

BELFAST CO-OP BOARD MEETING – September 24, 2009

PRESENT: Russ Barber, Jeanne Gail, Allen Ginsberg, Debbi Lasky, Bindy Pendleton, Kip Penney, Phil Prince, Paul Sheridan, Peri Tobin, Zafra Whitcomb. Absent: Wayne Kraeger, Jerry Savitz, Jerome Weiner. Staff: Erica Buswell, Goldy Goldstein, Chris Grigsby, Mylisa Vowles.

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

ANNOUNCEMENTS: This is Erica's last board meeting, and she was thanked for her work. Posters were distributed for the "Climate Action 350.org" event, Belfast Common, Sat. 10/24. The co-op was represented by members at the Common Ground Fair, at the Co-operative Maine table. Also a train schedule was distributed for the Fair.

AGENDA REVIEW: request to leave out "Executive Session" on agenda, unless the MOC otherwise notifies Secretary. The task of bringing the "Board Box" of files to the meeting has been assigned to the facilitator, and this will be added to the agenda sheet.

MINUTES: of August 27, 2009 were accepted as corrected: under Announcements, add "Pass the Torch" event; under GM Report add "store closed early for Staff Party;" under Financial Report, committee "is using" a new measure; also a "suggestion that staff be queried at a meeting as to what type cutback preferred, if necessary;" under Business Plan Brainstorming add: "wide range of ideas discussed" and "not for strategic long term planning;" - 8 Yes, 0 No, 2 Abs. Minutes were also approved for web posting, with deletion of three dollar amounts. - 10 Yes, 0 No, 2 Abs.

GENERAL MANAGEMENT TEAM (GMT) REPORT: written report was received. Questions/comments: is it a Board or GMT decision to increase the discount rate from 10 to 20% on full package/case bulk items, as a new, additional benefit of membership? Proposed: to empower the GMT to implement this as a not less than one year trial period, as they best see fit, along with input from department managers. Accepted, 9 Yes, 1 No, 0 Abs.

MEMBER COMMENTS: We used our influence recently to ask Camden National Bank to reconsider their sponsorship of the Glenn Beck Show on Voice of Maine radio. As we are a good customer, Camden complied and redirected some sponsorship money to WERU. Comment: that members would want to see us using a credit union, being a form of co-operative, as opposed to a commercial bank. Concern expressed about the quality of the Café food while Amy is recuperating from recent car accident, but we were reassured that we have some very skilled people working in the kitchen these days. Some staff donated sick time to Amy, and a new system will be instituted in the future to facilitate such donations. Board discussed possibilities for a "get well" gift to Amy.

FINANCIAL REPORT: August showed poor gross sales, down 6% from prior August. Overall, negative 1.5% growth. Cost of Goods expense reduced

by more than 1.5%, so we are a bit ahead. Our ratio of labor compensation-to-sales, at 19.4% is far below the benchmark of 23-24%. Non-dept wages were down by 19%. The first half of September looks better; with less negative growth. As to the proposed budget, committee has reviewed this in detail looking for savings. Assumptions that were made:

- a rebound of 1.5% in growth of sales (i.e. --2010 looks like 2008);
- a 1% Cost of Goods growth in 2010;
- 2% less in labor costs;
- a 33% increase in health and dental premiums (18 employees on plan now, anticipate 6 more added to plan);
- Only a Christmas staff bonus, and not a summer bonus;
- Plan on distribution of only 20% of net income attributable to member sales as a patronage dividend (in past, 100% or more was distributed to members—in 2008 it was \$60K, projected for 2009 is \$41K). We will need to publicize well and fully the reasoning behind this change, including the poor economy, dip in sales so that the amount to distribute is lower, the other advantages of membership (tonight's new bulk discount, pre-order discounts, Tuesday senior discounts, the Member Advantage program, all of which more than make up for the reduction in patronage dividends). Also, that the balance of the retained dividends still belongs to members and is used as equity in their co-op.
- The budget is a working document. There are no plans in it for buying land or money to research purchases. There was no consensus to allow managers to do footwork and research in this area. Board functions were budgeted at \$1000. Budget was approved, 7 Yes, 1 No, 0 Abs.

BOARD DEVELOPMENT AND ELECTIONS COMMITTEE: new committee choices: Chris on Buildings and Grounds; Joe on Purchasing Policy. Bring retreat ideas for October meeting.

LONG-RANGE PLANNING for the BUSINESS PLAN: homework: to prioritize six items from Erica's list and return to her.

BUILDING AND GROUNDS COMMITTEE: reviewed list of projects, did a walk-around. Possibility of very low berms at driveway entrances to keep back street drainage from entering our lot. Russ will talk to City planner. Also adding a strip in front of windows to drain towards Pendleton St. High Street between our two front driveways is not an official parking spot—parking there blocks view of exiting vehicles—discussed asking for a sign and/or painting of that spot on road surface. Bindy had member input that the beverage machine in our entryway may be too close to doors. Committee to research egress requirements.

RECYCLING COMMITTEE: committee discussed 350.org event. City has appointed a person/committee to look into increasing recycling in Belfast. Common Ground Fair is requiring food vendors to provide biodegradable containers and serving goods, why do we not have these yet? Expense!

PURCHASING POLICY COMMITTEE: with addition of Joe from the GMT, committee will now be meeting.

COMMUNITY INTERACTION COMMITTEE: we were asked to donate to the recent High Street Block Party. There was some discussion over the validity of the request, but problem was resolved.

MANAGEMENT OVERSIGHT COMMITTEE: as an employee grievance was received, a committee is being formed as per the Employee Handbook, and the MOC must assign a board member. The GMT transition is going well. October 1st is the official ending date of the transition period. Three-month evaluations due at January 1st. Kimalee will be meeting with each person to refine job descriptions. Goldy and Erica will make themselves available for advice as needed. MOC will work on Erica's new job description during October.

HOMEWORK: Retreat ideas to Board Development Committee; Business Plan priorities to Erica; board to sign sympathy card to Joe, left in board box; Erica organizing \$ for gift certificate for Amy; see her tonight.

NEXT MEETING: Thursday, Oct. 22, 2009, 6:30 PM at Waterfall Arts, with Kip facilitating.