

BELFAST CO-OP BOARD MEETING - September 23, 2010

PRESENT: Russ Barber, Jeanne Gail, Allen Ginsberg, Wayne Kraeger, Debbi Lasky, Bindy Pendleton, Kip Penney, Jerry Savitz, Paul Sheridan, Zafra Whitcomb. ABSENT: Phil Prince.
STAFF: Chris Grigsby. GUESTS: Lorraine Brown, Michael Hurley.

FACILITATOR: Zafra Scribe: Paul Timekeeper: Jerry Vibewatcher: Kip

ANNOUNCEMENTS: As an experiment, there will be a \$5 bus from Belfast to Thorndike to connect to the train to Common Ground, on Sat 9/25, 10 AM. This may lead to three buses/day for full three days of the Fair, in future. Co-op is represented at the Cooperative Maine table at the Fair, stop by to say hello to the CM folks. Wayne's house will be included on the Solar Homes Tour, Oct. 2., run by the NE Solar Association.

MEMBERSHIP COMMENTS: member Lorraine Brown, Project Manager and City Councilor Michael Hurley, brought a request from the OUR TOWN BELFAST organization for an increased contribution to aid the downtown business landscape: from our current \$300/yr for Chamber work, to a pledge of \$1000 for 3 years for Our Town. They provided background on past work, the strengths of this approach, and the improvements this will bring over previous Chamber work. They are looking to raise an \$80K budget, a major portion for a paid coordinator of the many hours of volunteer work available in the city, to best leverage the value of that labor. It is estimated that every \$1 donated to this type of work brings \$27 back into the community. Discussion will be scheduled.

MINUTES OF LAST MEETING: 8/26/10, were accepted by consensus, with changes: under GM Report, insurance carrier change was from CNA to Cross; also new floor manager shifts are for 7 hours duration. Minutes were also accepted for website publication, with one change: striking Wayne's e-mail address and phone number.

GENERAL MANAGEMENT TEAM REPORT: a written report was received. Questions, comments, etc:

- comment that the report sounded a bit like a business plan; this might be because it was an end-of-the-year wrap up, and from the work done towards the budget.
- past newsletters often ended with about 300 copies left over; this issue required reprinting before first month was over, it seems newly popular.
- Co-op is participating in the Transition Town's group "10/10/10" event to kick off a drawing for a "permablitz" of downtown residences.
- Thank you to the Team for your work!

FINANCE COMMITTEE: budget modeling has been pretty accurate, maintaining an across-the-store margin of 35%. Compensation to Sales ratio is within 1/2% and the overall income is within 4% of previous budget.

- Health care reform may affect our costs, by an unknown amount as this is out of our control, including number of employees enrolled. A 15% increase for health insurance has been budgeted. Our (generally positive for the store) low employee turnover, leads to increased seniority and a higher percentage of coverage. Can changes in deductibles yield any savings? There are a limited number of options. Changes in Worker's Compensation insurance yielded a \$6000 savings. If the Dirigo program was to end we would be re-looking at the health insurance, checking with the Allen agency. We have about 23 enrollees, about 2/3rds of these are full-timers.
- Suggestion to post signs at registers informing customers of the individual cost of processing a sample \$50 purchase via credit card, debit card, gift card, check, and cash payment methods. Each method has costs, but we might be able to reduce these somewhat by informing our members of their choices.
- A \$4500 inventory figure for bread on hand was questioned; popcorn, other items are included in category.

- Goal should be to “meet the budget,” otherwise no need to make a budget. In past, we established a Compensation-to-Sales ratio goal; if we need to raise more income, should we raise prices to meet goals? Or selectively raise some items, such as non-essentials? Committee has not worked on this area.
- Board budget is maintained at the same level, including board functions, such as Annual Meeting and retreat. Board travel is a separate line item. Board compensation is within the member discounts line; it has increased from \$2000 to \$4000.
- These are all conservative projections, tending to be the same, year to year.
- Changes in the discount policies?—proposal to come from the Finance committee?
- We may be reluctant to raise prices, but we also have a goal to meet the Waldo County Living wage standards, which we are below; we might want to raise prices on luxury items for this purpose.

BOARD DEVELOPMENT AND ELECTIONS COMMITTEE: we need to consider replacing the skill sets of retired/retiring board members in the “succession” of a new year. Accountability: attendance is not really enforced. Questioning the value of self-reporting? Some major committees have not met very often this year. We have said that the work is done mostly in committees, if one is not working, the others have to do it. Do we want to use the carrot, or the stick? We have made clear our expectations of the staff, especially the GMTs, professionalizing it in process. We should aim for the same for board. Discounts are inherently unfair method of compensation; last year, board members received discounts from a low of \$74 to a high of \$630, with the average board member receiving \$220. Note that staff board members cannot receive additional discounts above their staff discount. Are we a volunteer board? We do get compensated, so we are a paid board. National trend is to be compensated. Our 5% discount is at the bottom of the range of co-ops that give discounts. Do any of us do this for the discount? How do we entice people to be on a board without compensation? However do we really want people who would be on the board if paid \$10K/month? Giving in-store credit does not involve wage statements, taxes, etc. and is actually a good deal for the store, as it is in discounted goods, due to the margin. Attendance records could be kept encoded on the gift cards. How can we make board work as enticing as possible, and not for the money or discount? Please, Board Development needs more people, many projects to do.

LONG-RANGE PLANNING COMMITTEE: written report received. In October, Board Development priorities discussion; in November, Membership Committee priorities discussion. Suggest retreat in winter/January, so as to have sufficient time to plan.

BUILDING AND GROUNDS COMMITTEE: no bids received yet for parking lot paving. Still a possibility for October/November. Proposals next month. Committee will be planning next year’s schedule.

PURCHASING POLICY COMMITTEE: the Odwalla/Coke, bottled water, and tobacco issues are all on hiatus, until a member brings them up for action. A question from a board member: we sell a flush/detox product in HABA, that seems to have one use only: to assist user in passing a drug screening test, by clearing the body of residues. Do we want to sell a product that is used for illegal purposes? Committee will undertake research and report back.

HOMEWORK and MEETING REVIEW: wonderful job on the accumulated reports, professionalizing our work. New agenda format, with whole agenda on top page works better. Thank you to Zafra. Committees have work: Board Development (proposals?), Long-Range Planning, Purchasing Policy. Reminder from MOC that the GMT evaluations will begin soon, please reply promptly.

NEXT MEETING: Thursday, October 28th, 2010, at Waterfall Arts. Kip will facilitate.

NOTE: we will meet on THIRD Thursdays in Nov. and Dec., due to holidays; thus: 11/18/10 and 12/16/10

