

## Blue Hill Co-op Board Meeting

Tuesday, May 19, 2009 Blue Hill Public Library

Attending: Marianne Vandiver, Chip Angell, Erich Reed, Becky McCall, Deborah Wiggs, Gail Bartlett, John Vincent, Bob Sullivan, Karen Doherty (General Manager), Heather Albert-Knopp (Minutes taker), Steve Benson (Facilitator), Pheobe Phelps (considering running for a position on the Board), Bob St. Peter, Suzanne Coolidge, John Miller

### Last Month's Meeting Minutes

**The April minutes were approved.**

### Open Member Time

Bob St. Peter, John Miller and Suzanne Coolidge were present to speak during the time open to owners. Steve Benson clarified that this is a time for owners to share their thoughts – it is not a time for Board members to speak or respond. Bob St. Peter read a prepared statement in which he: 1) took responsibility for authoring a petition stating his concerns over a recent management layoff and treatment of staff by an outside consultant; and 2) stepped down as a member-owner of the Blue Hill Co-op. John Miller expressed his support for Bob's efforts and his disappointment that Bob was withdrawing from the co-op. He also shared concerns about the co-op's current direction and its practicing "corporation policies" rather than "good business practices," which would include keeping an eye on profit and resolving personality issues, instead of letting personalities and other interests get in the way. John encouraged the Board to look at other co-ops and businesses that are doing things differently, such as Forks in Ohio and Frontier Herbs. John also expressed his deep concern over the co-op's employee-management relationship, and encouraged the Board to look into this. John expressed concern that the Co-op's manager is making significant decisions about the direction of the Co-op that should be considered by the Board. He stated that with a co-op, responsibility should be shared and there should be checks and balances on power. John ended by expressing his appreciation for the Board and the hard work that they've been doing, and told them that there is more work to be done. Suzanne Coolidge said that it is an honor for her to be both an owner and an employee of the Co-op. She feels that the Co-op is doing an incredible job under difficult economic circumstances. She said the Co-op isn't perfect, but that she feels it is a very important place in the community and she hopes it continues to be. Bob, John and Suzanne chose not to stay for the rest of the meeting.

### Revisions to C4

Chip and John worked on revisions to policy C4, but they have not yet developed a proposal for consideration. **The Board moved this item forward to next month's meeting.**

### Board of Directors Budget

Bob shared the proposed Board of Directors budget for Fiscal Year 2010, which totals approximately \$14,564. If anyone on the Board is interested in attending CBLD

(Cooperative Board Leadership Development), which includes training for new Board members, this expense could fall under the “miscellaneous” category. One member asked whether the Board members’ working owner discount should be included in the budget. The Board discussed whether Board members should received a monthly stipend rather than a working owner discount. Several Board members expressed their support for the discount rather than a stipend for Board members. **Proposal to add an estimate of Board member discounts to the Board budget. The group agreed that Bob should add Board member discounts to the budget, and move the CCMA conference to the fourth quarter of the year, and bring the revised budget back to the Board. Karen and Bob will clarify what the D&O insurance covers. Bob will make sure that the Secretary gets a copy of the directors’ insurance policy.**

### GM Report

Karen encouraged the Board to consider regular quarterly owner forums. After discussion, the Board decided not to plan quarterly owner forums at this time, especially due to the fact that there will be significant Board member turnover this year. One Board member expressed strong desire to see the results of the customer survey by the June Board meeting. **Karen will check regularly to make sure the survey results are being tallied, and will make sure they are also interpreted in time for the June meeting.** One Board member mentioned that there was too much information about a specific staff member in the report – this type of personal information should be generalized in GM reports. Karen clarified that she is serving as the interim produce manager. Marianne has signed for the line of credit for the Co-op, but she will no longer be covered by insurance when she leaves the Board. The café co-managers are prepared to serve as interim GM’s if needed. Karen clarified that they would share the position, and that they will both plan to attend one or more Board meetings. One member asked about strategies to avoid another month of negative sales growth. Karen said that she is using several strategies including reducing inventory that doesn’t sell; using marketing strategies to drive sales; extending store hours; reducing labor; reducing health and dental benefits. One Board member expressed concern with Karen’s statement that she is over-worked, and asked about strategies for making her job easier. Perhaps monitoring reports could be assigned to other Board members, or the GM report could be shortened – less narrative, focus on financials. **Karen will consider this suggestion.**

### Monitoring Report – D1 – Financial Conditions

Karen has reported compliance with all parts of D1, with the exception of D1.7. Karen also asked for clarity: which accounts are considered to be restricted. The Board clarified that the savings account is not restricted, per a policy change at the December 2008 Board meeting. The two CD accounts are restricted. **John proposed that a board committee look into why accounts are restricted and have a discussion the issue. Erich agreed to work with John on this.** In the March profit & loss statement, inventory adjustments are still significant. Karen will begin estimating inventories between actual counts to have truer monthly statements. One Board member would like to have a short summary of important points in the report in the future – the current report has a lot of material to sort through. **The Monitoring Report was accepted as submitted. D1.7 is not in compliance.**

#### Monitoring Report – D4 – Staff Treatment

There was not a quorum of Board members prepared to discuss this report. Both D4 and A7 were submitted by the General Manager only several hours before the meeting which did not allow time for Board members to read.

#### Monitoring Report – A7 – Ends: Employment

There was not a quorum of Board members prepared to discuss this report.

**The Board agreed to meet in two weeks to review the monitoring reports for D4 and A7. There will be no addenda to the reports. The meeting will take place on Tuesday, June 2 at 6:30 pm, likely at the Community Health Alliance (CHA) building. Gail will facilitate. This will be a continuation of tonight's board meeting. Notice will be posted in the store.**

#### Board Leadership (Marianne/Gail)

Marianne is resigning from the Board, effective at the end of this meeting. Marianne expressed her gratitude for the Board's support for her choice. She emphasized that this is not a protest resignation, that it is due to personal conflicts and what it takes to be a responsible board member. **In the absence of a President, the Vice President (Gail) will be the acting president for the month until the next Board meeting. The Board Development Committee proposed that the Board look at the candidate pool over the next month, brainstorm options for Board candidates and officers and bring proposals to the next meeting.** Board members thanked Marianne for her service on the Board and for taking a leadership role, and several expressed hope that Marianne would consider joining the board in the future when her life allows.

#### Next Month's Meeting Agenda

C4 revision; Board Budget; Presentation from Board Development Committee policies to monitor: A2 and A5 Ends Policies; D3 – Karen (Asset Protection); Evaluation of the Board. Gail & Steve will work on the agenda for June. This month's meeting will be continued on June 2 at 6:30. Next month's meeting will be June 16 at 6:30 at the Blue Hill Library.

Minutes respectfully submitted by Heather Albert-Knopp