

Blue Hill Co-op Board Meeting
May 22, 2025, Blue Hill Co-op Cafe

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

Absent Board Member(s): Jenny Brillhart, Jo Barrett, Cheryl Boulet.

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

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. Deborah seconded the motion. The motion unanimously carried.

Tasks and Decisions Check-In

- Kevin will invite Jeff Spaulding to the July board meeting.
- The Finance Committee will review Annual Meeting remarks and determine remaining factors for decision-making on redemptions and investments following the financial review.
- Kevin will look into procuring a microphone.
- Jen will schedule a Finance Committee meeting.

Approval of Minutes **Jen moved to approve the May 1, 2025 (April) BOD Minutes with edits. Annie seconded the motion. The motion unanimously carried.**

Open Owner Time

Jen commented that she reached out to Claire Mortimer offering to meet in-person but coordinating with Claire's schedule has been difficult. A refund is available at the cash register for Claire.

Board Monitoring

C4 Board Meetings – Aaron shared his review and assessment the board is in compliance with policy C4. **Tim moved to accept C4 as in compliance. Annie seconded the motion. The motion unanimously carried.** The board noted the switch from consensus to majority rule in decision making and commented that this has gone well and is never contentious.

C5 – Director's Code of Conduct – Deborah summarized the policy. She noted that the board is aware of potential conflicts of interest among directors and makes a good effort to avoid issues. **Anne moved to accept C5 as in compliance. Annie seconded the motion. The motion unanimously carried.**

GM Monitoring

B4 Membership Rights and Responsibilities – Kevin presented his report and took questions. A director asked whether Kevin has received requests for transfer of member equity. Kevin responded that a few requests have come, particularly in the case of a spouse passing away. Jen raised a question about the exception on patronage rebates as taxable income and the board discount. Kevin affirmed that the discount is considered income because of service to the board, and a 1099 is provided over a certain amount. **Jen moved that the board accept Kevin's report on B4 as in compliance. Anne seconded the motion. The motion unanimously carried.**

The debt-to-equity ratio is under 2 and within guidelines for the first time! This is primarily due to the ERC and will change as shares are redeemed. However, Kevin expects to put cash in reserves through the summer season. He noted that on a recent conference call with NCG they were ecstatic to see the financial shifts. Kevin explained that NCG provides conference calls quarterly with an hour of individual counsel. Tim asked whether these calls provide insight regarding other Maine co-ops. Kevin responded that they do not, but that the Blue Hill Co-op is in line with top-performing co-ops around the country. He went on to share that Maine co-ops constantly share information and compare notes.

Discussion turned to keeping the shelves full through the summer. A couple of night stockers have been hired to fill shelves for the morning. Deborah noted that the Co-op feels more full with options lately. Anne asked about the Café and Kevin responded that work continues.

Finance Committee – Tim shared that the tax return is completed and can be signed. He has begun to review the return but is still waiting for the financial review. He shared his assessment that the Co-op is in good financial standing and will likely have more taxable income next year.

Kevin approached four banks for rates on CDs and received good responses. He negotiated with Bar Harbor Bank for better rates to keep the Co-op's business with one bank. Because the CDs are over the FDIC limit, they were farmed out to participating banks so that funds are insured. He explained that ladder CDs mature every 3 months with a liquidity event for use without fees. Interest from the CDs will be taxable and reflected in taxes next year.

Annual Meeting – Deborah opened a discussion regarding the Annual Meeting highlighting that voting starts on June 10 or 11 this year. The voting window will last for 14-16 days around the Annual Meeting. Jennifer Coolidge has been keeping the email list up to date. Kipp has prepared the voting software. Presentations will be given by Tim, Aaron, and Kevin. Aaron will lead the meeting. The store will provide a microphone, and seating will be arranged for ease of hearing. Kevin will procure a microphone.

Discussion turned to meeting topics. The Finance Committee will meet prior to the Annual Meeting to clarify topics such as the investments, the ERC, and debt, and wages. Per the meeting with Audrey Griffin, Tim recommended sharing that the Co-op is on track with being able to offer Patronage Dividends as soon as financially feasible, and that giving back to the Owners is a priority for the board. The board discussed alerting owners to the probable bylaw change next year but agreed that changes should be more fully understood before sharing.

Meeting set-up was discussed, and directors were encouraged to come early to help. Food will begin at 5:30. Aaron volunteered to help. Jen will schedule a Finance Committee meeting. Aaron suggested conducting summer meetings, particularly the July meeting with Jeff, in the Library due to later summer shopping and noise.

Agenda

Annual Meeting – No Monitoring Reports Due

Recess to Executive Session: 6:50 PM

Executive Session - Personnel

Return to Open Session: 7:17 PM

Meeting Adjourned: 7:17 PM

Due Date for the Board Packet: Items for the Board Packet will be due on Thursday, June 19, 2025.

Next Board Meeting: Annual Meeting, Thursday, June 26, 2025, 5:30 -7:00 Blue Hill Co-op, Café.

Minutes respectfully submitted by Julia Klein