

Blue Hill Co-op Board Meeting

October 15, 2019, Blue Hill Co-op Cafe

Board Members Attending: Susan Snider, Deborah Evans, Mia Strong, Tim Tunney, Jerome Lawther, Aaron Dority, Diane Bianco, Martha Shepherd (Staff Position)

Absent Board Member(s): Jim Picariello, Edie Dunham

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

Julia Klein, minute taker

Mia Strong, meeting facilitator, timekeeper

Jerome Lawther, tasks and decisions

Approval of Minutes: **Aaron moved to approve the September 19, 2019 Board Meeting Minutes with revisions. Jerome seconded the motion. The motion unanimously carries.**

Open Owner Time: Martha shared her feelings of discouragement after the last board meeting at much of the criticism raised by the board. She felt that the hard work of the staff during relocation and its pricing problems and other layers of difficulties was greatly under appreciated. She expressed disappointment over criticism of the Café whose staff were obliged to work in an unfinished kitchen and at times cook in the old store and transport food. She also noted discouragement over the inconsistent meeting attendance of the board members who had criticized most vigorously. Finally, Martha voiced frustration that as the staff board member she is compensated less for board work than other directors. She expressed her feelings that she may not be able to continue as the staff director.

The board responded to Martha's concerns with various comments focusing on the need to improve respectfulness of communication during meetings, but also that the board meetings are the only place concerns from directors and investors can be appropriately voiced and addressed. The board voiced unanimous appreciation for the work of Martha and the staff. They noted that they are in the process of shifting focus from relocation to improving operations.

GM Monitoring: Mia is waiting to hear back from the Belfast Co-op on relocation consultation meeting plans. Mia sent information regarding financial training with Columinate to regional Co-ops. Vote counts will be complete in the next week and new directors will attend the November meeting. Board officers will be to be elected. Mia will update the orientation packet.

The board reviewed the GM financial monitoring report. Kevin explained the Co-op's new UNFI buying club program and closure of the previous program. The buying club will be reintroduced through the newsletter and other literature. Jennifer Coolidge will make updates. Forms will be online, and a password will be available to UNFI buying club members. Forms are also available at the customer service desk and registers. The catalogue can be read online. Standard members will receive 15% off retail across the store and supplements will be 25% off for Co-op members. Kevin noted that the Blue Hill Co-op is the most generous with discounts in the state of Maine. Usability and accessibility will be the focus for improvement. Mia requested an online ordering option.

Kevin passed along encouragement from a UNFI rep saying that it takes an average of 5 years to get a new co-op running well and Blue Hill is doing great! Numbers continue to look good. Regarding solar, the USDA reop grant application for \$20,000 was finalized and accepted. Kevin hopes to finish the installation this year to retain eligibility for the 35% tax incentive. The down payment was made today with a generous grant. The 13th requisition was made, and the remainder of billing is primarily architectural. Kevin explained requisition bills. Landscaping invoicing is complete but will be billed in the spring. Electrical work is needed to fully enable cooler monitoring capability through cellular and to solve connectivity issues. Several customers have fallen off the sidewalk. Color changes are being implemented to improve visibility. The total loan amount looks to be around \$3,965,000. \$115,000 in available funds may not be needed!

The board responded with questions and comments. Deborah raised concern about curbing and direction of traffic in the parking lot and increased difficulty with ice and snow. Mia noted that in the summer RVs parked in the entrance and suggested developing a solution for next summer. Cart corrals are waiting to be assembled and will be installed for winter.

Kevin is conducting interviews for the Café and has 4 strong candidates. He's had difficulty establishing a budget for the position and needs to draft next year's store budget to determine compensation. He is considering an incentivized position based on performance. Job applications continue to come in. One grocery stocker and at least 3 café staff are still needed. Kevin presented and explained his key indicator dashboard and took clarifying questions. The board loved the dashboard. Kevin reported that cozying the Café is underway.

Board Development Update – Jerome reported on ballot counting plans to be finished in the next couple of weeks. Edie will pull together the counting team. Martha and Jerome will help. Mia will connect with Eileen and Edie. Susan and Mia are available if needed. Jennifer will provide a list of active members.

Policy D1 – Unity of Control. Tim read the policy. **After discussion the board and Kevin agreed that the board is in compliance with D1.**

Policy D4 – Tim read the policy. Discussion ensued regarding bringing the board into compliance with D4 after suspending policy governance for relocation. Tim suggested the idea of a 3rd party audit to ensure that adequate controls are in place to check for inefficiencies. Tim will review policy for a monitoring

report describing separation of duties in financial responsibility. **The board determined that they are in compliance with D4.**

GM Performance – Susan briefed the board on the matrix she and Diane created for GM Monitoring. She explained that it is both a document and a process and emphasized the importance of having different directors monitor each year to avoid bias. Aaron and Mia volunteered this year. Susan will forward the matrix. Discussion ensued regarding Kevin’s hire and contract dates and whether a contract is needed. **The Susan moved to extend Kevin’s contract to renew in April after review in March. Jerome seconded the motion. The motion unanimously carries.** The board will decide when to begin the review process after receiving the matrix from Susan.

Board Training – Tim reported that Columinate’s financial series is more comprehensive than information he can provide. The board discussed enrollment in the series and reviewed details. Mia will clarify pricing and program availability. The board felt that \$7,000 is likely a worthwhile investment. The Co-op may collaborate with other Co-ops to share the cost. Kevin is sending 3 staff to the Portland Co-op for margins training.

Annual Meeting –Susan reported on the Annual Meeting, highlighting that it was great to be in the new Co-op! She wished café food could have been highlighted as well. Around 50 owners attended. The board agreed that the food, organized by Susan and Diane, was excellent. Susan went on to stress that board members should fully participate in all important events and communicate prior to the event. Kevin echoed her requests for full board response to emails. Owners comments at the meeting were only congratulations with no criticism raised! Deborah Hawkins representative from the Co-operative Fund of New England offered very positive comments. Kevin questioned whether the Annual Meeting should be with Kevin or with the board and who should write the reports. He asked that this be clarified before the next annual meeting.

Agenda:

New Board Members/Ballot Results (Aaron will mentor Jennifer Traub, Susan will mentor Paul McNulty)

Officer Election

Policy Governance

Meeting Evaluation: Important!

Executive Session: Staff board member compensation was discussed.

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday, November 2, 2019.

Next Meeting: Tuesday, November 12, 2019 5:30-9:00 PM, Blue Hill Co-op, Cafe.

Minutes respectfully submitted by Julia Klein