

**Blue Hill Co-op Board Meeting**  
May 26, 2022, Blue Hill Co-op Café

Board Members Attending: Jo Barrett, Diane Bianco, Jenny Brillhart, Aaron Dority, Jerome Lawther, Jennifer Traub, Deborah Evans.

Absent Board Member(s): Tim Tunney

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager), Jamie Cermak, Alessandra Martinelli, Emily Berry (Belfast Co-op).

Julia Klein, minute taker

Jerome Lawther, meeting facilitator, timekeeper

Jennifer Traub, tasks and decisions

Meeting commenced at 6:05 PM.

Approval of Agenda: **Jen moved to approve the agenda with an additional item regarding the annual meeting date. Jo seconded the motion. The motion unanimously carries.**

Open Owner Time The board commented that the cake boxes are much improved! Jen mentioned that metal forks are often low in the Cafe. Aaron noted that bamboo forks are available at the Belfast Co-op.

The Belfast Co-op group complimented Blue Hill's beautiful store and appreciated the generous back end. They are looking into renovation and expansion and dreaming of the possibilities. The board discussed ideas with them and chatted about sales through COVID. The Belfast group shared about their "fork drive" in which piles of forks were returned and suggested that the Blue Hill give it a try!

Approval of Minutes

**Board will read and approve the minutes by Friday 8 PM over email. On Friday evening, Jen moved to approve the April 28, 2022, Board Meeting Minutes with suggested edits. Deborah seconded the motion. The motion unanimously carries.**

GM Monitoring

B4 Membership – The board inquired whether the forms Kevin created addressing member equity transfer have resolved the issues raised last summer or whether a bylaw change is still needed. Kevin responded that the forms have been implemented and are working, but three possible bylaw changes are still recommended. Jo volunteered to review the bylaws regarding member equity transfer.

Kevin went on to report that the Café is currently the primary department pulling the Co-op ahead in profit. Progress has been made on inventory issues and other problems have been resolved. Profit in produce is lower, likely due to retraction from the huge growth experienced for the last two years, and perhaps influenced by the PFAS publicity. However, Kevin feels that produce sales are still strong.

Aaron noted that debt-to-equity ratios are still trending in the wrong direction and questioned whether this is due to the time of year or to being newly in the refinance. Kevin responded that impact from the refinance is not yet apparent, and he needed to draw on the line of credit more than expected. June will bring another hit with payment of redemptions. Accounts payable have been higher this month due to upfront purchasing in a new program from NCG, and over-ordering due to perpetual inventory's automatic ordering system. Kevin is working with staff and the program to resolve this. The board asked when Kevin expects to see improvement in the debt-to-equity ratio. He responded that he is hoping for a strong month to bring improvement. Discussion ensued and an appraisal was suggested which could improve the ratio. Jen responded that since there is no longer a loan covenant and the Co-op currently has cash on hand, due diligence has been done and the ratio is fine for now. Kevin reported compliance with B4. **Jen moved to approve the GM Monitoring Report B4. Jenny seconded the motion. The motion unanimously carries.**

#### Board Monitoring

C4 Board Meetings – Jo presented her report noting that last year's bylaw changes significantly improved compliance with C4. The board complimented Jo on her clear and concise report. **Jen moved to approve the C4 monitoring report as in compliance. Aaron seconded the motion. The motion unanimously carries.**

Board of Director's Handbook – Jo proposed that the relic board handbook be replaced with a 1- or 2-page sheet with board-specific information and links to information in other places, eliminating redundancies. The board agreed that Jo should proceed with reworking the handbook. She will circulate a draft to the board prior to the Annual Meeting.

Annual Meeting Date – **The board set the Annual Meeting date to precede the monthly meeting on Thursday, September 22, 2022 by consensus.** Ballots and e-ballots will be circulated on September 6, 2022. Deborah explained policy noting that the Annual Meeting date announcement must be circulated 60 days prior to the meeting, however, petitions to appear on the ballot are due by the 60-day window. Deborah suggested that a save-the-date announcement to owners should be released 90 days prior to the meeting, around the June BOD meeting, allowing for petitions to be submitted in time. Deborah and Jo will provide announcement text to Kevin including instructions for the petition process. Kevin will ask Kipp for graphics. Aaron noted that the COVID situation should be assessed earlier than last year. Diane and Jenny will discuss the Annual Meeting format, hospitality, and COVID-related protocol.

Finance Committee Update – Jen reported on an impromptu Finance Committee meeting the previous week. Kevin drafted a letter to the owners regarding investment redemptions. The committee discussed whether to give owners opportunity to leave their investment in the Co-op. While this would enable the investment to stay in equity, the owner could call back the investment at any time, creating potential for administrative headaches and reputation risk. The board would be required to approve every redemption request. The committee decided against this option, but chose to give owners the option to, a) redeem their investment or b) turn their investment into a donation to the Co-op after receiving their check. Logistics of the redemption were discussed, including whether to send the check with the letter. Jeff Spaulding has been

consulted to ensure that protocol follows the articles. The committee is awaiting a response from Jeff regarding whether certificates must be exchanged in person. \$72,100 are due in redemptions.

Strategic Leadership Committee – Jenny gave update on the committee noting that they are working on identifying long-term goals for the Co-op. The committee focused on topics for community education touching on bulk buying, participation in democratic processes and aspects which set the Co-op apart from other local shopping options. She shared that Jennifer Coolidge is heading a food access program for owners, offering 10% off for families qualifying for SNAP benefits. Kevin will look into newspaper coverage through Penobscot Bay Press announcing the new program. The committee noted that some local papers have been slow to publish Co-op news in the past. The committee continues to work on strategic leadership planning with Art Sherwood of Columinate.

### Agenda

GM Report

Finance Committee

Save the Date - Annual Meeting.

Board of Director's Handbook – Jo

C5 Director's Code of Conduct – Tim

Bylaw Review Regarding Member Equity Transfer – Jo

Board Development - Deborah

Meeting Evaluation: “Fine oiled machine!” The Belfast Co-op Board praised the Blue Hill Board for an efficient and well-run meeting. Discussion ensued regarding Blue Hill's journey to efficient meetings. The Blue Hill Board inquired regarding Belfast's experience with e-voting. The response was positive, citing that the quorum was reached and participation in the election was high. Belfast invited Blue Hill to their virtual board meeting on June 16, 2022.

Meeting Adjourned: 7:22

Executive Session: Review names for board candidates.

Closed Executive Session 7:40

Reconvened Open Session 7:40

**Decisions: Jo moved to appoint Anne Gilchrist to Cheryl's seat; Diane seconded the motion. The motion unanimously carries. Diane will serve as mentor.**

**Jo moved to nominate Annie Silver for the 2-year position opening when Diane vacates her seat; Deborah seconded the motion. The motion unanimously carries.**

Due Date for the Board Packet: Items for the Board Packet will be due on Thursday, June 16, 2022.

Next Board Meeting: Thursday, June 23, 2022, 6:00-7:30 PM, Blue Hill Co-op, Café.

Minutes respectfully submitted by Julia Klein