

Blue Hill Co-op Board Meeting
December 11, 2019, Blue Hill Co-op Café

Board Members Attending: Susan Snider, Mia Strong, Tim Tunney, Jerome Lawther, Aaron Dority, Diane Bianco, Martha Shepherd (Staff Position) Jim Picariello, Paul McNulty, Edie Dunham, Jennifer Traub

Absent Board Member(s): Deborah Evans

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager), Carson Sayers, Robin Snyder-Drummond (Owners)

Julia Klein, minute taker

Mia Strong, meeting facilitator, timekeeper

Jerome Lawther, tasks and decisions

Approval of Minutes: **Susan moved to approve the October 15, 2019 Board Meeting Minutes. Aaron seconded the motion. The motion unanimously carries. Susan moved to approve the October 15, 2019 Executive Session Minutes. Aaron seconded the motion. The motion unanimously carries. Susan moved to approve the Annual Meeting Minutes with minor changes. Edie Seconded the motion. The motion unanimously carries.**

Welcome New Directors: The board welcomed Jennifer Traub and Paul McNulty to the board and thanked them for their service.

Open Owner Time: Mia welcomed owners and invited them to speak.

Robin Snyder-Drummond encouraged the Co-op to emphasize bulk products to reduce packaging throughout the store. She shared that the town of Ellsworth is working on a bill for Extended Producer Responsibility making producers responsible for the life cycle of products and their packaging. A public event will be held in Ellsworth on January 9th to discuss the topic. Mia directed Robin to Kevin to discuss store plastic use and event promotion.

Carson Sayers shared that she's a filmmaker and photographer newly in the area. She attended the Annual Meeting and heard the desire for an historical representation of the Co-op's journey. She's been connecting with original members to gather stories and artifacts. She suggested that this representation of the growth of the Co-op could encourage young people to become active. She'd like to gather stories from board members as well.

Edie shared a concern from Rich Traub regarding the board discount. The board invited him to attend a meeting.

GM Monitoring: Kevin reported 30-36% growth rate from January-November with 40¼% margins. Total payroll is high around 26% but overtime is balancing with none used in 3 weeks. The Café has seen significant increase in sales under new management. Staff finished retagging all merchandise. The cost plus relationship with UNFI and NCG is 11% down from 17% allowing margin reductions in some departments. Overall growth is strong. Kevin's goal is to match or beat Tradewinds prices on like products. He is considering changing to winter hours of

7am-7pm and Sunday 8am-6pm. Evening events are being planned to increase activity. Susan inquired about remaining project invoices. Kevin responded that around \$2,400 remains. Grant funds for solar and landscaping await completion and billing. A \$20,000 grant from the state for solar has not yet come in. Kevin is pursuing liquor licensing to serve beer and wine.

B1 Financials: Aaron inquired whether the negative net income may be considered in compliance or whether it is planned approved non-compliance. Tim noted that it is negative but adequate when measured against the pro forma. Kevin stated that cash position and the liquidity covenant should be the focus. Mia suggested calling negative net income out of compliance to keep the board focused on addressing it.

Mia asked if solar will be completed next month. Kevin reported that it should be. He noted that he ran numbers and found the Co-op is already 90% more efficient than the average grocery store. The refrigeration specialist stated that is the most efficient grocery store he's seen. Susan inquired about installing charging stations in the spring. Kevin responded that current grant money and any extra funds will be used for electric car stations. Details are being researched. Kevin noted that expenses have been high associated with the move but will be balancing. Redesigning the Café for efficiency is in process. **Edie moved to accept the GM report and acceptable compliance with B1, B2, B6, and B9. Susan seconded the motion. The motion unanimously carries.** Tim will send out the board budget. Kevin will submit the store budget in January. Tim recommended explaining policy governance to new directors. The board requested that all documents be emailed as PDFs. The board calendar was discussed. Jerome asked whether the non-profit loan will be refinanced. Tim recommended waiting a year to demonstrate financial fitness and payback ability.

Board Monitoring:

Officer Elections: **Mia nominated Diane Bianco for president, Tim Tunney for treasurer, Susan Snider for secretary, and Aaron Dority for vice president. Edie moved to accept Mia's nominations. Jen seconded the motion. The motion unanimously carries.**

Director Resignation: Mia announced her intention to resign from the board of directors. **Tim moved to accept her resignation. Susan seconded the motion. The motion unanimously carries.** A round of sharing appreciation for Mia's long service and leadership followed was followed by applause. Diane proposed a party in Mia's honor. Mia reminded the board that her open seat is an opportunity to appoint a director of the board's choice. She urged them to go forward watching financials like a hawk.

Conflict of Interest Forms: Susan circulated conflict of interest forms which directors signed.

D2-Accountability to the GM: Edie read the policy. Discussion followed and the board identified non-compliance with D2 as ends have not been approved. **Edie moved that the board is out of compliance with D2 and will discuss ends at the January meeting. Jerome seconded the motion. The motion unanimously carries.** Jerome will polish and email draft ends before the new year. Mia raised concern about confusion surrounding the start time of the Annual Meeting

resulting from unofficial board interactions with staff. Jennifer asked for clarification regarding staff interactions.

D3-Delegation to GM: Edie read the policy. The board identified non-compliance with D3 as ends are lacking. **Mia moved that the board is out of compliance with D3. Susan seconded the motion. The motion unanimously carries.**

Finance Committee: Mia recommended re-invigorating the financial committee. The board will discuss reinstatement of the committee next month. Tim will research how the committee should function. A board retreat is being researched.

Member Engagement Event: Ideas for a member engagement event were brainstormed. Jennifer will draft a proposal for the January meeting. Susan asked about the connection with the Belfast Co-op. Discussion followed.

Agenda:

Board Budget

Ends

Finance Committee

CFNE, CEI, LISC Representatives in attendance

Meeting Evaluation: Concise and comprehensive.

Executive Session: Personnel

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, January 11, 2020.

Next Meeting: Tuesday, January 21, 2020 6:30-9:00 PM, Blue Hill Co-op, Cafe.

Minutes respectfully submitted by Julia Klein