

MEETING MINUTES, April 28, 2021  
Virtual Meeting via ZOOM

Present: Emmanuel Ajavon, Kevin Birdsey, Marta Ceroni, Nick Clark, Rosemary Fifield, Ed Howes, Manish Kumar, Peggy O'Neil and Jessica Saturley-Hall

Absent: Jessica Giordani

Employees: Amanda Charland (Director of Cooperative Engagement), Paul Guidone (General Manager), April Harkness (Governance & Community Engagement), Lori Hildbrand (Director of Administrative Operations), Mark Langlois (Director of Finance)

Members: Charlie Goldensher

2021 Board

Candidates: Jennifer Byrne, Orin Pacht

Jessica Saturley-Hall called the meeting to order at 5:15 p.m.

**Consent Agenda: March 24, 2021 Meeting Minutes, March 30, 2021 Special Meeting Minutes and March 2021 Share Redemption Requests**

**MOTION:** Rosemary Fifield moved to accept the Consent Agenda. Peggy O'Neil seconded the motion.

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

**Member Comments**

None.

**Monitoring**

**EL 2 Financial Condition & Performance**

General Manager, Paul Guidone, updated page 20 by replacing *January 2, 2021* with *April 3, 2021*.

**MOTION:** Ed Howes moved that EL 2 – Financial Condition & Performance provided a reasonable interpretation of the policy and sufficient evidence of compliance. Kevin Birdsey seconded the motion.

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

## **GP 4 – Board Members’ Code of Conduct**

Emmanuel Ajavon, the board member assigned to provide this monitoring report, noted several areas that needed improvement. The board noted these areas and agreed to work on them. (Please see full report in April 28, 2021 board packet for details). He also recommended the policy be sent to Governance Committee for review.

## **B-GM Global**

Peggy O’Neil, the board member assigned to provide this monitoring report, stated that the board appeared to be acting consistently with this policy.

## **B-GM 1 – Unity of Control**

Peggy O’Neil, the board member assigned to provide this monitoring report, stated that the board appeared to be acting consistently with this policy, with the exception of B-GM 1.1 and B-GM 1.2 where some board members indicated they were unsure.

## **GP Global**

Manish Kumar, the board member assigned to provide this monitoring report, stated that the board was split on whether improvement was needed on several of the sub-policies.

## **GP 1 – Governing Style**

Manish Kumar, the board member assigned to provide this monitoring report, stated that the board showed several areas where improvement is needed, particularly around spending more time on strategy and long-range direction. In addition, several board members stated a better job is needed in educating new board members about Policy Governance.

## **General Manager Report**

The General Manager updated the board on the Co-op’s partnership with Efficiency Vermont, an organization knowledgeable in the grocery industry and emission reduction. They indicated willingness to work with stakeholders, including the board, in developing shared language and goals for the Co-op.

In addition, due to COVID-19, there will be no case lot sale again this year, but rather case savings throughout the year. Producer’s Fair is also postponed for another year.

## **Board Planning**

### **2021 Election**

The board decided to hold a Special Meeting on Saturday, May 1, 2021 after the votes are tallied to confirm the election of the write-in candidate. The meeting will be posted online and start at 6 p.m.

### **Board Member Training**

All 2021/2022 board members are expected to participate in the upcoming Governance Coach trainings beginning in May and to complete the training prior to the May 26<sup>th</sup> board meeting.

### **Governance Coach Contract**

**MOTION:** Ed Howes moved to recommend the 86<sup>th</sup> Board of Directors renew the Governance Coach contract prior to July 1, 2021. Kevin Birdsey seconded the motion.

**VOTE:** 9 in favor. 0 opposed. The motion passed.

### **Allen & Nan King Award**

**MOTION:** Manish Kumar moved to identify Good Neighbor Health Clinic as the 2021 Allen and Nan King Award recipient based on the vote of the membership. Marta Ceroni seconded the motion.

**VOTE:** 9 in favor. 0 opposed. The motion passed.

### **Accept Audited Financials**

**MOTION:** Kevin Birdsey moved to accept the audited financials. Peggy O'Neil seconded the motion.

**VOTE:** 9 in favor. 0 opposed. The motion passed.

### **Audit Planning**

**MOTION:** Nick Clark moved to authorize Peggy O'Neil, Board Treasurer, to get a bid for the 2021 audit from Baker Newman Noyes prior to the May board meeting. Ed Howes seconded the motion.

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

### **2021 Election Retrospective**

The board acknowledged the need to be proactive year-round in finding and developing potential board candidates and noted the difficulties presented by the pandemic in connecting with interested individuals. The May meeting agenda will include additional discussion on this topic for the new board to address.

### **Upcoming Monitoring Reports**

Board member responsible for upcoming monitoring reports:

May: GP 7 – Monitoring Board Performance – Jessica Saturley-Hall

May: GP 8 – Cooperative Giving Programs – Marta Ceroni

June: GP 6 – Board Process for Recruitment and Continuity – Nick Clark

### **Governance Committee Update**

#### **Proposed GP – Board Member Policy Violations**

**MOTION:** Rosemary Fifield moved to accept the preliminary document offered in the board packet as the basis for creating a GP that addresses violation of Board Policy by a board member. Manish Kumar seconded the motion.

**VOTE:** 8 in favor. 1 opposed (Nick Clark). The motion passed.

#### **B-GM 4 Proposed Revision**

**MOTION:** Rosemary Fifield moved to accept B-GM 4 as revised. (See Appendix I). Nick Clark seconded the motion.

**VOTE:** 9 in favor. 0 opposed. The motion passed.

#### **EL Revisions**

**MOTION:** Nick Clark moved to rescind the current Executive Limitations and replace them with the new Executive Limitations as presented. (See Appendix II). Rosemary Fifield seconded the motion.

**VOTE:** 9 in favor. 0 opposed. The motion passed.

#### **Monitoring Calendar**

**MOTION:** Kevin Birdsey moved to accept the Monitoring Calendar as presented. (See Appendix III). Nick Clark seconded the motion.

**VOTE:** 9 in favor. 0 opposed. The motion passed.

Kevin Birdsey thanked the outgoing board members, Jessica Saturley-Hall, Ed Howes and Rosemary Fifield for their service.

#### **Adjournment**

The meeting adjourned at 8:00 p.m.

Respectfully submitted,

April Harkness  
Governance & Community Engagement

Rosemary Fifield  
Board Secretary

## Appendix I

### **B-GM 4 – Monitoring GM Performance**

Systematic and rigorous monitoring of General Manager performance will be solely against the only expected General Manager job outputs: organizational accomplishment of Board policies on Ends and organizational operation within the boundaries established in Board policies on Executive Limitations.

Accordingly,

- B-GM 4.1:** Monitoring is simply to determine the degree to which the Board policies are being met. Therefore, the General Manager shall define metrics to measure results, set standards, and provide data that show performance relative to those standards.
- B-GM 4.2:** The Board will acquire monitoring data by one or more of three methods:
- (a) by internal report, in which the General Manager discloses compliance information to the Board;
  - (b) by external report, in which an external, disinterested third party selected by the Board assesses compliance with board policies, and
  - (c) by direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.
- B-GM 4.3:** In every case, the standard for compliance shall be any reasonable General Manager interpretation of the Board policy being monitored.
- B-GM 4.4:** All policies that instruct the General Manager will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend upon a routine schedule.
- B-GM 4.5:** The Board will review the performance of the General Manager **at least** annually, based on a summary of the monitoring reports received during the previous calendar year.
- B-GM 4.5.1:** The anniversary date of the General Manager’s employment shall be the date used for annual performance review.
- B-GM 4.5.2:** The Board will complete its review and consider possible action with regard to the General Manager’s employment and/or adjustment to the General Manager’s compensation ~~no later than 1 March~~, **at the regular board meeting preceding the anniversary date of the General Manager’s employment.**
- B-GM 4.5.3:** A letter summarizing the review and possible adjustment to the employment and compensation rate of the General Manager will be prepared by the President, approved by the Board members in attendance at the regular ~~March Board Meeting, and hand delivered to the General Manager within two weeks following.~~ **board meeting immediately following the anniversary date of the General Manager’s employment, and hand delivered to the General Manager within two weeks thereof.**

**B-GM 4.5.4:** Any adjustment to the General Manager's compensation made during the annual performance review shall become effective on that year's anniversary date of the General Manager's employment.

## Appendix II

### **EL Global – Executive Limitations**

The General Manager (GM) shall not cause or allow any organizational practice, policy, activity, decision, or circumstance that is unlawful, imprudent, unethical, or inconsistent with cooperative principles and values or the organization's Ends.

#### **EL 1 – Finances**

The GM shall not cause or allow the long-term financial health of the organization to be jeopardized. Further, without limiting the scope of the foregoing by this enumeration, the GM shall not allow:

**EL 1.1:** Indebtedness or illiquidity that jeopardizes the ability of the organization to repay its current and long-term debts and meet its financial obligations to lenders, vendors, employees and tax authorities in a timely and efficient manner.

**EL 1.2:** Operations that generate inadequate net annual income.

**EL 1.3:** Compensation packages that are based on revenues that cannot be safely projected.

**EL 1.4:** Inadequate or irregular financial reporting to the Board that excludes an accurate balance sheet, statement of cash flows, net income statement, or such additional indices and reports as deemed useful in the discharge of Board's fiduciary responsibilities.

#### **EL 2 – Assets**

The GM shall not cause or allow assets to be unprotected, unreasonably risked, or inadequately maintained. Further, without limiting the scope of the foregoing by this enumeration, the GM shall not allow:

**EL 2.1:** Inadequate insurance coverage, including liability insurance for Board members.

**EL 2.2:** Inadequate maintenance, cleanliness, and security of premises and property.

**EL 2.3:** Inadequate protection of sensitive or proprietary information.

**EL 2.4:** The creation or purchase of any subsidiary corporation.

**EL 2.5:** Financial record-keeping systems that are inadequate or out of conformity with generally accepted accounting practices (GAAP).

### **EL 3 – Relationship to Employees**

The GM shall not cause or allow employees to be treated in any way that is discriminatory, unfair, unsafe, unclear, or otherwise interferes with their ability to perform their duties. Further, without limiting the scope of the foregoing by this enumeration, the GM shall not allow:

**EL 3.1:** Inadequate, inequitable, inconsistent, or inaccessible personnel policies.

**EL 3.2:** Inadequate or inequitable opportunities for employee development.

**EL 3.3:** Inadequate support for employees facing personal, professional, or systemic challenges.

**EL 3.4:** Retaliation against any employee for non-disruptive expression of dissent.

**EL 3.5:** Anyone other than the GM to authorize the parameters for employee discipline

**EL 3.6:** Anyone other than the GM to authorize termination of employment.

### **EL 4 – Relationship to the Board**

The GM shall not cause or allow her, his, or their relationship to the Board to deviate from that of employee-employer. Further, without limiting the scope of the foregoing by this enumeration, the GM shall not allow:

**EL 4.1:** Changes to her, his, or their own compensation package, except as those benefits that are consistent with a package for all other employees, without Board approval.

**EL 4.2:** Anyone under the GM's authority, including the GM, to attempt to unduly influence the Board or Board policies, or bias for or against individual Board members.

**EL 4.3:** Inadequate, inaccurate, untimely, or unclear reporting or presentation of:

- a) Monitoring data;
- b) Any actual or anticipated noncompliance with any policy of the Board;
- c) All items delegated to the GM yet required by law, regulation, or contract to be Board-approved;

- d) Direct evidence that the organization is not in compliance with any obligations that may trigger the personal legal liability of Board members;
- e) Relevant trends, public events, or internal and external changes that may be important to the Board; or,
- f) A multi-year business plan.

**EL 4.4:** Inadequate operational and administrative support to the Board.

## **EL 5 – Integrity**

The GM shall not cause or allow the long-term integrity of the organization to be undermined. Further, without limiting the scope of the foregoing by this enumeration, the GM shall not allow:

**EL 5.1:** Conflicts of interest.

**EL 5.2:** Damage to the organization's good will, public image, or credibility.

**EL 5.2.1:** Inadequate cooperation with other cooperatives.

**EL 5.2.2:** Operational conduct that may jeopardize any of the organization's giving programs.

**EL 5.3:** Products that are unreasonably dangerous to human health, including tobacco products, and the use of said products on property owned or leased by the organization except in designated areas where appropriate.

**EL 5.4:** Inadequate consideration for the diverse communities the organization serves.

**EL 5.5:** Long-term environmental damage directly resulting from operations.

**EL 5.5.1:** Infrastructure and equipment investments that fail to minimize or eliminate greenhouse gas emissions and long-term environmental damage when economically and technologically reasonable.

**EL 5.5.2:** Net positive greenhouse gas emissions beyond 2030.

## Appendix III

### Proposed monitoring calendar

Month	Reported by GM	Reported by Board
May	EL Global	GP 8 - Giving Programs
June	EL 2 - Assets	GP 6 - Recruitment/Continuity
July	EL 1 - Finances (Q2)	
August		
September	EL 3 - Relationship to Emp.	
October	EL 1 - Finances (Q3)	GP 9 - Neighboring Co-ops
November		GP 5 - President's Role
December	EL 4 - Relationship to BoD*	GP 3 - Gov Development
January	EL 5 - Integrity	GP 10/11 - Committees, GP 2 - Board Deliverables
February	EL 1 - Finances (Q4, End of Year)	GP 4 - Code of Conduct, B-GM 2 - GM Accountability, B-GM 3 - Delegation to GM
March	Ends Global	B-GM Global B-GM 1 - Unity of Cntrl B-GM 4 - Monitoring GM Performance
April	EL 1 - Finances (Q1)	GP Global GP 1 - Governing Style GP 7 - Monitoring Board Performance