

Belfast Co-op Board of Directors Meeting

January 27, 2022, 6:00 pm; Virtual Meeting via Web Conference

Directors Present: Sasha Breus, Stephen Brimley, Ernie Cooper, Susan Cutting (vice president), John Krueger (treasurer), Charlie Pattavina, Buck Sawyer, Edward Sheridan (president), Valerie Tate (secretary)

Absent: Matt McConnell

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

Owners: Todd Bluhm, Jamie Cermak, Patty Duffy, Alison Feibel, Gina Ferendo, Naya Flanzala, Will Field, Cris Gil, Patricia Kaplan, Allison Luciano, Elaine Mack, Alessandra Martinelli, Barbara Sullivan, Collin Thompson, Michael Walter

Facilitator: Susan **Time-keeper:** Buck

Agenda Review

The BOD accepted the agenda by consensus.

Minutes

The BOD approved by consensus the minutes of the December 16, 2021 meeting.

Board Candidate Greetings

Patricia Kaplan has submitted a candidate nomination form and joined the meeting to observe.

Collin Thompson is interested in joining the BOD. He currently lives in Belfast and manages the farm at Johnny's Selected Seeds. He previously sat on a co-op board in northern Michigan which had a slightly larger store but similar ownership numbers to the Belfast Co-op's.

Elaine Mack has lived in Belfast for three years and has a food-based background which has led her to open Just Crackers - crackers made with locally sourced ingredients and heirloom grains, which she sells at the United Farmers Market. Elaine mentioned that the Co-op is moving in a direction that is more meaningful to her, as a consumer and a person who believes in good food for all.

Alison Feibel has a background in seaweed and she is interested in being more involved in the community in Belfast. Will Field works for Revision Energy, he loves the Co-op and wants to get more involved.

Barbara Sullivan is an educator, an artist, interested in good food (she also caters), loves the Co-op and is interested in running for the BOD.

Todd Bluhm moved to Belfast two years ago with his family, after retiring from the US Foreign Service. He is getting involved in the community and is attending this meeting to get a feel for the BOD and see if he can be of service.

GM Reporting

Alignment

Songbird Farm, one of the Co-op's farmer vendors, has disclosed that their well water, soil, and produce has tested positive for PFAS. The situation is still unfolding. The Co-op is honoring the wishes of the farmers that are dealing with this and doing what it can to help. MOFGA is doing their due diligence to handle it as best they can.

GM Update Report

Long-time employee of the Co-op, Marie Giggie, is retiring after 37 years of service. The Co-op is doing its best to honor her contributions and commitment and let her know she is appreciated.

Ahead of Doug's report on Jeanie Wells' assessment of the Co-op's organizational structure, he shared that she was impressed with the management team, their depth of talent and the open communication between departments. Her assessment was a reaffirmation that what the Co-op has been doing should work going forward. There are adjustments that can be made to the organizational structure to better meet the Co-op's needs and Doug will be taking Jeanie's suggestions into account.

The FinCom assured the BOD that they had been briefed on the additional personnel expense that contributed to the increase in personnel costs during December.

2021 Common Cents donations were up 41% over the previous year. This is a huge testament to the generosity of the greater Belfast community.

B - Global Executive Constraint

The BOD accepted by consensus the B - Global Executive Constraint monitoring report as in compliance.

Board Administrative Matters

Finance Committee

The financials for the month of December were down due to a number of factors, mainly the Co-op's deficiency in meeting margin projections. Additionally, there was a significant vendor billing issue, the one-time personnel cost, the cost of the refrigerated truck for Thanksgiving turkeys, and the discrepancy between estimated (which were not appropriate for the busy holiday shopping period) and actual inventory numbers.

Warren Construction submitted estimates which suggested a substantial increase in cost to the renovation project. Cost per square foot rose from \$135 to \$180 and the project total is now expected to be closer to \$5M. The FinCom performed stress tests on the updated pro forma and even under stress it predicts profitability and shows the days of cash on hand to be increasing 10 years out.

The FinCom recommended that the BOD direct the GM to update the Business Plan to reflect the new information, share the updated Business Plan with financial lenders and/or other specialized co-op consultants in order to receive additional verification of the project's financial viability, and explore financing options. The BOD agreed by consensus to direct the GM to engage in the actions listed in the FinCom's recommendation.

Board Development Committee

Self-Monitoring Policy: C - Global Board Management Connection

BoDev recommended that the BOD accept policy C - Global Board Management Connection as in partial compliance with a plan for compliance that includes improving owner representation by supporting directors in owner engagement efforts and improving strategic leadership by organizing trainings on consensus decision making, policy governance, and the role of the BOD. The BOD accepted by consensus policy C - Global Board Management Connection as in partial compliance with a plan for compliance.

Self-Monitoring Policy: D - Global Governance Commitment

The BOD accepted by consensus policy D - Global Governance Commitment as in compliance.

Board Development Report con't

BoDev recommended that each director attend Columinate trainings: CBL 101, Financial Training for Directors, a training on policy governance- such as Explorations in Governance, and Co-op Cafe, within their first two years as a director. The BOD agreed by consensus to add the aforementioned trainings and timeline to the Board Guidelines document.

Owner Engagement Committee

The Annual Meeting will be held Sunday, March 6, 2022 at 2pm via Zoom. The meeting will be a mix of live and pre-recorded segments and perhaps some music. The meeting will address the past year and upcoming projects, include presentations from the GM and directors, a Q&A, and an introduction of the candidates. Voting will begin immediately following the meeting.

The BOD expects a soft launch of the capital campaign at the Annual Meeting. The actual capital campaign will be a short and intense period of time, 6 - 8 weeks.

OEC discussed the BOD engaging with owners by writing regular BOD updates following meetings which could be included in the e-news updates or social media posts published by the Marketing Dept. These updates could be done in a variety of ways, directors could rotate who writes them, Operations can draft an update from approved minutes, or a combination.

Homework

Full BOD

1. Take Global CI survey
2. Review & add to [Board Guidelines](#)

Doug

1. Submit a broad project management plan
2. Follow up with BOD on how Common Cent recipients are assigned months
3. Look into the effects of parking on income from pro forma or early market study

Officers

1. Strategic conversation topic: Role of BOD vs operations
2. Discuss in-person meeting opportunities
3. Look into dates for a retreat
4. Discuss capital campaign team
5. Discuss making the BOD packet public

Edward

1. Contact Thane re: assistance with policy governance

2. Send sociocracy materials to BOD

Board Development Committee

1. Review strategies for board recruitment
2. Review/edit the [2022 monitoring calendar](#)
3. Continue review of policy register

Owner Engagement Committee

1. Annual Meeting planning
2. Formulate plan for owner engagement around rebranding, by reviewing responses to the recent survey and reaching out to other co-ops for their rebranding experience with owner engagement.
3. Connect with candidates re: presenting at Annual Meeting

All Committees

1. Submit a committee report

Emily

1. Contact Jamie re: committee report deadline

Debrief

Valerie noted the goodwill around the table and observed directors assuming good intent.

Susan enjoyed seeing all the new faces and Sasha agreed - she was delighted that prospective candidates attended!

Edward thanked Susan for a great job facilitating. He also thought it was great to see all the people attending BOD meetings. He believes the BOD is gearing up for an exciting year!

End of minutes. Submitted by Emily Berry, scribe.