

NBPDA
Meeting Minutes, Thursday, September 29, 2016
6:00 PM
102 CBD Mall #3

Call to Order- 6:18pm

Roll Call- Secretary/Treasurer Dan Smith, Adam Shaeffer, Dolly Newman, Store Director, Robyn Legun, Attorney Tuenis Wyers, Mayor Don Stevens, Mike Baker and Fern Armstrong (member of Public).

Agenda Changes- None

Board Comments- Dan thanked the members for being available and being here.

Manager's Report- Ms. Legun reported on the past few months of sales numbers, including August and September, noting there were lower than expected. Possibly due to the number of stores in Oregon. Also reported was the medical sales and changes for Washington, there are very few medical specific products in State of WA, so the roughly 20 medical sales per month was disappointing. Discussion of taxes on medical sales as well Discussion of why Cannabis Corner is involved in medical sales ad what the expectations were and have materialized into. Also reported was the store manager, Kaley, and her upcoming maternity leave, and replacements to fill in for her duties were being trained.

Finance Report- Discussion on the newly revised budget for 3rd qrt. Rent will be increased at the store in 2017. On the finance report, rent was listed as \$6750.00 instead of \$6250.00, simply because the office rent was mistakenly in that column for August. Board reviewed P&L for 3 QRT. Discussion about how much we spend on "flower". Discussion on the travel column being changed 110%, and noted it was big change not a "slight" change as wording inferred.

Old Business

LANDSCAPING PLAN-Still on hold, with construction on road at store almost done. Note the Crew working did well with our employees and customers. Discussion on if Board should ask Planning Commission ~~to if they are satisfied with the landscaping plan~~, suspend the rest of the landscaping plan and that allotted money could be spent somewhere else. Discussion on the legality of re-directing those funds to a different project. Decision of the Board to allow Ms. Legun to speak with the planning commission about ~~suspending~~ the rest of the landscaping plan.

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WEBSITE: PDA website Complete. Necessary information and data has been posted and will continue on monthly basis. Board would like a monthly deadline to have information posted on website and have a procedure of monthly website

maintenance written. P&L needs to be up by 15th-20th of following month. Discussion also about having secretary attend Board meetings since this position serves both the Store and the Board.

LOAN PAYOFF: Payoff strategy to be discussed Discussion on which loans need to be paid off first. Ms. Legun will have loan documentation for next meeting for Board. Discussion of payments of 15% interest on the loans and that only interest is being paid as of now. Discussion of a plan to pay principal on loans, including possibility of borrowing funds at lower interest rate to pay the loans off.

New Business

CONSENT AGENDA: Minutes, Invoices, Payroll for Q3 2016- Consent agendas from the past quarter, including invoices, payroll and P&L from June, August and September, also included minutes of last meeting in April 2016, were unanimously **approved**. Discussion if claims summary should be signed by entire Board, but the current audit sees no reason for this procedure.

RE-ELECTION OF BOARD OFFICES- Duties of the Board members and requirements for each office were presented in in draft form and will not be completed until current audit is completed.

Resolution 2.15, ELECTION OF OFFICERS was unanimously **approved** with Mike Baker as President, Dolly Newman as Vice President, Secretary, Adam Shaeffer and Treasurer, Dan Smith being elected into office.

Discussion on open meeting laws and Board conduct, Ms. Legun presented information from a website recommended by auditors to explain these duties.

REVIEW AND ADOPT NEW OPERATING PROCEDURES: *Resolution 2.12*

The consultant, Charlie, is not finished with the new procedures manual as of today. Procedures discussed are how to spend excess monies on projects for City and County. Discussion on what the procedures will look like with a committee, criteria scoring sheet and proposals. Without procedures in place and adopted by Board, it is not legal to spend the money. Discussion on using funds to make balloon payments on loans or how introducing steady monthly loan payments would allow the Board to budget for money for City of County projects and proposals.

Resolution 2.12 unanimously **TABLED** until procedures manual is complete and can be reviewed by Board.

ADOPT REVISED 2016 BUDGET *Resolution 2.13-* Review of revised budget for 3rd QRT 2016 by Ms. Legun. Discussion on specific areas, including sales numbers, audit costs and store training costs. Discussion of store surplus funds in the amount of approximately \$64,000 for 2016, decision how to spend those funds will be discussed at a later meeting. **Resolution 2.13** unanimously **adopted** by Board.

REVIEW PROPOSED 2017 BUDGET- Discussion on rent increase for store for 2017 and moving operations in office to store location. Discussion on where the records are being stored and open meeting laws. Moving the office is contingent on

the legality and the 2017 proposed budget is reflecting an office move. October's meeting will finalize the 2017 budget. The proposed budget is available to the public on the PDA website. Discussion on specifics of the budget including office rent, sales, audit expenses, store training, debt redemption and a lower surplus in 2017 because of more competition in market. 2017 will be voted on at October meeting.

DISCUSSION TO CLOSE PDA OFFICE AND RELOCATE TO STORE LOCATION

Resolution 2.14 – Discussion on meeting space for Board, City Hall would allow Board meeting to take place in their facility. A small explanation of funds that could be saved by a move to the store was reviewed. **Resolution 2.14** was motioned to be adopted by Mr. Baker, pending the legality, a 2nd motion was not heard, and the resolution was **NOT ADOPTED**.

LLC ANNUAL REVIEW- Discussion on LLC, Ms. Legun reported the audit will cost at least \$12,000 but next year the LLC will probably not be audited simply because of no activity. Discussion about who is monitoring the LLC, early on who was monitoring John Spencer's activities related to LLC. It was recommended that the LLC needs to clean up infrastructure of members and update membership and offices. A meeting of the LLC needs to be scheduled for November or December 2016. Included in Audit/LLC discussion there was an entrance report explaining how the audit works and the different levels of how they will report findings.

NEXT MEETING DATES- Thursday, October 20th, 2016, 6:00pm at PDA office.

Public Comment- No Public Comment was offered.

Closing Board Comments- Comment about Charter revisions and when annual reporting is due? **No further discussion**

Adjournment- @8:10pm

Note: The public is always invited to attend meetings and the Board may adjourn to executive session in accordance with RCW 42.30.110 during any meeting.