

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

October 24, 2019, 6:15 pm; UU Church, Belfast ME

**Directors Present:** David Balicki (treasurer), Annie Bussiere (secretary), Ernie Cooper, David Gibson, Evans Goff, Kate Hanson, Alessandra Martinelli, Heather Selin (president, joined remotely), Edward Sheridan, Andrew Watkins.

**Absent:** Crystal Howard-Doliber (vice-president)

**GM:** Doug Johnson

**Staff:** Emily Berry

**Guests:** Thane Joyal (joined remotely)

**Facilitator / Timekeeper:** David Balicki

*The meeting began at 6:25 pm, after moving to the UU Sanctuary, due to a double booking of the meeting space.*

### **Agenda Review**

The Expansion Committee offered to deduct 10 minutes from their allotted discussion time to make up for the late start. With this adjustment, the BOD approved the agenda by consensus.

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

The BOD officially and warmly welcomed Kate Hanson as interim director.

Annie: Three directors attended Co-op Cafe the weekend of October 19th and had a great time. When asked for one take-away, Annie replied that she has been reflecting a lot on what it would mean to be truly welcoming to everyone, a major focus of the conference. She has found that diving deep on this subject can be both positive and uncomfortable.

David G.: Ordered 100 t-shirts for his campaign. In keeping with his goal of focusing on the local economy, the shirts were designed by a local artist and printed at Liberty Graphics (on organic cotton). The Green Party had its fall gathering at the Belfast Free Library, Sunday, October 27 from 11 am - 3 pm.

Ernie: Let the BOD know that the Belfast Window Dressers will begin producing inserts on November 6 at The Boathouse. They are expected to produce approximately 300 inserts this season. Anyone interested in volunteering can go to [windowdressers.org](http://windowdressers.org) to sign up.

Edward: He was one of the Co-op Cafe attendees and he shared that they ate a fabulous dinner at a Mayan restaurant which he deemed the high point of the trip.

Alessandra: Belfast Parks and Recreation is hosting Monster Mania Mini Golf at The Boathouse as a fundraiser for the Overlock Skatepark from October 30 - November 3. For more information go to [overlockpark.org](http://overlockpark.org).

### **Minutes of the Previous Meeting**

Alessandra, Ernie, and Kate abstained from approving the minutes of the September meeting. The remaining directors approved the minutes of the September 26, 2019 BOD meeting by consensus.

## **Owner Comments**

Andrew expressed his disappointment that he can no longer get a salad in a bowl from the deli, the salads are now only available in plastic containers. Alessandra added that for the same reason she has stopped purchasing salads from the Co-op deli.

## **Board Administrative Matters**

### **Expansion Committee**

The Expansion Committee has been discussing how their committee should be structured. They have reached out to co-ops who have expanded or are in the process of expanding to see if these co-ops formed expansion committees and if so how they were/are structured. They found that they were generally out of line with what other co-ops have done. With this information, the ExpCom concluded that the expansion project should be led by the GM, who follows guidelines which are laid out in executive limitations policies, which are monitored by the BOD. The BOD agreed to this framework and either the ExpCom or an ad hoc working group will begin drafting policy. The ExpCom will meet on November 12 as scheduled and discuss disbanding or reframing in order to begin drafting the expansion policies.

The ExpCom will be reaching out to Thane Joyal, Columinate consultant, for recommendations on fundraising consultants. Although the expansion project is not at the fundraising phase yet, it would be good to have a consultant on board when they are needed.

### **Finance Committee**

The Finance Committee did not have anything to note to the BOD from their review of the regular monthly financial reports for September. During their October meeting, Doug let the FinCom know that had reached out to Chase and Bank of America regarding a points/reward program for the Co-op cost center cards and will be doing the same with Camden National Bank and other local institutions.

The BOD asked the FinCom to look into possible repercussions from the Co-op's financial institutions for selling CBD products after lengthy conversation related to current events.

### **Board Development Committee**

The Board Development Committee has been discussing locations and topics for the BOD next annual retreat and David G. suggested that the next retreat be held at an off-site location and include physically engaging, team building activities.

BoDev recommended removing the term "*liberally*" from policy C8.2a which will now read "We will use training and retraining *liberally* to orient new directors and board candidates, as well as to maintain and increase existing directors' skills and understanding." The BOD approved by consensus the revised language of policy C8.2a.

### **D1 - Unity of Control**

The BOD accepted by consensus D1 - Unity of Control as in compliance.

### **Owner Engagement Committee**

The Owner Engagement Committee asked the BOD for thoughts as to whether there should be a guest speaker at the 2020 Annual Meeting, as there has been at past Annual Meetings. The OEC expressed that they were disinclined at this time and the one director who commented expressed the same disinclination because of a previous negative experience.

The OEC is interested in changing its charter to replace the word 'forum' with 'owner engagement events and activities' and asked the BOD for their input. Most directors felt that the charter could actually include it all. The OEC will revise their charter's language around hosting events and present the change at the November meeting.

The OEC reported that they have begun discussing the 2020 election process and Alessandra took the opportunity to announce that she will not be running for re-election in March.

#### **Bylaws Committee**

The BOD discussed whether the revised bylaws will be voted on during the 2020 election cycle. Some expressed there is not enough time to package and present the revisions to the ownership before the voting begins in March but the BOD will still try-- possibly presenting the changes at the annual meeting. The BOD will write an article on the bylaw revisions for the Jan/Feb issue of *Rootstock* and may hold a forum on the bylaws in January.

#### **Non-Director Committee Members**

The Owner Engagement and Board Development Committees currently have no non-director members on their committees. All members of the Finance Committee are subject to board approval and therefore all non-director members have already been disclosed.

Doug will be looking into who receives committee emails and determine how committee communication should be disseminated.

#### **GM Reporting**

*During this portion of the meeting, the BOD was joined remotely by Thane Joyal, Columinate consultant.*

#### **Alignment**

The vestibule construction project is scheduled for Oct 25th - Oct 31st during which time the front entrance will be blocked off and all traffic will flow through the cafe doors.

#### **GM Update Report**

The finances for September showed an increase in administrative expenses due to the outstanding gift card and patronage dividend liability which the Co-op chose to recognize in this month. By doing so, the Co-op is now better positioned financially for the next fiscal year.

The FY2019 financial numbers should be finalized by December.

The BOD noted that the reported number of Co-op owners in good standing has decreased. This can potentially be explained by the change in the equity payment grace period. Before the Co-op changed its equity structure, owners were given 4 months after their equity or annual membership fee due date to pay before their accounts were suspended. In the current system, if the owner has not paid by the due date their account is suspended immediately. In both systems, the owners are/were given approximately two months of advance notice of their payment due date. It may be a case of owners adjusting to the new system.

The BOD also noted that CORE enrollment has dropped and discussed reaching out to past enrollees to better understand why this has happened. Doug let the BOD know that when shoppers participate in the Farm Fresh Rewards program they are encouraged to enroll in CORE. Doug will look into the declining re-enrollment numbers.

A director said that this was the first time they let the fact that the Co-op did \$9 million in net sales during FY2019 sink in and felt it was very impressive. Doug added that August alone was \$1 million in net sales.

Doug strongly encouraged directors to take part in the all staff meeting on Sunday, November 10th. He received a lot of positive feedback from staff when directors presented at last year's meeting. He also invited the BOD to the holiday party in early December, date and time YTD.

**A - Global Ends**

Thane again encouraged all directors to use the established decision tree and ask each director if they came prepared to act. Nearly all the directors answered that they had read the monitoring report and came to the meeting prepared to act. One director stated that this exercise was empowering, and several others agreed. The BOD then discussed how organize their conversation of this report. Thane suggested that there are two points that can bring the Ends into focus, one being expansion (the Ends are implicated in expansion, steering growth/change in the direction our community needs/expects), or a systematic inspection (is this accomplishing what the BOD wants). The BOD decided to review the Ends point by point during this and the November meeting.

Beginning with sub-policy A1, David G. pointed out that there was a great increase in total sales over the last year but the increase in local sales did not keep pace. David interpreted this as local sales slipping in comparison to everything else, and the Co-op should emphasize local producers so local sales keep pace with total sales. Other interpretations were that the Co-op is attracting people that are looking for something other than local, which still promotes the local food economy, or that there are more places than the Co-op for people to purchase local foods, i.e. the Belfast Farmers' Market, the United Farmers' Market of Maine, Bahner Farm Stand, etc..

Ernie was encouraged by what the Co-op is doing to support those who want to buy local food and those that want to sell local food. He reminded the board that the Co-op started to provide organic foods when not that many people wanted organic foods and it didn't change just to make more sales and the Co-op could do that same thing now with local. Perhaps emphasizing local won't generate the most sales but in Ernie's opinion it would generate the most benefit to the community.

Annie focused on the 'local food economy' not just 'local food' and the direct result of the Co-op growing is the growth of the local food economy.

The BOD accepted by consensus the A - Global Ends sub-policy I as in compliance.

The BOD commended Doug for putting together a great report.

**Next Meeting Agenda - November 21, 2019**

A - Global Ends

C4 - Board Meetings

**Homework**

Full BOD

1. Take C4 poll
2. Review & add to [Board Guidelines](#)
3. Think about potential BOD members
4. Send owner comments to Emily for compilation
5. Think about *Rootstock* article topics
6. Contemplate ways and means re: strategic discussion of Ends
7. Find one or two points of interest in the Ends report

Doug

1. Send BOD reminder of Financial Literacy Workshop
2. Determine who has access to committee communications
3. Look into CORE re-enrollment numbers

Heather

1. Share the election checklist with OEC

David B.

1. Review local banks & credit unions' cc reward programs

David G.

1. Send ExpCom Nov meeting agenda out ASAP

Annie

1. Forward other co-op's policy guidelines re: expansion to full BOD
2. Gather other examples of policy guidelines re: expansion

Co-op Cafe Attendees

1. Draft article for *Rootstock* ASAP

Finance Committee

1. Discuss CBD sales with Co-op financial institutions

Board Development Committee

1. Brainstorm strategies for board recruitment
2. Create C4 poll
  - a. Include Kate
3. Revisit / take action on stated priorities from Annual Retreat (recap document / calendar)
4. Create Retreat topics document
5. Schedule Annual Retreat date / location

Bylaws Committee

1. Package revised bylaws for presentation to ownership
2. Draft *Rootstock* article by Dec 15

## Debrief

David B. appreciated that everyone adhered to the working agreements.

All thought David B. did a great job facilitating.

Annie wished more time during BOD meetings was allocated to GM Reporting or deeper conversation and less time to committee reports.

David G. said that the decision tree is a mind twist and will take some getting used to but thinks it will be beneficial. He can see how it would require more time spent on GM Reporting.

Doug thought that time constraints could be addressed by having discussions before the BOD meetings (generally via email) since the reports go out early.

David B. thought the BOD could be striving for more quality less quantity in their discussions.

Heather agreed that time is a challenge for the BOD and they will just have to keep making progress.

End of minutes. Submitted by Emily Berry, scribe.