

NEW DEAL CAFÉ ANNUAL MEETING



May 17, 2015

Proposed Meeting Agenda

1. Prioritization and Approval of Agenda
2. Welcome by the Board President
3. Approval of Minutes of the 2014 Annual Meeting
4. Reports
 - a. Board of Directors Report
 - b. Financial Report
 - c. Audit Committee Report
5. By-laws Amendments
6. Election of Officers (Board of Directors and Audit Committee) -- No later than 3:30pm
7. Other Reports
 - a. Art Committee Report
 - b. Music Coordinator Report
 - c. FONDCA Report
8. New Business
9. Adjournment and Farewell

New Deal Café Management Team

Board of Directors

Michael Hartman, President

Nancy Melandry, Secretary

Frank Gervasi, Treasurer

Dina Sykes, Member

Terri Acton, Member

Restaurant Manager

Karim Kmaiha and Maria Almeida

Bar Manager

Amethyst Dwyer

Music Coordinator

Amethyst Dwyer

Art Coordinator

Meg Haney

Lead Sound Engineer

Frank Kayser

Web Master

Karen Wallace

Audit Committee

Tom Jones, Chair

Mike Stark, Member

Dorian Winterfeld, Member

Friends of New Deal Café Arts (FONDCA)

Barbara Simon, President

Chris Logan

Peter May

Leeann Irwin

Michael Smallwood

2014 Annual Meeting Minutes

New Deal Cafe

Annual Membership Meeting

May 4, 2014

Café Back Room

Called to order at 2:10pm

Reports:

Board of Directors Report

Financial Report

Audit Committee Report

Bill Jones (Parliamentarian) - Moderator.

Concerned New Deal Café Cooperative Members:

Discussion regarding Concerned NDC Members' letter and the Board of Directors' response.

Proposed Bylaw Change #1:

Motion: Make Proposed Bylaw Change #1 a secret ballot.

Motion failed. Majority voted to oppose having a secret ballot.

APPEND TO Article III, Section 4:

. . .No member may hold elected office if the member or the member's spouse or a member's immediate family member (defined as parent, child or sibling) is employed by the New Deal Café Cooperative. This applies to both direct employment by the Cooperative and to **employment by companies that have entered into long-term on-site contracts with the cooperative.**

Failed to win two-thirds majority as required in bylaws.

Proposed Bylaw Change #2:

Proposed language amended as follows:

ADD NEW SUB-SECTION TO Article V., Section 5:

d. Conflicts of Interest. Whenever a Director or Officer has a substantial financial or personal interest in any matter coming before the Board of Directors, the affected person shall a) fully disclose the nature of the interest and b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested Directors determine that it is in the best interest of the Corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

Approved by two-thirds majority as required in the bylaws.

Proposed Bylaw Change #3:

Proposed language amended as follows:

SUBSTITUTE FOR Article III, Section 1. b:

b. Renewing active membership in the Cooperative requires payment of \$25 annual dues. The membership year begins the day of an annual meeting and ends the day before the following annual meeting. Payment of the membership fee makes a person an active member for the membership year for which said fee is paid.

Approved by two-thirds majority as required in the bylaws.

Election of Board of Directors:

Nominees for 3 vacancies: (1) Frank Gervasi, (2) Michael Hartman, (3) Dina Sykes, (4) Iliana Maria Restrepo.

Elected to 2-year terms: Frank Gervasi, Michael Hartman, Dina Sykes.

Election of Audit Committee Members:

Nominees for 3 vacancies: Dorian Winterfeld, Michael Stark, Tom Jones

All 3 nominees elected to fill 1-year terms.

Committee / Other Reports:

Art Committee Report – Laurie Crunk

Music Committee Report – Amethyst Dwyer

FONDCA Report – Barbara Simon

New Business:

Motion: The Board should consider compensating the Music Coordinator for work performed.

Approved by majority.

Suggestion: Make all 3 bathrooms genderless.

Motion to adjourn.

Motion to accept the minutes of the
2014 New Deal Café Annual Meeting

Reports to the Members

- a. Board of Directors Report
- b. Financial Report
- c. Audit Committee Report

New Deal Café Board of Directors 2015 Report to Members

In this, our 20th year, your Board of Directors is happy to report the State of the Cooperative: In a word, wonderful!

CAFÉ OPERATIONS

- The Cafe is in the second year of a five-year extension of the Restaurant Management Agreement (MA) with Chef Karim. This MA includes a basic 3-year contract with 2 one-year optional extensions.
- Recognizing Karim and Maria for the long hours they put into the restaurant operation, delicious food and desserts, including new items that they have begun to introduce onto the menu.
- Appreciate Chef Karim and Maria's involvement in Greenbelt Community activities, including partnering with the Board to co-sponsor the Greenbelt Farmers Market and other community events like the Pumpkin Festival and the Zero Waste effort at the Green Man Festival
- We are working cooperatively with the Friends of the Greenbelt Theatre to partner in special programs and other ways we can support each other, including the possibility of on-screen advertising before the movies.

- We are up to date on our Directors and Officers Insurance, as well as our liability insurance for the bar and the Café's outside events in Roosevelt Center. In addition, we are up to date on all licenses and other state, county, and city requirements needed to operate the Café.
- Reviewed off-site files and shredded or filed as appropriate. Mid-2000's Personnel files entered in a spreadsheet.
- Exploring the feasibility of weekly advertising in the Greenbelt News Review and the Program Books of the Greenbelt Arts Center. Our ad is in the current program.
- Our Web Site continues to be a magnificent representation of our Café life. Web Site is now more user-friendly on cell phones. This was all created and maintained by our wonderful Web Master, Karen Wallace and Deputy Web Master, Dorian Winterfeld with regular updating of our Calendar by our Music Coordinator, Amethyst Dwyer.

FINANCES AND BAR OPERATIONS

- As seen in Financial Report, the Café's beer and wine sales are doing better than we have ever done before.
- We remain in contact with the Executor of the Susan Jones estate and will resolve that loan debt when the estate is closed. When that occurs, the New Deal Café will truly be debt-free.
- The Board has approved and is operating under a budget for 2015.
- We continue to accept credit card purchases at the bar. This has proved to be a great convenience to our customers and very beneficial to the Café.
- We are very pleased with our professional bartenders, Meg Haney, Barbara Glick, and Ronda Ansted, as well as our newest hire in 2014, Laurie Crunk, who provide a professional level of service to our customers.
- In addition to our paid bartenders, we are helped by our volunteer bartenders: Connie Davis, Dina Sykes, Alicia Deligianis, Mike Rall, Dorian Winterfeld, Jsun Maggio, Heather Brooks and Carla Monardes.
- The Board recently approved the hiring of one more paid bartender to fill a position that was included in the current budget.
- We continue to make and break records for the daily sales of beer and wine.
- We consolidated several Credit Union sub-accounts to streamline our financial operations.
- We expanded our hours. We are now open until 10:00 on Thursdays and midnight on Fridays and Saturdays.

ROOSEVELT CENTER AND OTHER COOPERATIVES

- The Café continued its membership with the Greenbelt Cooperative Alliance, including participating in a National Cooperative Month display on the ground floor of the Library.
- Members of the Café management team participated in a series of interviews conducted by Leta Mach for National Cooperative Month. The segment on the New Deal Café is posted on our Web Site. In it, Amethyst Dwyer, Meg Haney, Frank Gervasi, and Michael Hartman discussed the Café in terms of it being a Cooperative.

MUSIC AND SPECIAL EVENTS

- Throughout the year the Café presented award-winning performers from all over the region, country and the world. You will hear more from our Music Coordinator, Amethyst Dwyer.
- Generally speaking, we consistently filled the house on weekends. We continue to see improvement during the week as the café has become an increasingly popular music venue. We also offered mid-day entertainment throughout the week and a monthly Poetry Night Open Mic, Pub Quiz, Kids Open Mic and Songwriters Association of Washington Open Mic. This year we instituted a stand-up comedy night, The New Deal Laugh-In, as well.
- During the last year, the Café hosted numerous projects and special events. These will be included in the report of our Music Coordinator.
- A new sound mixer was purchased with the capability to mix with an iPad from anywhere in the room.
- Frank Kayser constructed a sound equipment cabinet and we purchased new stands for the stage monitor speakers.

MEMBERS, VOLUNTEERS AND HUMAN RESOURCES

- The Board held a Volunteer Appreciation Event honoring our many volunteers who have helped keep the Café running over the years. We invite all of our members to volunteer. Even though we have professionalized several functions of the Café operations, we still rely heavily on volunteers. One recent example was the volunteer crew that helped us assemble the new tables and chairs.
- Attendance by members at the monthly Board meetings continues to grow. We wholeheartedly encourage all of our members to attend these meetings. The Board appreciates the interest of all members and the great diversity of opinions and views on the various issues that the Board considers. We need input from all of our members, and we are getting it.
- Updated the Position Descriptions of Bar Manager and General Manager.
- Updated the Employee Manual and Performance Review Guidelines

FACILITIES

- We are sure that you have noticed the physical improvements that have been made to our café. After years of not having the finances to do so, we are now in a position to reinvest our capital into the Café infrastructure and interior design. Please note that the Board paid for all of these upgrades with co-op funds only -- an accomplishment that would have been inconceivable just a short time ago. In the last 12 months, we have done the following:
 - Two completely renovated bathrooms (including water-efficient toilets) and ADA compliant sinks, faucets, and door handles.
 - Designation of the bathroom with the baby changing table as unisex.
 - All new tables and chairs in the back room.
 - Construction of a “mini-bar” standing area.
 - Construction of a bar-height table with six bar stools.
 - The front and back rooms were repainted.
 - New tablecloths.
 - New curtains, carpet and skirting for the stage.
 - New cabinet for sound equipment and stands for the monitors.

- We replaced 2 HVAC systems in the front and back rooms.
- We installed 2 commercial-grade water filters in the kitchen for drinking water, coffee and tea preparation as well as food preparation. We also have a water filter in the back utility room (where the ice maker is located).
- We installed a router in the back room to improve our Wi Fi capability. This assists the Café and its credit card function, and patrons who come to the café and depend on our free Wi Fi.
- The Café is using 100% Wind Energy for our electricity needs. We are participating in a Community Power Program for Organizations through Groundswell, a non-profit organization that promotes clean energy consumption through group purchase buying programs. Groundswell also offers a residential program.
- Our community bulletin board is full of event notices and is used to the fullest.
- We restored Eleanor Roosevelt to her rightful place of distinction overlooking the bar and the back room.

We are also looking forward to turning 21 next year when we will be of legal age and finally able to drink our own beer and wine.

And the final word to describe the state of our cooperative is EXCELLENT!

2015 Annual Finance Report

Frank Gervasi

New Deal Café Treasurer

I am happy to report to you all that:

- All our bills are paid and up to date.
- We have no debt, except for one member loan of \$3,000.00 that is still in Probate.
- All other member, and other, loans are repaid.
- 2014 income topped 2013's and is on a pace to do even better in 2015
- We have savings to further invest in infrastructure and contingencies.
- We have invested considerably in our physical plant and expanded our staff and hours of operation.

1. Our bills are paid on time.

That includes up to date accounts with our half dozen beer suppliers, our wine distributor, all our suppliers, our insurances, licenses, accounting fees, taxes, improvements to date, and other expenses.

2. Steadily increasing revenues:

2012	income: \$124,800	expenses: \$115,932	savings & profit: \$8,868
2013	income: \$131,710	expenses: \$119,389	savings & profit: \$12,321
2014	income: \$154,246	expenses: \$142,138	savings & profit: \$12,108

NOTE: When looking at the 2014 Budget/Actual/2015 Budget Chart, the 2014 expenses include Cost of Goods Sold, as well as over \$10,000 for improvements throughout the Café. This is why the 2013 “savings & profit” is higher than that of 2014. Major projects include new tables and chairs, new HVAC systems, new stage window curtains, carpet, and dust ruffle, remodeling two bathrooms, improvements to our sound system, and room painting.

3. Our current membership savings account at GFCU is at about \$9100.

Our GFCU savings reserves account, which consolidated 3 older accounts, grew this year to over \$18,250. Savings reserves are \$27,350. Our operating capital is currently at a healthy \$12,000.

4. So far in 2015, our first 4 months gross bar income was \$53,542, an 18% increase over last year’s same period gross of \$43,934. This is partly due to expanded hours. This continues a positive trend we’ve enjoyed for the past number of years. At the current rate of sales, we are on track for our best year ever!

New Deal Café 2014 Budget & Actuals, and 2015 Budget

Category	Item	2014 Budget	2014 Total		2015 Budget
			Actual	±Budget	
Income					
	Bar Gross Income	\$125,800	\$144,598	15%	\$155,000
	KMK Contract Fees	\$6,000	\$6,000	0%	\$6,000
	Memberships	\$1,000	\$3,633	263%	\$1,000
	Interest Earned & Other	\$25	\$15	-40%	\$20
	Total Income	\$132,825	\$154,246	16%	\$162,020
Cost of Goods Sold		\$42,250	\$44,165	4%	\$45,000
Gross Profit		\$90,575	\$110,081	22%	\$117,020
Expenses					
	Payroll & Payroll Taxes	\$44,595	\$30,904	-30%	\$43,800
	Taxes (excluding payroll)	\$8,277	\$18,021	117%	\$21,650
	Insurance	\$3,200	\$4,278	33%	\$4,600
	Utilities	\$7,834	\$7,036	-10%	\$8,150
	Licenses and Permits	\$3,672	\$3,785	3%	\$5,000
	Music & Entertainment	\$1,120	\$1,060	5%	\$3,300
	Advertising & Promotion	\$2,256	\$2,594	15%	\$2,000
	Professional Fees	\$1,432	\$6,020	320%	\$5,200
	Volunteer Appreciation & Meals	\$4,300	\$7,929	84%	\$4,500
	Repairs & Maintenance	\$610	\$10,256	1581%	\$9,300
	Other	\$5,228	\$6,090	17%	\$6,000
	Total Expenses	\$82,524	\$97,973	19%	\$113,500
Net Profit		\$8,051	\$12,108	50%	\$3,520

NOTE: In this chart, Net Expenses include both the Cost of Goods Sold line and the Total Expense line. (They are separate lines for bookkeeping purposes.) This adds up to \$142,138. The Repairs and Maintenance line item includes expenses for improvements throughout the Café. Major projects include new tables and chairs, new HVAC systems, new stage window curtains, carpet, and dust ruffle, remodeling two bathrooms, improvements to our sound system, and room painting.

Electric Power Usage

Our largest utility bill by far is for electricity. The Cafe operation as a whole spent about \$15,000. for electric last year. This follows a steady trend of increasing use and costs, for example, the overall bill for 2012 was under \$13,000

Roof Top Solar Electric Generation

We are pursuing the feasibility a roof top solar electric system. Numerous benefits from such a system include:

- partial control of cost increases for electricity
- savings of 30% for the cost of power used
- communally doing what needs to be done, global warming alleviation
- shading of the roof in summer to cool it
- leading Greenbelt center to be a bit more green

Proposed 2015 New Deal Café Bylaw Amendments

- These bylaws changes were proposed by the Audit Committee and are intended to reflect bylaw proposals in the *2014 Audit Committee Report*.
- The New Deal Café Board of Directors has endorsed these bylaw proposals.

Proposed Bylaw Change #1

Audit Committee

Under Article VII Committees, insert a new Section 1 (and renumber the subsequent section(s)):

ADD text in its entirety.

Section 1. Audit Committee

The Audit Committee shall consist of 3 members who shall serve a 1-year term. Terms begin and end upon certification of election by the membership. The Audit Committee shall elect a chair. No officer, employee, or director of the Corporation shall be eligible to serve on the Audit Committee.

1. The functions of the Audit Committee shall be to review and evaluate: (a) the financial statements and audit reports of the Corporation; (b) its accounting system, accounting procedures, and operating budget;; (c) policies and practices followed with respect to financial accounts and reserves; (d) financial policies and practices; and (e) pursuant to the policies established by the Board and the Bylaws, the various operations of the Corporation in order to determine management's effectiveness in administering the affairs of the Corporation economically and efficiently.

2. The Audit Committee may make such reports and recommendations to the Board of Directors and to the membership of the Corporation as it may deem appropriate, and shall make an annual report to the membership of the Corporation concerning its findings, and its operations throughout the year, and such report shall contain an accounting of any Audit Committee expenditures throughout the year. Any reports to the membership other than at the regular annual meeting of the members of the Corporation shall be mailed or delivered no later than thirty days after presentation to the secretary or to the business office of the Corporation.

3. Vacancies on the Committee shall be filled by the remaining membership of the Committee, after notice of the vacancies is publicized by the Audit Committee and a two week period is provided for submission of suggested names of candidates to the Committee.

4. Members of the Audit Committee shall have the right to attend all regular and special meetings of the Board of Directors and any subsidiary corporations, including executive sessions, and shall be furnished with copies of all minutes. They shall also be given access to all books and records of the Corporation. The Audit Committee shall have the right to consult with all Corporation attorneys, auditors, and accountants.

APPROVED BY THE MEMBERSHIP (UNANIMOUS)

Proposed Bylaw Change #2

Bylaw Amendment Proposal Deadline

Revise Article IX Amendments as follows:

ADD text in **bold** and underlined.

These Bylaws may be amended by two-thirds vote at any membership meeting provided that the text of the proposed amendment shall have been included in the notice of the membership meeting. On action by the Board of Directors, or on the written request of any 10 members at least 7 days prior to the appropriate News Review deadline, the secretary shall include the proposed amendment in the notice of the next membership meeting. Nothing herein shall be construed to prevent the membership from amending a proposed amendment at a membership meeting.

APPROVED BY THE MEMBERSHIP (UNANIMOUS)

Proposed Bylaw Change #3

Dues Payment Required to Vote

Revise Article III Membership, Section 1. Qualifications as follows:

ADD text in **bold** and underlined.

Section 1. Qualifications

- a. Membership is open to all who pay the minimum membership fee of \$50. Levels of membership include Patron \$500, Sponsor \$150, and Member \$50. Only members 18 and older **who are active members by virtue of paying the dues for the current year or having them waived** may vote in cooperative elections. Each individual may hold only a single membership. Employees of the Café are deemed members after six months paid employment, when they fill out an application for membership. Those who are employed during a given membership year have their annual dues waived **and are considered active members** for that year.
- b. Renewing active membership in the Cooperative requires payment of \$25 annual dues. The membership year begins the day of an annual meeting and ends the day before the following annual meeting. Payment of the membership fee makes a person an active member for the membership year for which said fee is paid. **Members incur no ongoing liability for any periods in which their membership is not active.**

APPROVED BY THE MEMBERSHIP (UNANIMOUS)

Proposed Special Rule of Order Change

Proposed Modification of Special Rules of Order

DELETE text in its entirety.

ANNUAL MEETINGS: The Board of Directors shall ~~make strong efforts to~~ schedule the annual membership meeting ~~in the second half of January.~~ in the month of May, unless there are extenuating circumstances.

***APPROVED BY THE MEMBERSHIP WITH AMENDMENT
(UNANIMOUS)***

Election of Board of Directors



Nominees:

- ***Nancy Melandry***
- ***Terri Acton***

Election of Audit Committee Members

Audit
Committee.

Nominees:

- ***Tom Jones***
- ***Dorian Winterfeld***
- ***Mike Stark***

Other Reports

- Art Committee Report
- Music Coordinator Report
- FONDCA Report

New Business

New Business item 1:

Barbara Stevens presentation of her “unofficial biographical history” of the Café. Including anecdotal information on the Web Site she set up for that purpose.

Results of Elections

- Board of Directors

Nancy Melandry

Terri Acton

BOTH ELECTED BY ACCLAMATION BY THE MEMBERS

- Audit Committee

Tom Jones

Mike Stark

Dorian Winterfeld

ALL THREE ELECTED BY ACCLAMATION BY THE MEMBERS

Adjournment

Thank you for participating in the New Deal Café 2015 Annual Meeting.

We welcome our new members.

Please continue your involvement in Café business by attending our Board meetings.

We welcome feedback, comments, concerns, suggestions, and thoughts about how the Café is operating.

If you have time and talents that you can give to the Café, we welcome your volunteering in various ways.

Remember, as a member and community owned Cooperative, this Café belongs to all of us and we all have an interest in its success.

