

Belfast Co-op Board of Directors Meeting

January 23, 2020, 6:15 pm; UU Church, Belfast ME

Directors Present: David Balicki (treasurer), Annie Bussiere (secretary), Ernie Cooper, Kate Hanson, Crystal Howard-Doliber (vice-president), Alessandra Martinelli, Heather Selin (president), Edward Sheridan, Andrew Watkins.

Absent: Evans Goff

GM: Doug Johnson

Staff: Emily Berry

Guests: Carisa Carney, Jamie Cermak, John Krueger, David Leach, Matt McConnell, Buck Sawyer, Zafra Whitcomb

Facilitator / Timekeeper: Heather Selin

Agenda

Heather noted that the Bylaws Committee action/outcome should be listed as Discuss/Accept instead of Present/Discuss. Crystal offered to lead the Board Development Committee discussion in Evans' absence. With these adjustments, the BOD approved the agenda by consensus.

Announcements / Check-in

Kate wanted to clarify whether the BOD has access to personnel and store policies, as these could be helpful to know when interacting with owners and other community members, particularly the Co-op's policy on tabling. The tabling policy and other similar policies are outlined on request forms kept at the Co-op's service desk.

Annie will be working on writing a how to for the Google drive and forms which she will be submitting at the February BOD meeting.

Minutes of the Previous Meeting

The BOD approved by consensus the minutes of the December 19, 2019 meeting.

Owner Comments

Zafra Whitcomb, a former Co-op employee and director, noted that he was pleased with the recommended bylaw changes that the directors would be discussing later in the meeting. He primarily wanted to speak to his concerns over comments he has heard over the past year regarding staff experience, treatment, and interactions with other staff. He reminded the BOD that they have the ability to monitor by any means at any time. He encouraged directors to interview staff, particularly middle management to ensure that all behavior is appropriate, and look into HR procedures, to ensure that all incidents are treated fairly and appropriately.

Buck Sawyer, Matt McConnell, David Leach, & John Kruger each stood and expressed interest in running for a BOD seat.

Board Administrative Matters

Expansion Committee

The Expansion Committee presented the BOD with several recommendations for moving forward. First, there could be two expansion committees, one for directors which would focus on what the BOD needs to do to get ready for expansion, and a second committee made of members of Doug's choosing that would take on moving forward with expansion in an operational way. Second, the committee would still request an assessment of the current building. And third, they invited Doug to attend the next meeting of the ExpCom, held February 12th, to discuss how to move forward together and independently.

Finance Committee

The FinCom will be working to reschedule their monthly meetings so that they do not fall as close to the BOD monthly meetings.

The FinCom updated the BOD on the credit cards rewards program. The Co-op is now enrolled in a rewards program with Chase Bank with a credit limit of \$37,000. Based on the Co-op's current credit card spending, this program should yield between \$1,000 & \$2,000 annually.

Board Development Committee

Self Monitoring Policy: C - Global Governance Commitment

The BOD accepted by consensus C - Global Governance Commitment as in compliance.

Self Monitoring Policy: D - Global Board-Management Connection

BoDev requested verbal feedback from Doug on the BOD's compliance with the Global D policy. Doug responded that it is fundamentally true that "The Board's official connection to the operations of the cooperative will be through the General Management", and while there have been areas where the policy had to be reinforced there has been a marked improvement in compliance from this current group of directors.

The BOD accepted by consensus D - Global Board-Management Connection as in compliance.

BoDev Report Continued

Directors continue to talk to owners about running for open board seats and joining committees. So far, no nomination forms have been returned to the BOD; the deadline for submission is February 5, 2020.

In preparation for self monitoring policy C1 - Governing Style at the February meeting, the BOD discussed C1, in particular C1.3 "Observe the 10 Policy Governance principles". The discussion centered around having more education regarding the 10 policy governance principles and perhaps clarifying the language of C1.3.

BoDev is planning a brainstorming session in March to discuss how to increase efficiency, effectiveness, and engagement. They look forward to feedback from directors on what engages, enthuses, frustrates, etc.

Edward suggested the Common House at Cohousing as the venue for the BOD's annual retreat.

Owner Engagement Committee

The BOD discussed some details of the Annual Meeting; David agreed to present the treasurer's report, Deb Burwell will facilitate the Q & A, and before the voting starts a director will go over the how-to's of the ballot. It was also suggested that coffee and tea be available before the meeting begins.

The BOD is sponsoring Trivia Night at Front Street Pub on January 30.

Bylaws Committee

The Bylaws Committee presented the final version of the bylaw revisions to the BOD. This version lays out the current bylaw, the recommended change, and a description of the change for each article section. There were two points that the Bylaws Committee wanted input from the BOD. First, in Article 1 section 2 there was the question as to whether narrow or broaden the Co-op's purpose. The BOD agreed to keep the recommended language which aligns with language in the Co-op's articles of incorporation for the time being. And second, in Article 4 section 3 in the current bylaws a Board candidate must receive at least 25% of the total valid ballots cast to be elected and the committee was looking to increase that to 35 or 40%. The BOD decided to leave the percentage at 25.

The BOD discussed whether the bylaw revisions had been reviewed by a lawyer and some components have been but not the whole document. The difficulty lies in finding someone who is familiar with both cooperative law and Maine state law. The Bylaws Committee will reach out to Portland Food Co-op to see who reviewed their bylaws. Doug specifically asked for a lawyer to review the Article 2 sections that deal with abandoned equity.

The BOD agreed to move forward with presenting their recommendations to the ownership. The Bylaws and Owner Engagement Committees will work together to create and distribute the recommendations information and supporting materials.

GM Reporting

Alignment

Doug has his first phone call with Dave Blackburn of the NCG Development Co-op next week.

Doug has been working with Jamie, in Marketing, on the upcoming Annual Report. They are moving away from a bimonthly and toward a quarterly newsletter and will be using the Annual Report as the kick off for this transition.

The Principle Six (P6) Conference will be held April 4, 2020 at the Hutchinson Center in Belfast. The Belfast Co-op will be sponsoring and catering this conference. As a side note, it was mentioned that the Co-op was asked last minute to cater the Belfast Area Chamber Business After Hours event and the platters were beautiful and received many compliments.

GM Update Report

The BOD discussed the reported monthly financials, noting that the cost of goods YTD was higher than anticipated and the gross margin for the month was 35.8% where ideally it would fall between 37 and 37.5%. Doug admitted that when he began his tenure as GM he strived to run the Co-op in the black 12 months of the year, however, this is not realistic due to the seasonality of the business. The Belfast Co-op is fortunate to still have positive sales growth while many co-op throughout the country are experiencing negative sales growth.

B - Global Executive Constraint

The BOD suggested the policy B monitoring report include more supporting data for the 4th Cooperative Principle - Autonomy & Independence, to illustrate how the Co-op retains its autonomy while entering into agreements or partnerships.

The BOD accepted by consensus the B - Global Executive Constraint monitoring report as in compliance.

Next Meeting Agenda - February 27, 2020

B9 - Emergency General Management Succession

C1- Governing Style

Homework

Full BOD

1. **Contact potential BOD members**
2. Take C1 poll
3. Review & add to [Board Guidelines](#)
4. Send owner comments to Emily for compilation
5. Think about *Rootstock* article topics
6. Review FY2020 Business Plan and ExpCom minutes for expansion benchmarks
7. Send questions re: google drive/forms to Annie
8. Review Doug's Annual Meeting slide deck

Doug

1. Look into CORE re-enrollment numbers
2. Remove owners from ExpCom email list

Annie

1. Contact owners from ExpCom

Heather

1. Set up meeting with Alessandra re: GM compensation/evaluation

Board Development Committee

1. Brainstorm strategies for board recruitment
2. Revisit / take action on stated priorities from Annual Retreat (recap document / calendar)
3. Review [2019 Board/Owner Interest](#) spreadsheet
4. Discuss BOD meeting agenda re: swap GM and Admin sections
5. Review language of policy C1.3 re: clarity

Bylaws Committee

1. Connect with OEC re: creating/distributing recommendations info & supporting materials
2. Reach out to Portland Food Co-op re: bylaws legal review

Expansion Committee

1. Talk about expansion story
2. Compile key expansion documents

Owner Engagement Committee

1. Collect forms from front end with public policies included

Debrief

Alessandra recommended reinstating a separate timekeeper during the meetings.

David wanted to recognize and appreciate Ernie's talents as a non-practicing lawyer.

End of minutes. Submitted by Emily Berry, scribe.