

Blue Hill Co-op Annual Meeting and Board Meeting
September 23, 2021, Blue Hill Co-op Cafe

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

Absent Board Member(s):

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager), Jennifer Coolidge (Ownership and Events Coordinator), Chris Linder (CFNE). George Cain, Deborah Wiggs, Claire Mortimer, Howard Evans, John Lawrence Busch, Robin Busch, Joseph Hudgins, Kate Harris, Steve Benson, Alison Miner, Diane Messer, Linda San, Josephine, (Owners).

Julia Klein, minute taker

Diane Bianco, meeting facilitator, timekeeper

Jerome Lawther, tasks and decisions

Annual Meeting: Diane opened the meeting stating that she is proud of the Co-op staff's hard work through the difficult 2020 year! She went on to thank management and fellow board members. Diane recognized resigned board members Susan Snider, Edie Dunham, Jim Picariello, and Martha Shepherd for their many years of service to the board. She welcomed new board members Cheryl Boulet, Jo Barrett, and Jenny Brillhart. She ended by praising Kevin for his leadership through 2020!

Kevin opened his speech stating that 2020 was the most stressful year he's seen in his 20 years working in the grocery sector, however, the Co-op has seen outstanding growth. He recounted that Covid 19 hit only 7 months into operation in the new store. Without time to adjust, the store experienced 90% growth from panic buying in March 2020 and a 10-day closure with staff filling grocery carts for curbside pick-up. Kevin worked with Stan to launch online shopping through WebCart which sustained the Co-op through uncertainty. The program has been streamlined and is now run by only 2 staff members! With many Co-ops struggling around the country, Kevin cited his dedicated staff and community as the reasons the Blue Hill Co-op came out ahead in 2020.

Board treasurer Tim Tunney gave a financial overview noting the sharp increase in sales and expenses in the new store. He stated that all trends are in a favorable direction and shared that the Co-op is currently pursuing a refinance with the hope that they will be in a better position to pay dividends.

An owner raised concern about empty shelves and supply shortages. Kevin responded that this is a national concern driven by lack of employees. Kevin has replaced UNFI items with Maine-grown/produced items when possible.

Joseph Hudgins asked about the break-even number that would allow for the Co-op to self-sustain through the slow months. Kevin responded that the Co-op typically relies on summer cashflow and its line of credit (LOC) to sustain the Co-op through less active months. In 2021, the Co-op used less of its LOC than the previous year and paid it back sooner; if this trend

continues, the Co-op may be able to operate through the winter without drawing from its LOC. The committee can work on finding the exact number.

Jennifer Coolidge gave an ownership update highlighting the Blue Hill Co-op's resiliency and growth when many Co-ops are struggling. She shared that some owners have expressed that the Co-op is the only place they feel safe shopping. 2020 saw 385 new owners with many becoming fully vested. An owner asked when music and entertainment will return to the Co-op. Jennifer responded that this is a possibility when it can be done safely outside. She is exploring online education options for owners to share their many skills with the community.

Open Owner Time: Deborah Wiggs raised concern about the amount of plastic waste the Co-op is generating stating that the volume of plastic and tin foil served with food has deterred her from eating at the Café. She suggested creating a group to address the issue. Kevin recommended that the group work as an offshoot of the Strategic Planning Committee. Diane Messer noted that the Co-op should be a leader in the community in reducing waste. Deborah Wiggs and Diane Messer expressed interest in getting involved and appreciation for the new committee.

Approval of Minutes: Deborah moved to approve the August 26, 2021, Board Meeting Minutes with clarifying edits. Jo seconded the motion. The motion unanimously carries.

Election Reporting – Deborah briefed the board on ballots received thus far noting that 155 were cast by mail and 46 in-store to date. Diane, Jen, and Jo volunteered for the final counting. The counting schedule will be determined, and results will be shared at the October meeting.

GM Monitoring:

B2 and quarterly B1 – Kevin reported on current finances noting that August sales were up 29% from last year and the Café was up 79% despite hiring challenges. Ratios from the middle of June through August are trending in a more favorable direction. Kevin has paid down the line of credit and placed \$160,000 into various savings accounts. Labor costs are down despite increased sales. August's cash position compares to 2020, however this year's growth was accomplished without PPP loan assistance. The bookkeeper is working on storing summer cash for the winter months to avoid using the line of credit. The board expressed concern over early store closures due to staff shortages. Kevin responded that September is showing around 15% growth over last year in spite of early closures and that he is hiring more staff.

Finance Committee – Tim shared that no Finance Committee meeting was held this month, but the Co-op has received responses from banks regarding the RFP. The deadline for responses is September 30th and decisions will be made by the end of October. Responses have been favorable, and the Co-op hopes for a new financial arrangement by early 2022. The Finance Committee will review options and make a recommendation to the board.

Board Monitoring

Multi-Year Plan/Strategic Plan Committee Charter – Jerome briefed the board regarding the committee's first meeting, noting that they identified several ways the Co-op is already involved in the community. Jerome and Jenny will craft the multi-year plan to be placed on the website.

The board suggested that the committee keep minutes of their discussions to be shared with the board. The committee will reach out to owners interested in working with them.

C8 – Governance Investment, D - Global Management Connection – Tim assessed that the Co-op is in compliance with C-8. Discussion ensued regarding interpretation. Tim also affirmed compliance with D. **Jo moved to accept Tim’s review of Policy C8 Governance and D. Deborah seconded the motion. The motion unanimously carries.** The board discussed a process for refining language in the Policy Register. **Jen moved to create a process for saving comments for review by an ad hoc committee in December 2022. Aaron seconded the motion. The motion unanimously carries.**

Agenda:

GM Report
Finance Committee
D1 Unity of Control
Board Budget
Election Results
Election of Officers

Meeting Evaluation: Efficient!

Due Date for the Board Packet: Items for the Board Packet will be due on Monday, October 18, 2021.

Next Board Meeting: Thursday, October 28, 2021, 6:30-8:30 PM, Blue Hill Co-op, Café.

Minutes respectfully submitted by Julia Klein