

MEETING MINUTES, September 25, 2019

Present: Emmanuel Ajavon, Tom Battles, Kevin Birdsey, Liz Blum, Rosemary Fifield, Victoria Fullerton, Jessica Giordani, Ed Howes, Benoit Roisin, Jessica Saturley-Hall, Ann Shriver Sargent and Allene Swienckowski

Employees: Amanda Charland (Director of Cooperative Engagement), Ed Fox (General Manager), April Harkness (Board Administrator), Lori Hildbrand (Director of Administrative Operations), Mark Langlois (Director of Finance)

Members: Terry Appleby

Guests: C.E. Pugh (CEO of National Co+op Grocers)

Rosemary Fifield called the meeting to order at 6:00 p.m. at the Co-op Resource Center, White River Jct., VT.

Announcements and Introductions

Rosemary introduced C.E. Pugh to the board and introductions ensued. She also announced that the board meeting is being recorded.

Agenda Approval

MOTION: Tom Battles moved to approve the agenda as written. Liz Blum seconded the motion.

DISCUSSION: Liz Blum asked to submit an addition to the agenda from the Diversity, Equity and Inclusion Committee and to discuss the agenda item after C.E. Pugh's presentation to accommodate Allene's need to leave the meeting around 7:00 p.m.

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

Action Items Review

The review of EL 5 – *Employee Experience* and EL 6 – *Compensation and Benefits* will be delayed until the November board meeting to allow for additional Governance Committee review. Kevin and Ann will work on EL 2 – *Financial Condition and Performance* and EL 3 – *Asset Protection* for November. EL 2 may have a smaller item for review in October, and Ann is hoping to amend the monitoring timeline proposal for November.

Consent Agenda: August 28, 2019, Meeting Minutes and August 2019 Share Redemption Requests

MOTION: Kevin Birdsey moved to accept the August 28, 2019, Meeting Minutes and the August 2019 Share Redemption Requests. Jessica Giordani seconded the motion.

DISCUSSION: Kevin requested to have the share redemptions chart put back into the board packet. This allows the board to track share redemptions and the "reasons why" category.

Amendment to the MOTION: Victoria Fullerton moved to amend the motion to have the August minutes reflect that *regardless of the opinion of the Board President, any non-employee board member may be elected to an Officer position and that there was an apology from the Board President.* Allene Swienckowski seconded the motion.

VOTED: 9 in favor, 0 opposed, 3 abstained (Tom Battles, Jessica Giordani and Jessica Saturley-Hall). The motion to amend passed.

Amendment to the MOTION: The Board President moved to include the full transcript of the email correspondence related to the Board Secretary role and that it be included as Appendix A of the August meeting minutes. Kevin Birdsey seconded the motion.

VOTED: 8 in favor, 4 opposed (Tom Battles, Liz Blum, Benoit Roisin and Allene Swienckowski). The motion to amend passed.

Amendment to the MOTION: Benoit Roisin moved to revise the wording in the Ends Committee Charter section to say that the Board President's suggested revisions were "withdrawn" rather than "rejected." Victoria Fullerton seconded the motion.

In addition, the following statement is to be removed from the August meeting minutes: *Most board members agree that committees are not created to make recommendations to the board, but rather to clarify options and implications for board decisions.*

VOTED: 9 in favor. 0 opposed. 1 abstained (who?). The motion to amend passed.

VOTE on Original MOTION to accept the Consent Agenda: 9 in favor, 0 opposed. 3 abstained (Emmanuel Ajavon, Tom Battles and Ann Shriver Sargent). The motion passed.

Member Comments

Jessica Saturley-Hall asked if board members are able to participate in the Co-op's customer survey. The answer is "yes"; however, board members are not eligible to use the 10% off coupon. She also said she hopes the Co-op will consider curbside pick-up sometime in the future, as shopping with two babies is challenging.

C.E. Pugh, National Co+op Grocers (NCG)

NCG, a certified B-Corp, is a second-tier cooperative of 148 food co-ops in 38 states with combined annual sales over \$2.1 billion and over 1.3 million consumer-owners.

C.E. discussed NCG's services, its new Ends policy, and the realities of grocery retail today, noting successes such as the Field Day Co-op Basics product line (low-priced grocery and household items) and industry challenges such as slow (1-2%) growth with rising costs and declining earnings. He suggested that Co-ops continue to stand up for issues important to our members and do a better job telling the story of our impact on the community.

Diversity Equity and Inclusion Committee proposal

Liz Blum, Chair of the DEI Committee, submitted a proposal for an event highlighting issues around migrant workers on Vermont dairy farms. She suggested partnering with other local agencies and having several speakers on the topic. There was discussion around whether or not the Annual Meeting would be a good venue.

MOTION: Tom Battles moved to authorize the committee to pursue the creation of the event. Victoria Fullerton seconded the motion.

VOTED: 10 in favor. 2 opposed (Tom Battles and Rosemary Fifield). The motion passed. The committee agreed to keep the board posted on progress.

Participation by Phone

MOTION: Liz Blum moved to allow Allene to participate in the remainder of the board meeting by phone. Ann Shriver Sargent seconded the motion.

VOTED: 11 in favor. 0 opposed. The motion passed. Allene Swienckowski left the meeting at 7:45 p.m.

Monitoring

Monitoring Report EL 7 – Communication and Counsel to the Board

MOTION: Benoit Roisin moved to assess EL 7 – Communication and Counsel to the Board report as demonstrating compliance. Tom Battles seconded the motion.

Ed Fox pointed out an error on page 10 under *Data* should read “succession” planning.

VOTED: 9 in favor. 0 opposed. 2 abstained (Ann Shriver Sargent and Jessica Saturley-Hall). The motion passed.

Governance Process

Ends Committee Charter

MOTION: Tom Battles moved to accept the Ends Committee Charter as written. Liz Blum seconded the motion.

VOTED: 10 in favor. 0 opposed. 1 abstained (Ann Shriver Sargent). The motion passed.

Ends Committee Members

MOTION: Tom Battles moved to accept the Ends Committee members as proposed. Liz Blum seconded the motion.

DISCUSSION: It was noted that Janet Couture’s job location is incorrect. She works at the Co-op’s Resource Center, not at the Hanover store.

VOTED: 10 in favor. 0 opposed. 1 abstained (Ann Shriver Sargent). The motion passed.

GP 3 – Governance Development (revision)

MOTION: Ed Howes moved to adopt the revisions to GP 3 – Governance Development. Benoit Roisin seconded the motion.

VOTED: 9 in favor, 1 opposed (Victoria Fullerton). 1 abstained (Ann Shriver Sargent). The motion passed.

GP 4 – Board Members’ Code of Conduct (revision)

MOTION: Ed Howes moved to adopt the revisions to GP 4 – Board Members’ Code of Conduct. Tom Battles seconded the motion.

DISCUSSION: The board discussed how to handle apparent policy violations and whether or not the subject should become a new separate governance policy. This was assigned to the Governance Committee.

VOTED: 8 in favor. 2 opposed (Liz Blum and Victoria Fullerton). 1 abstained (Ann Shriver Sargent). The motion passed.

GP 6 – Board Process for Recruitment and Continuity (revision)

MOTION: Tom Battles moved to adopt the revision to GP 6 – Board Process for Recruitment and Continuity. Ed Howes seconded the motion.

DISCUSSION: The word “insure” should be replaced with the word “ensure.”

VOTED: 10 in favor. 0 opposed. 1 abstained (Ann Shriver Sargent). The motion passed.

Governance Action Plan Review

The board reviewed tasks on the Governance Action Plan and made the following notes:

- EL 5 and EL 6 revisions are under review in Governance Committee and will be submitted to the board in October.
- Benoit signed up for an October board newsletter submission, but needs to be reminded of the topic.
- EL 7 revisions are under review in Governance Committee and will be submitted to the board in November.
- Ends Committee will meet and update the board in October.
- EL monitoring timeline will be submitted by Ann in November.
- Ed Howes is undertaking the monitoring of GP 9 – *Working with Neighboring Co-op’s* for the October board meeting and will be asking for input from the rest of the board.

Jessica Saturley-Hall left the board meeting at 8:15 p.m.

New Business

HCCF Community Project Grants

Tom Battles, Chair of the HCCF Advisory Committee, submitted 5 community project grants for board approval. The committee set aside \$2,500 for the Gerstenberger Scholarship and has extended the application deadline to October 16th.

MOTION: Liz Blum moved to accept the HCCF Advisory Committee recommendation to fully fund 5 community project grants in the amount of \$11,400. Ann Shriver Sargent seconded the motion.

Those projects are:

1. Grafton County Senior Citizens Council – supporting Meals on Wheels (\$2,500)
2. Good Neighbor Health Clinic – Veggie Voucher Program (\$1,400)
3. Vital Communities – Building Climate Resilience Farmer Coalition (\$2,500)
4. West Central Behavioral Health – InSHAPE – fitness and nutritional education (\$2,500)
5. Friends of Mascoma – Canaan Community Garden (\$2,500)

VOTED: 11 in favor. 0 opposed. The motion passed.

GM Monthly Update

Ed Fox updated the board on the Co-op's financial condition and highlighted the progress at the Norwich Service Center, predicting \$140,000 in losses by year end. This is different than the budget submitted, mostly due to events in the 1st quarter and two months of the 2nd quarter where circumstances beyond our control didn't allow us to be fully functional. However, since that period we've been experiencing exponential growth and realization. The center is fully staffed, they've had success with the 10% off coupon direct mailer, they're moving into their winterization campaign in a few weeks, and the LISTEN program is rolling out.

The Lebanon store is gearing up for Case Lot October 3-5, web cart online ordering will be up later this year, and the last vendor is being entered into ECRS.

Human Resources website analytics and a new post card seeking employees are in the works. New membership is rising. The customer survey is out, and response is strong.

The Business Plan will be submitted in mid to late October. A presentation to the board on the results of the employee survey will also be scheduled for October.

Ed reminded board members that he's open to meeting with them individually if they'd like to discuss these topics further.

Board Budget

The board budget, currently tracking to be over the budgeted amount of \$124,326, is expected to fall within the upper limit of 0.2% of last year's sales (\$149,307).

Adjournment

Motion to adjourn at 8:45 p.m.

Respectfully submitted,

April Harkness

Board Administrator

Emmanuel Ajavon

Board Secretary