

Belfast Co-op Board of Directors Meeting Minutes September 25, 2014

DIRECTORS PRESENT: Cindy Canavan, Betsy Garrold, Chris Groden, Doug Johnson, Debbi Lasky, Alessandra Martinelli, Bindy Pendleton, Kip Penney, Phil Prince, Janis Stone, Zafra Whitcomb

GMs: Joe Jordan, Chris Grigsby

MEMBERS: Jeanne Gail, scribe

ABSENT: Nick Bombardier, Ron Braybrook, Jean Lenderking, Meg Peterson, Jerry Savitz, Mylisa Vowles

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

ANNOUNCEMENTS:

- 1) Phil's last day working at the Co-op was Sept. 20th.
- 2) Debbi feels "less than 100%" as it's the anniversary of her accident.
- 3) All who commit to showing up or doing something, and can't make it, please call or let someone know.
- 4) Let's write an article for the newsletter about Policy Governance.
- 5) All please read Kip's article on patronage dividends featured in the newsletter.
- 6) FEDCO's fall sale of bulbs, plants, etc. and yard sale of Growers' Supplies is Saturday, Oct. 11, 9am -3pm.

CONSENT AGENDA: Accepted by consensus

MEMBER COMMENTS: None

MONITORING REPORT B2

Business Planning and Financial Budgeting

Note: We are using the Decision Tree, version 1.5 from CDS Consulting. We will go through one section at a time. We could accept the report on condition of improving that section.

Discussion points:

On the Board Ends Statement: we are using the Co-op's existing mission and values statement as a "place holder" for now.

On what quantitative criteria were used for "budget for feasibility:" current market trends, flat customer counts, our 3-year growth rates, industry standards and trends, and inflation rates.

On triple bottom line: note that employee compensation appears to have grown slowly in the last year. Factors contributing to this are high turnover resulting in more new hires receiving lower wages; and the Affordable Care Act, making our costs for health insurance lower.

A director observed that owner investment and return is not mentioned in the policy, nor reported in the data as percent due to owners' purchases

Action: Accepted as in compliance, with requests for coming year. BoD

would like to see report organized by section of policy, to have outside data sources referenced, for budget summary to include some balance sheet items - owner equity, cash changes, and data reflecting environmental and social impact.

#### MONITORING REPORT C8

Board Process- Governance and Investment

Note: Policy Register Update. Change in wording, last page, Section 3, change we will "develop" annual budget to "present" annual budget.

There is \$15,000 in the Board Budget for a market survey and feasibility study to plan for growth and/or a new store. This is a one-time expense, not to be expected every year.

Our Board Budget falls within the 2nd quartile among 16 middle-sized co-ops according to the CoCoFst data. For the 2015 fiscal year our governance expenses will be 0.27% of total revenues. Last year we exceeded our budget by \$544, a reasonable variance of 3.6%. Adjustments made in our 2015 budget included increasing amount for Annual Meeting from \$1000 to \$3000 and removing costs for marketing/feasibility studies from BOD expense line for a BOD budget total of \$23,780.

Regarding C8, Section 2a, there were objections to compliance. specifically, orientation of new directors. A new director remarked that orientation was "lacking," too many documents, no real welcome or courtesy was offered at their first meetings. The second last class of directors agreed that they had had the same experience of a poor orientation. The new director suggested that candidates for election to the Board should be introduced formally ahead of time and also "pre-oriented."

Action: C8 Board Process report was accepted by consensus, with room for improvement in 3 sections. The Board Development Committee will address these issues.

- 1) As re-stated in the Policy Register, the Board Budget will be presented in July.
- 2) Overspending on our 2014 budget -
- 3) The new director orientation process will be improved. Budget

#### ENDS STATEMENT WORKING GROUP:

A fall social will be planned, to have input from the whole board. The date is to be decided by email. Doug is the organizer.

#### MANAGEMENT OVERSIGHT COMMITTEE:

The evaluation is ongoing, and the Directors' section will be done via email with Survey Monkey. MOC plans to work with HR to disseminate, collect, and summarize staff input. This process may be used for self-evaluation if it works well.

#### MEMBERSHIP COMMITTEE:

The committee requests help from more people to plan the Annual Meeting. A planning meeting will be arranged.

BOARD-MEMBER "TEAS"

There has been no response from committees asked to select and plan dates for these. It is not clear whether they were to be quarterly or monthly. Should we drop them due to lack of interest?

MEETING REVIEW:

HOMEWORK:

- date to be arranged for fall social to brainstorm for Board Ends Statement
- GMT evaluations
- date for Membership/Annual Meeting planning
- Betsy will write an article for the Newsletter on Ends Statement or Policy Governance

AGENDA FOR NEXT MONTH:

- D1 Unity of Control, GMS B6 Staff Treatment and Compensation
- Building and Grounds Committee: what is their status?
- Board Member Teas

NEXT MEETING: October 22. FACILITATOR: Bindy

End of minutes. Submitted by Jeanne Gail, Scribe

[Note: I did not have 3 non-compliance items in my notes, just 2. Please correct the last one if needed.]