

BELFAST COOP BOARD MEETING – March 26, 2009 FINAL

PRESENT: Allen Ginsberg, Wayne Kraeger, Debbi Lasky, Susan Lauchlan, Bindy Pendleton, Kip Penney, Jerry Savitz, Paul Sheridan, Peri Tobin, Zafra Whitcomb. Absent: Richard Brown, Scott Giroux. Staff: Erica Buswell, Pepper Bush, Goldy Goldstein.

FACILITATOR: Susan. Scribe: Paul. Timekeeper: Debbi. Vibewatcher: Bindy.

ANNOUNCEMENTS: Co-operative Maine, and as a part of that, the Belfast Co-op, will be present at the H.O.P.E. Festival at UMaine/Orono, Sat. April 25, from 11 - 4 PM; details distributed.

MINUTES: of February 26, 2009 were accepted (8 Yes, 0 No, 2 Abs) with these corrections: under GMT Report: change to "...not have an evening answering machine, but hope to soon." Under Finance Committee, change to: "...Could it say....donating it to the co-op? No, it cannot." Under Board Policy-Making Discussion, change to: "Debbi will research this." These were also approved for web posting (8 Yes, 0 No, 2 Abs).

GENERAL MANAGEMENT TEAM (GMT) REPORT: written report was received.

Questions/comments:

- plan is to have results of recent survey compiled by end of April.
- could we mail ballots with the patronage dividend as we did this survey? Patronage dividend letter cannot be moved back much later into the year.
- is the use of the dividend by members just now a part of the problem with our current cash flow?
- our help with inventory is welcomed for Sunday 3/29, 5 PM onwards.

MEMBER COMMENTS: two of the candidates for the board could not be here tonight. Susan reported on a member she met who had not been assessed for annual fees for 3 or 4 years. This is probably a bookkeeping issue, the recent change in that position should make for improvement. If the member had paid 3 years in advance, they would not be charged until the 4th year.

FINANCIAL REPORT: cash flow is down, sales are also down. Some steps are being taken to ride over this slump—e.g. if grocery workers' are caught up with their work, they have a chance to go home early, to save on labor costs. Some margins are being tweaked. Overhead expenses are the least changeable. Margins raised on the "luxury" items, wines, selected bulk items. Discussion on our electricity provider; an alternate, Patriot, is still not cheaper than current provider. Largest increases have been in insurance, equipment depreciation, electricity and heating (look into budget plans, Camden Bank interest, and bank and credit card fees (up 11%--there is no legal minimum card purchase, but cashiers ask customers to use cash for lower sale amounts). Our goal is that every six months we reserve member fees (and put into in a suggested separate account). A reminder that the patronage dividend not required to be 2%, can be lower, depending on the needs of the business.

Administrative expenses may be too high. Deli area is still losing money; labor costs there are in line, but food portion of the cost is still high, about 50%, since we have gone to higher quality ingredients. At a public relations event held today for staff of MSAD #34, the teachers present at Troy Howard school raved about the food quality supplied by our deli (budgeted under marketing). We asked the GM's to report further updates to the Finance Committee, and the Committee to the board on deli costs.

COMMITTEES - STAFFING and REORGANIZATION: received were two related but differing proposals, from Paul Sheridan and from Karen Gleeson, a member of the Membership Committee, suggesting changes in the organization of board committees. After some discussion, this was sent to the Board Development Committee for further work and reporting. This was added to next agenda, along with a reminder that we will need to elect a new Secretary at the officers' election,

and collect information for a new contact list.

ANNUAL MEETING REVIEW: above average turnout, approximately 60 including the board. The food was praised as good, and the potluck dessert was popular. The member discussions with board members were noted as a good experiment, that failed in this case for a number of reasons: too small a room, yielding cramped and noisy conditions; kitchen was too small, which slowed down food service, which made any type of collective discussion at tables difficult. Noted was the verbal attack upon several staff members at one table by members unhappy about products that the Co-op carries; the situation was worsened by the quick abstention of the board member assigned to moderate. Apologies had been offered to those staff concerned.

Discussion with members was a good idea and we should try it again, but separate from the meal, and with a caveat about the role of staff at the Annual Meeting—they are there as members not as employees—we need to be clear about boundaries. Food issues do get peoples' dander up! Leads us to the question: are the forms for members to communicate with the board adequate? Active, concerned members may feel they are not being heard; should the Community Interaction committee seek those out with strong feelings? At the least, members should be encouraged to be involved at the Committee level, either by bringing concerns to committees, or working on them. This highlights the strong need for active Policy Purchasing and Long-Range Planning committees. A written report on finance might have made the question period in that area go smoother. We should consider the Shriner's Hall on Northport Ave. as a location in future.

WHAT IS the ROLE OF the BOARD WITHOUT a CRISIS?: noted is that board self-evaluation is not being done. We need to re-look at our mission statement regularly. Work on member involvement, including all their needs. Board needs to work on "where are we going?"—aka long-range planning. Also getting ourselves some training with an outside person, helping us with specific problems, and/or inspire us, and/or aid us in seeing the bigger picture. Zafra noted that GMT or board could be attending the Consumer Cooperative Management Association (CCMA) conference in Pittsburg, June 11-13. Wayne has a son in that area some could stay with. This was added to April agenda. We also asked for a report from Finance on how much is in the board's budget, and where are we so far in terms of spending from that budget?

ENVIRONMENT COMMITTEE: is faced with doing much in the front end of store without much cash flow. Questions as to whether Richard Grey is the right person for this job? However, are we also frequently changing the job description? We are paying our bills to him for work done. We asked management to come back with a timetable for the scope of the work. Work is not yet done on rear parking lots steps, as ground is still frozen, and the City's lawyer is still checking on certain details. Finally, the Recycling Committee requests a "mug board" for coffee cups in café.

ELECTIONS AND BOARD DEVELOPMENT COMMITTEES: a reminder was given about the board potluck following the orientation for new board members: Thursday, April 30—orientation (all welcome) is at 6 PM, and dinner at 7 PM. Thanks to Bindy, for the use of her home. Elections are still ongoing—frustration with getting members to actually vote! Ideas for future are to post the ballot online for 'away' members to print out and mail in, and possibility of gift certificates raffled off from among those who have voted. Additional/new signs will go up, board members asked to spend some time in store encouraging members to vote; candidates will be contacted to do the same.

RECYCLING COMMITTEE: The deli manager, Amy showed the committee the plant-based plastic containers she is considering, which is compostable. The committee is recommending: instill a culture of recycling among customers; launching a "BYOB" campaign (bring your own bag). This can include new member getting a free Co-op bag. And having cashiers ask: "Do you have something I can put this in?" before offering a paper bag or box. All of this heading towards a Zero-Waste orientation. Noted was a large furniture/housewares store in Mass., Ikea, that provides no bags, but only has reusable bags for sale at 59¢. Question: both paper and plastic bags have

environmental problems—why do we have brand-new versions of only one choice?

HOMEWORK: Finance Committee to report on bank fees and charge card fees; also board budget and expenditures; and more on the deli area finances, also patronage dividend timing. Board Development will look at committee restructuring, any comments: send to Debbi. GMT to update Finance/Board on deli costs. Everyone seek to get five members to vote, please.

EXECUTIVE SESSION: all non-board members were excused, for a personnel discussion.

MANAGEMENT OVERSIGHT COMMITTEE: seven board members approved the M.O.C.'s recommendation: "To retain the current management team, inaugurate the team's goals for the next year, and to go forward with a search for a management solution, given that Erica is leaving the GM team."

NEXT MEETING: Thursday, April 23, 2009, 6:30 PM at Waterfall Arts, Zafra facilitating.