

Belfast Co-op Board of Directors Meeting Minutes, Jan 23, 2013

PRESENT: Jane Awbrey, Ron Braybrook, Cindy Conavan, Jeanne Gail, Betsy Garrold, Doug Johnson, Debbi Lasky, Jean Lenderking, Paul Nyren, Bindy Pendleton, Kip Penney, Meg Peterson, Phil Prince, Jerry Savitz, Janis Stone, Zafra Whitcomb

GMs: Chris Grigsby, Joe Jordan, Mylisa Vowles

ABSENT: Chris Groden

MEMBERS: Nixie Bombardier, Gail Clark, Susie Dexter, Paul Eagle, Karin Wittman

GUEST: Mike Nickerson, CPA

FACILITATOR: Betsy TIME-KEEPER: Janis VIBE-WATCHER: Debbi

ANNOUNCEMENTS:

- 1) Mac Deford and Tom DeMarco will give their traditional 100-Minute history presentation at 2 p.m. Sunday at the Hutchinson Center, on "The Golden Age."
- 2) Mike Nickerson is running late: will be here about 7:10.

CONSENT AGENDA: Accepted by consensus. Note: This includes parts of Long Range Planning and Building and Grounds committee reports that were missing from November 2013 minutes.

MEMBER COMMENTS:

- 1) A customer praised "everything about the store" last summer.
- 2) Two members requested that the nuts that are sold in little bags be sold in bulk, so customers could buy the amount they want.
- 3) A member asked if the store has had an energy audit? Yes, 2 years ago. The front windows are next in line for replacement to save energy
- 4) Several more positive comments were made about the staff holiday party and venue.

GM TEAM REPORT: Repeat request for all committees to get their year-end report in to Chris Grigsby by mid-February.

Question: was there a loss from the ice storm? Only a few hundred dollars, due to efficient work by staff moving product to safe storage.

ANNUAL MEETING PLANNING COMMITTEE: Meg, Mylisa, Cindy, Susan Cutting. This is the Year of the Family Farm--to be distinguished from the local farm--so we will feature vendors. The first hour will have casual meeting and sampling by family farm vendors. After a 2 to 3-hour business meeting, there will be a break for food provided by local chefs and cooks --send suggestions to Cindy-- followed by desserts from members. Then a talk by Ted Quaday, the new Executive Director of MOFGA.

FINANCE COMMITTEE: MIKE NICKERSON'S REPORT

Mike introduced his report by defining it as a compilation report, not an audit or a formal balance sheet. He made the bound report available for all Directors. He remarked that one notable achievement in fiscal year 2013 was a large increase in cash on hand. He suggested that we "put it to work for us." Another remarkable figure this year was a lowered debt service, due to consolidation and re-financing our larger debts. A director asked how we are doing vs. industry standards. Mike opined that the Belfast Co-op is not comparable to any other stores, even co-ops, so we should judge our performance with respect to our own prior numbers. He gave us 3-dimensional graphs in color that showed we are following the trends of the last few years, with the exception of

cash, which is now higher, after a dip due to the recession. In answer to a question on how to save for a capital campaign, Mike gave no magic bullet, just cut costs, increase mark-up, or sell more goods.

Patronage Dividend discussion. Zafra presented a handy hand-out in color, showing the net income, income from member patronage, patronage dividend amounts for 20%, 30%, and 100% of this allocated amount. We decided to pay out 30% of the allocated member-derived income, by consensus. Those who earned \$2 or less will not be awarded a patronage dividend, due to the cost of processing these small amounts, so these funds will be re-invested in the Co-op, and are subject to tax.

We decided, by consensus, that the Belfast Co-op allocate 100% of eligible profits to patronage dividends (\$60,876) to members and that 30 percent of those patronage dividends (\$18,263) be distributed to members in the form of a store credit and according to rules outlined by Internal Revenue Service Chapter T and Maine state laws. Any distribution that would be less than \$2.00 shall not be distributed, and the related profits shall not be allocated.

BOARD DEVELOPMENT COMMITTEE:

The committee proposed that the Board calendar appear at the beginning of the Board packet for the next few months on a trial basis.

Please go over the Board budget. Note that the Principle 6 Conference, for all Maine co-ops and buying clubs, Feb. 15, 9-4, is not budgeted: we will pay for Directors attending, approximately \$35-50. Upcoming is the Co-op Cafe in Keene, NH, March 15. We have budgeted \$1350 for 8 people to attend, preference given to those who did not go to Keene in January. To be decided is attendance at the Consumer Co-operative Management Association annual conference in June.

NOMINATIONS AND ELECTIONS COMMITTEE:

So far we have Betsy, Bindy, Jeanne, and Jerry, and KelLee Grey, Nixie Bombardier, and Alessandra Martinelli running for 5 seats. Sharon Walsh declined--but may be willing to serve on a committee, and Peter Baldwin has yet to be contacted. Since there are more candidates than the 5 vacant seats, members will be asked to vote for only 5 candidates.

MEETING REVIEW:

HOMEWORK:

read Mike Nickerson's report, including the sleep-inducing final sections
all committee year-end reports are due to Chris mid-February
review the Board Budget
on the agenda next month: January Keene meeting de-briefing

Next meeting: February 27

Facilitator: Betsy

End of minutes. Submitted by Jeanne Gail, scribe