

Belfast Community Co-op Board of Directors Meeting Minutes

June 28, 2023, Public meeting commenced at 6:02 p.m. at the Belfast Free Library and via Zoom.

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: Becky Bennett, Steven Boas, Killian Brayson, Marion Brown, Annie Bussiere, Jamie Cermak, Eric Cohen-Solal, Gina Ferendo, Naya Flanzala, Will Foley, Evans Goff, Jenn Hall-Dumont, Heather Hay, Susan Lauchlan, Alessandra Martinelli, Catey Mello, Dani Patten, Ashleigh Russell, Jordin Sanchez, Edward Sheridan, Jude Tingley, Michael Walter, Zafra Whitcomb

Agenda Review

Directors suggested that the review of the ORF process be moved to the July BOD meeting. Additionally, under *Board Administrative Matters* the *CCMA Report* be moved to item e., *Board Development Committee* be moved to item a., and item iv. *Board Packet* be added under *Board Development Committee*. The BOD also recommended that the public meeting be adjourned at 8:10 p.m., at which time the BOD would move into executive session to discuss a confidential matter. With these adjustments, the BOD approved the agenda by consensus.

Owner Comments

Steven Boas suggested that the BOD review and consider halting the renovation project citing the following reasons:

1. The Shop for Me program does not bring in as much money as it did during the pandemic lockdown. 2. The bump-out for the cafe seems overpriced. 3. The BOD could consider doing only the minimum to improve safety, only installing a hydraulic lift and updating the plumbing and electrical systems.

Killian Brayson, who worked on the capital campaign, voiced his support for the Co-op's renovation project, stressing the importance of this project to the workers and the community. He also shared his support for the Shop for Me program, citing many in the community who are immune-compromised and continue to rely on this service.

Marion Brown raised her concern that the link to register for the BOD meeting via Zoom in the e-newsletter was unavailable. She strongly believes that for more active participation, Zoom access must be made available as it is not always possible for owners to attend BOD meetings in person.

Evans Goff voiced his support for the renovation project. As a worker-owner and former BOD member, this project has been in motion longer than his 7-year tenure at the Co-op. He noted that the Co-op has been operating at close to capacity and the improvements brought by the renovation will improve the Co-op's pattern of growth and success. He thanked Doug and BOD for their support.

Zafra Whitcomb, worked at the Co-op and served on the BOD for over a decade and he shared his experience exploring renovation/relocation/expansion over the past 15 years, including when the BOD decided not to renovate 6 years ago. There has been a huge amount of work and time put into this process and extreme due diligence on developing pro formas, looking at the expenses, and looking at each option. The Co-op has the support of the national cooperative movement, the support of the National Cooperative Grocers, who has their own financial liability in the health of the Co-op, the support of all the member-owners who loaned during the capital campaign, and all who have given their stamp of approval to this project, including the BOD, Management, and staff --if this is the project that was ultimately chosen than this is the project that the Co-op should go ahead with.

Susan Lauchlan, member-owner since the 80s and former BOD member, let the BOD know that she is very disturbed by Steven's save the Belfast Co-op campaign. She feels that it is putting a lot of negative energy into the community about the Co-op, which is unnecessary. She also brought up the GoFundMe campaign that Steven has started, in which he is asking for money in order to file a lawsuit against the Belfast Co-op. She does not believe this will help save the Co-op. Susan loves the Co-op and trusts the management, the board, and the workers.

Jenn Hall-Dumont, a worker-owner for 22 years, spoke in support of the renovation. She said that it is needed in

order for the Co-op to be sustainable. She has seen Doug and the BOD working very hard on this project. Also the Co-op workers have worked hard, keeping their spirits up, and making sure everybody in the community knows that the Co-op is here and diligent. She thanked Doug for all his hard work.

Jordin Sanchez, a worker-owner, stated that the Co-op is the absolute best work place she has ever encountered. Her co-workers and managers are all very supportive and hard-working. She echoed Jenn, saying that the renovation is needed and added that the whole community is eager to have the cafe back.

Susan Cutting made a statement about the recent social media attention and BDN article about the renovation project. She addressed the unfounded concerns of a former board member and acknowledged that different perspectives are okay. However, when the BOD postponed the renovation, that decision resulted in increased costs, prolonged safety risks to Co-op workers, and continued deterioration of the store's infrastructure. One year ago, after considerable review of the project's finances and other aspects by the management, BOD, and expert consultants, this project was approved. The BOD has full confidence that this renovation is the right project, at the right time, with the right partners, and right contracts. The Co-op is fiscally sound and able to repay loans as promised. The cost of the project is significant, and the BOD understands the concerns about the risk, but there have been repeated stress tests conducted on the pro forma to assess the financial impacts of the renovation. The Co-op is in a strong enough position, financially, to make this project happen, and it is happening. The false allegations that the former BOD member is making could be damaging to the Co-op. She believes that everyone attending this meeting cares deeply about the Co-op, and she suggested that if you want to help the Co-op, ask the BOD or Doug directly for information, and offer support to the workers who are facing additional challenges, keeping the store running during construction. She stressed that now is the time to rally in appreciation of the owners who have made loans and donations and supported the Co-op in other ways, the workers and volunteers, our partner organizations, and our community as a whole. She reminded everyone that we are doing this together and will gain a safer, more energy efficient and bigger space.

GM Reporting

Alignment

Doug thanked those that spoke for their kind words during the owner comment portion of the meeting.

So far during the month of June, 79 new owners joined the Co-op. The Co-op generally averages 35 - 40 new owners per month.

Doug received an update from the superintendent that the excavation for the cafe, vertical lift, and pad at the back of the building will be happening starting July 10, which will result in disruptions in the parking lot. The concrete will be poured July 12. There will be full use of the parking lot during the July 4 holiday.

GM Update Report

A director asked about monitoring the parking lot, referring to those who park in the Co-op's lot but do not shop at the Co-op. Right now there is no efficient way of monitoring the parking lot. Doug discussed sending a message out to Our Town Belfast or the Downtown Business Group reminding people that the Co-op's parking lot is not a municipal parking lot.

Board Administrative Matters

Board Development Committee

In response to the June 3 BOD retreat, the Board Development Committee has been exploring how to make time for the BOD to do strategic work. BDComm suggested restructuring meetings to carve out this time. They are asking all committees to use the Notes Template for their meeting minutes and presenting only the information that requires a BOD decision. BDComm is also looking at using the consent agenda more efficiently. For instance, if the policy that BOD self monitors is recommended as in compliance, that will be added to the consent agenda. They will be looking at structural/logistical ways to support the BOD through the business work that needs to be done.

In order to structure the strategic work, BDComm will be looking at the list of topics from the retreat and refine that by importance, and create structure for education. Thane suggested breaking the work up by quarters. The BOD will receive their informational meeting packet on Mondays going forward.

Consent Agenda

The BOD approved by consensus:

1. The minutes of the June 5, 2023 BOD meeting,
2. Policy D3 - Delegation to the GM as in compliance, and
3. Policy D4 - Monitoring GM Performance as in compliance.

Finance Committee

The Finance Committee recommended accepting the BI - Financial Condition & Activities monitoring report as written. The June BI report addresses Q1 2023 (January, February, & March).

The BOD accepted by consensus the BI - Financial Condition & Activities monitoring report as in partial compliance for Global BI and BI.4, non-compliance for BI.2, and full compliance for sections BI.1, BI.3, and BI.5 - BI.13.

FinCom reviewed the May financials which were favorable. They also discussed inflation which has increased the cost of goods and occupancy, however, key indicators suggest that net profits are increasing despite inflationary pressures. FinCom is keeping a close track of the contingency account for the renovation project. There is roughly \$1M in contingencies in the project's budget, between those included in the project contracts and those included by FinCom & Operation's estimates.

Next month FinCom will spend some time discussing the Co-op's financial software, making sure all the systems are tight and they know where all the data is.

Owner Engagement Committee

Tabling is continuing. The Belfast Street Fair is on the calendar. Plans are underway for the Marshall Wharf off-site dance party, featuring *Anni & the Rainmakers*, on August 12 from noon to 2pm. Marketing will probably start prepping for the Owner drive in late July or August. Directors expressed interest in resurrecting Customer Appreciation Day. This year, due to construction, the parking lot will not be available for an event, but OEC can begin planning for a parking lot event held after the renovation is complete. A question about Directors & Officers insurance came up during OEC's review of BOD and committee budgets. At OEC's request Doug sent a link to the policy and an article from Thane. In answer to a question about using the Co-op or another caterer for events, Doug advised that the Co-op essentially donates its labor cost.

CCMA Report

John provided the BOD with an overview of CCMA, thanked everyone for sending him there, and expressed excitement about the many connections he was able to make. Along with Chris Lender of CFNE, John presented: *How Expansion of a Local Food Cooperative Challenges and Engages Multiple Financial Partners*, which was well attended. He also organized a meeting of co-op board treasurers and another meeting of co-ops in New England. John reviewed a few of the presentations that he attended and gave a description of the Davis Food Co-op, which he toured. He also encouraged the BOD to look over the slideshow of the keynote speaker, Errol Schweizer, host of *The Checkout*.

Homework Items

Full BOD

1. Take C6 policy poll
2. Review FY '23-'24 BOD Budget

Doug

1. Send new brochure regarding shopping on a budget at the Co-op to the BOD
2. Share the CCMA keynote slideshow by Errol Schweizer
3. Set up BOD beekeeper stream

Susan

1. Send BOD event sign-up form

All Committees

1. Send items for consent agenda to officers

Board Development Committee

1. 2023 educational plan
2. Discuss BOD packet logistics

Sasha

1. Update the Committee Notes Template
2. Invite Thane to July BDComm meeting

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.

Executive Session

The BOD adjourned to executive session to discuss a confidential matter. No decisions to record.

Public meeting adjourned at 7:23 p.m. Minutes respectfully submitted by Emily Berry, scribe.