

BELFAST COOP BOARD MEETING – April 23, 2009

PRESENT: Russ Barber, Jeanne Gail, Wayne Kraeger, Debbi Lasky, Bindy Pendleton, Kip Penney, Paul Sheridan, Peri Tobin, Jerome Weiner, Zafra Whitcomb. Absent: Allen Ginsberg, Jerry Savitz. Staff: Erica Buswell, Pepper Bush.

FACILITATOR: Zafra. Scribe: Paul. Timekeeper: Debbi. Vibewatcher: Peri.

ANNOUNCEMENTS: Erica still needs help compiling the Member Survey results.

BOARD ELECTIONS RESULTS: approx. 290 ballots were cast. All candidates won, including those up for reelection. As there are 5 available three-year terms, all those elected now have terms that expire in 2012. Congratulations to (including the # of votes received): Wayne (244), Paul (246), Jeanne (217), Russ (231), Jerome (251). Note that Tony Swebillius (237) was also elected, but because of a new job that will take him out of state for several months, he sent a resignation letter to Bindy; he will try to be involved in a committee upon his return, and probably run again next year.

MINUTES: of March 26, 2009 were accepted (7 Yes, 0 No, 3 Abs) with these corrections: under those Present: Russ and Jeanne were not at the meeting. Under Annual Meeting Review: "...could consider the Shriners' hall." Also deleted was a line concerning speaker. Under Role of Board Without a Crisis: spell out Consumer Cooperative Management Association (CCMA). These were also approved for web posting (7 Yes, 0 No, 2 Abs).

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

Questions/comments:

- Erica is collecting letters to all Congressmembers on national food regulation system. Can we lobby for federal legislation? Co-op is not a non-profit, so should not be limited in this way. We can collect individual letters from members but co-op could not present an opinion as a whole without a survey of the members. We are not a corporation, but a co-op corporation, and we are not a charitable organization. What is our IRS designation? Jerome will check with the treasurer or bookkeeper. It seems within the co-op's purview to offer info and a sample letter to members, but probably not a letter on Co-op stationery. We could provide info, print a sample letter, collect these, and deliver for our members.

Proposal: that we do education around food issues as outlined in our mission statement, and we support Erica's lead to get word to our Congressional representatives. Passed (10 yes, 0 No, 0 Abs).

- Erica distributed focus questions (on reverse of GMT report) to use in long-term planning. Allocated 15 minutes on the May agenda to begin discussion, then to the new Long-Range Planning Committee.

MEMBER COMMENTS: we reviewed the purpose of this portion of the meeting for the information of the new board members: allows input from any member who chooses to attend; reports from members, as acquired by any board members; letters received by the board; or to introduce any items that were not on the agenda. One comment, tonight: thanks for the sealing of the floor cracks in the store.

FINANCIAL REPORT: received Feb/Mar income-to-wage summary. A physical inventory was done at the end of March (also it is done at end of Sept.), therefore March report is a bit misleading. More attention is to be paid to the YTD and Prior YTD columns. We use two software packages in store: Catapult, for inventory and point-of-sale, as well as for the Dept Mgrs to keep inventory; also we use

Peachtree, but there are reconciliation issues between the two systems. We are seeking to improve our methodology. The cash position is not great. Among expenses were amounts to reduce liabilities, mostly patronage dividends, and accounts payable. The coop industry average for wage-to-sales ratio is about 21%; we are close to target with 23%. Answers to questions: our financial year ends Sept. 30; it is rare that we have an audit done—cost is about \$15-20K. The Cooperative Grocer Informational Network (CGIN) listserves are available for board members, a great resource—please check with Erica as to sign-on procedure and password. There has been no real rise in the amount charged us for credit card and bank fees compared to 18 months ago. Summer people usually pay with cash or credit; should we be issuing our patronage dividends at our slowest times of year—March, or perhaps in Summer? Item tabled. The budgeted line for board activities was \$780. We are now over that as of March, at \$1053.

BOARD ORIENTATION: Thursday 4/30, at Bindy's—details distributed.
Code of Conduct was distributed tonight to new board members to sign and return.

BOARD DEVELOPMENT COMMITTEE REPORT: the committee was asked to recommend a restructuring of the committees. By consensus, we adopted the proposal:

To establish seven standing committees:
DESIGN AND BUILDING (formerly Environmental)
ENVIRONMENTAL (includes Recycling)
FINANCE
BOARD DEVELOPMENT and ELECTIONS (includes yearly Committee review in May)
LONG-RANGE PLANNING
MANAGEMENT OVERSIGHT (the "M.O.C.")
MEMBERSHIP AND COMMUNITY INTERACTION

Additionally: we dissolved the CHARITABLE GIVING Committee, as it is not a committee function, but one for management, reporting to the board. We will seek to maintain a minimum of three board members on each Committee. We created an ad hoc PURCHASING POLICY Committee, for a one-year life, or length of project, specifically to survey the desire of the membership as to products we sell, or do not sell, and to recommend policy; this Committee might ask board to be renewed, or to be made into a standing committee. We assigned the Executive Committee (Pres, V-P, Treas, and Secy) to meet after the officers' election, approximately May, to review the Bylaws, report to board for any further action, or not. We combined the Membership and the Community Interaction Committees into the MEMBERSHIP AND COMMUNITY INTERACTION Committee. The new secretary will add dates as above to the board calendar. Also discussed was a proposal to give to retiring board members (whose terms were ending this meeting) an extended period to receive their 5% discount (to Sept. 30) as a thank you for their services. Discussion moved to how best to compensate board members? Should we tie compensation to the number of meetings attended (as some members have done significantly more or less work)? This would require an administration person/group (Board Development?). As percentage discounts are inherently unfair—some have bigger households, or can spend more \$ at the co-op – and it is disruptive to the co-op's budgeting process, perhaps we should move to a cash stipend for board work, as many other co-ops do? Zafra will do an analysis of the amounts that the current 5% discount has cost co-op and report. Item was tabled to the Board Development committee for discussion and recommendations.

POLICY SETTING and STAFF REPS: First, we received news that the staff has elected an additional rep to the board, Phil Prince; congratulations to Phil. Proposed: If there is an issue on staff/

management interaction, this needs to be tabled until a staff rep is present. This refers back to the November board statement of our organizational structure. Zafra had sent a message to all board members, that included this section: "The position taken by the staff in response to the operational decisions by the General Management Team were grounded in a concern for the health and safety of the Co-op customers and, as stated in the employee manual, it is the employees' right to refuse to engage in conduct which would endanger the health or safety of others and to refuse to carry out the unreasonable request of a supervisor." And further: "The chain of communication from the staff through the GMT to the Board and back is not always sufficient and that is one significant reason why we have staff representatives to the Board." Jerome suggested that we could set up a personnel committee, with board, staff and other members, and all personnel issues would come to that committee with a condensed report to the board. We were reminded that the Co-op has a grievance committee (composed from GMT, staff and board), as per the personnel handbook. Discussed, if management is wrong, workers should have the ability to stand up and say so? It appears that this issue should have gone to the Grievance Committee. Workers are co-op members (and also have the right to speak during member comments), but when working for the co-op, are responsible to the managers. It was the resolve of the group that we should use the existing mechanisms. To defuse these situations in the future, all board should read that portion of the employee handbook.

CCMA ATTENDANCE: the Consumer Cooperative Management Association will have its annual conference in Pittsburgh, June 11-13. Zafra will send the web address to board members, for further info. It would be useful to send one board member and one staff. Fee is approx. \$860, plus hotel and transportation.

HOMEWORK: Board to review focus questions for long-range planning committee; board budget—realistic line amounts?; review employee handbook on grievance committee; officers' election next month; Board Development to review compensation.

NEXT MEETING: Thursday, May 28, 2009, 6:30 PM at Waterfall Arts, Wayne facilitating.