

## **Belfast Co-op Board of Directors Meeting**

May 27, 2021, 6:00 pm; Virtual Meeting via Web Conference

**Directors Present:** Sasha Breus, Stephen Brimley, Susan Cutting (vice president), Kate Hanson, John Krueger (treasurer), Matt McConnell, Charles Pattavina, Buck Sawyer, Heather Selin (secretary), Edward Sheridan (president), Valerie Tate.

**Staff:** Doug Johnson (GM), Emily Berry (scribe)

**Owners:** Jamie Cermak, Naya Flanzala, Gina Law, Lynne Silvia O'Connor, Jeremy Peskoe, Ashleigh Russell, Michael Walter

### **Agenda**

The BOD agreed to address Evans' resignation after *Owner Comments* and add a discussion of policy C3.2 under *Board Development Committee*. With these additions, the BOD accepted the agenda by consensus.

### **Minutes**

The BOD approved by consensus the minutes of the April 29, 2021 meeting.

### **Announcements**

The Consumer Cooperative Management Association's (CCMA) annual conference is scheduled for June 7 – 11 and will be held virtually. All directors are encouraged to attend and if they plan to do so, register ASAP.

Susan and Edward have been continuing to attend the ongoing NFCA conversations.

### **Owner Comments**

Lynne thanked the BOD for all that they do and thought they were doing a great job.

Matt thanked the attending staff members for taking the time to join the meeting.

Jamie thanked the directors who participated in the Keeping Belfast Beautiful spring clean-up.

### **Director Resignation**

The BOD accepted by consensus and the resignation of Evans Goff from the Belfast Co-op Board of Directors with regret and appreciation.

### **Consent Agenda**

The BOD accepted by consensus policy D2 – Accountability of the GM as in compliance.

### **GM Reporting**

#### **Alignment**

The changes to the face-covering policy have gone well so far and the Co-op has received overwhelmingly positive responses both in-person and online. Management has been more present in the vestibule and the front-end to offer support in dealing with push-back. Kate and Heather came into the store Monday (5/24) morning as the BOD's show of support for the face-covering policy and Doug expressed his appreciation for their support and solidarity.

## **GM Update Report**

Much of the patronage dividend that has been distributed has gone back into the Co-op. The distribution of patronage dividends resulted in approximately \$20K of negative cash flow for April, however, \$40K was given out.

The freezer installation is scheduled to begin the week of May 31. The new freezers should result in increased efficiency of labor (deeper shelves means more product can be stocked at one time), larger capacity, and lower cost on compressor coolant. Additionally, the new freezers fit into the fixture plan for the remodel.

The BOD questioned the recent drop in CORE participants. From March 2020 to March 2021 the annual renewal process for CORE was suspended, now that process has resumed and inevitably some previous participants no longer qualify or have yet to submit their eligibility documents.

The April financials show that payroll costs are down and while the Co-op is having some difficulty hiring, the pandemic forced a leaner and more efficient workforce.

## **B3 – Asset Protection**

The BOD questioned whether the Co-op should invest in interest earning products. Currently, the Co-op does earn small amounts of interest on all its savings accounts and if an investment is agreed upon it is generally through the Cooperative Development Fund or something else that lifts the cooperative system. The BOD also discussed sub-policy B3.7 which addresses due diligence toward contracts. The operational definition for this sub-policy lays out stipulations for Co-op managers entering into contracts but not the GM. The GM's capacity to enter a contract would have to be outlined in a policy and BI would be the most appropriate policy through which to set this parameter.

The Co-op has equity invested in NCG which, like any equity investment in the Belfast Co-op, is not insured.

Sub-policy B3.8 addresses damaging the Co-op's public image, and while the GM provides compliance with this by stating that there have been no negative stories in the local news media outlets about the Co-op in the past 12 months and negative social media posts were dealt with in a professional and respectful manner, it was suggested that transparency to the owners could also contribute to the Co-op's public image.

The BOD accepted by consensus the B3 – Asset Protection monitoring report as in compliance.

## **Board Administrative Matters**

### **Finance Committee**

FinCom is looking for additional directors to either join the committee or attend meetings. FinCom meetings are generally held the third Friday of each month from 4-5pm.

### **Board Development Committee**

BoDev will be compiling an owner survey regarding strategic direction which will help inform BOD discussions. As a precursor to this, they will be asking directors and Doug to contribute to a document about what is meant by strategic direction.

Susan and Edward participated in NFCA's peer dialogue on the role of boards in high level sourcing. This addressed the shift toward increasing the percentage of conventional foods offered in Co-ops. One aspect of this dialogue that stood out was the importance of surveying the community to gauge their interest in increasing the amount of conventional products. Another is that each co-op addresses the shift toward more conventional products differently, and within well established long-standing co-ops, such as GreenStar

Co-op, there was a lot of pushback and they lost many founding members.

The strategic direction survey for owners is an accessible starting point for the BOD to collect data which can lead to other forms of evaluation such as targeted owner forums or in-store interviews. The BOD's challenge will be making the survey questions informative rather than instructive; to provide an opportunity for owners to share their insights.

The officers discussed subpolicy C3.2 during their monthly meeting and recommended revising it to state: "Board meeting agendas will be determined ~~through a process approved by the Board~~, **by the Officers** and may be modified at the meeting by a decision of the Board." This discussion was tabled and will be addressed at the June BOD meeting.

#### **Owner Engagement Committee**

Charlie is new chair of the OEC and Valerie will be the scribe.

It's wonderful to have the Co-op's bulletin board back, it's an important piece in weaving together the fabric of the Co-op's culture.

#### **Expansion Readiness Workgroup**

During the April meeting of the Expansion Readiness Workgroup, directors went through the business plan and some of the supporting documents and came up with a list of questions for Doug, who observed the meeting. Doug agreed to answer the listed questions before the next Exp meeting as well as letting the workgroup know where backtracking from directives laid out by previous iterations of the BOD is taking place.

Doug has pending contracts with NCG DC, Caleb Johnson Studios, and Warren Construction. There are no hard and fast dates associated with these contracts but delays will most likely move the project out another year. Operations has been putting smaller projects off, such as repaving the parking lot, because there has been this larger impending project to consider. The BOD will schedule a special meeting in June to decide whether to move forward with these contracts.

The BOD wondered several things during this discussion: Are there other options for doing this project in pieces to minimize the risk? Can Doug present his plan as it currently stands? With director turnover, how can the BOD stay abreast of expansion and other topics in the future?

#### **Homework**

##### Ongoing full BOD

1. Take D3 & D4 surveys
2. Review & add to [Board Guidelines](#)
3. Review/edit the [2021 monitoring calendar](#)
4. Suggest topics for strategic discussions
5. Review monitoring reports using the [decision tree](#)

##### Officers

1. Strategic conversation topic: Role of BOD vs operations
2. Discuss in-person meeting opportunities
3. Discuss parameters re: GM contracts

##### Edward

1. Contact Thane re:
  - a. Mini policy governance trainings
  - b. Monthly meeting with officers
2. Send out poll re: June special meeting date

##### All Committees

1. Discuss ways your committee can lead/contribute to a strategic direction discussion
2. Discuss in-person meeting opportunities
3. Review/prepare committee budgets

Board Development Committee

1. Review strategies for board recruitment
2. Include C2 in discussion of role clarity

3. Discuss definition of multi-year workplan from C3.1

**Debrief**

Directors were given the opportunity to share comments, concerns, gratitude, and insights regarding the meeting.

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End of minutes. Submitted by Emily Berry, scribe.