

Belfast Co-op Board of Directors Meeting

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

Directors Present: David Balicki (treasurer), Annie Bussiere (secretary), Ernie Cooper, David Gibson, Evans Goff, Crystal Howard-Doliber (vice-president), Heather Selin (president), Edward Sheridan, Andrew Watkins.

Absent: Alessandra Martinelli (leave of absence)

GM: Doug Johnson

Staff: Emily Berry

Owners: Jamie Cermak

Facilitator / Timekeeper: Heather Selin

Agenda Review

The BOD approved the agenda by consensus.

Announcements / Check-in

David G. announced that he is running for the U.S. Senate as the Green Party candidate.

Annie was able to chat with the Swarthmore Co-op's board president while she was visiting the Belfast Co-op. Annie gave her information on our BOD, which she really liked, and they also discussed the fundraising campaign that is helping Swarthmore fund their new freezer.

David B. had a conversation with one of the leaders of the Belfast YMCA, where they talked about what a selling point the Co-op is for Belfast.

Andrew shared the various contact information that he collected from Columinate consultants. He also brought the Open Farm Day newspaper insert to share and pointed out that the Belfast Co-op was not in it although Hannaford was, with the tagline "we love local".

Doug visited the new Blue Hill Co-op store to help set up for their soft opening Saturday, July 27. Doug encouraged all directors to visit the new store.

Heather has been thinking about ways to run the BOD meetings more efficiently, so the work can be done while allowing time for going in depth with the important issues. She asked the other directors to think about this also.

Minutes of Previous Meeting

With the note that attending owner Michael's last name is 'Walter' not 'Walters', the minutes of the June 27, 2019 BOD meeting were approved by consensus.

Owner Comments

During this time of change for the BOD, Jamie wanted to thank the directors for the important and valuable work that they are doing. He added that it was really great that the customer bathroom renovations happened and that it makes the Co-op more welcoming to more people. Jamie also talked to an owner who was displeased with the number of digital screens in the Co-op and worried it was becoming too corporate.

David G. shared that a visitor to the Co-op, who travels up and down the East Coast, loves the Belfast Co-op!

Evans brought a comment from an owner who was happy to see the coffee moved but was unhappy about how the aisles were widened during the reset in 2017.

Crystal talked to a longtime owner who feels the Co-op has gotten to a place where it is overstaffed with too many layers of management. She also heard from many owners that the outside area is wonderful.

Andrew shared that he spoke to an owner who is disappointed about the senior discount and now shops at the Good Tern as a result of this change. This owner also felt that there were too many managers.

Another owner commented to Andrew that they feel the Co-op is now for younger people.

Board Administrative Matters

Expansion Committee

The Expansion Committee is still working on getting quotes for the engineering analysis of the current building.

The ExpCom is organizing a road trip to visit co-ops in the New England area that have recently expanded. They have identified several co-ops to visit and are currently setting the goals for their trip, e.g. what they want to see at each co-op, who to meet with, questions to ask, etc.

The ExpCom discussed updating the expansion wall in the cafe to include information and communication from BOD in general, including other committees. The BOD agreed to move ahead on updating the wall.

Finance Committee

The Finance Committee reviewed the monthly Co-op financial reports for June and no significant items of concern were noted.

The FinCom would like to use time at the BOD meeting to do a deep dive on each financial key indicator. They proposed using 10 - 15 minutes toward the end of each meeting for board education. In the short-term, the FinCom would use this time to cover key indicators, and in the long-term this time could be used for any type of board educational training with a curriculum laid out in the BOD calendar. The BOD agreed to allocate 15 minutes of the monthly BOD meeting, after *GM Reporting* and before *Closings*, for education. This education section does not always have to pertain to finance.

The FinCom is interested in reviewing the Co-op's credit card portfolio to ensure that maximum benefits are being attained. The BOD agreed that the FinCom should allocate time to reviewing credit card programs that reward monthly spending with cash back programs and other incentives.

The FinCom compiled and presented the proposed BOD budget for FY2020. There were two line item increases, *Education & Travel* and *Compensation* which the Board Development Committee discussed during their report. The BOD approved by consensus the proposed FY2020 BOD Budget.

Board Development Committee

The Board Development Committee discussed their proposed increases in the FY2020 budget lines *Travel & Education* and *Compensation*. Beginning with *Compensation*, BoDev has been researching industry standards for BOD compensation and will be reporting to the BOD on reasonable compensation expectations. If the BOD decides to ask the ownership for an increase in compensation and the ownership agrees, this increase would already be factored into the budget. *Travel & Education* was increased in the proposed budget due mostly to the location of CCMA in 2020 but also for additional training the BOD might want.

C6 - Officers Roles

The BOD discussed changing the language of C6.3b to expand the responsibility for perpetuations of leadership to include all officers not just the president. The directors agreed that it is not on the president alone to plan for leadership perpetuation, however, the president should be encouraging those plans and ensuring that they happen. The BOD agreed to leave subpolicy C6.3b as written.

One director brought up the concern of monitoring this policy on officer roles directly after new officers are chosen. The BOD agreed to review the calendar and adjust the policy monitoring schedule to make the most sense.

The BOD also agreed to set aside time during the BoDev report to review the policy that will be monitored at the next month's meeting.

The BOD accepted by consensus C6 - Officers Roles as in compliance.

Owner Engagement Committee

The Owner Engagement Committee reminded directors that the ice cream social will be held August 18th from 3-5pm

Bylaws Committee

There was no July meeting for the Bylaws Committee and therefore nothing to report.

The BOD agreed to schedule their second working session of the bylaws review for Tuesday, August 6th at 6pm.

GM Reporting

Alignment

Although the aesthetics still need to be finished, the bathroom renovation is open for public use and has approval from the code inspector.

The application for the CFNE loan was accepted and Doug has moved ahead with plans for installing two sets automatic doors at the front entrance of the store, one set facing the parking lot and the other where the front doors are currently. The installation will take place either the first or second week in September. Should the Co-op expand, these doors can be brought along and installed on a new building. The bulletin board will only be minimally affected by this installation.

GM Update Report

The Co-op will be replacing three fans in the bottom of the deli grab-n-go cooler. The repair is estimated at \$600 and there is no warranty as the cooler was purchased used.

Doug reported overall success on the first ever in-house run quarterly inventory. Although labor may always cost more than contracting RGIS to conduct quarterly inventory, the numbers that result from doing inventory in-house are more trustworthy.

In the financial section of the GM Update Report, one director noted that the payroll was under budget for June and Doug acknowledged that he over budgeted payroll for the summer and hopefully the Co-op will pull out of the red.

B5 - Treatment of Customers

The BOD discussed the three critical deficiencies cited by an inspection from the Maine Department of Agriculture on 7/18/19. First, the Meat & Cheese walk-in cooler has no hand washing station. Second, the cooler that was displaying salads and sandwiches in the front end was not holding temperature on the day

of inspection. And third, the intake fans on the dairy walk-in cooler need to be cleaned more regularly. None of these deficiencies were associated with a fine.

One director noted that in the B5 - Treatment of Customers monitoring report the customer count and the transaction count are used interchangeably but that transaction count is the more accurate term since customer count cannot actually be monitored by the Co-op's systems. The BOD asked Doug to replace customer count with transaction count in his operational definition of global B5.

The BOD also discussed how to interpret an unsafe shopping experience. Does this include cultural and other forms of safety? How would these types of safety be measured, what is the metric? Doug will ask Naya, the HR manager, for input on a metric for safety as it pertains to diversity and inclusion.

For the B5 monitoring report, Doug uses data from the Shopper Satisfaction Survey which is conducted every other year. To strengthen the data, Doug is exploring polling owners in the off years.

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

Next Meeting Agenda - August 22, 2019

C7 - Committee Principles

Key Financial Indicators Education Series

B7 - Communication to the Board

C8 - Governance Investment discussion

B8 - Board Logistical Support

C7 - Committee Principles

The BOD agreed to read through and discuss policy C7 - Committee Principles which they will be self-monitoring at the August meeting.

The BOD found the language of C7.1 limiting. It states "Committees will... bring back options and information." yet it does not mention recommendations.

The BOD discussed whether the Expansion Committee should remain a board committee or whether the work was now operational. The BOD agreed it should remain a board committee for now since it is working on behalf of and reporting back to the BOD. Additionally, if the Co-op needs millions of dollars and ownership buy-in for an expansion project that definitely involves the BOD.

The BOD also mentioned that not all the committees have their membership approved by the BOD as outlined in C7.4.

Homework

Full BOD

1. Take C7 poll
2. Review & add to [Board Guidelines](#)
3. Send Evans admin tasks for the board clerk
4. Think about potential BOD members
5. Attend Aug 6 bylaw review
6. Attend Aug 18 ice cream social
7. Review bylaws info before Aug 6 meeting
8. Send owner comments to Emily for compilation

Doug

1. Gather 3 proposals for engineering analysis of current building

2. Address the community dinners idea
3. GM Report financials reported in a more reader-friendly format
4. Send full BOD specs on automatic doors
5. Talk to Naya about metrics for safety as it pertains to inclusion and diversity

Heather

1. Resend healthcare letter with targeted language
2. Check in with Alessandra re: thank you to Betsy
3. Revise agenda for time
4. Draft *Rootstock* article

Crystal

1. Contact Kate re: BOD appointment

Annie

1. ORF re: BOD wall in cafe

David B.

1. Review the Co-op's credit card portfolio

Andrew

1. Schedule venue for bylaws review

Board Development Committee

1. Create a proposal for candidate requirements
2. Fill out ORF re: admin tasks for the board clerk
3. Brainstorm strategies for board recruitment
4. Create C7 poll
5. Discuss concerns re: the operations of the BOD
6. Revisit / take action on stated priorities from Annual Retreat (recap document / calendar)
7. Create Retreat topics document
8. Schedule Annual Retreat date / location

9. Discuss policy monitoring schedule (particularly C6)

10. Review C7.1 language, include recommendations

Expansion Committee

1. Write a charter
 - a. Include policies to monitor
 - b. Use C7.3

2. Reach out to Lexington Food Co-op re: GM monitoring around expansion

3. Think about items to add to the BOD calendar

4. Figure out what to do with comment cards

Owner Engagement Committee

1. Discuss equity follow-up / retention

2. Discuss/plan/collaborate with member services a member drive

Bylaws Committee

1. Discuss language re: purpose

Finance Committee

1. Develop training on key indicators

Debrief

David B. said he feels good about this meeting and where the BOD is headed, adding, he is excited about the future and efficiency.

David G. – Thank you Heather, great job tonight!

End of minutes. Submitted by Emily Berry, scribe.