

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

**June 5, 2023**, Public meeting commenced at 6:02 p.m. via Zoom only.

**Directors Present:** Sasha Breus, Corinne Burr, Babette Cohen-Solal, Ernie Cooper (Vice President), Susan Cutting (president), Rio Greeley, John Krueger (treasurer), Jim Miller, Valerie Tate (secretary), Collin Thompson

**Staff:** Doug Johnson

**Owners:** Jamie Cermak, Kimberly Demarest, Gina Ferendo, Naya Flanzala, Ashleigh Russell, and Michael Walter

### **Agenda Review**

The BOD accepted the agenda by consensus.

### **Minutes**

Minutes from the May special meeting were shared on screen and read aloud. The BOD accepted by consensus the minutes of the May 24, 2023 Special Meeting.

### **Homework Review**

Steven Boas was assigned homework at the April meeting to submit his concerns regarding the Capital Campaign to the BOD in writing. Although he is no longer a director, as an owner, he is still welcome to submit concerns to the BOD.

### **GM Reporting**

#### **Alignment**

Carla Selarno, the Co-op's contact at WIC, will be hosting a WIC shopping experience tour from 10am - 12pm on Friday, June 9.

Melanie Reid, a Columinate consultant who has assisted the Co-op with staff surveys for at least 6 years, will be in Belfast during the week of June 12. On Tuesday and Wednesday of that week, she will be conducting worker interviews as part of the full staff survey that is currently underway. There will be one-on-one interviews with 25 randomly selected Co-op workers. Melanie will issue a report once all the data has been collected and processed. The Co-op now has a podcast. You can listen to the program, *Smooth Co-operators* with hosts Alessandra Martinelli and Emily Berry, on most streaming platforms and you can find it on the Co-op's website

<https://belfast.coop/smooth-cooperators/>.

#### **GM Update**

Doug attended the NCG Spring Meeting of Designated Representatives (DR) in San Diego CA the last week of April. He reported on a few key takeaways from that meeting and a director pointed out that NCG's sales growth does not appear to have kept up with inflation, that they are considering a change in distributor strategy, and the question was how is it looking at a national level. In short, co-ops nation-wide have been struggling for the past 10 years as competition increases. However, NCG is still doing well as an entity, their revenues this year are up \$3M over previous years. Additionally, they have been gearing up for the next evolution of food co-ops by bringing on new staff in new positions and putting resources into their purchasing team, who work to increase the buying power of NCG affiliated co-ops. Looking at the sector as a whole, it is likely that many co-op didn't adapt as quickly to the inflationary pressures as they needed to, but Doug remains confident that there is enough resiliency in the sector that the majority of co-ops will be okay and NCG will be okay.

#### **B3 - Asset Protection**

John requested to meet with Doug and the Co-op's IT staff to review what the Co-op uses for data systems and software. Doug offered to have the Co-op's remote IT network specialist produce a report or have a conversation with Doug, John, and Heather Q, the Co-op's IT Manager. Doug has no doubts about the Co-op's data being secured

and backed up, but getting the process more mapped out is a good idea.

The BOD accepted by consensus the B3 - Asset Protection monitoring report as in compliance.

## **Board Administrative Matters**

### **Committee Assignments**

*Board Development Committee:* Sasah, Ernie, Susan, Emily Berry (non-director)

*Owner Engagement Committee:* Valerie, Corinne, Babette, Rio, Susan

*Finance Committee:* John, Collin, Ernie, Jim, Gina Ferendo (non-director), Doug Johnson (non-director), Matt McConnell (non-director)

The BOD approved by consensus all of the BOD committee assignments.

### **Consent Agenda**

The BOD accepted by consensus the minutes of the April 26, 2023 BOD meeting.

### **Finance Committee**

John corrected the Finance Committee report, which should have read that there was 8% - 9% sales growth for May. FinCom reported that some of the numbers that had been put into the pro forma were more conservative than they needed to be and the Co-op is actually doing a little better than expected because of that.

FinCom discussed how to separate operational costs from the total costs of running the Co-op right now with the renovation. Each month FinCom looks at three financial statements: the income statement, balance sheet, and cash flow statement. Expenses from the renovation project will not show up on the income statement until equipment has been purchased and depreciation has been factored in. The BOD should expect to see expenses, as well as funds from owner loans and the CFNE loans, on the balance sheet and cash flow statement. Additionally, Doug has created a system for tracking the project; every invoice, proposal, and any variation from budget will be input into a spreadsheet, which will be made available to all directors. Every month Doug will send the entire BOD the summary of that tracking sheet. FinCom has also asked for the key indicator EBITDA to be included in each BI - Financial Condition & Activities monitoring report. Once the project is completed, financial statements will be checked against the pro forma, allowing for corrections to operations as needed.

FinCom discussed the issue of emergency GM succession in regards to the renovation project. Now that Doug has created a tracking system for the renovation, the Interim General Management Team should be able to stay on course if necessary.

The BOD discussed how there is a rather low percentage of Co-op owners who are fully vested and Doug noted that the Co-op's equity structure changed in 2019, which is a relatively short amount of time for owners to become fully vested. The Marketing Department has plans for an equity drive in the fall.

### **Capital Campaign Team Report**

BOD approved by consensus gift cards for Outreach Team non-worker volunteers – Becky Nightingale Johns and Annie Bussiere -- of \$100 each and workers – Kathryn Martin, Alessandra Martinelli, Emily Berry, and Killian Brayson -- of \$50 each.

The latest numbers were reported by loans, donations, breakage, amount in the bank, and one additional loan expected this month.

A written debrief of the capital campaign is under development.

### **Owner Engagement Committee**

The Owner Engagement Committee chose Corinne Burr to serve as its chair.

OEC will work with the BOD President to highlight owner engagement in her monthly email messages to owners.

OEC continues to develop its ideas for activities to engage owners.

*Anni & the Rainmakers* will be playing August 12, 2023 12pm - 2pm at Marshall Wharf to celebrate the Co-op's renovation.

## Board Development Committee

### *D2 - Accountability of the GM*

The BDC recommends the BOD accept the D2 - Accountability of the GM policy as in partial compliance with a plan for compliance. There are specific ways in which the BOD is directed to communicate with Operations. During the Capital Campaign, because it was moving so quickly, it became common for BOD campaign leaders to speak directly to key workers with requests for campaign support. It's clear to the BOD and Operations that there must be a return to communicating through Doug and/or the use of the Operations Request Form. The BDC will make sure this happens and Doug has agreed to walk the BOD through the ORF process.

BOD accepted by consensus policy D2 - Accountability of the GM as in partial compliance with a plan for compliance.

### *Retreat Debrief*

The 2023 BOD retreat took place on Saturday, June 3. Thane will be issuing a wrap-up report to the BOD and will be working with BDC to assist with forward progress on the agreed upon goals.

Appreciation was offered for the contribution of Thane as facilitator, the Board Development Committee for its work in preparing the agenda, and all of the directors for their participation.

## Homework Items

### Full BOD

1. Take D3 and D4 policy polls
2. Sign the thank you letter for the Outreach Team (at Customer Service)

### Doug

1. BI Report
2. Send new brochure regarding shopping on a budget at the Co-op to the BOD
3. Offer BOD members opportunity to meet and review asset protection systems

### All Committees

1. Send items for consent agenda to officers
2. Review and prepare budget; send to Treasurer

### Board Development Committee

1. Check on previous BOD homework regarding items the BOD can improve
2. 2023 educational plan
3. Discuss BOD election process
4. Guidelines vs approved procedures and where those are housed

### Owner Engagement Committee

1. Discuss Common Cents celebration event
2. Discuss how to increase number of owners who are fully vested

### Sasha & Emily

1. Review BOD guidelines & policies re:
  - a. Responding to employees
  - b. Communication norms (esp. email)

## Debrief / Evaluate Meeting

Directors were given the opportunity to share comments, concerns, gratitude, and insights regarding the meeting.

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Meeting adjourned at 8:23 p.m. pm. Minutes respectfully submitted by Valerie Tate, Secretary.