

New Deal Café
Minutes of
Annual Membership Meeting
May 20, 2012
(5-31-12)

The Annual Meeting of the New Deal Café cooperative was called to order at 2:13 p.m.

1. Board Report - Michael Hartman, president of the board, gave a report on the accomplishments of the past year which included the following highlights:
 - The cafe's debt to banks and creditors was paid off in 2011.
 - A new co-op general manager position was created and Terri Rutledge was selected for the job.
 - The Café has a new Air Conditioning System.
 - The board obtained Directors and Officers Insurance for the first time.
 - The board adopted the board-manager model of operation in order to improve its performance by making policies and delegating implementation to staff.
 - The board developed a formal budget process and adopted a detailed budget process for the first time.
 - Restaurant operations and working relations with our restaurant manager continue to improve and were very smooth this past year.
 - Bar operations, music and art events, and special events were all very successful.

2. General Manager Report - Terri Rutledge reported the following accomplishments:
 - Fourth successful year of operation with Chef Karim managing the restaurant.
 - Second year of cooperative running the bar now managed by Amethyst Dwyer.
 - Bar staff and volunteers trained in alcohol awareness.
 - Many successful recurring and special events.
 - New air conditioning installed in back room.
 - Improvements to art lighting.
 - New stage lights installed.
 - New projector screen installed.
 - Music performance licenses obtained.
 - Financial records now kept in-house.
 - Increased advertising.
 - Establishment of a budget procedure was a big accomplishment this year.

3. Financial Report - Terri Rutledge gave the financial report as follows:
 - Debts have decreased from \$43,202 in December 2010 to \$15,600 in March 2012.
 - All bank loans have been paid off; the only remaining debts are member loans, and the city kitchen rent.

- It is anticipated that the City kitchen rent will be paid off by June 2013.
- The co-op will poll the owners of the member loans in order to determine a process for repayment.
- Alcohol taxes increased from 6% to 9%.
- Assets are \$10,545 as of March 2012, which includes emergency reserves, income tax reserves, and operating accounts.

Terri reported on the budget for 2012 as follows:

- The board established priorities for the budget including:
 - Creation of a publicity budget
 - Payment of stipends to key volunteers
 - Increase reserves
 - Payoff City kitchen debt
 - Pay off of member loans
 - Increase café physical security.
 - The board asked the manager to prepare a budget, subsequently approved by the board with changes. The new budget uses annual income and expenses based on last year's actual performance. The highlights of the budget are:
 - Advertising is increased by 75% over 2011.
 - Member loan payback is budgeted at \$200/month.
 - Payments the City for kitchen rent continue at \$200/month.
 - \$2,000 is budgeted for safety push bars for the back doors and other security improvements.
 - \$600 is budgeted for volunteer meals to be matched by Karim.
 - Reserves are projected to increase by \$4,000.
 - Payroll costs are increased.
 - Beer prices are increased by .60 per beer, the first increase in 5 years.
4. Audit Committee Report - Dorian Winterfeld noted the written report which was distributed at the meeting.
 5. Minutes of Annual Membership Meeting of February 20, 2011 - The membership approved the minutes of last year's membership meeting.
 6. Election - Bill Jones announced that there were four open seats on the board, three (3) two-year terms, and one (1) one-year term. Nominations were received for four candidates: Ed James, Michael Hartman, Dorian Winterfeld, Neil McConlogue, Lisa Voith, and Craig Tooley. The count of the membership votes determined that the two-year terms went to Michael Hartman, Lisa Voith, and Dorian Winterfeld; and that the one-year term went to Neil McConlogue.

Nominations were received for five candidates to fill three (3) one-year terms on the Audit Committee: William O'Grady, Tom LeaMond, Mike Stark, Ronnie Skotkin, and Lori Denn. The membership voted for William O'Grady, Tom LeaMond, and Mike Stark.

6. Lifetime Memberships - The membership ratified the board's prior approval of lifetime co-op memberships for Peggy Barrott, Mike Mulaney, and Ray and Barbara Stevens.
7. Other Reports - Other reports were received from the music committee and FONDCA.

The meeting adjourned at 4:17 pm.

Respectfully submitted,
Bill Wilkerson, Secretary