

Belfast Co-op Board of Directors Meeting

December 28, 2017 6:00 pm UU Church, Belfast ME

Directors Present: David Balicki (GM Reporting through closings), Ernie Cooper (treasurer), Betsy Garrold (through Board Administrative Matters), Shannon Grimes (via phone), Alessandra Martinelli (president), Andrew Watkins (vice-president)

Absent: Lindsey Shortz, Zafra Whitcomb (secretary), Violet Zerbe

GM: Doug Johnson

Staff: Emily Berry (scribe), Jeremy Peskoe, Heather Selin

Facilitator / Timekeeper: Alessandra Martinelli

Agenda Review

The BOD agreed to table the monitoring reports of C4 & C5 until the January meeting. With Zafra's absence, Ernie volunteered to lead the Board Development Committee discussion. With these adjustments, the BOD approved the agenda by consensus.

Announcements

Andrew has been continuing to explore ways of making the local economy more vibrant and is currently reading *The Local Economy Solution*. He also brought in an article from the *Bangor Daily News* "Eating in '18" about the latest food trends. He has also been keeping a close eye on the progress of Amazon's second corporate headquarters, no decision yet.

Alessandra's sow had three piglets.

The Abbott Room of the Belfast Free Library has been booked for the February 25th BOD retreat.

The January 5th potluck will need to be rescheduled due to the CDS Applied Governance training in Keene January 6th.

To date, the email kiosk has received only 83 emails, so directors are going to have to continue the push to collect.

The new GM at Good Tern is Chris Curro, formerly GM of Food Conspiracy Co-op in Tucson, AZ and Mohawk Harvest Cooperative Market in Gloversville, NY.

Betsy will be leaving this meeting at 7:30 pm to join a conference call regarding ranked choice voting to discuss the 10,000 signatures still needed.

Minutes of Previous Meeting

With the note that Cathy from Bangor Savings Bank is spelled with a 'C' not a 'K', the minutes of the November 16, 2017 BOD meeting were approved by consensus.

Owner Comments

A young farming couple requested their equity back stating 1) they didn't like the vibe and 2) they didn't like the direction the Co-op was going in. Additionally, when they told the representative at customer service that they would be ending their ownership the answer was "okay, great" which felt inappropriate, and when their check arrived in the mail there was no letter with it.

A worker-owner related to a director that to receive their six-month review, several months late, they had to threaten to file a grievance.

One owner commented that the maple syrup dispenser is not easy to control.

Another owner suggested the Karina shampoo have better placement, not so low.

Directors have received several comments that owners like the new flooring.

One owner asked if WBFY could be channeled through the Co-op's sound system.

An owner is concerned about the doors in the cafe being used for shoplifting and their regular use bringing in cold air. One owner asked about installing a blanket heater over the front doors, also known as an air curtain. Another owner commented that other co-ops, or stores with bulk sections, use steel drum containers for their bulk oils and our containers spill oil on shopper's feet. One owner is disappointed that the bulk tahini, peanut, and almond butters are no longer available. An owner was wondering if the Co-op has had or is planning to have a structural engineer assess the building.

Board Administrative Matters

Treasurer's Update

The Finance Committee formally recommends the BOD accept the BI - Financial Condition and Activities monitoring report as submitted.

The Finance Committee recommended several word changes to the BI policy. The BOD requested the Finance Committee rewrite the BI policy and submit for approval at or before the January meeting.

Furthermore, the Finance Committee recommends that the BOD engage in a long-term planning process. The BOD will be discussing long-term planning at the retreat in February and has asked the Finance Committee to elaborate on key indicators to consider in long-term planning.

Board Development Committee

The Board Development Committee proposed changes to policies B1 and C8 that concerned the quarterly meeting between the GM and the Treasurer. The BOD requested the B1 changes be added to the Finance Committee rewrite and the C8 policy also be rewritten and submitted for approval at or before the January meeting.

Owner Engagement Committee

The Owner Engagement Committee has been busy preparing for the Co-op 101 forum to be held January 17 as well as the Annual Meeting scheduled for March 18. All directors should plan on attending both events.

Election Assignments

The ownership will have the option to vote online in the upcoming election cycle and so the directors are making a push to gather email addresses which will assist in streamlining this process. Alessandra will be working with Doug to create and distribute informational postcards about this process, ultimately urging owners to submit their email addresses. Paper ballots will still be part of this process and Ernie and Andrew will be working together to format these and include a email address fill-in field for those who would like to participate electronically in future election cycles. All directors will continue to look toward the ownership for BOD candidates.

Two-minute BI Recap

At this point last year, Doug reported non-compliance on almost all the sections of the BI - Financial Condition & Activities policy. This year Doug reports non-compliance on one section B1.1 and partial compliance with section B1.3 and full compliance with the remaining sections, B1.2, B1.4 - B1.12.

The BOD adjourned for a 5-minute stretch break at which point Betsy left and David arrived. The BOD then reconvened to discuss GM Reporting and the closing.

GM Reporting

Alignment

Doug has contracted with a service out of the Survey Research Center (SRC) at the University of Wisconsin-River Falls (UWRF) to implement and analyze the data from our upcoming customer survey. We will be using the NCG template and currently Doug is working with members of the management team to refine the questions. He has opted to include sections dealing with expansion and communication in the survey. The first round of the customer survey will be done via email and an in-store kiosk and will be followed by a second round of collections via social media. A director

suggested looking into *Thunderclap* to assist with a social media push. Another director wondered if asking people if they prefer taking a survey on paper would help in future surveys.

GM Update

Staff noted that stress levels during Thanksgiving were noticeably lower than in previous years. Doug attributes this change to two factors 1) the change in the senior discount and 2) the change in the turkey process.

Staff healthcare plans will be put into effect January 1st. There are more options this year than last and an 8% increase in cost. Doug will be looking into the possibility of Maine co-ops coming together to join their staff healthcare and lower costs.

NCG Eastern Corridor has released its training retreats for 2018. In February, there will be a retreat in Pensacola, FL on BOD/GM relations, in May there will be a retreat in Albany, NY on staff development, and in October there will be a retreat in Portland, ME on member engagement.

The flooring installation is complete and the plan moving forward is to contract the installer to buff the floor once a month.

Doug has contacted the Co-op's accountant regarding the recent tax cuts but there is no information available yet.

Doug contacted Cathy at Bangor Savings Bank and because the loan we have through them is commercial it will not be sold.

In finance, the revenues are up from the budget and last year, leaving the Co-op in a good chance to enter the calendar Q1 in a better position than last year.

Open Book Management has yet to be implemented. The staff committee on this topic lost its chair and has not reconvened. Management is still figuring out the best way to talk to the staff about finances. Some departments, such as Center Store, discuss their own finances in their meetings. Doug has implemented a monthly sharing meeting, where departments take turns updating staff on what is happening with them; as this evolves, finances could play a larger role in the discussion.

BI - Financial Condition & Activities

As noted previously BI seems to be healthy and there is a lot to be proud of.

Doug added a clarifying statement to the operational definition of BI.8, spelling out liabilities, debt that the GM can incur without BOD approval: "...debt that is in excess of one average week of sales." Before this addition, he did review this with the Finance Committee. During the Finance Committee review of BI they decided to ask Doug to include trend data on basket size, owner sales per owner, and owner sales as a percentage of total sales. Doug will be working with the Finance Committee to determine where to include this data in subsequent reports.

The BOD agreed by consensus to accept the BI - Financial Condition and Activities monitoring report as non-compliant with BI.1, partial compliance with BI.3, and full compliance with sections BI.2, BI.4 - BI.12.

Next Meeting January 25, 2018 - Agenda

C4 - Board Meetings

C5 - Directors' Code of Conduct

C - Global Governance Commitment

D - Global Board Management Connection

B - Global Executive Constraint

Finalizing board candidates

Splitting owner accounts/household affiliation

Board Committee composition

Homework

Board Development Committee

- Create polls for policies: C, D, C4, C5
- Add the GM/ Treasurer quarterly review to the calendar

Ernie

- Rewrite policies BI & C8 for BOD approval

Doug

- Locate files or contact Chris re: structural engineer
- Send customer survey template and sales pitch to BOD

Doug/Finance Committee

- Determine where new data points will be discussed in the BI monitoring report

Finance Committee

- Flesh out the key factors to include in long-range planning

Full BOD

- Submit '10 things people might not know about you' to Betsy
- Attend the Annual Meeting
- Attend Co-op 101 forum
- Register for Keene ASAP
- Work out a new winter potluck date

Andrew

- Get a contract from the Crosby Center
- Send details on Co-op 101 to Doug for marketing

Alessandra

- Create and send out postcard by 1/5/18
- Build operational request form re: marketing for annual meeting and elections/voting
- Contact UU Church re: childcare in adjoining room
- Send out multi-year strategic planning documents from other co-ops

Andrew/Ernie

- Find out if Simply Voting designs the ballots or the correct format required

Committee Chairs

- Committee Reports for the annual report to Doug, 600 words or less

David

- Determine if a conference call system can be used at the UU Church

Volunteer needed

- Help with the BOD filing cabinet

Debrief / Evaluate Meeting

It was a "fine meeting".

Shannon was pleased to be able to participate remotely but would like to see a different phone system in the future.

David would be happy to look into that!

End of minutes. Submitted by Emily Berry, scribe.