

Belfast Co-op Board of Directors Meeting

July 23, 2020, 6:15 pm; Virtual Meeting via Web Conference

Directors Present: Annie Bussiere (secretary), Evans Goff, Kate Hanson, Crystal Howard-Doliber (vice-president), John Krueger, Matt McConnell, Buck Sawyer, Heather Selin, Edward Sheridan (president).

Absent: David Balicki (treasurer)

GM: Doug Johnson

Staff: Emily Berry

Owners: Lynne O'Connor, Tish Manning

Co-Facilitators / Timekeepers: Edward & Crystal

Agenda

The BOD agreed to add item *f. Bylaws Committee* under *Board Administrative Matters* led by Heather. With this adjustment, the BOD approved the agenda by consensus.

Minutes of the Previous Meeting

The BOD approved by consensus the minutes of the June 25, 2020 meeting.

Announcements

Liz Moore has officially tendered her resignation from the BOD, which was accepted by consensus.

BoDev recommended that all directors that have not yet participated in a Columinate CBLD training attend the training being held on July 25.

Owner Comments

Lynne questioned whether there would be a cafe in the Co-op's future. She emphasized that the cafe is the fabric of the community and very integral to the community. Doug addressed the future of the cafe in the *Alignment* portion of *GM Reporting*.

Tish has wanted to be on the BOD for a long time but is not able to at this time. She is still looking at ways to be involved and loves the Co-op.

GM Reporting

Alignment

Doug had his second meeting with the NCG Development Cooperative (NCG DC) and Caleb Johnson Studios, the architects he is working with to put together a plan for a renovation of the Co-op. He had given both firms a document that included the progression of the expansion process and a list of the major structural issues that will need to be addressed to do a renovation. Each firm worked independently on solutions and when the two plans were compared during the meeting they were very similar. Doug expects to be able to firm up and share the plan for the Deli Department with the BOD by September. He gave a rough outline of the plan, which would involve moving the production kitchen to the basement, installing a freight elevator, and arranging the cafe space to include some indoor, outdoor, and three season seating.

GM Update Report

The BOD questioned the decline of Co-op Owners in good standing. Doug explained that customer count is down to a third of what it normally is, which interferes with owners paying their equity, which generally takes place at the register. Additionally, when the equity structure changed, the grace period for making an equity payment and remaining in good standing was shortened significantly.

Final finances are looking good; net income is close to budget.

B5 - Treatment of Customers

Doug reported partial compliance in his policy B5 - Treatment of Customers monitoring report due to a decline in customer count during the pandemic. Increasing customer count year over year is one indicator of customer satisfaction and restricting the number of shoppers in the store in order to maintain a standard of safety has significantly curtailed this trend. However, the Co-op has adapted well to meet the needs of the customers.

The BOD also discussed possibly changing the operational definitions. With Covid stretching on it may not be reasonable to use the same benchmarks that have been used in previous years for compliance. Doug is optimistic that circumstances will improve in the coming year and will maintain the current operational definitions for the time being. The Co-op is allowing more shoppers in at one time and that feels manageable to the staff, it is slowly becoming business as usual.

A director wondered if the Co-op had to field grievances from like-minded groups of people. Doug felt that the comments are more individualistic than not.

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

Board Administrative Matters

Executive Committee

The Executive Committee has been focused on how to restructure the BOD meetings to allow more room to focus on an issue or topic. One aspect of this shift would have the full Board do a deep dive into the key financial indicators on a quarterly basis, while the Finance Committee can do a more thorough review monthly and report on issues that need to be addressed. The BOD will still be receiving the financial reports each month as fiscal responsibility is the job of the entire BOD, not just the FinCom.

ExecCom would like to start the monthly meetings at 6pm instead of 6:15pm.

ExecCom has also put out a template for committee minutes and requests each committee meet within the first two weeks following the BOD meetings. Committee notes are now due by the Sunday prior to the third Thursday of the month.

Emily will now manage the BOD's google calendar, so all event details should be sent to her. The ExecCom will continue to discuss calendar options which would give all directors access to manage a calendar.

Expansion Readiness Workgroup

There will be no August meeting of the Expansion Readiness Workgroup. The second part of the BOD's Annual Retreat will tentatively be held during the ERW's October meeting time and the group will spend their September meeting preparing for that.

Finance Committee

John led the Finance Committee discussion in David's absence.

During the FinCom meeting they discussed the \$10,000 loss from the refrigeration failure incident. This loss was seen in Meat, Cheese, & Deli departments and a claim is currently pending with the insurance provider.

They also talked about navigating the PPP loan. This process is still quite complicated as the rules have not yet been clarified.

The FinCom agreed to keep their charter as it is currently written.

Board Development Committee

The Board Development Committee reviewed its charter and agreed that oversight of the following activities should fall to the Executive Committee:

- 1) Ensure that the Board complies with its bylaws, as well as with local, state, and federal law.
- 2) Identify and develop recommendations to the Board in instances of conflict of interest and discipline drawing on relevant laws, policies, and documented processes.

The BOD agreed by consensus that all Directors are responsible for the above activities and the Executive Committee will be in charge of their oversight.

BoDev also reviewed the language of policy C1.3 and recommends removing C1.3 and moving its language into the preamble. The BOD agreed by consensus to revise the language of the C1 preamble and remove subpolicy C1.3. The C1 preamble will now read:

“We will govern in a manner consistent with the Four Pillars of Cooperative Governance (Teaming, Accountable Empowerment, Strategic Leadership, Democracy) and observe the 10 Policy Governance principles (Ends Policies, Ownership, Board Process Policies, Board Holism, Board-Management Relationship Policies, Governance Position, Limitations Policies, Policies/Decisions Come in Sizes, Any Reasonable Interpretation, Monitoring)^{1*} In order to do this, we will:”

Self Monitoring Policy: C6 - Officers' Roles

BoDev recommends accepting policy C6 - Officers' Roles as in partial compliance based on feedback from directors particularly in regards to subpolicies 3a and 5.

The BOD accepted by consensus C6 - Officers' Roles as in partial compliance with sections C6.3a and C6.5 and full compliance with the remaining sections.

Board Development Committee Report Continued

BoDev would like to revise the system that is currently in place for gathering Director's input on the policies that are self monitored. They will be updating the current polling system so that it is no longer just checking the box between 'in compliance', 'not in compliance', or 'unsure' and require a comment on each section of the policies for the August and September meetings as a trial period. BoDev would like to see if this is a way the BOD can develop more consciously.

BoDev is looking at having the second part of the Annual Retreat in October with a focus on expansion. They are recommending that the BOD invite a consultant or someone who has experience with a successful expansion who can speak directly to the BOD's role in the process; someone who can say “this is what the Board does, this is what the Board doesn't do”.

Owner Engagement Committee

The OEC has been working with Simply Voting to come up with a quote for the Bylaws vote scheduled in September. They have discussed using phone voting in lieu of paper ballots to minimize touch points and signing on for a one year membership with Simply Voting, which would cover the 2021 BOD election and

this Bylaws vote.

The BOD agreed by consensus to include phone voting and an annual membership in the Simply Voting contract.

Bylaws Committee

Heather recommended revisions to the proposed Bylaws changes based on feedback from a lawyer with expertise in cooperative law, as follows

- Proposed section 2.6, Termination of Membership: The time period specified for a member-owner to respond is changed from 30 days to 90 days.
- Proposed section 2.8, Abandoned Equity: It is clarified that the 60-day time period refers to **notice** of termination; and the following changes: "...considered unallocated Abandoned Equity and recorded as part of an unallocated capital reserve. Abandoned Equity is defined as a capital investment in the Co-op not currently allocated attributed to a member-owner. ~~As such, this amount will be retained by the Co-op.~~"

Doug thought these updates made sense and was in favor of accepting the revisions.

The BOD accepted by consensus the revisions to Article 2 Sections 6 & 8 of the proposed Bylaw changes.

Homework

Full BOD

1. Take C7 poll
2. Review & add to [Board Guidelines](#)
3. Send owner comments to Emily for compilation
4. Think about *Rootstock* article topics
5. Review [Owner Comments](#)
6. Register for [Financial Training for Directors](#)
7. Scout presenters for Annual Retreat part 2: Expansion

Doug

1. Look into CORE re-enrollment numbers
2. Send public policies to OEC

David

1. Adapt the [New Committee Notes Template](#) for FinCom's key indicator reporting

Annie

1. Create FAQ for google calendar

Kate

1. Send formal language of policy C1 to Emily Heather/Crystal

All Committees

1. Use [New Committee Notes Template](#)
2. Submit Committee budgets to David ASAP

Executive Committee

1. Formalize calendar proposal

Board Development Committee

1. Review strategies for board recruitment
2. Discuss where to house officer job descriptions

Emily

1. Reinstate in-store physical copies of the minutes
2. Update C1 in policy register
3. Add Annual Retreat part 2 to calendar, Oct 13

Debrief / Evaluate

Edward thought the meeting was productive and there is a lot going on in the committees.

Crystal thought the BOD is doing great work considering it is summer in Maine and Edward did a great job facilitating.

Executive Session

The BOD adjourned to executive session to discuss a personnel issue. No decisions to report.

End of minutes. Submitted by Emily Berry, scribe.