

**Blue Hill Co-op Board Meeting**  
January 19, 2016 Blue Hill Co-op Cafe

Board Members Attending: Mia Strong, Aaron Dority, Jim Picariello, Shawn Fowler (Staff Position), Jerome Lawther, Susan Snider, Edie Dunham

Absent Board Member(s): Diane Bianco

Others Attending: Mark Deeny (General Manager), Julia Klein (Minute Taker), Tom Reeve (Project Manager)

Julia Klein, minute taker

Edie Dunham, task and decision keeper

Jim Picariello, meeting facilitator, time keeper

Approval of Minutes: **The November 17, 2015 Minutes were approved with minor corrections.**

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

**Discussion**

GM Search Committee: After reviewing 9 GM candidates the Committee is focusing on 2 people. The possibility of an interim GM was discussed. Jim announced that he applied for the job but assured the Board that he wants whatever is best for the Co-op. Skype interviews will be held. Edie asked whether and how Mark is involved. He responded that he assisted in formulating interview questions and has shared his experience as GM. Mia explained the interview process. Hire is projected to be finished by early March.

Audit: The auditors came to observe the most recent inventory and have a copy of the Quickbooks file. They observed the bookkeeper for a half day. Bob Sullivan will show them his work when taxes are complete. Ellen Cleveland with McFarland & Veysey is the auditor. Taxes need to be filed on March 15<sup>th</sup>.

Generator: Mark made little to no progress on the generator project. He estimates a total cost of roughly \$30-40 thousand for purchase and installation. Discussion produced a general feeling that it's not worthwhile in the current location as it is immovable in relocation. Cheaper smaller options were suggested such as a freezer truck container. Mark hasn't figured out the insurance savings by having a generator.

GM Report: Mark gave the GM Report. 22 people attended the Solar talk. The state inspection was unremarkable with the exception of some unlabeled unpasteurized apple cider and a few cuts of meat labeled for farm sale only. \$500 to pay for Board training was received. Patronage dividend will be addressed in February. Mark reviewed the numbers stating that the store has recovered nicely and is up 4.1%.

Livable Wage: Mark explained several changes he'd like to make to the benefit package over the next couple of months. He proposed increasing starting wage to \$11 per hour yielding a take home wage of around \$1500/month. A few staff are due for an increase. Mark also wants to switch the insurance benefit to a monthly benefit stipend of around \$400. Lively discussion ensued. Upon doing the math Jim found that the stipend plus the \$11/hour equals around \$14 per hour livable wage. The Board agreed that careful thought should go PR and messaging regarding livable wage. Mark went on to state that employees don't get paid sick days and enough paid vacation. He recommended offering 2 weeks paid vacation plus several sick days. The current system in which employees earn vacation based on hours worked per week will be retained. Mark asked how to change the current perception of employment at the Co-op as temporary rather than a lifelong career. The estimated increase in benefits will cost around \$20,000. Mark has more numbers. Jerome recommended PR on the coming benefit increases.

Operation Budget: The Board expressed the general positive feeling toward an increase in benefits and starting wage. Relocation expenses have been removed from the operations budget but will be compared at the end of the year. **Eddie moved and the Board approved the Operating Budget draft.**

Board Training Priorities: The Board reviewed priorities for Board training in the coming year. Jim will pass around a survey ranking priorities in order of importance. Mia asked Mark to include the number of checks not cashed in next month's patronage dividend discussion.

Board Search Committee: Mia explained the Board's needs and who is needed to serve on the committee. Eddie will join the committee. Diane is up for reelection this year. Discussion turned to how many Board seats should be opened. Susan stressed the importance of bringing on strategic recruitments with good name recognition in the community. Aaron suggested expanding by 1 or 2 seats or basing expansion on who is available. Jim will tell Allison to look for 2ish candidates. Aaron suggested seeking lists of former Board members from other trusted institutions in the community. Eddie will obtain annual reports from Blue Hill organizations. Directors will review lists of current Owners and bring names to February's meeting for discussion. Candidates must be Owners since November 30<sup>th</sup> 2015. Mark will email current Owner lists to Directors.

Bylaw Change: The Board expressed the need to remove term limits from the bylaws. Discussion will be held at the February meeting. Directors will review the bylaws before next meeting. Making Board membership more enticing was mentioned.

## **Board Process**

Relocation Update: Aaron and Tom briefed the Board on current Relocation happenings. Tom has been getting up to speed and working on the pro forma, business plan and

budget. His plan is to raise \$1 million this year through the membership campaign and to bring as many members as possible to full equity. He is currently building connections with other organizations.

Tom reviewed the Relocation budget and took questions. He projected a budget of 6 million for the project factoring in the rise in cost of equipment as well as the full cost solar system. He is looking for grants to cover solar. The 2016 budget is primarily architecture and engineering costs in addition to the Project Manager and contractor costs. Tom will also be using the Co-op's Marketer. Tom informed the Board that the line of credit will begin to be used soon. The Board discussed a short term low interest rate 3 year loan from the Sewel foundation. Tom stated his intent to get equity funding this year and push education about owner funding through marketing. Tom is maintaining a blog "Relocation Report," writing once/ week. He congratulated the Co-op on completing substantial groundwork while remaining in the black. He stated the need to get the community behind the project. He will be working on raising investment capital this year and recommended changing language from fundraising to investments. He went on to review details of the offerings, put dates and dividend payments. **Jim moved and the Board approved the investment figures for the Relocation Board Report Draft as well as the 2016 Relocation Budget.** Aaron noted that the relocation budget package is approved.

Jim raised question as to whether large bills should be sent through the Finance Committee and noted that the Treasurer should sit on the Finance Committee. Aaron asked whether there is policy requiring 2 signatures on checks over a certain amount. The Board responded that the Treasurer should just get a copy or report. The Board Development Committee was urged to find well qualified Treasurer to review financial statements before they go to the Board. Further discussion will be held in the Relocation meeting. A CCMA conference in June was mentioned.

Agenda for Next Meeting:

Relocation  
SEC filing  
GM Report  
Board Training Priorities and Action Items  
GM Search  
Board Development  
Livable Wage Update, PR  
Bylaw Issues  
Patronage Dividends

Meeting Evaluation: Long but much was accomplished!

Due Date for the Board Packet: Items for the Board Packet will be due on Saturday February 6, 2016

Next Meeting: Tuesday February 16, 2016 6:30- 9:00 PM, Blue Hill Co-op Cafe.

Minutes respectfully submitted by Julia Klein