berman, Arthur Jacobs, Howard Kaplan, Harry Koster, Sarah Pretty, Jae Steele, Kevin Taylor.

**Regrets:** Donald Altman, Reg McQuaid

**Staff present:** Justin McNabb (General Manager)

**Members present:** Margaret Knittl, Deborah Cherry, Frank Norquay

**Note-taker:** Sarah Pretty

**1) Call to order.**

Meeting was called to order at 7.10 pm.

**2) Approval of Agenda**

The agenda for the meeting was approved. Moved by Kevin. Seconded by Art.

**3) Minutes of previous meeting**

The minutes of the board meeting of August 10<sup>th</sup> were approved. Moved by Sarah. Seconded by Art.

**4) Report on membership survey re non-working members**

Howard – the member response has been generally very negative. Kevin and Howard are recommending that the board not proceed with the proposal put forth by the finance committee.

Kevin - Among overall negative, among Nonworking members very, very negative. 140 respondents, maybe slightly more from non-working members than reflective of their proportion of membership. Some positive responses.

Howard suggests a one paragraph response thanking members for responding and letting them know, given the negative response, we are not going to proceed at this time. Post in the store.

Kevin suggests working with the markup to bring us to a break-even point. In terms of changes to membership Kevin suggests the AGM is the starting point of the conversation.

## **5) Proposals from Members for AGM Agenda**

**i) Margaret Knittl-** Recommends taking a long-term view of working/non-working membership question. It is not the time to take action that could shrink Karma's membership while we are in contract negotiations with staff.

**ii) Deborah Cherry-** asked that the matter of the Non-Working Fee Proposal be placed on the Agenda. Rather than wait for a collective agreement we need to be viable. She felt she lacked details of the question, therefore would like to see it discussed.

Board members felt we cannot wait for a collective agreement to discuss a change in membership categories. We cannot afford to tie the labour issue with our membership policy. It would make the situation untenable for any future board.

Kevin noted that a lot of the membership does not feel the current situation is unfair. It is a matter of use-based fairness. Monthly fees are based on the amount they use the coop.

Deborah feels that financial issues generally should be discussed. After hearing the board's reaction to her suggestion, she was not sure that the membership proposal should be presented at the AGM. It would create a sense of instability, particularly given the staffing situation. But the matter should be taken up in the future, looking at more models.

Howard noted that we have not looked at membership policy seriously in 20 years. The last extensive discussion was at the 1989 general meeting. [Howard's post-meeting correction: it was actually May 1988.]

**iii) Frank Norquay** was concerned about the way that new members are being introduced to the coop. They are just given the orientation info, and told to call this

number to let people know if you are going. There is not enough follow through with new and prospective members.

After considerable discussion it was agreed that Justin will begin a list for all prospective members and trial shoppers. Their info is taken down, names, number and email, and they are signed up for an orientation immediately. The welcoming function is key to attracting and keeping new members.

## **6) Corey's Proposal Regarding Fee Structure**

Corey presented his draft proposal to eliminate the current fee and working structure and replace it with a one-tier fee system. He feels that this proposal should be presented to the AGM for discussion. After airing the issue in this context a survey could be conducted to guide us towards how to implement such a change.

A lively discussion of the issue followed. Discussion at the AGM should focus on the qualitative aspects of the proposal, for which specific numerical calculations are not needed. Do people think the current membership structure is an impediment to increasing and retaining members and increasing sales?

Sticker prices will be higher in this system than others. If the members at the AGM believe it is an appropriate structure, it can be referred to the Finance Committee to refine the numbers and quantify its impact. After that the general membership could be surveyed.

There would be a bigger backlash by increasing fees than by slightly increasing the mark-up, where there is more flexibility. Reducing fees is likely a good idea.

For a productive discussion at the AGM we need to send something out beforehand. There is time to get something to Hilary for inclusion in the AGM packet and posting on the website. The packet will be in the store for pickup 10 days prior to the meeting.

It was decided that Corey will prepare and circulate a document to the board members within the next three or four days. Everyone should email him their comments to enable him to produce a document that can go out to the membership prior to the AGM.

## **7) AGM Preparations**

MINUTES: September 14, 2009

Chairs- Harry and Sarah

Agenda:

4:00 pm- Set Up

5:30 Doors Open

6:25 Call to Order

6:30 pm - Approval of the Agenda and Minutes

6:35 pm Treasurer's Report and Auditor's Report

6:50 - Discussion

7:10 Motion to approve the financial statements and motion to reappoint the Auditor

7:15 President's Report

7: 20 GM's Report

7:30 Discussion

7:40 Motions to accept the President's and GMs reports

7:45 Review of election procedures and nominations for two-year terms.

8:10 First ballot for two-year terms

8:20 Report from Negotiation Committee

8:25 Discussion of ideas for other Membership Structures- Margaret Knittl

8:50 Announcement of election results, and second round of election

8:45 2<sup>nd</sup> Round of elections

9:00 Other issues regarding the financial situation

Committee reports are not included in the formal meeting, as there will be an information session with committee representatives around the snack table from 5.45 pm until the start of the meeting.

**Motion to approve the agenda items as enumerated and discussed today, and to grant Howard and Sarah authority to shape the agenda.**

**Moved by Sarah. Seconded by Kevin. Approved.**

**Motion to use the email list to send unofficial notice to let people know when the official AGM notices are available for pickup in the store.**

**Harry moved. Kevin seconded. Approved.**

## **8) General Manager's report**

One item not in the written report is that someone has applied to be a free marketing intern. The outreach committee will make use of this person's services if they deem it reasonable.

The staff are taking on more and more work with no raise in pay. Justin thinks that at some point we are going to need to thank them financially.

The storage locker has been cancelled, but the member room has not yet been finished. Art reported that a list of materials has been put together, and the building committee is looking for a plumber and an electrician from membership. That work is scheduled to begin in September.

There was some discussion about precautions that should be implemented regarding sanitation with regard to H1N1. These included cleaning shared surfaces with disinfectant, and replacing towels with a hand drier. Staff could be affected, and temporary closure of the store is a possibility.

## **9. Treasurer's report**

**Moved that the auditor's report and the financial statement for the year ending May 31, 2009 be approved by the Board and recommended to the members for adoption.**

**Moved by Howard. Seconded. Approved unanimously.**

**Moved that reappointment of the firm of Berman, Lofchick & Lum LLP as external auditor for fiscal 2009-2010 be recommended to the members.**

**Moved by Howard. Seconded. Approved unanimously.**

**10. Adjournment:** The meeting adjourned at 10 pm.