

Belfast Community Co-op Board of Directors Meeting Minutes

February 26, 2025, Public meeting commenced at 6:00 p.m. Abbott Room of the Belfast Free Library & via Zoom.

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

Absent: Collin Thompson

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

Owners: Annie Bussiere, Jamie Cermak, Beth Dickinson, Gina Ferendo, Heather Q Hay, Michael McCormick, Joseph Pearl, Kim Relick, Ashleigh Russell, Michael Walter

Agenda Review

The BOD approved the agenda by consensus.

Announcements

The Neighboring Food Co-op Association's (NFCA) Annual Meeting is scheduled for Saturday, March 15 2025, at Greenfield Community College in Greenfield, MA. Directors interested in participating must register by March 3.

The Belfast Community Co-op Annual Meeting is Sunday March 2 from 2pm - 4pm in the Abbott Room of the Belfast Free Library.

Owner Comments

Michael McCormick reviewed the Finance Committee's February report and expressed concerns about the financial state of the Co-op, particularly the amount of operating cash. He offered to send the BOD an email with constructive ideas and encouraged the BOD to be more engaged in the direct management and oversight of financial matters.

GM Reporting

Alignment

The BOD is invited to help participate in setting up for the Annual Meeting in Abbott Room, which will begin at 1pm. CCMA 2025 will take place May 29 – 31, 2025, in Duluth, Minnesota. Proposals for breakout sessions for this year's CCMA will be accepted through Friday, February 28, 2025.

GM Update Report

The BOD discussed the key indicators basket size and customer count that were included in the GM Update Report. Over the last four years these key indicators have normalized to pre-pandemic levels and currently they show an increased number of transactions with more items per transaction. This has resulted in sales that are up 24% from last year and up 12% from budget. The BOD's concern remains that while sales have increased the Co-op is still struggling to generate cash. A director suggested future reports include operating cash.

The Co-op is currently transitioning from Sage Accounting software to Quickbooks and during this time financial reports submitted to the BOD are formatted differently. The operations team is working on customizing the reports that come out of Quickbooks so that they will have a more familiar feel in the future. All the financial information will be the same with the added benefit that Quickbooks is tied directly to the Co-op's bank account making accessing data easier, faster, and more accurate.

A director questioned Doug on Columinate CFS' response to the Co-op's financial situation, which from the BOD's perspective has been inadequate. Doug admitted that he was frustrated, however, Columinate has brought on a new consultant, Joe Doura, as an onboarding specialist assigned to work with the BCC as the new fractional CFO, in addition to onboarding. Joe met with the finance team during the Quickbooks conversion and thus far has restored Doug's faith in the possibility that CFS will work out. However, Doug indicated that if improvements aren't seen within the next six months, he might not renew the CFS contract. Alternative options for the BCC include hiring a finance manager or exploring shared services with other co-ops in Maine. Shared cooperative services is something that BOD could explore as part of their strategic visioning work.

On Feb 12th, Doug invited several concerned owners to participate in a conversation facilitated by Peggy Smith, a Co-op owner and Nonviolent Communication trainer, around the Co-op carrying products from Israel. The owners have named their group the Food Justice Education Group. Doug reported that the conversations were good with both parties providing background information and perspectives on where the Co-op fits in. Operations was able to send the Food Justice Education Group a proposal for action to which they recently received feedback. Doug feels they are making progress toward something both parties can feel good about. Directors had heard that some owners rescinded their ownership because the plan did not include a boycott. Directors also noted their appreciation for the open dialogue and that the effort to find resolution is a cooperative one.

Board Action Items

Consent Agenda

The BOD approved by consensus:

1. the January 22, 2025 Minutes,
2. policy C – Global Governance Commitment as in compliance, and
3. policy D – Global Board Management Connection as in compliance.

D – Global Board Management Connection Language Change

The Board Development Committee recommended changing language of policy D to read: “The Board’s official connection to the operations of the cooperative will be through the General Management Manager.”

The BOD accepted by consensus the recommendation to update the language of policy D – Global Board Management Connection.

B – Global Executive Constraint

The BOD accepted by consensus policy B – Global Executive Constraint as in compliance.

B9 – Emergency General Management Succession

Ernie expressed his strong concern about appointing a team as opposed to a single interim general manager. He asserted, in short, that an IGM Team does not fit the intent or language of the policy.

Doug’s plans come from several concerns: pulling a single person away from their job duties full time as opposed to three people dedicating a third of their time; the assigned IGM having a conflict at the same time the GM has unexpectedly vacated the position; and currently the Co-op has a depth of bench issue. Doug’s plan is stopgap, with the intention that an IGM Team holds the Co-op together while BOD hires an IGM from the compiled list of consultants.

A director was worried about the statement in the succession plan that says “... the IGM may pursue any activity to achieve the desired results...” and suggested that could be edited to “any reasonable activity”.

The BOD accepted by consensus, with one abstention, the monitoring report B9 – Emergency General Management Succession as in partial compliance with the addition that one of the IGM Team members will be designated as responsible to the BOD.

GM Evaluation

The BOD accepted by consensus the evaluation of the GM.

Board Discussion & Committee Reports

Generative Discussion B Meeting Plans

As discussed in previous meetings the BOD has implemented their plan to alternate business meetings, termed “A meetings”, with generative discussion meetings, termed “B meetings”, settling on the following schedule B, A, A, B, A, A... which began in January. Based on topics submitted by and feedback from directors, Board officers agreed that it would be important to devote the next two B meetings to support work with the General Manager in development of the new process adopted in Policy B2 for the GM to work in consultation and cooperation with the Board in developing each year’s annual business plan. In preparation, the April B meeting could be used to educate the BOD

about how the Co-op works and about current trends and economic conditions in the grocery business. The July B meeting would be devoted to beginning the collaborative effort with the GM on development of the Fiscal Year 2026 Business Plan. The BOD was amenable to this plan with the caveat that even during B meetings, the BOD will keep an eye on the financial situation and act accordingly as needed.

Finance Committee

The FinCom expressed frustration with CFS and their concern about being able to fulfil their fiduciary responsibilities without the data that is needed to determine if the Co-op is in good financial shape. FinCom would like measurable action steps to resolve the cash issue and a meeting with Joe Doura.

Currently the Co-op has not yet dipped into the CFNE line of credit.

The BOD and Doug discussed margin and shrink and how that can play a role in generating cash, particularly implementing more operational controls, including monitoring shrink on a day-to-day basis.

Owner Engagement Committee

The BOD accepted by consensus the proposed updates to the OEC Charter.

OEC reported that February's Tea and Talk led by Valerie and Jim was great.

Strategic Work Committee

The SWC has been discussing updating the Ends and what that process could look like. Including the owners is invaluable and beginning with identifying BCC values would be a way to engage with owners and inform the Ends process.

Board Development Committee

BDCOM had developed a statement on the Israeli products boycott but any presentation of it or future draft of it will be held until Doug's process with the Food Justice Education Group has been resolved.

Closings

Owner Comments

Kim Relick expressed concern about the Co-op's financial squeeze but is confident in the BOD and Doug's skills. She believes this situation is solvable. She was curious to know how much the community knows and does the BOD want the community to know?

Debrief

Rio - despite a tumultuous few weeks, he is still very committed to this BOD work.

John - Zoom worked well. There were no issues with hearing or seeing the meeting.

Homework Items

Full Board

1. Introduce ourselves to workers while we are in the store and say how much we appreciate them.
2. Email ideas for Common Cents celebration/meet and greet to OEC.
3. Respond to all policy polls
4. Sign up for March and April Tea & Talk
5. Send feedback on the values process to the SWC

Owner Engagement Committee

1. Offer a possible framework for a Common Cents celebration that BOD members can consider and respond with ideas.
2. Learn about intersection of Marketing and OEC roles and responsibilities
3. Implement process for Board member calls to new Owners who express interest in serving on the Board and/or committees.
4. Evaluate how Owners and broader community view the current Ends Statement and share with SWC
5. Discuss using the Ends Report as the basis for an Owner Forum (possibly in conjunction with SWC)

Board Development Committee

1. Develop a plan in discussion with Thane to better utilize Columinate.
2. 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 (possibly in conjunction with OEC)

Valerie & Emily

1. Organize Board Google Drive folders and files

Doug

1. Update the Board introduction to the NCG Statement on Israel-Palestine Conflict, noting that the Co-op would provide country of origin information as possible.
2. Make sure we recast the budget in 6 months. Add the row for depreciation.
3. Provide basic training in Beekeeper functions at the next BOD meeting and set up access for Charles and Todd.
4. Follow up on concerns about safety and related proximity of parking spaces to Café window and possible need for barrier
5. Compile a list of the Co-op's occupancy costs
6. Include cash as an indicator in the Update Report
7. Compile resources in prep for April meeting re: what's happening in the grocery business

Susan

1. Talk to Thane about organizing local training

Emily

1. Update policy B2
2. Update BOD monitoring calendar to include A/B meeting schedule
3. Update policy D

The meeting adjourned at 7:55 pm. Minutes respectfully submitted by Emily Berry, scribe.