

Blue Hill Co-op Board Meeting

March 17, 2009 Blue Hill Public Library

Attending: Marianne Vandiver (facilitating), John Vincent, Chip Angell, Becky McCall, Deborah Wiggs, Erich Reed, Gail Bartlett, Karen Doherty (General Manager), Brian Loring (Front End Manager), Heather Albert-Knopp (minutes-taker).

Last Month's Meeting Minutes

Minutes of the February 2009 meeting were approved.

Open Member Time

Brian Loring reported that the co-op recently held a well-enjoyed staff potluck.

Reschedule April Meeting (Marianne)

The next Board meeting was re-scheduled to April 28, to avoid school vacation week. **Deborah will check on room availability at the library.** If the library is unavailable, another location will be selected.

Nominating Committee Mandate (Gail & John)

Gail and John submitted a proposal to change the name of the Nominating Committee to the Board Development Committee and enlarge its responsibilities.

Two changes to the language of the proposed committee mandate were suggested: 1) clarify that the committee is responsible for overseeing the election procedure, and ensuring that the process is implemented; 2) add language stating that this committee serves as a nominating committee, to ensure consistency with the by-laws. **John will make these changes.** The Board discussed the committee's procedure for nominating new members, particularly the interview process. Some Board members stressed the importance of having low barriers and multiple points of entry for people to join the Board (such as the petition process). Others emphasized the importance of the committee interview with prospective members, to help orient prospective members to the responsibilities of Board membership. **The proposal was approved, provided that the two suggested changes are made.**

Facilitation Follow-up (Marianne)

Steve Benson was approached to facilitate future Board meetings. **The group decided to hire Steve for a trial period to facilitate three meetings. Gail will talk with Steve to arrange details and payment.**

General Manager's Report

One Board member asked how Karen feels about the cash flow and whether the co-op has sufficient cash to get to July. Karen did not bring the information needed to answer the question, but felt that there is probably sufficient cash. **Karen will provide more detailed information about cash flow projections for between now and July to the Board, as soon as possible.** Staff discounts were reduced, but Karen explained that they could be reinstated in the future when the co-op meets sales growth targets. A board member suggested that, given the state of the economy, perhaps the co-op should look to

maintain its financial position rather than planning for sales growth in order to reinstate staff discounts (i.e. strive for profit rather than growth). One member asked about the co-op trends that Karen mentioned in her report (Feb sales down -7.4%, with about 6% of co-ops in the same range), specifically what percentage of co-ops have better sales figures than Blue Hill. Karen did not have the specific numbers, but estimated that most (approximately 90%) but not all co-ops did better than Blue Hill in February. The forum on owner discounts will be held on March 31.

Policy Monitoring Report

C4 Monitoring Report – Monitoring Management Performance (Gail)

This policy monitors the Board's systems for monitoring the GM's performance. New Board members were unaware of the baseline performance chart until this policy was monitored. Now that all members are aware of the chart, **C4 is in compliance. C4 Monitoring Report was accepted.** Gail proposed that the Board revisit this policy – it was developed in 1994, and now there is a new template version created by Cooperative Development Service. **The group agreed to revisit the language of policy C4 at next month's meeting.**

Date for Annual Meeting

The Annual Meeting was scheduled for Sunday, September 20, 2009.

Officer Transition

Gail offered her formal resignation as President of the Board, in order that a new President could begin work prior to the expiration of Gail's board term this summer. **Gail nominated Marianne to be President. Erich, Becky and Deborah seconded the nomination.** No additional nominations were offered. **Marianne was confirmed as President.** Marianne having vacated the Vice President position, **Marianne nominated Gail to be Vice President. Chip seconded the nomination.** No additional nominations were offered. **Gail was confirmed as Vice President.**

Discussion: Opportunities to Link

Owner Linkage and Forum

On March 31, the Co-op will host a forum about owner discounts, as the supporting member and senior member discounts will be removed as of April 1. Though this issue is operational, the Board discussed how they could assist with owner linkage. The discussion included: 1) Karen's vision of what the Board's participation could look like; 2) What the Board wants to communicate to owners about this issue; and 3) How will we do that?

The Board discussed some of the reasons for the change including: more income for the co-op; allowing the co-op to determine its profit before giving money back to owners; protecting owners' equity and protecting the business – using our money more cautiously; remaining viable; consistent with best practices – co-ops that succeed continue to invest in themselves before they give away profits as discounts; consistent with our ends statements – part of our purpose is to create a thriving business and place of employment; it's our best effort to promote the economic success of the owners. Other

important points to consider for communications to owners about this issue include: explanation of patronage dividend system; dividends are distributed based only on owner sales, not non-owner sales; this decision was not made because of the economic recession – the discussion began in 2007 when the co-op switched to a patronage dividend system; working member discounts are not on the table at this time; what's best for owners as individuals may not be the same as what's best for the co-op as a whole; our target is 1% net profit; there will be other benefits, such as in-store member-only specials, and a monthly discount coupon that owners can use on whatever day of the month they choose.

The Board discussed ways to communicate the reasons for this change to owners who do not attend the forum. **John will assist Karen with a sign for the cash register area, which will be circulated among the Board before it is finalized.** Cashiers should be informed. Information could also be posted to the website. Chip and Erich will be unable to attend the forum.

For Next Month's Meeting: Monitoring Reports (**Marianne will send out a proposal on which of the following should be monitored next month, which should be postponed**): B3 (Bob), D7 (Karen), A6 (Karen), B2 (Becky), B8 (Marianne); Review C4 policy language and new CDS version; **all should email Marianne with thoughts on a future discussion for how the Board can support local producers.**

Next Month's Meeting: Tuesday, April 28, 6:30 pm, location to be confirmed

Minutes Respectfully Submitted by Heather Albert-Knopp