

BELFAST CO-OP BOARD MEETING - March 22, 2012

PRESENT: Jeanne Gail, Wayne Kraeger, Debbi Lasky, Bindy Pendleton, Kip Penney, Phil Prince, Jerry Savitz, Paul Sheridan. ABSENT: Russ Barber, Paul Nyren, Zafra Whitcomb. STAFF: Chris Grigsby, Joe Jordan, Mylisa Vowles. GUESTS: all candidate-members: Mark Dittrick, Christopher Groden, Meg Peterson, Janis Stone, Tony Swebillius.

FACILITATOR: Kip Scribe: Paul S. Timekeeper: Bindy Vibewatcher: \_\_\_?

ANNOUNCEMENTS: Co-op Maine is doing a free workshop in Augusta, 4/12 on "How to Talk Cooperative," with Jane Livingston and Lynda Brushett of CDI (Co-op Development Institute). Bindy reminded all re: her e-mail of two days previous: "How Communities Can Feed Themselves." Fedco has a by-mail deadline of 3/23 for garden seeds.

MINUTES: from Feb. 23, 2012 were accepted, 6 Yes, 0 No, 2 Abstain, with this change: list Russ Barber as absent. Also, accepted for web posting.

MEMBER COMMENTS: From floor managers, a child's drawing, expressing "love of the Co-op." Wayne, reports a member who is very happy with our staff. Jeanne reported a member who had joined as "a lifetime member, twice," but was unhappy that they were being asked to renew their membership. Bindy reports that a member was told at a checkout that "they could pay \$20 initially, and if they want to continue as a member they pay another \$20 at end of the year." There seems to be some confusion in members' minds as to the equity and fee situation: in mid-1990's when Co-op switched from a worker-member system to a patronage dividend system, we have three years to pay the \$60 per adult member equity investment (\$20/yr) . Then, there is a \$15/yer membership fee.

GENERAL MANAGEMENT TEAM: written report received. Questions, comments:

- Customer Appreciation Day is coming, Sat. Aug. 18, committee meeting to plan: Tues. 4/24, 1 PM, basement conference room.
- February sales were up 24%
- "RGIS" are the initials of our inventory service.
- 99% of Co-op's advertising is handled in-house

FINANCE COMMITTEE: written and chart reports received. Committee has signed a commitment letter on behalf of the Co-op, pending board approval, for a refinance loan to cover the forthcoming balloon payment and other miscellaneous notes: \$128K from CFNE, 15-yr. term (originally for dairy cooler and receiving room improvements) and \$178K mortgage on original building, Camden National Bank. The rate is fixed for first five years, with a total of three adjustments over the life of 20 years, capped at per adjustment. We now pay \$5000 a month in debt service. With this loan, it is reduced to \$2163/month. Since there is no pre-payment penalty, we can apply savings as available to reduction of principal. Several large member loans can also be paid down. PROPOSED: "To approve the agreement as proposed by the Finance Committee to refinance the mortgage and debt with Bangor Savings Bank, up to \$340K," Accepted 8 Yes, 0 No, 0 Abs. Finance to discuss and report "setting the actual amount to borrow and allocation of the payments." Monthly report: Expenses are over budget for the year so far, most concern is in supplies, and we are looking at lower costs from

competitors. We had across the board price increases for garbage disposal, toilet paper, soap, and in services like accountant and card charges. As we did not make a profit last year, we will keep a close eye on why things are rising, as a form of “early noticing.”

**BOARD DEVELOPMENT COMMITTEE:** All are asked to review the retreat notes (pages 18-22 in January packet). How best to use these? Committees asked to extract topics relevant to their committees to discuss, and report back. Also gathering more input on the Annual Meeting and that committee will meet to review. Karin Whitman, member on the Membership committee has experience with surveys and will be working on this with Board Development. Reviewing the retreat, some felt the facilitation “directed in one direction, but also all over the place.” What we did not get was a written set of notes back from that facilitation, as in past. Whatever individual feelings about a particular facilitator, we do seem to get better results having some facilitation. Question as to whose responsibility is surveying the members? Management, with board input seems appropriate? We do not actually have a mechanism for surveying. Right now, the general feedback about store operations is that it is right on. If we are expanding we will want to be doing more surveying. We should decide two things beforehand: What questions do we have? And: What do we hope to learn from a survey? Members of the Elections Committee will be assisting in updating the board handbook. Orientation is planned for April, before board meeting.

**ANNUAL MEETING COMMITTEE:** last minute reminders-- board members please be present by 2:30 PM, for a prompt 3 PM start. Also please try to park somewhat further from the church hall to leave space for deliveries from the co-op and for member's vehicles. Thank you to those who have signed up for setup and cleanup.

**ELECTIONS and NOMINATIONS COMMITTEE:** good news is that the 10% of members quorum has already been met; election runs thru Sunday nite after Annual Meeting Committee would like board to discuss subject of “who is a member?” at next meeting. See committee report next month for details.

**LONG RANGE PLANNING COMMITTEE:** our last meeting was with Finance Committee and the officers from Bangor Savings; they also offer to work with us to decrease our credit and debit card charges, and have made available “premium deposit” accounts to our staff and members, including free checking and ATM usage. Also discussed was possibility of financing for small farms via MOFGA and Farmland Trust. They have worked with MOO milk already. Re: RENY's/Mr. Paperback rental offer, we know we do not have the capital at this time—do we have the need for a space like this, at a location like this? We would want to be cautious about cannibalizing our own downtown business, among many, many other factors. This RENY's/expansion question would be another good example for a retreat workshop in use of a “decision tree.” Must be one professional in the state who could help lead a summer retreat?

**BUILDING and GROUNDS COMMITTEE:** Chris Grigsby has met with Danny Piper of Sun Dog Solar about the possibility of a solar hot water-pre-heat system on the roof, that could reduce our oil usage by 65%. Cost estimate is \$10K installed, and after rebates, discounts, would end up about \$6500. With oil costing about \$4/gal x 400 gal/yr = \$1600, the payback might be in the

range of 4-6 years. B&G will meet to discuss.

**HOMEWORK:**

- Finance Committee to discuss and make a proposal to allocate the funds we are borrowing from Bangor Savings
- Annual Meeting Committee to meet one more time to review meeting and meeting notes.
- All committees to review and extract from the retreat notes topics of interest, especially: LR planning, Membership, Board Develop, Annl Meet.
- Membership Committee needs to know: What questions do we have? and What do we hope to learn from surveying the members?
- Phil and Debbi will work on Board member's handbook.
- Board Development to set up orientation for new members.
- Joe: please add a summary of Board's budget balance to monthly GMT report
- add additional time to next agenda for final Elections report, and discussion "Equity, membership numbers, and who votes?"

**PARKING LOT:**

- adding local sales into monthly financial report?
- ongoing discussion over IRS/ME state co-op statutes--meet with accountant?
- urge NCGA to lobby NCBA that "reverse auctions" are a poor business practice?

**NEXT MEETING:** Thursday, April 26, 2012, at Waterfall Arts. Kip or Bindy to facilitate and bring board box, snacks are potluck.