

FINAL MEETING MINUTES, January 23, 2019

- Present: Tom Battles, Kevin Birdsey, Liz Blum, Bill Craig, Victoria Fullerton, Dana Cook Grossman, Ed Howes, Benoit Roisin, and Jessica Saturley-Hall
- Absent: Rosemary Fifield, Jessica Giordani, Ann Shriver Sargent
- Staff: Ed Fox (General Manager), April Harkness (Board Administrator), Lori Hildbrand (Director of Human Resources)
- Members: Emmanuel Ajavon (2019 Board Candidate) and Sherice McCarthy-Hill

Bill Craig called the meeting to order at 6:00 p.m. in the Board Room at the Hanover, NH, store.

Consent Agenda: December 19, 2018, Meeting Minutes (Appendix A) and December 2018 Share Redemption Requests

MOTION: Kevin Birdsey moved to accept the December 19, 2018, Meeting Minutes and the December 2018 Share Redemption Requests.

Ed Howes seconded the motion.

VOTED: 9 in favor, 0 opposed. The motion passed.

General Manager Report

Ed Fox said that FY2018 had a strong finish, with all locations other than the Community Market ending in the black. The books haven't been closed yet on 2018, but he said the bottom line appears to be at least \$150,000 to the good. He also added that the new Norwich Service Station opened on January 2 and has gotten off to an excellent start, with repair appointments now booking several days out.

Ed also pointed out a new chart, on page 17 of this month's board packet, indicating the reasons why people join the Co-op; the latest results showed 36% of new members joining for "Local Foods," 35% for "Discounts," 15% for "Sustainability Initiatives," 10% for "Ownership of a Cooperative Business," and 4% for "Classes."

The three major food access partners in the Co-op's Pennies for Change Program - LISTEN Community Services, the Haven, and Willing Hands — served hot chocolate in the Lebanon store recently, as a way of thanking members for their round-up contributions (which amounted to \$227,507 in 2018).

There has been no recent update on the Norwich Solar Technologies proposal for using the Norwich land that the Co-op owns.

The administrative offices of the Co-op will be moving from the Buck Road location to Holiday Drive in White River Junction, VT. The move will result in many benefits to the Co-op — including additional square footage (15,000 sf, up from 10,000 sf); ample training, community-gathering, conference, and member spaces on two floors within a single building; plenty of parking; and a combination of solar

and propane heating — all at a net savings of 30%. The location is also close to some of our community partners, including Twin Pines Housing Trust. The move will take place by June 30, and Ed said the news has been received well by employees.

Policy Monitoring

Monitoring Report: GP 2 – Board Deliverables

MOTION: Dana Cook Grossman moved to find the report on GP 2 – Board Deliverables as being in compliance.

Liz Blum seconded the motion.

VOTED: 8 in favor, 0 opposed, Victoria Fullerton abstained. The motion passed.

Member Comments

Sherice McCarthy-Hill introduced herself to the board as a potential 2019 board candidate. She's the director of payroll at Dartmouth College. Emmanuel Ajavon introduced himself as a declared 2019 board candidate. He runs the blood donor program at Dartmouth-Hitchcock Medical Center.

Engagement Project Presentation

The engagement project presentation will be rescheduled for a future board meeting, due to the illness of a key staff member. In the meantime, Ed Fox informed the board that the Co-op and Beth Saunders Consulting are submitting a joint proposal to do a presentation on the engagement project at the 2019 Consumer Cooperative Management Association conference in June.

New Business/Action Items

Establish a Diversity Committee

Liz Blum asked the board to consider establishing a Diversity Committee to continue work based on the new End 8 (*Everyone engaging with our business shall be included, welcomed, and appreciated, contributing toward more diversity, inclusivity, and equity in our Upper Valley community*). Liz explained that she envisioned the next steps being to establish a charter and develop a diversity statement.

MOTION: Benoit Roisin moved to establish a Diversity Committee.

Liz Blum seconded the motion.

DISCUSSION: Many board members spoke in support of this initiative, including supporting diversity in the Co-op's membership, acknowledging the Upper Valley's changing demographics, and incorporating information received during the recent diversity and inclusion trainings. Other board members expressed concerns about having this work be assigned to a committee, rather than to the full board and/or to the organization as a whole, as well as about stepping into Human Resources and General Manager duties.

MOTION: Tom Battles moved to table the motion until a charter has been proposed and circulated to the board.

Jessica Saturley-Hall seconded the motion.

VOTED: 7 in favor, 0 opposed, Liz Blum and Victoria Fullerton abstained. The motion passed.

Benoit Roisin offered to help write the charter.

Strategic Planning for the 2019 Business Plan

Ed Fox asked for board input into the strategic planning measures outlined in the 2019 Business Plan. This may include more member engagement initiatives, further diversification of operations, and development of ends and policies in support of any new strategic planning initiatives.

MOTION: Jessica Saturley-Hall moved to enable the General Manager to work with board members to develop a plan for a board member and senior management summit to discuss the strategic planning initiatives.

Liz Blum seconded the motion.

VOTED: 9 in favor, 0 opposed. The motion passed.

Ed Howes, Bill Craig, and Dana Cook Grossman expressed interest in participating in the initial discussions.

Minimum Wage Discussion

MOTION: Tom Battles moved to have the General Manager develop a plan to bring the minimum wage for Co-op employees to \$15 per hour.

Liz Blum seconded the motion.

DISCUSSION: Tom said that his support for the motion was based on End 6 (*There will be a major source of employment in the community that provides personal satisfaction to employees, livable wages and financial security for employees and their families*) and on the Co-op's recent advocacy work around workforce housing and wage fairness.

Other board members expressed concerns about the proposal, partly based on their role as fiduciaries for the organization and partly because of the impact that such a change could have on product pricing. The Human Resources Director and the General Manager explained that the Co-op has already begun to plan for gradual increases in the minimum wage offered to employees, across all locations, to reach a \$15.00 minimum wage in 2025. By doing this, the organization will continue to be in compliance with the Vermont minimum wage law. However, they added, implementing such an action in the short term would create a shortfall for the business that would need to be addressed by either cutting expenses or increasing sales.

Tom Battles withdrew his original motion and restated a new motion:

MOTION: Tom Battles moved to have the General Manager present the board with yearly scenarios, for one to four years hence, associated with implementing a \$15/hour minimum wage (including the need to raise wages for employees already at or just above \$15/hour) — including any expected financial shortfall.

Liz Blum seconded the motion.

VOTED: 8 in favor, Benoit Roisin opposed. The motion passed.

Confidentiality and Fiduciary Responsibilities

Jessica Saturley-Hall has been speaking with attorney Dan Luker regarding his making a presentation to the board on confidentiality and fiduciary responsibilities. Before engaging him, however, she said that she'd like to confer with Co-op attorney Jeff Zellers regarding background on the issue.

MOTION: Kevin Birdsey moved to allow Jessica Saturley-Hall to talk with Jeff Zellers regarding background information on board confidentiality and fiduciary responsibilities.

Liz Blum seconded the motion.

Victoria Fullerton left the meeting at 7:45 p.m.

VOTED: 6 in favor, Ed Howes and Benoit Roisin opposed. The motion passed.

Committee Updates

Election Committee

Liz Blum said that so far there are four declared board candidates for five vacancies in 2019. The declaration deadline has been extended to January 31. Ed Howes said he intends to declare himself as a candidate but has not done so yet.

Governance Committee

Kevin Birdsey said that this month there were late responses to the GP 2 survey and so they were not included in the board packet. He encouraged board members to complete monitoring surveys on time. The committee is continuing work on Appendix 2 as it relates to board action on monitoring reports. Based on the recent training from the Governance Coach, it is apparent that this section needs further work. The draft Board Handbook will soon be available online for board member comment. The goal is to have the handbook ready for newly elected board members in the spring.

Waste Reduction Committee

Jessica Saturley-Hall is the new chair of this committee. The committee is working on a timeline for a board report on potentially banning single-use plastic bags. They will survey the membership as well as research the social, economic, and legislative impacts of such a ban. The informational report to the board will be submitted in March without recommendation.

Adjournment

MOTION: Benoit Roisin moved to adjourn at 8:00p.m.

Tom Battles seconded the motion.

VOTED: 8 in favor, 0 opposed. The motion passed.

Respectfully submitted,

April Harkness

Board Administrator

Dana Cook Grossman

Board Secretary