

## **Belfast Community Co-op Board of Directors Meeting**

April 21, 2022, Public meeting commenced at 6:00 pm; via Zoom teleconference

**Directors Present:** Sasha Breus, Kristin Clements, Ernie Cooper (vice president), Susan Cutting (president), Michael D'Amico, John Krueger (treasurer), Elaine Mack, Charlie Pattavina, Buck Sawyer, Edward Sheridan, Valerie Tate (secretary), Collin Thompson

**Staff:** Doug Johnson (GM), Emily Berry (scribe)

**Owners:** Jane Anderson, Annie Bussiere, Jamie Cermak, Gina Ferendo, Naya Flanzala, Cris Gil, Thane Joyal, Alessandra Martinelli, Liz Schoen, Michael Walter, Zafra Whitcomb

**Facilitators:** Susan & Thane (Columinate consultant)

### **Agenda Review**

The BOD approved by consensus the April 21, 2022 meeting agenda.

### **Consensus Decision Making**

Thane led the discussion on consensus decision making and walked the BOD through the process. The flow is as follows: 1) a proposal is introduced, 2) test for consensus (if consensus accept the proposal, if not continue the process), 3) use a facilitative technique to surface concerns, 4) recommend modifications to the proposal, 5) test for consensus, 6) discuss concerns, etc. The BOD will also be provided with a document outlining the decision making process, which includes straw polling options to test for consensus.

Depending on if the issue is time sensitive, the group can decide to move forward with the modification process and someone can make a motion to accept a proposal and then the group can vote with a 2/3rds majority.

The modified consensus process is about generating quality decisions that you can rely on with confidence. Some may not like the decision but if it doesn't violate any of the organization's values or put the organization at risk they may decide they are able to step aside.

### **Minutes**

The BOD approved by consensus the minutes of the March 24, 2022 meeting.

### **Executive Session**

The BOD held a meeting in executive session on April 1, 2022. The BOD discussed the GM Compensation Agreement, an HR issue, and expansion.

### **Announcements**

The Keep Belfast Maine Beautiful (KBB) is conducting its spring clean-up on Saturday, May 7 from 9 - 11 am.

### **Owner Comments**

Zafra welcomed the new directors and offered his support as a former director. He thanked all the directors for the work they are doing.

### **GM Reporting**

#### **Alignment**

Friday, April 29, Deb Kasik, from Haley Ward, will be in the store to conduct the hazardous material assessment. The report should be completed by the end of the month.

Wednesday, April 20, the operations team met with Matthew Lyle from MEGA Engineering and representatives from CMP to work on the electrical engineering analysis. It seems like the work that is necessary will be easier than initially expected.

Regarding lending for the renovation project, there are letters of interest from Cooperative Fund of New England and Coastal Enterprises, and a form sheet sent from Bangor Savings Bank. Doug met with reps from National Cooperative Bank, who are interested in the renovation project, particularly working in conjunction with the Cooperative Fund of the Northeast.

Doug spoke with Thomas Kittredge, the City of Belfast's Economic Development Director, about the renovation project. Thomas will be reviewing the project and getting back to Doug by early next week.

As of 12pm on the day of this meeting, 887 owners had fully redeemed their patronage dividends and 116 owners had partially redeemed, totaling \$25,245.13. This is over half the total dispersal amount.

### **GM Update Report**

The Co-op's occupancy costs were up from budget and last year. Doug noted that there were some issues with the coolers, however, he doesn't have a definitive reason but will get back to the BOD regarding the cause.

Directors noted the uptick in hiring and Doug assured them that the Co-op is not experiencing any out of the ordinary staffing shortage. This time of year the Co-op often hires more labor for the summer months. The pandemic has affected the job market, which is tighter than in past years, and this is being seen throughout the service industry right now. People are also looking for different things from employment, often with more flexibility, and the Co-op is considering adjusting their strategy, which has been based on offering full-time employment with benefits. The Co-op has been attending job fairs and has shown itself to be an exceptional employer making positive waves in the community.

### **B5 - Treatment of Customers**

Thane led the discussion of monitoring policies and reminded directors that they are the stewards and fiduciaries for the cooperative itself and it is their responsibility to keep it healthy. The use of policy governance is intended to help them do that. Directors use the monitoring reports that the GM provides to determine if the conditions in the Co-op are consistent with the BOD's expectations as stated in policies.

The BOD discussed that the data regarding customer count and basket size are only compared year over year and are not compared to peers because these are not tracked through the co-metrics platform.

Doug explained that the customer satisfaction survey is conducted every three years, which provides the Co-op insight on areas to improve and allows for two years to make adjustments and measure the progress on the next survey. However, there is a tool through the POS system which would provide up-to-date customer satisfaction data which could supplement the years between the surveys. Doug and Heather Q are looking into this.

A director took issue with the B5 monitoring report being submitted as in partial compliance when the data that was inadequate was only a fraction, 1/2 of 1/9th. It was suggested that the report could be accepted as in substantial compliance, however, that would require the development of a tiered system and partial, although not reflective of the minute nature of the noncompliance of this report, is accurate and provides consistency.

During an inspection by the Maine Department of Agriculture on April 1, 2022, two critical deficiencies were noted; 1) dust build up on a walk-in cooler fan, and 2) the pH of the bleach solution in the kitchen was off. These deficiencies were immediately rectified.

The BOD accepted by consensus the B5 - Treatment of Customers monitoring report as in partial compliance.

### **Board Administrative Matters**

#### **Conflicts of Interest**

The purpose of disclosing conflicts of interest is to protect the integrity of the BOD's decisions.

There were no conflicts to disclose at this time.

Directors are to keep in mind that conflicts can come up at any time and you disclose them when you become aware of them.

### **C5 - Directors' Code of Conduct Revision**

The BOD looked at deleting a line in the C5 policy that refers to the position of staff representative, however, it was determined that the policy would need the addition of clarifying language. This policy will be reviewed to address staff on the BOD as well as the language of verbal versus oral.

### **C3 - Agenda Planning**

The BoDev recommended accepting policy C3 as in partial compliance due to the fact that the BOD does not operate using a multi-year work plan as stated in the policy. Should the BOD move forward with a renovation project that would naturally provide a multi-year work plan.

The BOD accepted by consensus policy C3 - Agenda Planning as in partial compliance.

### **Officer Election**

The BOD used sociocracy's consent decision making process to choose officer nominees for the 2022 term. The BOD elected by consensus Susan Cutting to the office of president; Ernie Cooper to the office of vice-president; John Krueger to the office of treasurer; and Valerie Tate to the office of secretary, for the 2022 term, effective immediately.

### **GM Compensation**

The BOD accepted by consensus the GM Compensation Agreement that was negotiated with Doug for the period of May 1, 2022 through April 30, 2024.

### **Finance Committee**

FinCom noted that the Co-op has been below net income for two consecutive months which is not uncommon for this time of year; the Co-op's income fluctuates seasonally. Additionally, operations does need to stay on top of price increases.

FinCom recommended that no additional cost or time be expended exploring the second expansion option. The initial evaluation estimated that the second site would cost as much as twice the amount of renovating the current building. FinCom would like to delve deeper into expansion topics during the spring BOD retreat, particularly roles.

### **BOD Retreat**

BoDev will be finalizing the retreat agenda and in-person location early next week. The Co-op will be providing a bagged lunch for those who are interested.

### **Owner Engagement Committee**

OEC reminded directors that the KBB clean-up is in the morning prior to the retreat.

OEC has been brainstorming future events. Buck has suggested holding a dance and Alessandra suggested meet & greets at the front of the store and attending community events in Co-op garb.

The OEC report notified the BOD and management that the monthly informational packets shared at the BOD meetings are downloadable and saveable.

### **Homework**

#### Full BOD

1. Take D2 policy poll
2. Consider consultant vs consultants
3. Send Alessandra your t-shirt size if participating in KBB
4. Send ideas for filling the vacant BOD seat to BoDev
5. Contact Susan re: retreat if you:

- a. Are interested in finalizing the retreat plan
- b. Would like a bagged lunch for the retreat; include dietary restrictions

#### Doug

1. Submit a broad project management plan
2. Follow up with BOD on how Common Cent recipients are assigned months

3. Look into the effects of parking on income from pro forma or early market study
4. Look into cause for rise in March occupancy costs

Officers

1. Discuss in-person meeting opportunities
2. Discuss capital campaign team

Susan

1. Sign GM Compensation Agreement
2. Forward the KBB invite to directors

Charlie, Ernie, Sasha

1. Review BOD guidelines & policies re:
  - a. Responding to employees
  - b. Communication norms (esp. email)

Board Development Committee

1. Clarify language of C5
  - a. Verbal vs oral
  - b. Staff rep vs staff on BOD
2. Find & distribute materials on consent agenda

Owner Engagement Committee

1. Plan BOD work for the 2023 Annual Meeting
2. Public BOD packet recommendation

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Meeting adjourned at 8:53 pm. Minutes submitted by Emily Berry, scribe.