

Blue Hill Co-op Board Meeting

June 24, 2020, Zoom Call

Board Members Attending: Aaron Dority, Deborah Evans, Diane Bianco, Edie Dunham, Jennifer Traub, Jerome Lawther, Jim Picariello, Martha Shepherd (Staff Position), Paul McNulty, Susan Snider.

Absent Board Member(s): Tim Tunney

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager)

Julia Klein, minute taker

Diane Bianco, meeting facilitator, timekeeper

Jerome Lawther, tasks and decisions

Open Owner Time: Kevin shared that a small group of Co-op members have expressed misgivings about the Co-op's response to current events. Kevin explained that he has been writing weekly updates from the Co-op since the start of the pandemic. He has woven in current events as they relate to the Co-op and has received overwhelming support from members. However, in relation to the comments on the Black Lives Matter movement, 2 members responded that they prefer to keep politics out of their Co-op experience. Kevin responded by referencing the Co-op's mission statement which includes education on social issues. He requested the board's feedback on the appropriate balance of responding to world events as well as member opinions. He noted that other Co-op organizations have released statements regarding BLM. The board agreed that they should release a statement and praised Kevin's handling of the topic thus far. Jerome will draft a letter connecting the mission statement with the Co-op's emphasis on community, human dignity, and respect. Susan will assist Jerome. The board emphasized that the Co-op frequently takes political positions as they relate to food. Kevin referred the board to Co-operative Maine Business Alliance's excellent writeup on the issue.

Kevin also requested feedback on creating a section in the newsletter entitled, Co-op Voices, allowing staff and members to express their feelings and ideas. Several staff members have written for the current issue. Going forward, a topic will be presented in each issue and members will be invited to submit their thoughts for publication. Discussion ensued. Jen voiced concern about views not aligned with Co-op principles and veto processes. Kevin responded that he and Kipp will edit submissions. The board agreed that Co-op Voices will provide an important connection with the Co-op community.

Approval of Minutes: **Susan moved to approve the May 19, 2020 board meeting minutes with a correction to the GM report. Jen seconded the motion. The motion unanimously carries.**

GM Monitoring:

Summary of Operations – Kevin began by noting a correction to an error he discovered in his budget vs. actual report. He also stated that the finance committee has determined which reports will be included in monthly reporting to the board. Diane asked about vouchers donated to the food pantry. Kevin responded they are returning to the store and he has 300 more vouchers to donate where appropriate.

Financial Condition – Susan noted that she is impressed with current finances in the budget vs. actual report as it compares with the proforma. Kevin reported on PPP loan funds and current adjustments to usage rules. The initial 8-week period for using funds has been extended to 24 weeks. The initial 75% required for payroll costs has been lowered to 60%, while 40% may cover utilities, leases, interest payments, etc. Kevin has completed allocation of payroll funds and will allocate July loan interest payments. He has transferred \$75,000 surplus cash from reserves to savings toward preferred share payments in August and coming leaner months.

Kevin went on to report that June is looking to have the 2nd highest sales since last August. The Café returned to pre-COVID sales levels for the first time since February. Fewer customers but higher sales remain the trend. Kevin stated that WebCart will be a permanent addition to the Co-op. Overhead is minimal, with 3 staff managing the entire process, and orders are large, averaging \$140 per basket and up to 36 orders per day. Diane asked if the Café will return to offering specific meals for specific days of the week. Kevin responded that the current focus is on hiring to accommodate the dramatic sales growth in the last weeks. Kevin is unsure when indoor seating will re-open. Jen asked about wages and benefits. Kevin responded that May and June sales are so much higher that labor is around 14% of total sales. 25% is the target for labor. He will be offering bonus pay and hopes to finish out the year at the target. Susan noted that margins are looking very good.

Discussion turned to upcoming investment redemptions in August. The attorney is currently responding to questions. Shares coming due total \$52,000. A letter will go out to owners in July detailing options for redemption. Some owners have asked about rolling shares into a tax-deductible donation rather than choosing redemption. Current options include redemption or reinvestment in the Co-op. Kevin shared the attorney's advice that investment redemption should not put the Co-op at financial risk. Kevin expressed his desire to redeem all investments in August. The finance committee will review all reports and documents prior to the next board meeting to determine legally available funds. The board will vote on redemption at the July meeting.

Diane asked about planning a celebration in August for the new store's 1st anniversary. Kevin responded that he is considering options but is not sure what is possible with current circumstances. The board referenced to the recent successful weeklong full moon sale and suggested a similar weeklong celebration focused on giving back to the members. Kevin agreed and shared excellent numbers for the full moon sale. Discussion turned to staff available to plan the event.

Google vs. Zoom: Jerome reported on his conversations with Kevin and Stan regarding Google suite. They concluded that Google is a good format to centralize information and communication. He suggested that the board hire Stan for setup. Jerome presented benefits of using Google and opened discussion. Cost and video conferencing quality were discussed. Stan will research cost for larger groups. Susan asked about cloud storage and if Google provides space for confidential documents. Kevin responded that current cloud storage is sufficient for the Co-op's needs and that Google would be accessible only to the board with confidential space available. **Jerome moved to that the board open Google Suite to centralize information and communication. Edie seconded the motion. The motion unanimously carries. Jerome moved that the board hire Stan to set up Google Suite. Edie seconded the motion. The motion unanimously carries.**

Columinate Conference: Diane reminded the board of a video conference available from Columinate on July 25th. The conference will be held from 11 AM to 2:30 PM and will focus on new leadership positions. Directors may sign up online and the Co-op will cover costs. Susan recommended the conference as very helpful.

Policy Governance:

C2 The Board's Job – Aaron emailed policy and his evaluation to the board. He shared that he feels that no edits are needed to the policy and that the board is in compliance with C2, especially in light of recent changes needed to accommodate the pandemic. Aaron read through the policy and explained compliance with each point and took questions. **The board determined compliance with C2.**

C3 Agenda Planning - Edie read the policy and offered her assessment on compliance with each point. Diane asked about planning next year's calendar due in August. Diane will contact Mia for calendar information. **The board determined compliance with C3.** Susan noted that the Google format will streamline planning.

C4 Board meetings - Edie read the policy and assessed that the board is in compliance. Jim disagreed, noting that Zoom board meetings are not open to the public. Discussion ensued regarding feasibility of opening meetings to owners. The board decided that membership should be invited to contact Kevin for the Zoom link to board meetings. Kevin will announce meetings in Bits and Bites and on the store bulletin board. **The board determined non-compliance with C4 but plans to invite owners to Zoom meetings reestablishing compliance.** In July Deborah will evaluate C5 Directors Code of Conduct and Jerome will evaluate C6 Officer's Roles.

Discussion turned to resuming in person board meetings with social distancing. The board decided to continue Zoom meetings for the next couple of months in light of the spread of COVID19 and summer traffic from out of state. Future hybrid meetings accommodating various comfort levels were suggested.

Agenda:

GM Report

C5 Director's Code of Conduct - Deborah

C6 Officer's Roles - Jerome

Google Suite Update

Ends Update – Jerome

Investment Redemption Vote

Meeting Evaluation: Comfy!

Executive Session: **The executive session was tabled for a later date due to Tim's absence.** Diane will call Aaron for an update.

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

Next Meeting: Tuesday, July 21, 2020 6:30-9:00 PM, Zoom Meeting.

Minutes respectfully submitted by Julia Klein