

Blue Hill Co-op Board Meeting
May 1, 2025, (April Meeting) Blue Hill Co-op Cafe

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

Absent Board Member(s): Jenny Brillhart

Others Attending: Julia Klein (Minute Taker), Kevin Gadsby (General Manager), Claire Mortimer (Owner).

Julia Klein, minute taker

Aaron Dority, meeting facilitator, timekeeper

Jennifer Traub, tasks and decisions

Meeting called to order at 6:05 PM

Approval of Agenda

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

Tasks and Decisions Check-In

- Kevin will issue a gift card refund to Claire for pick-up.
- Jen will put annual CMBA and CCMA training conference dates on the Board calendar.
- Kevin will invite Jeff Spaulding to bring edits and rationale to the May 22, 2025 board meeting for bylaws discussion and training.
- Aaron, Tim, and Kevin will prepare items for the Annual Report.
- The Finance Committee will determine remaining factors for decision-making on redemptions and investments.

Approval of Minutes **Deborah moved to approve the March 27, 2025 BOD Minutes with edits. Anne seconded the motion. The motion unanimously carried.**

Open Owner Time

Aaron invited Claire Mortimer to speak for 10 minutes. Claire shared her experience with illness in November 2024, and she alleged that her experience was the result of eating food purchased at the Co-op Cafe. As a result of her earlier comments on this matter, all board members and the GM are fully aware of her complaint. While no other customer filed a similar complaint at the time, and there was no way to definitively determine the cause of Claire's illness at the time, Kevin took the precaution last November to contact the local food inspector for guidance. The board reviewed Claire's letter. Kevin will issue a gift card to Claire and leave it at the front desk for pick-up. Cheryl noted that this issue would only be within the board purview if they felt that Kevin had handled it inappropriately. The board affirmed their support of Kevin's actions noting that Kevin addressed the complaint with due diligence and in a timely manner.

Household/Individual Ownership question - Jo shared Jennifer Coolidge's clarification regarding Co-op ownership that only the individual owner may vote or run for the board while their whole household may shop with their number.

Board Monitoring

C3 Agenda Planning – Annie presented her assessment that the board is in compliance with C3 highlighting the board’s use of the calendar and scheduling. She went on to note that board training is different than in the past, now being available anytime through Columinate. Several directors have participated in online training programs. **Anne moved that the board is in compliance with policy C3. Deborah seconded the motion. The motion unanimously carried.**

Discussion turned to whether the board should invest more time into training. Jo and Deborah noted that training by committee was beneficial for its specific focus. The board agreed that, per policy C3, board trainings should be established on the calendar at the beginning of the year. Kevin highlighted major yearly Co-op trainings around the country. Jennifer Coolidge will attend CCMA in Duluth this year. Jen will put CMBA and CCMA annual training dates on the Board Calendar. Anne recommended online courses, especially for new board members, noting that she benefited from Policy Governance and Finance trainings. Brainstorming continued. The board decided to ask Kevin to invite Jeff Spaulding to attend the May board meeting bringing bylaw edits and rationale for discussion and training. Kevin will book the library.

GM Monitoring

B1 Financial Conditions – Kevin took questions and noted recent changes. Cheryl asked about cost of goods sold. Kevin explained that 8 snow days in January and February 2025, which was greater than during the same period of the prior year, and several late openings or early closures impacted cost of goods and increased waste. Margins were squeezed with prices fluctuating faster than they were changed at the shelf. Jen asked about inventory now that perpetual inventory through the POS has been discontinued. Kevin responded that the last one went well with a pretty good transition. Cheryl asked about the café. Kevin responded that improvements have been seen since the beginning of the year, though a few employees have left. Summer restaurants and catering tend to pull employees away. Kevin analyzed wages from other Maine Co-ops and is considering a bonus for staying through the summer. He noted that management is good, that he has hired to reinforce key positions, and is looking for full-time employees. Eight employees have completed food safety trainings.

Kevin went on to share his research into wages noting that wages have been keeping pace with the increase in sales. Aaron asked how the Blue Hill Co-op’s wages compare to the industry. Kevin responded that wages have grown by \$715,000 and by \$4 per hour in recent years. Many positions in the store offer higher wages than other Maine Co-ops. The board urged Kevin to add this data to the annual report. Kevin commented that the Employee Retention Credit, ERC, with interest has drastically improved all metrics allowing for a relatively strong first quarter despite the dip in gross profit. **Jen moved that the board accept Kevin’s report on B1 as in compliance. Jo seconded the motion. The motion unanimously carried.**

Annual Meeting and Elections – Jo inquired whether board business should be included in the Annual Meeting. Jen checked the calendar and confirmed that no reports are scheduled for the June meeting. Jo noted that the petition period for owners to request to run for board seat has ended. Tim’s seat will be open, but he will continue to serve on the Finance Committee. The

board expressed their approval of the poster. Annual reports from the president, GM, treasurer, and Jennifer Coolidge are due June 1, 2025. Kevin will compile a year-in-review and Jennifer will share membership info. The board expressed satisfaction with last year's reports and recommended them as a model for this year, in addition to material from Kevin's recent Ends report. It was suggested that wages should be addressed at the beginning of the meeting. The board discussed the meeting format and Jennifer Coolidge's suggestion to use a microphone.

Finance Committee Update – Tim reported that the committee met on April 16 to discuss how to manage the ERC, investments, etc. **Tim moved that the board authorize Kevin to redeem all investments which have reached eligibility upon request. Deborah seconded the motion. The motion unanimously carried.** Jen noted that this is an interim move until the board is able to authorize Kevin to contact investors and offer redemption.

Discussion turned to the cashflow statement which forecasts \$1.4 million in cash through the end of the year after redeeming investments. The committee discussed strategies to maximize return on that cash. Kevin has contacted banks about placing the funds in a CD. A ladder CD offers the most return and allows for liquidity every 3 months. Kevin circulated details to the committee. The committee has more work to do to finalize use of the Cash Flow Tool in authorizing redemptions. Tim commented that since cash is available and forecasted to continue the board should pay investors whenever legally possible. Jen stated that the committee will return to the board with recommendations when the financial review by Wegner is finished. Review begins next week. Jo expressed her gratitude to Kevin and the Finance Committee commenting that their notes and reports help the rest of the board to make good decisions.

Agenda

C4 Board Meetings - Cheryl

C5 Directors Code of Conduct - Deborah

GM Monitoring Report - B4 Membership Rights and Responsibilities

Meeting Adjourned: 7:23 PM

Due Date for the Board Packet: Items for the Board Packet will be due on Thursday, May 15, 2025.

Next Board Meeting: Thursday, May 22, 2025, 6:00 Blue Hill Co-op, Café.

Minutes respectfully submitted by Julia Klein