

Coop Board of Directors  
November 1, 2012

Members present: Matthew Kyer, Kathleen Krider, Bryan O'Hara, Alice Rubin, Stephanie Golaski, Joanne Todd, John Clark, Johnnie Walker, Chris Henderson

Minutes recorded by Roxana Mocanu

**Call to order** 7:18 pm

**Approve October meeting minutes:** Matthew made motion to approve, Stephanie seconded the motion, everyone voted in favor, motion passed

**Members speak out:**

- Matthew voiced a concern regarding the July meeting minutes, which were approved at the October meeting. Neither Stephanie nor Matthew can find a copy of the July minutes which were sent out by Kathleen. Kathleen to resend the July meeting minutes to Stephanie.
- Stephanie read out some of the comments written by Coop members/shoppers. One person asked why the meeting minutes were not posted right after the board meeting. Stephanie wrote a reply explaining that the meeting minutes will only be posted after they are approved at the following month's Board meeting. As a follow-up to this comment, Chris Henderson asked why the board meetings are being held in Coventry instead of Willimantic. Matthew explained that the Coop membership is wide-spread, and some of the venues which were used for the Board meetings in the past were not very comfortable. Matthew and Kathleen will write a short article in the Coop newsletter welcoming everyone to attend the monthly board meetings and explaining/clarifying when meeting minutes will be posted at the Coop.
- Shandra Craig has shown Stephanie how to electronically post the meeting minutes on the Coop's website. Matthew will forward the meeting minutes from the last year of board meetings to Stephanie, who will post them on the Coop's website.
- Another anonymous comment suggested that if Coop makes a profit at the end of the year, it should be used for staff bonuses and/or member dividends. Matthew made a motion to have this topic moved to the the "New Business" part of the meeting. Bryan seconded the motion, and all voted in favor.
- Alice made a motion to add to the agenda the topic of staff bonuses under the "New Business" section. Kathleen seconded, and all voted in favor.
- Kathleen made a motion to add Chris Henderson's talk on the "Windham Area Hour Exchange" to the agenda prior to "Old Business", Matthew seconded the motion, and all voted in favor.
- Chris Henderson gave a short overview of the "Windham Area Hour Exchange", and how the Coop and individual Coop staff and members might participate and benefit from the program. Kathleen suggested that Chris write an article about the "Windham Area Hour Exchange", to be published in the spring issue of the Coop newsletter. Alice agreed to meet with Chris to brainstorm ways in which the Coop could work with the Timebank.

## Old Business

- Kirk Begg to call a meeting (by phone) to discuss the Building Task Force update
- Bryan is working on the newsletter article, which will include a board update as well as farming news
- Annual retreat ideas:
  - Coop management

restructure: Alice announced that 2 new jobs were posted at the Coop. The first new job is for a produce manager, which was previously done by Shandra. The second new job is for a grocery manager, which was previously done by Bruce. Alice indicated that they are trying to hire/promote people from within the Coop staff before recruiting from outside the Coop. The goal of the restructure is to create better jobs and more opportunities for growth.
  - Working membership:

John indicated that Sasha Bajjo-Fournier and Kristin Fortier are working on specific working membership guidelines and will be creating a working member training/literature document. Stephanie will contact Patty Smith to add the working membership info on to the website.
  - Patronage rebates:

Joanne clarified that flat rebates are not allowed in the patronage rebate program, the amount of the rebate needs to be a function of the amount spent. She also indicated that patronage rebates can apply to both members and non-members. Matthew will leave the patronage rebate topic on the agenda for the Dec meeting.
- Equity and possible changes to our by-laws: Alice and Joanne have met to review the paperwork which needs to be filed with the state in order to have the by-laws officially changed. Alice has emailed the lawyer to help settle this matter and is waiting for a reply. Matthew will leave the topic of "Equity and possible changes to our by-laws" on the agenda for the Dec. meeting.

## New Business

- CBLD (Cooperative Board Leadership Development) membership discussion:
  - following October's board

meeting, Kathleen sent an email outlining her discussion with Thane Joyal and our options regarding CBLD membership. Prior to the November board meeting, Matthew sent out a copy of the CBLD contract the Coop is expected to sign for the next year. With the exception of Bryan, everyone feels that the Coop would benefit from maintaining/renewing the CBLD membership.
  - Bryan outlined his

concerns regarding the Coop's CBLD membership:
    - CBLD is for-profit
    - Bryan is skeptical

and cautious about allowing an outside organization to influence the Coop's decisions, and he would prefer getting guidance from within the Coop
    - Bryan believes that

the Coop has a strong management and a good vision for the future and doubts

the usefulness of CBLD membership considering the cost.

- Bryan was unsatisfied with Thane's performance at the annual meetings and disappointed by a poorly-written article in the Cooperative Grocer. One option is to renew the CBLD membership without having Thane as our consultant.
- Matthew voiced his opinion that the Coop's board membership changes over time, and the CBLD membership provides the Coop with some guidance/stability.
- Alice commented that she feels that there is potential for us to get something valuable out of the CBLD membership, but we need to determine how to best use this membership to our advantage.
- Kathleen suggested that we renew the CBLD contract and request a new consultant with a different area of expertise which would be more useful to the Coop, for example membership engagement.
- Matthew motioned that we sign a new CBLD contract with the understanding that we will change our consultant to better fit our current needs. Stephanie seconded, all voted in favor with the exception of John Clark who abstained.
- Alice will email Marc from CBLD to explain that our needs have changed and request a new consultant, and also request that we are credited for not having a consultant present at our retreat.
- Matthew to add to the December agenda a discussion of other areas where a CBLD consultant might be able to help us.
- Johnnie explained that he did not contact Thane to discuss his thoughts re. the possibility of obtaining 501(3)(C) status for the Coop because he would like to research this topic more in-depth before discussing it with a consultant. Kathleen encouraged Johnnie to use CBLD as a resource in the task of gathering information. Alice and Johnnie will continue to discuss the topic of whether the Coop would benefit from obtaining 501(3)(C) status. Matthew will add the topic of 501(3)(C) status to the Dec agenda.
- Possibility of investing on the Coop Fund of New England:
  - Joanne explained that the Coop currently has about 180,000\$ in retained earnings. Alice will need to retain a certain amount of capital in the bank, but the rest can be invested. She pointed out that the Coop Fund of NE is not insured, but feels that this is a relatively low risk, and there is potential to make more interest from this investment than by keeping the money in the bank. (She reminded everyone that in the past, the Coop had invested in a NE Coops fund, and that investment was lost.)
  - Alice pointed out that the Coop doesn't have a plan for future expansion and no near-future cash expenses. She plans to keep enough money available for staff bonuses and to fix and replace equipment as needed, and she will also maintain enough cash in the bank to minimize banking fees.
  - Joanne motioned to allow Alice to invest an amount up to 100,000\$ in the Coop Fund of NE. Matthew seconded the motion, all voted in favor with the exception of Alice and Johnnie, both of whom

- abstained.
  - Alice will put together a proposal for investment in the Coop Fund of NE and present it to the Board for approval. This will be a one-time investment, which will need to be revisited on a yearly basis.
    - Matthew and Joanne will review our financial governing policy (B.3) to include a provision for future investments.
- Staff bonuses:
  - The current document outlining the Coop's policy on staff bonuses might be outdated and will need to be reviewed. For now, this document is to be used for guidance only. This document stipulates that the first 5,000\$ of net income goes into the Coop's retained earnings, then 50% of the net income in excess of 5,000\$ will be used for staff bonuses.
  - Matthew to include updating the staff bonus policy on the Dec agenda
  - Alice is planning to use 36,000\$ for staff bonuses, which is equivalent to 3 week's pay, to be split up according to the # of hours worked by each staff member.
  - staff bonuses will be paid out in March
  - Joanne made a motion to document the Board's intention to pay staff bonuses. Stephanie seconded, all voted in favor with the exception of John and Alice, who both abstained. The amount of the bonuses won't be set until Feb 2013.
  - Joanne suggested that Alice speak to the CPA on further possibilities for spending and investment opportunities.
- Coop's Website:
  - Shandra Craig is training Patty Smith and Stephanie. Stephanie will upload all the board meeting minutes for the last year of meetings. Stephanie will also update the Board members' picture and bios.
- Board Budget: CBLD dues and some food (Alice)

### **Monitoring Reports:**

- reviewed monitoring report D.7 on Board committees. Matthew motioned that we are in compliance, Kathleen seconded, and all voted in favor.
- Financial Update: Alice reviewed the financial reports for the 3rd quarter. Matthew proposed a motion that Alice is in compliance with the financial reports. Stephanie seconded, and all voted in favor, with the exception of Alice, who abstained.

### **Store Update:**

- Alice indicated there is a 13% year-to-date growth, and 9.8% growth in October. She also mentioned that 663 new members joined the Coop so far this year. The application for NCGA membership has been submitted, we are awaiting a decision in January, but the benefits won't be in effect until May.

### **Board Calendar Review:**

- The WAIM walk for Warmth is scheduled for November 18. John Clark explained that the Coop will choose some food items and donate 25 cents of each purchase for the month of November to WAIM.

**Adjourn:** Joanne proposed a move to adjourn the meeting, Stephanie seconded the move, and all were in favor. Meeting adjourned at 9:20 pm.