

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

April 25, 2019, 6:15 pm; UU Church, Belfast ME

**Directors Present:** David Balicki, Ernie Cooper (treasurer), David Gibson (secretary), Betsy Garrold, Shannon Grimes (president), Alessandra Martinelli, Heather Selin (via Skype), Andrew Watkins (vice-president).

**GM:** Doug Johnson

**Staff:** Emily Berry (scribe)

**Owners:** Annie Bussiere, Jamie Cermak, Evans Goff, Crystal Howard-Doliber, Edward Sheridan, David Smith, Robert Struba, Zafra Whitcomb

**Facilitator / Timekeeper:** Shannon Grimes

The BOD opened their meeting by acknowledging that they were conducting their business on historic Wabanaki tribal lands.

### **Agenda Review**

The leader of the *Healthcare* discussion was changed from David G. to Heather. With this adjustment, the BOD approved the agenda by consensus.

### **Announcements / Check-in**

The Fedco tree sale will be Friday, May 3rd and Saturday, May 4th.

On Saturday, May 4th the Sierra Club will be hosting a state-wide Climate Summit at the Hutchinson Center in Belfast (<https://www.sierraclub.org/maine/building-thriving-communities>). David will be one of the presenters that day, as will Doug, who will talk about cooperative economics. On Sunday, May 5th, David & Willow will be hosting a permaculture work day at their farm in Morrill from 9am-1pm (<https://www.facebook.com/events/323894664928695/>).

David G helped draft LD 1634 "An Act To Create the Maine Clean Energy Fund and To Authorize a General Fund Bond Issue To Capitalize the Fund" which will create a statewide green bank.

Shannon helped to draft LD 920 "An Act To Establish the Fund To Support Local Fruits and Vegetables Purchasing" which supports nutrition incentives.

Andrew has been reading *As we Have Always Done: Indigenous Freedom through Radical Resistance* by Leanne Betasamosake Simpson; *The Food Sharing Revolution: How Start-Ups, Pop-Ups, and Co-Ops are Changing the Way We Eat* by Michael S. Carolan; and *Locavesting: The Revolution in Local Investing and How to Profit From It* by Amy Cortese.

Saturday, May 4th is also 2nd Annual Keep Belfast Beautiful from 8am-2pm.

Shannon announced that Alessandra is a magician and a goddess for facilitating Heather's attendance at the BOD meetings.

On May 22nd the Co-op is hosting *Financial Literacy* with Deborah Hawkins from CFNE at the Belfast Free Library.

The Co-op is currently running a sale on all bulk items, 7% off for 7 days, which ends Sunday, April 28th.

Shannon wished all a Happy Earth Day and Happy Anzac Day.

### **Minutes of Previous Meeting**

The minutes of the March 29, 2019 BOD meeting were approved by consensus.

## **Board Administrative Matters**

### **Election Results**

In the 2019 BOD election, 782 ballots were cast by owners in good standing, exceeding the 10% membership quorum [443], and thereby making the election valid. All six candidates – Annie Bussiere, Betsy Garrold, David Gibson, Crystal Howard-Doliber, Edward Sheridan, and Andrew Watkins – received votes totaling more than 25% of the total valid ballots cast and are thereby elected to the board of directors. Annie, Betsy, David, and Edward will serve three-year terms; Crystal will serve a two-year term; and Andrew will serve a one-year term. Of the 782 valid ballots cast, 80 were paper and 702 were electronic. This election had the most participation of any Belfast Co-op election with 17.6% of owners in good standing casting ballots.

The BOD accepted by consensus the results of the 2019 BOD general election, thereby ratifying the election.

The 2019 election for staff representative to the BOD took place in the first full week following the general election of directors, as stipulated by the bylaws. A total of 32 ballots were cast by staff in good standing, exceeding the 10% membership quorum [9], and thereby making the election valid. Evans Goff received votes totaling more than 25% of the total valid ballots cast and was thereby elected to the board of directors staff rep seat for a three-year term.

The BOD accepted by consensus the results of the 2019 election for staff representative to the BOD, thereby ratifying the election.

### **Expansion Committee**

The Expansion Committee reviewed the presentation given by Caleb Johnson Studio at their April meeting of the feasibility of building a new building with housing above. The ExpCom feels strongly that if housing is included in the expansion project it must be affordable for Co-op employees. The ExpCom also discussed the need for a thorough engineering cost analysis of the current building and wanted to clarify that this analysis should include not just the cost of renovating but also expanding on the current building. The Expansion Committee's May 13th meeting will need to be rescheduled and the committee will be communicating via email to determine a suitable date.

### **Finance Committee**

The Finance Committee proposed changes to its charter in both the *Membership* and *Activities* sections, outlining the audit schedule and clarifying that committee members who are not directors will have expertise in accounting, financial management, or banking.

The BOD accepted by consensus the changes to the Finance Committee charter.

Ernie consulted with the Wegner auditors regarding expanding the overview of GM financial activity beyond credit card statements. The auditors noted that there are checks on GM spending that already exist and the only area those checks do not currently cover is the credit card spending. The FinCom recommended to the BOD that no additional regular review beyond credit card statements is necessary.

With this feedback from Wegner, the BOD accepted by consensus the B1.13 change that was proposed at the March 29, 2019 meeting which reads: "The GM must not: Fail to meet at least quarterly with the Treasurer to review the status of the budget for the Board of Directors *and to review the General Manager's credit card statements.*"

The FinCom also discussed investing in short-term US Treasury bills. Doug will consult with the Co-op accounting staff and a recommendation on this investment is expected at the May FinCom meeting.

### **Board Development Committee**

The BOD retreat is scheduled for May 25th and will be facilitated by Marilyn Scholl of CDS Consulting Co-op. For the past 5 years Thane Joyal, CDS consultant, has facilitated the BOD annual retreats and will be missed. A main topic for this year's retreat will be BOD perpetuation and BoDev suggested a long intro looking into prior board history and future board visions.

Andrew presented a fun Co-op topic by going through his personal history with natural foods and food co-ops using branded reusable shopping bags from the various stores he and his family shopped at. Now he can't imagine living in a town without a food co-op!

At the P6 Conference, Alessandra met Esteban, a member of [AORTA](#) - a worker-owned cooperative devoted to strengthening movements for social justice and a solidarity economy. AORTA offers trainings to help realign groups of people to not be oppressive. Alessandra would love to see the BOD participate in an AORTA training and is working with Esteban to create a proposal.

Alessandra also reflected on a presentation given at the P6 Conference by two Somali women who have a cooperative food truck and farm. It is difficult enough to speak to a roomful of strangers but in this case neither the presenters or the attendees spoke or understood the other's language and an interpreter was necessary. Alessandra found the women to be incredibly brave and their story deeply moving.

BoDev reached out to the other directors for help with reviewing policies regarding expansion. The BOD tasked the ExpCom with developing a charter which will incorporate reviewing policies relevant to expansion.

### **C3 - Agenda Planning**

There was a question about the consent agenda; although not used for several years, a consent agenda is a body of work that is accepted in one action rather than reviewing each item individually, therefore saving time.

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

### **Owner Engagement Committee**

The Owner Engagement Committee has set dates for the remaining 2019 forums. They are also working on creating a form letter for new owners. OEC member, Kate, has suggested having a Co-op historian or creating an ad hoc History Committee. The OEC also talked about moving the 2020 Annual Meeting up one week, to be held March 1st, which would allow the BOD to ratify the election at the March BOD meeting.

### **Bylaws Committee**

The Bylaws Committee has postponed its April meeting until the week of April 28th. They plan to present their bylaw recommendations at the May BOD meeting. Directors will be given a document with the Co-op's bylaws side-by-side with CDS's Fresh Start Bylaws along with a third column for the committee's recommendations.

ByCom will also be drafting a one-page overview of the recommendations.

### **Healthcare Letter**

Directors did comment on the healthcare draft letter and the content has been revised. Heather recommends that the letter be sent to Maine's four federal representatives - Collins, King, Pingree, & Golden - and will adjust the language to target each of the representatives. The letters will be signed by Shannon and Doug.

### **GM Compensation Overview**

The GM compensation process begins with the BOD, where the BOD has time for private reflection on individual attitudes towards money and then work together on strategic questions revolving around the future of the Co-op, the GM's role in this future, and concerns about the compensation process and resulting plan. This will give the BOD an idea of what kind of RFP to give the GM. The compensation process then becomes a back and forth between the BOD and the GM until a contract is developed. For a more comprehensive overview see this article:

[Setting a Process for General Manager Compensation.](#)

## **GM Reporting**

### **Alignment**

The Cooperative Maine Business Alliance (CMBA) steering committee has decided not to table at the MOFGA Common Ground Fair and instead will allocate resources to taking out an ad in the Fair flyer promoting the cooperative workshops being held at the Fair. CMBA is working with Maine Community Health Options to explore pulling together co-ops throughout the state to combine and provide healthcare. This may not benefit the Belfast Co-op but could work for smaller co-ops and start-ups.

### **Update Report**

To date there are 60 fully vested owners and there has been no significant uptick in CORE enrollment.

NCG rolled out their new Global Ends Policy and have pared it down to one sentence: "NCG exists so that member co-ops are successful and the total cooperative grocery economy grows in size and scope."

During Easter Sunday new countertops were installed at the registers and so far there has been positive feedback.

The staff hiring freeze has been lifted and the Co-op is currently hiring for several summer seasonal positions. NCG is currently compiling a 9-person working group to focus on plastics and Doug is trying to get our facilities manager, Dave Olson, placed on the group. The group will start meeting in May and will run for 6 months. Doug commented that it is nice to know that in 6 months there will be solid suggestions on how to move forward. Doug spoke about the Co-op's financials, where the Co-op took a huge hit in the first quarter, particularly impacted by the increased healthcare costs and the wage increase, but managers have done a decent job in the second quarter controlling expenses. In general, the Co-op is watching its expenses more this year than in previous years.

### **B6 - Staff Treatment and Compensation**

The majority of the data for the B6 - Staff Treatment and Compensation monitoring report is pulled from the staff survey, which was finalized in March 2019.

Partial compliance was reported for the global B6 policy due to staff response on the question "To the best of my knowledge, corrective action is handled fairly and consistency throughout the co-op." While nothing stands out that would be considered a change from year-to-year as far as corrective action is concerned, shortly before the survey was distributed the Co-op terminated an employee and response to this question was most likely fueled by rumors surrounding this termination. Corrective action (and terminations) by nature and law is generally not transparent. The BOD requested that the plan for compliance be resubmitted incorporating SMART criteria. The staff survey scores across the board were healthy compared to other co-ops and the staff engagement questions scored very high. Since the Co-op began surveying staff, scores have remained high which is more difficult to maintain than bringing up a low score.

The BOD will review this monitoring report when resubmitted in May.

## **Next Meeting Agenda - May 23, 2019**

D2 - GM Accountability

Seat New Directors

Conflicts of Interest

B6 - Staff Treatment & Compensation

Committee & Snack Assignments

B3 - Asset Protection

Code of Conduct

## Homework

### Full BOD

1. May 22nd - Financial Literacy Workshop
2. May 23rd - BOD meeting
3. May 24th - Dinner with Marilyn Scholl
4. May 25th - BOD retreat
5. Take D2 poll
6. Review committee charters in preparation for committee assignments

### Doug

1. Gather 3 proposals for engineering analysis of current building
2. Address the community dinners idea
3. Add new directors to BODfull and BODpacket emails
4. Check in with Deli re: food for retreat
5. Reword & resubmit global B6 plan for compliance

### Alessandra

1. Share the last 2 RFPs and GM compensation article
2. Share link to *Rooted in Community* video

### David B.

1. Officer job descriptions

### Heather

1. Resend healthcare letter with targeted language

### All Committees

1. Send out email reminders of meeting dates/times

### Board Development Committee

1. Create a proposal for candidate requirements
2. Review policies re: expansion
3. Create D2 poll

### Expansion Committee

1. Start email communication re: May meeting date
2. Write a charter
  - a. Include policies to monitor
3. Reach out to Lexington Food Co-op
4. Think about items to add to the BOD calendar

### Owner Engagement Committee

1. Follow up with Doug re: plastics
2. Formalize the *Rootstock* BOD interviews

## Debrief / Evaluate

Alessandra wanted Doug to know that he is doing a great job, the BOD can see the staff is happy and he is doing an impressive job. She is thankful for his work managing humans which is one of the most difficult things we decide to do to each other.

Heather is thankful for the meeting sticking to the scheduled time.

The committees were recognized for providing impressive committee reports and the amount of work done this month.

Shannon was recognized for her work on the BOD, her good energy, and the committee notes she has taken -- thank you, Shannon!

Heather was recognized for staying engaged at a remote distance -- thank you, Heather!

End of minutes. Submitted by Emily Berry, scribe.