



Minutes for Circle Craft Annual General Meeting

Thursday April 21st @ 5:00 pm-7:00 pm, via Zoom

Board: Greg Kawczynski, Wendy Van Riesen, Diane Zwickel, Tanya, Cameron Dougherty, and Pen-Hsuan Hsing

Staff Present: Anna Brancati, Joanne Ma, and Bill Sulis

Members Present: Diane Tordjman, Suzanne Nairne, Diane Paterson, Gillian McMillan, Chi Cheng Lee, Claudia Hayward, Elen Danielle, Frederike Rahn, Jenny Hildebrand, Joanna Lovett, Kaarina Talvila, Linda Doherty, Lorna Moffat, Mikel Lefler, Mimi, Nancy Walker, Peggy Bracket, Jo Ludwig, Mike Anstead

Guests Present: Kulraj Sidhu and Susanna Collins

Minutes recorded by: Joanne Ma

The Chair called the annual general meeting to order at 5:03 pm.

1. Introductions /Changed Agenda/Approval of New Agenda/recording begins
 - Proposal to add a discussion about Signatures to the end of the agenda - added.

MOVED and SECONDED to adopt the April 21, 2022 AGM agenda as circulated

CARRIED UNANIMOUSLY

2. **Approval of meeting norms**

MOVED and SECONDED accept the meeting norms as circulated

CARRIED UNANIMOUSLY

3. Adoption of minutes from the Circle Craft April 15, 2021 AGM

MOVED and SECONDED to adopt the April 15, 2021 AGM minutes as circulated

CARRIED UNANIMOUSLY

4. Presentation of Financial Statements, Kulraj Hundal of Kinder Sidhu & Associates

Kulraj Hundal of Kinder Sidhu & Associates (KSA) presented the consolidated financial statements. Overall the year was good, especially compared to last year. Then Kulraj started outlining the independent auditor's report and reviewed the significant items on each page.

5. a. Financial summary by Bill Sulis

- Bill presented a comparison Financial Synopsis between 2021 and a 5 year average of 2015-2019. This synopsis will be attached at the end of the minutes.
 - In summary, in 2021, Circle Craft was in the same position receiving the Signatures royalty income as it had been previously as if we ran the market ourselves.
 - Through further analysis, using Signature's reported revenue from the 2021 Market (Synopsis 2 Document), Circle Craft would have actually a deficit of \$146,000.
 - Furthermore, if we omitted the royalties received from Circle Craft, we would be at a total deficit of \$320,000

b. Questions from members to Kulraj and Bill

- A member questioned the difference in rent costs. Kulraj clarified that how our rent works is there is a base lease and then a percentage that is calculated based on sales. The rent costs fluctuate every year. This year we should expect \$93-95,000 as our actual expense.

6. Discussion and vote for dissolution of Pacific Canadian Craft Show Ltd.

- In the past, we created a Limited company specifically for money to be utilized for the market. It is now an unnecessary expenditure to pay for said Limited company, and it would be relatively cheap to open another one if we required so in the future.

MOVED and SECONDED to approve the dissolution of the Pacific Canadian Craft Show Ltd.

CARRIED with one opposed

Kulraj Hundal leaves meeting

7. Appointment of Auditors for 2023, vote to approve

MOVED and seconded to re-appoint KSA as Circle Craft's auditors for the next financial year.

CARRIED UNANIMOUSLY

8. Acclimation of New Directors

- At this time we have room for 10 Board members, and we currently have 6. This means that a vote is not required for our 2 new applicants.
 - We welcome and acknowledge our 2 new Board members, Lorna Moffat and Fredi Rahn who have joined the Board through acclimation.

9. Report from Wendy Van Riesen, Board Chair

- Last year's goals for the Board were to become more of a governance Board and to hire a GM. Both of which, they have been quite successful in doing this year.
- Next step is to continue to become a policy driven Board and allow our GM to run the organization.
- We currently have policies and ends in our Board binder, but they weren't being utilized.
 - There is still a lot of work to be done and the Board continues to work hard and will continue to give Anna more responsibilities so that the Board can run even more in a governance style.
- Wendy then went on to express that the Board will become less of a direct channel in management of the members as they had been in the past.
- Board responsibilities are:
 - Oversee the financial matters of the cooperative
 - To create policies and procedures
 - To oversee and support the GM
 - To send and monitor strategic vision goals and objectives
 - To give the Co-Op a voice and engage the members and the larger community

10. Strategic Plan Presentation

- Wendy presented the Strategic Plan in which the Board had hired Susanna Collins to assist in developing and creating.
- The Strategic plan goes over how Circle Craft is a Member driven Co-Op. It starts with the Members, then the Board and then the General Manager.
- Wendy then presented the Ends policies (attached to the end of this document) that were created by the Board based on the member feedback and engagement session.
 - These Ends then lead to the creation of the Strategic Plan which is given to the General Manager to execute.

11. Report from Anna Brancati GM

- Anna Brancati presented and spoke to the General Manager report that was circulated to all members prior to the AGM. Anna emphasized the importance of not only engaging our external customers but to also keep our employees interested and involved in Circle Crafts success. Lots of work is still in motion, but with a strong team, good member communication, and consistent inventory management, Circle Craft is in a great position for 2022.

12. Q&A

- How are monthly sales targets set?
 - They are set by looking at the historical data between 2015-2019 and taking the average with an increased target.
- Regarding the mid-monthly sales report, is there a way that members could also obtain a mid-monthly inventory report?

- Definitely something that can be looked into as we improve our store systems and technology. Anna will also speak with our Inventory Manager Del about this.
- Are the plans for our website to stay with the current one or is Circle Craft looking to move towards something else?
 - There are hopes and desires to move to a platform that will encompass more Artist engagement, however we're not at the point yet to make all the changes.
- Are there any intentions for a satellite store?
 - At this time, the Board has not been considering one. If there was a decision to push more resources into something, it would most likely be a focus on an Online Store versus a satellite store.

13. Diane spoke to a concern regarding the Signatures market and how the new Jury will ensure that the quality in work will not decrease in vendors.

- A discussion ensued between Members about last year's show and the accepted vendors and a clarification was made about Circle Craft's Licensing agreement with Signatures.
- We have to have a Jury that can maintain the balance between having a running show and quality vendors.
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14. Adjournment at 7:01 PM



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2. Approval of meeting norms
3. Adoption of minutes from the Circle Craft April 15, 2021 AGM
4. Presentation of Financial Statements, Kulraj Hundal of Kinder Sidhu & Associates
5. a. Financial summary by Bill Sulis
b. Questions from members to Kulraj and Bill
6. Discussion and vote for dissolution of Pacific Canadian Craft Show
Kulraj Hundal leaves meeting
7. Appointment of Auditors for 2023, vote to approve
8. Acclimation of New Directors
9. Report from Wendy Van Riesen, Board Chair
10. Strategic Plan Presentation
11. Report from Anna Brancati GM
12. Q&A
13. Adjournment

AGM MEETING NORMS

- Start on Time/End on Time
- Ground actions and interactions in the Co-op Values
- Practice active listening and let each other finish speaking
- Everyone is an equal contributor
- 80/20 Rule: Focus 80% of our time and energy on the future (20% on the past)
- *Keep committee work in committees (not applicable tonight)*
- Don't repeat what has already been said
- Discuss/Disagree with what's been said – not the person who said it
- Exercise patience: we are not here to solve all the challenges at once
- Have fun

COOPERATIVE VALUES - from the ICA

Cooperatives are based on the values of **self-help, self-responsibility, democracy, equality, equity, and solidarity**. In the tradition of their founders, cooperative members believe in the ethical values of **honesty, openness, social responsibility** and **caring** for others.

Circle Craft

Financial Synopsis

2021 Compared with 5 Year Average 2015 - 2019

	5 year Average 2015 - 2019			Circle Craft 2021	Difference	% Difference
	Circle Craft	Christmas	Total			
	Store	Market				
Revenue - Inflows						
Store revenue	746,819		746,819	708,407	-38,412	-5%
Christmas Market		1,039,616	1,039,616			
Canadian Emergency Wage Subsidy				38,237		
BC Recovery & Online Shops Gran				42,500		
Canada Emergency Rent Subsidy				12,815		
Christmas Market fee & royalty				175,191	175,191	
Other Income				2,188		
Total Revenue	746,819	1,039,616	1,786,435	979,337	-807,098	-45%
Expenses - Outflows						
Direct Expenses						
Paid to Members & Resale	404,564		404,564	385,562	-19,002	-5%
StoreSalaries	185,267		185,267	174,938	-10,329	-6%
Store Expenses	179,159		179,159	181,591	2,432	1%
Market Expenses		587,785	587,785			
Overhead						
Office Salaries & Mgt	56,340	173,287	229,627	115,373	-114,255	-50%
Office Exp	11,262	71,576	82,838	4,381	-78,457	-95%
Other		33,684	33,684	18,169	-15,515	-46%
Member Services			23,909	54,106	30,197	126%
Total Expenses	836,593	866,332	1,726,834	934,120	-792,715	
Surplus/-Deficit	-89,775	173,284	59,600	45,217	-14,383	-24%

SYNOPSIS 2 Circle Craft

Financial Synopsis

2021 Compared with 5 Year Average 2015 - 2019

	2021 if CC operated Christmas Market		
	Circle Craft	Christmas	Total
	Store	Market	
Revenue			
Store revenue	708,407		708,407
Christmas Market		719,973	719,973
Canadian Emergency Wage Subsidy	38,237		
BC Recovery & Online Shops Gran	42,500		
Canada Emergency Rent Subsidy	12,815		
Christmas Market fee & royalty	0		
Other Income	2,188		
Total Revenue	804,146	719,973	1,428,380
Direct Expenses			
Paid to Members & Resale	385,562		385,562
Store Salaries	174,938		174,938
Store Expenses	181,591		181,591
Market Expenses		587,785	587,785
Overhead			
Office Salaries & Mgt	115,373	173,287	288,660
Office Exp	4,381	71,576	75,957
Other	18,169	33,684	51,853
Association Services	54,106		23,909
Total Expenses	934,120	866,332	1,770,255
Surplus/-Deficit	-129,974	-146,359	-276,332



Ends Policies

Circle Craft Co-op Builds, Nurtures, and Solidifies a space for members to:

1. *Sell* their art
2. *Grow* as artists - in business and art
3. *Engage* with other artists
4. *Connect* with, inspire and educate the larger community