

Blue Hill Co-op Board Meeting - July
July 25, 2024, Blue Hill Co-op Café

Board Members Attending: Jo Barrett, Cheryl Boulet, Deborah Evans, Anne Gilchrist, Annie Silver, Jennifer Traub, Tim Tunney.

Absent Board Member(s): Jenny Brillhart, Aaron Dority.

Others Attending: Kevin Gadsby (General Manager).

Jennifer Traub, minute taker

Deborah Evans, meeting facilitator, timekeeper

Annie Silver, tasks and decisions

Meeting called to order at 6:02 PM.

Approval of Agenda

Anne moved to approve the agenda with changes. Jo seconded the motion. The motion unanimously carried.

Tasks and Decisions Check-In

- The SLP Committee did not yet review its plan but has set its next meeting for September.
- Jenny wrote a reply to the plastics article for the Co-op newsletter.
- Annual reports were submitted and annual meeting tasks completed.
- Jen will provide a Conflict of Interest form to Cheryl for signature. Board members will be asked at the next meeting to disclose any new potential conflicts.
- Kevin is reviewing the Co-op's use of the terms member vs. owner.
- Kevin will ask Wegner about tax implications if we don't qualify for ERC. Backing the ERC out of our 2023 financial statements should simplify any such issues.
- Kevin created the requested ballots, and Jo & Deborah tallied votes. Kudos were expressed to the Elections Committee.

Approval of Minutes

Cheryl moved to approve the May 23, 2024 BOD Minutes. Anne seconded the motion. The motion unanimously carried. Anne moved to approve the June 27 Annual Meeting minutes. Jo seconded the motion. The motion unanimously carried.

Open Owner Time

Jennifer Coolidge presented information about the Co-op's 50th anniversary celebration—also marking 5 years since relocation—spanning August 4-10. There will be samplings, new wall artwork, and a belly dance class during the week culminating in a festive day on Saturday, 8/10 that includes live music, Co-op storytelling, temporary tattoos, and arts & crafts. Jennifer requested Board involvement especially on Saturday. Participation could entail volunteering at a station and/or sharing a story about a Board member's relationship with the Co-op and how the Co-op serves the community.

Jennifer Coolidge also shared suggestions for the Annual Meeting: a microphone set-up to accommodate attendees with hearing impairment; a cookout to draw more attendance; and a Zoom option to make the meeting more accessible.

A couple of Board members raised the issue of items that are out of stock due to the Co-op's high sales volume. It was suggested Kevin consider asking the produce section to post local farm delivery days.

Greg Paulmier, an owner and organic blueberry farmer in Sedgwick, raised concerns about comments he purportedly hears from local community members regarding Co-op pay rates and long-term debt. He expressed challenges reaching the GM and Board leadership via phone several months ago to discuss refinancing. Jen noted that Kevin reported on wage increases and further plans at the Annual Meeting. She asked Kevin about the phone communication system, and he said the system is effective. Tim identified himself as Board Treasurer and Finance Committee chair to be kept in the loop regarding any financing conversations. **TASK: Kevin will follow up directly with Greg regarding his concerns.**

Board Monitoring

C6 Officers' Roles

Annie concluded we are in compliance with C6. She will suggest an update to 3a wording for consideration at our annual review of policy wording. **Jo moved to accept C6 as in compliance, and Anne seconded. The motion unanimously carried.**

GM Monitoring

B1 Financial Conditions. Kevin will prepare a budget-to-actual report for the next meeting. He highlighted the 13.5% YTD trend in sales, stating the Co-op started seeing typical August numbers in June and noting that the Co-op reached the milestone of a \$50,000 day in sales. The parking lot is regularly full, and department managers are challenged to keep up with demands. The number of owners is up, with 2,867 active owners as of the end of the quarter. Over 50% of owners are fully vested for the first time.

Other updates from Kevin included health insurance IRS documents he submitted asking to waive the 2020 penalty because the Co-op was not a large employer that year; a cafe consultant from NCG due to work with the cafe team in August; and organizational structure work Kevin is undertaking with Columinate, with a focus on updating job descriptions and pay scale for the core admin team. **Tim moved to accept B1 as in compliance, and Cheryl seconded. The motion unanimously carried.**

B5 Treatment of Customers. Kevin noted an uptick in usage of the comment box. Comments are coming in regularly and are overwhelmingly positive. Some comments are requests for particular

items. Kevin discovered more people are leaving reviews for the Co-op on Google. The average rating currently is 4.5.

Kevin plans to implement an NCG Customer Service program with survey in the coming months. Deborah shared appreciation for the cashier name tags.

Jo asked for an update on differentiating “local” from other Maine grown produce. Kevin is working on this topic, with a focus on figuring out how to define terms. He is looking at the Department of Agriculture and other definitions, which are inconsistent and tricky. For example, Maine uses the term local for products from the whole state. Should local be confined to the peninsula? To Hancock County? Jo volunteered to help Kevin with this process. **Jen moved to accept B5 as in compliance (with an update to the date), and Anne seconded. The motion unanimously carried.**

Finance Committee Update – Tim, Cheryl, Jen

Jen reviewed the most recent Finance Committee minutes.

Tim summarized that, with regard to investment redemptions, there are two vehicles. The Co-op may choose to redeem eligible investments, or investors can request redemption. The Finance Committee recommends honoring the \$25,000 redemption request submitted for the January-July review period. The Committee also has discussed the benefits to redeeming proactively all \$142,700 of currently eligible redemptions (inclusive of the \$25,000 requested). Based on the face value of the Co-op’s cash position, there are ample funds to satisfy this disbursement. However, the Committee would like to see Kevin run this scenario through the cash flow projection tool he has developed to ensure due diligence.

Tim moved to authorize redemption of the \$25,000 request, and Deborah seconded. The motion unanimously carried. Once the Committee and Board have an opportunity to review cash flow modeling, proactive redemption of the remaining eligible investments will be considered for authorization. This item will be revisited at the August meeting.

Election Results – Deborah, Jo

While results did not demonstrate the same growth as last year, there was a 17% return—more than 3x the minimum required. The lack of issues on the ballot may have contributed to less participation. Ten people voted on paper, and three of those unfortunately were unable to be counted, because they didn’t meet the basic criteria. The Committee feels owners have adopted electronic voting on the whole.

Aaron Dority, Jenny Brillhart, and Annie Silver were re-elected to another term. Jo expressed thanks to Kipp, Jennifer and other staff for all their help.

Anne made a motion to accept the election results, and Tim seconded. The motion unanimously carried. Jo will send the election results to Kipp for posting.

Anne commented that the meeting layout was better this year. However, attendance was low and did not fulfill the Board's hope that owners would come to meet candidates, since the voting deadline had been extended to accommodate that opportunity. Jen inquired about surveying owners on how to make participation more appealing.

Election of Officers

Cheryl moved to approve the current slate of officers for reelection, and Anne seconded. The motion unanimously carried.

Tasks & Decisions recap

Annie reviewed the Tasks & Decisions. Kevin will follow up with Julia to find out timing for her return to the minute-taking role.

Tim moved to adjourn at 7:34pm, and Anne seconded. The motion unanimously carried.

Due Date for the Board Packet: Items for the Board Packet will be due on Thursday, August 15, 2024.

Next Board Meeting: Board Meeting Thursday, August 22, 2024, 6:00pm, Blue Hill Co-op, Café.

Minutes submitted by Jennifer Traub