

FINAL MEETING MINUTES, October 25, 2017

Present: Anthony Roisman, Kevin Birdsey, Harrison Drinkwater, Ed Howes, William Craig, Elizabeth Blum, Benoit Roisin, Thomas Battles, Dana Cook Grossman, Victoria Fullerton, Don Kreis, Ann Shriver Sargent, Thomas Battles, Harrison Drinkwater

Staff: Ed Fox (General Manager), Mark Langlois (Director of Finance), Lori Hildbrand (Director of Human Resources), April Harkness (Board Administrator)

Bill Craig called the meeting to order at 6:00 p.m. in the Culinary Learning Center, Lebanon, NH, store.

Consent Agenda: September 27, 2017, Meeting Minutes (Appendix A) and October 2017 Share Redemption Requests

MOTION: Ed Howes moved to accept the September 27, 2017, meeting minutes.

Benoit Roisin seconded the motion.

VOTED: 10 in favor, 0 opposed, 2 abstained. The motion passed.

MOTION: Don Kreis moved to approve the October 2017 Share Redemption Requests.

Liz Blum seconded the motion.

VOTED: 12 in favor, 0 opposed. The motion passed.

General Manager Report

Ed Fox presented the General Manager (GM) report, including an update on health insurance claim costs and an account of the success of the Lebanon Store's 20th anniversary event. The staff is debriefing on the event and considering similar and different events at the other Co-op Food Store locations. It was noted that the 20% discount was the key factor in the success of the day. The Case Lot sale in October was another extremely successful event and was the first time the Co-op has done over \$250,000 in sales at the event.

The Board continued to discuss alternatives for achieving a more positive bottom line through increasing sales rather than through decreasing staff and other expenditures. The Co-op is also continuing to reorganize within our current staff and to not add or replace positions without due diligence (hiring smart). It was noted that the Co-op currently has 17 open positions, and that positions take an average of one month to fill, though with huge variation from one day to several months, depending on the skills required for a position. Another factor contributing to the challenges of hiring is the 2.2% unemployment rate in this area.

The Board asked whether ECRS is having an impact on increasing the ability of employees to do other things through increased efficiencies. Ed said the benefits are not quite fully realized as per the plan.

The Board noted that the modified **EL 2.5 Financial Condition and Performance** report put forth by the GM did indeed satisfy the Board's request that each area of shortfall within the financial report was fully addressed by the GM and consisted of action items that are being implemented now or will be over time. The Board feels assured that there is a plan for compliance.

Several board members spoke again about their concern over health-care costs and whether these high costs should be considered the new normal. The Co-op is continuing to compare our health insurance program with that of other organizations and is also planning to change our level of stop-loss coverage to help contain costs. Lori Hildbrand agreed with a suggestion by one Board member that the Co-op's current health insurance benefits are a significant factor that impacts employee satisfaction.

Ed asked that if the Board members have any specific comments on the draft Business Plan or the action items, to please set up a meeting through the Board Administrator.

Policy Monitoring

Monitoring Report: EL 2 – Financial Condition and Performance

MOTION: Benoit Roisin moved to accept *EL 2 – Financial Condition and Performance* as in compliance.

Don Kreis seconded the motion.

VOTED: 12 in favor, 0 opposed. The motion passed.

Monitoring Report: EL 14 – Cooperation Among Cooperatives

MOTION: Liz Blum moved to accept the *EL 14 – Cooperation Among Cooperatives* as in compliance.

Thomas Battles seconded the motion.

DISCUSSION: Don said that while the EL report may be in compliance, he wondered why there were not more examples of the many ways in which the Co-op is cooperating with other cooperatives. The GM stated that the report was prepared in consultation with the Co-op's attorney, who also was instrumental in drafting the newly revised EL language. Some members of the Board also expressed the hope that it will be possible to gain more clarity about what the Board and the organization are able to do (and should avoid doing) in this arena.

VOTED: 11 in favor, 1 abstained, 0 opposed. The motion passed.

GP 9 – Working with Neighboring Co-ops (Appendix C)

MOTION: Kevin Birdsey moved to accept the policy discussion as the monitoring.

Dana Grossman seconded the motion.

VOTED: 10 in favor, 2 abstained, 0 opposed. The motion passed.

Member Comments

Lynn Shad commended this Board on its ability to work together.

Committee Updates

Charitable Giving Task Force (Appendix D) – Benoit submitted recommendations for updating GP 8 – *The Hanover Cooperative Community Fund* and EL 9 – *Cooperative Giving Program* to better reflect the priority themes for giving outlined by the Board. Many board members had reservations on whether the Charitable Giving Task Force and the Pennies for Change Committee should be combined into one group and what the make-up of those groups should be. The general sense is that the groups should remain separate.

There was also continued discussion on further prioritizing giving around building capacity, rather than simply making donations. The Board reiterated the valuable relationships with our partner organizations and members' ability to trust where their donated money is going and how it is being spent. These are two key factors that continue to compel the Board's decisions around giving.

It was suggested that anyone who has further comments on the revisions to the policies and the EL regarding charitable giving submit those directly to Benoit for consideration. There was no action was taken at this time.

Election Committee (Appendix E) – Kevin presented the Recruitment One-sheet and the Candidate Application for board review. The Committee continues to refine the application, the length of the candidate statement, the questions that should or should not be answered and where the information will be made available. The Election Committee will meet again and incorporate comments and concerns.

Member Engagement/EL 5 – Treatment of Staff Committee

Victoria presented on the Committee's work on gathering additional detailed information on the Co-op's Employee Assistance Program (EAP) and the grievance procedure outlined in the Employee Handbook as well as other third-party alternatives, such as ombudsperson or Alternative Dispute Resolution (ADR) processes. Those processes include being independent, impartial, confidential and informal (not going through the formal channels of a grievance). This can be helpful if an employee does not want to speak to someone in the organization, is unsure how to, and/or needs suggestions or practice in doing so. The Committee will come back to the Board with costs and logistics for these third party alternatives and has no recommendations for the Board at this time.

In closing, Bill Craig informed the Board that Gallagher, Flynn & Co. will be doing the Board Audit on a one-year basis and that they are willing to talk to the Board about long-range strategic goals. It is not a usual component of an audit, but they can be engaged on this level and are available to do so. The Board Administrator will help schedule a meeting with the Board and the auditors.

Executive Session:

MOTION: Don Kreis moved to go into Executive Session at 8:52 p.m. to discuss a personnel matter. The General Manager, Director of Human Resources, Director of Finance and Board Administrator were asked to leave and the two employee board members were allowed to stay.

Dana Grossman seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

MOTION: Liz Blum moved to come out of Executive Session at 9:18 p.m.

Ann Shriver Sargent seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

MOTION: Kevin Birdsey moved to establish an Annual Meeting Task Force to include Don Kreis and Ann Shriver Sargent, who will be Chair.

Thomas Battles seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

MOTION: Kevin Birdsey moved to adjourn at 9:20 p.m.

Liz Blum seconded the motion.

VOTED: 10 in favor, 0 opposed. The motion passed.

Respectfully submitted,

April Harkness
Board Administrator

Dana Cook Grossman
Board Secretary