

Belfast Community Co-op Board of Directors Meeting Minutes

July 23, 2025, Public meeting commenced at 6:02 p.m. Abbott Room of the Belfast Free Library and via Zoom

Directors Present: Kevin Cope, Ernie Cooper, Susan Cutting (president), Rio Greeley, John Krueger (treasurer), Jim Miller (vice president), Valerie Tate

Absent: Todd Bluhm, Kim Relick (secretary)

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

Owners: Cassandra Brayson-O'Leary, Killian Brayson-O'Leary, Catherine Shyka, Heather Q Hay, Annie Bussiere, Jamie Cermak, Ashleigh Russell, Danielle Freeman,

Guests: Hether Jonna

Preliminaries

Agenda Review

On the published agenda, the directors slated to lead the discussion/decision on the Nomination Panel Procedure and Board Committee Budget topics were transposed. The BOD accepted the agenda by consensus with the corrected topic leaders.

Announcements

Hether Jonna, Columinate consultant, will be facilitating the business plan discussion during the second half of this meeting.

Directors are invited to submit articles for the Co-op's community newsletter, please connect with Susan if interested.

Owner Comments

Catherine Shyka, Manager of the Prepared Foods Department, noted that she has been in the food service industry for a long time and has worked under a lot of different structures and companies. She praised the Co-op's workers, saying that the Co-op's team is so hardworking, dedicated, and professional. Every level works together and supports each other, on every level and across departments. She urged the BOD to seriously consider the pay structure of the Co-op while looking at the upcoming 2026 budget. She understands there are limitations but there can also be creative solutions.

GM Reporting

Alignment

Monitoring of policy B6 - Staff Treatment & Compensation has been moved to the August meeting to accommodate the B-meeting schedule. All directors have that monitoring report now to review prior to the August meeting.

Melanie Reid is the Columinate consultant who puts together the worker survey which provides the data for the B6 report. She will be putting together a presentation which will go over the data from the survey, including comments and themes. This presentation will be available for all workers to view.

Operations would like to get the 50th anniversary planning started very soon. Currently, operations is looking at hosting a community event in September 2026. Rio, Kevin, Susan, and John are interested in being involved and will coordinate with operations.

The five most recent weeks are in the Co-op's top six sales weeks ever. Historically, the top sales weeks of the year are in August which has yet to come. Other businesses in the downtown area also reported increased sales according to Our Town Belfast.

GM Update Report

A director asked what the repercussions will be for switching to the NCG Common Chart of Accounts (CCOA).

Departments will be teased apart, such as Meat and Seafood, within the accounting software. This will provide more data for reporting. There will not be an impact to customers due to this change.

While much of the costs associated with sales can be teased apart, labor is more challenging.

Board Action Items

June 2025 Minutes

The BOD approved by consensus the June 25, 2025 BOD minutes.

Policy B2 Revision

The Executive Committee recommended that Policy B2 - Business Planning & Financial Budgeting be revised to include the words “or contract” in section 2.3. The recommendation reads “The General Manager must provide reasonable advance notice and discussion with the Board prior to undertaking: 3. Any major expenditure *or contract* not included in the budget adopted as part of the plan.”

The BOD accepted by consensus the recommendation to revise Policy B2 section 2.3 as stated above.

Nomination Panel Procedure

The BOD adopted by consensus Procedure C2.7.1 -- Annual Nomination Panel for New Board Members.

Board Committee Budgets

The total of the proposed BOD budget for FY 2026 is \$46,030, an increase from last year of \$750.

The BOD accepted by consensus the FY 2026 BOD budget.

Discussion Item

2026 Business Plan & Financial Budget

The BOD set aside the final portion of this meeting to learn more about Doug’s strategy for the coming year, the FY 2026 business plan. Hether Jonna was invited to facilitate the discussion. Each director was encouraged to ask questions that Doug responded to.

In preparation for the business plan, have you found this year any unusual or unexpected challenges, difficulties not experienced before or conversely things that have gone more smoothly? Simply, the good, the bad, the ugly.

This budget is tricky because the Co-op hasn’t finished its first full year post-renovation. What is truly needed will still be unknown until we have a couple of years behind us. Right now, Doug is trying to get as much accurate data as possible before the final business plan is submitted. Additionally, the economic climate is challenging. Being a co-op could be an advantage; during challenging times people look internally to where their values lie. Plus the BCC is well positioned to keep providing for this community. Also, national data shows co-ops doing well after performing poorly for a number of years.

In addition to the business plan, could you offer a strategic plan with 5 or 7 specific, measurable goals?

The business plan includes its big idea of “Do More Good” which is supported by four pillars: more local food, strong co-op economy, greater wisdom, and more happy people. Within those pillars the plan lays out 17 different measurable metrics that operations will be tracking over the course of the year to achieve its strategic ends.

When will the business plan include some entertainment?

The Co-op has two departments whose goals are to drive sales and do promotions but that is in service to a bigger picture of why does this co-op exist in this community. The business plan is about continuing to have the enterprise operate in a way that funds the greater goal of the association. There is definitely a place to fit in these ideas of entertainment and engagement. The Co-op has done it in the past, with art on the walls, we could do it in the future with music or comedy. With the Owner Engagement Committee working more closely with Marketing this year, there is a way for the BOD to actively participate in event planning.

Has “Do More Good” replaced the Ends?

The concept of a “big idea” came out of a board retreat two years ago, where Doug heard from the BOD that a succinct and powerful distillation of the Ends was desired. Doug and the management team came up with “Do More Good”. It’s easy to communicate, it’s easy to digest, and it lays out the big picture -- why does the co-op exist: to do more good in this community. It’s a framework that is useful for conceptualizing. How can the GM take these overarching things that the Board has said that the Co-op exists to do (the Ends) and operationalize that? How can he take that to his team and give them pieces so that they can carry forward the business. It’s not a replacement of the Ends, it is a distillation of the Ends.

Is it possible to even think about the problem of giving people more money or a less expensive place to live or some combination of both?

The Co-op must pay better wages, period. And this is something that has been pushed with each successive business plan. Adjacent to that is the goal to get labor as percentage of sales down to 25.8% and in this budget it is 26.3% so it's not there yet. In the budget is also an increase in total labor of 8 - 10% and an 8% increase in sales. The Co-op takes professional development seriously and while it can't always match wages it can build careers. Directors questioned whether work in certain departments with higher margins could be incentivised. Doug asserted that, not only are we a co-op that provides resources and opportunities for our workers to develop, we are also an equitable workplace. There are many skills and positions that add value to the Co-op. The goal is to look at every position across the organization and say everyone is treated equitably and paid appropriately for the work they do. Wages are determined by a tier structure and experience can affect a worker's wage within the parameters of a tier.

What are your thoughts on contingency or emergency planning?

We learned from Covid that the Co-op team is very nimble and capable of turning on a dime to keep the store open and meet the needs of the community. When pressed we can scramble and even thrive in challenging situations, such as the recent cyber attack that affected UNFI. Directors questioned whether padding was built into the budget. In a sense yes, it is wise to budget sales lower than expected and expenses higher, so that you hopefully hit a sweet spot. Directors contemplated a downturn in the national economy which would presumably impact tourism, which would in turn impact the Co-op.

A director suggested that it would be helpful to have the budget projected out month by month.

What are your thoughts and strategies for building up the Prepared Foods Department?

We need more people! There is unlimited potential in that department but until people are present the department can't do much more than what it's already doing. Directors questioned whether Columinate or NCG could help with recruitment or potentially collaborating with Waldo County Technical Center. The best way to attract people is to have conversations out in the community about what people get from working at the Co-op, benefits, year-round steady employment, plus the intrinsic benefits of working at co-op.

The Co-op's turnover is 40.5%, why is it so high?

The industry average for turnover at food co-ops is 55%, at grocery stores in general, 75%. During Covid turnover the Co-op's turnover was down to 25-30%, and prior to Covid it was 60-70%. There are some workers who stay only seasonally such as students or farmworkers, occasionally these folks will come back. It costs roughly \$6000 to train new employees.

Do workers have a collective bargaining agent?

No, the workers are not unionized.

The BOD recently added policy B10 - Environmental Impact, what are the plans for the upcoming year and tracking related to the environment?

Operations has not yet determined metrics for the new B10 policy. There is already a lot that the Co-op is doing, so finding data for the B10 policy shouldn't be difficult. There is nothing specific in the business plan as of yet for policy B10, such as a sustainability coordinator. There is a database at NCG called Coefficient, where co-ops can update data such as CO2, cooling and fuel usage, local sales, etc.. The BCC's use of Coefficient went away with the renovation project, but the Co-op can reestablish that use to keep track of metrics.

Are there ways that you see automation improving our business efficiency over the next year?

Automation is not the answer when it comes to food co-ops, it's efficiency. Efficiency built into the work we do so we can focus on things that differentiate us: customer interaction, owner engagement, and working with people in our community.

Is Open Book Management part of the Next Level Initiative from NCG?

No, Open Book Management is an internal system. It is a way of taking all of the data that we digest as a management team or as finance folks at the store, making it accessible to all workers so that they can gain financial literacy and have a stake in the success of their co-op. This is the year that Doug and the management team would like to try to

implement it. Once it's in place, it will be driven by workers. There may be a manager involved just to answer questions if anything comes up. For the most part it's workers problem solving and looking at the business critically without intervention.

Do you feel that it's part of cooperative culture overall that we are really about engaging everybody in decision making? Is there an intentionality around being a co-op that says, let's all work together on this? Do any workers feel a barrier to decision making?

Yes, collective decision making is at the core of who we are. And of course some workers feel there is a barrier to decision making. As the business grows and becomes more complex, it is challenging to have more voices in the decision making process. There are many instances where someone needs to make the decision. That said, there is still a desire for people to have a say and you have to try to walk that line.

Doug identified one thing he lost in the last 5 years: prior to really digging into the renovation, he had a finger on the pulse of the workers, he was available and engaged. With the renovation, there were too many decisions that had to be made everyday and the stakes were too high. This year, he will make an effort to involve himself more, he needs to work to get back the culture the Co-op had prior to renovation.

Are there anticipated major expenses that are going to be included in the business plan that we should talk about before it is final?

Operations is considering entering into a relationship with Associated Grocers of New England. That would be a commitment of a minimum of \$500,000 purchased from them annually.

How much do we have in cash on hand?

Directors expressed feeling weary of having too much cash on hand if it is simply drawn from a line of credit that then must have interest paid on it. This line of credit being available to draw on when necessary.

Doug is cautious about having enough cash on hand since the board was quite vocal about having sufficient funds. He is not going to let cash dip below 10 days. Some directors suggested that when cash on hand exceeds \$400K, it should be sent back to the bank. Doug felt that when he submitted the recast budget in April he heard something different. It is possible there was a misunderstanding between pulling from a line of credit versus money in the bank.

Doug will continue to work on the business plan through August and into September. The BOD has access to the business plan and can view all updates. They also have access to the internal document with additional questions and answers. The BOD will be presented with the final business plan and budget at the September meeting for approval.

Closings

Owner Comments

None.

Debrief

Valerie: Just excellent!

John: Thank you Doug for all the information and sharing.

Rio: Very glad to hear what Doug said about reforming connections with the workers.

Homework

Full Board

1. Respond to all policy polls
2. Let Susan know if you are interested in submitting an article for the Co-op's newsletter

Owner Engagement Committee

1. Learn about intersection of Marketing and OEC roles and responsibilities
2. Implement a process for Board members to contact Owners or staff who express interest in serving on the Board and/or committees.
3. Evaluate how Owners and broader community view the current Ends Statement and share with SWC

4. Discuss using the Ends Report as the basis for an Owner Forum (possibly in conjunction with SWC)

Strategic Work Committee

1. Include Doug in strategic topics discussions as needed.
2. Discuss whether or not Board needs multi year plan
3. Discuss using the Ends Report as the basis for an Owner Forum (possibly in conjunction with OEC)

Finance Committee

1. Go over the 2024 financial review

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 when possible.
2. Include new indicator in the Update Report for monthly hours
3. Share with BOD CCMA session recordings
4. In future BI reports:
 - a. define net income
 - b. Interpret financial trends
5. Schedule Beekeeper training

Susan

1. Talk to BCC's Columinate Consultant about organizing a local training
2. Follow up with BOD re: December meeting date
3. Send CCMA link to BOD

Emily

1. Update the Policy Register
 - a. B2 revision
 - b. Procedure C2.7.1

Meeting adjourned at 7:56 p.m. Minutes respectfully submitted by Emily Berry, scribe.