

Belfast Co-op Board of Directors Meeting

June 28, 2018, 6:15 pm; UU Church, Belfast ME

Directors Present: David Balicki, Ernie Cooper (treasurer), Shannon Grimes (secretary), Alessandra Martinelli (president), Heather Selin, Andrew Watkins (vice-president), Betsy Garrold, Violet Zerbe

GM: Doug Johnson

Owners: David Gibson, Jamie Cermak, Wylie Fowler

Facilitator / Timekeeper: Alessandra Martinelli

Agenda Review

Question whether this is missing a discussion of former employee complaint, it was clarified that the matter has been responded to electronically.

Announcements/Check-in

Andrew picked 30 quarts of strawberries. He is currently reading *Switch*, which is a bit corporate but still interesting. He also just completed the Trek Across Maine, biking for 3 days (plus another 3 to get to the start), raised \$1300 and solidified his message about oxygen. Next year Trek won't be in Belfast. Betsy accepted an award on behalf of Food For Maine's Future.

Minutes of the Previous Meeting

With one change, fixing the date at the top to say May instead of April, the BOD approved the minutes of the May 24, 2018 meeting by consensus.

Owner Comments

None to report.

Expansion Update

The committee met and created a draft timeline for expansion. There is an owner forum planned for July 18th at 6:30pm to discuss expansion, marketing should be out by July 5th. Ernie met with the Belfast City Council and discussed expansion possibilities; the discussion centered around parking. The committee would like to hold an expansion retreat with Thane in August. Discussion around dates concluded that August 11th (during the day) would work for most committee members. Alessandra to confirm the date with Thane.

The board agreed to move up item (f) on the agenda, since it was already being discussed.

Board Administrative Matters

Treasurer's Update

Finance committee recommends to the board not to give out a dividend to owners this year; the cost of doing so would exceed the dividend. Finance committee discussed having equity in other co-ops and

determined that some are necessary but others are simply for goodwill and there may be other methods of building that. Finance recommends increasing equity and getting rid of the membership fee, effective January 1, 2019. The committee will look into exact numbers to make a recommendation on what is needed. Concerns raised included: how to communicate this, particularly since members would not be grandfathered in; that this would be too soon to be achieved operationally; that we need information on financial implications of the change, and on budget needs, in order to set an appropriate equity amount; that getting rid of the annual fee may also have an impact on the number of members in good standing and therefore quorum; and that we need to have a low-income option.

The committee discussed needing a separate budget for expansion and determined that Doug can work within this year's budget for now but will be tracking related expenses separately. Note that any expansion planning costs are technically considered an asset.

Doug is exploring hiring a shared financial manager for multiple co-ops, and there may be financing available, such as through an NCG pilot project.

Finance committee commented that the co-op is in good financial condition and recommended to the board to accept the B1 report as in compliance with a plan for compliance.

D3 - Delegation to the GM

The BOD accepted by consensus D3 - Delegation to the GM as in compliance.

D4 - Monitoring GM Performance

There was a comment on #5, and some discussion about whether or not a summary of monitoring reports was needed. The BOD decided that no change in policy is necessary at this time. There was also a concern that the date had not been met.

The BOD accepted by consensus D4 - Monitoring GM Performance as in compliance.

Board Development Committee

Did not meet but got the polls out.

Owner Engagement Committee

Met and started to plan for the July 18th forum (Ready, Set, Grow!), prioritizing coming up with marketing language. Owner Engagement came up with a tentative forum agenda for expansion committee to use to finalize agenda. The committee will meet 3rd Thursdays at 6pm in Doug's office.

Bylaws Committee

The Bylaws Committee examined the Fresh Start bylaws template and determined that it is a solid base for amending and simplifying bylaws, and will be making further recommendations for how to adapt these to the co-op's needs in time for next year's election.

Youth Advisory Committee proposal

Wylie Fowler introduced his proposal to the BOD for a Youth Involvement Group, to meet quarterly and provide feedback to the board about how to better engage with area youth. He would recruit young people in Belfast and meet to talk about the co-op. This may require some materials from the co-op.

The BOD accepted by consensus the proposal from Wylie, with a change in name to “Youth Advisory Committee,” and a determination that this would be a Board committee, and asked Wylie to format his proposal into a committee charter and to report back when a meeting was scheduled.

GM Reporting

Alignment

(Upon recommencing the meeting, Doug followed Alessandra’s suggestion to make like a chiropractor and align.) The shopper survey is now closed, with around 464 responses. Results will not be available until early August. June sales were up 6%, which is quite high and has been a bit crazy. The United Farmers Market will be open Wed nights starting July 4th, which should be good for sales. Doug may consider being open later over the summer when the UFM is open.

GM Update Report

Doug is increasing the employee discount from 15% to 20% (and no longer allowing stacking discounts) and believes this is good overall for the co-op. Parking lines were recently repainted, and geotech will be boring on the 5th. The site survey will be happening soon as well. Regarding expenses, occupancy is down but IT expenses are up this month, payroll is also up due to better pay for workers. Debt to equity is quite good, which is needed for expansion.

B1

Finances are moving in the right direction, but still out of compliance with our policy. Some discussion about whether other co-ops have “aspirational” policies that are consistently not in compliance. The BOD determined that this is still the policy we want.

The BOD accepted by consensus: policy B1.2 as not in compliance with a plan for compliance; partial compliance with the global B1 statement and B1.4, with a plan for compliance; and full compliance with sections B1.1. and B1.5-B1.13.

Extraneous

Per Doug’s request, the BOD agreed to come up with a plan to write Rootstock article consistently.

Next Meeting Agenda - July 26, 2018

- Ends

Homework

Doug

- Define Internal Readiness, What do we need in a new store
- Cost of UU sanctuary room for future forums
- Research what other co-ops are doing for low income owners re: equity
- See about getting expansion customer survey question data earlier, or even raw data
- Talk to other GMs about getting equity in other co-ops
- Figure out the operational implications/timeline for a change in equity structures/amount
- Prepare a separate budget for expansion this year

- Provide a breakdown of members by town
- Share CCMA board compensation presentation

Andrew

- Attend owner social on July 3, 3-4pm
- Get previous owner engagement committee budget and bring to next meeting

Heather

- Do a side-by-side comparison of current bylaws to Fresh Start

Betsy

- Send Shannon recipes for Game Loft cooking on July 13th
- Attend owner social on July 3, 3-4pm

Shannon

- Contact Natasha at the Game Loft with ingredients for cooking July 13th
- Google calendar invite the owner engagement committee
- Share committee charters with Wylie

Violet

- Historical memory from board minutes re: expansion
- Organize summer cookout
- Write CCMA Rootstock article

Alessandra

- Update the BOD calendar re: election process
- Figure out costs for uploading/editing the Co-op 101 video
- Fix commas in Ends statement
- Send Thane email about Aug. 11, and to start planning retreat (include expansion committee notes)
- Add equity conversation to retreat agenda, including low-income options
- Add Feb. 28th to calendar to make sure Doug's eval is complete by then
- Bring Owner Engagement's tentative forum agenda to expansion committee

Wylie

- Tell the board when the Youth Advisory Committee has a meeting

Full BOD / GM

- Save August 11th for board retreat
- Attend owner forum re: expansion on July 18th, 6:30pm at the library Abbott Room

Expansion Committee

- Review SWOT analysis, if you haven't already
- Plan July 18th forum, including getting agenda/additional info out or shortly after the 9th
- Reach out to previous directors re: expansion memories
- Brainstorm goal for NCG audit
- Send draft budget to Finance Committee
- Write next Rootstock article (due Aug. 15)

Finance Committee

- General financing proposals for expansion; Expansion budgeting

- With Doug, figure out a target equity formula or estimate
- Simplify the key financial indicators included in the B1 report for the future
- Send draft budget to Finance Committee
- Write Rootstock article about equity change for Nov-Dec issue (due 10/15/18)

Board Development Committee

- Figure out meeting time
- Add turnover language to B6 policy
- Review B3.2 language
- Talk about onboarding new members to policy governance
- Send draft budget to Finance Committee

Owner Engagement Committee

- Discuss holding talks in other towns
- Get a standard blurb to Alessandra to send to potential board volunteers
- Send draft budget to Finance Committee
- Consider community vs. owner engagement

Bylaws Committee

- Look at how an equity change might impact the number of members in good standing, and therefore a quorum
- Compare current bylaws to Fresh Start template
- Send draft budget to Finance Committee

Scribe

- Fix the formatting of Shannon's notes and put them in the right folder

The BOD adjourned to executive session for a discussion of David Gibson's BOD interim appointment and expansion possibilities.

BOD Appointment

Reconvening to regular session the BOD decided by consensus to appoint David Gibson as an interim director through the next election cycle, in the spring of 2019.

End of minutes. Submitted by Shannon Grimes, secretary.