

DRAFT MINUTES, January 25, 2017

- Present:** Anthony Roisman, William Craig, Kevin Birdsey, Harrison Drinkwater, Victoria Fullerton, Dana Grossman, Ed Howes, Elizabeth Blum, Sarah Blum, Benoit Roisin
- Absent:** Michael Bettmann
- Staff:** Ed Fox, General Manager, Paul Guidone, Director of Finance; April Harkness, Board Administrator
- Members:** Thomas Battles, Ann Shriver Sargent

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

Tony discussed the signing of the Vermont Liquor License Renewal forms and asked the Board members if they had been convicted or pled guilty to any criminal or motor vehicle offenses in any court of law in the last year and/or if they held any elective or appointive state, county, city, village or town office in Vermont. Liz Blum stated that she's a Lister for the town of Norwich with a term from 2014-2017. Directors were asked to email Tony and April with details if they met any of these criteria before he signs the renewal forms.

Tony also noted that there will only be 7 Board members available at the April Board meeting, due to the timing of elections. He encouraged all 7 Board members to attend that meeting, as well as suggested the option of moving April agenda items to February or March, to have a fuller Board available to make decisions.

Consent Agenda: December 21, 2016 Meeting Minutes, and January 2017 Share Redemption Request

DISCUSSION:

Dana made the motion to amend the minutes as written to include the acknowledgement that employee Board members were invited to participate in the Executive Session part of the Board meeting. The motion was amended.

MOTION: Liz Blum moved to accept the December 21, 2016 meeting minutes as amended.

Kevin Birdsey seconded the motion.

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

DISCUSSION:

It was noted that the "clean-up" numbers on the share redemption charts didn't match and Paul G. stated that it was because of the timing of the December meeting (falling on an earlier day in the month due to the holiday) that there were additional clean up numbers for this period. Ed Fox then suggested that the "reasons why" a member redeems their shares should not be attached to their name, in order to protect the privacy of communications. Paul G. offered to show the "reasons why" in a separate chart, below the listed members, for privacy and also to better reflect the reasons why redemptions occur over time. The Board agreed to this approach and the change will be reflected in the February meeting materials.

MOTION: Bill Craig moved to approve the January 2017 Share Redemption Request.

Dana Grossman seconded the motion.

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

Policy Monitoring (click [here](#) for link to the Co-op's Policies below)

EL 11 – Tobacco

MOTION: Dana Grossman moved to accept the EL 11 Tobacco monitoring report as in compliance.

Bill Craig seconded the motion.

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

Member Comments

Member and Board candidate, Tom Battles, stated that he appreciates the customer service at the Co-op and said the staff are very helpful in locating specific items at his request. Member and Board candidate, Ann Shriver Sargent, stated that she appreciates the responses from the Co-op to the suggestions that she leaves in the suggestion box. However, she's still wondering why the Co-op doesn't provide a bread slicer in all the stores, despite the cost. She also said that she's hoping to meet with individual Board members to talk about the role of the Board and learn more about committee work.

Committee Updates

Budget Committee

Benoit reviewed the revised HCCS Board of Directors Budget for Fiscal Year 2017 (Appendix B). There was considerable conversation about the proposed guidelines included in the packet as Addendum to Appendix B, regarding Board travel and participation in conferences, workshops, and trainings and the costs associated. Most Board members feel strongly that Director's should be able to participate in these events, but in light of the Co-op's budget deficit in FY16, the Board also feels strongly about staying within their budget cap. Discussion ensued about prioritizing new Board members and requiring full participation and a report upon return. In addition, bullet item #2 will reflect that no more than 6 Directors will attend the CCMA event, bullet item #7 will state that the final decision of the attendees will be decided by the Executive Committee. Benoit will edit the guidelines to include these items and present the revisions to the Board at the February meeting.

The Board also discussed the CDS consulting fees, which are a considerable portion of the annual Board budget, and the best use of the consultants. Ed Howes suggested some of these funds continue to be allocated to post-election new Board member training. Kevin, Dana and Liz all agree that this training is helpful, particularly with a young Board.

Nominating Committee

Bill Craig encouraged the Board candidates to begin looking at the variety of committees to decide which committees may be a good fit for them. Bill and April will assemble a list of current committees and circulate to the candidates.

Tony interjected to clarify the on-going discussion around Board email correspondence. Despite the concerns of the Co-op's IT Department and others, the majority of the Board members would like to remain using their preferred email accounts for Board and Co-op correspondence. Tony suggested two items;

1. All Board members set up an Auto-forward on their email platform, to automatically forward Co-op correspondence from their board.coopfoodstore.com accounts to their preferred email accounts.
2. All Board members set up a separate mailbox (if they would like) to flag Co-op board communication, separately from their other incoming mail.

Tony asked IT to send precise instructions and a list of correspondence that the Co-op currently disseminates (the Cooperator, email news blasts, product news, etc.).

Bill continued that the Co-op website is an ongoing project that needs a lot of work. He would also like to continue to improve the long-term effort of creating a database of those interested in Board candidacy as well as other members simply seeking Co-op involvement and opportunities to serve, such as through committee work.

The Nominating Committee is also working on revising the process of review, the scheduling and nominations process, and the shortening of the election period through bylaw changes in the coming years.

Retreat Committee

Harrison reminded the Board of the February 5th Retreat. Beth Saunders is asking the Board to think about "why we exist", and what is our vision of the Co-op. Ed Howes also suggests the Board think about how we can educate our members, how do we share our story and draw people back into our stores. Ed Fox encourages the Board to determine the message and allow the staff to create the tactics. Harrison agreed that the second part of the Retreat should include, not only "what do we need to know about our members", but "what do we need our members to know about the Co-op".

New Business:

Bylaw Amendments

DISCUSSION:

The Nominating Committee recommends the following amendments to correct two problems in bylaws concerning Board terms and elections.

1. Board Member Terms

At present, **Bylaw V, Section 1** says that Board members' terms expire at the Annual Meeting. That is typically the first weekend in April. However, the election continues for a month, and newly elected Board members can't be seated until the end of the following month. (The election ends after the April Board meeting, and new Board members must undergo background checks by the state liquor agencies.) This means that four or more Board seats are empty for two months every year. Given the year-round agenda of committee work and the possibility of a crisis requiring immediate action, the Co-op should not be without a full Board for two months.

The proposed amendment will make Board terms expire at the start of the first regular Board meeting following the election.

PROPOSED AMENDMENT (language to be replaced or removed in ~~strikeout~~, new language highlighted.)

V, SECTION 1

Composition of the Board. The governance of the Cooperative shall be vested in a Board of Directors, which shall consist of twelve (12) Members of the Cooperative, each of whom shall be at least 18 years of age. Directors shall be elected by the Membership during the voting held in connection with the Annual Meeting of the Cooperative. Directors shall serve three-year staggered terms so that, ~~at each Annual Meeting,~~ the regular terms of four Directors expire **at the start of the first regular Board meeting following each election.**

PROPOSED AMENDMENTS (language to be replaced or removed in ~~strikeout~~, new language highlighted.)

IV, SECTION 6

Board Candidacy. Any Member may seek to be a candidate for the Board of Directors by submitting ~~his or her name~~ and a statement of interests and qualifications to the ~~Nominating Committee~~ **Election Committee** pursuant to the schedule established by that Committee. ~~In addition, a Member may be nominated by petition signed by at least 50 Members of the Cooperative submitted to the Nominating Committee pursuant to the schedule established by that Committee.~~

VI, SECTION 7

~~Nominating Committee~~ **Election Committee**. There shall be ~~a Nominating Committee~~ **an Election Committee**, which shall ~~present a slate of candidates~~ **recruit and encourage candidates** to fill vacancies on the Board of Directors. ~~The slate shall include (1) those Members of the Cooperative deemed to be suitably qualified to serve on the Board, and (2) those Members of the Cooperative, not otherwise chosen by the Nominating Committee, who have submitted a petition signed by at least 50 Members of the Cooperative. The Nominating Committee shall identify as petition candidates in applicable election materials.~~ **The Election Committee will educate candidates about the responsibilities of Board service, and educate membership about candidates' qualifications. The Election Committee will not choose or prefer candidates.** ~~The Nominating Committee~~ **Election Committee** shall establish the schedule for ~~nominations~~ **elections** in a manner that provides a reasonable opportunity for eligible Members to seek election. The Board of Directors shall annually elect the Chair of the ~~Nominating Committee~~ **Election Committee** from among the Directors **serving non-expiring terms** and shall appoint additional persons to the Committee from among the Members of the Cooperative so that the Committee shall consist of **at least two Board members (including the Chair) and at least two non-Board members** ~~from among the Members of the Cooperative (at least one of whom shall not also be a Director), provided that the Committee shall consist of at least three individuals.~~

MOTION: Bill Craig moved to approve the Bylaw amendments as stated in the revisions above.

Dana Grossman seconded the motion.

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

MOTION: Liz Blum moved to include the revised Bylaw amendments on the ballot for the April 1st voting period ending April 30th, 2017.

Dana Grossman seconded the motion.

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

GM Successor

Ed Fox suggested that the Co-op have a designated replacement for General Manager in his absence. He will provide a list of recommendations to the Board on his successors, shall it become a need. This will become a report under EL 1.6, where the subject is already addressed.

Ledyard Loan Authorization

DISCUSSION:

Paul Guidone asked the Board, after reading the Ledyard Loan documents and approving the loan for the new ECRS perpetual inventory system at the December Board meeting, to authorize Ed Fox to sign the loan documents on behalf of the Co-op.

MOTION: Benoit Roisin moved to approve the authorization of the GM signature on the Ledyard Loan dated January 26, 2017.

Harrison Drinkwater seconded the motion.

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

CBL 101 Report

Ed Howes provided the Board with a report on the Cooperative Board Leadership (CBL) 101 workshop in Keene, NH. The Board agreed that this report is a great example of the kind of report they would like to see following the attendance of conferences.

Annual Meeting Committee

Liz Blum reported that the Annual Meeting will be April 1st, 2017 at the Listen Center in White River Junction and that as a recipient of the Co-op's Pennies for Change program, they are a great example of community partnership. The Committee will circulate a draft Agenda to the Board for their feedback.

Liz also informed the Board as representative to the Upper Valley Food Cooperative that they are considering a joint Board of Directors dinner sometime in the near future. She'll let the Board know the details.

Allen and Nan King Award

Kevin Birdsey reminded the Board that the King Award nomination forms are available and the deadline for submission is February 13th, 2017.

Update

Tony informed the Board that the legal matter that was discussed during the December Executive Session is being addressed. The Co-op has retained council and has delivered a letter to the Vermont Attorney General's office. He will keep the Board advised of any outcomes.

ADJOURNMENT:

Sarah Blum moved to adjourn at 8:20 p.m.

Liz Blum seconded the motion.

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

Respectfully submitted,

April Harkness
Board Administrator

Harrison Drinkwater
Board Secretary