

**Blue Hill Co-op Board Meeting**  
February 28, 2017 Blue Hill Co-op Office

Board Members Attending: Jim Picariello, Mia Strong, Susan Snider, Edie Dunham, Jerome Lawther, Tim Tunney, Deborah Evans, Aaron Dority

Absent Board Member(s): unfilled (Staff Position), Diane Bianco

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

Julia Klein, minute taker

Jerome Lawther, task and decision keeper

Mia Strong, meeting facilitator, time keeper

Approval of Minutes: **Susan moved to approve the January 17, 2017 Board Meeting minutes with corrections to dates. Mia seconded the motion. The motion unanimously carries.** The November Minutes were corrected to include Deborah Evans as present.

**Time Open to Owners:** No owners were present.

GM Monitoring:

**B4 Membership Rights and Responsibilities:** The board discussed the policy asking Kevin his opinion of its wording and efficacy. Tim highlighted a formatting error. Mia will correct B4's format and email the policy to Susan. She mentioned her intention to eventually print corrected policy books for directors. **The board accepted Kevin's report as in compliance.**

**B7 Communication to the Board:** Mia took questions on the report. The board responded positively that the reports look good! Tim asked about the nature of GM reporting and the role the Board plays in evaluating reports. He invited Kevin to ask more of the Board in their evaluation. Mia commented that new policies may be created to satisfy needs. **The board accepted Kevin's report as in compliance.** Kevin noted that he let the new bookkeeper go due to lack of experience. Another bookkeeper with excellent qualifications will start on Thursday.

**Relocation Update:** Tim commented and the board concurred that the new relocation literature looks fabulous! Tim offered his assistance with USDA loans and such. Kevin reported that the Co-op has recently received lots of good press and positive comments as well as calls from people including 4 potential investors! Kevin is working to clear up confusion about investment deadlines and criteria.

**Relocation Committee Update:** Mia reported that the Capital Campaign Committee is waiting to start until a coordinator is hired. The board discussed the job description and brainstormed names. It was noted that the sign at the new property should be changed to 'Kevin Gadsby' as contact person.

**Financials** - Jim pointed out an impressive increase in sales to members from 50% of overall sales in the past to 76.5% today. Discussion followed concluding that there is great potential for growth in membership much of which is expected after relocation. Cashier, Carrie, will be training others in

member recruitment because she's fabulous. The board discussed financials which look the same or better than last year. Kevin will look into providing mason jars for bulk sales.

**Store Budget:** Kevin stated that he derived numbers for the budget from the pro forma and tweaked it for this year. He took questions and opened discussion. He mentioned that he has not yet looked into health insurance issues. He shared his plan to expand the Co-op's offering of Maine products versus national brands as he has seen direct sales increases in previous stores. He will be moving to monthly inventory adjustments for more accurate numbers. Discussion followed regarding waste and shrink. Tim voiced concern to see transparency with the IRS regarding 1099s for Director discounts. Kevin is finalizing appropriate paperwork. Mia suggested evaluating margins to ensure that the discount does not sap the Co-op in small margin departments. The Board Budget was discussed noting cost cuts in consulting.

#### Board Monitoring:

**C1 Governing Style:** After Edie read the policy, the board discussed compliance. The board determined that it is currently out of compliance due to the need to formulate an Ends Policy and to review and discuss the 10 Policy Governance Principles. The Principles will be discussed at the March meeting. Mia will email the policies to the board.

**Patronage Dividends:** Kevin reported that patronage dividend information has not been received from the accountant. Discussion was tabled for the March meeting.

**Board Development Update:** Edie presented the 2017 elections timeline stating that voting will take place during the month of May. Cara published election information in Bits and Bites. Timeline details were discussed and bylaws were reviewed. Edie will check with Allison Watters deadline specifics.

**Picnic Planning:** The Board confirmed their decision to book David's Folly Farm for Wednesday, July 19<sup>th</sup>. Deborah will contact Emma. After lengthy discussion regarding the nature of the event the board agreed that it should be a fundraiser organized by the Capital Campaign Committee. A customer appreciation annual picnic will be held in the fall.

**SEC Signatures:** Kevin circulated updated SEC paperwork needing director's signatures. Updates include new contact people etc. Kevin will email the paperwork to the Board for review. Some signatures were collected while other directors will sign after review.

#### Agenda for Next Meeting:

Board Training – Discussion

Board Development

GM Report

Policy Governance Principles Review

Patronage Dividends

**Executive Session: In Executive Session, the Board decided to form an ad hoc committee to discuss General Manager review and compensation.**

Meeting Evaluation: Giddy! Loud!

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday March 11, 2017.

Next Meeting: Tuesday, March 21, 2017 6:30- 9:00 PM Blue Hill Co-op Cafe.

Minutes respectfully submitted by Julia Klein