

Belfast Community Co-op Board of Directors Meeting Minutes

October 23, 2024, Public meeting commenced at 6:00 p.m. at the Belfast Free Library and via Zoom.

Directors Present: Todd Bluhm, Corinne Burr, Ernie Cooper (Vice President), Susan Cutting (president), Rio Greeley, John Krueger (treasurer), Jim Miller, Valerie Tate (secretary)

Absent: Charles Sterbach, Collin Thompson

Staff: Doug Johnson (GM), Emily Berry (scribe)

Owners: Annie Bussiere, Jamie Cermak, Gina Ferendo, Michael McCormick, Ashleigh Russell, Zafra Whitcomb

Preliminaries

Agenda Review

The BOD accepted the agenda by consensus.

Announcements

Emily Berry is back in the Board Administrator role.

Susan encouraged BOD to reach out to folks for new BOD candidates.

The BOD's next Tea & Talk event will be held Tuesday, November 12 at 5:30pm in the store cafe.

Due to the Thanksgiving holiday, the November BOD meeting will be a week earlier and committee meetings will need to be rescheduled accordingly.

Owner Comments

Zafra Whitcomb introduced himself and let the BOD know he is willing to share institutional knowledge. With Co-op employees in mind, he shared some information about the Congress Street housing development.

GM Reporting

Alignment

The worker open house will be on October 24th from 11am - 3pm in the new break room, which was completed the day of this meeting.

The Co-op is now accepting turkey orders through November 8th. Doug responded to a director's question that there is not notable profit in Thanksgiving turkey sales. In those years when a refrigerated truck had to be rented, there was generally no profit. In the years since the Co-op acquired the Coolbot, profit has been slightly better but it's still a very slim margin.

GM Update Report

A director asked about the time frame on the removal of the containers in the parking lot. Of the two, the one that contained tools and supplies for the facilities department has been completely emptied. There are plans to empty the other and both containers should be gone by winter.

The BOD asked for an update on the status of the renovation. There are only a few more things to wrap up. At this point, the painters are finishing up in the stairwells, the wood slat ceiling for the front end will be installed early next week, and the service office in the basement is getting desks this week. By the end October, the Co-op will be out of the Pendleton street office and the United Farmers' Market building.

Board Action Items

Consent Agenda

The BOD accepted by consensus the minutes of August & September 2024 BOD meetings.

DI - Unity of Control

The BOD accepted by consensus policy DI - Unity of Control as in compliance.

C8 - Governance Investment

The BOD discussed utilizing Columinate trainings in regards to Governance Investment. They reminded all directors that the BOD guidelines contains the expectation the BOD members over the course of their first two years attend the following Columinate trainings: CBL 101, Financial Training for Directors - a 4 part series, A policy governance training, such as "Explorations in Governance", and Co-op Cafe. Thus far there has been no enforcement of this guideline and directors questioned whether it needs to be in the policy register. They also briefly touched on the cost of enrolling in Columinate's CBLD program versus paying for trainings a la carte and hiring a non-Columinate consultant. They would also like to explore adding to the BOD Guidelines that directors attend at least one workshop per year.

The BOD accepted by consensus policy C8 - Governance Investment as in compliance.

CBLD Contract Renewal

BD Comm recommended the BOD authorize engagement with Columinate for their 2025 CBLD Regular Program at the annual cost of \$7,950. This contract would begin in January.

The BOD felt that September's discussion around the CBLD contract helped to identify gaps and places BOD would like to better utilize Columinate's services. At this point in the year it would be harder for Columinate to make changes in the consultant assigned to the BOD but they can try if changing would make or break the decision. The BOD would really like freshness and more personal attention from the consultant. They would also like something to make the training aspect a little more exciting, such as attending trainings as a group or scheduling a training with other Maine co-ops. They are looking for more pizzazz.

A director made the point that if the Co-op is going to face belt tightening, the first place to tighten should be the BOD. If they agree to this contract they should focus on getting their money's worth. Which should include building into the culture that all board members engage in Columinate trainings.

Another valuable Columinate asset is its library. Directors have found Columinate's archive of articles useful to help think more broadly or deeply about a topic at hand or learn about what other co-ops have done.

The BOD agreed by consensus to enroll in Columinate's Regular CBLD program for 2025.

Policy BI Proposed Revision

BD Comm recommended changes to policy BI - Financial Condition & Activities, adding two sub-policies BI.14 & BI.15. The first sub-policies (BI.14) provides standing authorization for the treasurer to make reasonable requests to the GM for financial information. And the second (BI.15) is a way of putting into policy a standing practice: at the end of the fiscal year the GM has an accounting firm review the financials and every third year the accounting firm conducts an audit.

The BOD accepted by consensus the addition of sub-policies BI.14 and BI.15 to policy BI - Financial Conditions & Activities.

A - Global Ends

Note: Review of policy A -Global Ends encompasses two regular BOD meetings, October and November, annually.

The BOD agreed that the Ends Report is an incredibly well done report and a good reminder of the work the Co-op does. A director suggested that the Ends Report could be used to engage owners and other stakeholders, perhaps as the subject matter for an Owner Forum.

It was noted that there are no ends that address the environment or community, both important topics for the BOD. The BOD plans to address specifically the community aspect during their November retreat.

In the Ends Report, the WIC program was cited in the data for "affordable" from the end: *A source of healthy, nutritious, affordable food, and water.* While Doug reported on the number of WIC transactions and their monetary value, the Co-op has no particular goal around the expected reach of the program. Operations worked hard to bring the WIC program to the Co-op because they knew people in the community weren't being served or participating in the cooperative and offering WIC was another way of making the Co-op more accessible.

One director wondered why Doug reported on the 'democratically governed' portion of: *An efficiently managed, democratically governed, inclusive cooperative enterprise,* as opposed to the BOD. Although it would seem to fall under BOD purview, policy governance dictates that the BOD sets policy which the GM must implement. Accordingly, for this portion of the end, operations facilitates the election process.

Doug offered clarity around *A thriving, just and sustainable local food economy,* where 'sustainable' refers specifically to making sure the local food economy is strong and able to self-perpetuate.

The Ends Report did contain an error: staff questionnaire scores regarding the safety of the physical work space dropped from 2023 to 2024, while the correct score was included, the report should have noted that the 2024 score was lower than the benchmark for compliance.

Doug explained that 'gross incurred losses', one of the data points for worker safety from the end: *An invested, engaged and empowered staff that thrive in a safe, respectful, inclusive and equitable workplace,* are dollars paid out for workers' comp claims. 2024 data shows worker comp claims were up but costs down, indicating more injuries of less severity.

Susan reminded the BOD that the renovation project has impacted the data for this year. Susan used the example of efficiency, which had been trending up, but saw a decline this past year despite it being established that Doug and the workers are still making this a priority.

Doug stressed that the Ends are not about things the Co-op does or the initiatives the Co-op is actively doing. The ends lay out why the Co-op exists and who the Co-op exists to serve. The Ends reporting was scheduled for October when the monitoring calendar was first made so that it followed the end of fiscal year. If the BOD were to monitor the ends prior to the end of the fiscal year and the budgeting season, the report's data would follow a

calendar that does not follow the fiscal or calendar year.

Scores from workers regarding workplace harassment and corrective action showed a downturn from 2023, which is most certainly related to loss of the Co-op's HR Manager and the renovation.

The board will continue the review of A - Global Ends policy at the November BOD meeting.

Board Discussion Items & Committee Reports

BOD Reflection about Renovated Store

Directors were asked to share their thoughts on the renovated store now that the project is wrapping up.

John highlighted Tootie's Tempeh, the Co-op's expansion on aquaculture, and Bob's Red Mill brownie mix as his new favorites. He is delighted to find new products. It's like a new shopping experience.

Valerie is also enjoying new products, the outdoor cafe seating, and having music in the store again. She also happily noticed a lot of new shoppers (unfamiliar faces, first time shoppers).

Ernie said that it is a great feeling to know that the store is safe for workers and shoppers and is going to be there for the next fifty years. He said that the Co-op is basically a new store in the old store frame and the old store place. Corinne noted that with the influx of new owners the store's display of how many Co-op owners there are could be updated more frequently.

Susan loves the bulk section with the table with extra pens and bags! Everything is where it is needed.

Rio is excited about the kitchen. The pizza is good! And while he hasn't seen it, as a former produce clerk he assumes the produce alley is way better.

Worker Open House

Several BOD members will be attending the worker open house Thursday, October 24 from 11am - 3pm and bringing cookies!

Finance Committee

The Fractional CFO provided basics for the October FinCom meeting which allowed members to scrutinize and get a much better sense of what is going on. Our current challenge relates to the unexpected shortfall in sales of \$800K during construction. The good news is the Co-op is starting to see some profits. FinCom would like to see if the Fractional CFO can be more available. While it's the treasurer and FinCom's duty to anticipate and resolve problems they are not hearing worry from the banks and other fiscal partners. Right now the Co-op has 10 days of cash on hand and leaving that amount intact means that the Co-op has pulled \$300K from its line of credit to pay a bill. FinCom also noted that the Co-op is expected to have solar power this spring. Installation of panels on the roof is scheduled for April.

Owner Engagement Committee

OEC encouraged directors to please sign up to host upcoming Tea & Talk events. For additional OEC information the BOD was asked to refer to the committee's notes.

Board Development Committee

BD Comm pointed out that the Columinate training Explorations in Governance, a four part series, starts in November. All board members are encouraged to join.

Board Retreat Agenda

The next BOD retreat is scheduled for Saturday, November 9th at Oak Hall. The agenda includes time for several discussions, including: the BOD's role in policy governance; the Ends, is there anything missing or something that doesn't belong; and what's the most effective size for the BOD.

Closings

Homework Items

Full Board

1. Recruit owners to run for the Board.
2. Introduce ourselves to workers while we are in the store and say how much we appreciate them.
3. Email ideas for Common Cents celebration/meet and greet to OEC.
4. Sign up for activities on BOD Google Drive, including tabling; and at least 2 Tea & Talk in the coming year.
5. Respond to all policy polls
6. Send questions to Doug re: Ends Report prior to Nov BOD meeting
7. Bring your Ends Report to the Nov meeting. It will not be reprinted in the Nov packet.

Owner Engagement Committee

1. Offer a possible framework for a Common Cents celebration that BOD members can consider and respond with ideas.
2. Look into optional event/meet & greet with the BOD.
3. Learn about intersection of Marketing and OEC roles and responsibilities
4. Implement process for Board member calls to new Owners who express interest in serving on the Board and/or committees.
5. Evaluate how Owners and broader community view the current Ends Statement and share with Strategic Work Committee
6. Discuss using the Ends Report as the basis for an Owner Forum (in conjunction with Strategic Work Committee??)
7. Submit ORF for Annual Meeting with venue suggestion

Board Development Committee

1. Develop a plan in discussion with Thane to better utilize Columinate.
2. Continue evaluation and drafting of a revised D3 policy, especially as it relates to monitoring GM's compliance with proposed revised policy
3. Continue evaluation and drafting of a revised B5 policy, incorporating GM feedback, evaluating monitoring issues, and defining terms like "significant number of member/owners"
4. Re: Columinate Trainings
 - a. Flesh out the BOD Guidelines for training expectations
 - b. Develop a system of compliance for utilizing Columinate services
 - c. Conceptualize ways trainings could be done as a group
 - d. Develop a Columinate services evaluation plan

Strategic Work Committee

1. Stay on track with environmental sustainability and climate change as our first strategic initiative; review statements and policies from other Co-ops; consider recommending a clear commitment within our Ends and/or our policy register
2. Meet with Doug for conversation about goals and process; and his thoughts about incorporating environmental sustainability into our Ends and/or policy governance.
3. Find a grocery store leader in environmental sustainability and/or local food systems we could invite as a speaker for future owner forums. Check with Thane and Doug.
4. Discuss whether or not Board needs multi year plan
5. Discuss using the Ends Report as the basis for an Owner Forum (in conjunction with OEC??)

Committee Chairs

1. Evaluate the timing of your monthly meetings for Nov & Dec
2. Send your regular committee meeting schedule and any miscellaneous adjustments to Emily for calendar updates

Valerie

1. Submit Capital Campaign debrief to Board

Valerie & Emily

1. Include Strategic Work Committee in BOD calendar
2. Organize Board Google Drive folders and files

Doug

1. Make sure we recast the budget in 6 months. Add the row for depreciation.
2. Provide basic training in Beekeeper functions at the next BOD meeting and set up access for Charles and Todd.
3. Follow up on concerns about safety and related proximity of parking spaces to Café window and possible

need for barrier

4. Compile a list of the Co-op's occupancy costs

Susan

1. Show Corinne where to find contact info for new owners.
2. Talk to Thane about organizing local training
3. Talk to Thane before the Nov Retreat about ideas for going forward with Columinate with pizzazz

Susan & Valerie

1. Make sense of the next steps for the Strategic Work Committee

Charles

1. Monitor MOFGA, NCG, and NFCA for their assessments of the farm bill

Emily

1. Update Policy BI to include BI.14 & BI.15 with grammatical edits

Owner Comments

Zafra requested that the guest packet include committee charters and list of Board members with officers and terms. He shared his belief that eleven members is the right size for this board.

Public meeting adjourned at 8:24 p.m. Minutes respectfully submitted by Emily Berry, scribe.