

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

March 23, 2017 6:00pm Waterfall Arts Building, Belfast ME

**Directors Present:** Betsy Garrold, Justin Howard, Alessandra Martinelli (president), Bindy Pendleton, Lindsey Schortz (treasurer), Andrew Watkins, Zafra Whitcomb (secretary)

**Absent:** Ron Braybrook (vice president)

**GM:** Doug Johnson

**Staff:** Emily Berry (scribe)

**Owners:** David Balicki, Ernie Cooper, Shannon Grimes, Kip Penney

**Facilitator:** Alessandra

**Time-keeper:** Bindy

**Vibe Watcher:** Bindy

### **Agenda Review**

The BOD approved the agenda by consensus.

### **Announcements**

The April 27 BOD meeting has been moved to May 4.

Ernie Cooper, Co-op Owner, attended this meeting in order to see the BOD process and determine if he could contribute.

Alessandra presented the BOD with a sign-up sheet with dates for handing out ballots in the store.

### **Minutes of Previous Meeting**

The BOD agreed to amend a line under *Board Administrative Matters 2017 Ballot* to add “explanatory summaries” so the text now reads “...the full language of the bylaw changes and explanatory summaries are available in-store and online.” With this adjustment, the minutes of the February 23, 2017 BOD meeting were approved by consensus.

### **Owner Comments**

An owner recommended that the 2018 Annual Meeting be held at the EcoVillage.

One owner was happy that the Co-op carries a good number of bulk items but would like to see the repack bulk items offered in a way that wasn't packaged in plastic bags.

An owner suggested that the deli either do away with plastic straws all together or replace them with paper.

Another comment was made that the produce/bulk bags that are colored contain dyes that are more harmful than the plastic itself and a clear bag would be a better choice.

## **GM Reporting**

### **Alignment**

The center store reset will begin Friday, March 24, with the major deconstruction and construction happening overnight Sunday, March 26. The next reset will be the bulk liquids, which will probably take place Easter weekend. The SKU reduction in center store will be determined based on sales. The GM is interested in using the Principle Six Cooperative Trade Movement as a tool to be used for product selection when bringing new products in.

The GM received the RFP from the BOD on March 12<sup>th</sup> and completed his proposal March 23. The GM has requested the BOD provide him with more specific goals to focus on so that he might revise and resubmit the proposal.

### **Operations Update**

Melanie Reid, of CDS Consulting, has finished the staff survey and the results will be included in the B6 monitoring report for the April BOD meeting. On March 11, the staff gathered in the cafe for a meeting to discuss the results of the survey and the discussions that came about were productive. Interviews are currently taking place for the position of HR Manager and a decision will be announced the week of March 27.

February sales were down from last year and March is expected to be down from last year also.

Management is actively trying to control payroll costs which are up 1.4% from last year. The suggestion was made to the GM that the employee team be built around the winter months with seasonal employees added during the summer months. This model is the opposite of how the Co-op is currently functioning and no action will be taken on this suggestion at this point.

The hardware for the fire alarm system is ready but not yet fully installed. Once installed, staff can be trained on using the system.

Wegner CPA submitted another round of drafts. These drafts will be reviewed, a statement signed, and the final report will be submitted.

### **B1 – Financial Condition & Activities**

This report marks the first full year the current metrics have been reported on. Based on the operational definition set up one year ago, the Co-op fell short on every metric except net income. However, when looking at graphs spanning 2011-2016, the Belfast Co-op's trend lines match the trend lines for other co-ops. 30-40% of co-ops experienced negative growth last year and co-ops nationwide are dealing with the same issues our Co-op is dealing with.

The BOD accepted by consensus the B1 – Financial Condition & Activities monitoring report as not in compliance with a plan for compliance.

### **B4 – Membership Rights & Responsibilities**

The BOD noted that should the membership vote to approve the proposed bylaw changes, the language of this policy will be affected.

The BOD accepted by consensus the B4 – Membership Rights & Responsibilities monitoring report as fundamentally in compliance with a plan for compliance from the GM and BOD.

## **Board Administrative Matters**

### **Treasurer's Update**

The numbers from February indicate that labor costs are up however, since sales are down and payroll & personnel costs remain the same, the appearance is skewed. Labor cost for February last year were uncharacteristically low due to a number of upper management positions that were not yet filled. Personnel costs have increased 40% over last year due to a new health care plan which covers 90% of costs for full-time employees.

### **Board Development Committee Report**

The Board Development Committee is exploring carbon offsets for travel and hoping to find a way to invest that will keep our money local.

### **C1 – Governing Style**

The BOD accepted by consensus C1 – Governing Style as in compliance.

### **C2 – The Board's Role**

The BOD accepted by consensus C2 – The Board's Role as in compliance.

### **Annual Meeting Review**

A poll of directors showed that they liked having the meeting in a circle, having simple food, and participating in a visioning exercise. Things that they would like to see happen in the future would be live streaming of the meeting, a different venue, less reporting and more conversation, more workers attending, childcare, better audio, an activity closer to the middle of the meeting, and more celebration.

## **Homework**

### *Full BOD*

- Feedback on retreat topics  
(what does it mean to have vision?)

### *Finance Committee*

- Look into sales data for Belfast in regard to weather

### *Board Development Committee*

- Review B4 in regard to proposed bylaw change language
- Determine the reporting change for B4
- Discuss carbon / tolerance offsets

### *Alessandra*

- Contact Thane to set up conference call for next Board Development Committee meeting

## **Next Meeting May 4, 2017 – Agenda**

Ratify Election Results

Finalize GM Compensation

C3 – Agenda Planning

B6 – Staff Treatment & Compensation

Farewell to Departing Directors

End of minutes. Submitted by Emily Berry, scribe.