

Belfast Co-op Board of Directors Meeting

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

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

Absent: Alessandra Martinelli (president), Violet Zerbe

GM: Doug Johnson

Staff: Emily Berry (scribe)

Owners: Jamie Cermak

Facilitator / Timekeeper: Shannon Grimes

Agenda Review

The BOD agreed to strike the Finance Committee's recommendation on the B2 - Business Planning & Financial Budgeting monitoring report. The BOD agreed to add subtopic *ii. BOD Meeting Space* to the Board Development portion of *Board Administrative Matters*. With these adjustments, the BOD approved the agenda by consensus.

Announcements / Check-in

Andrew will be attending the Water Security Summit in Orono, ME on September 29. He also was able to tour the community spaces of both Hunger Mountain Co-op and City Market's South End store.

Heather shared that while her support position at her current place of employment is generally routine, this week she faced several emotionally challenging situations which have left her feeling scattered.

David B., in his BOD t-shirt, attended Rob Brown's (of CDI) presentation at this year's Common Ground Fair and found it provided an interesting perspective.

Doug and Jamie, the Co-op's Community Engagement Coordinator, each staffed the Cooperative Maine table at the Common Ground Fair.

Minutes of the Previous Meeting

The minutes of the August 23, 2018 BOD meeting were approved by consensus.

Owner Comments

An owner, who participated in the former ad hoc purchasing policy committee, suggested labeling products for GMOs, increased vetting of products, and providing education and information to support the Co-op's policies which support the Ends.

Another owner suggested refillable squeeze tubes for hummus.

An owner commented that the avocados have not been looking good.

A local producer expressed their frustration at seeing the Co-op carry products from California, which they actually produce. They also commented that Hannaford is carrying more of the organic products that they use.

Another local producer expressed their frustration that the Co-op will not sell more of their product line.

An owner commented that the bathroom is too corporate.

One owner noted that during the water main fix, the chicken they purchased from the deli was not cooked properly.

An owner is concerned that the Co-op will move from its current location if an expansion project is done. An owner commented that Avena Botanicals products are not merchandised effectively.

Board Administrative Matters

Expansion Committee

Doug met with Rob Martin and Dave Blackburn of NCG Development Co+operative at the NCG National Meeting in September. He will be working to get one or both of them to Belfast before winter. During their visit they will want to meet with the BOD, either at a BOD meeting or a more informal gathering depending on the timing of the visit.

The in-store “expansion corner” will cover the wall in the café over the counter/bar seating area, replacing the 7 Cooperative Principles posters.

The first draft of the pro forma was received and adjustments will be needed to make the figures more accurate. The initial review shows the cash flow doesn't look good, showing a deficit 10 years out. The question still remains, how much money to put into the current building until the investment is no longer worth the return.

Finance Committee / Treasurer's Update

The Finance Committee formally recommends the BOD accept the BI - Finance Condition & Activities monitoring report as presented. The committee noted that overall the BI report shows the Co-op to be in good financial condition.

C8 - Governance Investment

The BOD rated the on-boarding process for new directors as poor and discussed strategies for improvement, which involved utilizing the CDS library for materials on board development, etc., as well as a formal orientation with a focus on the Policy Register. The BOD tasked the Board Development Committee with developing an updated on-boarding process; as well as creating surveys for conference attendees; and a proposal for ongoing director education, ideas included a book club, an article sharing platform, and a Facebook group with other co-op BODs.

The BOD accepted by consensus C8 - Governance Investment as in partial compliance, with a plan for compliance.

Board Development Committee

Directors will begin reaching out to eligible owners to find candidates to run for the 2019 BOD election commencing in March, beginning with those who have expressed an interest in either board committee work or a board seat.

The BOD agreed by consensus to renew their contract with the UU Church for monthly meeting space.

Owner Engagement Committee

The Owner Engagement Committee (OEC) discussed their idea for a Belfast Co-op BOD Facebook page. The BOD settled on creating a page for expansion instead.

The OEC would like to see a BOD presence at more Co-op events and will open a dialogue with the Marketing Department about which events make sense to attend.

The committee decided to reschedule Owner Socials going forward for the first Sunday of the month at 4pm.

The OEC recommended using Simply Voting for the online election process, the BOD agreed by consensus.

The OEC looked into using the UU Church sanctuary as the venue for the 2019 Annual Meeting, the space is available and with no objections the BOD agreed by consensus.

Bylaws Committee

The Bylaws Committee continues to review and recommend changes to the current bylaws. This process is slower than anticipated and it may be unrealistic to expect it to be complete in time for the Annual Meeting. It was agreed that an overhaul such as this should not be done in pieces.

CBLD Re-enrollment

CDS Consulting Co-op contracts with the Belfast Co-op BOD for support in governance and leadership through a program called Cooperative Board Leadership Development (CBLD). The BOD agreed by consensus to re-enroll in CBLD for 2019 with a plan for utilizing the contracted services to their fullest extent.

Roles/Officers

Alessandra has expressed interest in abdicating her duties as president of the BOD. Shannon indicated that she would be willing to take on this role. The BOD will decide on officer positions at the October meeting.

GM Reporting

GM Update

Doug reported that the one functional sewer line, which runs from the Co-op to Pendleton Ave, failed on September 15 following a routine maintenance check the previous day. The line has been previously patched and when snaked, the substandard plastic used for the repair, crumbled. The cost of repairing the line and repaving the repair site could be up to \$20K.

The Co-op ended August with close to 5% sales growth and have been seeing close to 2% in September.

B1 - Financial Condition & Activities

The BOD discussed the Co-op's management of margins from 2012 through 2018. In summary, margins had been decreasing since 2012 mostly due prices not adjusted to the rising cost of goods. This has been an area of focus for Doug since he was hired as GM and 2018 saw a stabilization in storewide gross margins. The BOD accepted by consensus the B1 - Financial Condition & Activities monitoring report as in partial compliance with the global B1 statement and B1.4, and full compliance with sections B1.1 - B1.3 and B1.5 - B1.13.

B2 - Business Planning & Financial Budgeting

Although the Finance Committee was unable to review the B2 - Business Planning & Financial Budgeting monitoring report before this BOD meeting, Ernie personally recommended the BOD accept the B2 report as submitted.

The BOD accepted by consensus the B2 - Business Planning & Financial Budgeting monitoring report as in compliance.

Next Meeting Agenda - October 25, 2018

BOD Officers

D1 - Unity of Control

B5 - Treatment of Customers

Homework

Doug

- Prepare a separate budget for expansion this year
- Touch base with Marketing Dept re: socials on Sundays at 4pm
- Re-enroll in CBLD

Ernie

- Spearhead equity portion of Oct forum
- Submit paragraphs for webpage

Shannon

- Make slides for Oct forum

David B.

- Historical memory from board minutes re: expansion

Violet

- Organize autumn cookout
- Submit CCMA article

Heather

- Check availability for Oct 7th social at 2pm

Expansion Committee

- Discuss tabling; sign-up for times
- Figure out what the dream is
- Fact based pros & cons for housing
- Share expansion retreat notes

Board Development

- Candidate recruitment
- Create DI poll
- Create post-conference/training survey
- Create formal on-boarding plan
- Set up candidate target spreadsheet
- Create proposal for director training/re-training

Owner Engagement Committee

- Contract with Simply Voting

Full BOD

- Take DI poll
- Submit interest in officer role

TBD

- Author Co-op Café article

Scribe

- Check Co-op join dates on candidate target list

End of minutes. Submitted by Emily Berry, scribe.